

University of Vermont Board of Trustees

JANUARY 30-31, 2020

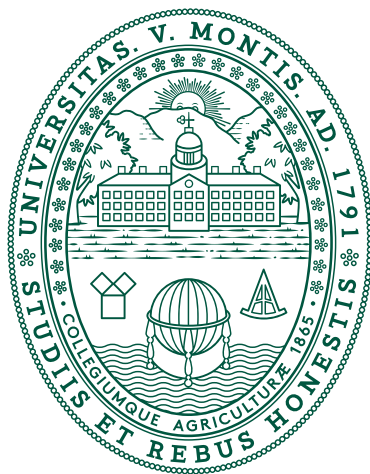


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**THE UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTEES MEETING SCHEDULE
January 30 – 31, 2020
Dudley H. Davis Center, 590 Main Street**

Thursday, January 30, 2020

2:00 p.m. – 3:30 p.m. **AUDIT COMMITTEE**
Livak Ballroom (417-419)

Friday, January 31, 2020

8:00 a.m. – 10:00 a.m. **COMMITTEE OF THE WHOLE**
Silver Maple Ballroom (401)

10:15 a.m. – 12:15 p.m. **EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES
COMMITTEE**
Livak Ballroom (417-419)

10:15 a.m. – 12:15 p.m. **BUDGET, FINANCE AND INVESTMENT COMMITTEE**
Silver Maple Ballroom (401)

12:15 p.m. – 1:15 p.m. **LUNCH**

1:15 p.m. – 2:15 p.m. **VERMONT AGRICULTURAL COLLEGE BOARD**
Chittenden Bank Room (413)

1:15 p.m. – 2:15 p.m. **UNIVERSITY OF VERMONT BOARD**
Boulder Society Room (411)

2:30 p.m. – 4:15 p.m. **BOARD OF TRUSTEES**
Silver Maple Ballroom (401)



The University of Vermont

Office of the President

January 23, 2020

From: Suresh V. Garimella, President

To: Board of Trustees

Re: **Board Meeting, January 30-31, 2020**

I enclose materials related to next week's Board of Trustees meeting. Committee and board meetings will be held in the Dudley H. Davis Center and will conclude on Friday afternoon.

Appended to this memo is a tabular summary that offers a succinct overview of strategic action items coming before the board. The summary, the individual committee meeting agendas and accompanying executive summaries provide an overview of key issues and decisions before the board. Following is a summary of the highlights:

- The Audit Committee will meet on Thursday afternoon. KPMG will present the fiscal year 2019 uniform administrative requirements, cost principals and audit requirements for federal awards and NCAA agreed-upon procedures. The committee will receive an annual report on the enterprise risk management risk-opportunity portfolio, an update on internal audit activities and the results of the annual Audit Committee assessment and compliance surveys.
- The Committee of the Whole will receive customary reports from the chair and president, followed by an opportunity for trustees to engage in dialogue with the Student Government and Graduate Student Senate presidents. The committee will be asked to accept the fiscal year 2019 financial audited statements and approve meeting and retreat dates for 2021. The academic presentation will highlight the essential and impactful role information technology plays in support of discovery and innovation at a comprehensive research university. Time is reserved at the end of the meeting for a brief executive session to discuss labor relation agreements.
- At the Educational Policy & Institutional Resources (EPIR) Committee meeting, Provost Prelock will update the committee on plans to engage in leadership conversations during the spring 2020 semester around transforming the existing academic excellence goals to a more current set of goals supporting strategic academic priorities including: student success and access, enhancing our research portfolio, and meeting our land grant mission. The committee will be briefed on the university's current and potential role in each area, as well as the process that will be employed to develop new goals. Additionally, the committee will hear from students about their experiences with student clubs and discuss the value of club engagement and how it supports personal, professional, and career development.

The committee will be asked to consider action items recommended by the Faculty Senate and endorsed by the President and Provost. Time is reserved to address questions pertaining to the annual and routine reports including: the Provost's report; annual report from the Vice President for Human Resources, Diversity & Multicultural Affairs; annual student affairs report; capital projects progress report; and the Faculty Senate Curricular Affairs committee chair's report.

- The Budget, Finance & Investment (BFI) Committee will conduct its annual review of the Debt policy and financial ratios and be asked to reaffirm the policy with no changes. The committee will receive a routine report from the Investment Subcommittee and be asked to reaffirm the Endowment Budget and Endowment Administrative Fee policies as recommended by the subcommittee. The Vice President for Finance report will be presented and cover the second quarter general fund budget to actuals and include an annual review of net assets, the green revolving loan fund, sources and uses update for capital projects and an update on fundraising efforts associated with capital projects. A preview of the administration's fiscal year 2021 budget development process and review of associated key budget assumptions tuition will be presented. The committee will be asked to consider a resolution setting rates for the comprehensive fee, student government association and inter-residence association fees and room and meal rates for fiscal year 2021. The administration will seek authorization related to expenditures for the Firestone Medical Research Building and recital hall expansion and renovation projects.
- The UVM Board will elect new board members and review and accept the annual Wilbur Trust Grant Awards report.
- The Vermont Agricultural College Board will discuss emerging issues in the 2020 legislative session and debrief last year's legislative summit and discuss potential topics, and timing, for the 2020 legislative summit.
- At the Full Board meeting, an opportunity for public comment will be offered. The board will receive committee reports and will act on the consent agenda of recommended action items. The board will elect university and board officers, with the exception of the board chair, who will be elected at a special meeting to be held on March 2, 2020, after new trustees begin their terms.
- I also would like to call to your attention the reports provided in the last section of the meeting materials.

I look forward to seeing everyone next week.

TABULAR SUMMARY OF STRATEGIC ACTION ITEMS

Board of Trustees, January 30-31, 2020

NOTE: “Strategic” in this context is defined as a matter that has significant strategic, fiduciary, or policy implications for UVM.

ITEM	COMMITTEE	EXECUTIVE SUMMARY	STRATEGIC, POLICY OR FIDUCIARY IMPLICATIONS	RELATED MATERIALS	PRESENTER(S)
Fiscal Year (FY) 2019 Audited Financial Statements	Committee of the Whole	As recommended by Audit, resolution accepting FY 2019 Audited Financial Statements	Financial; Fiduciary	Attachment 4; Report B	Audit Committee Chair Juskiewicz
Annual review of Affirmative Action/Equal Opportunity statements	Educational Policy & Institutional Resources	Resolution reaffirming the Equal Employment Opportunity/Affirm. Action Policy Statement and the Equal Opportunity/Educ. Programs and Activities & Non-Harassment Policy	Policy	Attachment 2; Appendices A & B	Vice President Heading-Grant
Annual review of Debt policy	Budget, Finance & Investment	Resolution reaffirming the Debt policy	Strategic; Policy; Fiduciary; Financial	Attachment 2; Appendix A	Vice President Cate; Controller Burlingham
Endowment Budget policy	Budget, Finance & Investment	As recommended by the Investment Subcommittee (ISC), resolution reaffirming the policy	Strategic; Policy; Fiduciary	Attachment 2	ISC Chair Brennan
Endowment Administrative Fee policy	Budget, Finance & Investment	As recommended by the ISC, resolution reaffirming the policy	Strategic; Policy; Fiduciary	Attachment 2	ISC Chair Brennan

TABULAR SUMMARY OF STRATEGIC ACTION ITEMS

Board of Trustees, January 30-31, 2020

NOTE: “Strategic” in this context is defined as a matter that has significant strategic, fiduciary, or policy implications for UVM.

ITEM	COMMITTEE	EXECUTIVE SUMMARY	STRATEGIC, POLICY OR FIDUCIARY IMPLICATIONS	RELATED MATERIALS	PRESENTER(S)
Maximum Fees for FY 2021	Budget, Finance & Investment	Resolution setting maximum rates for comprehensive, SGA and IRA fees.	Policy; Financial	Attachment 2 & 7	Vice President Cate; Budget Director Bergquist
Room & Meal Plans Rates for FY 2021	Budget, Finance & Investment	Resolution approving room & meal plan rates for FY 2021 to allow Residential Life to enter into contracts with students prior to formal budget approval in May	Strategic; Financial	Attachment 2	Vice President Cate; Budget Director Bergquist
Firestone Medical Research Building project	Budget, Finance & Investment	Resolution authorizing expenditures from gift funds, dean’s reserves, university general fund reserves and reserves of the University Medical Education Association	Strategic; Fiduciary	Attachments 2 & 3	Vice President Cate; Director of Capital Planning & Management Robert Vaughan
Recital Hall expansion and renovation project	Budget, Finance & Investment	Resolution authorizing an increase in expenditures from additional gift funds and from available UVM Foundation and University reserves	Strategic; Fiduciary	Attachment 2	Vice President Cate; Director of Capital Planning & Management Robert Vaughan

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTEES
 January 30-31, 2020
 The Dudley H. Davis Center
 590 Main Street
 Burlington, Vermont

Thursday, January 30, 2020

2:00 p.m. – 3:30 p.m.

AUDIT COMMITTEE

Livak Ballroom, 417-419 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		*2:00 p.m.
Approval of November 4, 2019 Meeting Minutes	Bernard Juskiewicz	2:00-2:05
Presentation of the: <ul style="list-style-type: none"> Fiscal Year (FY) 2019 uniform administrative requirements, cost principles, and audit requirements for federal awards (Uniform Guidance) FY 2019 NCAA agreed-upon procedures report Management response 	Richard Cate Claire Burlingham Renee Bourget-Place, KPMG	2:05-2:30
Internal audit update	Bill Harrison	2:30-2:40
Annual compliance survey results	Tessa Lucey	2:40-2:55
Enterprise risk management (ERM) - risk and opportunity portfolio update	Gary Derr Al Turgeon	2:55-3:20
Report on the results of the 2019 Audit Committee assessment survey	Bernard Juskiewicz	3:20-3:25
Other business**	Bernard Juskiewicz	3:25-3:00
Motion to adjourn		3:00 p.m.

*Times are approximate. **Executive session, as needed.

Friday, January 31, 2020

8:00 a.m. – 10:00 a.m.

COMMITTEE OF THE WHOLE

Silver Maple Ballroom, 401 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		*8:00 a.m.
Approval of the October 25, 2019 meeting minutes	David Daigle	8:00-8:05
Chair's Report	David Daigle	8:05-8:10
President's Report	Suresh Garimella	8:10-8:15
Governance leaders discussion <ul style="list-style-type: none"> Student Government Association President Graduate Student Senate President 	Jillian Scannell Jessica Bocanegra	8:15-8:45
Action items: <ul style="list-style-type: none"> Resolution accepting fiscal year (FY) 2019 audited financial statements & acknowledgement of FY 2019 financial report Approval of 2021 board meeting & retreat dates 	Bernard Juskiewicz David Daigle	8:45-8:50
Academic presentation – <i>The role of information technology at a research university</i>	Richard Galbraith Simeon Ananou Adrian Del Maestro Emanuel Casiano-Diaz	8:50-9:30
Break		9:30-9:40
Motion to enter executive session**		
Collective bargaining updates	Sharon Reich Paulsen	9:40-9:55

Motion to go out of executive session		
Other business <ul style="list-style-type: none"> Resolution authorizing negotiation of collective bargaining agreements with United Academics and United Electrical 	David Daigle	9:55-10:00
Motion to adjourn		10:00 a.m.

*Times are approximate. **The Chair will enter executive session to discuss contracts, labor relation agreements and confidential attorney-client communications. Action is anticipated following.

10:15 a.m. – 12:15 p.m. **EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE**

Livak Ballroom, 417-419 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		*10:15 a.m.
Approval of October 25, 2019 meeting minutes	Carolyn Dwyer	10:15-10:20
Academic success goals update	Patricia Prelock Richard Galbraith Stacey Kostell J. Dickinson Scott Thomas Jean Harvey	10:20-11:05
Student clubs and personal, professional, and career development	Daphne Wells Aayudh Das Ben Church Lauren Cozzens Madison Tiedt	11:05-11:25
Action items: <ul style="list-style-type: none"> Resolution approving the termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College (<i>Dormant; has not accepted students since 2011; all other active MEd programs remain.</i>) Resolution approving the termination of the Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences (<i>Low enrollment since inception; all other BS degrees in Engineering remain.</i>) Resolution approving the creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences Resolution approving the creation of a minor in Biosecurity in the College of Agriculture and Life Sciences <i>Pending review by the Faculty Senate on 1/27/2020 and subsequent approval by the president and provost:</i> <ul style="list-style-type: none"> Resolution approving the termination of the Bachelor of Music degree in the College of Arts and Sciences (<i>Low enrollment since inception; intended to prepare professional musicians; the BA in Music remains.</i>) Resolution approving the creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College 	Carolyn Dwyer	11:25-11:35
Resolution reaffirming the Equal Employment Opportunity/Affirmative Action policy and the Equal Opportunity in Educational Programs and Activities and Non-Harassment policy	Wanda Heading-Grant	11:35-11:40
Q&A on routine and annual reports		11:40-12:00

<ul style="list-style-type: none"> • Provost's report • Annual Vice President for Human Resources, Diversity & Multicultural Affairs report • Annual student affairs report • Capital projects progress report • Faculty Senate Curricular Affairs Committee chair's report 	Patricia Prelock Wanda Heading-Grant Annie Stevens Robert Vaughan Laura Almstead	
Other business**	Carolyn Dwyer	12:00-12:15
Motion to adjourn		12:15 p.m.

*Times are approximate. ** Executive session as needed.

10:15 a.m. – 12:15 p.m.

BUDGET, FINANCE AND INVESTMENT COMMITTEE

Silver Maple Ballroom, 401 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		*10:15 a.m.
Approval of the October 25, 2019 meeting minutes	Don McCree	10:15-10:20
Resolution authorizing expenditures for the development and construction of the Firestone Medical Research Building project	Richard Cate Robert Vaughan	10:20-10:30
Resolution authorizing expenditures for the Recital Hall expansion and renovation project	Richard Cate Robert Vaughan	10:30-10:40
Debt policy annual review <ul style="list-style-type: none"> • Resolution reaffirming the Debt policy • Annual financial ratios review 	Claire Burlingham Richard Cate	10:40-11:00
Report of the Investment Subcommittee <ul style="list-style-type: none"> • Endowment performance update • Resolution reaffirming the Endowment Budget policy • Resolution reaffirming the Endowment Administrative Fee policy 	Robert Brennan	11:00-11:15
Vice President's report <ul style="list-style-type: none"> • Second quarter general fund budget to actuals • Sources and uses update for capital projects • Net assets annual review • Green revolving loan fund annual report • Fundraising update on capital projects 	Richard Cate Shari Bergquist Claire Burlingham	11:15-11:30
Fiscal year 2021 budget <ul style="list-style-type: none"> • Preview of key budget assumptions • Resolution setting the comprehensive fee, student government association and inter residence association fees fiscal year 2021 • Resolution approving room and meal plan rates for fiscal year 2021 	Richard Cate Shari Bergquist	11:30-11:50

Motion to enter into executive session**		
Appointment of Investment Subcommittee advisor	Don McCree	11:50-12:00
Motion to go out of executive session		
Other business <ul style="list-style-type: none"> Resolution approving appointment of Investment Subcommittee advisor 	Don McCree	12:00-12:15
Motion to adjourn		12:15 p.m.

*Times are approximate. ** The Chair will entertain a motion to enter into executive session to discuss a contract and to receive advice of counsel. Action is anticipated to follow.

12:15 p.m. – 1:15 p.m.

LUNCH

1:15 p.m. – 2:15 p.m.

VERMONT AGRICULTURAL COLLEGE BOARD Chittenden Bank Room, 413 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		*1:15 p.m.
Approval of October 25, 2019 meeting minutes	Tristan Toleno	1:15-1:20
Emerging issues in the 2020 legislative session	Tristan Toleno Wendy Koenig	1:20-1:50
Legislative summit <ul style="list-style-type: none"> Report on the 2019 legislative summit on innovations in education and research for the benefit of Vermont at the University of Vermont's Larner College of Medicine Discuss potential topics, and timing, for the 2020 legislative summit 	Wendy Koenig	1:50-2:10
Other business**	Tristan Toleno	2:10-2:15
Motion to adjourn		2:15 p.m.

*Times are approximate **Executive session as needed.

1:15 p.m. – 2:15 p.m.

UNIVERSITY OF VERMONT BOARD Boulder Society Room, 411 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		*1:15 p.m.
Approval of December 11, 2019 meeting minutes	Ron Lumbra	1:15-1:17
Acceptance of Annual Wilbur Trust Grant Awards report	Ron Lumbra	1:17-1:22
Wilbur Trust update	Ron Lumbra	1:22-1:25
Motion to enter executive session**		
Trustee recruitment	Ron Lumbra	1:25-2:05
Motion to go out of executive session		
Election of new board members	Ron Lumbra	2:05-2:10
Other business	Ron Lumbra	2:10-2:15
Motion to adjourn		2:15 p.m.

*Time is approximate ** The Chair will entertain a motion to enter into executive session to discuss the evaluation and appointment of public officers. Action is anticipated following the executive session.

2:30 p.m. – 4:15 p.m.

FULL BOARD

Silver Maple Ballroom, 401 Dudley H. Davis Center

<i>Item</i>	<i>Discussion Leader</i>	<i>Time</i>
Call to order		2:30 p.m.
Approval of October 26, 2019 meeting minutes	David Daigle	2:30-2:35
Public comment	David Daigle	2:35-2:50
Committee reports		2:50-3:10
Audit	Bernard Juskiewicz	
Educational Policy & Institutional Resources	Carolyn Dwyer	
Budget, Finance & Investment	Don McCree	
Board Governance	Frank Cioffi	
VT Agricultural College Board	Tristan Toleno	3:10-3:15
UVM Board	Ron Lumbra	3:15-3:20
Election of board & university officers	David Daigle Frank Cioffi	3:20-3:25
Retiring trustee resolutions	David Daigle Ron Lumbra	3:25-3:35
Approval of consent agenda	David Daigle	3:35-3:45
Other business	David Daigle	3:45-4:15
Motion to adjourn		4:15 p.m.

*Time is approximate. ** Executive session as needed.

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

AUDIT COMMITTEE

Chair Bernard Juskiewicz, Vice Chair Shap Smith, David Aronoff, Otto Berkes, David Gringeri, Curt McCormack, and Ed Pagano, Representative Doug Hoffer of the State Auditor's Office, Faculty Representative Barbara Arel, Staff Representative Mindy Kear, Student Representative Jared Percoco, Graduate Student Representative Aayudh Das, and Alumni Representative (vacant)

Thursday, January 30, 2020

2:00 p.m. – 3:30 p.m.

Livak Ballroom (417-419), Dudley H. Davis Center

AGENDA

Item		Enclosure/ Exemption	Discussion Leader(s)	Times*
	Call to order			**2:00 p.m.
1.	Approval of November 4, 2019 meeting minutes	Attachment 1	Bernard Juskiewicz	2:00-2:05
2.	Presentation of the: <ul style="list-style-type: none">Fiscal year (FY) 2019 uniform administrative requirements, cost principles, and audit requirements for federal awards (Uniform Guidance)FY 2019 NCAA agreed-upon procedures reportManagement response	Separate distribution	Richard Cate Claire Burlingham Renee Bourget-Place, KPMG	2:05-2:30
3.	Internal audit update	Attachment 2	Bill Harrison	2:30-2:40
4.	Annual compliance survey results	Attachment 3	Tessa Lucey	2:40-2:55
5.	Enterprise risk management (ERM) - risk and opportunity portfolio update	Report A	Gary Derr Al Turgeon	2:55-3:20
6.	Report on the results of the 2019 Audit Committee assessment survey		Bernard Juskiewicz	3:20-3:25
7.	Other business*		Bernard Juskiewicz	3:25-3:30
	Motion to adjourn			3:30 p.m.

*Executive session, as needed.

** Time is approximate.

Audit Committee Executive Summary

January 30, 2020

**Prepared By
William Harrison, Chief Internal Auditor**

ACTION ITEMS

Approval of previous meeting minutes

The minutes for the November 4, 2019, meeting are included as **Attachment 1**.

Action: Motion to approve the minutes.

DISCUSSION ITEMS

Presentation of the fiscal year (FY) 2019 uniform administrative requirements, cost principles, and audit requirements for federal awards (Uniform Guidance) and FY 2019 NCAA agreed-upon procedures report and management response - Renee Bourget-Place of KPMG, Vice President for Finance and Treasurer Richard Cate, and University Controller Claire Burlingham will present the FY 2019 Uniform Guidance and NCAA agreed-upon procedures reports. **Separate distribution**

Internal audit update - Chief Internal Auditor Bill Harrison will report on internal audit activity. **Attachment 2**

Annual compliance survey results - Director of Compliance Services and Chief Privacy Officer Tessa Lucey will report on the results of the 2019 compliance services survey. **Attachments 3**

Enterprise risk management (ERM) - risk and opportunity portfolio update - Vice President for Operations and Public Safety Gary Derr and Chief Risk & Public Safety Officer Al Turgeon will provide a status update to the Committee on the ERM program. **Report A**

Report on the results of the 2019 Audit Committee assessment survey - Chair Bernard Juskiewicz will report on the results of the 2019 survey.

OTHER BUSINESS

Time will be reserved at the end of the meeting for discussion of other business and an executive session as needed.

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

A meeting of the Audit Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on November 4, 2019, at 10:00 a.m. in room 427A Waterman Building.

MEMBERS PRESENT: Chair Bernard Juskiewicz, David Gringeri*, Curt McCormack, and Ed Pagano*

MEMBERS ABSENT: Vice Chair Shap Smith, David Aronoff, and Otto Berkes

REPRESENTATIVES PRESENT: Faculty Representative Barbara Arel, Staff Representative Mindy Kear, Graduate Student Representative Aayudh Das, and Student Representative Jared Percoco

REPRESENTATIVES ABSENT: Vermont State Auditor Douglas Hoffer and Alumni Representative (appointment pending)

PERSONS ALSO PARTICIPATING: President Suresh Garimella, Vice President for Finance and Treasurer Richard Cate, Chief Internal Auditor William Harrison, University Controller Claire Burlingham, Director of Compliance Services and Chief Privacy Officer Tessa Lucey, and Renee Bourget-Place and Sara Timmerman of KPMG

*Participated via phone.

Chair Bernard Juskiewicz called the meeting to order at 10:00 a.m.

Approval of Minutes

A motion was made, seconded and voted to approve the September 9, 2019, meeting minutes.

Presentation of the fiscal year (FY) 2019 financial statement audit and management letter and response

University Controller Claire Burlingham began by presenting the draft annual financial report and offered a brief overview of her Annual Financial Report FY 2019 Highlights presentation. She reviewed the required financial statement and supplemental information, the University's FY 2019 financial position, significant line items in the statements of net position and statements of revenues, expenses, and changes in net position, and the breakdown of FY 2019 revenues, expenses, and operating expenses.

Ms. Burlingham noted that the University's total liabilities decreased primarily because of Governmental Accounting Standards Board (GASB) statement number 75 - Accounting and

Financial Reporting for Postemployment Benefits Other than Pensions which requires the University to recognize its entire post-retirement employment benefits liability.

In conclusion, Ms. Burlingham was pleased to report that the audit resulted in no material weaknesses, significant deficiencies, or a management findings letter.

KPMG report to the Audit Committee

Lead Audit Engagement Partner Renee Bourget-Place began by reviewing the results of the financial statement audit. KPMG noted no matters involving the internal control structure and its operations that they considered to be material weaknesses or significant deficiencies. One audit adjustment was corrected in the financial statements and there were no adjustments that management chose not to correct.

Next, KPMG Lead Audit Engagement Manager Sara Timmerman walked through the audit focus areas noting that there were no significant changes to the audit plan presented to the Committee in April.

In conclusion, Ms. Bourget-Place reviewed KPMG's required communications noting that there were no issues to report.

Acceptance of the FY 2019 audited financial statements

Chair Juskiewicz presented the following resolution recommending the FY 2019 audited financial statements to the Board of Trustees for acceptance.

Acceptance of fiscal year 2019 audited financial statements

WHEREAS, the financial Statements of the University of Vermont and State Agricultural College for the fiscal year ended June 30, 2019, have been audited by KPMG LLP, Certified Public Accountants, in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, the Audit Committee hereby accepts and recommends that the Board of Trustees accept the fiscal year 2019 audited financial statements.

A motion was made, seconded and it was unanimously voted to approve the resolution as presented.

Compliance annual update

Director of Compliance Services and Chief Privacy Officer Tessa Lucey offered a few highlights from her 2019 Annual Report. Ms. Lucey began by explaining that the University's Compliance Program is based on the Seven Elements of an Effective Compliance Program as outlined by the Federal Sentencing Guidelines.

Continuing on, Ms. Lucey offered an example of how the compliance program is breaking down silos and can help departments across the University work collaboratively across campus to bring similar efforts together to efficiently utilize University resources. She also reviewed Ethics and Compliance Reporting and Help Line statistics, compliance consultations, and work with the Chief Risk & Public Safety Officer on the required training project. In conclusion, she summarized enhancements to the University's policy management process.

2020 draft internal audit and compliance work plan

Chief Internal Auditor Bill Harrison presented the draft 2020 Audit and Compliance work plan. Mr. Harrison referred the Committee to the work plan, which provides a brief overview of the methodology used, the resources available to carry it out, and the specific projects to be carried out over the next year.

Audit Committee work plan review

Chief Internal Auditor Bill Harrison reviewed the 2019 and 2020 Audit Committee work plans. Starting with the 2019 plan, he noted that the Committee completed all of its planned work. Moving on to the 2020 plan, Mr. Harrison explained that the newest version of the Enterprise Risk Management Risk and Opportunity Portfolio would be presented at the January 30, 2020 meeting and that the work plan will be updated to reflect the risks and opportunities assigned to the Committee.

Adjournment

There being no further business, the meeting was adjourned at 10:45 a.m.

Respectfully submitted,

Chair Bernard Juskiewicz

Internal Audit Update

Summary of Reports and Work Plan Status

**Board of Trustees
Audit Committee**

**Prepared By
William Harrison, Chief Internal Auditor
Report Date: December 31, 2019**

The following is a summary of internal audit activity (Table 1), the status of internal audit work plan projects (Table 2) as of December 31, 2019.

A. SUMMARY OF AUDIT REPORTS AND OTHER WORK PRODUCTS

Table 1:
Internal Audits and Other Work Products as of 12/31/19

Report Number	Report Title	Date Issued	Number of Recommendations
20-00x	Family Medical Leave Act	DRAFT	3
20-00x	EthicsPoint Report No. 139	DRAFT	0
20-00x	EthicsPoint Report No. 122	DRAFT	2
20-00x	Scholarship Administration	DRAFT	10
20-00x	Controlled Substances	DRAFT	3
20-00x	Protecting Minors	DRAFT	4
20-005M	Exception Time Reporting	12/03/19	2
20-004	FY 2019 Presidential Housing Expenses	08/05/19	0
20-003	Research Advisory Project Summary Report	07/26/19	0
20-002	CNHS Research Administration Advisory Report	07/26/19	0
20-001M	Summary of Training Related Observations	07/03/19	0

B. 2020 INTERNAL AUDIT WORK PLAN STATUS UPDATE

Table 2:
Internal Audit Work Plan Completion as of 12/31/19

Project	Planning	Fieldwork	Discussion Draft	Final Draft Report
Scholarship Administration			X	
Controlled Substances			X	
Protecting Minors on Campus			X	
Grade Changes (+Banner Access Control)			X	
Family Medical Leave Act			X	
Annual Grant Program Audit		X		
Presidential Housing Compilation Review		X		
Presidential Search Committee Expenses		X		

Project	Planning	Fieldwork	Discussion Draft	Final Draft Report
Laboratory Safety Assessment		X		
State Residency Requirements	X			
Network Penetration Test	X			
Management Request	X			
Management Request	X			
Management Request	X			
Management Request	X			
Admissions Process				
Student Fees				
Exception Time				
Data Governance				
EthicsPoint Report No. 139			X	
EthicsPoint Report No. 122			X	

The following is a summary of recommendations (Table 3), status of recommendations (Table 4), and open and closed recommendations (Table 5) as of December 31, 2019.

**Table 3:
Internal Audit Recommendations as of 12/31/19**

Report Number	Report Title	Date Issued	Number of Recommendations					Projected Final Action Date
			E	S	U	NR	Total	
20-005M	Exception Time Memo	12/03/19	0	0	2	0	2	1/24/20
19-014	EthicsPoint Report No. 129	06/21/19	0	5	3	0	8	02/15/20
19-008	Distributed IT Application Review	01/25/19	2	4	2	0	8	06/30/22
19-007	Cybersecurity Governance Assessment	01/18/19	19	43	3	0	65	06/30/22
19-006	EthicsPoint Report No. 114	11/07/18	0	0	3	0	3	03/31/20
19-002	Student Housing Rates	07/06/18	0	0	1	0	1	12/31/19
19-001	CATcard Access Control	07/03/18	0	0	6	0	6	12/31/19
18-012	COBRA Compliance Audit	05/15/18	0	2	0	0	2	09/30/19
18-008	Workshop Safety Program Assessment	04/06/18	0	1	0	0	1	06/30/20
18-003	Professional Consulting Services	09/22/17	0	0	0	2	2	06/30/20

Report Number	Report Title	Date Issued	Number of Recommendations					Projected Final Action Date
			E	S	U	NR	Total	
17-015	Video Surveillance	05/18/17	0	4	9	0	13	06/30/20
17-009	Tractor and Farm Safety	11/03/16	0	5	2	0	7	03/31/20
16-013M	Recorded Vacation Time Review	03/21/16	0	1	1	0	2	05/31/20
15-004M	Auto-Forwarding Email	11/03/14	0	1	0	0	1	06/30/20
14-009M	Physical and Electronic Building Access Control	01/23/14	0	2	0	0	2	06/30/20
Total Recommendations			21	68	32	2	123	

**Table 4:
Status of Internal Audit Recommendations as of 12/31/19**

Report Number	Report Title	Date Issued	Number of Recommendations		Projected Final Action Date
			Open	Complete	
20-005M	Exception Time Memo	12/03/19	2	0	1/24/20
19-014	EthicsPoint Report No. 129	06/21/19	4	4	02/15/20
19-008	Distributed IT Application Review	01/25/19	8	0	06/30/22
19-007	Cybersecurity Governance Assessment	01/18/19	63	2	06/30/22
19-006	EthicsPoint Report No. 114	11/07/18	1	2	03/31/20
19-002	Student Housing Rates	07/06/18	0	1	12/31/19
19-001	CATcard Access Control	07/03/18	0	6	12/31/19
18-012	COBRA Compliance Audit	05/15/18	0	2	09/30/19
18-008	Workshop Safety Program Assessment	04/06/18	1	0	06/30/20
18-003	Professional Consulting Services	09/22/17	1	1	06/30/20
17-015	Video Surveillance	05/18/17	1	12	06/30/20
17-009	Tractor and Farm Safety	11/03/16	4	3	03/31/20
16-013M	Recorded Vacation Time Review	03/21/16	1	1	05/31/20
15-004M	Auto-Forwarding Email	11/03/14	1	0	06/30/20
14-009M	Physical and Electronic Building Access Control	01/23/14	1	1	06/30/20
Total Open and Closed Recommendations			88	35	

Table 5: Open and Closed Recommendations	
Open Recommendations	
Recommendations Open at the Beginning of the Reporting Period	97
New Recommendations Made During the Reporting Period	2
Total Recommendations	99
Management Actions	
Closed Consistent with OAS Recommendations	8
Management Decision That No Action is Required	3
Recommendations Open at the End of the Reporting Period	88

Status of Recommendations Tables Definitions:

1. Classification of Audit Recommendations

- Essential – implementation of the recommendation(s) would help to avoid a probable and potentially critical negative impact involving financial, operational, health and safety, information technology, compliance, and reputational risks or non-compliance with institutional policies and procedures.
- Significant – implementation of the recommendation(s) would help to avoid a possible and potentially significant negative impact involving financial, operational, health and safety, information technology, compliance, and reputational risks or non-compliance with institutional policies and procedures.
- Useful - implementation of the recommendation(s) would help to improve University processes and internal controls. These recommendations may be in writing or communicated orally to unit management at the exit conference.

2. Status of Audit Recommendations

- Green – the management update indicates that there has been progress towards implementation of the recommendation(s); the time line for implementation is still within the agreed upon completion dates.
- Yellow – the management update indicates that there has been progress towards implementation of the recommendation(s); however, the time line for implementation has been extended beyond the original agreed upon completion dates.
- Red – the management response or update is incomplete or indicates that there has been a lack of progress towards implementation of the recommendation(s).
- Blue – all recommendations have been closed.



The University of Vermont

2019 Annual Compliance Survey Results

Office of Compliance &
Privacy Services

January 10, 2020

OFFICE OF AUDIT, COMPLIANCE AND PRIVACY SERVICES

WILLIAM HARRISON
Chief Internal Auditor

TESSA LUCEY
Director of Compliance Services
and Chief Privacy Officer

EMILY HARWOOD
Compliance Specialist

AMY VILE
Administrative Assistant

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SECTION I: INTRODUCTION

The University of Vermont's Compliance Program ("the Program"), as evidenced by these survey results, continues to have a positive impact on the University's Culture of Compliance. Having all of the pieces of an effective compliance program in place, doing our best to make sure that all members of UVM's workforce not only know and understand the Program but also their individual roles in compliance, and giving members of the workforce a voice in matters of compliance are steps we can take to continually improve this culture.

SECTION II: KEY HIGHLIGHTS

The Office of Compliance and Privacy Services ("the Office") Annual Compliance Survey ("the Survey") has now completed its tenth year. Over the years, we have seen some measures increase and some decrease. This year's results continue to show some level of improvement across most measures. While many improvements were modest, the continued improvement across these measures and constituent groups is very encouraging.



With approval and support from the Audit Committee, 2019 represents the first year that the Survey was sent to a sample of UVM employees. Historically, the Survey was sent to all employees. While the total number invited to participate in the survey decreased from 5,636 in 2018 to 1,000 this year, the percentage of those who responded increased from 37% to 39%.



The results showed improvement for two of the three awareness indicators and for two of the three culture indicators. The third culture indicator remained steady while the third awareness indicator dropped slightly.



The one-year trends for faculty that reported high awareness of all three measures (office, code and reporting) increased with the largest increase in the part-time faculty cohort.



Overall, those who responded that they have high-confidence in non-retaliation decreased minimally between 2018 and 2019. The biggest decreases were in the part-time cohorts and in the management cohort.

SECTION III: BACKGROUND



SURVEY RECIPIENTS

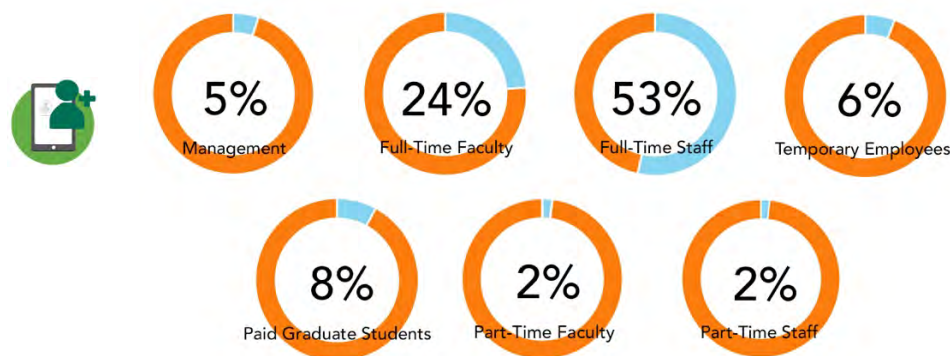
For the first time since the survey began, the survey was sent to a sample of individuals within each cohort. The Office worked with the Office of Institutional Research ("OIR") to develop a statistically valid sample of individuals representing management, full-time and part-time faculty, full-time and part-time staff, graduate students receiving stipends and temporary employees. The methodology is included in Appendix B.



SURVEY OBJECTIVES

Survey data is used to help the Office continually improve the efficiency and effectiveness of the Program and foster a Culture of Compliance. The Survey helps us measure how we are doing in this regard. The objectives of this survey are to: (1) measure the change in awareness of the Program and its core elements over time; (2) provide a snapshot of key indicators that reflect UVM's Culture of Compliance; and (3) provide information related to program effectiveness that the Audit Committee of the Board of Trustees needs in order to fulfill its obligation under the United States Federal Sentencing guidelines and under its charter.

RESPONDENT BREAKDOWN



SECTION IV: RESULTS SUMMARY & ANALYSIS

AWARENESS

We were very pleased to see that the combined results across all cohorts showed improvement for two of the three awareness indicators (Appendix A, Table 1-1). The awareness questions are designed to gauge the visibility of the Office and the Program by asking employees how aware they are of (i) the Office of Compliance Services; (ii) the University's Code of Conduct; and (iii) UVM's compliance reporting mechanisms. Reporting awareness increased by 4% over last year. Over the 5-year look-back period, this measure has increased by 35% indicating that more employees know how to report compliance matters. Similarly, while the Code awareness only increased 1% from last year, the 5-year cumulative increase is 15%. The awareness of the office dropped 2% from last year which represents the first drop in this indicator since 2015. However, over the 5-year look-back period, awareness of the office remains up by 9%.

As we have described in previous surveys, the faculty group tended to lag behind in the awareness measures. Beginning in 2016, the Office increased its outreach to this group and we were encouraged to see these measures jump in 2017. At the time, we were not sure if the increase could be maintained; however, we are encouraged to see that for two consecutive years, the results have continued on an upward trajectory. This year's results for both the full-time and part-time faculty cohorts shows that the high awareness measures for all three indicators increased.



CULTURE

For the culture measures, the increases over time have been more modest (Appendix A, Table 1-2). The culture questions are designed to reflect employee attitudes towards UVM's Culture of Compliance by asking employees whether (i) they are confident that they would be protected from retaliation if they reported a violation; (ii) the University fosters a "Culture of Compliance;" and (iii) whether they had observed misconduct. While the results for two of the three culture measures rose slightly, the third decreased from last year. We were encouraged to see that both the "Culture of Compliance" indicator and the "did not observe misconduct" indicator both rose by 1% from last year's totals. Over the 5-year look-back period, these same two measures increased by 4% and 6%, respectively. We were somewhat disappointed to see that the indicator for confidence in non-retaliation dropped by 1% from last year with the largest decreases coming from the management, part-time faculty, full-time staff and part-time staff cohorts. While the overall drop is minimal, any drop for this indicator should not be ignored. It is not uncommon to see culture measures fluctuate in times of change. However, if the confidence in protection from retaliation continued to decrease over time, this could indicate that the culture is moving in the wrong direction. Even though this indicator dropped as compared to last year's results, it remains 4% higher than it did at the beginning of the 5-year look-back period. Overall, the perception that UVM fosters a Culture of Compliance held steady but we did see a drop within three of the seven cohorts (staff, part-time staff and faculty) and an increase in the remaining cohorts (management, full-time faculty, graduate students and temporary employees.) The largest decrease in this measure was for the part-time cohorts (faculty and staff) and the biggest increase was with graduate students.

As illustrated in Appendix A, Table 1-2, those who did not observe misconduct continues to trend in a positive direction. What Table 1-2 does not show is that those who observed misconduct decreased from 10% in 2017 and 2018 to 8% this year. This trend is what we want to see. Of the 8% that responded that they observed misconduct, 38% reported it which is 7% lower than last year. While these measures over one year are not enough to draw conclusions, the results for this measure compared to the non-retaliation measure are likely related and should not be ignored.

SECTION V: SURVEY COMMENT SUMMARY

Since the first compliance survey was administered in 2010, the respondents have had the ability to provide comments related to compliance and the compliance program. In part due to a trend in training-related comments, in 2014, a second question was added to solicit suggested compliance training needs. While the other questions are required, individuals may bypass the two comment questions which has historically resulted in few comments. In fact, the number of responses to this question remains too low to draw conclusions; however, we do find this information useful when developing our annual workplan.

GENERAL COMMENTS

In total, out of those responding to the question, “Do you have any general comments or suggestions related to compliance that you would like to share?”, we received comments touching on 7 different topic areas. The topic area receiving the highest number (27%) was related to “Tone from the Top”. Other prevailing topics include comments related to communication, openness and transparency (20%), finance/budget (13%) and retaliation (13%.) As we have done in the past, these “issue-specific” comments will be shared with the applicable oversight official. See Appendix A, Table 2-1.

TRAINING COMMENTS

In addition to the general compliance comments, we also received training comments that were grouped broadly into nine categories illustrated in Appendix A, Table 2-2. The Director continues to provide awareness training and outreach through various means including new staff orientation (Culture & Community), presentations at EDU@UVM, staff, committee, and leadership meetings, annual training for new chairs/directors, new faculty resource fair, periodic newsletters, and, upon request, presentations at administrative group or academic departmental meetings. Last year, we had noted that the categories related to workplace culture/harassment/bullying and sexual harassment combined came in at 31%. We were optimistic that the new Sexual Harassment mandatory training initiative through the University’s Human Resources, Diversity and Multicultural Affairs department would have a positive impact in this area. We were encouraged to see that the 2019 survey noted these two areas combined at 24%, a 7% decrease from the prior year.

SECTION VI: ACTION PLAN

This year’s survey results demonstrate the need for continued action. The increased visibility of the Office and our proactive outreach resulted in positive impacts on the University’s culture and awareness related to the Program since 2015. There was a dip in most measures between 2013 and 2014 when the Office was not fully staffed. Similarly, the Office was short-staffed for much of 2018. This impacted the Office’s ability to provide all of the planned outreach that it had provided between 2015 and 2018. This likely had an impact on the 2019 results. Ongoing initiatives include increased outreach efforts by the Director, new regular and routine campus communications such as policy reminders, compliance and privacy alerts, periodic newsletters, presentations at various group meetings, and increased visibility through membership on various University committees. In addition, the Office’s initiatives related to the Privacy Program will also provide for additional visibility. The Office plans on adding a focus to its 2020 efforts aimed at communicating and educating UVM community members on the institution wide non-retaliation programs and policies that exist across the University. These initiatives are in addition to our ongoing compliance operations that aid and provide consultations on compliance issues throughout the University, as well as our ongoing responsibilities for the HelpLine, policy administration, government reviews and the Enterprise Risk Management process, among others.

SECTION VII: CONCLUSION

Overall, the survey results continue to support the effectiveness of the Program. The areas outlined in the Corrective Action section of this report will be incorporated into the Office's workplan for 2020. Detailed results are available to UVM leadership and to members of the Audit Committee upon request. We are grateful that UVM leadership and the Board of Trustees continue to support the Program in order to achieve the overarching goal of the Program. We look forward to hearing from members of the Audit Committee and members of UVM leadership with questions about this report and/or with suggestions on how we can further foster a Culture of Compliance at the University of Vermont.



APPENDIX A – TABLES

Table 1-1

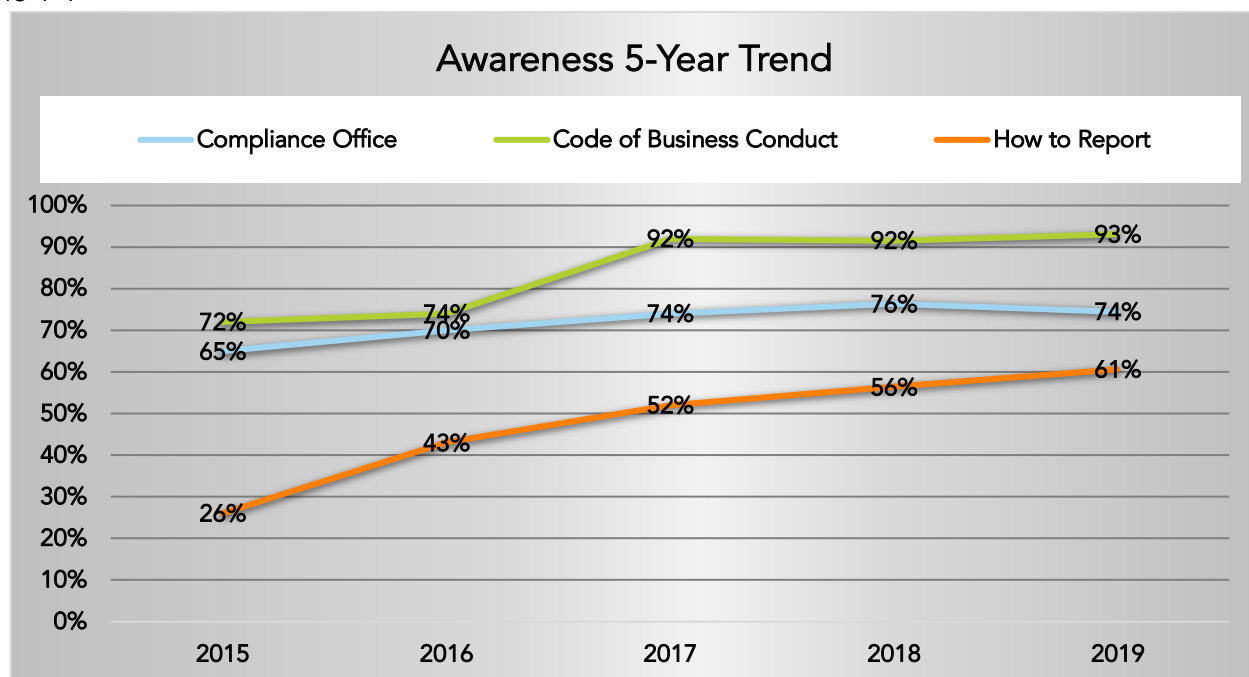


Table 1-2

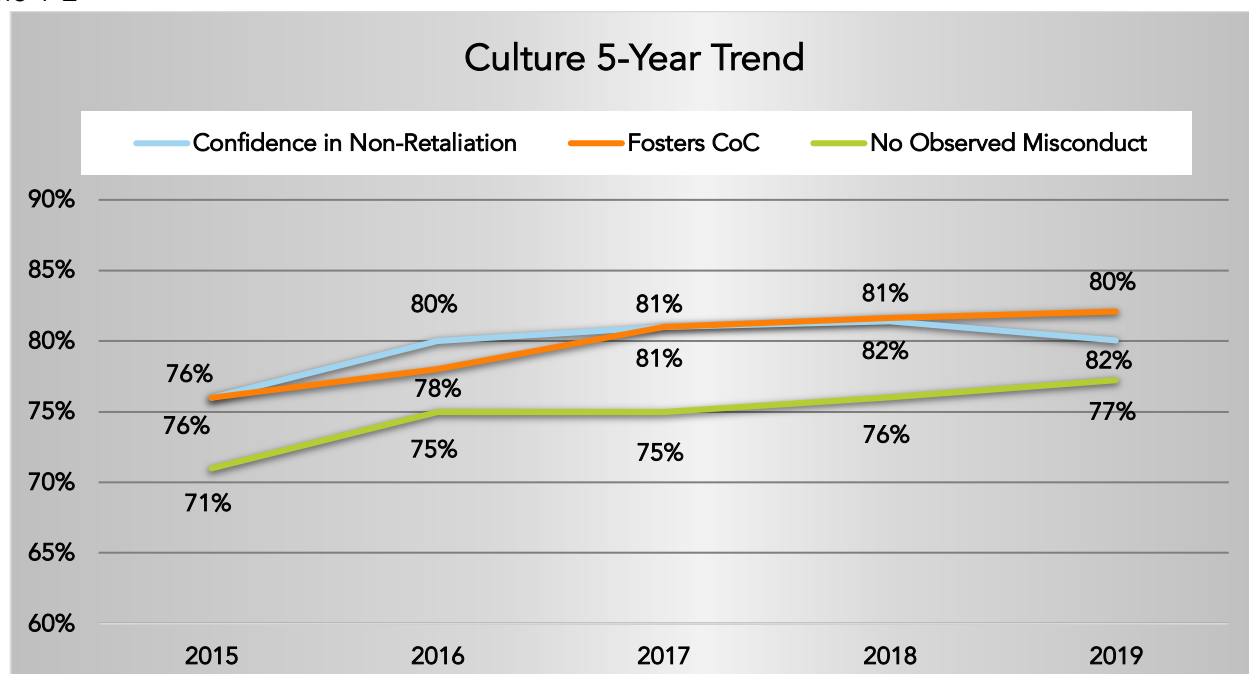


Table 2-1

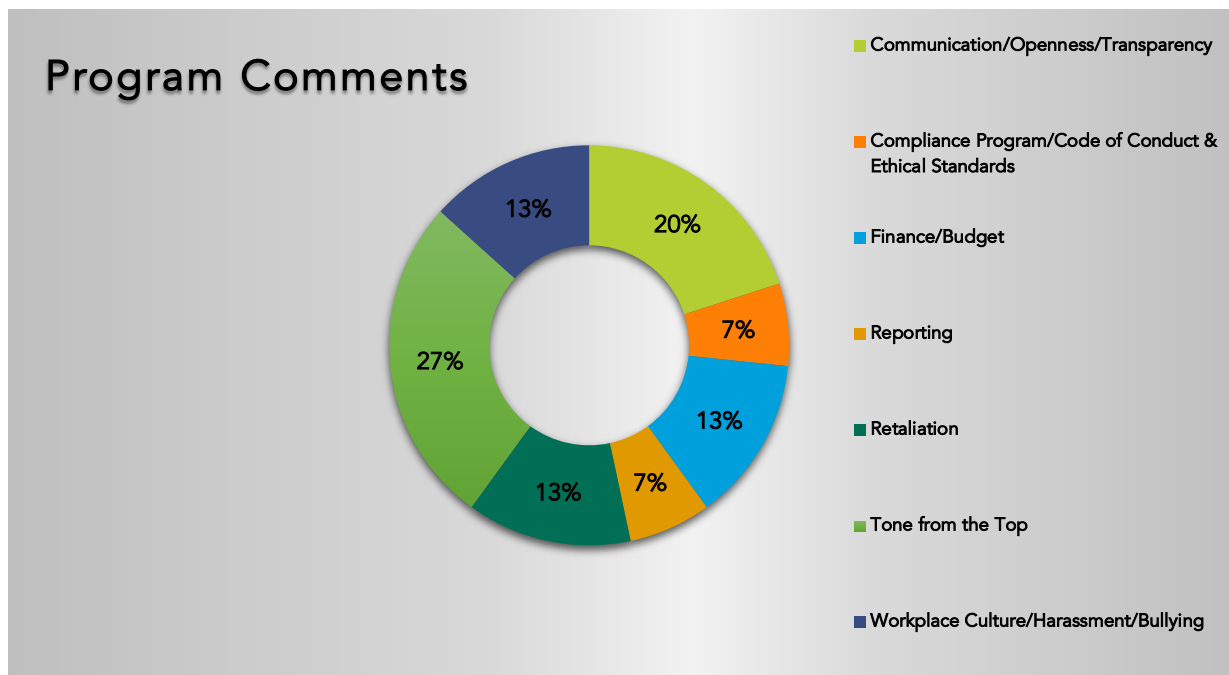
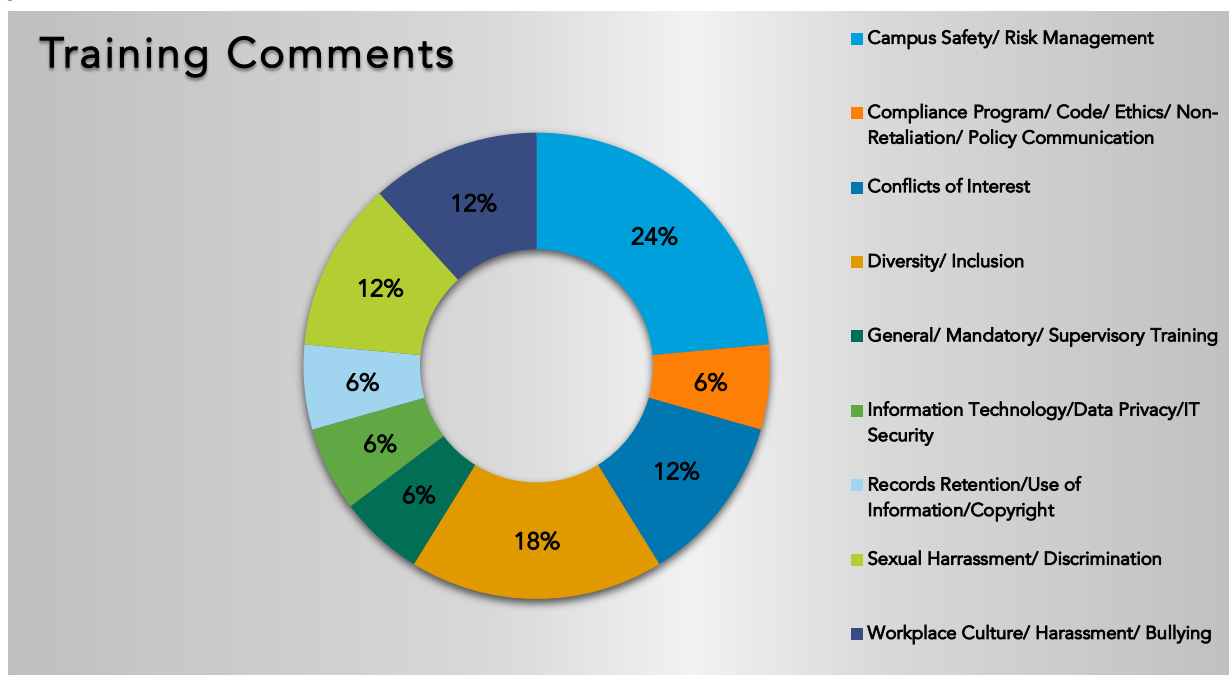


Table 2-2



APPENDIX B – SURVEY TIMEFRAME & METHODOLOGY



SURVEY PERIOD

The Office of Compliance and Privacy Services (the Office) sent the 2019 survey out to recipients on October 14, 2019. The survey was closed on November 15, 2019.



METHODOLOGY

The Office consulted with the Office of Institutional Research (OIR) to obtain the sample. The methodology for determining the statistically valid sample is as follows:

Population Methodology: The population of employees was established by pulling a list of all actively paid employees as of September 27th, 2019. The PeopleSoft query limits the list to active, UVM employees (excludes retirees). Employee class includes faculty, staff, graduate students, post doc fellows & associates, and temporary staff. Nonpaid groups, student temporary employees, and visiting graduate students are excluded as are UVM Foundation employees.

We then label persons who have an admin/management job and prioritize/keep that job information regardless of whether or not they have a secondary position. Full-Time Equivalent (FTE) is summed (for those that have multiple positions), duplicate lines are deleted, full-time & part-time status is coded based on the summed FTE information, and employee type categories are created. Note that post docs are coded as staff members and pre-docs are coded as graduate students.

Sampling Methodology: The sample was stratified by compliance's employee type category, which accounts for both employee type and full-time/part-time status. The list of part-time staff is slightly overrepresented; it was such a small group of people at 15, that everyone in that group was included in the sample to better ensure that responses are received from that cohort.

2019 Compliance Survey Sample Breakdown:

	Population		Sample	
	n	%	n	%
Management, Leadership, and Admin	263	4.5%	45	4.5%
Full-Time Faculty (.75 FTE or greater)	1495	25.6%	252	25.2%
Full-Time Staff (.75 FTE or greater)	2278	39.0%	384	38.4%
Part-Time Faculty	267	4.6%	46	4.6%
Part-Time Staff	15	0.3%	15	1.5%
Graduate Students (includes pre-docs)	499	8.5%	85	8.5%
Temporary Employees	1024	17.5%	173	17.3%
Grand Total	5841	100.0%	1000	100.0%



Survey Methodology History: The participants in the annual compliance survey has expanded over the years. For the 2010 and 2011 surveys, the cohorts were broken down into two categories: Management and Non-Management. For these first two surveys, faculty and staff were grouped together and reported in a single cohort. For 2012 through 2014, the Non-Management cohort was broken down into two separate cohorts (Full-Time Faculty and Full-Time Staff). These three groups (Management, Full-Time Faculty and Full-Time Staff) were referred to as the “historical cohorts” in the 2015 – 2018 survey reports. Starting with the 2015 survey, additional cohorts were added. The “new cohorts” included Part-Time Faculty, Part-Time Staff, Graduate Students receiving stipends and Temporary Employees. To better illustrate trending over the five-year history as well as the change from the 2015 benchmark, for the 2015 – 2018 survey reports, we broke down the results into three groups and illustrated the results separately as follows:

- Group 1: Historical Cohort
- Group 2: New Cohort
- Group 3: Combined Cohort

The plan was that once we had a 5-year rolling history, we would stop breaking down into three groups and report as a single combined cohort. With this year’s survey, we now have that 5-year rolling history; therefore, this report only illustrates the combined cohort results.



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

COMMITTEE OF THE WHOLE

Chair David Daigle, Vice Chair Ron Lumbrá, Secretary Curt McCormack, Briar Alpert, David Aronoff, Cynthia Barnhart, John Bartholomew, Otto Berkes, Robert Brennan, Kevin “Coach” Christie, Frank Cioffi, Johannah Donovan, Carolyn Dwyer, President Suresh Garimella, Jodi Goldstein, David Gringeri, Sidney Hilker, Bernard Juskiewicz, Donald McCree, Carol Ode, Ed Pagano, Governor Phil Scott, Shap Smith, Tristan Toleno and Samuel Young

Friday, January 31, 2020

8:00 a.m. – 10:00 a.m.

Silver Maple Ballroom, (401) Dudley H. Davis Center

AGENDA

	Item	Enclosure/ Exemption	Discussion Leader(s)	Time
	Call to order			*8:00 a.m.
1.	Approval of the October 25, 2019 meeting minutes	Attachment 1	David Daigle	8:00-8:05
2.	Chair’s report		David Daigle	8:05-8:10
3.	President’s report		Suresh Garimella	8:10-8:15
4.	Governance leaders discussion <ul style="list-style-type: none">• Student Government Association President• Graduate Student Senate President	Attachment 2 Attachment 3	Jillian Scannell Jessica Bocanegra	8:15-8:45
5.	Action items: <ul style="list-style-type: none">• Resolution accepting fiscal year (FY) 2019 audited financial statements & acknowledgement of FY 2019 financial report• Approval of 2021 board meeting & retreat dates	Attachment 4; Report B Attachment 5	Bernard Juskiewicz David Daigle	8:45-8:50
6.	Academic presentation – <i>The role of information technology at a research university</i>		Richard Galbraith Simeon Ananou Adrian Del Maestro Emanuel Casiano-Diaz	8:50-9:30
	Break			9:30-9:40

*Times are approximate.

	Item	Enclosure/ Exemption	Discussion Leader(s)	Time
	Motion to enter into executive session**			
7.	Collective bargaining updates	Contracts; labor relations agreements; confidential attorney-client communications	Sharon Reich Paulsen	9:40-9:55
	Motion to go out of executive session			
8.	Other business <ul style="list-style-type: none"> Resolution authorizing negotiation of collective bargaining agreements with United Academics and United Electrical 	Separate Distribution	David Daigle	9:55-10:00
	Motion to adjourn			10:00 a.m.

**The Chair will entertain a motion to enter into executive session to discuss contracts, labor relation agreements and confidential attorney-client communications. Action is anticipated following.

Committee of the Whole - Executive Summary

Friday, January 31, 2020

Prepared by – David Daigle, Chair

The committee will convene on Friday morning and begin with the president's and chair's customary reports, followed by an opportunity for trustees to engage in dialogue with the leadership of the Student Government Association and Graduate Student Senate. The committee will be asked to approve action items outlined below. The academic presentation will feature the role of information technology at a comprehensive research university. The afternoon session will be conducted in executive session to discuss contracts, labor relation agreements and confidential attorney-client communications. Action is anticipated following.

ACTION ITEMS

Approval of previous meeting minutes

The minutes from the October 25, 2019 meeting is included as **Attachment 1**.

Action: Motion to approve the minutes.

Resolution accepting fiscal year (FY) 2019 audited financial statements & acknowledgement of FY 2019 financial report

On November 4, 2019, the Audit Committee reviewed and recommended for board acceptance the FY 2019 audited financial statements included as **Report B** in the meeting materials.

Action: Resolution accepting the FY 2019 financial audited statements and acknowledgment of receipt of the FY 2019 financial report. **Attachment 4**

Approval of 2021 board meeting & retreat dates

The Committee will be asked to approve the board meeting and retreat dates for 2021 as proposed in **Attachment 5**.

Action: Motion to approve the dates as proposed.

PRESENTATIONS

Academic presentation

The role of information technology at a research university - this presentation will focus on the essential and impactful role information technology plays in support of discovery and innovation at a comprehensive research university. Presenters will include: Vice President for

Research Richard Galbraith, Chief Information Officer Simeon Ananou, Professor of Physics and Director of the Vermont Advanced Computing Core (VACC) Adrian Del Maestro, and Emanuel Casiano-Diaz, a physics PhD student.

ROUTINE REPORTS

Capital projects update

Progress updates on all capital projects are included in the written capital project progress report included as **Report F** in the meeting materials.

The board will receive an oral update on the progress of the construction of the on-campus multipurpose center in October. Information and live webcams showing up-to-the-minute progress of the project is available on the [Facilities Design and Construction](#) website.

Grant and contract awards reporting

The reporting cycle for grant and contract awards has been revisited. Moving forward, an annual report will be provided to the board in October with time reserved for the Vice President for Research to discuss highlights with trustees.

OTHER BUSINESS

Time is reserved at the end of the meeting for a brief executive session to discuss contracts, labor relation agreements and confidential attorney-client communications. Following the session, the administration will seek authorization to negotiate collective bargaining agreements with United Academics and United Electrical.

ROUTINE REPORTS

Student Government Association President's report - **Attachment 2**

Graduate Student Senate President's report - **Attachment 3**

Alumni Association President's report - **Attachment 6**

Staff Council President's report - **Attachment 7**

**COMMITTEE OF THE WHOLE
BOARD OF TRUSTEES
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Committee of the Whole of the University of Vermont and State Agricultural College Board of Trustees was held on Friday, October 25, 2019, at 8:00 a.m. in the Silver Maple Ballroom, Room 401 at the Dudley H. Davis Center.

MEMBERS PRESENT: Chair David Daigle, Vice Chair Ron Lumbra, Secretary Curt McCormack¹, Briar Alpert, David Aronoff, John Bartholomew, Otto Berkes, Robert Brennan, Kevin “Coach” Christie², Frank Cioffi, Carolyn Dwyer, Suresh Garimella, Jodi Goldstein, David Gringeri, Sidney Hilker, Bernard Juskiewicz, Don McCree, Carol Ode, Ed Pagano, Shap Smith³, Tristan Toleno⁴, and Samuel Young

MEMBERS ABSENT: Cynthia Barnhart, Johannah Donovan, and Governor Phil Scott

ALSO PARTICIPATING: Interim Provost and Senior Vice President Patricia Prelock, Student Government Association Jillian Scannell, Graduate Student Senate President Jessica Bocanegra, Faculty Senate President Thomas Chittenden, Staff Council President Stephen Lunna, Alumni Association President Afi Ahmadi, Vice President for Finance & Treasurer Richard Cate, Capital Renewal Engineer David Blatchly, Assistant Director of Projects & Engineering Luce Hillman, Director of Capital Planning & Management Robert Vaughan, Director of Facilities Design & Construction Paula Carlaccini, Vice President for Legal Affairs & General Counsel and Chief of Staff to the President Sharon Reich Paulsen, Vice President for University Relations and Administration Thomas Gustafson, Vice President for Executive Operations Gary Derr, and Chief Human Resource Officer Jes Kraus

¹Arrived at 8:16 a.m.

²Arrived at 8:47 a.m.

³Arrived at 9:36 a.m.

⁴Arrived at 8:12 a.m.

Chair David Daigle called the meeting to order at 8:06 a.m.

Approval of Minutes

Chair Daigle presented the May 17, 2019 meeting minutes for approval. A motion was made, seconded and voted to approve the minutes as presented.

Chair’s Report (see full report appended to minutes, beginning on page 7.)

Following Chair Daigle’s remarks, the following resolution was offered:

Resolution approving appointment of Thomas Sullivan as President Emeritus

WHEREAS, E. Thomas Sullivan served seven distinguished years as the 26th president of the University of Vermont, from July 2012-June 2019;

WHEREAS, the Chair of the Board of Trustees today shared with the Board a summary of President Sullivan's many accomplishments and contributions as president;

WHEREAS, the entire Board is grateful to President Sullivan for his service and acknowledges his many successes;

BE IT RESOLVED, the Board of Trustees is pleased to bestow on President Sullivan the title President Emeritus.

A motion to approve the resolution was made, seconded, and unanimously adopted.

Next, Chair Daigle presented the following resolution:

Appreciation resolution for David Rosowsky

WHEREAS, Dr. David V. Rosowsky served from August 2013-April 2019 as Provost and Senior Vice President of the University of Vermont with energy and dedication;

WHEREAS, the Chair of the Board of Trustees today shared with the Board a summary of some of the initiatives led by Dr. Rosowsky during his years of service as provost;

WHEREAS, the entire Board is grateful to Dr. Rosowsky for his unwavering commitment to the University of Vermont, his willingness to accept and address challenges, and his steadfast optimism about the University's accomplishments and its future;

BE IT RESOLVED, the Board of Trustees is pleased officially to thank Dr. Rosowsky for his years of service as provost and his dedication to the University of Vermont.

A motion to approve the resolution was made, seconded, and unanimously adopted.

Student research internship video profiles

Prior to beginning the introduction of the student research internship video profiles, Interim Provost and Senior Vice President Patricia Prelock introduced new Dean of Libraries Bryn Geffert and Interim Dean of the College of Agriculture and Life Sciences Jean Harvery. She then presented the following handouts: *Class of 2023 - UVM's Most Academically Talented*; and *Access to Success - Support for limited income and first-generation students*.

Next, Interim Provost Prelock introduced three short videos featuring summer 2019 student research and internship activities at The Humane Society of Chittenden County, aboard the University of Vermont's research vessel Melosira, and at the Campus Children's School. The videos were produced by the University of Vermont Creative Communications team, including Videographer Ian Thomas Jansen-Lonnquist, Digital Strategist Andrea Estey, and Creative Communications Director Amanda Waite.

President's Report

President Suresh Garimella reaffirmed his commitment to student success and recognized that it will take the entire UVM community to contribute to this success. He stated that the university is in good standing and is on a solid trajectory forward. President Garimella concluded his remarks with two videos featuring his commitment to student success.

Governance leaders panel Q & A

The Trustees engaged in a robust discussion with Student Government Association (SGA) President Jillian Scannell, Graduate Student Senate (GSS) President Jessica Bocanegra, Staff Council President Stephen Lunna, Faculty Senate President Thomas Chittenden, and Alumni Association President Afi Ahmadi regarding how each of the governance bodies contribute to the student experience and/or student success.

Grants and Contracts Awards Report

The Board acknowledged receipt of the Grants and Contracts Awards Report for the period of April 1, 2019 – August 31, 2019.

Annual deferred maintenance report

Vice President for Finance and Treasurer Richard Cate, Assistant Director of Projects & Engineering Luce Hillman, and Capital Renewal Engineer David Blatchly provided the annual campus deferred maintenance update.

Vice President Cate provided a general overview and explained that the university spends \$11 million per year toward the current \$385 million of existing deferred maintenance. Vice President Cate added that, comparatively, our facilities are in good shape. The current goal is to increase the annual spend to at least \$19 million per year, and if the university accomplishes this goal, it will continue to be in good shape. Annual spending on deferred maintenance has increased from \$5 million just a couple of years ago.

In response to a question about the new deferred maintenance software modeling system (Cost Lab), Assistant Director Blatchly explained that he is currently refining the analytics to reflect actual conditions and elements in the university's buildings. He will then work on more predictions and forecasting in order to decide strategically how annual deferred maintenance funds are spent.

In response to another question, Vice President Cate explained that, since 1992, the University has placed 1% of the construction cost of new buildings into a facilities renewal fund.

Capital projects update

Director of Capital Planning & Management Robert Vaughan and Director of Facilities Design & Construction Paula Carlaccini offered an update on progress made since the last meeting on the construction of the on-campus multipurpose center.

Director Vaughan stated that since May, temporary relocations, utility installations, and some demo work have taken place. Additionally, fencing has been erected on the south side of the building, and around the horseshoe parking lot.

Director Carlaccini illustrated the work taking place on the second floor. She also highlighted that electrical systems have been improved, and more have been added. Underground utilities have been installed, ADA parking has been created, and some modifications have occurred to make way for the Tarrant Center, such as installation of steel reinforcement.

Director Vaughan also reported on the following small capital projects: Ira Allen Chapel exterior repairs – increased project cost from \$1.4 million to \$1.9 million, utilizing existing funds; and Marsh Life Science roof replacement – new project for next summer at \$1.9 million, utilizing existing funds.

Trustee Curt McCormack inquired regarding energy efficiency for the on-campus multipurpose center. Director Vaughan replied that since there will be a significant amount of square footage added, the total energy use will not be reduced. However, the energy systems being updated and installed will be more energy efficient.

Trustee McCormack also asked if there will be a change to the amount of parking. Director Vaughan explained that 150 spaces will be lost at the Athletics Facility, however, a similar number of spaces are expected to be gained in other areas of campus.

Chair Daigle called for a break at 9:49 a.m.

The meeting resumed at 9:55 a.m.

Executive Session

At 9:55 a.m., Chair Daigle entertained a motion to enter into executive session for the purpose of receiving confidential attorney-client communications made for the purpose of providing legal advice, premature public knowledge of which would clearly place the university at a substantial disadvantage. He noted the session would last for approximately 10 minutes and action is anticipated following. Everyone was excused from the meeting with the exception of Trustees, Vice President for Legal Affairs & General Counsel and Chief of Staff to the President Sharon Reich Paulsen, Vice President for Finance and Treasurer Richard Cate, Vice President for University Relations and Administration Thomas Gustafson, Vice President for Executive Operations Gary Derr, and Chief Human Resource Officer Jes Kraus.

Chief Human Resource Officer Kraus was excused after the first item.

The meeting re-opened to the public at 10:31 a.m.

The following resolution was presented for approval:

Resolution regarding a legal matter

WHEREAS, the Board of Trustees received today a report from the Vice President for Legal Affairs and General Counsel regarding a potential legal matter;

BE IT RESOLVED, the Office of the General Counsel is authorized to proceed with resolution of the identified legal matter on the terms and conditions today discussed.

A motion to approve the resolution was made, seconded, and adopted, with 21 trustees in favor and one opposed.

The following resolution was presented for approval:

Resolution regarding a legal matter

WHEREAS, the Board of Trustees received today a report from the Vice President for Legal Affairs and General Counsel regarding a potential legal matter;

BE IT RESOLVED, the Office of the General Counsel is authorized to proceed with resolution of the identified legal matter on the terms and conditions today discussed.

A motion to approve the resolution was made, seconded, and unanimously adopted.

Other Business

There being no further business, the meeting adjourned at 10:32 p.m.

Respectfully submitted,

David A. Daigle, Chair

David A. Daigle
UVM Board of Trustees Chair's Report
October 25, 2019

Good morning everyone, and welcome to our annual October board meeting on this lovely fall day.

2019 will go into the UVM history books as a year of change. President Sullivan and Provost Rosowsky stepped down from their positions after making meaningful and lasting contributions during their terms. We are excited to have the new dynamic duo of President Garimella and Provost Prelock assuming these critically important roles.

For those of you who attended the installation ceremony for President Garimella earlier in the month, I hope it gave you a better sense of him as a person, his principles and values, and a few hints about where we may be heading together. For everyone who contributed to such an amazing and memorable event, I want to thank you personally, and on behalf of our board. I especially want to thank Kelly O'Malley, Patty Prelock, and Tom Chittenden for their contributions to the production.

2019 will also be remembered for the closing of UVM's third, and largest, capital campaign. With total campaign commitments of \$581 million, we have moved UVM onto to a different plane of philanthropic support, when we need that support more than ever. Thank you to everyone who made this campaign a huge success, to all of those who contributed, and to Foundation President and CEO Shane Jacobson, and the entire UVM Foundation team. I will remind you of a line that our consultant shared with us during the campaign: donors give to success, not need. They share a deep desire to see faculty and students succeed at the highest possible level.

Change is also evident away from this campus, across the arc of higher education. Aside from a handful of elite private and public institutions, stress fractures in the higher education system continue to emerge. A combination of adverse demographic trends, cost escalation along with its twin rising student debt, and an undercurrent of disenchantment with higher education will inevitably create real challenges for many universities, including UVM. For some, that time is here.

We must adapt, or our relevance, and our finances, will be in jeopardy. It is impossible to predict with precision where we are heading, and what changes will need to be implemented, but the range of potential outcomes for UVM is very wide, and we can best control our destiny only if we accept the need for change. Disruption is real, it is accelerating, and it requires us to be vigilant in reacting and responding. Notwithstanding the uncertainty, I am confident that with the right strategies and a willingness to change, UVM can shine and sustain its commitments in teaching and research for decades to come.

This concludes my chair's report.



Student Government Association Report

Board of Trustees - Committee of the Whole

January 31, 2020

Prepared By

Jillian Scannell

President of the UVM Student Government Association

Greetings Board Members and Happy New Year. I am grateful to once again be submitting a report to you all, and am looking forward to an in-depth discussion on the 31st. I wanted to provide you with some updates on Student Government Association (SGA) projects, and highlight some key issues on the minds of students.

Rally Cat's Cupboard

In February, we are excited to officially open Rally Cat's Cupboard (RCC), an on-campus food pantry for undergraduate and graduate students. The Pantry will be housed in Hills 013, 015, and 018. Since learning in 2017 that 1 in 5 UVM students have experienced food insecurity at some point, people from across campus have come together to take action. Rally Cat's Cupboard is opening as a result of a partnership between the SGA, Graduate Student Senate (GSS), the Division of Student Affairs, UVM Dining, and the Food Insecurity Working Group. The plan is for Rally Cat's Cupboard to be open the 1st and 3rd weeks of the month, twice a week during a morning and evening time. Students will simply need to show their UVM Catcard before heading in to 'shop' for food. RCC will run on volunteer hours put in by the SGA, GSS, and other interested students. Once the RCC is deemed successful by its Board of Advisors, we hope to create a student organization that will operate it. The implementation of this on-campus food pantry is a big step towards addressing food insecurity on our campus and ensuring the well-being of our students. We will be hosting a grand-opening in February and will invite you all to join us.

Divestment and Campus Sustainability

As a student of the environment myself, I chose to attend UVM for its renowned program and environmentally friendly values. As we imagine the future of UVM and discuss the stories we want to tell, the environment must be at the forefront.

Students from the SGA Committee on the Environment as well as Organize (an environmental club) have been working in conjunction on climate action. Working with Vice President for Finance Richard Cate, the Committee on the Environment has proposed alterations to the Clean Energy Fund charter. The proposed alteration expands the criteria of the fund, changing the name to the Sustainable Campus Fund with the mission of supporting students' vision of enhancing a culture of sustainability, innovation, and research on-campus. It is our hope that these changes will allow for more proposals and reignite student's interest and involvement in the fund.

Despite this work, students on-campus have been frustrated by the lack of action by the Board of Trustees in divesting UVM's endowment from fossil fuels. Students at the October Board meeting submitted a well-researched, professional proposal and were met with a response from 2016. These students deserve a 2020 response. I urge the Budget, Finance and Investment Committee to begin the process of conducting a divestment assessment and creating an action plan for removing UVM's holdings from fossil fuel companies.

Campus Safety

As you have heard me speak about before, campus safety is an important priority of mine. The SafeRide Home program has faltered in contract negotiations, and we are looking for ways to pivot the discussion. We are working with both Burlington and UVM officials to brainstorm and explore other SafeRide Home options, as well as turning our attention towards LiveSafe, a campus safety application. I encourage you all to google the LiveSafe application and learn about the many features that will help keep students safe - my favorite is the SafeWalk feature which allows friends to virtually escort you home safely.

Our Next Student Trustee

On January 18th and 19th the Associate Directors for the Appointment of Student Trustees Inc. interviewed eight impressive candidates for the student trustee position. Following these interviews the committee chose the next student to serve on the Board. The student selected will officially join the Board on March 1, 2020.

We would like to thank and commend Sidney Hilker for her time as student trustee. She has excelled in the position and has been a model for future student trustees. It has been a pleasure working with her and we wish her well.

Thank you for all you do and I look forward to our continued work together this semester.



Graduate Student Senate Report
Board of Trustees - Committee of the Whole
January 31st, 2020
Prepared By
Jessica Bocanegra, President of the Graduate Student Senate

Members of the Board,

Happy New Year! Although it doesn't feel like spring, the Graduate Student Senate (GSS) has already started working on goals and initiatives for the spring semester. We have had our first senate meeting, and our winter retreat is planned for early February. Our senators, committee chairs, and representatives are excited, recharged, and ready to work!

Possibly the most exciting update for graduate students: a draft set of parental leave policies have made their way through the pipeline and have landed on Provost Patricia Prelock's desk. Having parental leave policies in place will give graduate students a sense of security when it comes to deciding when they want to start their family. They won't have to worry about whether or not their advisor will let them have time off or having a break in pay or insurance benefits. These policies will not only vastly improve the marketability of UVM's graduate programs to perspective students, but it will also advance the quality of the graduate student experience for current students.

At the October Board meeting, I had mentioned the lack of training provided to graduate students with regards to bias incident identifying and reporting. In 2018, the Graduate College had implemented an orientation program for new Graduate Teaching Assistants (GTAs). While the program has been a step in the right direction, graduate students would like to see a more inclusive and comprehensive set of bias incident trainings offered to GTAs (and even Graduate Research Assistants) throughout the course of the academic year. I am pleased to announce a three-part training, starting in mid-April, which will be tailored and offered to graduate students in conjunction with the Graduate College and the Division of Human Resources, Diversity and Multicultural Affairs. The series will include implicit bias training, the 'Step Up!' program for bias and bystander intervention, and a session focused on the University Bias Response Program. The end goal is for these programs to be offered regularly throughout the academic year in an effort to not only support but also empower graduate students to feel confident and competent in identifying and reporting students of concern or bias incidents.

In February, Rally Cat's Cupboard (RCC) will officially open and serve as an on-campus food pantry for undergraduates and graduate students. The Pantry will be housed in Hills 013, 015, and 018. Rally Cat's Cupboard is opening as a result of a partnership between the Student Government Association, GSS, the Division of Student Affairs, UVM Dining, and the Food Insecurity Working Group. GSS will provide support for Rally Cat's Cupboard through graduate student volunteering to staff the pantry during hours of operation and by hosting canned-food drives throughout the semester. The opening of RCC is a powerful step towards addressing food insecurity on our campus and ensuring the wellbeing of all students.

Finally, I would like to thank Student Trustee, Sidney Hilker, for her two years of service on the Board. Sidney has fostered a collaborative setting for graduate and medical students to address our individual challenges—although not completely dissimilar. I wish you the best in all future endeavors!

Respectfully,
 Jessica Bocanegra

COMMITTEE OF THE WHOLE

January 31, 2020

Acceptance of fiscal year 2019 audited financial statements

WHEREAS, the financial statements of the University of Vermont and State Agricultural College for the fiscal year ended June 30, 2019, have been audited by KPMG LLP, Certified Public Accountants, in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, that the Board of Trustees hereby accepts the FY 2019 audited financial statements as recommended by the Audit Committee and presented today, and acknowledges receipt of the FY 2019 financial report.

THE UNIVERSITY OF VERMONT BOARD OF TRUSTEES

MEETING & RETREAT DATES

Proposed 2021 Dates:

Winter Meeting: *Thursday-Saturday, 2/4-2/6*

Special Meeting: *Monday, 3/1* (to elect chair and approve committee assignments)

Spring Meeting: *Friday-Saturday, 5/21-22* (*Commencement 5/23*)

Summer/Fall Board Retreat: *Friday-Saturday, 9/10-11* (*Labor Day 9/6*)

Fall Meeting: *Friday/Saturday, 10/29-30*

**Foundation Board meeting 9/30-10/1; Homecoming 10/1-3*

2020 Dates: (*approved 2/2/18*)

Winter Meeting: *Thursday-Saturday, 1/30-2/1*

Special Meeting: *Monday, 3/2* (to elect chair and approve committee assignments)

Spring Meeting: *Friday-Saturday, 5/15-16* (*Commencement 5/17*)

Summer/Fall Board Retreat: *Friday-Saturday, 9/11-12* (*Labor Day 9/7*)

Fall Meeting: *Friday/Saturday, 10/23-24*

** Foundation Board meeting 10/1-2; Homecoming Weekend 10/2-4*



UVM ALUMNI ASSOCIATION UPDATE

Board of Trustees — Committee of the Whole

Friday, January 31, 2020

Prepared by: Afi Ahmadi '93, Alumni Association President

Cathy Tremblay '85, Alumni Association Vice President

The UVM Alumni Association is pleased to present this report reflecting second quarter accomplishments and current focus areas. More than 4,475 alumni, parents and friends engaged with the Alumni Association this fall (7.8% increase over fall 2018 results), anchored by strong participation in the integrated Alumni Weekend, Medical Reunion and Parent and Family Weekend programs and the annual holiday gatherings of our regional alumni boards.

Strategic Priority Updates and Program Highlights

EPIC Event Challenge

Our university lacks a common galvanizing event or signature experience that connects generations of catamounts and motivates them to return to campus year after year. The wait is over! The UVM Alumni Association is pleased to announce the UVM Epic Event Challenge. A contest that challenges all members of the UVM community (students, faculty, staff, alumni) to generate ideas and submit a proposal for a new annual signature event to be held at UVM.



\$2,500 is up for grabs for the winning idea from the competition. The contest begins **February 1, 2020** and the winner will be selected at a live pitch competition that will take place during Alumni Weekend 2020.

For more details and to watch a promo video, visit the [EPIC Event Challenge website](#)

UVM Student Alumni Association

The UVM Student Alumni Association, a Student Government Association (SGA) recognized club, is supported by the UVM Alumni office and is led by a nine-member executive board. Current leaders, Hannah and Max, work with more than forty student leaders to advance marketing and programs in the areas of affinity engagement, campus programs, philanthropy and senior programs. Over 2,000 students will engage with SAA programs during the year.



President, Hannah Rameaka '20

Hannah is a senior from Wakefield, RI and is a third-generation UVM student. Hannah is majoring in business analytics in the Grossman School of Business and minoring in sports management. In addition to being part of the SAA board, Hannah is a Grossman School of Business Peer Mentor and spent the spring semester of 2019 studying abroad in Australia.



Vice President, Max Greenberg '20

Max is a senior from Long Island, New York. He is majoring in English with a writing concentration and minoring in Public Communications. Max studied abroad in Shanghai, China, and learned to speak Mandarin. An internship with WebMD, organized by Chair of the New York Regional Alumni Board, Deb Mignucci '82, has shaped post-graduation planning for Max.

UVM Alumni House



Happiness starts here!

Since opening in 2016, the UVM Alumni House has been a part of many special academic and social occasions for the UVM family. Consider holding your next business or personal event at the house. A new [virtual tour](#) is available online to give you a room-by-room look inside the house at the breathtaking details that make this building a University treasure.



UVM Connect Program passes 7,200 members and launches Mobile App

The UVM Alumni Association's career networking platform has hit another milestone. Now more than 7,000 members are on-line with over 85% offering to be a resource for current students and recent graduates. Nearly 1,000 alumni have offered to host a student to shadow them at work and nearly 4,000 are willing to discuss their career or industry with fellow alumni or students looking to make the leap into the work force.

Check it out at www.uvmconnect.org

A FREE mobile app is available for both android and apple devices!



UVM Enrollment Management Partnerships

In its fourth year, **the Refer-A-Catamount** program continues to generate significant applicant referrals from the alumni community. More than 250 referrals have been secured for admission to the Class of 2024. Legacy initiatives this winter will include a special legacy-only reception at the UVM Alumni House, and an educational program called Catamount College Connection. Admitted student events have been planned for Boston, MA, Burlington, VT, Chicago, IL, Hartford, CT, New York City, Philadelphia, Princeton, NJ, San Francisco, Seattle and Westchester County, NY.

UVM Discovery Travel

Explore the World!

Five specially crafted trips took place in 2019 as a part of the Association's commitment to life-long learning that featured small ship experiences and access to many UNESCO World Heritage sites. Tahiti and the turquoise blue waters of the French Polynesia's Society Islands started the year off. Tanzania During the Great Migration, a 12-day journey by land and air through four game parks was a quick sell-out. Also popular was an historic Celtic Lands trip and that included a visit to the hallowed beaches of Normandy with David Eisenhower in commemoration of the 75th anniversary of the D-Day Invasion. The year finished with Symphony on the Blue Danube, land and river travel that included several private classical music performances

Upcoming Adventures in 2020 and 2021 can be found on the [UVM Discover Travel Website](#).





THE UNIVERSITY OF VERMONT STAFF COUNCIL

Staff Council President's Report

Board of Trustees – Committee of the Whole

Friday, January 31, 2020

Stephen Lunna, Staff Council President

On November 14th, 2019, President Suresh Garimella announced a plan to achieve zero tuition increase for the 2020-21 academic year. In recognition of the vital importance of enhancing affordability and accessibility, Staff Council stands in solidarity with this goal.

In his briefing, President Garimella noted that this plan is “not built on the backs of our employees.” Rather, he specified a number of creative and forward-thinking solutions for maximizing our current revenue streams and for securing additional funding.

In the spirit of President Garimella’s plan, Staff Council has been focusing not only on identifying any needs for additional programs or services, but also on finding ways to better utilize already-existing resources, and to interconnect them. The Personal & Professional Development Committee is exploring the idea of a peer-to-peer mentoring program for staff, which would leverage the immense talent and experience that already exists on campus. They’re also looking at staff recognition efforts currently in place, hoping to learn from these models in order to assist the development of such recognition efforts in areas which may lack them.

This committee is also researching the potential cost-benefit analysis of adding certificate programs (through Continuing and Distance Education) to the staff tuition remission benefit, which would have a significant impact on staff’s ability to gain knowledge and experience to better support the University in their day-to-day roles.

The Community Engagement Committee has been focused on consolidating valuable pre-existing resources for staff and the wider UVM community around issues that include food insecurity, translation services, and volunteer opportunities. These will be curated on the new Staff Council website, which we are proud to say will be launched this month, and which we anticipate will be a more user-friendly, concise, informative, and welcoming online hub.

The Compensation, Benefits, and Budget Committee recently submitted our fiscal year 2021 salary recommendation to administration. We feel strongly this is a fiscally responsible and fair request and hope the university can meet our recommendation.

Lastly, we are proud to add five staff members to the list of recipients of a Staff Council Professional Development Fund Award. These awards help enable staff to pursue external training opportunities which will enhance their performance, bring cutting-edge information to their units, and bolster the University’s reputation through network-building.

As we embark on 2020, Staff Council continues to comb through the 2019 Campus Climate Survey data, as we look for further proactive ways to support staff while protecting and growing our institution.

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

**EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES
COMMITTEE**

Chair Carolyn Dwyer, Vice Chair Cynthia Barnhart, President Suresh Garimella, John Bartholomew, Otto Berkes, Frank Cioffi, Johannah Donovan, Jodi Goldstein, David Gringeri, Curt McCormack, Carol Ode, Shap Smith, and Samuel Young; Faculty Representatives Chris Burns, Laura Almstead, and Mary Cushman; Staff Representatives Amanda McIntire and Sarah Heath; Alumni Representative Susan Wertheimer; Foundation Representative Wolfgang Mieder; Student Representatives Jamie Benson and Ethan Foley; Graduate Student Representatives Kenna Rewcastle and Berke Tinaz

Friday, January 31, 2020

10:15 a.m. – 12:15 p.m.

Livak Ballroom (417-419), Dudley H. Davis Center

AGENDA

	Item	Enclosure	Discussion Leaders	Time
	Call to order			*10:15 a.m.
1.	Approval of October 25, 2019 meeting minutes	Attachment 1	Carolyn Dwyer	10:15-10:20
2.	Academic success goals update		Patricia Prelock Richard Galbraith Stacey Kostell J. Dickinson Scott Thomas Jean Harvey	10:20-11:05
3.	Student clubs and personal, professional, and career development		Daphne Wells Aayudh Das Ben Church Lauren Cozzens Madison Tiedt	11:05-11:25
4.	Action items: <ul style="list-style-type: none">Resolution approving the termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College (<i>Dormant; has not accepted students since 2011; all other active MEd programs remain.</i>)	Attachment 2	Carolyn Dwyer	11:25-11:35

	Item	Enclosure	Discussion Leaders	Time
4.	<p>Action items:</p> <ul style="list-style-type: none"> Resolution approving the termination of the Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences (<i>Low enrollment since inception; all other BS degrees in Engineering remain.</i>) Resolution approving the creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences Resolution approving the creation of a minor in Biosecurity in the College of Agriculture and Life Sciences <p><i>Pending review by the Faculty Senate on 1/27/2020 and subsequent approval by the president and provost:</i></p> <ul style="list-style-type: none"> Resolution approving the termination of the Bachelor of Music degree in the College of Arts and Sciences (<i>Low enrollment since inception; intended to prepare professional musicians; the BA in Music remains.</i>) Resolution approving the creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College 	<p>Attachment 2</p> <p>Attachment 2</p> <p>Attachment 2</p> <p>Attachment 2</p> <p>Attachment 2</p>	Carolyn Dwyer	
5.	Resolution reaffirming the Equal Employment Opportunity/Affirmative Action policy and the Equal Opportunity in Educational Programs and Activities and Non-Harassment policy	Attachment 2; Appendices A & B	Wanda Heading-Grant	11:35-11:40
6.	<p>Q&A on routine and annual reports</p> <ul style="list-style-type: none"> Provost's report Annual Vice President for Human Resources, Diversity & Multicultural Affairs report Annual student affairs report Capital projects progress report Faculty Senate Curricular Affairs Committee chair's report 	<p>Report C Report D</p> <p>Report E Report F Report G</p>	<p>Patricia Prelock Wanda Heading-Grant</p> <p>Annie Stevens Robert Vaughan Laura Almstead</p>	11:40-12:00
7.	Other business**		Carolyn Dwyer	12:00-12:15
	Motion to adjourn			12:15 p.m.

*Times are approximate.

**Executive session as needed.

Educational Policy and Institutional Resources Committee

Executive Summary

Friday, January 31, 2020

Prepared By
Patricia A. Prelock, Provost and Senior Vice President

At this meeting, the committee will be asked to consider action items and receive updates and progress reports on topics outlined below. Time will be reserved for committee members to ask questions on written routine and annual reports (see list at end of memo).

ACTION ITEMS

Approval of previous meeting minutes

The minutes for the October 25, 2019 meeting are included as **Attachment 1**.

Action: Motion to approve the minutes.

Faculty Senate recommendations

The report of the Curricular Affairs Committee of the Faculty Senate is included as **Report G** in the meeting materials. Included in the report are details for the following recommendations for committee consideration:

- Termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College (*Dormant; has not accepted students since 2011; all other active MEd programs remain*)
- Termination of Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences (*Low enrollment since inception; all other BS degrees in Engineering remain*)
- Creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences
- Creation of a minor in Biosecurity in the College of Agriculture and Life Sciences

Pending review by the Faculty Senate on January 27, 2020, and subsequent approval by the president and provost, the following proposals may be recommended for committee consideration:

- Termination of the Bachelor of Music degree in the College of Arts & Sciences (*Low enrollment since inception; intended to prepare professional musicians; the BA in Music remains*)
- Creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College

Action: Resolutions approving Faculty Senate recommendations as approved by the President and Provost. **Attachment 2**

Resolution reaffirming the Equal Employment Opportunity/Affirmative Action (EEO/AA) and Equal Opportunity in Educational Programs and Activities and Non-Harassment policies

The Equal Employment Opportunity policies are due for annual review by the board for compliance purposes, and they fall under the purview of this committee. Both policies have been reformatted in the new policy template. The new template includes a regulatory reference/citation section that lists laws, acts, statutes, and regulations for which the policy was developed. The committee will be asked to reaffirm the policies included as **Appendices A & B** to the consent agenda.

Action: Resolution reaffirming EEO/AA policies. **Attachment 2**

PRESENTATIONS/STATUS UPDATES

Academic success goals update

During the spring 2020 semester, the Provost will engage in leadership conversations around transforming the existing academic excellence goals to a more current set of academic goals that support the President's strategic academic priorities, including: (1) student success and access, (2) enhancing our research portfolio, and (3) meeting our land grant mission. In preparation for discussions about the goals themselves, this presentation will describe the three strategic academic priority areas and the university's current and potential role in each, as well as the process that will be employed to develop the new goals. Presenters will include Provost Patricia Prelock, Vice President for Research Richard Galbraith, Vice President for Enrollment Management Stacey Kostell, Associate Provost for Academic Affairs Jennifer Dickinson, Dean of the College of Education and Social Services/Interim Dean of the College of Nursing and Health Sciences Scott Thomas, and Interim Dean of the College of Agriculture and Life Sciences Jean Harvey.

Student clubs and personal, professional, and career development

More than 80% of students are involved in at least one club or organization at UVM. In this presentation, students will describe their club experiences, and discuss the value of club engagement and how it supports personal, professional, and career development. Presenters will include Daphne Wells, Director of Student Life and The Davis Center; Aayudh Das, Vice President of the Indian Students' Association; Ben Church, President, UVM Forestry Club/Student Chapter of the Society of American Foresters; Lauren Cozzens, Co-Director of Camp Kesem; and Madison Tiedt, President of the Women in Business Club.

ANNUAL/ROUTINE REPORTS

Provost's report - **Report C**

Annual Vice President for Human Resources, Diversity & Multicultural Affairs report - **Report D**

Annual student affairs report - **Report E**

Capital projects progress report - **Report F**

**EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE
BOARD OF TRUSTEES
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Educational Policy and Institutional Resources (EPIR) Committee of the Board of Trustees of the University of Vermont and State Agricultural College was held on Friday, October 25, 2019 at 10:15 a.m., in the Livak Ballroom, 417-419 Dudley H. Davis Center.

MEMBERS PRESENT: Chair Carolyn Dwyer, President Suresh Garimella¹, John Bartholomew, Otto Berkes, Frank Cioffi, Johannah Donovan,² Jodi Goldstein, David Gringeri, Curt McCormack, Carol Ode, Shap Smith, and Samuel Young

MEMBERS ABSENT: Vice Chair Cynthia Barnhart

REPRESENTATIVES PRESENT: Faculty Representatives Chris Burns and Laura Almstead³, Staff Representatives Amanda McIntire and Sarah Heath, Alumni Representative Afi Ahmadi, Student Representatives Jamie Benson and Ethan Foley, and Graduate Student Representatives Kenna Rewcastle and Berke Tinaz

REPRESENTATIVES ABSENT: Foundation Representative Wolfgang Mieder and Faculty Representative Mary Cushman

PERSONS ALSO PARTICIPATING: Interim Provost and Senior Vice President Patricia Prelock, Chief Information Officer Simeon Ananou, Vice Provost for Student Affairs Annie Stevens, Career Center Director Pamela Gardner, Executive Director of the Center for Health and Wellbeing Harry Chen, Director of Counseling and Psychiatry Services Carrie Fleider, Director of Residential Life Rafael Rodriguez, Associate Provost for Academic Affairs Jennifer (J.) Dickinson, Vice President Human Resources, Diversity and Multicultural Affairs Wanda Heading-Grant, and Executive Director of the Office of Institutional Research and Assessment Alexander Yin

¹ Left the meeting at 11:21 a.m.

² Joined the meeting at 11:34 a.m.

³ Joined the meeting at 10:56 a.m.

Chair Carolyn Dwyer called the meeting to order at 10:39 a.m. and welcomed new graduate student representative Berke Tinaz.

Approval of Minutes

The minutes from the May 17, 2019 meeting were presented for approval. A motion was made, seconded and voted to approve the minutes as presented.

Routine and Annual Reports

Chair Dwyer provided an opportunity for Committee members to offer comments and ask questions pertaining to written reports pre-distributed in the meeting materials. Interim Provost Patricia Prelock offered highlights from her report emphasizing future goals for strong graduation rates, the implementation of Elevate (a new non-credit student information system), strengthening the university's undergraduate tuition revenue stream, UVM's research portfolio, and a continued commitment for student success. She then introduced UVM's new Associate Provost for Academic Affairs, J. Dickinson.

The Committee further discussed graduation rates with the Provost, who noted that students are doing more in summer months in order to better stay on track for timely graduation, including using the summer to engage in research opportunities, take classes, and participate in internships. Similarly, students are enrolling in shorter term study abroad or travel study courses during winter and spring breaks and in the summer, in order to get an international experience while remaining on track to graduate in four years. The President added that work needs to be done to expand on-line courses for students to take at UVM while studying abroad. Questions regarding how success after graduation is measured and tracked were addressed.

Enterprise Risk Management (ERM) Updates

- Vice Provost for Student Affairs Annie Stevens, Executive Director of the Center for Health and Wellbeing Harry Chen, and Director of Counseling and Psychiatry Services Carrie Fleider presented a progress report on student mental health needs (ERM risk #15), providing national context, and current steps being taken to expand access to care providers, intervention strategies for education and assessment, and future initiatives.
- Vice Provost Stevens and Director of Residential Life Rafael Rodriguez presented a progress report on strengthening, promoting, and assessing residential learning communities (ERM opportunity #10), providing a timeline, learning community themes, engagement indicators for improving student retention and satisfaction, and refining faculty involvement.
- Chief Information Officer Simeon Ananou provided a brief update referencing his written report on ERM opportunity #13: create data warehouse. Enterprise Technology Services and the Office of Institutional Research and Assessment have established a prototype data warehouse that allows for improved access to data, increasing awareness and transparency. A working group has been tasked to develop an inventory of data marts and models, and will make recommendations for creating data governance to formalize long-term strategies for data reporting and analytics.

Academic Program Review (APR)

Associate Provost for Academic Affairs J. Dickinson and Faculty Representative Laura Almstead presented an overview of the academic program review process. Associate Provost Dickinson identified strengths and challenges in the APR process and how improvements are being made through training and assessment planning.

Annual Diversity Report/Presentation

Prior to offering highlights from her report, Vice President of Human Resources, Diversity and Multicultural Affairs Wanda Heading-Grant recognized the 20th anniversary of the Prism Center. Executive Director of the Office of Institutional Research and Assessment Alexander Yin joined Vice President Heading-Grant to offer highlights of the results of the 2019 UVM campus climate survey and the university's next steps.

Adjournment

There being no further business, the meeting adjourned at 12:20 p.m.

Respectfully submitted,

Carolyn Dwyer, Chair

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

January 31, 2020

Resolution approving the termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College

BE IT RESOLVED, that the Board of Trustees approves the termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College, as approved and advanced by the Provost on December 16, 2019 and President on December 19, 2019.

Resolution approving the termination of the Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences

BE IT RESOLVED, that the Board of Trustees approves the termination of the Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences, as approved and advanced by the Provost and President on December 19, 2019.

Resolution approving the creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences

BE IT RESOLVED, that the Board of Trustees approves the creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences, as approved and advanced by the Provost on December 16, 2019 and the President on December 19, 2019.

Resolution approving the creation of a minor in Biosecurity in the College of Agriculture and Life Sciences

BE IT RESOLVED, that the Board of Trustees approves the creation of a minor in Biosecurity in the College of Agriculture and Life Sciences, as approved and advanced by the Provost and President on December 19, 2019.

The following two resolutions are pending approval by the Faculty Senate on 1/27/2020 and subsequent approval by the President and Provost:

Resolution approving the termination of the Bachelor of Music degree in the College of Arts and Sciences

BE IT RESOLVED, that the Board of Trustees approves the termination of the Bachelor of Music degree in the College of Arts and Sciences, as approved and advanced by the Provost and President on **January x, 2020.**

Resolution approving the creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College

BE IT RESOLVED, that the Board of Trustees approves the creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College, as approved and advanced by the Provost and Provost on January x, 2020.

Resolution Reaffirming Equal Opportunity Policies

BE ITRESOLVED, that the Board of Trustees reaffirms the Equal Employment Opportunity/Affirmative Action Policy, attached here as Appendix A; and

BE IT FURTHER RESOLVED, that the Board of Trustees reaffirms the Equal Opportunity in Educational Programs and Activities and Non-Harassment Policy, attached here as Appendix B.



OFFICE OF AUDIT AND COMPLIANCE SERVICES
UVM.EDU/POLICIES



POLICY

Title: Equal Employment Opportunity/Affirmative Action Policy
Statement

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal employment opportunity and to a program of affirmative action in order to fulfill that policy. The President of the University fully supports the University's equal employment opportunity policy and the University's affirmative action program.

The University will accordingly 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, ancestry, national origin, 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 and sexual harassment are forms of unlawful discrimination, and it is, therefore, the policy of the University that discriminatory harassment and sexual harassment will not be tolerated. The University also prohibits unlawful harassment on the basis of other characteristics protected by law.

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 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"), or the Affirmative Action provisions of any other federal, state or local law; 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 affirmative action program; indicates any need for remedial action; determines the degree to

which the University's objectives have been attained; measures the University's compliance with its affirmative action obligations; and determines whether individuals with disabilities and veterans have had the opportunity to participate in all University sponsored educational, training, recreational and social activities.

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 of 1973; the Americans with Disabilities Act of 1990; Section 402 of the Vietnam-Era Veterans Readjustment Assistance Act of 1974; Executive Order 11246; the Genetic Information Nondiscrimination Act of 2008; 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 Affirmative Action and Equal Opportunity	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 Affirmative Action and Equal Opportunity	Nick Stanton (802) 656-3368
Questions about disability related issues	
ADA/Section 504 Coordinator Office of Affirmative Action and Equal Opportunity	Amber Fulcher (802) 656-0945
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 Affirmative Action and Equal Employment Opportunity.	
The University has developed an Affirmative Action Plan. 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.	

Related Documents/Policies

- [Discrimination and Harassment Policy](#)
- [Equal Opportunity in Educational Programs and Activities and Non-Harassment](#)
- [Procedures for Investigating and Resolving Discrimination Complaints](#)
- [Sexual Harassment & Misconduct](#)

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
- Executive Order 11246
- Genetic Information Nondiscrimination Act of 2008
- Vermont Fair Employment Practices Act

About This Policy

Responsible Official:	Vice President for Human Resources, Diversity and Multicultural Affairs	Approval Authority:	President and the Chair of the Board of Trustees
Policy Number:	V. 7.3.11	Effective Date:	February 4, 2017
Revision History:	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 Reaffirmed as revised by the President and the Chair of the Board of Trustees: February 3, 2018, March 6, 2019		



OFFICE OF AUDIT AND 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 or ethnic origin, 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.

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:	
Dean of Students	41-43 South Prospect Street Burlington, VT 05405 (802) 656-3380
Or	
Director, Office of Affirmative Action and Equal Opportunity	428 Waterman Building Burlington VT, 0405 (802) 656-3368
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 Affirmative Action and 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 Affirmative Action and Equal Opportunity	Nick Stanton (802) 656-3368
Questions about disability related issues	
Student Accessibility Services	Sharon Mone (802) 656-4075
ADA/Section 504 Coordinator Office of Affirmative Action and Equal Opportunity	Amber Fulcher (802) 656-0945

Related Documents/Policies

- [Discrimination and Harassment Policy](#)
- [Equal Employment Opportunity/Affirmative Action Policy Statement](#)
- [Procedural Guidelines for Handling and Resolving Discrimination Complaints](#)
- [Sexual Harassment & Misconduct](#)

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:	Vice President for Human Resources, Diversity and Multicultural Affairs	Approval Authority:	President and the Chair of the Board of Trustees
Policy Number:	V. 7.4.11	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		

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

BUDGET, FINANCE AND INVESTMENT COMMITTEE

Chair Don McCree, Vice Chair Briar Alpert, President Suresh Garimella, David Aronoff, Robert Brennan, Kevin Christie, Sidney Hilker, Bernard Juskiewicz, Ron Lumbr, Ed Pagano, and Tristan Toleno, Faculty Representatives Donald Ross and Terri Donovan, Foundation Representative Richard Ader, Alumni Representative Myron Sopher, Staff Representatives Joshua Tyack and Renee Berteau, Student Representatives Sophie Smith and Lana Al-Namee, Graduate Student Representatives Jessica Bocanegra and Avery Rasmussen

Friday, January 31, 2020

10:15 a.m. – 12:15 p.m.

Silver Maple Ballroom (401), Dudley H. Davis Center

AGENDA

	Item	Enclosure	Discussion Leader(s)	Time
	Call to order			*10:15 a.m.
1.	Approval of the October 25, 2019 meeting minutes	Attachment 1	Don McCree	10:15-10:20
2.	Resolution authorizing expenditures for the development and construction of the Firestone Medical Research Building project	Attachments 2 & 3	Richard Cate Robert Vaughan	10:20-10:30
3.	Resolution authorizing expenditures for the Recital Hall expansion and renovation project	Attachment 2	Richard Cate Robert Vaughan	10:30-10:40
4.	Debt policy annual review <ul style="list-style-type: none">Resolution reaffirming the Debt policyAnnual financial ratios review	Attachment 2; Appendix A Attachment 4	Claire Burlingham Richard Cate	10:40-11:00
5.	Report of the Investment Subcommittee <ul style="list-style-type: none">Endowment performance updateResolution reaffirming the Endowment Budget policyResolution reaffirming the Endowment Administrative Fee policy	Separate enclosure Attachment 2 Attachment 2	Robert Brennan	11:00-11:15
6.	Vice President's report <ul style="list-style-type: none">Second quarter general fund budget to actualsSources and uses update for capital projectsNet assets annual reviewGreen revolving loan fund annual reportFundraising update on capital projects	Attachment 5; Handout Appendix A Appendix B Appendix C Appendix D	Richard Cate Shari Bergquist Claire Burlingham	11:15-11:30
7.	Fiscal year 2021 budget <ul style="list-style-type: none">Preview of key budget assumptionsResolution setting the comprehensive fee, student government association and inter residence association fees for fiscal year 2021	Attachment 6 Attachment 2 Attachment 7	Richard Cate Shari Bergquist	11:30-11:50

	Item	Enclosure	Discussion Leader(s)	Time
	<ul style="list-style-type: none"> Resolution approving room and meal plan rates for fiscal year 2021 	Attachment 2		
	Motion to enter into executive session**			
8.	Appointment of Investment Subcommittee advisors	Contract; advice of counsel	Don McCree	11:50-12:00
	Motion to go out of executive session			
9.	Other business** <ul style="list-style-type: none"> Resolution approving appointment of Investment Subcommittee advisors 	Separate Distribution	Don McCree	12:00-12:15
	Motion to adjourn			12:15 p.m.

**The Chair will entertain a motion to enter into executive session to discuss a contract and to receive advice of counsel. Action is anticipated to follow.

Budget, Finance and Investment Committee
Executive Summary

January 31, 2020

Prepared By
Richard H. Cate, Vice President for Finance and Treasurer

ACTION ITEMS

Approving previous meeting minutes

The minutes for the October 25, 2019 meeting are included as **Attachment 1**.

Action: Motion to approve the minutes.

Resolution authorizing expenditures for the development and construction of the Firestone Medical Research Building project

It is estimated that the construction of the Firestone Medical Research Building will cost \$49 million. The project will be funded as follows:

- \$28,800,000 from Dean's Reserves (reserves will be replenished as additional philanthropy for project is received)
- \$9,000,000 from University Medical Education Association (UMEA) inclusive of Dean/CEO Funds, UVM Medical Group, President's Fund and Dean's Fund
- \$1,000,000 from UMEA/University Health Center (UHC)/Larner College of Medicine general funds (representing contribution from each basic science and clinical department)
- \$6,200,000 from Philanthropy
- \$4,000,000 from University general funds

Total sources of support: \$49,000,000. Attachment 3

Action: Resolution authorizing Firestone Medical Research Building project development and construction expenses. **Attachment 2**

Resolution authorizing expenditures for the Recital Hall expansion and renovation project

The Executive Committee approved the construction of the Recital Hall expansion and renovation project on July 3, 2018 with a projected cost of \$3,300,000. After the design and bidding process, it became apparent that the project scope and cost would exceed the previous estimates. The administration is seeking to increase the authorized expenditure amount for the project in order to reflect the results of the actual project scope and bids. The bids resulted in a cost that exceeded the original gift amount by \$1,004,000. The donors decided to increase their pledge by \$247,000 in order to retain program priorities, and the UVM Foundation and the University will fund the remaining balance of \$757,000 from existing reserves.

Action: Resolution authorizing expenditures for the Recital Hall expansion and renovation project.
Attachment 2

Resolution reaffirming the Debt policy

The committee will conduct the annual review of the University Debt policy. University Controller Claire Burlingham will also update the committee on the latest debt burden and viability ratio calculations, which are based on the fiscal year (FY) 2019 financial statement. **Attachment 4**

Action: Resolution reaffirming the Debt policy. **Attachment 2; Appendix A**

Resolution reaffirming the Endowment Budget policy

On October 30, 2019, the Investment Subcommittee conducted its review of the Endowment Budget policy. At their recommendation, the committee is being asked to reaffirm the policy with no changes.

Action: Resolution reaffirming the Endowment Budget policy. **Attachment 2**

Resolution reaffirming the Endowment Administrative Fee policy

On November 19, 2019, the Investment Subcommittee conducted its review of the Endowment Administrative Fee policy. At their recommendation, the committee is being asked to reaffirm the policy with no changes.

Action: Resolution reaffirming the Endowment Administrative Fee policy. **Attachment 2**

Resolution setting the comprehensive fee, student government association (SGA) and inter residence association (IRA) fees for fiscal year 2021

In order for Residential Life to enter into contracts with students prior to the formal budget approval in May, the administration is requesting the board set the comprehensive fee, SGA and IRA fees for fiscal year 2021. University Budget Director Shari Bergquist will present tuition and fee comparisons. **Attachment 7**

Action: Resolution setting the fiscal year 2021 comprehensive fee, SGA and IRA fees.
Attachment 2

Resolution approving room and meal plan rates for fiscal year 2021

The proposal for increases to the predominant room and meal plan rates for fiscal year 2021 is indicated below:

- The predominant residence hall traditional double room is proposed at a 3.0% increase over the current year's rate based on new program additions/changes, facility renovations, and debt payment responsibilities.
- The predominant meal plan is proposed at a 3.5% increase over the current year's rate based on our contract with Sodexo.

ANNUAL ROOM/BOARD RATES - "Not to Exceed" for FY '21

Room Rate Increases		FY '20	FY '21	Variance
	Predominant Traditional Double	\$8,502	\$8,756	3.00%
	Predominant Meal Plan	\$4,414	\$4,568	3.50%

Action: Resolution approving room and meal plan rates for fiscal year 2021. **Attachment 2**

DISCUSSION ITEMS

Fiscal year 2021 budget

University Budget Director Shari Bergquist will provide a brief overview of the administration's fiscal year 2021 budget development process and review associated key assumptions.

Attachment 6

ROUTINE REPORTS

Report of the Investment Subcommittee (ISC)

ISC Chair Robert Brennan will brief the committee on the activities of the subcommittee since the last full Board meeting. **Separate Enclosure**

Vice President's report

Budget Director Shari Bergquist will present the fiscal year 2021 second quarter budget to actuals report. Controller Claire Burlingham will provide an update on capital projects sources and uses, lead the net assets annual review, and provide the green revolving loan fund annual update. Included in my report is an update on fundraising progress for capital projects and donor engagement. **Attachment 4**

OTHER BUSINESS

Time is reserved at the end of the meeting for a brief executive session to discuss a contract and to receive advice of counsel. Following the session, the administration will seek approval to appoint Investment Subcommittee advisors.

**BUDGET, FINANCE AND INVESTMENT COMMITTEE
BOARD OF TRUSTEES
UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

A meeting of the Budget, Finance and Investment Committee of the Board of Trustees of the University of Vermont State and Agricultural College was held on Friday, October 25, 2019 at 10:15 a.m., in the Silver Maple Ballroom, 410 Dudley H. Davis Center.

MEMBERS PRESENT: Chair Don McCree, Vice Chair Briar Alpert, President Suresh Garimella¹, David Aronoff, Robert Brennan, Kevin “Coach” Christie, Sidney Hilker, Bernard Juskiewicz, Ron Lumbra, Ed Pagano, and Tristan Toleno

REPRESENTATIVES PRESENT: Faculty Representatives Donald Ross² and Terri Donovan, Foundation Representative Richard Ader³, Alumni Representative Myron Sopher, Staff Representatives Joshua Tyack and Renee Berteau, Student Representative Lana Al-Namee, Graduate Student Representatives Jessica Bocanegra and Avery Rasmussen

PERSONS ALSO PARTICIPATING: Board Chair David Daigle, Vice President for Finance and Treasurer Richard Cate, University Controller Claire Burlingham, University Budget Director Shari Bergquist, UVM Foundation President and CEO Shane Jacobson

ABSENT: Student Representative Clark Deng

¹ Joined the meeting at 11:24 a.m.

² Joined the meeting at 10:55 a.m.

³ Participated by conference phone, exited the meeting at 11:30 a.m.

Chair Don McCree called the meeting to order at 10:43 a.m. He began by welcoming Graduate Student representatives Jessica Bocanegra and Avery Rasmussen.

Approval of minutes

A motion was made, seconded and voted to approve the minutes of the May 17, 2019 meeting.

Vice President for Finance and Treasurer Richard Cate introduced UVM Budget Director Shari Bergquist. Ms. Bergquist worked as Assistant Dean for Business Operations at the UVM College of Nursing and Health Sciences for the past eight years. Previously, Ms. Bergquist also worked as a college Departmental Business Administrator at Medical University of South Carolina.

Summer session tuition

University Budget Director Bergquist explained that the proposal to set summer session tuition rates using the same pricing structure since 2015 is brought to the committee at this meeting so that rates may be publicized in a timely fashion for prospective students. As in the past, the proposed tuition is a 30% discount off the rates charged for the previous fall/spring semesters. Summer session enrollment has consistently increased since implementing this structure.

The recommendation for Summer Session 2019 is to set tuition at \$478 per credit hour for in-state students and \$1,204 per credit hour for out-of-state students.

**Total cost of attendance for Global Gateway and Pre-Master's programs
(summer/fall 2020 and spring 2021)**

University Budget Director Bergquist presented cost of attendance fees for the university's preparatory program for international undergraduate students, Global Gateway program, which includes the Pre-Master's program for graduate-level students.

Students recruited by UVM's Global Gateway program administrator, Study Group, are charged on a total cost of attendance basis, which includes out-of-state tuition, room and board, and all other fees and costs associated with enrollment at the university, in a manner that is consistent with the terms and conditions set forth in the agreement between the university and Study Group.

The recommendations are for the 2020 summer semester tuition component of the comprehensive fee charged to Global Gateway program students and Pre-Master's program students to be set at the same tuition rate as the prior spring semester; and the tuition for non-credit coursework to be set at \$8,000 per semester for fall 2020 and spring 2021.

The following resolutions were presented to the Committee.

Resolution approving summer session tuition

BE IT RESOLVED, that the Board of Trustees hereby approves the tuition rate for summer session 2020 of \$478 per credit hour for in-state students and \$1,204 per credit hour for out-of-state students except that, with prior approval from the Provost, graduate programs may maintain summer tuition rates for 2020 in-state and out-of-state students equal to the prior fall and spring tuition rates for their program.

Resolution approving total cost of attendance fees for Global Gateway and Pre-Master's programs (summer/fall 2020 & spring 2021)

WHEREAS, the University, after a request-for-proposal process, entered into an agreement with Study Group to provide services to UVM in support of the University's Global Gateway Program; and

WHEREAS, in January 2016, the Board approved amendments to the agreement with Study Group, which included additions to the Study Group Agreement to create a Pre-Master's Global Gateway Program;

THEREFORE, BE IT RESOLVED, that for the 2020 summer semester, the tuition component of the total cost-of-attendance fee charged to Global Gateway Program students and Pre-Master's Program students will be set at the same tuition rate as the prior spring semester; and

BE IT FURTHER RESOLVED, that for those Global Gateway students whose program includes a semester of non-credit coursework that the tuition component of their total

cost-of-attendance fee for that semester shall be set at \$8,000 per semester for fall 2020 and spring 2021.

A motion was made, seconded, and the resolutions were unanimously approved as presented.

Report of the Investment Subcommittee (ISC)

ISC Chair Robert Brennan referred committee members to the supplemental performance update report provided by Cambridge Associates.

As of September 30, 2019, the endowment balance was \$539 million and the Foundation has an additional \$33 million in non-monetary philanthropic assets generated from donations made for specific use as designated by the donor.

In addition, as recommended by the Investment Subcommittee, the committee is being asked to reaffirm the Quasi-Endowment Funds Policy. This policy was created to give guidance as to when a quasi-endowment should be established because the creation, management, and termination of the quasi-endowment funds involve the University's consolidated endowment pool.

The following resolution was presented to the Committee.

Resolution to reaffirm Quasi-Endowment Funds Policy

WHEREAS, in May 2011, the Board adopted a Quasi-Endowment Funds Policy to govern the creation, management, and termination of quasi-endowment funds; and

WHEREAS, the Investment Subcommittee is charged with review of the Quasi-Endowment Funds Policy; and

WHEREAS, at their meeting held on August 14, 2019, the Investment Subcommittee reviewed the Quasi-Endowment Funds Policy and recommended that the Budget, Finance and Investment Committee reaffirm the Quasi Endowment Funds Policy;

THEREFORE, BE IT RESOLVED, that the Budget, Finance and Investment Committee hereby recommends that the Board reaffirm the Quasi-Endowment Funds Policy, appearing as Appendix A to this document.

A motion was made, seconded, and the resolution was unanimously approved as presented.

Vice President's Report

- **Bond refinancing & rating agency update**

Vice President Cate spoke about bond refinancing and rating agency action. He noted that FY 2009 bonds were refinanced with a net present value savings of \$17 million as a result of low-interest rates. This is the sixth bond refinance that the University has undergone, while retaining its bond rating of Aa3. \$45 million of new bonds will be used for the on-campus multi-purpose center project.

- **External audit update**

University Controller Claire Burlingham reported that the University's external auditor, KPMG, is completing its fieldwork regarding the FY 2019 financial statement audit. To date, there are no material weaknesses or significant deficiencies, and it appears that UVM will once again receive a "clean" audit.

Vice President Cate noted that this is the seventh year in a row that UVM has received these positive audit results, which rarely is the case in higher education. Trustee Audit Committee chair Bernard Juskiewicz commended University Controller Burlingham and her staff for their excellent work.

- **President's strategic initiatives fund**

University Controller Burlingham provided the President's Strategic Initiatives Fund annual update. Established in 2015, this fund is used at the President's discretion and draws from one-time events such as the sale of property. As of June 30, 2019 the fund balance is \$333,308, of which the vast majority now has been committed.

- **Dual enrollment**

University Budget Director Bergquist presented a dual enrollment update. As of September 5, 2019, for FY 2019, 403 students took classes at UVM through the dual enrollment voucher program, mostly during summer 2019. This compares to 371, 450, and 405 dual enrollment students in FY 2018, FY 2017, and FY 2016 respectively. In FY 2019, another 97 high school students took classes at UVM outside of the dual enrollment voucher program. This compares to 51, 116, and 83 high school students in FY 2018, FY 2017, and FY 2016 respectively.

- **FY 2019 year-end general fund budget to actuals**

University Budget Director Bergquist reported on the FY19 budget to actuals report. The year-end results were positive, with units spending \$13.9 million less than budgeted, and actual revenues \$13.4 million over budget. After reappropriations and adjustments of \$19.1 million, there was a remaining fund balance of \$5.3 million, of which \$5 million will be used to help fund the multi-purpose center. Vice President Cates noted that the distributed report mistakenly stated the remaining fund balance was at \$5.2 million.

Fundraising update on capital projects

UVM Foundation President and CEO Shane Jacobson updated the committee on fundraising progress on capital projects, including the on campus multi-purpose center. As of September 30, 2019, the Foundation had commitments totaling \$32.86 million for the athletics facility. The Foundation projects they will have cash receipts for the project totaling \$15.2 million by December of 2021.

Adjournment

There being no further business, the meeting adjourned at 11:44 am.

Respectfully submitted,
Don McCree, Chair

Appendix A



The University of Vermont

Policy V 4.12.1

Responsible Official: Vice President
for Finance and Treasurer

Effective Date: May 21, 2011

Quasi-Endowment Funds

Policy Statement

The University, through its Board of Trustees, may establish, alter, or terminate quasi-endowment funds. A quasi-endowment fund functions in substantially the same manner as a true or permanent endowment fund, except that (1) the terms of a quasi-endowment fund are established by the University, not by an external donor, and (2) the University may spend down the principal of a quasi-endowment fund under the authority of the Board. If the original source of a quasi-endowment fund is a restricted gift or other restricted assets, the fund must retain the restricted purpose as originally specified, and the fund's principal and earnings may be expended only for that purpose.

Reason for the Policy

From time to time the University may decide to designate assets as quasi-endowment funds. These funds gain the benefit of the earning power of the University's consolidated endowment pool while retaining the flexibility to be expended in whole or in part. Because the creation, management, and termination of quasi-endowment funds involve the University's consolidated endowment pool, they may proceed only with the approval of the Board of Trustees. These funds create a mechanism for the University to save and invest sums of money to be spent over time to achieve long-range academic objectives.

Applicability of the Policy

This policy applies to all University of Vermont faculty, staff, and students and to all academic and non-academic units.

Policy Elaboration

A minimum asset value of \$50,000 is necessary to establish a quasi-endowment fund. A department may use its own internal funds for this purpose.

Once established, a quasi-endowment fund's principal must remain within the consolidated investment pool for at least three years. New cash or assets may be added to a quasi-endowment fund only if that cash or those assets are unrestricted or bear restrictions that are compatible with the established quasi-endowment fund.

Following the establishment of a quasi-endowment fund and the expiration of the three-year lock-up period, its principal may be partially or totally expended only with the approval of the Board.

Definitions

A quasi-endowment fund is an expendable fund designated by the Board of Trustees for medium- to long-term investment. A quasi-endowment fund is established by the Board to function like an endowment fund but may be totally expended at the discretion of the Board. The fund's assets are invested in the same manner as those of a true endowment and have the same payout provisions.

Procedures

Requests or proposals to establish quasi-endowments must be directed in the first instance to the University Controller. That official may then advance the request or proposal to the Vice President for Finance and Treasurer (VPF). If the VPF determines that a quasi-endowment should be established, said establishment will be subject to the approval of the Board of Trustees Investment Subcommittee.

Forms

None

Contacts

Questions related to the daily operational interpretation of this policy should be directed to:

University Controller
Claire Burlingham
(802) 656-2903

The Vice President for Finance and Treasurer is the official responsible for the interpretation and administration of this policy.

Related Documents/Policies

None

Revision History

Approved by the University of Vermont Board of Trustees May 21, 2011

Approved by the President on June 7, 2011 and reaffirmed May 7, 2016

Reaffirmed by the University of Vermont Board of Trustees Chair May 20, 2016

BUDGET, FINANCE & INVESTMENT COMMITTEE
January 31, 2020

Resolution authorizing expenditures for the development and construction of the Firestone Medical Research Building project

WHEREAS, on June 11, 2018, the Executive Committee approved the University's recognition of Steven N. Firestone, M.D. '69 as naming gift donor for a project heretofore called the Firestone Medical Research Building; and

WHEREAS, on October 26, 2018, the Board of Trustees authorized the expenditure of \$6 million to undertake the expenditures necessary to complete the project design, including construction drawings for the project; and

WHEREAS, on May 18, 2019, the Educational Policy & Institutional Resources Committee approved the project scope for the project and referred it to the Budget, Finance & Investment Committee for future financial review; and

WHEREAS, the administration has presented a plan for funding the project without debt;

THEREFORE, BE IT RESOLVED, that the Board of Trustees authorizes the administration to undertake the expenditures necessary to complete the design and construction of the project at a cost consistent with its report of this date, with the understanding that bids for the construction cost have not yet been received and the administration will seek further authorization from the Board, prior to commencing construction, should the project cost exceed \$49 million; and

BE IT FURTHER RESOLVED, that the \$49 million in funds for total expenditures for the project be drawn from gift funds, dean's reserves, university general fund reserves, and reserves of the University Medical Education Associates.

Resolution authorizing expenditures for the Recital Hall expansion and renovation project

WHEREAS, on July 3, 2018, the Executive Committee approved the Recital Hall expansion and renovation project at a cost not to exceed \$3,300,000;

WHEREAS, the administration today reported on a revised expenditure and funding plan that would increase the project cost by an additional \$1,004,000; and

WHEREAS, the University has received a written pledge commitment that would fund \$247,000 of the increase from additional gift funds, and the UVM Foundation and the University will provide the remaining \$757,000 from available reserves;

BE IT RESOLVED, that the Board of Trustees authorizes an additional \$1,004,000 for the Recital Hall expansion and renovation project for a total expenditure of \$4,304,000, to be expended in a manner consistent with the report made on this date.

This resolution supplements the resolution approved by the Executive Committee on July 3, 2018.

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 2019;

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

Resolution reaffirming the Endowment Budget policy

WHEREAS, on October 30, 2019, the Investment Subcommittee met, reviewed, and discussed the Endowment Budget policy;

RESOLVED, that the *Endowment Budget Policy* is reaffirmed as reads below:

BE IT FURTHER RESOLVED, that the annual budget for spending from the Endowment be set at 4.5 percent of the average market value for the previous thirteen quarters ending December 31 of the prior calendar year; and

BE IT FINALLY RESOLVED, that the Investment Subcommittee will review and make recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the *Endowment Budget Policy* each year no later than December 31.

Adopted by: Board of Trustees - May 13, 1995

*Reaffirmed: Board of Trustees - September 8, 2007
Board of Trustees - September 5, 2008
Board of Trustees - October 24, 2009
Board of Trustees - October 30, 2010
Board of Trustees - October 22, 2011
Board of Trustees - November 8, 2012
Board of Trustees - October 26, 2013
Board of Trustees - October 18, 2014
Board of Trustees - October 3, 2015
Board of Trustees - October 22, 2016
Board of Trustees - October 20, 2017
Board of Trustees - October 27, 2018
Board of Trustees -*

Resolution reaffirming the Endowment Administration Fee policy

WHEREAS, on November 19, 2019, the Investment Subcommittee met, reviewed and discussed the Endowment Administration Fee policy;

RESOLVED, that the *Endowment Administration Fee Policy* is reaffirmed as reads below:

BE IT FURTHER RESOLVED, that the Board of Trustees hereby approves a 0.25 percent fee applied to the University endowment for Fiscal Year 2020 to cover reasonable costs associated with endowment administration, management and operation; and

BE IT FURTHER RESOLVED, that calculation of the 0.25 percent fee will be based on the average market value of the University endowment for the previous thirteen quarters ending December 31 of the prior calendar year; and

BE IT FINALLY RESOLVED, that the Investment Subcommittee will review and make a recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the *Endowment Administration Fee Policy* each year no later than December 31.

Adopted by: Board of Trustees - September 13, 2003

Reaffirmed: Board of Trustees - September 8, 2007

Board of Trustees - September 5, 2008

Amended: Board of Trustees - October 24, 2009

Reaffirmed: Board of Trustees - October 30, 2010

Board of Trustees - October 22, 2011

Board of Trustees - November 8, 2012

Board of Trustees - October 26, 2013

Board of Trustees - October 18, 2014

Board of Trustees - October 3, 2015

Board of Trustees - October 22, 2016

Board of Trustees - October 21, 2017

Board of Trustees -

Resolution setting the comprehensive fee, student government association and inter residence association fees for fiscal year 2021

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

Student Government Association (SGA) Fee	\$222
Inter Residence Association (IRA) Fee	\$30
Comprehensive Fee	\$2,188

Resolution approving room and meal plan rates for fiscal year 2021

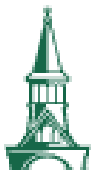
BE IT RESOLVED, that the Board of Trustees hereby approves room and meal plan rates for fiscal year 2021 as follows:

Room Rates Per Year

Private Single with Bath	\$10,942
Private Double with Bath	\$9,720
Private Triple with Bath	\$8,058
Suite Single with Shared Bath	\$10,500
Suite Double with Shared Bath	\$9,168
Suite Triple with Bath	\$7,664
Traditional Single	\$10,094
Traditional Double	\$8,756
Traditional Triple	\$6,934
Traditional Quad	\$5,870

Meal Plan Rates

Retail Dining	\$4,568
Residential Unlimited Access (+100 Points per Semester)	\$4,568
Flex Plan (160 meals + 900 Points per Semester)	\$5,104



**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
Revised, February 2015
Reaffirmed, February 2016
Revised, February 2017
Reaffirmed, February 2018
Revised, February 2019
Reaffirmed, February 2020

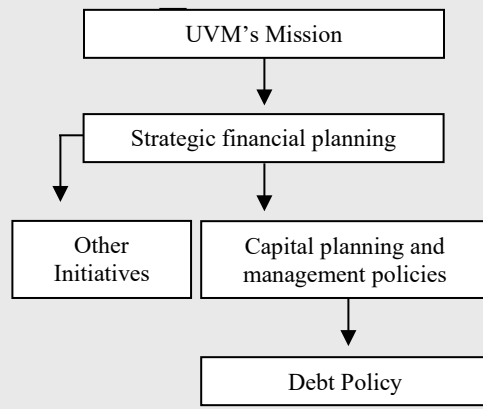
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OVERVIEW

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, and external University-supported debt.

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) Limit risk of the University's debt portfolio. 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; and
- (iv) 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. 	<p>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.</p> <p>The Office of the Vice President for Finance and University Treasurer 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.</p> <p>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.</p>

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. 	<p>This policy establishes limits to measure the total amount of outstanding debt 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.</p> <p>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.</p> <p>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.</p> <p><i>Ratio 1 – Debt Burden Ratio</i></p> <hr/> <p>This ratio measures the University's ability to repay debt service associated with all outstanding debt 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.</p> $\frac{\text{ANNUAL DEBT SERVICE}}{\text{TOTAL EXPENSES}} < 5.75\%$ <p>The measure is based on aggregate operating expenses as opposed to operating revenues because expenses typically are more stable (e.g., no one-</p>



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% until June 30, 2023 and will revert to 5% thereafter. 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 Spendable Cash and Investments to Debt)

This ratio indicates one of the most basic determinants of financial health by measuring the availability of liquid and expendable assets 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 1.0 to ensure that sufficient balance sheet strength is maintained at all times.

$$\frac{\text{CASH \& INVESTMENTS} - \text{PERMANENTLY RESTRICTED NET ASSETS} + \text{PLEDGES CLASSIFIED AS PERMANENTLY RESTRICTED NET ASSETS}}{\text{AGGREGATE DEBT}} > 1.0x$$

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

The 1.0x 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 1.0x

Annually, based on the results of the audited financial statements, the Vice President for Finance 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.

To further evaluate the leverage of the University, the Vice President of Finance will report the University's Expendable Financial Assets to Debt ratio. This ratio will be reviewed relative to prior years, peers and rating agency medians and will be calculated with and without the Governmental Accounting Standards for Other Post Retirement Benefits. The Vice President for Finance will report to the appropriate Board of Trustee



committee on any existing conditions that cause notable year-over-year changes in this ratio, particularly relative to peers and rating medians.

$$\frac{\text{UNRESTRICTED NET ASSETS} + \text{TEMPORARILY RESTRICTED NET ASSETS} - \text{EQUITY IN PLANT}}{\text{AGGREGATE DEBT}}$$

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

1. Review of all potential funding sources for projects.
2. Maximize tax-exempt University-issued debt.
3. Commercial Paper program.
 - 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.
 - 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.

Commercial Paper

The CP program 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 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. <ul style="list-style-type: none">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; and
- (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 portfolio, (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

TOTAL LONG-TERM DEBT OUTSTANDING

<35%



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 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 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 line 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.



Financial Feasibility Review Phase

Project History and EPIR Review

This project was presented to the Educational Policy and Institutional Resources (EPIR) Committee on May 17, 2019 and approved to move on to the Budget Finance and Investment Committee when funding was identified. The construction of this project, formerly called the Lerner College of Medicine (LCOM) Biomedical Research Building, is being requested for approval at this time.

Project Concept

The 62,500 gross square foot (GSF) biomedical research building's design is inspired by a team science approach. The building's layout encourages interaction and collaboration by consolidating research laboratory and shared write-up zone infrastructure to facilitate multidisciplinary research and the cross-pollination of ideas. The design also provides flexibility for future research needs, and incorporates improved security, accessibility, and efficiency over the LCOM's current research environment. Flexibility is achieved with a series of zones that can accommodate a wide range of activities. The write-up area located along the northern windows includes a mix of open workstations and enclosed private offices adequate to accommodate both the personnel assigned to a specific multidisciplinary scientific research team and its collaborator base. These are separated from the lab by a wall with a series of large glazed openings that allow daylight and views into the lab while maximizing energy savings by reducing fan energy associated with lab ventilation requirements. The open lab bench area fosters collaboration and the sharing of ideas and equipment. The support zones are a mix of open shared equipment corridors and enclosed rooms that support specialty equipment such as microscopes.

The programming and occupancy vision for this biomedical research building centers on creating hubs to house interdisciplinary teams of investigators based upon research themes rather than traditional department structures. The building's site will be in a centralized location on the LCOM campus, connected to the adjoining Health Science Research Facility, Stafford, and Given buildings. This location is also readily accessed by other users across the UVM and University of Vermont Medical Center (UVMMC) campuses.

Throughout each stage of the design process, the design team validated that co-location of major shared resources is the key to enhancing long-term sustainability as it is the best way to achieve efficiencies of scale, improved access, and sharing of resources with reduced duplication of services among cores. Last spring, the LCOM submitted a \$7.9 million National Institute of Health (NIH) C06 Research Construction Grant proposal to house a UVM Center for Biomedical Shared Resources (CBSR) on the first floor of this building. While the proposal received a favorable review with "Just In Time" notification for information, it fell below the pay line for funding. Despite not receiving NIH funding, the LCOM intends to incorporate the CBSR on level 1 of this proposed building to highlight the cross campus collaboration it will be supporting by incorporating the Vermont Genetics Network and UVM Mass Spectrometry cores that are currently located elsewhere on the UVM campus.

The CBSR will support biomedical research programs and trainees at UVM as well as further growth in regional collaborations. Research and training activities supported by Northern New England Clinical Translational Research Network (NNE-CTR), the Vermont Genetics Network, multiple Centers of Biomedical Research Excellence (COBRE), the UVM Cancer Center, the Cardiovascular Research Institute of Vermont, and NIH training and other grants, will all make considerable use of CBSR resources/services. These programs will derive significant momentum from the expanded resources and accessibility that will be provided by the CBSR. While the vast majority of UVM's biomedical research is based in LCOM, collaborating investigators span multiple colleges at UVM including Agriculture and Life Sciences, Engineering and Mathematical Sciences, Arts and Sciences, Environment and Natural Resources, and Nursing and Health Sciences. CBSR will also have a regional impact, as the Cores currently provide services to the Maine Medical Center Research Institute, Dartmouth College, Albany College of Pharmacy, Castleton University, St. Michael's College, Northern Vermont University, Middlebury College, and Norwich University. The successful integration of our shared resource cores into a new facility will support continued growth in biomedical research spanning our institution and region for years to come.

Project Financing

It is estimated that the construction of the Firestone Medical Research Building will cost \$49.0 million. The project will be funded by a combination of gift funds, dean's reserves, university general fund reserves, and reserves of the University Medical Education Associates.

Firestone Medical Research Building



North Elevation



South Entry

The University of Vermont
Project Cost Summary
Date: January 31, 2020

Project Title: Firestone Medical Research Building

Page 4 of 4

Building and Site Construction	Cost	Benchmarking Data
General Conditions & General Reqmnts	\$3,581,252	
Site Work	\$3,617,096	
Concrete	\$1,703,735	
Masonry	\$1,025,551	Gross Square Feet (GSF)
Metals	\$2,479,777	62,500
Carpentry	\$270,625	
Thermal & Moisture Protection	\$1,243,149	
Doors & Windows	\$1,700,975	Const. Cost/GSF
Finishes	\$2,701,332	\$606
Specialties	\$302,048	
Equipment	\$111,962	
Furnishings	\$1,040,924	Project Cost/GSF
Conveying	\$320,346	\$784
Mechanical	\$8,917,116	
Electrical	\$4,494,630	
Indirect Costs	\$1,723,158	Comparable Projects
Liability insurance		
Performance and Payment Bonds		Discovery/Innovation (2019)
GC Fee		195,592 GSF
Construction Permits		Project Cost/GSF
		\$496
Design Contingency & Escalation Costs	\$1,439,494	
		Jeffords Hall (2010)
		104,300 GSF
Construction Contingency	\$1,216,372	Project Cost/GSF
		\$480
Construction Cost Subtotal	\$37,889,542	Aiken Center (2011)
		41,354 GSF
		Project Cost/GSF
Professional Fees	\$3,384,238	\$315
Architectural and Engineering Fees		
Commissioning Fees		
Other Project Costs	\$7,486,220	
Permitting		
Hazardous Material Abatement		
Telecommunication		
Administrative costs		
Furniture, Fixtures, & Equipment		
Soft Cost Contingency	\$240,000	
Soft Cost Subtotal	\$11,110,458	
Total Project Cost	\$49,000,000	

**UNIVERSITY OF VERMONT
DEBT & LEVERAGE RATIOS**

FY19

Reflects impact of GASB45/75 (post-retirement medical benefits) liability

Attachment 4

VIABILITY RATIO:

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
Unrestricted Net Positions	Numerator	(200,744)	(200,744)	(200,744)	(224,939)	12,165	27,176	19,047	34,527	43,939	51,310	57,672	53,613
Expendable Restricted Net Positions	Numerator	335,965	335,965	335,965	342,741	329,753	299,276	321,975	320,404	286,430	260,777	283,481	248,903
Total Expendable Net Assets		135,221	135,221	135,221	117,802	341,918	326,452	341,022	354,931	330,369	312,087	341,153	302,516

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
Long-Term Liabilities - Current	Denominator	14,905	14,462	14,420	11,165	10,778	10,089	8,306	7,962	8,004	7,403	7,129	8,115
Long-Term Liabilities - Noncurrent	Denominator	615,818	586,261	530,972	545,391	556,603	564,726	444,014	451,748	459,710	465,281	472,525	479,430
Total Long-Term Debt		630,723	600,723	545,392	556,556	567,381	574,815	452,320	459,710	467,714	472,684	479,654	487,545

Viability Ratio		0.21	0.23	0.25	0.21	0.60	0.57	0.75	0.77	0.71	0.66	0.71	0.62
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DEBT BURDEN RATIO: TARGET <5.75%

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
Interest Due	Numerator	(24,812)	(23,322)	(23,659)	(23,316)	(25,568)	(20,681)	(21,424)	(21,669)	(22,262)	(22,502)	(22,909)	(22,351)
Principal Due	Numerator	(13,426)	(12,983)	(9,545)	(9,780)	(9,384)	(7,955)	(7,717)	(7,759)	(7,177)	(6,903)	(7,888)	(5,756)
Total Debt Service		(38,238)	(36,305)	(33,204)	(33,096)	(34,952)	(28,636)	(29,141)	(29,428)	(29,439)	(29,405)	(30,797)	(28,107)

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12	FY11	FY10
Operating Expenses	Denominator	(681,320)	(681,320)	(681,320)	(668,359)	(661,202)	(633,941)	(611,407)	(605,712)	(585,027)	(581,087)	(587,427)	(564,465)
Less Depreciation Expenses	Denominator	32,902	32,902	32,902	31,356	29,931	26,422	26,596	26,545	27,823	28,721	28,070	27,435
Interest Due	Denominator	(24,812)	(23,322)	(23,659)	(23,316)	(25,568)	(20,681)	(21,424)	(21,669)	(22,262)	(22,502)	(22,909)	(22,351)
Principal Due	Denominator	(13,426)	(12,983)	(9,545)	(9,780)	(9,384)	(7,955)	(7,717)	(7,759)	(7,177)	(6,903)	(7,888)	(5,756)
Total Expenses		(686,656)	(684,723)	(681,622)	(670,099)	(666,223)	(636,155)	(613,952)	(608,595)	(586,643)	(581,771)	(590,154)	(565,137)

Debt Burden Ratio		5.57%	5.30%	4.87%	4.94%	5.25%	4.50%	4.75%	4.84%	5.02%	5.05%	5.22%	4.97%
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SPENDABLE CASH AND INVESTMENTS TO DEBT: TARGET > 1.0

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Cash and Cash Equivalents	Numerator	163,121	163,121	163,121	153,491
Operating Investments	Numerator	139,132	139,132	139,132	122,654
Endowment Cash, Cash Equivalents, and Investments	Numerator	494,724	494,724	494,724	490,792
Investments for Capital Activities	Numerator	44,420	44,420	44,420	41,247
Less Permanently Restricted Net Assets	Numerator	(116,469)	(116,469)	(116,469)	(115,918)
Plus Pledges Reported as Permanently Restricted	Numerator	-	-	-	-
Total Spendable Cash and Investments		724,928	724,928	724,928	692,266

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Long-Term Liabilities - Current	Denominator	14,905	14,462	14,420	11,165
Long-Term Liabilities - Noncurrent	Denominator	615,818	586,261	530,972	545,391
Total Aggregate Debt		630,723	600,723	545,392	556,556

Spendable Cash and Investments to Debt Ratio		1.15	1.21	1.33	1.24
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EXPENDABLE FINANCIAL ASSETS TO DEBT (w/ OPEB LIABILITY): TARGET > 1.0

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Unrestricted Net Assets	Numerator	(200,744)	(200,744)	(200,744)	(224,939)
Restricted Expendable Net Assets	Numerator	335,965	335,965	335,965	342,741
Total Expendable Resources		135,221	135,221	135,221	117,802

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Long-Term Liabilities - Current	Denominator	14,905	14,462	14,420	11,165
Long-Term Liabilities - Noncurrent	Denominator	615,818	586,261	530,972	545,391
Total Aggregate Debt		630,723	600,723	545,392	556,556

Total Expendable Financial Assets to Debt (w/ OPEB Liability)		0.21	0.23	0.25	0.21
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UNIVERSITY OF VERMONT

DEBT & LEVERAGE RATIOS

FY19

Does not reflect impact of GASB45/75 (post-retirment medical benefits) liability

VIABILITY RATIO:

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15 Restated	FY14	FY13	FY12	FY11	FY10
Unrestricted Net Assets	Numerator	(200,744)	(200,744)	(200,744)	(224,939)	12,165	27,176	19,047	34,527	43,939	51,310	57,672	53,613
Expendable Restricted Net Assets	Numerator	335,965	335,965	335,965	342,741	329,753	299,276	321,975	320,404	286,430	260,777	283,481	248,903
Plus Post Retirement Benefit Adjustment	Numerator	484,337	484,337	484,337	479,958	232,590	202,356	169,698	149,018	127,550	109,178	90,929	69,605
Total Expendable Net Assets		619,558	619,558	619,558	597,760	574,508	528,808	510,720	503,949	457,919	421,265	432,082	372,121

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15 Restated	FY14	FY13	FY12	FY11	FY10
Long-Term Liabilities - Current	Denominator	14,905	14,462	14,420	11,165	10,778	10,089	8,306	7,962	8,004	7,403	7,129	8,115
Long-Term Liabilities - Noncurrent	Denominator	615,818	586,261	530,972	545,391	556,603	564,726	444,014	451,748	459,710	465,281	472,525	479,430
Total Long-Term Debt		630,723	600,723	545,392	556,556	567,381	574,815	452,320	459,710	467,714	472,684	479,654	487,545

Viability Ratio		0.98	1.03	1.14	1.07	1.01	0.92	1.13	1.10	0.98	0.89	0.90	0.76
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DEBT BURDEN RATIO: TARGET <5.75%

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15 Restated	FY14	FY13	FY12	FY11	FY10
Interest Due	Numerator	(24,812)	(23,322)	(23,659)	(23,316)	(25,568)	(20,681)	(21,424)	(21,669)	(22,262)	(22,502)	(22,909)	(22,351)
Principal Due	Numerator	(13,426)	(12,983)	(9,545)	(9,780)	(9,384)	(7,955)	(7,717)	(7,759)	(7,177)	(6,903)	(7,888)	(5,756)
Total Debt Service		(38,238)	(36,305)	(33,204)	(33,096)	(34,952)	(28,636)	(29,141)	(29,428)	(29,439)	(29,405)	(30,797)	(28,107)

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18	FY17	FY16	FY15 Restated	FY14	FY13	FY12	FY11	FY10
Operating Expenses	Denominator	(681,320)	(681,320)	(681,320)	(668,359)	(661,202)	(633,941)	(611,407)	(605,712)	(585,027)	(581,087)	(587,427)	(564,465)
Less Post Retirement Benefit Adjustment	Denominator	4,760	4,760	4,760	17,025	30,234	32,658	20,680	21,468	18,372	18,249	21,324	18,764
Less Depreciation Expenses	Denominator	32,902	32,902	32,902	31,356	29,931	26,422	26,596	26,545	27,823	28,721	28,070	27,435
Interest Due	Denominator	(24,812)	(23,322)	(23,659)	(23,316)	(25,568)	(20,681)	(21,424)	(21,669)	(22,262)	(22,502)	(22,909)	(22,351)
Principal Due	Denominator	(13,426)	(12,983)	(9,545)	(9,780)	(9,384)	(7,955)	(7,717)	(7,759)	(7,177)	(6,903)	(7,888)	(5,756)
Total Expenses		(681,896)	(679,963)	(676,862)	(653,074)	(635,989)	(603,497)	(593,272)	(587,127)	(568,271)	(563,522)	(568,830)	(546,373)

Debt Burden Ratio		5.61%	5.34%	4.91%	5.07%	5.50%	4.75%	4.91%	5.01%	5.18%	5.22%	5.41%	5.14%
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SPENDABLE CASH AND INVESTMENTS TO DEBT: TARGET > 1.0

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Cash and Cash Equivalents	Numerator	163,121	163,121	163,121	153,491
Operating Investments	Numerator	139,132	139,132	139,132	122,654
Endowment Cash, Cash Equivalents, and Investm	Numerator	494,724	494,724	494,724	490,792
Investments for Capital Activities	Numerator	44,420	44,420	44,420	41,247
Less Permanently Restricted Net Assets	Numerator	(116,469)	(116,469)	(116,469)	(115,918)
Plus Pledges Reported as Permanently Restrictet	Numerator	-	-	-	-
Total Spendable Cash and Investments		724,928	724,928	724,928	692,266

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Long-Term Liabilities - Current	Denominator	14,905	14,462	14,420	11,165
Long-Term Liabilities - Noncurrent	Denominator	615,818	586,261	530,972	545,391
Total Aggregate Debt		630,723	600,723	545,392	556,556

Spendable Cash and Investments to Debt Ratio		1.15	1.21	1.33	1.24
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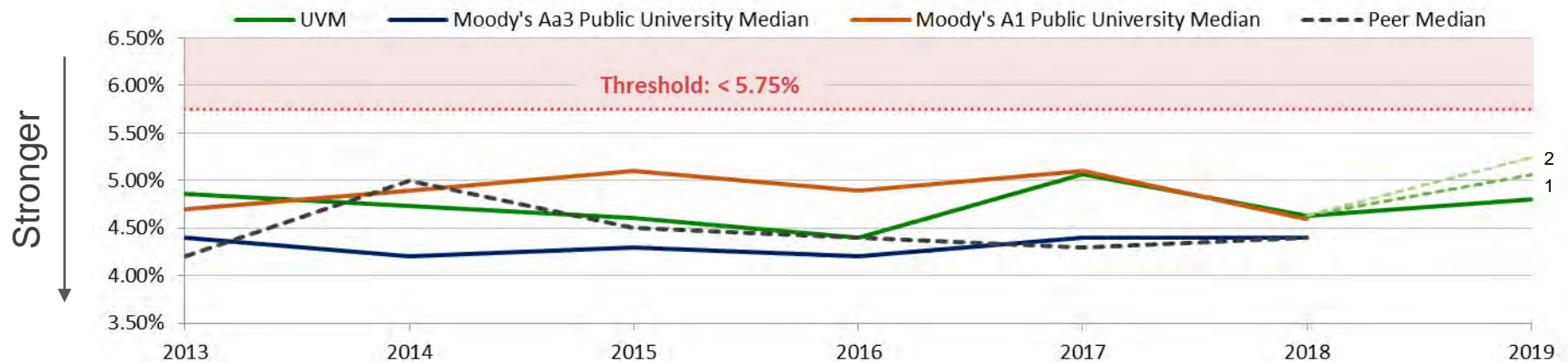
EXPENDABLE FINANCIAL ASSETS TO DEBT (W/O OPEB LIABILITY): TARGET > 1.0

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Unrestricted Net Assets	Numerator	(200,744)	(200,744)	(200,744)	(224,939)
Restricted Expendable Net Assets	Numerator	335,965	335,965	335,965	342,741
Less OPEB Deferred Outflows	Numerator	(13,135)	(13,135)	(13,135)	(12,617)
Plus OPEB Deferred Inflows	Numerator	37,140	37,140	37,140	
Plus OPEB Liability	Numerator	460,332	460,332	460,332	492,575
Total Expendable Resources		619,558	619,558	619,558	597,760

Financial Statement Item	Ratio Position	FY20 Pro Forma w/ MPC Part 2	FY19 w/ MPC	FY19	FY18
Long-Term Liabilities - Current	Denominator	14,905	14,462	14,420	11,165
Long-Term Liabilities - Noncurrent	Denominator	615,818	586,261	530,972	545,391
Total Aggregate Debt		630,723	600,723	545,392	556,556

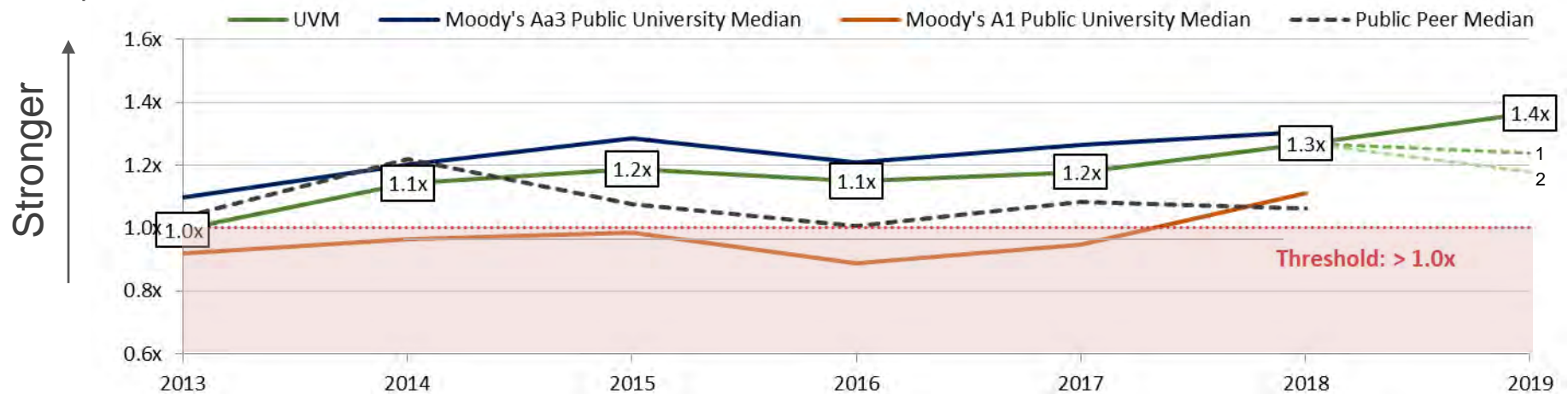
Total Expendable Financial Assets to Debt (w/o OPEB Liability)		0.98	1.03	1.14	1.07
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- The University has consistently been below the stated debt burden ratio threshold of 5.75%.
- Under this ratio, the University is in line with peers and Moody's medians at its rating level.



- UVM's spendable cash & investments to debt ratio declined slightly following the series 2019 borrowing which increased total debt by ~\$53M, but the University remains significantly above the 1.0x threshold.

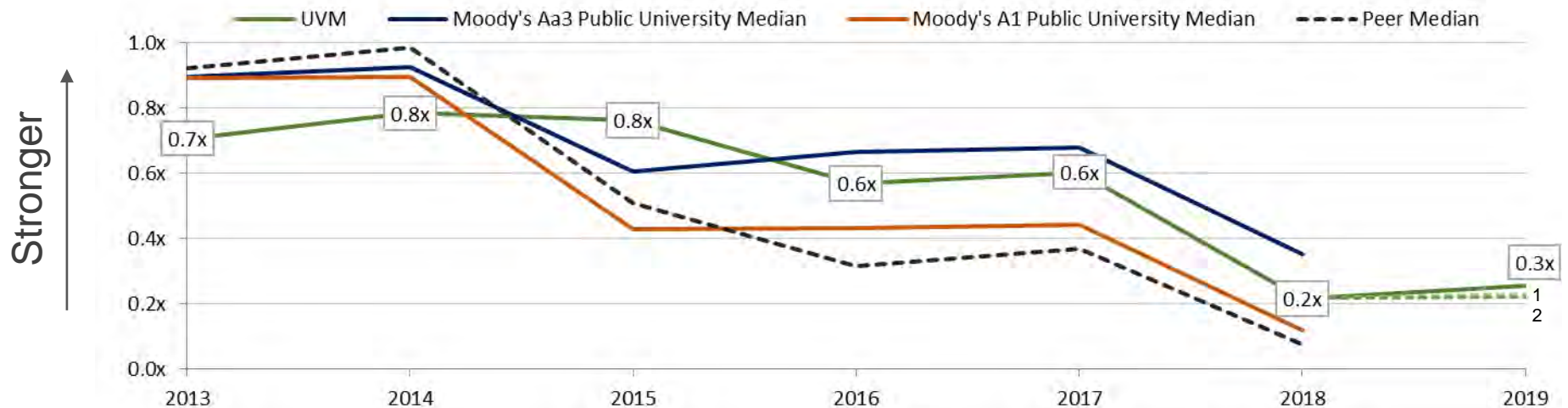
Spendable Cash and Investments to Debt



- Median as of fiscal year 2018 derived from Moody's Municipal Financial Ratio Analysis (MFRA) database
- [1] Includes effect of Series 2019 bonds issued in August 2019 (after FYE2019) consisting of \$53M new money borrowing and refinancing of ~\$66M Series 2009 bonds
- [2] Includes estimated effect of Series 2020 bonds expected to be issued in late summer 2020 consisting of \$30M new money borrowing and refinancing of ~\$13.5M Series 2010B bonds

- UVM's expendable financial assets to debt ratio, which does not have a stated threshold, declined in fiscal year 2018 due to accounting changes increasing other post-employment benefit (OPEB) liabilities, reducing expendable financial assets.

Expendable Financial Assets to Debt





The University of Vermont

*Office of the Vice President for
Finance and Treasurer*

Vice President's Report

January 31, 2020

Board of Trustees

Budget, Finance and Investment Committee

Prepared By

Richard H. Cate, Vice President for Finance and Treasurer

University Budget Director Shari Bergquist, University Controller Claire Burlingham, and I will report to the BFI Committee on the following:

- Fiscal year (FY) 2020 2nd quarter general fund budget to actuals (Handout)
- Capital projects funding sources and uses (Appendix A)
- Net assets overview (Appendix B)
- Green revolving loan fund (Appendix C)
- Capital project fundraising update (Appendix D)

Capital Projects Funding Sources and Uses as of December 31, 2019

Capital Project	Date of Board of Trustees Approval of Project Funding	Bonded	UVM Foundation Cash	SOURCE OF FUNDS							REPAYMENT OF FUNDS			
				General Fund	Proceeds of Sale County Apartments	Operating Net Reserves	Presidents Strategic Initiatives Fund	Capital Project Prefunding Account	Net Plant Asset Reserves	Project Total	Foundation Cash Receipts as of November 30, 2019	Repayment schedule	Remaining Cash Due	Source of Repayment
UVM Rescue Facility	5/21/2016		\$103,000	\$400,000		\$925,000	\$197,000			\$1,625,000	\$ 103,000.00	10 years	\$630,000	UVM Rescue Revenue
Virtue Field	3/14/2016		\$500,000						\$3,000,000	\$3,500,000		5 years	\$2,000,000/ \$1,000,000	Facilities Infrastructure Fund/Annual Gifts
Taft School Phase 2	12/12/2016		\$3,000,000							\$3,000,000	\$ 3,000,000	1 year	\$0	UVMF Gift
Billings Library Renovation	10/22/2016		\$5,503,665		\$2,996,335					\$8,500,000	\$ 5,503,665	5 years + Estate Gift	\$2,996,335	UVMF Fundraising
Ifshin Hall	10/22/2016		\$6,974,830	\$1,775,170				\$2,250,000		\$11,000,000	\$ 6,074,107	5 years	\$4,025,161	UVMF Fundraising & \$175,000/yr. for 5 years from GSB Dean
Multi-Purpose Center*	2/3/2017	\$75,000,000	\$15,000,000	\$4,250,000				\$750,000		\$95,000,000	\$ 6,154,302	5 years	\$26,282,114	UVMF Fundraising
Recital Hall Music Building	4/9/2018		\$3,300,000							\$3,300,000			\$3,300,000	UVMF Fundraising

Fiscal Year (FY) 2019 Year-End Net Assets Overview

January 31, 2020

Board of Trustees

Budget, Finance & Investment Committee

Summary

Net Assets are defined to include all forms of net financial assets that are used for operations. Net Assets include cash, accounts receivable, and other liquid assets less any obligations of the University. Net Assets exclude balances of other major asset/liability categories reflected on the balance sheet such as plant and property, endowment principal, debt, and post-employment benefit obligations.

Unrestricted Net Assets are defined as Net Assets that do not have external conditions with respect to how they may be used. Unrestricted Net Assets originate from sources including tuition and fee revenue, the majority of the annual state appropriation, facilities and administrative cost recovery, and gifts and endowments designated as unrestricted.

Restricted Net Assets are defined as Net Assets that have a legal or regulatory obligation to be used for a particular purpose. Restricted Net Assets originate from sources including grants, contracts, and the majority of gifts and endowments.

Within the University's financial records, Unrestricted and Restricted Net Assets are divided into accounts that represent similar business activities or have a designated purpose. Over time, the administration has proposed, and the Board has approved, the creation of specific Unrestricted Net Asset accounts to be used for designated purposes; these are described in further detail below. Spending of Unrestricted Net Assets is generally determined by the administration as part of the annual budget process. Under board authority guidelines, the administration is required to obtain board approval in order to use certain Unrestricted Net Assets.

Unrestricted Net Assets

General Fund Net Asset Accounts

Accumulated Unit Reappropriations represent accumulated operating net fund balances from prior fiscal years for academic and administrative units. The University's operating procedure allows for accumulated operating net fund balances to be managed within academic or administrative departments for multi-year projects. The approval of multi-year projects supporting strategic objectives of an academic unit is vested in the President, who evaluates unit plans and authorizes required spending for program development, faculty recruitment, or specialized equipment. During the budget review process, unit heads present their strategic plans for use of these assets in the current and succeeding three years. Use of these funds will follow the established request and approval process with the President.

Other General Fund Net Assets represent all Unrestricted Net Assets that are not Accumulated Unit Reappropriations and are not designated Unrestricted Net Asset accounts. This category includes other University operating net surpluses from prior fiscal years, proceeds from unrestricted gifts, self-insured risk reserves, and working capital.

Other Unrestricted Net Asset Accounts

Treasury Operations Net Assets account. This account receives funds from internal budget debt commitments and pays the debt service and related expenses associated with external University debt. Internal budget debt commitments paid into this account are structured to generate a modest annual surplus over payments out of the account for external obligations.

Net Tuition Stabilization Fund account. This account was created in order to provide the administration with resources to manage modest shortfalls in annual net tuition targets without seeking Board approval. If net tuition is below the target, these funds may be used by the administration to offset any shortfall. As defined in the Board resolution approving the account, funds used must be replenished within two years. This account was created in 2014 pursuant to Board approval on May 17, 2014.

Capital Project Pre-Funding account. This account was created to enable the administration to fund the early phases of major Board-approved capital projects, before external project funding (private gifts or debt) has been raised. This account was initially funded with \$10 million from the Treasury Operations account. This account was created in 2014 pursuant to Board approval on May 17, 2014.

Loan Net Assets account. This account represents the outstanding balance of student loan receivables associated with loans previously offered by the University; funds are unrestricted.

Continuing and Distance Education Loan Fund account. This account was originally established with funds from the Continuing Education Income/Expense fund. These funds are used to enable students to take courses in the summer when financial aid is not available to those who have accessed aid in the two previous semesters.

Green Revolving Loan Net Asset account. This account was established to allow the administration to fund internal energy efficiency projects with defined payback periods, and was originally funded with the transfer of \$13.0 million from Other General Fund Net Assets. This account was created in 2012 pursuant to Board approval on February 4, 2012.

Income/Expense Activities Net Asset account. This account supports the activities of an array of Income/Expense activities across the UVM campus. The balance includes a central allocation of \$2.0 million to serve as an internal reserve against extended poor performance within an individual income and expense activity. In a number of cases, income and expense accounting is subject to federal audit to assure that rates charged to grant activities include full cost accounting.

Plant Net Asset account. This account was authorized to fund costs associated with plant repair or improvement, and includes all reserves established in conjunction with capital building projects. The balance includes the facility renewal reserve from annual general fund transfers for the creation of long-term reserves to address major building systems repair and replacement. The balance also includes reserves for library capital improvements, equipment spending, and Residential Life balances set aside for future capital projects.

Restricted Net Assets

Accumulated Gift Net Asset account. This account includes more than 700 separate restricted gifts used for donor-defined and University-accepted purposes, pursuant to gift agreements. These gifts, either because of donor intent or size, are not affiliated with the University's endowment. Balances are available for the defined purposes on an ongoing basis as long as funds are available.

Accumulated Endowment Income Net Asset account. This account consists of more than 800 separate restricted endowment-spending accounts to be used for donor-defined and University-accepted purposes, pursuant to endowment agreements. Funding for these accounts comes from the annual distributions from endowments. Balances are available for the defined purposes on an ongoing basis as long as funds are available.

Net Assets Spending Authority

Spending authority over the various categories of Net Assets is linked to the nature of the asset, the legal or policy requirements connected to the category and the business unit within the University vested with the authority. The President and the Vice President for Finance and Treasurer are responsible, in conjunction with the Board pursuant to Board policies, to assure that spending authority is exercised appropriately across the entire University. As a part of the annual budget process, all academic units submit their proposed multiyear spending requirements and how available net assets would support those priorities. The President reviews these proposals and will either approve or amend the proposals as a part of the budget approval process. Spending against plans then requires a subsequent, specific request and authorization.

Net Asset Balances as of June 30, 2019

	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY19 Encumbered amount	FY19 Unencumbered amount	Comments
UNRESTRICTED											
General Fund Net Assets											
Accumulated Reappropriations	31,888,377	29,792,411	32,355,940	34,715,138	39,206,366	61,236,587	71,130,448	72,317,273	72,317,273	(0)	Encumbered by administration (1)
Other General Fund Net Assets	6,530,201	(4,162,422)	(2,027,411)	(502,745)	19,177,397	25,351,070	22,757,299	30,512,612	12,613,771	17,898,841	Encumbered by administration (2)
General Fund Net Assets Total	38,418,578	25,629,989	30,328,529	34,212,393	58,383,763	86,587,657	93,887,747	102,829,885	84,931,044	17,898,841	
Treasury Operations Net Assets	22,934,988	24,427,843	14,788,738	14,382,669	14,875,219	14,011,790	13,717,360	17,281,669	12,600,000	4,681,669	Encumbered by BOT resolution (3) (4)
Net Tuition Stabilization Fund (NTSF)			4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	Encumbered by BOT resolution (5)
Capital Project Pre-funding Account (CPPFA)	0	0	3,000,000	3,000,000	3,000,000	2,250,000	0	0	0	0	Encumbered by BOT resolution (6)
Loan Net Assets	6,664,925	4,582,129	2,471,739	3,080,897	3,326,107	5,234,370	5,557,579	5,754,197	200,000	5,554,197	Encumbered by administration (10)
Loan Fund Continuing & Distance Education	3,836,200	3,842,533	3,835,346	3,833,844	3,868,851	3,855,254	3,861,661	3,887,573	3,887,573	(0)	Encumbered by administration (7)
Green Revolving Loan Fund (GRLF)	0	13,000,000	12,891,498	12,977,248	12,644,310	11,941,596	9,886,207	10,404,353	10,404,353	(0)	Encumbered by BOT resolution (8)
Income/Expense Activities Net Assets	16,316,571	17,468,831	16,607,169	20,266,413	22,632,779	24,201,181	19,083,882	22,706,033	20,715,965	1,990,068	Encumbered by administration (9)
Plant Net Assets	42,945,642	48,298,079	63,257,816	60,612,137	81,041,815	67,844,524	83,909,976	93,094,298	93,094,298	0	Encumbered by administration (10)
Total Unrestricted Net Assets	131,116,904	137,249,404	151,680,835	156,865,602	204,272,845	220,426,372	234,404,411	260,458,007	225,833,233	34,624,774	
RESTRICTED											
Accumulated Gift Net Assets	20,889,502	15,097,851	16,630,889	12,889,212	10,214,239	10,363,929	15,349,899	13,689,700	0		
Accumulated Endowment Income Net Assets	13,856,329	14,942,198	14,527,180	14,398,181	15,604,755	16,351,378	15,634,815	16,367,788	0		
Total Restricted Net Assets	34,745,831	30,040,049	31,158,069	27,287,393	25,818,994	26,715,307	30,984,714	30,057,488	0		
COMBINED											
Total Net Assets	165,862,735	167,289,453	182,838,904	184,152,995	230,091,839	247,141,679	265,389,125	290,515,495	225,833,233	34,624,774	

Notes

- 1) Accumulated reappropriations are retained at the unit level pursuant to historical administration policy
- 2) Encumbered amount relates primarily to required operating/insurance reserves
- 3) Treasury operations encumbrance related to BOT resolutions creating the internal bank (for debt service payments) - \$8.6M for STEM and \$2M for Residence Hall in the future
- 4) The \$8.6M encumbrance for STEM will be a permanent reduction in FY20
- 5) NTSF created by BOT resolution May 2014, \$4.5M authorized
- 6) CPPFA created by BOT resolution May 2014, \$10.0M authorized - \$7M transferred to STEM via 2 BOT resolutions; \$2,250M reserved for Kalkin Hall expansion, \$750,000 for Multipurpose Center
- 7) This is Income/Expense Funding set aside to provide limited financial assistance for summer students in unique programs.
- 8) GRLF created by BOT resolution Feb 2012, \$13.0M authorized
- 9) Encumbrances relate to over 200 internal income/expense programs
- 10) Encumbrances dictated by internal accounting policies

Green Revolving Loan Fund Update

**Board of Trustees
Budget, Finance & Investment Committee**

January 31, 2020

**Prepared by
Richard Cate, Vice President for Finance and Treasurer**

Attached, please find a summary of the approved projects to date from the \$13.0 million Green Revolving Loan Fund. The list of projects represents those that have been initiated and are underway. The University has committed \$4,810,592.85, which includes commitments to the Chiller Plant Expansion and the Utilities Metering project. In addition we received \$280,488.00 in rebates from the utility companies for projects other than the Chiller Plant and Utility Metering, for a net cost of \$4,530,104.85. The projects have an average payback period of 4¾ years and resulted in interest paid to the fund of \$13,145.00 and an annual savings to the general fund of \$858,953.00. Utilities saving from the Chiller Plant expansion has already resulted in \$1,200,000.00 of utility savings which has been paid back to the fund in 2019. The balance in the fund as of November 30, 2019 is \$10,404,353.00.

\$13M Green Energy Revolving Fund Project Tracking (01-00001-110-105501-601-0000-0000-0000)

Project Number	Project Description	Type	Lifespan (Yrs)	Project Create Date	Project Completion	Project Start Year	First Payback Year	Initial Total Project Cost	Initial Rebate	Enter Final project cost less final rebate, i.e. final from Loan Fund, if diff from original plan	Initial Total From Loan Fund	Total Interest	Total Payback	Est. Cost Per Unit	No. Units (MCF for Gas, kWh for Electric)	Annual Savings Estimate	No. Years for Payback
026909	LUMEC Ext Lighting Phase I	Electric	15.00	3/5/2012	9/30/2012	2012	2014	31,237.78	21,525.00		9,712.78	742.56	10,455.34	0.148	34,932	5,169.94	3
026916	Simpson Hall Insulation HVAC	Gas	20.00	3/6/2012	7/31/2012	2012	2014	16,160.00	8,221.00		7,939.00	467.93	8,406.93	5.15	1,343	6,916.45	2
026971	L/L Mech/Elect THERMAXX	Gas	20.00	3/28/2012	5/31/2012	2012	2013	24,633.00	7,883.00		16,750.00	2,141.96	18,891.96	5.15	919	4,732.85	4
027168	Shoebox LED Ext Lighting	Electric	15.00	4/26/2012	9/30/2012	2012	2014	26,615.00	17,675.00		8,940.00	447.00	9,387.00	0.148	69,365	10,266.02	1
027261	Bollard LED Ext Lighting	Electric	10.00	5/25/2012	7/31/2012	2012	2014	6,353.27	-		6,353.27	445.38	6,798.65	0.148	27,815	4,116.62	2
027262	UH South-Thermal Blankets	Gas	20.00	5/25/2012	8/31/2012	2012	2014	18,315.92	4,560.00		13,755.92	2,929.91	16,685.83	5.15	456	2,348.40	8
027263	KIM LED Exterior Lighting	Electric	15.00	5/25/2012	7/31/2012	2012	2014	8,088.80	3,325.00		4,763.80	1,346.96	6,110.76	0.148	4,322	639.66	10
027264	UH North-Thermal Blankets	Gas	20.00	5/25/2012	6/30/2012	2012	2013	14,751.00	6,390.00		8,361.00	816.05	9,177.05	5.15	639	3,290.85	3
027475	LUMEC Ext Lighting Phase II	Electric	15.00	7/26/2012	8/31/2012	2013	2014	24,668.00	17,080.00		7,588.00	519.27	8,107.27	0.148	34,932	5,169.94	2
027481	Christie - Blankets Phase I	Gas	20.00	7/30/2012	9/30/2012	2013	2014	19,498.05	4,925.00		14,573.05	2,144.90	16,717.95	5.15	695	3,579.25	5
027482	Christie-Blankets Phase II	Gas	20.00	7/30/2012	9/30/2012	2013	2014	13,065.03	3,300.00		9,765.03	1,142.95	10,907.98	5.15	602	3,100.30	4
031072	Energy Improvements Waterman	Gas/Electric	various	7/28/2015	6/30/2016	2016	2017	467,095.00	119,680.00	241,899.52	347,415.00	-	241,899.52	See notes	See notes	55,623.00	5
032767	Miller Research Farm Solar	Electric		10/24/2016	6/30/2018	2017	2019	42,000.00	25,000.00		17,000.00	-	17,000.00			2,437.00	7
031749	Attain Net Metering	Gas		3/3/2016	6/30/2018	2016	2017	800,000.00	-		800,000.00	-	800,000.00			114,285.71	8
029781	Chiller Plant Expansion	Gas/Electric	25.00	6/11/2014	6/30/2016	2014	2018	3,000,000.00	-		3,000,000.00	-	3,000,000.00			600,000.00	5
035941	Stafford 2nd Fl Fume Hood Upgr	Gas		3/20/2019		2019	2021	298,112.00	40,924.00		257,188.00	-	257,188.00			37,277.00	7
Subtotal Active Projects								4,810,592.85	280,488.00	241,899.52	4,530,104.85	13,144.87	4,437,734.24			858,952.98	
								-	-		-	-	-			-	-
								-	-		-	-	-			-	-
Subtotal Planned Projects								-	-	-	-	-	-	-	-	-	-
Total - Active & Planned Projects								4,810,592.85	280,488.00		4,530,104.85	13,144.87	4,437,734.24			858,952.98	

On-Campus Multipurpose Center (OCMC)



Board of Trustees Established Fundraising Goals To-Date:

- Commitments: \$33.2 million (\$30 million goal)
- Cash receipts received by December 31, 2021: \$15.6 million (\$15 million goal)

Receipts to Date	FY20 (Remaining)	FY21	12/31/2021
\$7.9 million	\$529k	\$1.2 million	\$6.0 million

For Immediate Release **Contact:** Jeff Wakefield, UVM, jeffrey.wakefield@uvm.edu, (802) 578-8830

UVM Announces Plan for Zero Tuition Increase for Next Academic Year

As part of his commitment to making the University of Vermont accessible and affordable, UVM president Suresh Garimella announced today that tuition for the academic year beginning in fall 2020 would not increase over 2019 levels.

“Student loan debt is the second highest category of consumer debt—second only to mortgage debt and higher than credit card debt. Funding a college education is one of the very largest expenditures families face in the United States,” Garimella said. “Forty-four million borrowers owe \$1.6 trillion in student loan debt. Yet, education is increasingly important to future success. It’s critical that we do everything we can to address the pressures that families and individuals face in their effort to achieve their educational goals.”

Garimella said the university has kept tuition increases at modest levels in recent years and commits over \$160 million in grants, scholarships and tuition remission every year, enabling 44 percent of Vermonters to attend UVM tuition-free.

The university has seen a steady rise in its four-year graduation rate, which now ranks in the top six percent of public universities nationally. Garimella said the university will work hard to further increase its already enviable graduation rate as another cost-cutting strategy for students and their families. Timely graduation decreases the overall cost of a degree and enables students to join the work force earlier.

“Despite that solid record,” he said, “we need to do even more.”

The zero tuition increase is part of Garimella’s efforts to enhance the value of a UVM education.

Half of the value equation is educational quality, he said, an area the university has devoted thought and resources to in recent years, creating new courses, expanding experiential learning opportunities, investing in student advising and career counseling and continuing to recruit top teacher-scholars, trends that will accelerate during his presidency.

Cost is the other half of the value ratio, an area today's announcement addresses.

"Relying on annual tuition increases, even modest ones, is not sustainable," Garimella said. "As we move forward, we will focus intently on all the ways the university can generate additional revenue to relieve the pressure on tuition."

Garimella cited a number of sources where the university could find new revenue, including private philanthropy; improved retention of current students; increased graduate and summer enrollments; expansion of flexible and online course offerings geared to adults and non-traditional learners in Vermont and around the world; enhancing graduate, post-doc and undergraduate research support through grants from the federal government and other sources and through partnerships with private industry; and supporting more students transferring to UVM from other colleges.

"Our recently completed capital campaign, which exceeded its \$500 million goal by \$80 million, is evidence that we can be successful in finding new non-tuition sources of revenue," he said.

In addition to benefiting students and families, Garimella said that enhancing UVM's value will position the university well in the intensely competitive higher education market and act as a talent magnet for both in-state and out-of-state students. Sixty-nine percent of Vermont resident students and thirty-one percent of nonresident students choose to stay in Vermont after graduation, helping address the state's workforce challenge.

"The relentless rise in tuition over the last several decades has placed an unsustainable burden on students and their families," said David Daigle, chair of the UVM board. "Our board is fully supportive of this objective as it will immediately reduce this burden and sends an important signal that the university is committed to affordability and accessibility. We look forward to working with the administration on formal board approval next semester."

"Affordability is a top priority for students," said Jillian Scannell, president of UVM's Student Government Association. "We applaud the administration's effort to contain costs and help keep the university accessible for all."

"We're proud of the role faculty play in preparing our students to be informed citizens and to have successful careers after graduation," said Thomas Chittenden,

president of the Faculty Senate. “But these benefits have to come at an affordable cost. I support UVM’s decision to make accessibility and affordability top priorities.”

The board of trustees will officially set tuition rates when it meets during spring semester. Once approved, a tuition freeze would apply to new and returning in-state and out-of-state students enrolling at the university in the fall of 2020. It also would apply to graduate students.

Published 11-14-2019

###

Student Fee and Room and Board Rates

Per President Garimella's announcement on November 14, 2019, there will be no increase in comprehensive fees with the exception of the multi-purpose center fee (\$130 per semester beginning fall 2020, and an additional \$70 per semester beginning in fall 2021), which was approved at the May 2019 Board meeting. Therefore, only room and board fee increases will be considered for approval at the January Board meeting. Other fees must be approved but they are listed in the table at the current year rates.

The proposal for increases to the predominant room and meal plan rates for fiscal year 2021 is outlined below:

- The predominant residence hall traditional double room is proposed at a 3.00% increase over the current year's rate based on new program additions/changes, facility renovations, and debt payment responsibilities.
- The predominant meal plan is proposed at a 3.5% increase over the current year's rate based on our contract with Sodexo.

	2020	2021 Proposed	\$ Change	% change FY20-FY21
Tuition				
In-state	\$16,392	\$16,392	\$0	0.0%
Out-of-state	\$41,280	\$41,280	\$0	0.0%

FY21 Proposed Fees

FY 2021 Proposal	2020	2021 Proposed	\$ Change	% Change FY20-FY21
Room (Standard Double)	8,502	8,756	254	3.0%
Predominant Meal Plan	4,414	4,568	154	3.5%
Total Room and Board	12,916	13,324	408	3.2%
UG Student Government Association (SGA)	222	222	-	0.0%
UG Inter Residence Association (IRA) Fee	30	30	-	0.0%
Total Other Fees	252	252	-	0.0%
Davis Center	623	623	-	0.0%
Transportation	120	120	-	0.0%
CHWB	743	743	-	0.0%
Athl Oper/Athl Facility/Recreation	402	662	260	64.7%
Technology	77	77	-	0.0%
Center for Academic Success	63	63	-	0.0%
Library Facility	50	50	-	0.0%
Career Center	47	47	-	0.0%
City of Burlington Capital Projects	38	38	-	0.0%
Identity Center Fee	5	5	-	0.0%
Clean Energy Projects	20	20	-	0.0%
Established Comprehensive Fee	2,188	2,448	260	11.9%
Overall Student Fees (excluding Room & Board)	2,440	2,700	260	10.7%

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

VERMONT AGRICULTURAL COLLEGE BOARD

Chair Tristin Toleno, Vice Chair Shap Smith, Secretary John Bartholomew, Kevin Christie, Johannah Donovan, Bernard Juskiewicz, Curt McCormack, Carol Ode and Samuel Young

Friday, January 31, 2020

1:15 p.m. – 2:15 p.m.

Chittenden Bank Room (413)

Dudley H. Davis Center

AGENDA

	Item	Enclosure/ Exemption	Discussion Leader(s)	Time
	Call to order			*1:15 p.m.
1.	Approval of October 25, 2019 meeting minutes	Attachment 1	Tristan Toleno	1:15-1:20
2.	Emerging issues in the 2020 legislative session		Tristan Toleno Wendy Koenig	1:20-1:50
3.	Legislative summit <ul style="list-style-type: none">• Report on the 2019 legislative summit on innovations in education and research for the benefit of Vermont at the University of Vermont's Larner College of Medicine• Discuss potential topics, and timing, for the 2020 legislative summit		Wendy Koenig	1:50-2:10
4.	Other business**		Tristan Toleno	2:10-2:15
	Motion to adjourn			2:15 p.m.

*Time is approximate.

**Executive session as needed.

Vermont Agricultural College Board
Executive Summary

Friday, January 31, 2020

Prepared By
Tristan Toleno, Chair

ACTION ITEMS

Approval of previous meeting minutes

The minutes for the October 25, 2019 meeting are included as **Attachment 1**.

Action: Motion to approve the minutes.

DISCUSSION ITEMS

Emerging issues in the 2020 legislative session - Director of State and Federal Relations Wendy Koenig and I will discuss the most pressing issues for UVM that are emerging in the 2020 legislative session.

Legislative summit - Director Koenig will offer a report on the 2019 summit on innovations in education and research for the benefit of Vermont at UVM's Larner College of Medicine and discuss potential topics and timing for this year's summit.

OTHER BUSINESS

Time will be reserved at the end of our meeting for other business as necessary.

**VERMONT AGRICULTURAL COLLEGE
BOARD OF TRUSTEES**

A meeting of the Vermont Agricultural College Board of Trustees of the University of Vermont and State Agricultural College was held on Friday, October 25, 2019, at 1:30 p.m., in the Chittenden Bank Room of the Dudley H. Davis Center.

MEMBERS PRESENT: Chair Tristan Toleno, Vice Chair Shap Smith, Secretary John Bartholomew, Curt McCormack, Kevin “Coach” Christie, Johannah Donovan, Bernard Juskiewicz, Carol Ode, and Samuel Young

MEMBERS ABSENT: None

ALSO PARTICIPATING: Director of Federal and State Relations Wendy Koenig and Vice President for Research Richard Galbraith

*Participated via conference call.

Chair Tristan Toleno called the meeting to order at 1:37 p.m.

Approval of minutes

A motion was made, seconded and voted to approve the minutes from the May 17, 2019 meeting.

Strategy for 2020 legislative session

Director of State and Federal Relations Wendy Koenig asked members what issues might be of concern during the 2020 legislative session. The Board acknowledged housing as an issue of concern, and proceeded to discuss UVM’s most recent housing study. The Board agreed that this is a complicated issue that will require more conversation.

Update on 2019 legislative summit

Vice President for Research Richard Galbraith announced that this year’s Legislative Summit will focus on the Larner College of Medicine (LCOM). The event, to take place November 21st, will focus on innovative curriculum and cutting-edge research that is happening in the college. Legislators will experience an active learning component during their half-day on campus, and research will highlight the value of LCOM to Vermont.

Adjournment

There being no further business, the meeting adjourned at 2:28 p.m.

Respectfully submitted,

John Bartholomew, Secretary

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

UNIVERSITY OF VERMONT BOARD

Chair Ron Lumbra, Vice Chair David Aronoff, Secretary Briar Alpert, Cynthia Barnhart,
Otto Berkes, Robert Brennan, David Daigle, Jodi Goldstein and Donald McCree

Friday, January 31, 2020

1:15 p.m. - 2:15 p.m.
Boulder Society Room (411)
Dudley H. Davis Center

AGENDA

	Item	Exemption/ Enclosures	Discussion Leader	Times
	Call to order			1:15 p.m.
1.	Approval of December 11, 2019 meeting minutes	Attachment 1	Ron Lumbra	1:15-1:17
2.	Acceptance of Annual Wilbur Trust Grant Awards report	Attachment 2	Ron Lumbra	1:17-1:22
3.	Wilbur Trust update	Report H	Ron Lumbra	1:22-1:25
	Motion to enter executive session**	Exemption(s)		
4.	Trustee recruitment	Evaluation and appointment of public officers	Ron Lumbra	1:25-2:05
	Motion to go out of executive session			
5.	Election of new board members		Ron Lumbra	2:05-2:10
6.	Other business		Ron Lumbra	2:10-2:15
	Motion to adjourn			2:15 p.m.

*Time is approximate.

**The Chair will entertain a motion to enter into executive session to discuss the evaluation and appointment of public officers. Action is anticipated following the executive session.

The University of Vermont Board - Executive Summary

Friday, January 31, 2020

Prepared by: Ron Lumbra, Chair

The board will review the Wilbur Trust report and review and accept the annual report of the Wilbur Trust Fund Grant Awards for the 2018-2019 academic year. The remainder of the meeting will be held in executive session to discuss the evaluation and appointment of public officers.

ACTION ITEMS

Approval of previous minutes

The December 11, 2019 meeting minutes are included as **Attachment 1**.

Action: Motion to approve the minutes.

Acceptance of annual Wilbur Trust Grant Awards report

Attachment 2 is a report of the University of Vermont Wilbur Trust Fund Grant Awards for the 2018-2019 academic year. Board approval of student recipients is required and achieved through the issuance of an annual report for our review and acceptance.

Action: Motion to accept the annual Wilbur Trust Grant Awards report.

Election of Board Members

We will approve the appointment of board members.

Action: Motion to elect recommended candidates for six-year terms beginning on March 1, 2020 and ending on February 28, 2026.

ROUTINE REPORTS

Wilbur Trust report – Included in the meeting materials as **Report H** is a summary of the University of Vermont Wilbur Trust Fund financial report from July 1, 2019 through November 30, 2019.

EXECUTIVE SESSION

I will entertain a motion to enter into executive session for the purpose of discussing the evaluation and appointment of public officers. Action is anticipated following.

**UNIVERSITY OF VERMONT
BOARD OF TRUSTEES**

A meeting of the University of Vermont Board of the University of Vermont and State Agricultural College Board of Trustees was held on Wednesday, December 11, 2019, at 3:00 p.m., via conference call.

MEMBERS PRESENT: Chair Ron Lumbra, Vice Chair David Aronoff, Secretary Briar Alpert, Otto Berkes, David Daigle, and Donald McCree.

ABSENT: Cynthia Barnhart, Robert Brennan, and Jodi Goldstein.

PERSONS ALSO PARTICIPATING: President Suresh Garimella and Vice President for Legal Affairs & General Counsel and Chief of Staff to the President Sharon Reich Paulsen.

Chair Ron Lumbra called the meeting to order at 3:01 p.m.

Approval of Minutes

A motion was made, seconded, and voted to approve the October 25, 2019 meeting minutes.

Executive Session

At 3:02 p.m., the Chair entertained a motion to enter into executive session for the purpose of discussing the evaluation and appointment of a public officer. President Garimella and Vice President Reich Paulsen were invited to remain. The meeting was re-opened to the public at 3:23 p.m.

Other Business

A motion was made, seconded, and unanimously approved to appoint Trustee Cynthia Barnhart to an additional six-year term, commencing when her current term expires on March 1, 2020. Chair David Daigle informed the University of Vermont Board that he would step down as chair and resign from his seat on the University of Vermont Board of Trustees at the end of February 2020. A motion was made, seconded, and unanimously approved to appoint Vice Chair Ron Lumbra, whose term otherwise would expire at the end of February 2020, to fill the final two years of the term being vacated by Chair Daigle. Vice Chair Lumbra did not participate in the vote regarding the extension of his term on the board.

Members of the board then engaged in a discussion regarding diversity. Chair Daigle and Vice Chair Lumbra both acknowledged the importance of diversity on the board, including, specifically, the University of Vermont Board of Trustees.

Adjournment

There being no further business, the meeting was adjourned at 3:29 p.m.

Respectfully submitted,

Briar Alpert, Secretary

TO: The University of Vermont Board

FROM: Marie Johnson, Director of Student Financial Services

SUBJECT: Wilbur Trust Grant Awards

DATE: January 7, 2020

Pursuant to the terms of the Wilbur Trust, attached is a summary report of the University of Vermont Wilbur Trust Fund Grant and recipients for the 2018-19 academic year. The following procedures and guidelines were followed in the selection and processing of grants for the recipients of the Wilbur Trust Grant.

1. Wilbur Trust Grant funds were utilized as a budget relief tool for the general UVM Grant Fund due to a change in fiscal process.
2. Vermont high school students, male or female, without regard to race or creed. Students must be certified by the Vermont principal, or a teacher of the public school they attend, that they are of good moral character, desirous of an education, financially unable to obtain an education, and likely to benefit therefrom, and of "extraordinarily good" academic standing.
3. Recipients have been notified electronically that they are Wilbur Grant recipients.
4. Grant notification includes a proviso that indicates that receipt of the funding is subject to Board approval.
5. Returning upper-class Wilbur Grant recipients will continue to be awarded the Grant throughout their tenures at UVM provided they maintain academic progress consistent with academic requirements published in the University catalog and they otherwise continue to meet the Trust criteria.

Appendices: (2)

- FY19 Wilbur Grant/Scholarship Demographic Breakdown
- 10-Year Wilbur Recipients by Gender and Ethnicity

WILBUR GRANT/SCHOLARSHIP FOR FY19

DEMOGRAPHIC BREAKDOWN

ETHNICITY	FEMALE	MALE	TOTAL
Asian	6	3	9
Black or African American	4	1	5
Latino/Hispanic	5	4	9
Unknown	1	1	2
White	108	66	174
TOTAL	124	75	199

FUNDING

Total Recipients	199
Total Recipients from Vermont	199
Total Grant Awarded	\$931,803
Range of Grant Awards	\$51 - \$11,807

WILBUR GRANT RECIPIENTS BY GENDER
ACADEMIC YEARS 09/10 THROUGH 18/19

Academic Year	Female	Male
09/10	185	135
10/11	144	100
11/12	109	90
12/13	167	125
13/14	78	41
14/15	136	80
15/16	86	56
16/17	120	85
17/18	95	66
18/19	124	75

WILBUR GRANT RECIPIENTS BY ETHNICITY
ACADEMIC YEARS 09/10 THROUGH 18/19

Academic Year	Amer Ind/Alask Natv	Asian	Black/Afri Amer	Lat/Hispanic	Natv Haw'n/Pac Isl	White	Unkn
09/10	1	4		5	1	302	7
10/11		2		2	1	234	5
11/12	1	5	1	2		185	5
12/13	2	7	1	7	1	261	13
13/14		10	2	2		104	1
14/15		11	5	7		193	
15/16		7	3	5		125	2
16/17		10	3	8		181	3
17/18		10	1	7		139	4
18/19		9	5	9		174	2

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

FULL BOARD

Chair David Daigle, Vice Chair Ron Lumbra, Secretary Curt McCormack, Briar Alpert, David Aronoff, Cynthia Barnhart, John Bartholomew, Otto Berkes, Robert Brennan, Kevin Christie, Frank Cioffi, Johannah Donovan, Carolyn Dwyer, President Suresh Garimella, Jodi Goldstein, David Gringeri, Sidney Hilker, Bernard Juskiewicz, Donald McCree, Carol Ode, Ed Pagano, Governor Phil Scott, Shap Smith, Tristan Toleno and Samuel Young

Friday, January 31, 2020

2:30 p.m. – 4:15 p.m.

Silver Maple Ballroom (401)

Dudley H. Davis Center

AGENDA

	Item	Enclosure/ Exemption	Discussion Leader(s)	Time
	Call to order			2:30 p.m.
1.	Approval of October 26, 2019 meeting minutes	Attachment 1	David Daigle	2:30-2:35
2.	Public comment		David Daigle	2:35-2:50
3.	Committee reports			2:50-3:10
	Audit		Bernard Juskiewicz	
	Educational Policy & Institutional Resources		Carolyn Dwyer	
	Budget, Finance & Investment		Don McCree	
	Board Governance		Frank Cioffi	
4.	VT Agricultural College Board		Tristan Toleno	3:10-3:15
5.	UVM Board		Ron Lumbra	3:15-3:20
6.	Election of board & university officers		David Daigle Frank Cioffi	3:20-3:25
7.	Retiring trustee resolutions		David Daigle Ron Lumbra	3:25-3:35
8.	Approval of consent agenda	Attachment 2	David Daigle	3:35-3:45
9.	Other business**		David Daigle	3:45-4:15
	Motion to adjourn			4:15 p.m.

*Time is approximate.

** Executive session as needed.

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

A meeting of the Board of Trustees of the University of Vermont and State Agricultural College was held on Saturday, October 26, 2019, at 8:30 a.m. in the Livak Ballroom, 417-419 Dudley H. Davis Center.

MEMBERS PRESENT: Vice Chair Ron Lumbra, Secretary Curt McCormack, Briar Alpert, David Aronoff, Cynthia Barnhart¹, John Bartholomew, Otto Berkes, Robert Brennan, Kevin “Coach” Christie², Frank Cioffi, Johannah Donovan³, Carolyn Dwyer, President Suresh Garimella, Jodi Goldstein, David Gringeri, Sidney Hilker, Bernard Juskiewicz, Curt McCormack, Don McCree, Carol Ode, Ed Pagano, Shap Smith, Tristan Toleno³, and Samuel Young

MEMBERS ABSENT: Chair David Daigle, Jodi Goldstein and Governor Phil Scott

¹ Joined by conference phone.

² Arrived at 8:51 a.m.

³ Arrived at 8:38 a.m.

Vice Chair Ron Lumbra called the meeting to order at 8:31 a.m.

Approval of previous meeting minutes

A motion was made, seconded and it was voted to approve the minutes from the May 18, 2019 meeting as presented.

Public comment

Vice Chair Lumbra opened the public comment period by reviewing the process. He reminded all of the three-minute time limit allotted to each speaker and that there is no discussion or action taken by the board at public comment sessions. Vice Chair Lumbra invited the following persons to address the board:

Sarah Sciortino, a representative from Organize, a newly formed environmental club, discussed the club’s proposal to divest from fossil fuel that was distributed to trustees in advance of the meeting. Vice Chair Lumbra acknowledged trustees’ receipt of the proposal.

Betsy McGavisk, a 2019 graduate of the College of Agriculture and Life Sciences, addressed the topic of environmental justice and expressed her support for the proposal to divest from fossil fuel.

Emil Assing, a senior at UVM studying environmental sciences, also addressed the topic of environmental justice at UVM and expressed his support for the proposal to divest from fossil fuel.

Christopher Harrell, a third-year student at UVM studying political science, spoke regarding the university’s economic future and he also expressed his support for the proposal to divest from fossil fuel.

Vice Chair Lumbra thanked each of the presenters and acknowledged that the board heard their concerns.

Committee reports

Audit Committee

Chair Bernard Juskiewicz offered a summary report of the meetings held on July 8 and September 9, 2019. At both meetings, University Controller Claire Burlingham and Lead Audit Engagement Partner Renee Bourget-Place, of KPMG, provided status reports on the fiscal year (FY) 2019 Financial Statement and Uniform Guidance audits. At the time, there were no issues to report. Chair Juskiewicz acknowledged that this is the seventh year in a row with no issues reported and recognized Vice President for Finance Richard Cate, Controller Burlingham and their staff for their excellent work. He further noted that the annual NCAA Agreed-Upon Procedures report will be completed in January and no issues are anticipated.

At the September meeting, Chief Information Officer (CIO) Simeon Ananou and Ms. Bourget-Place reviewed KPMG's computer controls assessment. KPMG reported no issues with the design of the controls over the PeopleSoft (human resources & financial) and Banner (student information) systems.

At the July meeting, Chief Internal Auditor (CIA) William Harrison provided an update on compliance and privacy program activity since the January 2019 meeting and a summary of the office's work on the seven elements of an effective compliance program as outlined by the Federal Sentencing Guidelines to which the University's compliance program is modeled.

Also in July, CIO Ananou offered an update on the enterprise risk management voice communications systems reliability risk. Dr. Ananou discussed plans to replace the current phone system and implement modern communications tools.

At the September meeting, the committee discussed and received updates on the following:

- An overview of CIA Harrison's written report, including a summary of internal audit activity as well as the status of the internal audit work plan as of July 31, 2019 and audit recommendations.
- A summary of FY 2019 presidential housing expenditures. As required by the President's Official Residence University Operating Procedure, the committee reviews this information annually.
- Controller Burlingham reported on the FY 2019 presidential expense reimbursements and travel expenses. In accordance with the audit committee charter, the committee reviews this information annually.
- The committee conducted its annual review of its charge and charter. It was presented with two housekeeping changes to the charter's guidelines. There were no changes to the committee charge.

Educational Policy and Institutional Resources Committee (EPIR)

Committee Chair Carolyn Dwyer reported the committee had an incredibly engaging meeting with great discussion and feedback. The meeting began with time for members to ask questions regarding the following written reports:

- Provost's report, including discussion with input from Provost Patricia Prelock, who emphasized the university's commitment to student success including efforts to further strengthen strong graduation rates, the implementation of Elevate (a new non-credit student information system), and UVM's research portfolio.
- Annual UVM Foundation report
- Annual enrollment report
- Annual information technology report
- Annual career success action plan progress report
- Capital projects progress reports
- Faculty Senate Curricular Affairs Committee chair's report – no new programs were presented for approval.

The committee received progress reports on the following enterprise risk management (ERM) portfolio-level risk and opportunities:

- Vice Provost for Student Affairs Annie Stevens, Executive Director of the Center for Health and Wellbeing Harry Chen, and Director of Counseling and Psychiatry Services Carrie Fleider reported on student mental health needs (ERM risk #15), providing national context, and current steps being taken to expand access to care providers, intervention strategies for education and assessment, and future initiatives.
- Vice Provost Stevens and Director of Residential Life Rafael Rodriguez presented a progress report on strengthening, promoting, and assessing residential learning communities (ERM opportunity #10), providing a timeline, learning community themes, engagement indicators for improving student retention and satisfaction, and refining faculty involvement.
- CIO Ananou provided an update on ERM opportunity #13: create data warehouse. Enterprise Technology Services and the Office of Institutional Research and Assessment have established a prototype data warehouse that allows for improved access to data, increasing awareness and transparency. A working group has been tasked to develop an inventory of data marts and models, and will make recommendations for creating data governance to formalize long-term strategies for data reporting and analytics.

Associate Provost for Academic Affairs J. Dickinson and Faculty Representative Laura Almstead provided an overview of the academic program review and identified strengths and weaknesses in the process and how improvements are being made through training and assessment planning.

Wanda Heading-Grant, Vice President of Human Resources, Diversity and Multicultural Affairs, presented the annual diversity report in collaboration with Alex Yin, Executive Director of the Office of Institutional Research. The report addressed the results from the 2019 UVM campus climate survey and what the University's next steps will be in light of the results.

Budget, Finance and Investment Committee (BFI)

Chair Don McCree reported that the committee had a robust meeting and unanimously endorsed three resolutions for approval by the board today including the administration's recommendation for summer session tuition for 2020. As has been the case since summer session 2015, these rates are 30% below the rates charged during the previous fall and spring semesters. However, the continuing recommendation is that certain graduate programs, with prior approval of the Provost, are allowed to keep the same tuition rate as the prior fall/spring tuition rate.

The committee also endorsed the total cost of attendance for Global Gateway and pre-master's programs for summer/fall 2020 and spring 2021. For the 2020 summer semester, the tuition component of the total cost-of-attendance fee will be set at the same tuition rate as the prior spring semester. For those Global Gateway students whose program includes a semester of non-credit coursework, the tuition component of their total cost-of-attendance fee for that semester will be set at \$8,000 per semester for fall 2020 and spring 2021.

As recommended by the Investment Subcommittee (ISC), the committee reviewed and reaffirmed the quasi-endowment fund policy with no changes. ISC Chair Rob Brennan provided an update on the subcommittee's activities since the last board meeting. As of September 30, 2019, the endowment balance was \$539 million.

The committee discussed and received updates on the following:

- Bond refinancing and rating agency action - FY 2009 bonds were refinanced with a net savings of \$17 million. This is the sixth bond refinance that the university has undergone, taking advantage of low-interest rates. \$45 million of new bonds will be used for the on-campus multipurpose center project, now known as the Athletics Facility Project (Tarrant/Gutterson/Davis). The university has retained a bond rating of Aa3.
- FY 2019 external audit – as reported by the Audit Committee chair the university is on track for a clean FY 2019 audit, free of findings, from KPMG, who is completing their field work regarding the financial statement audit. To date, there are no material weaknesses or significant deficiencies.
- Dual enrollment - as of September 5, 2019, for FY 2019, 403 students took classes at UVM through the dual enrollment voucher program, most during summer 2019. This compares to 371, 450, and 405 dual enrollment students in the previous three fiscal years. In FY 2019, there were another 97 high school students who took classes at UVM outside of the dual enrollment voucher program.
- President's strategic initiatives fund - Controller Burlingham provided an annual update on the fund, noting that as of June 30, 2019 the balance is \$333,308, the vast majority of which now has been committed.
- FY 2019 end-of-year general fund budget to actuals - University Budget Director Shari Bergquist reported the year-end results were positive with units spending \$13.9 million less than budgeted and actual revenues \$13.4 million over budget. After reappropriations and adjustments of \$19.1 million, there was a fund balance of \$5.3 million, of which \$5 million will be used to help fund the remaining on campus multi-purpose center.

- UVM Foundation President and CEO Shane Jacobson updated the committee on the progress in fundraising for capital projects and donor engagement. As of September 30, 2019, the Foundation had commitments totaling \$32.86 million for the on campus multi-purpose center). The Foundation projects they will have cash receipts for the project totaling \$15.2 million by December of 2021.

Vermont Agricultural College Board

Chair Tristan Toleno reported that trustees discussed upcoming issues of interest for the 2020 legislative session and planning for the legislative summit scheduled on November 21, 2019, the focus of which will be on interactive teaching and research in the Larner College of Medicine. Chair Toleno reminded trustees that the annual summit is an opportunity to elevate the research mission of UVM and connect the research activities of UVM's faculty with policymakers.

University of Vermont Board

Chair Lumbra reported that the board reviewed a summary of the Wilbur Trust Fund financial report from July 1, 2018 through July, 2019. He reminded trustees that the Wilbur Trust Fund was established by James Benjamin Wilbur and funds are invested under the oversight of the Investment Subcommittee. He noted the Wilbur Trust currently has assets totaling \$22 million, from which a portion is used to help make tuition more affordable for Vermont high school students. Annually, in February, the board receives a report on recipients who have received grants in the previous academic year.

The remainder of the meeting was held in executive session to discuss trustee recruitment and succession planning for future board members.

Approval of consent agenda

Vice Chair Lumbra introduced the revised consent agenda, noting that resolutions presented and endorsed at yesterday's Committee of the Whole meeting have been added (#1-4). An opportunity for discussion was offered. There being none, Vice Chair Lumbra presented the following resolutions to be voted on as a consent agenda:

COMMITTEE OF THE WHOLE

1. Resolution approving appointment of Thomas Sullivan as President Emeritus

WHEREAS, E. Thomas Sullivan served seven distinguished years as the 26th president of the University of Vermont, from July 2012-June 2019;

WHEREAS, the Chair of the Board of Trustees today shared with the Board a summary of President Sullivan's many accomplishments and contributions as president;

WHEREAS, the entire Board is grateful to President Sullivan for his service and acknowledges his many successes;

BE IT RESOLVED, the Board of Trustees is pleased to bestow on President Sullivan the title President Emeritus.

2. Appreciation resolution for David Rosowsky

WHEREAS, Dr. David V. Rosowsky served from August 2013-April 2019 as Provost and Senior Vice President of the University of Vermont with energy and dedication;

WHEREAS, the Chair of the Board of Trustees today shared with the Board a summary of some of the initiatives led by Dr. Rosowsky during his years of service as provost;

WHEREAS, the entire Board is grateful to Dr. Rosowsky for his unwavering commitment to the University of Vermont, his willingness to accept and address challenges, and his steadfast optimism about the University's accomplishments and its future;

BE IT RESOLVED, the Board of Trustees is pleased officially to thank Dr. Rosowsky for his years of service as provost and his dedication to the University of Vermont.

3. Resolution regarding a legal matter

WHEREAS, the Board of Trustees received today a report from the Vice President for Legal Affairs and General Counsel regarding a potential legal matter;

BE IT RESOLVED, the Office of the General Counsel is authorized to proceed with resolution of the identified legal matter on the terms and conditions today discussed.

4. Resolution regarding a legal matter

WHEREAS, the Board of Trustees received today a report from the Vice President for Legal Affairs and General Counsel regarding a potential legal matter;

BE IT RESOLVED, the Office of the General Counsel is authorized to proceed with resolution of the identified legal matter on the terms and conditions today discussed.

BUDGET, FINANCE & INVESTMENT COMMITTEE

5. Resolution approving summer session tuition

BE IT RESOLVED, that the Board of Trustees hereby approves the tuition rate for summer session 2020 of \$478 per credit hour for in-state students and \$1,204 per credit hour for out-of-state students except that, with prior approval from the Provost, graduate programs may maintain summer tuition rates for 2020 in-state and out-of-state students equal to the prior fall and spring tuition rates for their program.

6. Resolution approving total cost of attendance fees for Global Gateway and Pre-Master's programs (summer/fall 2020 & spring 2021)

WHEREAS, the University, after a request-for-proposal process, entered into an agreement with Study Group to provide services to UVM in support of the University's Global Gateway Program; and

WHEREAS, in January 2016, the Board approved amendments to the agreement with Study Group, which included additions to the Study Group Agreement to create a Pre-Master's Global Gateway Program;

THEREFORE, BE IT RESOLVED, that for the 2020 summer semester, the tuition component of the total cost-of-attendance fee charged to Global Gateway Program students and Pre-Master's Program students will be set at the same tuition rate as the prior spring semester; and

BE IT FURTHER RESOLVED, that for those Global Gateway students whose program includes a semester of non-credit coursework that the tuition component of their total cost-of-attendance fee for that semester shall be set at \$8,000 per semester for fall 2020 and spring 2021.

7. Resolution to reaffirm Quasi-Endowment Funds Policy

WHEREAS, in May 2011, the Board adopted a Quasi-Endowment Funds Policy to govern the creation, management, and termination of quasi-endowment funds; and

WHEREAS, the Investment Subcommittee is charged with review of the Quasi-Endowment Funds Policy; and

WHEREAS, at their meeting held on August 14, 2019, the Investment Subcommittee reviewed the Quasi-Endowment Funds Policy and recommended that the Budget, Finance and Investment Committee reaffirm the Quasi Endowment Funds Policy;

THEREFORE, BE IT RESOLVED, that the Budget, Finance and Investment Committee hereby recommends that the Board reaffirm the Quasi-Endowment Funds Policy, appearing as Appendix A to this document.

A motion was made, seconded, and the consent agenda was unanimously approved as presented.

Adjournment

There being no further business, the meeting adjourned at 9:05 a.m.

Respectfully submitted,

Vice Chair Ron Lumbr
(on behalf of Chair David Daigle)

Appendix A



The University of Vermont

Policy V 4.12.1

Responsible Official: Vice President for
Finance and Treasurer

Effective Date: May 21, 2011

Quasi-Endowment Funds

Policy Statement

The University, through its Board of Trustees, may establish, alter, or terminate quasi-endowment funds. A quasi-endowment fund functions in substantially the same manner as a true or permanent endowment fund, except that (1) the terms of a quasi-endowment fund are established by the University, not by an external donor, and (2) the University may spend down the principal of a quasi-endowment fund under the authority of the Board. If the original source of a quasi-endowment fund is a restricted gift or other restricted assets, the fund must retain the restricted purpose as originally specified, and the fund's principal and earnings may be expended only for that purpose.

Reason for the Policy

From time to time the University may decide to designate assets as quasi-endowment funds. These funds gain the benefit of the earning power of the University's consolidated endowment pool while retaining the flexibility to be expended in whole or in part. Because the creation, management, and termination of quasi-endowment funds involve the University's consolidated endowment pool, they may proceed only with the approval of the Board of Trustees. These funds create a mechanism for the University to save and invest sums of money to be spent over time to achieve long-range academic objectives.

Applicability of the Policy

This policy applies to all University of Vermont faculty, staff, and students and to all academic and non-academic units.

Policy Elaboration

A minimum asset value of \$50,000 is necessary to establish a quasi-endowment fund. A department may use its own internal funds for this purpose. Once established, a quasi-endowment fund's principal must remain within the consolidated investment pool for at least three years. New cash or assets may be added to a quasi-endowment

fund only if that cash or those assets are unrestricted or bear restrictions that are compatible with the established quasi-endowment fund.

Following the establishment of a quasi-endowment fund and the expiration of the three-year lock-up period, its principal may be partially or totally expended only with the approval of the Board.

Definitions

A quasi-endowment fund is an expendable fund designated by the Board of Trustees for medium- to long-term investment. A quasi-endowment fund is established by the Board to function like an endowment fund but may be totally expended at the discretion of the Board. The fund's assets are invested in the same manner as those of a true endowment and have the same payout provisions.

Procedures

Requests or proposals to establish quasi-endowments must be directed in the first instance to the University Controller. That official may then advance the request or proposal to the Vice President for Finance and Treasurer (VPF). If the VPF determines that a quasi-endowment should be established, said establishment will be subject to the approval of the Board of Trustees Investment Subcommittee.

Forms

None

Contacts

Questions related to the daily operational interpretation of this policy should be directed to:

University Controller
Claire Burlingham
(802) 656-2903

The Vice President for Finance and Treasurer is the official responsible for the interpretation and administration of this policy.

Related Documents/Policies

None

Revision History

Approved by the University of Vermont Board of Trustees: May 21, 2011
Approved by the President on June 7, 2011 and reaffirmed: May 7, 2016
Reaffirmed by the University of Vermont Board of Trustees Chair: May 20, 2016
Reaffirmed by the University of Vermont Board of Trustees: October 26, 2019

DRAFT
CONSENT AGENDA

January 31, 2020

COMMITTEE OF THE WHOLE

1. Acceptance of fiscal year 2019 audited financial statements

WHEREAS, the financial statements of the University of Vermont and State Agricultural College for the fiscal year ended June 30, 2019, have been audited by KPMG LLP, Certified Public Accountants, in accordance with 16 V.S.A. Section 2281(a);

BE IT RESOLVED, that the Board of Trustees hereby accepts the FY 2019 audited financial statements as recommended by the Audit Committee and presented today, and acknowledges receipt of the FY 2019 financial report.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

2. Resolution approving the termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College

BE IT RESOLVED, that the Board of Trustees approves the termination of the Master of Education in Reading and Language Arts in the College of Education and Social Services in conjunction with the Graduate College, as approved and advanced by the Provost on December 16, 2019 and President on December 19, 2019.

3. Resolution approving the termination of the Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences

BE IT RESOLVED, that the Board of Trustees approves the termination of the Bachelor of Arts in Engineering in the College of Engineering and Mathematical Sciences, as approved and advanced by the Provost and President on December 19, 2019.

4. Resolution approving the creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences

BE IT RESOLVED, that the Board of Trustees approves the creation of a minor in Bioinformatics in the College of Agriculture and Life Sciences, as approved and advanced by the Provost on December 16, 2019 and the President on December 19, 2019.

5. Resolution approving the creation of a minor in Biosecurity in the College of Agriculture and Life Sciences

BE IT RESOLVED, that the Board of Trustees approves the creation of a minor in Biosecurity in the College of Agriculture and Life Sciences, as approved and advanced by the Provost and President on December 19, 2019.

The following 2 resolutions are pending approval by the Faculty Senate on 1/27/2020 and subsequent approval by the President and Provost:

6. Resolution approving the termination of the Bachelor of Music degree in the College of Arts and Sciences

BE IT RESOLVED, that the Board of Trustees approves the termination of the Bachelor of Music degree in the College of Arts and Sciences, as approved and advanced by the Provost and President on January x, 2020.

7. Resolution approving the creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College

BE IT RESOLVED, that the Board of Trustees approves the creation of a post-professional Doctorate of Occupational Therapy in the College of Nursing and Health Sciences in conjunction with the Graduate College, as approved and advanced by the Provost and Provost on January x, 2020.

8. Resolution Reaffirming Equal Opportunity Policies

BE IT RESOLVED, that the Board of Trustees reaffirms the Equal Employment Opportunity/Affirmative Action Policy, attached here as Appendix A; and

BE IT FURTHER RESOLVED, that the Board of Trustees reaffirms the Equal Opportunity in Educational Programs and Activities and Non-Harassment Policy, attached here as Appendix B.

BUDGET, FINANCE & INVESTMENT COMMITTEE

9. Resolution authorizing expenditures for the development and construction of the Firestone Medical Research Building project

WHEREAS, on June 11, 2018, the Executive Committee approved the University's recognition of Steven N. Firestone, M.D. '69 as naming gift donor for a project heretofore called the Firestone Medical Research Building; and

WHEREAS, on October 26, 2018, the Board of Trustees authorized the expenditure of \$6 million to undertake the expenditures necessary to complete the project design, including construction drawings for the project; and

WHEREAS, on May 18, 2019, the Educational Policy & Institutional Resources Committee approved the project scope for the project and referred it to the Budget, Finance & Investment Committee for future financial review; and

WHEREAS, the administration has presented a plan for funding the project without debt;

THEREFORE, BE IT RESOLVED, that the Board of Trustees authorizes the administration to undertake the expenditures necessary to complete the design and construction of the project at a cost consistent with its report of this date, with the understanding that bids for the construction cost have not yet been received and the administration will seek further authorization from the Board, prior to commencing construction, should the project cost exceed \$49 million; and

BE IT FURTHER RESOLVED, that the \$49 million in funds for total expenditures for the project be drawn from gift funds, dean's reserves, university general fund reserves, and reserves of the University Medical Education Associates.

10. Resolution authorizing expenditures for the Recital Hall expansion and renovation project

WHEREAS, on July 3, 2018, the Executive Committee approved the Recital Hall expansion and renovation project at a cost not to exceed \$3,300,000;

WHEREAS, the administration today reported on a revised expenditure and funding plan that would increase the project cost by an additional \$1,004,000; and

WHEREAS, the University has received a written pledge commitment that would fund \$247,000 of the increase from additional gift funds, and the UVM Foundation and the University will provide the remaining \$757,000 from available reserves;

BE IT RESOLVED, that the Board of Trustees authorizes an additional \$1,004,000 for the Recital Hall expansion and renovation project for a total expenditure of \$4,304,000, to be expended in a manner consistent with the report made on this date.

This resolution supplements the resolution approved by the Executive Committee on July 3, 2018.

11. 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 2019;

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

12. Resolution reaffirming the Endowment Budget policy

WHEREAS, on October 30, 2019, the Investment Subcommittee met, reviewed, and discussed the Endowment Budget policy;

RESOLVED, that the *Endowment Budget Policy* is reaffirmed as reads below:

BE IT FURTHER RESOLVED, that the annual budget for spending from the Endowment be set at 4.5 percent of the average market value for the previous thirteen quarters ending December 31 of the prior calendar year; and

BE IT FINALLY RESOLVED, that the Investment Subcommittee will review and make recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the *Endowment Budget Policy* each year no later than December 31.

Adopted by: Board of Trustees - May 13, 1995

*Reaffirmed: Board of Trustees - September 8, 2007
Board of Trustees - September 5, 2008
Board of Trustees - October 24, 2009
Board of Trustees - October 30, 2010
Board of Trustees - October 22, 2011
Board of Trustees - November 8, 2012
Board of Trustees - October 26, 2013
Board of Trustees - October 18, 2014
Board of Trustees - October 3, 2015
Board of Trustees - October 22, 2016
Board of Trustees - October 20, 2017
Board of Trustees - October 27, 2018
Board of Trustees -*

13. Resolution reaffirming the Endowment Administration Fee policy

WHEREAS, on November 19, 2019, the Investment Subcommittee met, reviewed and discussed the Endowment Administration Fee policy;

RESOLVED, that the *Endowment Administration Fee Policy* is reaffirmed as reads below:

BE IT FURTHER RESOLVED, that the Board of Trustees hereby approves a 0.25 percent fee applied to the University endowment for Fiscal Year 2020 to cover reasonable costs associated with endowment administration, management and operation; and

BE IT FURTHER RESOLVED, that calculation of the 0.25 percent fee will be based on the average market value of the University endowment for the previous thirteen quarters ending December 31 of the prior calendar year; and

BE IT FINALLY RESOLVED, that the Investment Subcommittee will review and make a recommendation to the Budget, Finance and Investment Committee regarding the reaffirmation or revision of the *Endowment Administration Fee Policy* each year no later than December 31.

Adopted by: Board of Trustees - September 13, 2003

Reaffirmed: Board of Trustees - September 8, 2007

Board of Trustees - September 5, 2008

Amended: Board of Trustees - October 24, 2009

Reaffirmed: Board of Trustees - October 30, 2010

Board of Trustees - October 22, 2011

Board of Trustees - November 8, 2012

Board of Trustees - October 26, 2013

Board of Trustees - October 18, 2014

Board of Trustees - October 3, 2015

Board of Trustees - October 22, 2016

Board of Trustees - October 21, 2017

Board of Trustees -

14. Resolution setting the comprehensive fee, student government association and inter residence association fees for fiscal year 2021

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

Student Government Association (SGA) Fee	\$222
Inter Residence Association (IRA) Fee	\$30
Comprehensive Fee	\$2,188

15. Resolution approving room and meal plan rates for fiscal year 2021

BE IT RESOLVED, that the Board of Trustees hereby approves room and meal plan rates for fiscal year 2021 as follows:

Room Rates Per Year

Private Single with Bath	\$10,942
Private Double with Bath	\$9,720
Private Triple with Bath	\$8,058
Suite Single with Shared Bath	\$10,500
Suite Double with Shared Bath	\$9,168

Suite Triple with Bath	\$7,664
Traditional Single	\$10,094
Traditional Double	\$8,756
Traditional Triple	\$6,934
Traditional Quad	\$5,870
Meal Plan Rates	
Retail Dining	\$4,568
Residential Unlimited Access (+100 Points per Semester)	\$4,568
Flex Plan (160 meals + 900 Points per Semester)	\$5,104



OFFICE OF AUDIT AND COMPLIANCE SERVICES
UVM.EDU/POLICIES



POLICY

Title: Equal Employment Opportunity/Affirmative Action Policy
Statement

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal employment opportunity and to a program of affirmative action in order to fulfill that policy. The President of the University fully supports the University's equal employment opportunity policy and the University's affirmative action program.

The University will accordingly 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, ancestry, national origin, 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 and sexual harassment are forms of unlawful discrimination, and it is, therefore, the policy of the University that discriminatory harassment and sexual harassment will not be tolerated. The University also prohibits unlawful harassment on the basis of other characteristics protected by law.

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 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"), or the Affirmative Action provisions of any other federal, state or local law; 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 affirmative action program; indicates any need for remedial action; determines the degree to

which the University's objectives have been attained; measures the University's compliance with its affirmative action obligations; and determines whether individuals with disabilities and veterans have had the opportunity to participate in all University sponsored educational, training, recreational and social activities.

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 of 1973; the Americans with Disabilities Act of 1990; Section 402 of the Vietnam-Era Veterans Readjustment Assistance Act of 1974; Executive Order 11246; the Genetic Information Nondiscrimination Act of 2008; 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 Affirmative Action and Equal Opportunity	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 Affirmative Action and Equal Opportunity	Nick Stanton (802) 656-3368
Questions about disability related issues	
ADA/Section 504 Coordinator Office of Affirmative Action and Equal Opportunity	Amber Fulcher (802) 656-0945
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 Affirmative Action and Equal Employment Opportunity.	
The University has developed an Affirmative Action Plan. 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.	

Related Documents/Policies

- [Discrimination and Harassment Policy](#)
- [Equal Opportunity in Educational Programs and Activities and Non-Harassment](#)
- [Procedures for Investigating and Resolving Discrimination Complaints](#)
- [Sexual Harassment & Misconduct](#)

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
- Executive Order 11246
- Genetic Information Nondiscrimination Act of 2008
- Vermont Fair Employment Practices Act

About This Policy

Responsible Official:	Vice President for Human Resources, Diversity and Multicultural Affairs	Approval Authority:	President and the Chair of the Board of Trustees
Policy Number:	V. 7.3.11	Effective Date:	February 4, 2017
Revision History:	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 Reaffirmed as revised by the President and the Chair of the Board of Trustees: February 3, 2018, March 6, 2019		



OFFICE OF AUDIT AND 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 or ethnic origin, 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.

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:	
Dean of Students	41-43 South Prospect Street Burlington, VT 05405 (802) 656-3380
Or	
Director, Office of Affirmative Action and Equal Opportunity	428 Waterman Building Burlington VT, 0405 (802) 656-3368
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 Affirmative Action and 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 Affirmative Action and Equal Opportunity	Nick Stanton (802) 656-3368
Questions about disability related issues	
Student Accessibility Services	Sharon Mone (802) 656-4075
ADA/Section 504 Coordinator Office of Affirmative Action and Equal Opportunity	Amber Fulcher (802) 656-0945

Related Documents/Policies

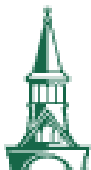
- [Discrimination and Harassment Policy](#)
- [Equal Employment Opportunity/Affirmative Action Policy Statement](#)
- [Procedural Guidelines for Handling and Resolving Discrimination Complaints](#)
- [Sexual Harassment & Misconduct](#)

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:	Vice President for Human Resources, Diversity and Multicultural Affairs	Approval Authority:	President and the Chair of the Board of Trustees
Policy Number:	V. 7.4.11	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		



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
Revised, February 2015
Reaffirmed, February 2016
Revised, February 2017
Reaffirmed, February 2018
Revised, February 2019
[Reaffirmed, February 2020](#)

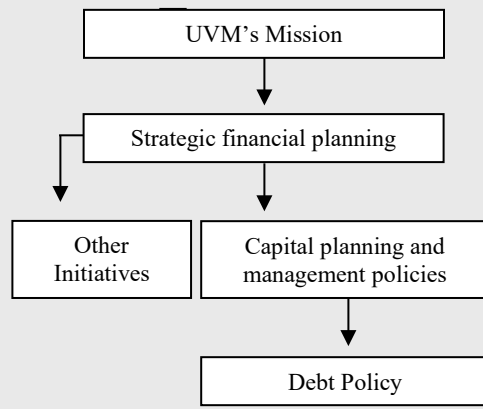
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OVERVIEW

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, and external University-supported debt.

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) Limit risk of the University's debt portfolio. 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; and
- (iv) 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. 	<p>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.</p> <p>The Office of the Vice President for Finance and University Treasurer 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.</p> <p>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.</p>

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. 	<p>This policy establishes limits to measure the total amount of outstanding debt 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.</p> <p>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.</p> <p>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.</p> <p><i>Ratio 1 – Debt Burden Ratio</i></p> <p>This ratio measures the University's ability to repay debt service associated with all outstanding debt 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.</p> $\frac{\text{ANNUAL DEBT SERVICE}}{\text{TOTAL EXPENSES}} < 5.75\%$ <p>The measure is based on aggregate operating expenses as opposed to operating revenues because expenses typically are more stable (e.g., no one-</p>



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% until June 30, 2023 and will revert to 5% thereafter. 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 Spendable Cash and Investments to Debt)

This ratio indicates one of the most basic determinants of financial health by measuring the availability of liquid and expendable assets 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 1.0 to ensure that sufficient balance sheet strength is maintained at all times.

$$\frac{\text{CASH \& INVESTMENTS} - \text{PERMANENTLY RESTRICTED NET ASSETS} + \text{PLEDGES CLASSIFIED AS PERMANENTLY RESTRICTED NET ASSETS}}{\text{AGGREGATE DEBT}} > 1.0x$$

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

The 1.0x 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 1.0x

Annually, based on the results of the audited financial statements, the Vice President for Finance 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.

To further evaluate the leverage of the University, the Vice President of Finance will report the University's Expendable Financial Assets to Debt ratio. This ratio will be reviewed relative to prior years, peers and rating agency medians and will be calculated with and without the Governmental Accounting Standards for Other Post Retirement Benefits. The Vice President for Finance will report to the appropriate Board of Trustee



committee on any existing conditions that cause notable year-over-year changes in this ratio, particularly relative to peers and rating medians.

$$\frac{\text{UNRESTRICTED NET ASSETS} + \text{TEMPORARILY RESTRICTED NET ASSETS} - \text{EQUITY IN PLANT}}{\text{AGGREGATE DEBT}}$$

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

1. Review of all potential funding sources for projects.
2. Maximize tax-exempt University-issued debt.
3. Commercial Paper program.
 - 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.
 - 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.

Commercial Paper

The CP program 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 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. <ul style="list-style-type: none">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; and
- (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 portfolio, (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

TOTAL LONG-TERM DEBT OUTSTANDING

<35%



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 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 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 line 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.





From: Al Turgeon, Chief Risk Officer (CRO)
 To: Board of Trustees' Audit Committee

RE: Calendar Year (CY) 2019 UVM Risk-Opportunity Portfolio-Register Update to the Board of Trustees' Audit Committee

A. Introduction

At the Audit Committee's January 30th meeting, Vice President for Operations and Public Safety Gary Derr and I will provide a brief update on the results of the annual CY 2019 institution risk assessment, and take questions from committee members. Last year, I updated the Audit Committee on January 31st, and the Full Board on February 1st, 2019. The annual risk assessment outcomes include:

- (1) An updated institution-level risk-opportunity portfolio-register – slides 3-4 in Appendix A.
- (2) A schedule of Management Response Plan (MRP) presentations by Responsible Officials (ROs) to their assigned Board of Trustees' committee – slide 5 in Appendix A.

B. Background

Annually, as part of UVM's Enterprise Risk Management (ERM) program, the Director of Risk Management and Safety, Mary Dewey, Director of Compliance Services and Chief Privacy Officer, Tessa Lucey, and I, partner to conduct senior leader and selected Trustee interviews to identify potential emerging risks and opportunities to evaluate for inclusion in UVM's Risk-Opportunity Portfolio-Register and depicted on a Heat Map.

Two standing University-level committees, the Enterprise Risk Management Advisory Committee (ERMAC), comprised of mid-level administrators and faculty, and the President's Advisory Committee on Enterprise Risk Management (PACERM), comprised of selected members of the President's Senior Leadership (PSL), then review recommended emerging risks and opportunities and select those for possible inclusion in UVM's Risk-Opportunity Portfolio-Register. Additionally, the PACERM identifies a responsible official for each new emerging risk and opportunity.

Next, ROs evaluate newly assigned and re-evaluate existing risk and opportunities in their risk-opportunity portfolio-register. RO evaluations result in a risk or opportunity score between 1 and 18. For those risks and opportunities scoring 10 or higher overall (portfolio-level outcome) on the 1 to 18-point scale, ROs prepare a MRP. The President reviews and approves the revised UVM Risk-Opportunity Portfolio-Register, assignment of new risks and opportunities to ROs, all the MRPs, and the Board of Trustees' committees ROs will present their MRPs.

ROs then annually brief their MRPs to their assigned Board of Trustees' committee, based on an agreed-to briefing schedule.

C. CY 2019 Annual Risk Assessment Results

Once again, overall, there were modest changes in UVM's Risk-Opportunity Portfolio-Register in CY 2019 as compared to CY 2018, see Figure 1 below:

Figure 1. Comparison of UVM's CY 2018 to CY 2019 Risk-Opportunity Portfolio-Registers.

CY 2018 Risk-Opportunity Portfolio-Register				CY 2019 Risk-Opportunity Portfolio-Register			
	A. Risks	B. Opport	C. Total		D. Risks	E. Opport	F. Total
Portfolio #	8	7	15	Portfolio #	6 (net -2) from 2018) <i>See Note 1</i>	8 (net +1 from 2018) <i>See Note 3</i>	14 (net -1 from 2018)
Register #	21	11	32	Register #	16 (net -5 from 2018) <i>See Note 2</i>	10 (net -1 from 2018) <i>See Note 4</i>	26 (net -6 from 2018)
Total #	29	18	47	Total #	22 (net -7 from 2018)	18 (net of 0 from 2018)	40 (net -7 from 2018)

Note 1 – Risk portfolio (Red area of the heat map).

Add "Digital deferred maintenance" (new)
 Combine "Data availability", voice communications system reliability" and research technology replacement" with "Digital deferred maintenance"
 "Undergraduate tuition & net tuition revenue" with "UVM financial sustainability"

Note 2 – Risk register (Orange area of heat map).

Add "Administrative infrastructure to support global activities"
 "UVM employee & student required training"
 "Infectious disease outbreaks"
 Drop to inventory "Succession planning"
 "Increased health care costs"
 Combine "Comply w/export controls" with "Research support and compliance"

Note 3 – Opportunity portfolio (Dark green area of the heat map)

Add "Develop supporting IT master plan"
 "Cultivate UVM's full philanthropic potential"
 "Expand non-traditional markets that generate revenue"
 Reintroduce "Communicate UVM narrative"
 Combine "Create a data warehouse" with "Develop supporting IT master plan"
 Remove "Comprehensive campaign"
 Drop to register "Strengthen, promote, assess residential learning communities"

Note 4 – Opportunity register (Medium green area of heat map)

Add "Navigate Education Advisory Board (EAB) student advising software" (new)
 Drop to inventory "UVM-UVM Medical Health Network partnership"
 Combine "Enhance UVM's role reducing climate change" with "Develop strategy to advance UVM's land grant mission"

The decrease (from 47 in CY 2018, to 40 in CY 2019) in overall risks and opportunities represents a slight decrease of risks and opportunities within UVM's "risk universe." The University continues to do well to identify, understand, prioritize and respond to its risks and opportunities with its available resources.

Appendix A – CY 2019 UVM Risk-Opportunity Portfolio-Register Presentation



CY 2019 Annual Risk Assessment Results: UVM Risk-Opportunity Portfolio-Register and Heat Map

Board of Trustees Audit Committee

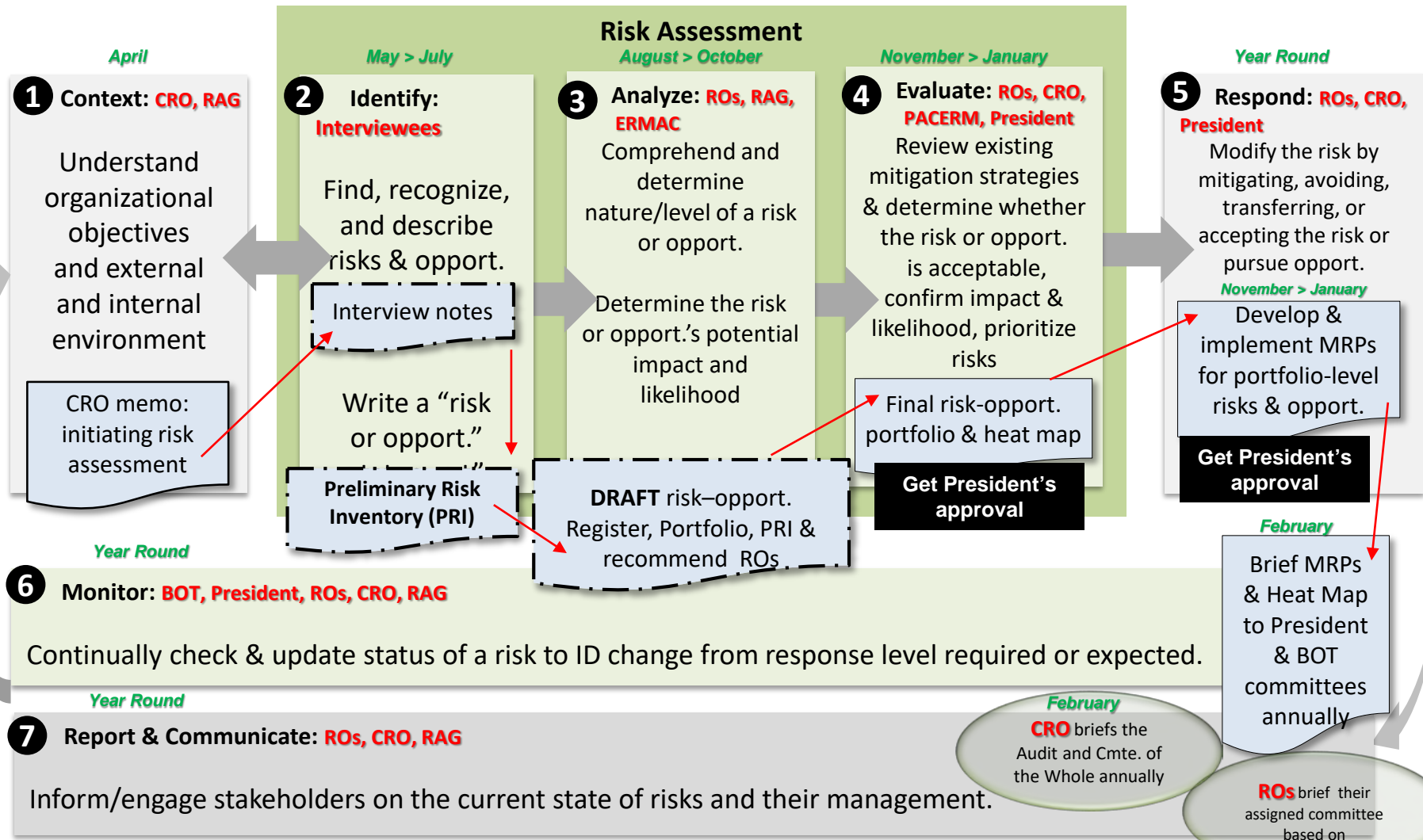
January 30th , 2020

Gary Derr, Vice President Operations and Public Safety

Al Turgeon, Chief Risk Officer

Steps in UVM's Annual Risk-Opportunity Management Process

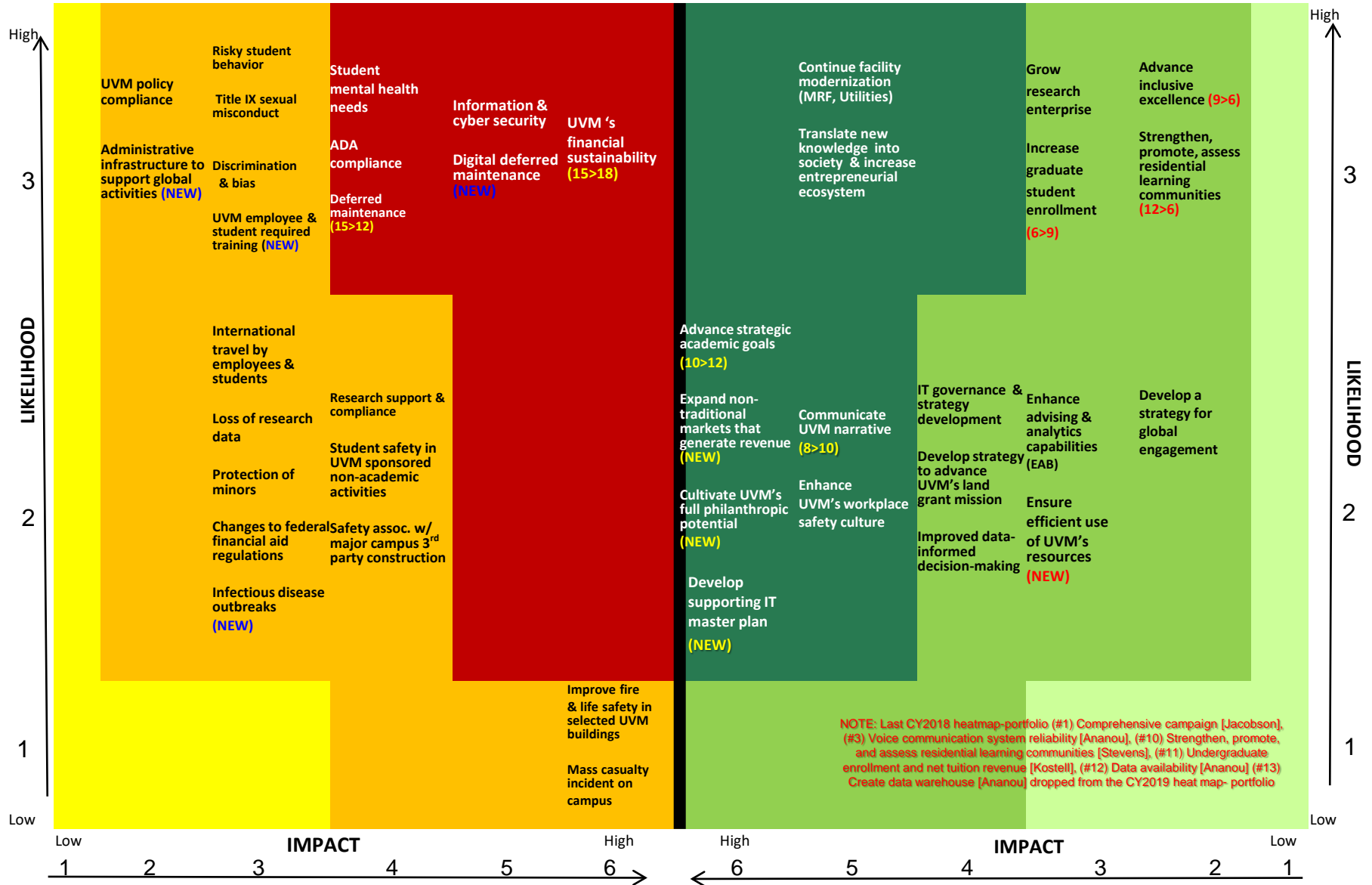
Updated 12.10.2018



Legend: **BOT** – Board of Trustees, **CRO** – Chief Risk Officer, **ERMAC** – Enterprise Risk Management Advisory Committee, **MRP** – Management Response Plan, **PACERM** – President's Advisory Committee on Enterprise Risk Management, **PRI** – Preliminary Risk Inventory, **RAG** – Risk Assurance Group (includes the CRO, Dir. Risk Management & Safety, Dir. Compliance Services, Assoc. Chief Information Officer, General Counsel, Information Security Officer, Chief Internal Auditor), **RO** – Responsible Official

R i s k s

O p p o r t u n i t i e s



Portfolio		Score 10-18	- President and BOT
Register		Score 4-9	- VP or Dean
Inventory		Score 3 or below	- Supervisor/Manager

Legend

Acronyms: ADA - Americans with Disabilities Act, IT – Information technology, MRF – Medical research facility

CY 2019 UVM Risk-Opportunity Portfolio-Register as of: 12.19.2018

CY 2019 Risk-Opportunity Portfolio (P)

- (1) Cultivate UVM's full philanthropic potential (O) [President UVM Foundation, consult w/UVM President] **(new)** CY2019
- (2) ADA compliance (R) [VPHR,D&MA]
- (3) Digital deferred maintenance (R) [CIO] **(new)** CY2019
- (4) Advance the strategic academic goals (O) [Provost]
- (5) Translate new knowledge to benefit society/entrepreneurial ecosystem (O) [VPR]
- (6) Deferred maintenance (R) [VPF]
- (7) Continue facilities modernization (MRF & Utilities) (O) [VPF]
- (8) UVM's financial sustainability (R) [VPF]
- (9) Enhance workplace safety culture (O) [VPOPS]
- (10) Develop supporting IT master plan (O) [CIO] **(new)** CY2019
- (11) Communicate UVM narrative (O) [CCO] **(reinserted)** CY2019
- (12) Information and cyber security (R) [CIO]
- (13) Student mental health needs (R) [VPSA]
- (14) Expand non-traditional markets that generate revenue (O) [Provost, consult VPF] **(new)** CY2019

Legend

(O) – Opportunity

(R) – Risk

[] – Responsible Officials (ROs)

(R>P) – item went from register to portfolio / (CY) calendar year occurred

(P>R) – item went from portfolio to register / (CY) calendar year occurred

BOT – Board of Trustees

CIO – Chief Information Officer

CCO – Chief Communications Officer

EAB – Education Advisory Board

DCS&CPO – Director Compliance Services & Chief Privacy Officer

OIR – Office of Institutional Research

VPEM – Vice President Enrollment Management

VPF – Vice President Finance

VPOPS – Vice President Operations and Public Safety

VPHRD&MA – Vice President Human Resources Diversity & Multicultural Affairs

VPR – Vice President Research

VPSA – Vice Provost Student Affairs

Note: The numbers above represent a numerical count of the risks and opportunities in the portfolio, and the corresponding MRP number in the ERM Report and MRP presentation schedule to the BOT committees

CY 2019 Risk-Opportunity Register (R)

1. Grow research enterprise (O) [VPR, consult w/Provost]
2. Discrimination and bias (R) [VPHR,D&MA, consult VPSA]
3. Federal financial aid changes (R) [VPEM, consult VPR]
4. Risky student behaviors (R) [VPSA]
5. Student safety non-academic programs (R) [VPSA, consult w/VPOPS]
6. Develop a strategy for global engagement (O) [Provost]
7. IT governance & strategy development (O) [CIO]
8. Protection of minors (R) [VPOPS]
9. Develop strategy to advance UVM's land grant mission (O) [President, consult CCO]
10. UVM policy compliance (R) [DCS&CPO]
11. Improve fire & life safety in selected buildings (R) [VPOPS]
12. Mass casualty incident on campus (R) [VPOPS, consult VPSA]
13. Employee & student international travel oversight (R) [Provost, consult VPOPS, VPEM]
14. Increase graduate student enrollment (O) [Dean Graduate College]
15. Research support & compliance (R) [VPR]
16. Loss of research data (R) [VPR]
17. Title IX sexual misconduct (R)[VPHRD&MA, consult VPSA]
18. 3rd party construction safety (R) [VPF, consult VPOPS]
19. Advance inclusive excellence (O) [VPHRMA&D]
20. Enhance advising & analytics capabilities (EAB) (O) [Provost, consult VPEM]
21. Administrative infrastructure to support global activities (R) [VPF] **(new)** CY2019
22. Ensure efficient use of UVM's resources (O) **(new)** [VPF, consult VPOPS] CY2019
23. Increase in student demand & complexity of ADA accommodation (R) [VPSA] **(new)** CY2019
24. UVM employee & student required training (R) [VPOPS, consult DCP&CPO] **(new)** CY2019
25. Improve data informed decision-making (O) [CIO, OIR]
26. Strengthen, promote and assess residential learning communities (O) [VPSA]
28. Infectious disease outbreaks (R) [VPSA] **(new)** CY2019

Legend

ADA – Americans with Disabilities Act

ERM – Enterprise Risk Management

IT – Information technology

**DRAFT – For Discussion
Purposes Only**

CY2020 Responsible Official's Management Response Plan (MRP) BOT presentation schedule as of: 01/10/2020

Legend : The MRP # corresponds to the MRP # in the annual risk assessment report and not to the risk-opportunity overall score

**DRAFT – For Discussion
Purposes Only**

MRP #	Portfolio Level Risks (R) /Opportunities (O)	Board Committee w/ Oversight Responsibility	Responsible Official (RO)	BOT Meeting Schedule, January 2020– February 2021								Tentative
				Audit & Full Board Mtng, Jan-Feb 2020	Audit Cmte Mtng, April 2020	Full Board Mtng, May 2020	Audit Cmte Mtng, July 2020	Audit Cmte Mtng, September 2020	Board Retreat Sept 11-12, 2020	Full Board Mtng, October 2020	Audit Cmte Mtng, November 2020	
n/a	Enterprise Risk Management (ERM) annual risk assessment report and management response plans (MRPs)	Audit	Derr, Turgeon	Audit	Audit Annual ERM Program Review							Audit Brief NextGen ERM Program
1	Cultivate UVM's full philanthropic capacity (O) (NEW)	EPIR	Jacobson, consult w/Garimella							EPIR		
2	ADA compliance (R)	CofW	Lucey, consult Heading-Grant, Stevens							CofW		
3	Digital deferred maintenance (R) (NEW)	CofW	Ananou							CofW		
4	Advance the strategic academic goals (O)	EPIR	Prelock							EPIR		
5	Translate new knowledge to society – entrepreneurial ecosystem (O)	EPIR	Galbraith			EPIR-TBD						
6	Deferred maintenance (R)	CofW	Cate							CofW		
7	Continue facilities modernization (Med Research Complex, Utilities) (O)	BFI / CofW	Cate							BFI/CofW		
8	UVM's financial sustainability (R)	BFI	Cate, consult Kostell			BFI						
9	Enhance UVM's workplace safety culture (O)	Audit	Derr		Audit							
10	Develop supporting IT master plan (O) (NEW)	CofW	Ananou							CofW		
11	Communicate UVM narrative (O) (REINSERTED)	EPIR	Brown			EPIR						
12	Information and cyber security (R)	Audit	Ananou				Audit					
13	Student mental health needs (R)	EPIR	Stevens							EPIR		
14	Expand non-traditional markets that generate revenue (O) (NEW)	CofW?	Prelock, consult Cate			CofW-TBD						

**DRAFT – For Discussion
Purposes Only**

NOTE: Last CY2018 heatmap-portfolio (#1) Comprehensive campaign [Jacobson], (#3) Voice communication system reliability [Ananou], (#10) Strengthen, promote, and assess residential learning communities [Stevens], (#11) Undergraduate enrollment and net tuition revenue [Kostell], (#12) Data availability [Ananou] (#13) Create data warehouse [Ananou] dropped from the CY2019 heat map- portfolio

The University of Vermont

ANNUAL 2019 Financial Report



UNIVERSITY OF VERMONT & STATE AGRICULTURAL COLLEGE
(a component unit of the State of Vermont)



The University of Vermont

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Suresh V. Garimella, President, ex officio
 Phil Scott, Governor, ex officio

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Patricia Prelock.....	Interim Provost and Senior Vice President
Sharon Reich Paulsen.....	Vice President for Legal Affairs and General Counsel, and Chief of Staff to the President
Richard H. Cate.....	Vice President for Finance and Treasurer
Thomas J. Gustafson.....	Vice President for University Relations and Administration
Stacey Kostell.....	Vice President for Enrollment Management
Gary L. Derr.....	Vice President for Executive Operations
Annie Stevens.....	Vice Provost for Student Affairs
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Richard Galbraith.....	Vice President for Research
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Sanjay Sharma.....	Dean, Grossman School of Business
Richard L. Page.....	Dean, Robert Larner, M.D. College of Medicine
Linda Schadler.....	Dean, College of Engineering and Mathematical Sciences
Jean Harvery.....	Interim Dean, College of Agriculture and Life Sciences
William Falls.....	Dean, College of Arts and Sciences
David A. Nestor.....	Dean of Students
Scott Thomas.....	Interim Dean, College of Nursing and Health Sciences
Bryn Geffert.....	Dean, University Libraries
Scott Thomas.....	Dean, College of Education and Social Services
David Jenemann.....	Interim Dean, Honors College
Cynthia L. Belliveau.....	Dean, Continuing and Distance Education

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Letter from the President

Members of the Board of Trustees,

I attach the Annual Financial Report for the Fiscal Year ended June 30, 2019. The state of UVM's finances is sound.

These financial statements reflect an increase of \$39.7 million in the University's net position. A key contributor was growth in the value of the endowment due to changes in the financial markets. It is important to note that, since the inception of the Foundation, new endowment gifts have been reflected in the financial records of the Foundation rather than the University. This somewhat limits the growth of the University's endowment, but all of the gifts to the Foundation flow to the benefit of UVM students and the University. As of June 30, 2019, the market value of the entire combined endowment (UVM and Foundation) was \$567 million.

The University of Vermont remains focused on student affordability and financial access, quality enhancements, strategic alignment of priorities, and resource and revenue growth. This will ensure an even more financially healthy University, which will enable us to continue to improve the overall positive student experience at UVM, as well as the positive and substantial contributions UVM makes to the state, the region, and the country.

Best wishes,


 Suresh Garimella

The University of Vermont

Management's Responsibility for the Financial Report

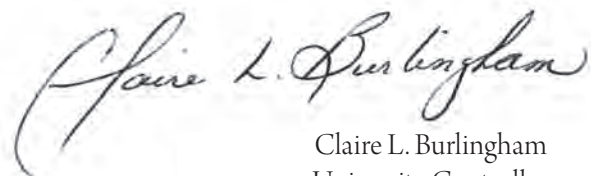
The accompanying financial statements of the University of Vermont and State Agricultural College for the year ended June 30, 2019 are official documents prepared in accordance with U.S. generally accepted accounting principles set forth for public colleges and universities by the Governmental Accounting Standards Board. The management of the University is responsible for the integrity and objectivity of these financial statements, which are accessible to all. The University's system of internal accounting controls is designed to ensure that the financial reports and the books of account properly reflect the transactions of the institution, in accordance with established policies and procedures as implemented by qualified personnel.

The University Trustees selected the certified public accounting firm of KPMG, LLP to conduct the annual financial audit for fiscal year 2019.

Periodically throughout the year, the Trustee Audit Committee meets with the Audit Services Office and the Compliance Office staff and the external independent audit firm to review the audit plan and later the report. The Vermont State Auditor is invited to attend those meetings to offer comments and opinions. Both KPMG and the Audit Services Office and Compliance Office staff have full access to the University Trustees and the State Auditor throughout the year.



Richard H. Cate
Vice President for Finance
And University Treasurer

Claire L. Burlingham
University Controller



KPMG LLP
One Park Place
463 Mountain View Drive, Suite 400
Colchester, VT 05446-9909

Independent Auditors' Report

The Honorable Douglas Hoffer,
Auditor of Accounts, State of Vermont
and

The Board of Trustees of the University of Vermont and State Agricultural College:

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and aggregate discretely presented component units of the University of Vermont and State Agricultural College (collectively, the University), a component unit of the State of Vermont, as of and for the years ended June 30, 2019 and 2018 and, the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We did not audit the financial statements of University Medical Education Associates, Inc., a discretely presented component unit of the University. Those statements were audited by other auditors whose report has been furnished to us, and our opinion insofar as it relates to the amounts included for the discretely presented component unit is based solely on the report of the other auditors. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the business-type activities and the aggregate discretely presented component units, of the University as of June 30, 2019 and 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles.

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis on pages 5–14 and the required supplementary information on page 38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 4, 2019 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Colchester, Vermont
November 4, 2019

The University of Vermont

Management's Discussion and Analysis (Unaudited)

June 30, 2019 and 2018

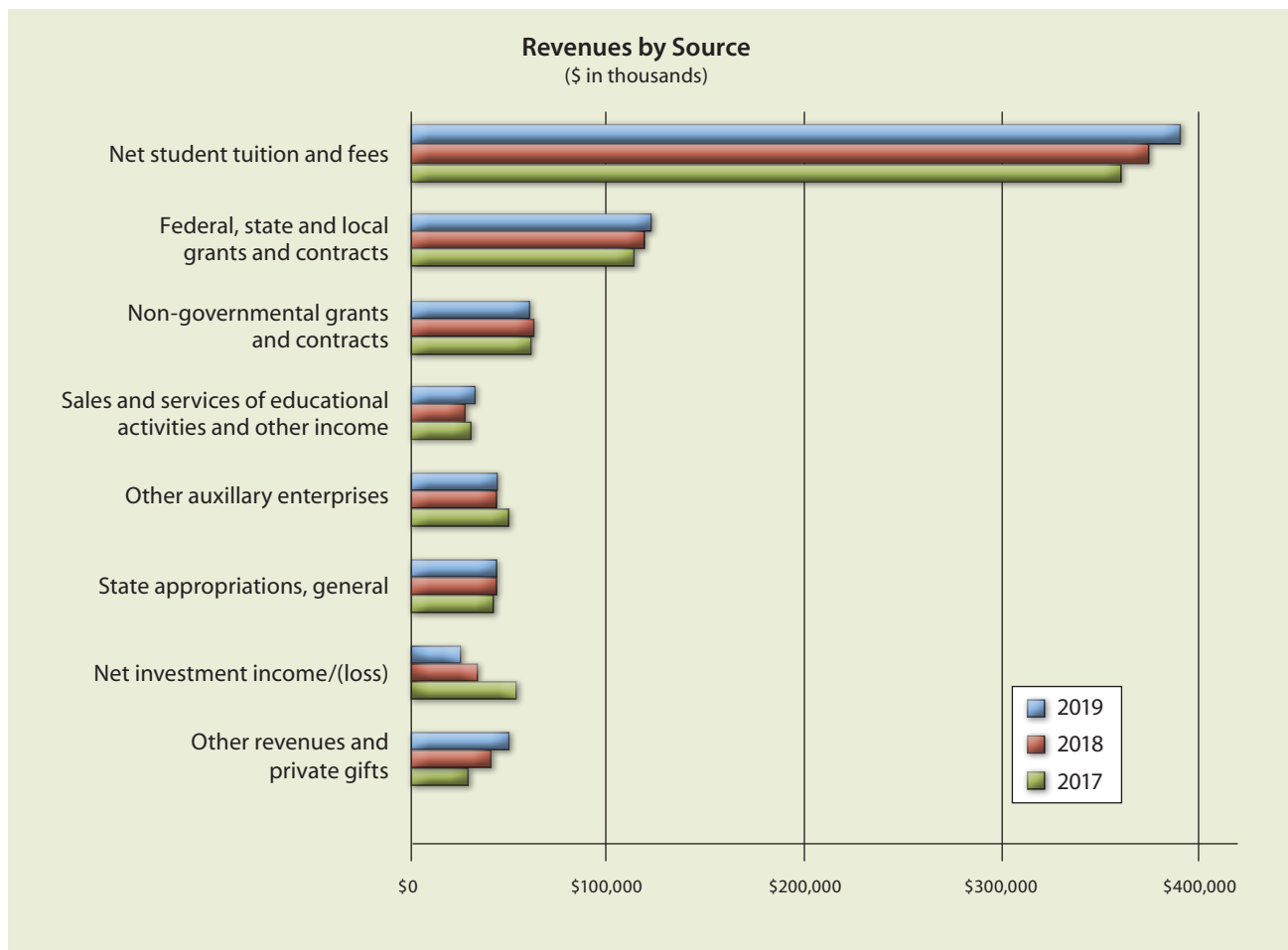
Introduction

The Management's Discussion and Analysis (MD&A) provides a broad overview of the University of Vermont's financial condition as of June 30, 2019 and 2018, the results of its operations for the years then ended, significant changes from the previous years, and outlook for the future where appropriate and relevant. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related notes.

The University of Vermont ("the University") is a public, non-profit, comprehensive research institution of higher education established in 1791 as the fifth college in New England. The University consists of seven undergraduate schools and colleges, including the Colleges of Agriculture and Life Sciences, Arts and Sciences, Education and Social Services, Engineering and Mathematical Sciences, Nursing and Health Sciences, the Grossman School of Business, and the Rubenstein School of Environment and Natural Resources. The University also includes an Honors College, the Robert Larner, M.D. College of Medicine, the Division of Continuing and Distance Education, Extension and the Graduate College. The University is the only

comprehensive research university in Vermont. The University has 10,700 undergraduate students and 2,072 graduate and medical students. It is located in Burlington, Vermont with satellite instructional and research sites throughout Vermont. It is a component unit of the State of Vermont as it receives an annual appropriation from the State. For financial reporting purposes, the University's reporting entity consists of all sectors of the University and also includes discretely presented financial information for University Medical Education Associates, Inc. (UMEA) and the University of Vermont and State Agricultural College Foundation, Inc. (UVMF). UMEA is a legally separate tax-exempt component unit of the University whose purpose is to support the operations, activities and objectives of the Robert Larner, M.D. College of Medicine of the University. UVMF is a legally separate tax-exempt component unit of the University whose purpose is to secure and manage private gifts for the sole benefit of the University. The MD&A discusses the University's financial statements only and not those of its component units.

The focus of the MD&A is on the University's financial information contained in the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position and the Statements of Cash Flows.



Financial Highlights and Economic Outlook

In fiscal year 2019, President E. Thomas Sullivan announced his decision to step down as the University of Vermont President. During his last year, President Sullivan continued to implement his strategic vision for the institution as outlined in his strategic action plan entitled “Enhancing Quality and Affordability.” The Board of Trustees announced the appointment of Dr. Suresh Garimella as the 27th President of the University of Vermont. Dr. Garimella assumed this post effective July 1, 2019 and during his first year will undoubtedly outline his strategic vision along with the Board of Trustees.

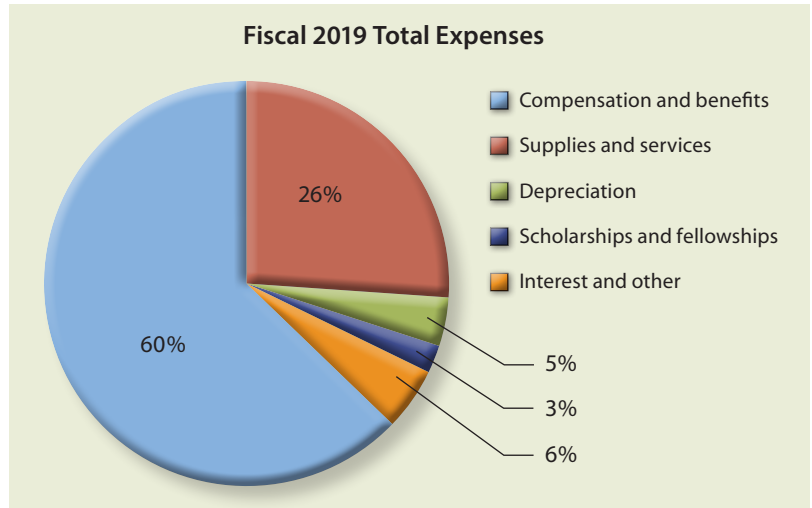
The University’s net position increased by \$39.7 million in fiscal 2019, compared to a net decrease of \$202.7 million in fiscal 2018. The increase in fiscal 2019 was largely due to favorable performance in the financial markets, with a net gain in the investment portfolio of \$25.2 million. This gain was down \$8.0 million from the net gain of \$33.2 million in fiscal 2018. In fiscal 2018, a restatement of net position as of July 1, 2017

for the other postemployment benefit (OPEB) liability was required due to the adoption of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This resulted in a decrease to unrestricted net position of \$230.3 million. Excluding the effects of this adoption, the University’s net position increased by \$27.7 million in fiscal 2018 largely due to favorable performance in the financial markets, with a net gain in the investment portfolio of \$33.2 million. This gain was down \$19.9 million from the net gain of \$53.1 million in fiscal 2017.

Total operating revenues increased in fiscal 2019 by \$24.5 million, or 3.9%. This included an increase in net student tuition and fees of \$16.2 million, or 4.3%. Other critical revenues include state appropriations and state capital appropriations. State appropriations remained steady at \$43.0 million in fiscal 2019 and \$43.0 million in fiscal 2018, while state capital appropriations increased to \$1.7 million in fiscal 2019 compared to \$1.4 million in fiscal 2018.

The University experienced an increase in operating costs of \$13.0 million, or 1.9%, in fiscal 2019. Compensation and benefits represents the most significant operating cost, comprising 64.2% and 64.6% of operating costs in 2019 and 2018, respectively. Compensation and benefit expenses increased by \$5.7 million which was primarily due to salary and wage increases in 2019 of 2.0-3.0% for faculty and between 1.5-2.0% for staff. Supplies and service expenses increased by \$1.8 million. Other significant non-operating expenses include interest on indebtedness, which was \$22.5 million in 2019 compared to \$17.3 million in 2018, and transfers to other governmental agencies and the UVM Foundation which, combined, were \$23.9 million in 2019 and \$21.0 million in 2018.

The chart to the right displays total operating, interest, and other expenses for fiscal 2019:



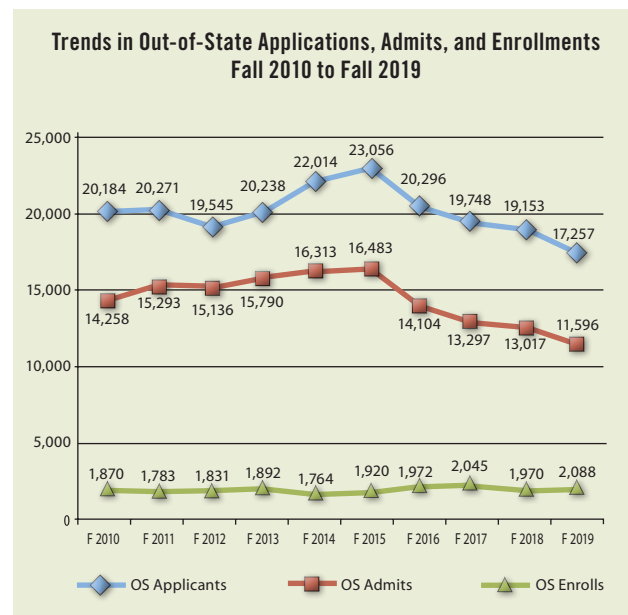
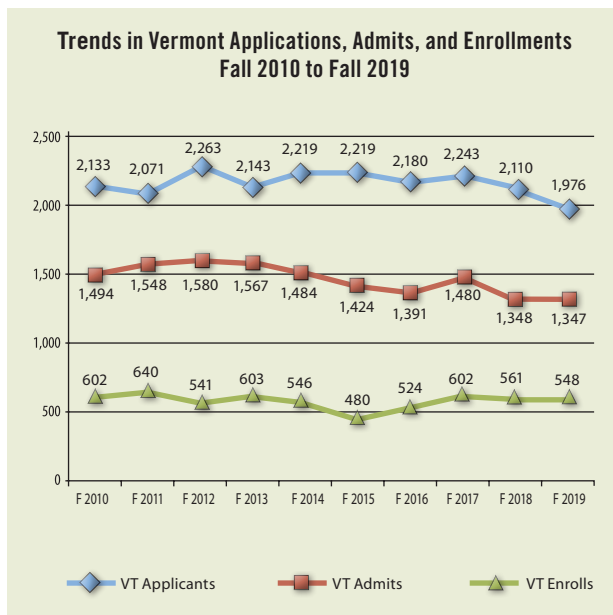
During fiscal year 2019, construction continued on the Sciences, Technology, Engineering and Mathematics (STEM) complex Innovation Hall, which will provide innovative research and classroom spaces for those disciplines. Renovations of the Given Building, Cohen Hall, and 439 College Street are underway and work began on the Athletic Multipurpose Center Complex.

In the fall of fiscal 2020, the University enrolled 10,700 students in more than 100 undergraduate majors, 1,627 students in graduate and post-baccalaureate programs, and 478 students at the College of Medicine. The University attracts undergraduates from over 40 states and many foreign countries. The University is primarily a regional institution however, drawing 85% of the undergraduates enrolled in the fall of fiscal year 2020 from New England and the Middle Atlantic States, including 21% of its undergraduate students from Vermont. Graduate and Certificate student enrollment from Vermont

represented 42.6%.

The following tables present applications, admissions, and enrollments for in-state and out-of-state students. Final numbers for the fall of fiscal year 2020 show that total applications have decreased 13.8% since 2010, with in-state applications decreasing 7.4% and out-of-state applications decreasing 14.5%. Total admissions have decreased for that period by 17.8%, with in-state admissions decreasing 9.8% and out-of-state admissions decreasing 18.7%. Since 2010, total first-time, first year enrollments have increased by 6.6%, with in-state enrollments decreasing by 9.0% and out-of-state enrollments increasing by 11.7%.

The University and its Board of Trustees continues to contain increases in tuition and fees with the average annual increases for in-state and out-of-state held to 3.5% and 3.4%, respectively, since 2011. The table to the



right presents tuition and fees, as well as room and board for that period.

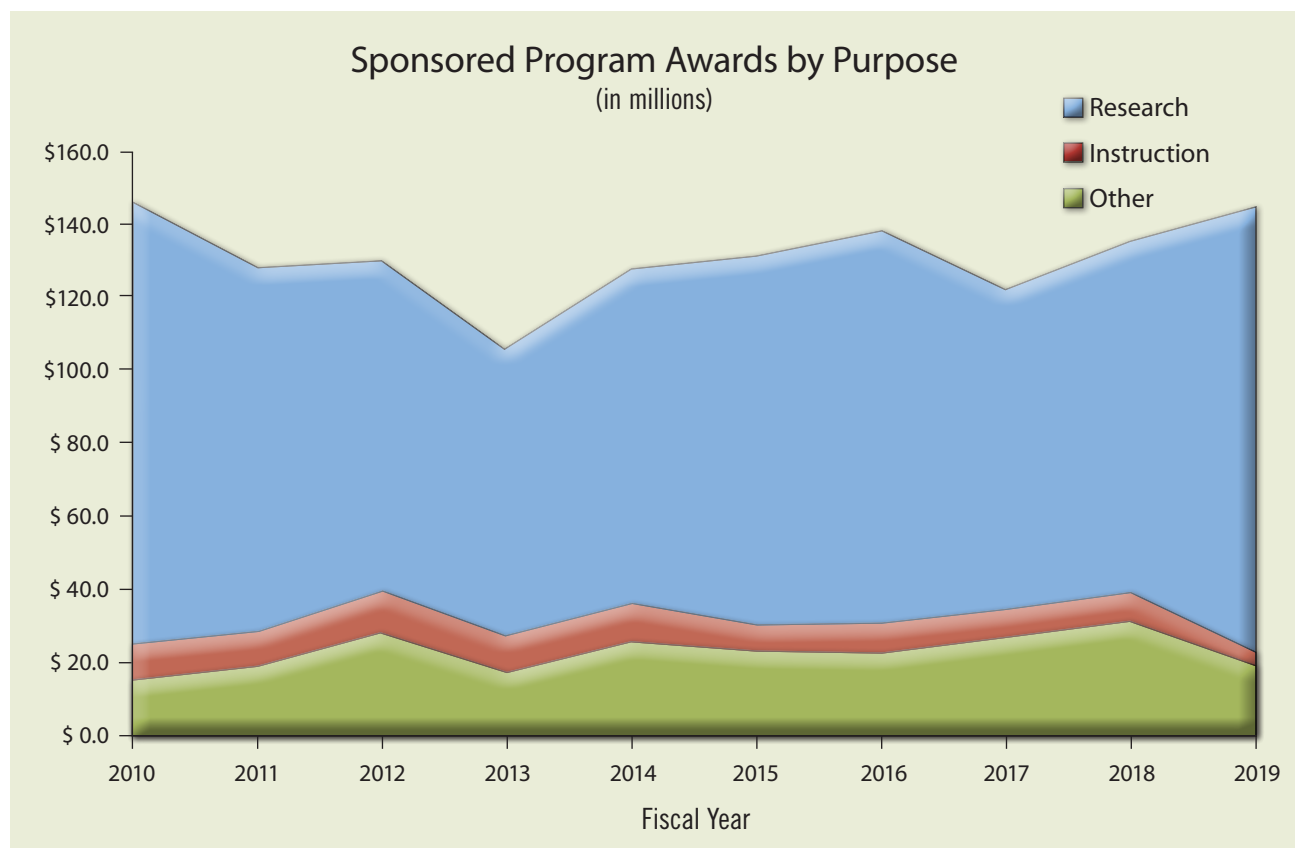
The State of Vermont ("the State") general appropriations represented 5.6% of the University's total revenues for fiscal year 2019. The University received a State capital appropriation of \$1.7 million in fiscal year 2019 and \$1.4 million in fiscal year 2018.

Grant and contract revenues of \$184.3 million represented 24.1% of total revenues for fiscal 2019 which included facility and administrative cost recoveries of \$30.4 million and additional commitment funds from University of Vermont Medical Center, Inc. of \$16.0 million. During fiscal 2019, the University was awarded over \$144.3 million in sponsored funds, 85.2% of which were for research activities. Approximately 66.6% of sponsored funds awarded during fiscal 2019 were from federal sources. The University's leading areas of externally sponsored programs are the biomedical sciences, agriculture, the

environment, and education.

The following chart presents the activity of sponsored programs over the past decade:

In-State and Out-of-State Tuition & Fees									
	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Average Annual Increase
Student Tuition & Fees									
In-State Tuition & Fees	\$14,784	\$15,284	\$15,718	\$16,226	\$16,768	\$17,300	\$17,740	\$18,276	3.83%
Out-of-State Tuition & Fees	\$34,424	\$35,612	\$36,646	\$37,874	\$39,160	\$40,364	\$41,356	\$42,516	3.88%
Room & Board (Average Meal Plan)									
Room (Double)	\$6,426	\$6,650	\$6,844	\$7,116	\$7,376	\$7,634	\$7,900	\$8,196	4.06%
Board (Average Meal Plan)	\$3,282	\$3,414	\$3,558	\$3,664	\$3,774	\$3,944	\$4,122	\$4,266	4.37%
Total, In-State Cost									
Increase Over Previous Year	4.59%	3.50%	3.05%	3.39%	3.38%	3.44%	3.06%	3.28%	3.46%
Total, Out-of-State Cost									
Increase Over Previous Year	5.12%	3.50%	3.00%	3.41%	3.40%	3.24%	2.76%	3.00%	3.43%



The University has an affiliation with the University of Vermont Medical Center, Inc., University of Vermont Medical Group, Inc., and the University of Vermont Health Network, Inc. through an updated Affiliation Agreement signed in June, 2014. The Agreement is for a period of five (5) years with provisions for an automatic renewal in the absence of a party's written notice. The provisions of that contract are reflected in the financial statements. The Agreement is to guide and govern the parties in the achievement of their common goals, including, but not limited to, providing high-quality clinical education for undergraduate and graduate students enrolled in UVM medical and health care related academic programs and health care professionals enrolled in continuing education programs, conducting high-quality research leading to advances in health care and in the bio-medical and life sciences to improve the quality of life of the citizens of Vermont and the broader society.

Overview of the Financial Statements

The financial statements of the University of Vermont and State Agricultural College (the "University") have been prepared in accordance with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The financial statement presentation consists of comparable Statements of Net Position, Statements of Revenues, Expenses, and Changes in Net Position, Statements of Cash Flows and accompanying notes for the June 30, 2019 and 2018 fiscal years. These statements provide information on the financial position of the University and the financial activity and results of its operations during the years presented. The financial statements focus on the University as a whole, rather than upon individual funds or activities.

	<i>(In thousands)</i>		
	2019	2018	*Restated 2017
Assets			
Current assets	\$ 355,699	\$ 332,061	\$ 327,154
Non-current assets	1,269,078	1,250,058	1,193,419
Total assets	1,624,777	1,582,119	1,520,573
Deferred outflows of resources			
Loss on refunding of debt	4,985	5,215	5,936
Postemployment benefits	13,135	12,617	-
Total deferred outflows of resources	18,120	17,832	5,936
Liabilities			
Current liabilities	194,529	183,025	158,452
Non-current liabilities	1,014,285	1,061,628	811,563
Total liabilities	1,208,814	1,244,653	970,015
Deferred inflows of resources			
Service concession arrangement	1,562	1,826	2,104
Split interest	5,621	3,407	1,640
Postemployment benefits	37,140	-	-
Total deferred inflows of resources	44,323	5,233	3,744
Net position			
Net investment in capital assets	138,070	116,345	95,797
Restricted:			
Non-expendable	116,469	115,918	115,035
Expendable	335,965	342,741	329,753
Unrestricted	(200,744)	(224,939)	12,165
Total net position	\$ 389,760	\$ 350,065	\$ 552,750

*Refer to footnote A2 of the audited financial statements for a discussion of the restatement.

University Medical Associates, Inc. (UMEA) and University of Vermont Foundation, Inc. (UVMF) are legally separate tax-exempt, discretely presented component units of the University of Vermont and issue separate audited financial statements. UMEA and UVMF are presented as separate columns on the University's Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position.

Statements of Net Position

Net position, or the sum of total assets, plus deferred outflows of resources, less total liabilities, less deferred inflows of resources is considered an indicator of the current financial condition of the University. The Statements of Net Position presents all assets, deferred outflows of resources, liabilities and deferred inflows of resources of the University as of June 30. Assets and liabilities are classified as current or non-current. Current assets are classified as such if they are available to satisfy current liabilities, which are generally defined as being due within one year of the date of the Statements of Net Position. Condensed information for net position at June 30, 2019, with comparative information for 2018 and 2017 are contained on page 9.

Net position totaled \$389.8 million, \$350.1 million, and \$552.8 million at June 30, 2019, 2018, and 2017, respectively, increasing by \$39.7 million in 2019 and decreasing by \$202.7 million in 2018. The primary contributor to the increase in net position in fiscal 2019 was favorable performance in the financial markets. The primary contributors to the decrease in net position in 2018 were a change of accounting principle for the other postemployment benefit (OPEB) liability offset partially by favorable performance in the financial markets.

Current assets of \$355.7 million, \$332.1 million, and \$327.2 million at June 30, 2019, 2018, and 2017, respectively, consist primarily of cash and cash equivalents, and operating investments, which totaled \$302.3 million at June 30, 2019, \$276.1 million at June 30, 2018, and \$273.3 million at June 30, 2017. Cash and cash equivalents and operating investments represents approximately 5.6, 5.2, and 5.2 months of total operating expenses, excluding depreciation, for 2019, 2018, and 2017, respectively. The net increase to current assets in 2019 of \$23.6 million was driven by a \$26.1 million increase in cash, cash equivalents and operating investments, and a \$0.9 increase in inventories, prepaid expenses and deferred charges offset by a \$3.4 million decrease in accounts, loans, notes and pledges receivable. The net increase to current assets in 2018 of \$4.9 million was driven by a \$2.8 million increase in cash, cash equivalents and operating investments, a \$1.4 million increase in accounts, loans, notes and pledges receivable and a \$0.7 increase in inventories, prepaid expenses and deferred charges.

Non-current assets of \$1.3 billion, \$1.3 billion, and \$1.2 billion at June 30, 2019, 2018, and 2017, respectively, consist primarily of the following:

- *Capital assets, net of accumulated depreciation*, totaled \$683.4 million, \$673.0 million and \$641.9 million at June 30, 2019, 2018 and 2017, respectively, representing an increase of \$10.4 million, or 1.6%, in 2019 and an increase of \$31.1 million, or 4.8%, in 2018. Gross capital additions totaled \$43.5 million in 2019 and \$65.0 million in 2018. Capital additions in 2019 included land of \$1.1 million, land improvements of \$0.7 million, renovations to residence and dining halls, research laboratories, and other buildings of \$5.7 million, building components and equipment and building interiors of \$3.3 million, fixed

equipment of \$0.6 million, moveable equipment of \$1.3 million and construction in progress of \$30.6 million. These additions in 2019 were offset by an increase to accumulated depreciation of \$32.9 million. Capital additions in 2018 included land improvements of \$1.3 million, renovations to residence and dining halls, research laboratories, and other buildings of \$5.2 million, building components and equipment and building interiors of \$2.3 million, fixed equipment of \$1.5 million, moveable equipment of \$1.6 million and construction in progress of \$53.1 million. These additions in 2018 were offset by disposals of \$12.2 million and an increase to accumulated depreciation of \$21.8 million.

- *Endowment cash, cash equivalents and investments* totaling \$494.7 million, \$490.8 million and \$453.3 million at June 30, 2019, 2018, and 2017, respectively. In fiscal 2019, there was an increase of \$3.9 million, or 0.8%, and an increase of \$37.5 million, or 8.3% in 2018. The University's long-term investment pool consists of permanent endowments, term endowments, and funds functioning as endowments, commonly referred to as quasi-endowments.

Permanent endowments are those funds received from donors with the stipulation that the principal be invested in perpetuity to produce income to be expended for the purposes specified by the donor. Term endowments are those funds received from donors that function as endowments for a period of time or until a specific event occurs, such as reaching a certain balance. Funds functioning as endowments consist of restricted gifts and unrestricted funds that have been designated by the University for long-term investment purposes. These funds are not subject to donor restrictions requiring the University to preserve the principal in perpetuity. Programs supported by the endowment include scholarships, fellowships, professorships, research efforts and other programs and activities related to the University's mission. Investments are reported in three categories in the Statements of Net Position. Investments reported as non-current assets include endowment, annuity, and life income funds. Investments for capital activities reported as current assets are replacement reserves designated for capital renovations. All other investments are reported as operating investments.

The University's primary long-term investment goal is to attain a real total return that exceeds the amount being distributed for spending and administration, currently set at 4.75% of the previous 13 quarters' average market value. Other important investment objectives are to achieve annualized returns in excess of the strategic policy portfolio blended benchmark, measured over a full market cycle; and to outperform the median return of a pool of endowment funds with broadly similar investment objectives and policies. The spending distributions from the total endowment were \$22.4 million, \$21.6 million, and \$20.3 million in fiscal years ended June 30, 2019, 2018, and 2017, respectively. These distributions were 4.2%, 4.4%, and 4.6% of the beginning market value of the endowment for fiscal years 2019, 2018, and 2017, respectively.

- The increase to *Deposits with Trustees* of \$2.1 million in 2019 was primarily due to the recognition of additional split interest agreements. The decrease of \$21.6 million in 2018 was primarily due to use and draw down of bond proceeds.

Deferred outflows of resources were \$18.1 million and \$17.8 million at June 30, 2019 and 2018, respectively. In fiscal 2019, deferred outflows represent the deferred loss on refunding of general obligation bonds totaling \$5.0 million and valuation of certain other postemployment benefit costs totaling \$13.1 million.

Current liabilities increased \$11.5 million in 2019 and \$24.6 million in 2018. In both 2019 and 2018, current liabilities increased due to the University accepting UVMF funds which were then invested in the University's pooled endowment. These funds generate income which is distributed to the UVMF. The funds held in the University's pooled endowment represent a liability to the University as they are UVMF assets and will be returned to the UVMF in the future. At June 30, 2019 the amount of UVMF assets held in the University's pooled endowment was \$89.0 million. At June 30, 2018 the amount of UVMF assets held in the University's pooled endowment was \$81.0 million.

Non-current liabilities decreased \$47.3 million in 2019 compared to an increase of \$250.1 million in 2018. The decrease in 2019 is mostly due to a net decrease of the postemployment benefits liability of \$32.2 million and a decrease in the non-current portion of bonds and leases payable of \$14.4 million. The increase in 2018 is mostly due to the result of \$260.0 million in additional liability for postemployment benefits. This was offset by a decrease in the non-current portion of bonds and leases payable of \$11.2 million.

Deferred inflows of resources totaled \$44.3 million in fiscal year 2019 and \$5.2 million in fiscal year 2018. In 2019, these inflows included other postemployment benefit costs of \$37.1 million, the present value of anticipated future gifts from split interest agreements valued at \$5.6 million and \$1.6 million in future guaranteed payments due from Sodexo Management, Inc. under the Food Service Program agreement.

Net investment in capital assets of \$138.1 million, \$116.3 million, and \$95.8 million, at June 30, 2019, 2018, and 2017, respectively, represent the University's capital assets of land, buildings and equipment net of accumulated depreciation and net of outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. The increase of \$21.8 million in 2019 was primarily the result of the net effect of additions and disposals to capital assets of \$43.4 million, the decrease in bonds payable related to capitalized assets of \$11.5 million and an increase of accumulated depreciation of \$32.9 million. The increase of \$20.5 million in 2018 was primarily the result of the net effect of additions and disposals to capital assets of \$52.8 million, the increase in bonds payable related to capitalized assets of \$10.5 million and an increase of accumulated depreciation of \$21.8 million.

Restricted non-expendable net position totaling \$116.5 million, \$115.9 million, and \$115.0 million at June 30, 2019, 2018, and 2017, respectively, consists entirely of the University's permanent endowment funds. The corpus of restricted nonexpendable resources is only available for investment purposes. The increase of \$0.6 million, or 0.5%, in 2019, and \$0.9 million, or 0.8%, in 2018, resulted from new gifts.

Restricted expendable net position is subject to externally imposed restrictions governing their use. Restricted expendable net position totaled \$336.0 million, \$342.7 million, and \$329.8 million, as of June 30, 2019, 2018, and 2017, respectively. The decrease of \$6.7 million in 2019 and the increase of \$12.9 million in 2018 were primarily due to changes in net investment income. In 2019 and 2018 there was a net investment gain of \$13.3 million and \$26.2 million, respectively.

Unrestricted net position is not subject to externally imposed stipulations. However, substantially all of the University's unrestricted net position has been designated for various academic and research programs and

	(In thousands)		
	2019	2018	*Restated 2017
Operating revenues	\$ 650,070	\$ 625,541	\$ 613,600
Operating expenses	(681,320)	(668,359)	(661,202)
Operating loss	(31,250)	(42,818)	(47,602)
Net non-operating revenues	68,876	68,681	79,864
Revenue before capital and endowment additions	37,626	25,863	32,262
State capital appropriations	1,650	1,400	1,900
Capital gifts and grants	190	304	444
Gifts for endowment purposes	229	91	1,510
Total capital and endowment additions	2,069	1,795	3,854
Increase in net position	39,695	27,658	36,116
Cumulative effect of change in accounting principle	-	(230,343)	-
Net position, beginning of year	350,065	552,750	516,634
Net position, end of year	\$ 389,760	\$ 350,065	\$ 552,750

*Refer to footnote A2 of the audited financial statements for a discussion of the restatement.

initiatives, as well as capital projects. Unrestricted net position totaled \$(200.7) million, \$(224.9) million, and \$12.2 million for June 30, 2019, 2018, and 2017, respectively. The \$24.2 million increase in 2019 was primarily due to increases in net tuition and fees of \$16.2 million, facilities & administration recovery from sponsored agreements of \$2.8 million and investment income of \$4.9 million offset by increases in operating expenses. Operating expenses increased in fiscal 2019 by \$2.1 million including an increase of \$0.9 million in compensation and benefits, an increase of \$3.9 million in scholarships and fellowships and a decrease of \$2.8 million in supplies and services. Unrestricted net position was adjusted in fiscal 2018 by \$(230.3) million for a change in accounting principle for other postemployment benefits (OPEB). The additional \$6.8 million decrease in 2018 was primarily due to increases in net tuition and fees of \$13.4 million and facilities & administration recovery from sponsored agreements of \$1.9 million offset by a decrease of other auxiliary enterprise revenue of \$6.2 million and a decrease of student loan interest and other operating revenues of \$1.0 million. Operating expenses increased in fiscal 2018 by \$13.9 million including a decrease of \$6.3 million in compensation and benefits, an increase of \$4.9 million in supplies and services and an increase of \$15.4 million in scholarships and fellowships.

Statements of Revenues, Expenses and Changes in Net Position

The components of the change in net position are presented in the Statements of Revenues, Expenses and Changes in Net Position. This statement displays the revenues earned by the University, the expenses incurred by the University and the resulting increase or decrease in net position. Revenues and expenses are categorized as either operating or non-operating, and net operating income or loss is displayed. Operating revenues generally are those earned through providing services or goods to the University's customers. Operating expenses are incurred in providing those services and goods. Significant recurring sources of the University's revenues, including state appropriations, gifts, and investment income or loss are considered non-operating.

Condensed information for the year ended June 30, 2019, with comparative totals for the years ended June 30, 2018 and June 30, 2017, can be found on page 11.

Net position increased by \$39.7 million in 2019 and decreased by \$202.7 million in 2018. Contributors to the increase in 2019 include an increase in net student fees of \$16.2 million, an increase in federal, state, and private grants and contracts of \$3.8 million, an increase in gifts of \$8.2 million and a decrease of net other non-operating expense of \$5.6 million offset by a decrease in net investment income of \$8.0 million and an increase of operating expenses of \$13.0 million. Contributors to the decrease in 2018 include a change of accounting principle for other postemployment benefits of \$(230.3) million, a decrease in net investment income of \$19.9 million and an increase of operating expenses of \$7.2 million partially offset by an increase in net student fees of \$13.4 million, an increase in federal, state, and private grants and contracts of \$7.3 million and gifts of \$13.7 million.

Significant operating revenues include the following:

- *Student Tuition and Residential Life Fees, net of scholarship allowance*, are the largest component of operating revenues and the primary source of funding for the University's academic programs. Net student fees increased by \$16.2 million in 2019, comprised of an increase to tuition and fees of \$16.0 million, or 3.7%, an increase to residential life revenues of \$2.8 million, or 4.2%, and by an increase in scholarship allowances of \$2.6 million, or 2.1%. Net student fees increased by \$13.4 million in 2018, comprised of an increase to tuition and fees of \$22.8 million, or 5.6%, an increase to residential life revenues of \$5.8 million, or 9.5%, and by an increase in scholarship allowances of \$15.2 million, or 14.4%. Scholarship and fellowship awards applied to student accounts are presented as a reduction of student tuition and fee and residential life revenues, while payments directly made to students are presented as scholarship and fellowship expenses. Total scholarships and fellowships of \$144.0 million, \$137.5 million, and \$122.7 million, were awarded to students in 2019, 2018, and 2017, respectively. This represents a total increase of \$6.5 million, or 4.8%, for 2019 as compared to a \$14.8 million increase, or 12.1%, for 2018.
- *Revenues for sponsored programs* of \$184.3 million in 2019, \$180.5 million in 2018, and \$173.2 million in 2017, include federal appropriations, grants and contracts, as well as state and non-governmental grants and contracts that normally provide for the recovery of direct and indirect costs or expenses. The change in fiscal 2019 is due to increased federal funding for the Robert Larner, M.D. College of Medicine, College of Arts & Sciences and Extension. The change in fiscal 2018 is due to additional University of Vermont Medical Center Commitment and Dean's Tax funds, as well as increased federal funding for the Robert Larner, M.D. College of Medicine. The revenues for sponsored programs include recovery of indirect costs, referred to as facilities and administrative costs, of \$30.4 million, \$27.6 million, and \$25.6 million, in 2019, 2018, and 2017, respectively.
- *Auxiliary enterprise and educational activities revenues* totaled \$53.2 million, \$51.3 million, and \$58.2 million, in 2019, 2018, and 2017, respectively. Auxiliary enterprises include business type enterprises such as the bookstore, printing, mail services and conferences and events that provide support to the University's primary missions of education, research and public service. Fiscal 2019 had increases due to additional revenues generated by University Event Services, Instrumentation and Technical Services and the Spatial Analysis Laboratory. Fiscal 2018 had steady revenue streams.
- *Student loan interest and other operating revenues* were \$22.3 million, \$19.6 million, and \$21.5 million in 2019, 2018, and 2017, respectively.

Significant components of operating expenses include the following:

- *Compensation and benefits* of \$437.6 million, \$431.9 million, and \$432.5 million in 2019, 2018, and 2017, respectively, comprise the most significant portion of total expenses. Compensation and benefits increased by \$5.7 million, or 1.3% in 2019 due budgeted increases for faculty and staff. Compensation and benefits decreased by \$0.6 million, or 0.1% in 2018 due to lower annual expenses related to other

postemployment benefits offset by budgeted increases for faculty and staff. In addition, health plan benefit costs increased by \$4.5 million, or 7.9%, in 2019 and by \$3.6 million, or 6.7%, in 2018.

- *Supplies and services expenses* increased by \$1.8 million, or 0.9% in 2019, and increased by \$6.7 million, or 3.7%, in 2018. This classification encompasses the many and varied non-compensation expenses that are required for the operation of the University, including utilities, professional services, non-capitalized equipment, and minor renovations.
- *Depreciation expense* increased by \$1.5 million, or 4.9%, in 2019 and increased by \$1.4 million, or 4.8%, in 2018.
- *Scholarships and fellowships* of \$20.7 million in 2019, \$16.8 million in 2018, and \$17.2 million in 2017 are comprised of direct payments to students. As noted earlier, in addition to the amounts reflected in scholarships and fellowships expense, financial aid is applied to tuition and residential life fees and amounts applied to each are reflected in the financial statements as a reduction of those revenues.

Significant components of non-operating revenues and expenses include the following:

- *State appropriations*, which represent funding provided by the State of Vermont, were \$43.0 million in 2019, \$43.0 million in 2018 and \$42.9 million in 2017, remaining steady in 2019 and increasing by 0.3% in 2018.
- *Federal Pell grants*, which represents funds received from the federal government to help low-income undergraduate students were \$7.9 million, \$7.8 million, and \$6.9 million in 2019, 2018, and 2017, respectively.
- *Intergovernmental Transfers* totaled \$13.9 million, \$13.6 million, and \$13.7 million in 2019, 2018 and 2017, respectively. This represents contributions to the State of Vermont to support the Graduate Medical Education program.
- *Private gifts and Transfers to UVM from Component Units* totaled \$39.7 million, \$31.5 million, and \$17.8 million, in 2019, 2018, and 2017, respectively.
- *Gain (loss) on disposal of capital assets* totaled \$0.0 million, \$(2.6) million and \$4.8 million in 2019, 2018 and 2017, respectively. In fiscal 2019, the University sold a piece of land owned in Manchester, Vermont. In fiscal 2018, the University demolished the Cook Physical Science complex to complete construction of Discovery Hall.

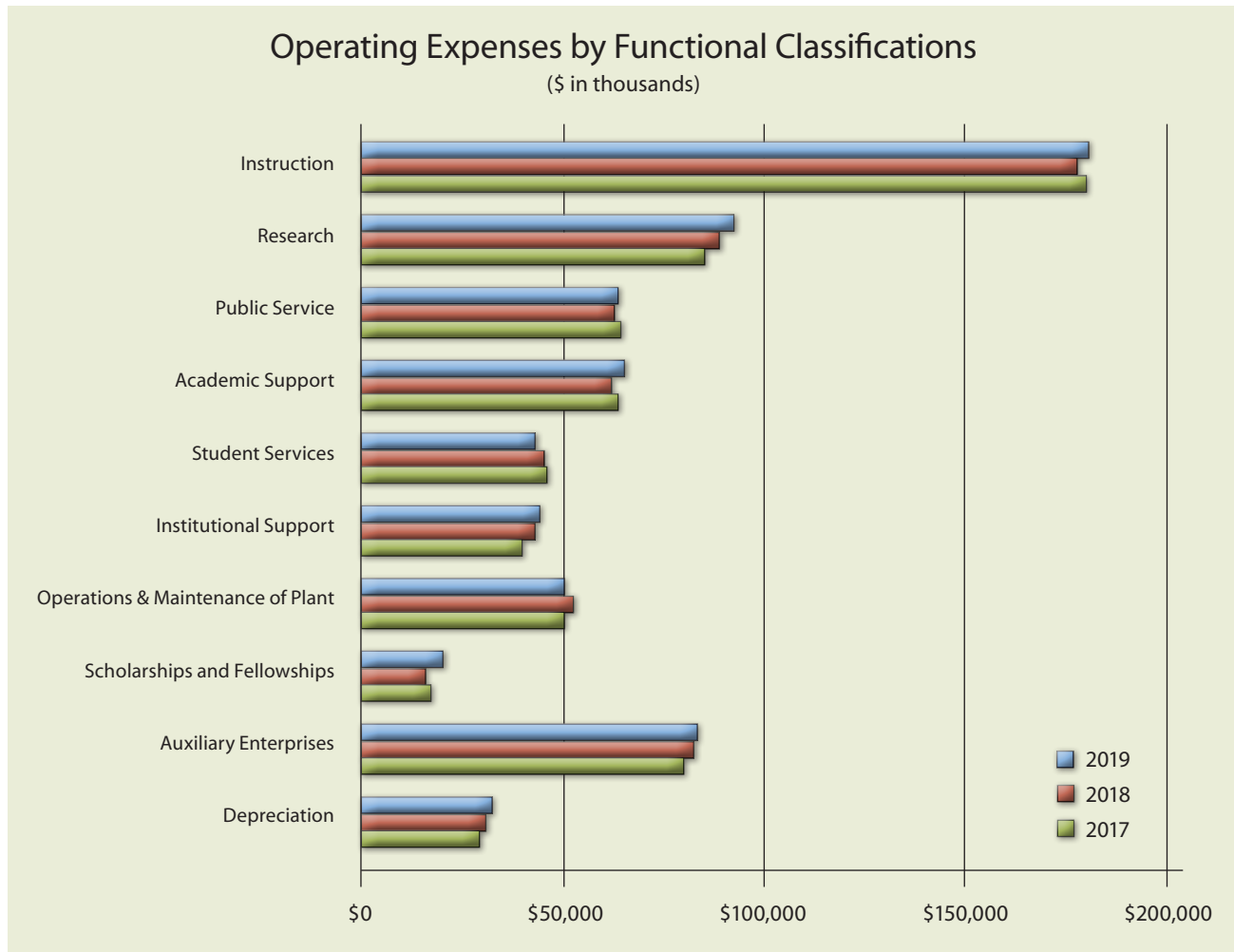
- *Net other non-operating expense* totaled \$0.4 million in fiscal 2019 and \$6.0 in fiscal 2018. Included in this expense are life income payments totaling \$0.4 million in both 2019 and 2018, respectively. Also included in fiscal 2018 expense were UVM funds pledged to the City of Burlington to improve downtown over the next 20 years.
- *Transfers to Component Units from UVM* totaled \$10.1 million and \$7.3 million in 2019 and 2018, respectively. These transfers were to the UVM Foundation, Inc. from the University to assist the Foundation in its operations.
- *Net investment income/(loss)* was \$25.2 million, \$33.2 million, and \$53.1 million in 2019, 2018, and 2017, respectively. Net investment income includes realized investment income and the change in the unrealized appreciation or depreciation of investments. Net investment income in fiscal 2019 and 2018 were affected greatly by volatility in the financial markets. The change in unrealized appreciation/(depreciation) included in net investment income was \$2.7 million in 2019, \$16.1 million in 2018, and \$32.4 million in 2017. Realized gains and other income included in net investment income totaled \$22.5 million, \$17.1 million, and \$20.7 million in 2019, 2018, and 2017, respectively.
- *Interest on indebtedness* totaled \$22.5 million in 2019, \$17.3 million in 2018, and \$16.7 million in 2017. Interest on indebtedness represents interest on notes and bonds net of capitalized interest.

Other financial resources presented after *Revenue (Loss) before capital and endowment additions* include the following:

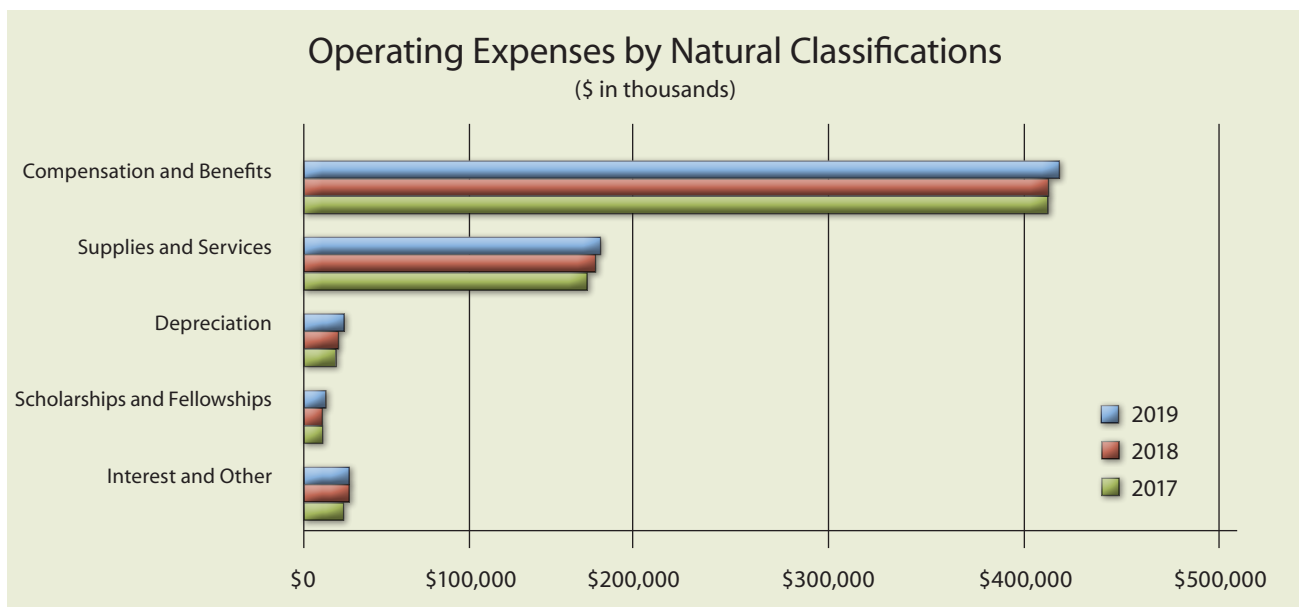
- *State capital appropriations* were \$1.7 million, \$1.4 million, and \$1.9 million in 2019, 2018 and 2017, respectively.
- *Capital and endowment gifts and grants* were \$0.4 million, \$0.4 million, and \$2.0 million, in 2019, 2018, and 2017, respectively.

Expenses are presented in the financial statements by natural classification, according to the type of expense, such as compensation and benefits. In addition, expenses may be aggregated by the functions that they support. Total expenses increased by \$13.0 million, or 1.8%, in 2019 and \$13.2 million, or 1.9%, in 2018. With the exception of scholarships and fellowships, depreciation, and interest expense, the changes in each of the functional categories reflect the changes in compensation and benefits and supplies and services.

The following chart presents total expenses by function for 2019, 2018, and 2017:



The following chart presents total expenses by natural classification for 2019, 2018, and 2017:



Statements of Net Position

as of June 30, 2019 and 2018

(dollars in thousands)

	2019	2018	UMEA 2019	UMEA 2018	UVMF 2019	UVMF 2018
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 163,121	\$ 153,491	\$ 122	\$ 555	\$ 35,867	\$ 33,255
Operating investments	139,132	122,654	62,100	61,914	9,979	17,070
Accounts, loans, notes and pledges receivable, net	40,583	43,953	585	765	11,437	14,004
Inventories and prepaid expenses	12,863	11,963	9	8	384	361
Total current assets	355,699	332,061	62,816	63,242	57,667	64,690
Non-current assets:						
Endowment cash, cash equivalents and investments	494,724	490,792	-	-	115,213	101,164
Student loans, notes, and pledges receivable, net	36,336	36,991	-	-	14,295	13,605
Investments for capital activities	44,420	41,247	-	-	-	10
Deposits with trustees	10,153	8,077	-	-	1,316	1,261
Capital assets, net	683,445	672,951	-	-	8,502	8,852
Total non-current assets	1,269,078	1,250,058	-	-	139,326	124,892
Total Assets	1,624,777	1,582,119	62,816	63,242	196,993	189,582
DEFERRED OUTFLOWS OF RESOURCES						
Loss on refunding of debt	4,985	5,215	-	-	-	-
Postemployment benefits	13,135	12,617	-	-	-	-
Total Deferred Outflows of Resources	18,120	17,832	-	-	-	-
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	79,679	73,192	682	421	8,306	10,613
Unearned revenue, deposits, and funds held for others	100,430	98,668	41,824	43,025	514	121
Bonds and leases payable	14,420	11,165	-	-	-	-
Total current liabilities	194,529	183,025	42,506	43,446	8,820	10,734
Non-current liabilities:						
Accrued liabilities	22,981	23,662	-	-	-	-
Postemployment benefits	460,332	492,575	-	-	-	-
Bonds and leases payable	530,972	545,391	-	-	5,138	5,388
Total non-current liabilities	1,014,285	1,061,628	-	-	5,138	5,388
Total Liabilities	1,208,814	1,244,653	42,506	43,446	13,958	16,122
DEFERRED INFLOWS OF RESOURCE						
Service concession arrangement	1,562	1,826	-	-	-	-
Split-interest arrangements	5,621	3,407	-	-	-	-
Postemployment benefits	37,140	-	-	-	-	-
Total Deferred Inflows of Resources	44,323	5,233	-	-	-	-
NET POSITION						
Net investment in capital assets	138,070	116,345	-	-	3,363	3,464
Restricted:						
Non-Expendable	116,469	115,918	-	-	106,400	95,989
Expendable	335,965	342,741	15,052	14,392	65,298	66,491
Unrestricted	(200,744)	(224,939)	5,258	5,404	7,974	7,516
Total Net Position	\$ 389,760	\$ 350,065	\$ 20,310	\$ 19,796	\$ 183,035	\$ 173,460

The accompanying notes are an integral part of the financial statements

Statements of Revenues, Expenses and Changes in Net Position
for the years ended June 30, 2019 and 2018
(dollars in thousands)

	2019	2018	UMEA 2019	UMEA 2018	UVMF 2019	UVMF 2018
Operating revenues						
Tuition and fees	\$ 443,983	\$ 427,998	\$ -	\$ -	\$ -	\$ -
Residential life	69,528	66,722	-	-	-	-
Less scholarship allowances	(123,248)	(120,657)	-	-	-	-
Net student fees	390,263	374,063	-	-	-	-
Federal, state, and private grants and contracts	184,293	180,541	-	-	1,003	1,067
Sales and services of educational activities	8,574	7,706	-	-	-	-
Other auxiliary enterprises	44,614	43,611	-	-	-	-
Student loan interest and other operating revenues	22,326	19,620	157	147	646	496
Total operating revenues	650,070	625,541	157	147	1,649	1,563
Operating expenses						
Compensation and benefits	(437,635)	(431,919)	(234)	(314)	(8,987)	(8,277)
Supplies and services	(190,036)	(188,285)	-	-	(2,778)	(2,447)
Depreciation	(32,902)	(31,356)	-	-	(350)	(341)
Scholarships and fellowships	(20,747)	(16,799)	-	-	-	-
Total operating expenses	(681,320)	(668,359)	(234)	(314)	(12,115)	(11,065)
Operating loss	(31,250)	(42,818)	(77)	(167)	(10,466)	(9,502)
Non-operating revenues (expenses)						
State appropriations	43,011	43,010	-	-	-	-
Federal Pell grants	7,896	7,844	-	-	-	-
Private gifts	1,994	5,375	313	431	30,253	32,282
Net investment income	25,183	33,202	1,637	1,186	5,091	7,818
Interest on indebtedness	(22,535)	(17,290)	-	-	(104)	(89)
Loss on disposal of capital assets	(20)	(2,609)	-	-	-	-
Net other non-operating expense	(396)	(6,018)	-	-	(526)	(583)
Intergovernmental transfers	(13,865)	(13,644)	-	-	-	-
Transfers from UVM to component units	(10,068)	(7,334)	-	-	9,059	6,709
Transfers to UVM from component units	37,676	26,145	(1,076)	(1,419)	(34,088)	(22,006)
Net non-operating revenues	68,876	68,681	874	198	9,685	24,131
Revenue (loss) before capital and endowment additions	37,626	25,863	797	31	(781)	14,629
State capital appropriations	1,650	1,400	-	-	-	-
Capital gifts and grants	190	304	-	-	-	-
Gifts for endowment purposes	229	91	-	-	10,356	13,777
Total capital and endowment additions	2,069	1,795	-	-	10,356	13,777
Increase in net position	39,695	27,658	797	31	9,575	28,406
Restatement of net position as of July 1, 2017*	-	(230,343)	(283)	-	-	-
Net position, beginning of year adjusted	350,065	552,750	19,796	19,765	173,460	145,054
Net Position, end of year	\$ 389,760	\$ 350,065	\$ 20,310	\$ 19,796	\$ 183,035	\$ 173,460

*The accompanying notes are an integral part of the financial statements.
Refer to footnote A2 of audited financial statements for a discussion of restatement

Statements of Cash Flows
for the years ended June 30, 2019 and 2018
(dollars in thousands)

	2019	2018
Cash Flows From Operating Activities		
Tuition and fees (net of applicable scholarship allowances)	\$ 333,379	\$ 327,322
Grants and contracts	185,549	174,031
Sales and services of educational activities	8,574	7,706
Sales and services of auxiliary enterprises:		
Residential life fees, net of scholarship allowances	52,840	50,449
Other	44,614	43,611
Payments to employees and benefit providers	(429,371)	(413,906)
Payments to vendors	(186,626)	(184,999)
Payments for scholarships and fellowships	(20,747)	(16,799)
Student loans issued	(3,977)	(5,628)
Student loans collected, interest and other revenue	3,372	2,675
Other receipts, net	21,872	19,135
Net cash provided by operating activities	9,479	3,597
Cash Flows From Non-Capital Financing Activities		
State general appropriation	43,011	43,010
Federal Pell grants	7,896	7,844
Private gifts for other than capital purposes	4,460	1,229
Intergovernmental transfers	(13,865)	(13,644)
Transfers from UVM to component units	(10,068)	(7,334)
Transfers to UVM from component units	37,683	26,029
Deposits of affiliates and life income payments, net	10,376	20,759
Net cash provided by non-capital financing activities	79,493	77,893
Cash Flows From Capital Financing Activities		
Proceeds from issuance of capital debt	-	67,068
State capital appropriation	1,650	1,400
Capital grants, gifts and other income	190	1,085
Purchases and construction of capital assets	(45,792)	(60,148)
Proceeds from disposal of capital assets	65	-
Principal paid on capital debt	(11,164)	(78,553)
Interest paid on capital debt	(22,639)	(22,126)
Changes in deposits with trustees, net	534	21,135
Net cash used in capital financing activities	(77,156)	(70,139)
Cash Flows From Investing Activities		
Proceeds from sales and maturities of investments	157,543	106,983
Purchase of investments	(157,802)	(126,324)
Interest and dividends on investments, net	5,466	4,443
Net cash provided by (used in) investing activities	5,207	(14,898)
Net increase (decrease) in cash and cash equivalents	17,023	(3,547)
Cash and cash equivalents - beginning of year	159,363	162,910
Cash and cash equivalents - end of year *	\$ 176,386	\$ 159,363
Reconciliation of Operating Loss To Cash Provided by Operating Activities		
Operating loss	\$ (31,250)	\$ (42,818)
Adjustments to reconcile operating loss to net cash provided by Operating Activities:		
Depreciation expense	32,902	31,356
Changes in assets and liabilities:		
Accounts receivable and loan receivables, net	4,172	313
Inventories and prepaid expense	(901)	(683)
Accounts payable	8,946	(4,574)
Unearned revenue, deposits and accrued liabilities	(4,390)	20,003
Net cash provided by operating activities	\$ 9,479	\$ 3,597

*of total cash and cash equivalents for 2019, \$163,121 is current and \$13,265 is non-current endowment and for 2018, \$153,491 is current and \$5,872 is non-current endowment

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

For the Years Ended June 30, 2019 and 2018

A. Summary of Significant Accounting Policies and Presentation

The University of Vermont and State Agricultural College is a public, non-profit, comprehensive research institution of higher education with an enrollment of approximately 13,400 undergraduate, graduate, medical, and non-degree students. It is located in Burlington, Vermont with satellite instructional and research buildings throughout the State.

The University of Vermont and State Agricultural College is a land-grant institution and a component unit of the State of Vermont. The University receives an annual appropriation from the State. The Board of Trustees has 25 members including 9 legislative, 9 self-perpetuating, 3 gubernatorial, and 2 students; the Governor and President of the University serve as ex-officio members during their terms in office.

The University has received a letter from the Internal Revenue Service recognizing the University as an organization that is described in Internal Revenue Code Section 501(c)(3) and generally exempt from income taxes pursuant to Section 501(a) of the Internal Revenue Code.

1. Affiliated Organizations

University Medical Education Associates, Inc. (UMEA) is a legally separate component unit of the University of Vermont. UMEA is an organization described in Internal Revenue Code Section 501(c)(3) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. UMEA is governed by a minimum nine-member board; five members are named as a result of their positions at the University of Vermont and the remaining are elected by the other members. UMEA's purpose is to support the operations, activities and objectives of the Robert Larner, M.D. College of Medicine of the University of Vermont. UMEA is a public non-profit organization that reports under Financial Accounting Standards Board (FASB) standards. UMEA's fiscal year ends on June 30. UMEA issues separate audited financial statements, which may be obtained by contacting the Dean's Office, Robert Larner, M.D. College of Medicine. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus (an amendment of GASB 14 and 34)*, UMEA is discretely presented on the University's Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position.

The University of Vermont and State Agricultural College Foundation, Inc. (UVMF) was incorporated as a Vermont nonprofit corporation on March 14, 2011, and is a legally separate entity from the University of Vermont. On January 1, 2012, UVMF officially assumed all fundraising responsibilities of the Office of Development and Alumni Relations at the University. UVMF is an organization described in Internal Revenue Code Section 501(c)(3) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. UVMF exists to secure and manage private gifts for the sole benefit of the University and has been recognized by the University as the primary and preferred recipient for charitable gifts to or for the benefit of the University. UVMF is governed

by a board of directors composed of not less than 15 or more than 29 members, including ex officio directors. The President of the University, the Chair of the Board of Trustees of the University, the President of the UVM Alumni Association, the Chair of the UVM Medical Center Foundation, and the UVMF President/CEO are ex officio directors of UVMF. UVMF reports under FASB standards, has a fiscal year end date of June 30, and issues separate audited financial statements, which may be obtained at the UVMF's website www.uvmfoundation.org. In accordance with Statement No. 61, *The Financial Reporting Entity: Omnibus (an amendment of GASB 14 and 34)*, UVMF is discretely presented on the University's Statements of Net Position and Statements of Revenues, Expenses, and Changes in Net Position.

The University has an affiliation with the University of Vermont Medical Center, Inc. (formerly named Fletcher Allen Health Care, Inc.), University of Vermont Medical Group, Inc., and the University of Vermont Health Network, Inc. (formerly named Fletcher Allen Partner, Inc.) through an updated Affiliation Agreement signed in June, 2014. The Affiliation Agreement is for a period of five years. The Agreement is to guide and govern the parties in the achievement of their common goals, including, but not limited to, providing high-quality clinical education for undergraduate and graduate students enrolled in UVM medical and health care related academic programs and health care professionals enrolled in continuing education programs. The Agreement sets forth principles and protocols designed to assist the University and the University of Vermont Medical Center (UVMVC) in coordinating efforts and allocating their resources. UVMVC agrees to pay a portion of salary, benefits, and related expenses incurred by the University to physician-faculty and staff who are also employed by UVMVC. In addition, UVMVC agrees to pay base payments that help maintain medical facilities owned and managed by the University and the Dana Medical Library. UVMVC agrees to pay a portion of the UVM Medical Group Net Patient Revenues, referred to as the Dean's Tax, to the Robert Larner, M.D. College of Medicine for purposes that promote and are consistent with the common goals of both parties.

2. Basis of Accounting

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles as defined for public colleges and universities by the GASB.

Net position is categorized as follows:

- **Net investment in capital assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Such assets include the University's physical plant.
- **Restricted:**

Non-Expendable - Net position subject to externally imposed stipulations that they be maintained permanently by the University. This category includes the corpus of the University's true endowment funds.

(dollars in thousands)

Expendable - Net position whose use by the University is subject to externally imposed stipulations that can be fulfilled by actions of the University to meet those stipulations or that expire through the passage of time. This category includes restricted gifts, grants, contracts and endowment appreciation.

- **Unrestricted:** Net position not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management, the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

The University's policy for defining operating activities as reported on the Statements of Revenues, Expenses, and Changes in Net Position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Non-exchange transactions such as gifts, investment income, state appropriations and interest on indebtedness are reported as non-operating revenues and expenses.

When both restricted and unrestricted net position are available and appropriate to fund an expense, the University's practice is to allow the budget manager to determine which to use in each instance.

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates. The most significant areas that require management estimates relate to valuation of certain investment balances, the valuation of the postemployment benefit obligation, allowances on accounts and loans receivable, depreciation, and certain accruals.

GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, replaced Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pension*, and became effective for all fiscal years beginning after June 15, 2017. Under GASB 45, employers were required to calculate the unfunded actuarial accrued liability (UAAL) for other postemployment benefits (OPEB) whereas under GASB 75 employers are required to calculate the net OPEB liability (NOL). There are some technical differences between the two calculations but the most significant impact of GASB 75 is the change in reporting. GASB 75 requires that the NOL be recognized on the Statements of Net Position. Under GASB 45 the UAAL was disclosed in the footnotes (note L). Other changes prescribed by GASB 75 include more frequent actuarial valuations, the rate used to discount future benefit payments to a present value, the measurement date, and required disclosures. Disclosures now include year over year comparisons and sensitivity calculations for NOL. To comply with GASB 75, the University restated the July 1, 2017 Statement of Revenues, Expenses, and Changes in Net Position by \$230,343 in FY18.

3. Fair Value Measurement

GASB statement 72, *Fair Value Measurements and Application*, sets forth the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used for measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB 72 are described as follows:

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active or inactive markets that the University has the ability to access.

Level 2 – Inputs to valuation methodology include:

- Quoted prices for similar assets or liabilities in inactive markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the University's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumption of risk). Unobservable inputs are developed based on the best information available in circumstances and may include the University's own data.

In addition to the three levels described above, certain investments are measured at net asset value (NAV) without further adjustment if NAV is calculated consistent with guidance in Accounting Standards Codification 946, *Financial Services – Investment Companies*. The University utilizes NAV as its estimate of fair value for those funds whose value is determined as described above. The majority of investments reported at NAV consist of shares or units in funds as opposed to direct interests in the funds' underlying securities, which may be readily marketable and not difficult to value. NAV measured investments are not categorized in the fair value hierarchy table.

Investments in certain funds contain lock-up provisions. Under such provisions, share classes of the investment are available for redemption at various times in accordance with the management agreement of the fund.

(dollars in thousands)

4. Government Appropriations and Grants

Revenues associated with grants and contracts are generally recognized when related costs are incurred or when milestones are achieved. Federal, state and private grants and contracts revenue for 2019 and 2018 consists of:

Grants and Contracts	FY19	FY18
Federal appropriations, grants and contracts	\$ 117,393	\$ 113,413
State grants and contracts	4,953	4,308
Other governmental and private grants and contracts	61,947	62,820
TOTAL	\$ 184,293	\$ 180,541

State appropriations (general fund and capital) are reported as non-operating revenue.

The University has recorded reimbursement of indirect costs relating to government contracts and grants at a predetermined rate. The reimbursement of indirect costs included in grant revenue is \$30.4 million in 2019 and \$27.6 million in 2018.

Private grants and contracts includes funding of \$16.0 million in 2019 and \$15.7 million in 2018 to the Robert Larner, M.D. College of Medicine from the University of Vermont Medical Center, Inc. to offset facilities and operation costs.

5. Gifts

Gifts are recorded at their fair value and reported as non-operating revenue.

Promises to donate to the University are recorded as receivables and revenues when the University has met all applicable eligibility and time requirements. Since the University cannot fulfill the requirement to invest in perpetuity for gifts to endowments until the gift is received, pledges to endowments are not recognized until received.

6. Deposits and Unearned Revenue

Deposits and advance payments for the following academic year are unearned and recorded as revenues when earned. Summer session revenues are unearned to the extent that they relate to courses scheduled in July and August. Deposits and advance payments unearned revenue at June 30, 2019, and 2018, is \$5,270 and \$10,286, respectively.

The University records unearned revenue for cash received in excess of expenditures on grants and contracts. Grants and contracts unearned revenue at June 30, 2019, and 2018, is \$3,580 and \$4,671, respectively.

7. Employee Benefits

The University provides health and dental insurance to retired employees, hired prior to 2012, and their families during their lives and life insurance until age 70. Employees hired on or after January 1, 2012 will continue to receive dental insurance and life insurance upon retirement. The health insurance benefit for these employees hired after January 1, 2012 has been replaced with a defined contribution Retiree Health Savings Plan (RHSP). UVM makes regular tax free contributions to the RHSP for benefits-eligible faculty and staff. Earnings that accumulate in the RHSP grow tax free. Retirees will be able to access the savings in the RHSP to pay for eligible healthcare expenses upon retirement.

Health, dental and life insurance are paid by the University on a premium basis at the same rate as active employees for retirees under the age of 65 and at a slightly lower rate for retirees over the age of 65. The total cost for active and retired employees for health, dental and life insurance, net of employee contributions, was \$64,855 in 2019 and \$60,432 in 2018. The total cost for contributions to the RHSP was \$1,026 in 2019 and \$856 in 2018. See note L for further information about postemployment benefits.

8. Compensated Absences

The University accrues amounts for compensated absences (principally vacation allowances) as earned. They are included in the current portion of accrued liabilities.

As of June 30, 2019, \$21,778 (\$21,022 in 2018) was accrued for vacation pay of which \$16,085 (\$15,530 in 2018) was charged to unrestricted net position and \$5,693 (\$5,492 in 2018) was included in deferred charges to be recovered from restricted expendable net position when paid.

9. Collections and Works of Art

The University maintains collections of inexhaustible assets, including works of art; historical artifacts; biological, geological, archaeological and ethnographic materials; and literature. While management believes the collections are quite valuable and irreplaceable, the University has not placed a dollar value on these assets. It is the University's policy to hold these assets for public exhibit, education and research rather than for financial gain and to protect, care for and maintain such assets in perpetuity. Accordingly, the collections are not capitalized for financial statement purposes.

(dollars in thousands)

B. Accounts, Loans, Notes, and Pledges Receivable

Accounts, loans, notes and pledges receivable at June 30, 2019 and 2018 are summarized as follows:

Accounts, Loans, Notes and Pledges Receivable, Net	June 30, 2019	June 30, 2018
Current		
Federal, state, and private grants receivable	\$ 16,934	\$ 16,923
Student and trade accounts receivable, net	10,584	11,308
Other accounts receivable	10,525	13,084
Student loans receivable, net	1,982	2,077
Pledges receivable, net	558	561
Total Current	\$ 40,583	\$ 43,953
Non-Current		
Student loans receivable, net	\$ 20,164	\$ 19,588
Other notes receivable	10,695	11,907
Pledges receivable, net	5,477	5,496
Total Non-Current	\$ 36,336	\$ 36,991

The student accounts receivable are carried net of an allowance for doubtful accounts of \$290 in 2019 and \$358 in 2018.

Student loans receivable are carried net of an allowance for uncollectible UVM loans of \$38 current and \$374 non-current at June 30, 2019. At June 30, 2018, student loans receivable are carried net of an allowance for uncollectible UVM loans of \$53 current and \$443 non-current. The University does not record an allowance for uncollectible federal student loans since they can be assigned to the government if certain conditions stipulated by the federal government are met.

The University's liability for the federal capital contribution to the Perkins, Health Professions, Primary Care, and Nursing Student loan programs is \$6,890 for 2019 and \$6,947 for 2018. These amounts are included in non-current accrued liabilities.

Collections and disbursements of pass through student loans such as Federal Direct Loans, Federal Plus Loans, and Vermont Student Assistance Corporation's Green Mountain Loans are reported on a net basis in the Statements of Cash Flows.

Other notes receivable, non-current, includes the present value of expected future cash flows as a result of an agreement with Sodexo Management, Inc. (Note J) entered into in 2016. The non-current receivable balance is \$5,864 and the current receivable balance is \$1,325 in 2019. The non-current receivable balance is \$7,076 and the current receivable balance is \$1,315 in 2018.

Accounts receivable from the UVMF and UMEA are \$7,610 in 2019 and \$10,203 in 2018 and presented in accounts, loans, notes and pledges receivable, net on the Statements of Net Position.

C. Accounts Payable and Current Accrued Liabilities

Accounts payable and current accrued liabilities of \$79,679 in 2019 and \$73,192 in 2018 are composed of accounts payable of \$24,730 in 2019 and \$15,786 in 2018 and accrued liabilities of \$54,563 in 2019 and \$57,023 in 2018. Also included in this total are pledges payable of \$386 in 2019 and \$386 in 2018, included in the chart of Note E. Accounts payable is mostly comprised of supplies and services payables, including construction, renovation and equipment of \$17,072 in 2019 and \$12,297 in 2018.

Current accrued liabilities at June 30, 2019 and 2018 are summarized below:

Current Accrued Liabilities	June 30, 2019	June 30, 2018
Interest expense	\$ 5,863	\$ 5,966
Construction retainage	915	3,456
Compensated absences	21,778	21,022
Insurance reserves	10,283	8,721
Compensation and benefits	6,917	7,826
Payment to annuitants	396	389
Service concession arrangement	938	938
Other	7,473	8,705
TOTAL	\$ 54,563	\$ 57,023

(dollars in thousands)

D. Capital Assets

Capital assets are stated at acquisition cost or, in the case of gifts, at the fair value at the date of donation.

Interest expense, net of interest earnings on unspent bond proceeds, is capitalized for debt funded construction projects. In 2019, no interest expense (\$4,627 in 2018) was capitalized for projects that were funded by general obligation bonds.

Depreciation is calculated using the straight-line method over the estimated economic useful lives of the related assets. Certain research buildings are classified into the following components: 1) building (basic construction components/shell) with an estimated useful life of 40 years; 2) building service systems (plumbing, electrical, etc.) with an estimated useful life of 25 years; 3) interiors/renovations with an estimated useful life of 20 years and 4) fixed equipment with an estimated useful life of 15 years.

Other buildings are depreciated over a useful life of 40 years, land improvements are depreciated over a useful life of 20 years, fixed equipment is depreciated over a useful life of 15 years, and movable equipment is depreciated over a useful life of 5 years. Software systems are depreciated over a useful life of 7 years. Major construction projects are capitalized, but are not depreciated until they are put into service.

Depreciation expense for buildings and components including fixed equipment for fiscal year 2019 is \$30,076 (\$28,590 in 2018). Moveable equipment, software systems, and land improvements depreciation expense is \$2,826 for 2019 (\$2,766 in 2018).

Land and construction in progress are the only non-depreciable capital assets.

Capital assets activity for the years ended June 30, 2019 and 2018 is summarized as follows:

Fiscal Year 2019

Asset	Balance as of June 30, 2018	Additions	Retirements	Reclass/ Changes	Balance as of June 30, 2019
Land	\$ 28,039	\$ 1,090	\$ (85)	\$ -	\$ 29,044
Land Improvements	6,062	740	-	433	7,235
Buildings	712,347	5,748	-	40,496	758,591
Building Service Systems	142,321	3,085	-	10,254	155,660
Building Interiors	74,265	254	-	9,813	84,332
Fixed Equipment	116,176	637	-	324	117,137
Movable Equipment	31,623	1,287	-	965	33,875
Software Systems	30,067	-	-	716	30,783
Construction in Progress	49,066	30,640	-	(63,001)	16,705
Total property and equipment	1,189,966	43,481	(85)	-	1,233,362
Less: accumulated depreciation	(517,015)	(32,902)	-	-	(549,917)
Property, plant and equipment, net	\$ 672,951	\$ 10,579	\$ (85)	\$ -	\$ 683,445

Fiscal Year 2018

Asset	Balance as of June 30, 2017	Additions	Retirements	Reclass/ Changes	Balance as of June 30, 2018
Land	\$ 28,039	\$ -	\$ -	\$ -	\$ 28,039
Land Improvements	4,812	1,250	-	-	6,062
Buildings	635,871	5,227	(6,507)	77,756	712,347
Building Service Systems	136,240	1,897	(1,180)	5,364	142,321
Building Interiors	74,480	414	(1,183)	554	74,265
Fixed Equipment	117,492	1,477	(2,793)	-	116,176
Movable Equipment	30,016	1,627	(548)	528	31,623
Software Systems	30,067	-	-	-	30,067
Construction in Progress	80,184	53,084	-	(84,202)	49,066
Total property and equipment	1,137,201	64,976	(12,211)	-	1,189,966
Less: accumulated depreciation	(495,261)	(31,356)	9,602	-	(517,015)
Property, plant and equipment, net	\$ 641,940	\$ 33,620	\$ (2,609)	\$ -	\$ 672,951

(dollars in thousands)

E. Bonds and Leases Payable and Other Long Term Liabilities

Debt obligations are generally callable by the University and bear interest at fixed rates ranging from 3.00% to 6.43%. The debt obligations mature at various dates through 2046.

Long term debt activity for the years ended June 30, 2019 and 2018 is summarized as follows:

Fiscal Year 2019					
Long Term Liability	Beginning Balance	New Debt	Payments	Ending Balance	
				Current	Non-Current
General Obligation Bonds					
Series 2009 (1)	\$ 69,063	\$ -	\$ 1,828	\$ 1,898	\$ 65,337
Series 2010A	9,000	-	-	-	9,000
Series 2010B (2)	17,756	-	1,280	1,334	15,142
Series 2012A (3)	46,599	-	(13)	(13)	46,625
Series 2014A (4)	71,431	-	1,826	1,911	67,694
Series 2015 (5)	195,804	-	2,529	2,639	190,636
Series 2016 (6)	79,692	-	3,149	3,259	73,284
Series 2017 (7)	66,695	-	383	3,198	63,114
Capital Leases	516	-	182	194	140
TOTAL	\$ 556,556	\$ -	\$ 11,164	\$ 14,420	\$ 530,972

(1) This balance shown includes bond discount of \$841.

(2) This balance shown is net of bond premium of \$367.

(3) This balance shown includes bond discount of \$249.

(4) This balance shown is net of bond premium of \$5,607.

(5) This balance shown includes bond premium of \$8,546.

(6) This balance shown includes bond premium of \$10,393.

(7) This balance shown includes bond premium of \$9,292.

Fiscal Year 2018					
Long Term Liability	Beginning Balance	New Debt	Payments	Ending Balance	
				Current	Non-Current
General Obligation Bonds					
Series 2007	\$ 73,727	\$ -	\$ 73,727	\$ -	\$ -
Series 2009 (1)	70,831	-	1,768	1,828	67,235
Series 2010A	9,000	-	-	-	9,000
Series 2010B (2)	17,796	-	40	1,280	16,476
Series 2012A (3)	46,586	-	(13)	(13)	46,612
Series 2014A (4)	73,188	-	1,757	1,827	69,604
Series 2015 (5)	196,133	-	329	2,529	193,275
Series 2016 (6)	80,120	-	428	3,149	76,543
Series 2017 (7)	-	67,068	373	383	66,312
Capital Leases	-	660	144	182	334
TOTAL	\$ 567,381	\$ 67,728	\$ 78,553	\$ 11,165	\$ 545,391

(1) This balance shown includes bond discount of \$883.

(2) This balance shown is net of bond premium of \$406.

(3) This balance shown includes bond discount of \$262.

(4) This balance shown is net of bond premium of \$5,919.

(5) This balance shown includes bond premium of \$8,874.

(6) This balance shown includes bond premium of \$10,821.

(7) This balance shown includes bond premium of \$9,675.

(dollars in thousands)

In compliance with the University's various bond indentures, at June 30, 2019 the University has deposits with trustees of \$8 (\$542 in 2018) for debt service reserves, sinking funds, and other requirements. Deposits with trustees are invested in obligations of the U.S. Government as required by

the University's bond indentures.

The principal and interest due on bonds over the next five years and in subsequent five year periods are presented in the table below:

For the Fiscal Year Ending June 30	Principal Due	Interest Due	Total Due
2020	\$ 12,983	\$ 23,157	\$ 36,140
2021	13,322	22,535	35,857
2022	12,373	21,927	34,300
2023	12,950	21,311	34,261
2024	13,595	20,662	34,257
2025-2029	79,040	92,342	171,382
2030-2034	100,695	71,492	172,187
2035-2039	126,280	47,011	173,291
2040-2044	123,335	18,014	141,349
2045-2046	17,705	777	18,482
TOTAL	\$ 512,278	\$ 339,228	\$ 851,506

Other long term liabilities at June 30, 2019 and 2018 are summarized below:

Fiscal Year 2019					
Other Long Term Liabilities	Beginning Balance	Increases	Decreases	Ending Balance	
				Current	Non-Current
Federal Student Loan Capital Contribution	\$ 6,947	\$ -	\$ 57	\$ -	\$ 6,890
Green Mountain Loan Guarantee	795	-	226	-	569
Obligations under deferred giving arrangements	5,393	1,342	556	396	5,783
Postemployment Benefits	492,575	-	32,243	-	460,332
Service Concession Arrangement	6,565	-	938	938	4,689
Pledges Payable and Other Accrued Liabilities	5,675	-	239	386	5,050
TOTAL	\$ 517,950	\$ 1,342	\$ 34,259	\$ 1,720	\$ 483,313
Fiscal Year 2018					
Other Long Term Liabilities	Beginning Balance	Increases	Decreases	Ending Balance	
				Current	Non-Current
Federal Student Loan Capital Contribution	\$ 7,346	\$ -	\$ 399	\$ -	\$ 6,947
Green Mountain Loan Guarantee	1,037	-	242	-	795
Obligations under deferred giving arrangements	7,569	691	2,867	389	5,004
Postemployment Benefits*	471,201	37,960	16,586	-	492,575
Service Concession Arrangement	7,503	-	938	938	5,627
Pledges Payable and Other Accrued Liabilities	222	5,627	174	386	5,289
TOTAL	\$ 494,878	\$ 44,278	\$ 21,206	\$ 1,713	\$ 516,237

* To comply with GASB 75, the University restated the beginning balance of postemployment benefits. More details can be found in note A2

(dollars in thousands)

F. Cash and Cash Equivalents and Operating Investments

The University's cash management policy provides parameters for investment of the University's pooled cash. The University classifies resources invested in money market funds and short-term investments with maturities at date of purchase of 90 days or less as cash equivalents. Operating funds invested in instruments with maturities beyond 90 days are classified as operating investments. The cash management policy establishes three pools for investment: short, intermediate and long term. Allowable investments for the short term pool, which includes cash and cash equivalents and other investments with weighted average maturities of up to one year, and the intermediate pool, which includes investments with a weighted average maturity of between one and six years, are restricted by investment type, dollar level, maturity and rating to mitigate credit risk on investments individually and in the aggregate. Investments are restricted to U.S. Treasury and government securities, money markets, and high quality corporate and asset-backed securities, and commercial and bank paper. Debt securities must be rated Aaa, Aa, A or Baa by Moody's or AAA, AA, A or BBB by Standard and Poors. Bank obligations, banker's acceptances or negotiable certificates of deposit must be rated B or better and no more than 20% of the funds in the cash pool can be in obligations of institutions within any single holding company. Asset-backed securities must be rated Aaa by Moody's or AAA by Standard and Poors. Commercial paper must be rated A-1 by Standard and Poors or P-1 by Moody's. Investments may include repurchase agreements secured by the U.S. government and federal agency obligations, which shall have market values of at least 100% of the amount of the repurchase agreement. Investments may also include banker's acceptance or negotiable certificates of deposit issued by banks rated B or better. No more than 20% of the funds held in the cash pool shall be invested in certificates of deposit, banker's acceptances or floating rate notes of the institutions within any single holding company. Investments may also include repurchase agreements with banks having Fitch ratings no

lower than B with the condition that these repurchase agreements are 100% collateralized with U.S. government securities. Investments may also include commingled funds if they are in compliance with certain guidelines. Finally, investments may include the Commonfund, a non-profit provider of investment products for colleges and universities. Investments of the long term pool are restricted to those allowable under the University's Statement of Objectives and Policies for the Long Term Investment Pool, including the endowment fund.

Current and non-current cash and cash equivalents are comprised of the following:

Cash and Cash Equivalents	June 30, 2019	June 30, 2018
Cash	\$ 76,691	\$ 71,563
Certificates of Deposit	-	86,740
Money Markets	99,695	1,060
TOTAL	\$ 176,386	\$ 159,363

Of total cash and cash equivalents above, \$13,265 in 2019 and \$5,872 in 2018 are included in non-current endowment cash and cash equivalents.

The balance of cash held in bank deposit accounts was \$176,386 at June 30, 2019 and \$159,363 at June 30, 2018. Of these bank balances, \$1,509 in 2019 and \$1,033 in 2018 were covered by the Federal Depository Insurance Corporation. The University had a third-party custodian agreement with Bank of New York Mellon, through People's United, of \$61,629. The University also has an irrevocable standby letter of credit up to \$127,000 at June 30, 2019 and \$120,000 at June 30, 2018 through the Federal Home Loan Bank of Pittsburgh as collateral for the University's primary depository account. The University has not drawn on the letter of credit during the years ended June 30, 2019 and 2018.

(dollars in thousands)

Total operating investments were \$139,132 at June 30, 2019 and \$122,654 at June 30, 2018. Operating investments invested in the long term pool were \$11,091 at June 30, 2019 and \$11,244 at June 30, 2018 (see note G).

Short and intermediate term operating investments at June 30, 2019 and 2018 were primarily made through commingled funds with the following investment strategies:

			Credit Quality %					
	UVM	Average	Govt/	AAA	AA	A	BBB	Other
2019	Amount	Maturity/ Effective Duration	Agency					
Bonds	\$ 116,783	2.7 yrs/ 2.5 yrs	28	4	33	28	7	-
Multi Strategy Equity Fund	10,774							
Other	484							
TOTAL	\$ 128,041							

			Credit Quality %					
	UVM	Average	Govt/	AAA	AA	A	BBB	Other
2018	Amount	Maturity/ Effective Duration	Agency					
Bonds	\$ 100,907	3.3 yrs/ 3.0 yrs	46	2	14	32	6	-
Multi Strategy Equity Fund	10,195							
Other	308							
TOTAL	\$ 111,410							

G. Investments

Investments are reported in three categories in the Statements of Net Position. Investments reported as non-current assets include endowment, annuity, and life income funds. Investments for capital activities reported as current assets are replacement reserves designated for capital renovations. All other investments are reported as operating investments.

Deposits with trustees include \$9,022 in 2019 and \$6,437 in 2018 of assets held under deferred giving arrangements, \$1,123 in 2019 and \$1,098 in 2018 of investments in the waste disposal fund required by the EPA, and \$8 in 2019 and \$542 in 2018 of investments held by bond trustees.

Investment income is recorded as revenue when earned. Net investment income is reported as non-operating revenue and includes income net of investment fees and the change in the fair value of investments as well as losses on impaired investments. The calculation of realized gains (losses) is independent of the calculation of the net increase in the fair value of marketable investments. Net investment income consists of:

Net Investment Income	FY19	FY18
Net interest, dividend, and other income	\$ 6,820	\$ 5,936
Realized gains	17,440	12,899
Unrealized gains	2,643	16,099
Investment management fees	(1,720)	(1,732)
TOTAL	\$ 25,183	\$ 33,202

The University records its purchases and sales of investments on a trade date basis.

The assets or liabilities level within the hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

(dollars in thousands)

The determination of what constitutes observable requires judgement by the University's management. University management considers observable data to be that market data which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to University management's perceived risk of that investment.

These valuations may produce a fair value that may not be indicative of net

realizable value or reflective of future fair values. Furthermore, although the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Because of the inherent uncertainty of valuations, the estimated values as determined by the appropriate manager or general partners may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

Investments measured at fair value for the years ended June 30, 2019 and 2018 is summarized as follows:

Fiscal Year 2019	Level 1	Level 2	Level 3	NAV	Total Investments
Investments:					
Equity Securities					
U.S. Equity	\$ 125,231	\$ -	\$ -	\$ -	\$ 125,231
Global Developed	71,008	-	-	-	71,008
Global Emerging	30,846	-	-	12,600	43,446
Total Equity Securities	227,085	-	-	12,600	239,685
Marketable Alternative					
Absolute Return	-	-	-	71,590	71,590
Hedged Equity	-	-	-	10,152	10,152
Total Marketable Alternative	-	-	-	81,742	81,742
Real Assets					
Private Real Assets	-	-	325	33,867	34,192
Public Real Assets	12,028	-	-	14,681	26,709
Total Real Assets	12,028	-	325	48,548	60,901
Private Equity/ Venture Capital					
Private Equity	-	-	8	17,832	17,840
Venture Capital	-	-	-	28,479	28,479
Secondaries	-	-	-	9,936	9,936
Distressed	-	-	-	13,470	13,470
Total Private Equity/ Venture Capital	-	-	8	69,717	69,725
Debt Securities	74,668	137,427	-	-	212,095
Other Investments	412	-	451	-	863
Cash and Cash Equivalents	13,265	-	-	-	13,265
Total Investments	\$ 327,458	\$ 137,427	\$ 784	\$ 212,607	\$ 678,276
Deposits With Trustees at Fair Value:					
Beneficial Interests in Trusts	\$ -	\$ -	\$ 4,765	\$ -	\$ 4,765
U.S. Equity	205	-	-	-	205
Debt Securities	229	4,363	-	-	4,592
Cash and Cash Equivalents	591	-	-	-	591
Total Deposits With Trustees	\$ 1,025	\$ 4,363	\$ 4,765	\$ -	\$ 10,153

(dollars in thousands)

Fiscal Year 2018

	Level 1	Level 2	Level 3	NAV	Total Investments
Investments:					
Equity Securities					
U.S. Equity	\$ 122,395	\$ -	\$ -	\$ -	\$ 122,395
Global Developed	74,953	-	-	-	74,953
Global Emerging	39,324	-	-	22,332	61,656
Total Equity Securities	236,672	-	-	22,332	259,004
Marketable Alternative					
Absolute Return	-	-	-	87,351	87,351
Hedged Equity	-	-	-	15,649	15,649
Total Marketable Alternative	-	-	-	103,000	103,000
Real Assets					
Private Real Assets	-	-	325	30,995	31,320
Public Real Assets	18,487	-	-	9,952	28,439
Total Real Assets	18,487	-	325	40,947	59,759
Private Equity/Venture Capital					
Private Equity	-	-	8	15,132	15,140
Venture Capital	-	-	-	21,381	21,381
Secondaries	-	-	-	9,692	9,692
Distressed	-	-	-	13,269	13,269
Total Private Equity/Venture Capital	-	-	8	59,474	59,482
Debt Securities	46,698	120,197	-	-	166,895
Other Investments	235	-	446	-	681
Cash and Cash Equivalents	5,872	-	-	-	5,872
Total Investments	\$ 307,964	\$ 120,197	\$ 779	\$ 225,753	\$ 654,693
Deposits With Trustees at Fair Value:					
Beneficial Interests in Trusts	\$ -	\$ -	\$ 6,436	\$ -	\$ 6,436
Debt Securities	542	1,045	-	-	1,587
Cash and Cash Equivalents	54	-	-	-	54
Total Deposits With Trustees	\$ 596	\$ 1,045	\$ 6,436	\$ -	\$ 8,077

(dollars in thousands)

Investment liquidity for the years ended June 30, 2019 and 2018 is summarized as follows:

Fiscal Year 2019	Daily	Monthly	Quarterly	Semi-Annual	Annual	Illiquid	Total	Redemption Notice Period
Investments:								
Equity Securities								
U.S. Equity	\$ 118,193	\$ 7,038	\$ -	\$ -	\$ -	\$ -	\$ 125,231	1-30 days
Global Developed	71,008	-	-	-	-	-	71,008	Same day
Global Emerging	30,846	-	12,600	-	-	-	43,446	1-45 days
Total Equity Securities	220,047	7,038	12,600	-	-	-	239,685	
Marketable Alternative								
Absolute Return	10,774	-	27,511	14,367	18,935	3	71,590	1-90 days, Illiquid
Hedged Equity	-	-	10,152	-	-	-	10,152	Quarterly
Total Marketable Alternative	10,774	-	37,663	14,367	18,935	3	81,742	
Real Assets								
Private Real Assets	-	-	-	-	-	34,192	34,192	Illiquid
Public Real Assets	12,028	-	-	-	-	14,681	26,709	Same day, Illiquid
Total Real Assets	12,028	-	-	-	-	48,873	60,901	
Private Equity/Venture Capital								
Private Equity	-	-	-	-	-	17,840	17,840	Illiquid
Venture Capital	-	-	-	-	-	28,479	28,479	Illiquid
Secondaries	-	-	-	-	-	9,936	9,936	Illiquid
Distressed	-	-	-	-	-	13,470	13,470	Illiquid
Total Private Equity/ Venture Capital	-	-	-	-	-	69,725	69,725	
Debt Securities	195,089	17,006	-	-	-	-	212,095	1-30 days
Other Investments	412	-	-	-	-	451	863	Same day, Illiquid
Cash and Cash Equivalents	13,265	-	-	-	-	-	13,265	Same day
Total Investments	\$ 451,615	\$ 24,044	\$ 50,263	\$ 14,367	\$ 18,935	\$ 119,052	\$ 678,276	

(dollars in thousands)

Fiscal Year 2018							Redemption Notice Period
	Daily	Monthly	Quarterly	Semi- Annual	Annual	Illiquid	Total
Investments:							
Equity Securities							
U.S. Equity	\$ 115,929	\$ 6,466	\$ -	\$ -	\$ -	\$ -	\$ 122,395
Global Developed	74,953	-	-	-	-	-	74,953
Global Emerging	39,324	-	22,332	-	-	-	61,656
Total Equity Securities	230,206	6,466	22,332	-	-	-	259,004
Marketable Alternative							
Absolute Return	10,189	8,454	26,315	6,942	35,446	5	87,351
Hedged Equity	-	-	-	15,649	-	-	15,649
Total Marketable Alternative	10,189	8,454	26,315	22,591	35,446	5	103,000
Real Assets							
Private Real Assets	-	-	-	-	-	31,320	31,320
Public Real Assets	18,487	-	-	-	-	9,952	28,439
Total Real Assets	18,487	-	-	-	-	41,272	59,759
Private Equity/Venture Capital							
Private Equity	-	-	-	-	-	15,140	15,140
Venture Capital	-	-	-	-	-	21,381	21,381
Secondaries	-	-	-	-	-	9,692	9,692
Distressed	-	-	-	-	-	13,269	13,269
Total Private Equity/ Venture Capital	-	-	-	-	-	59,482	59,482
Debt Securities	151,144	15,751	-	-	-	-	166,895
Other Investments	235	-	-	-	-	446	681
Cash and Cash Equivalents	5,872	-	-	-	-	-	5,872
Total Investments	\$ 416,133	\$ 30,671	\$ 48,647	\$ 22,591	\$ 35,446	\$ 101,205	\$ 654,693

The following is a description of the investment categories:

Equity – Investments are with managers who have a geographic focus, either the U.S., Developed ex U.S. Markets, or Emerging Markets. The program provides the portfolio exposure to common equities across the globe. The University has investments in commingled vehicles, mutual funds, and separate accounts.

Marketable Alternatives – This asset class includes hedge fund managers with the intention of reducing total portfolio volatility and providing diversification. The investments are in the following categories: multi-strategy, distressed securities, global macro, open mandate, and long/short equity in global markets.

Real Assets – This asset class includes investments focusing on publicly traded securities of oil, gas, and other natural resources affiliated companies and private real estate funds invested in various segments of the real estate market, including: office, industrial, multi-family, and

retail. The allocation also includes partnerships targeting oil and gas properties as well as other natural resources. Many of the private real asset investments are made via lock-up funds and are thus illiquid. Public real assets are publicly traded and are liquid.

Private Equity - This asset class includes investments focusing on interests in private companies including buyout funds, secondary markets, and distressed debt.

Venture Capital - This asset class includes investments focusing on non-publicly traded interests in start-up entities.

Debt Securities – Investments consisting of U.S. Treasuries, corporate, and high yield bonds. The allocation is liquid and designed to protect the portfolio in deflationary periods.

Other Investments – This asset class includes insurance policies where the University is named as the beneficiary.

(dollars in thousands)

H. Endowment and Other Long Term Funds

The University's investment policies are governed and authorized by the University Board of Trustees. The Board of Trustees Investment Subcommittee has established a formal policy for investment of the endowment and other long term funds with an objective to provide a stable and consistent level of ongoing support for the University's programs through a spending policy that is also consistent with preserving and enhancing the real purchasing power of the fund over time. The primary long-term investment goal is to attain a real total return that exceeds the amount being distributed for spending and administration, currently set at 4.75% of the previous 13 quarters' average market value. Other important investment objectives are to achieve annualized returns in excess of the strategic policy portfolio blended benchmark, measured over a full market cycle; and to outperform the median return of a pool of endowment funds with broadly similar

investment objectives and policies.

The endowment in aggregate (which comprises the consolidated endowment and other separately invested assets), long term capital and operating reserves, and UVM Foundation assets are invested in a balanced portfolio consisting of traditional stocks (domestic and international) and bonds; marketable alternatives (hedge funds); non-marketable alternatives (venture capital and private equity); and a diversified portfolio of inflation-hedges (real estate and commodities). The asset allocation target and actual percentages at June 30 are presented in the below left table.

Endowment and separately invested funds including \$11,091 and \$11,244 of operating investments and \$44,420 and \$41,247 of capital investments at June 30, 2019 and 2018, respectively, are composed of the following:

Unaudited June 30, 2019

	Target %	Actual %
Public Global Equity	43.0	43.3
Marketable Alternatives	13.0	13.5
Private Investments	25.0	19.2
Public Real Assets	5.0	5.0
Fixed Income/Debt	14.0	17.0
Cash & Cash Equivalents	0.0	2.0

June 30, 2018

	Target %	Actual %
US Equity	20.0	22.0
Global Excluding US Equity	23.0	25.6
Marketable Alternatives	19.0	17.4
Real Estate/Inflation Hedges	13.0	12.7
Non-marketable Alternatives	13.0	9.6
Fixed Income/Debt	12.0	11.8
Cash & Cash Equivalents	0.0	0.9

	June 30, 2019	June 30, 2018
Cash	\$ 11,740	\$ 4,833
Money Market	1,525	1,039
Common Stock	118,193	115,929
U.S. Treasury Bonds and Notes	370	474
Other Government Bonds and Notes	206	197
Industry Bonds	3,074	2,880
Private Equity and Venture Partnerships	135,235	116,125
Insurance Policies	387	-
Life Estates	579	949
Hedge Funds	83,591	115,178
Mutual Funds	195,335	185,679
TOTAL	\$ 550,235	\$ 543,283

The fixed income portfolio is composed of two passive bond funds with the following risk profiles at June 30, 2019 and 2018:

			Credit Quality %					
2019	Amount	Average Duration	Govt/ Agency	AAA	AA	A	BBB	<BBB
		Yrs.						
Passive Bond Funds	\$91,651	3.6	50	3	3	11	32	1
			Credit Quality %					
2018	Amount	Average Duration	Govt/ Agency	AAA	AA	A	BBB	<BBB
		Yrs.						
Passive Bond Funds	\$62,428	4.4	44	3	3	11	38	1

(dollars in thousands)

The majority of endowment fund assets are pooled for investment purposes. Each individual fund subscribes to or disposes of units on the basis of the value per unit at fair value at the beginning of the month within which the transaction takes place. Income is distributed on a per unit basis. Of the total units (each having a fair value of \$63.32), 4,753.2684 units were owned by endowment funds and 3,757.1292 units by quasi endowment funds at June 30, 2019 (\$64.20, 4,755.8939 and 3,541.3406 respectively, at June 30, 2018).

Beginning in fiscal year 2013 the University of Vermont Foundation (UVMF) elected to participate in the UVM pooled endowment. The UVMF owned 1,404.8586 units with a market value of \$88,960 as of June 30, 2019 and 1,261.2855 units with a market value of \$80,971 as of June 30, 2018. The market value of UVMF's units is reported on the Statements of Net Position within unearned revenue, deposits, and funds held for others.

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) was passed by the State of Vermont effective May 5, 2009. UPMIFA broadens and clarifies the latitude of institutions to manage overall endowment returns, without specifically isolating those particular endowments, because of timing of receipt of the gift and market conditions, are deemed underwater. Rather, the institution is expected to define an overall prudent approach both to distribution of funds for spending and long term preservation and growth of capital. The University will continue with its uniform endowment distribution practice, including distributions from endowments that are temporarily

underwater in accordance with the statute. The Investment Subcommittee of the Board of Trustees reviews the income distribution rate annually.

The table below summarizes changes in relationships between cost and fair values of the pooled endowment:

	Fair Value	Cost	Net Return
June 30, 2019	\$ 538,906	\$ 419,585	\$ 119,321
June 30, 2018	532,658	411,178	121,480
Unrealized Net Loss			(2,159)
New Gifts and Transfers			8,679
Realized Net Gain			15,964
Net Income			195
Withdrawn for Spending			(16,431)
Total Net Change			\$ 6,248

	Fair Value	Cost	Net Return
June 30, 2018	\$ 532,658	\$ 411,178	\$ 121,480
June 30, 2017	489,024	386,461	102,563
Unrealized Net Gain			18,917
New Gifts and Transfers			26,658
Realized Net Gain			12,849
Net Income			1,508
Withdrawn for Spending			(16,298)
Total Net Change			\$ 43,634

I. Commitments

Major plant projects include commitments as follows:

Unaudited	Estimated	Project-to-Date	Project-to-Date
Project	Project Cost	Expenditures 2019	Expenditures 2018
Given Renovation	\$ 6,950	\$ 2,323	\$ 472
McAuley Hall Upgrade	6,100	284	83
Multipurpose Center	95,000	7,911	2,963
Torrey Interior Renovation	6,300	303	87

The University has entered into operating leases for space, which expire at various dates through fiscal 2026. Outstanding commitments for these leases are expected to be paid in the following years ending June 30:

For the Fiscal Year Ending June 30	Rental Payments Due
2020	\$ 1,708
2021	1,552
2022	1,430
2023	1,267
2024-26	1,378
TOTAL	\$ 7,335

Operating lease expenses totaled \$4,587 and \$4,458 in 2019 and 2018, respectively.

The University is obligated under certain of its investments to make future capital contributions in the amount of \$61,923 as of June 30, 2019.

The University entered into agreements with the State of Vermont Department of Vermont Health Access in both 2019 and 2018, to make payments to support the Graduate Medical Education (GME) program. The GME program helps ensure access to quality and essential professional health services for Medicaid beneficiaries through the care provided by teaching physicians and teaching hospitals. The University uses general fund state appropriation dollars to fund the GME payments through an inter-governmental transfer to the State. GME payments totaling \$13,865 and \$13,644 were made in 2019 and 2018, respectively, and are recorded on the Statements of Revenues, Expenses, and Changes in Net Position under Intergovernmental transfers in the Non-operating revenues and expenses section. For 2020, based on the four-year agreement entered into on August 30, 2017, the University will make quarterly payments to the State of Vermont Department of Vermont Health Access totaling \$13,840.

(dollars in thousands)

The University is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and business interruption. The University manages these risks through a combination of self-insurance and commercial insurance purchased in the name of the University. The University's annual self-insured obligation for general liability is \$500 per occurrence and \$25 per occurrence for automobile liability. Its assumption of risk for property losses is \$250 per occurrence. Educator's legal liability risks are subject to a \$250 per loss retention. Worker's compensation is subject to a \$650 per occurrence retention. None of these lines of coverage have an annual self-insured aggregate, or stop-gap. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The University elected, effective July 1, 2003, to become a shareholder and member of Genesis Limited, an insurance and reinsurance captive organization domiciled in Bermuda. A Vermont captive, Pinnacle Consortium of Higher Education, was formed in fiscal 2005 as a fronting insurer to Genesis. On December 31, 2015, Genesis dissolved and merged its assets and liabilities into Pinnacle, to improve efficiencies and reduce operating costs. The captives consist of two insurance lines, general liability and automobile liability. All members are required to participate in the captive general liability program which provides \$2,000 excess limit, written by Pinnacle effective 7/1/05, and the group purchase liability program that provides a \$23,000 excess limit. The University has purchased an additional \$75,000 from the commercial insurance market to bring the total excess limit to \$100,000.

The University follows the policy of self-insuring risks up to certain limits. At year end, the University had open claims valued at \$5,155 in 2019 and \$3,248 in 2018; \$1,963 and \$10 of this is covered by excess insurance in 2019 and 2018, respectively. The University paid claims of \$1,914 in 2019 and \$2,378 in 2018. Reserves for property and casualty liabilities are included in accrued liabilities (including incurred but not reported) in the amount of \$10,283 at June 30, 2019 and \$8,721 at June 30, 2018.

In conducting its activities, the University from time to time is the subject of various claims and also has claims against others. The ultimate resolution of such claims is not expected to have a material adverse or favorable effect on the financial position, operating performance or cash flows of the University.

Four groups of University employees are represented by collective bargaining units. The University participates in contract negotiations with these groups periodically.

The University receives significant financial assistance from federal and state agencies in the form of grants and contracts. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditures resulting from such audits become a liability of the University. In the opinion of management such adjustments, if any, are not expected to materially affect the financial condition, operating performance or cash flows of the University.

J. Service Concession Arrangements

On July 1, 2015, the University entered into an agreement (the "Agreement") with a third party under which the third party would operate the University's Food Services and collect revenues generated from resident and non-resident meal plans, as well as sales of food, beverages, goods, merchandise and services. The contract term is five years with an option to extend for an additional five years if mutually agreed. The third party will use University facilities to provide this service and will pay the University a guaranteed minimum annual commission; the present value of these guaranteed amounts is estimated to be \$7,189. The third party will also pay UVM a percentage of net sales. The third party is required to operate the University's Food Service and facilities in accordance with the Agreement. The third party has also agreed to fund capital improvements to the University's premises, valued at \$5,627 in FY19. The University is reporting the facilities used to provide the food service as a capital asset at book value. The University is reporting a receivable, liability and deferred inflow of resources at year-end pursuant to the service concession arrangement in the amounts of \$7,189, (\$5,627), and (\$1,562), respectively. The deferred inflow will be recognized as revenue ratably over the term of the Agreement.

K. Retirement Plans

Faculty and staff at the University of Vermont may participate in the University's 403(b) defined contribution plan and a 457(b) deferred compensation plan provided the following criteria are met:

- faculty and staff must have a full-time equivalency of .75 or greater;
- staff must be employed three years before they qualify for University contributions to their retirement plan, or, to waive this waiting period, they must have a vested interest in the retirement plan of their previous nonprofit employer;
- non tenure-track faculty and faculty under the rank of assistant professor must wait two years to qualify for University contributions to their retirement plan, or, to waive this waiting period, they must have a vested interest in the retirement plan of their previous nonprofit employer;
- officers of administration or tenure track faculty at the level of assistant professor or above receive University contributions to their retirement plan immediately upon enrolling in the plan.

To obtain University contributions, faculty members and officers of administration must contribute 3% of their salary, and staff must contribute 2%. The University's contribution to the retirement fund of qualified faculty and staff is 10% of salary and this amount is immediately vested.

The University also offers a 457(b) deferred compensation plan. Faculty and staff can participate provided they are participating in the 403(b) plan. The University makes no contributions to this plan.

The University's 403(b) and 457(b) contributory retirement plans are administered by the Teachers Insurance Annuity Association of America (TIAA), the College Retirement Equities Fund (CREF), Prudential Financial Services, and Fidelity Investments.

(dollars in thousands)

Since both faculty and staff are immediately vested in all retirement contributions made on their behalf, the University has no control of, responsibility for, or ownership of retirement funds, except that employees may not withdraw employer funds contributed to either their 403(b) or 457(b) plan while employed at the University. Retirement funds may be transferred among the investment alternatives at the discretion of the employee.

Upon leaving the University, employees may remain in the UVM plan but may no longer make contributions, withdraw funds from their accounts, or transfer the funds to other investment alternatives subject to the limitations of 403(b) and/or 457(b) regulations and the contractual provisions of their investment alternative.

For the years ended June 30, 2019 and 2018, the University had total payroll expense of \$305,694 and \$294,262, respectively, of which \$215,013 in 2019 and \$211,255 in 2018 was covered by the University's 403(b) retirement plan. Total employee and employer contributions for 403(b) pension benefits for the year were \$18,089 and \$21,501, respectively, for 2019 and \$18,054 and \$21,126, respectively, for 2018. The University's contribution for 403(b) pension benefits is 10% of the covered payroll. Total employee contributions to the 457(b) retirement plan were \$4,687 in fiscal year 2019 and \$4,500 in fiscal year 2018.

L. Postemployment Benefits Other Than Pensions (OPEB)

The University is required to account for its postemployment benefit plan in accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which was adopted effective July 1, 2017. GASB Statement 75 prescribes a methodology which requires the employer to recognize a total OPEB liability on the Statements of Net Position. Changes in the total OPEB liability will immediately be recognized as OPEB expense on the Statements of Revenues, Expenses, and Changes in Net Position or reported as deferred outflows or deferred inflows of resources depending on the nature of the changes.

1. Plan Description

The University's OPEB plan covers medical, (base) dental, life insurance, and tuition remission benefits provided to eligible University retirees and their dependents. The plan was established under the authority of and may be amended by the University. It is a single employer defined benefit OPEB plan administered by the University. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Plan provisions include two levels of eligibility based on whether the employee was at least 65 years of age at June 30, 2014:

1) Pre-65 retirees that met the retirement benefit eligibility criteria that were in place at the time of his or her hire date, and retired on or before June 30, 2014, will receive the post-retirement medical benefit and premium contributions will remain unchanged. For employees hired before January 1, 2012, if the employee met the retirement eligibility criteria that were in place at the time of his or her hire date, and did not retire on or before

June 30, 2014, then he or she is eligible for the benefit but his or her share of the premium contribution will change based on the employee's salary at the date of retirement. If, by June 30, 2014, the employee has not met the eligibility criteria that were in place at the time of his or her hire date, then he or she will be eligible to enroll in the pre-65 post-retirement medical benefit plan, but will be responsible for 100% of the premium unless the employee has at least fifteen years of service in which case, at the age of 62, the employee will be eligible for the pre-retirement medical benefit and will pay 50% of the premium for Non-United Academic employees, and 60% of the premium for United Academic employees. Employees hired on or after January 1, 2012 will be able to participate in the post-retirement medical plan but they will be responsible for 100% of the premium.

2) Post-65 retirees that met the retirement benefit eligibility criteria that were in place at the time of his or her hire date, and retired on or before June 30, 2014, will receive the post-retirement medical benefit and premium contributions will remain unchanged. Employees hired before January 1, 2012 who do not retire by June 30, 2014 will be eligible for the post-65 benefit when they reach the age of 65 and have 15 years of service, but the premium will change based on the employee's salary at the date of retirement. Employees hired on or after January 1, 2012 will be able to participate in the post-retirement medical plan but they will be responsible for 100% of the premium.

Employees who retired under the Voluntary Separation Plan of 1992 or before are not required to contribute to the plan, however, a surviving spouse receives two (2) years of medical and base dental coverage without charge, after which dental terminates (the surviving spouse would be eligible for 36 months of COBRA) and medical coverage is available at 50% of the cost of providing coverage. Retirees under the Voluntary Separation Plan of 2000 pay for their medical benefits based on the contribution system in effect prior to June 30, 2000 (based on 0.5% times 75% of the average final three years' base salary). Retirees hired after June 30, 1992 have the same salary band contribution percentages as active employees, which is based on 75% of their average final three years' base salary. Retirees hired after June 30, 1992 and before July 1, 1997 are required to contribute as above plus a percentage based on the sum of their age at retirement and their years of continuous full time service. This surcharge is based on a scale that ranges from 65 to 75 and over. A retirement benefit structure was announced in December 2011, affecting employees retiring on or after June 30, 2015. Consideration is given to age and years of service, with employee participation in medical benefit coverage and the costs associated with that coverage.

At the valuation date of January 1, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
currently receiving benefits	1,677
Active employees	3,842
TOTAL	5,519

(dollars in thousands)

2. Total OPEB Liability

The University's total OPEB liability of \$460,332 in 2019 and \$492,575 in 2018 was determined by an actuarial valuation as of January 1, 2017, and then projected forward to the measurement date of December 31, 2018 and December 31, 2017, respectively.

The total OPEB liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary Increases	3.00%
Discount Rate	4.10%

The following percentages have been assumed for election of coverage by future eligible retirees:

Medical and Rx	95%
Dental	95%
Life Insurance	95%
	20% for disabled retirees

Assumed health care cost trend rates vary by benefit type as follows:

Benefit	Initial Rate	Ultimate Rate	Year Ultimate Rate is Reached
VHP Pre-Medicare	6.5%	4.0%	2087
J Carve-Out Medicare	6.6%	4.1%	2093
MediComp III Medicare	6.6%	4.1%	2084
Dental	5.0%	4.1%	2084
Tuition Remission	2.3%	2.3%	2018

The discount rate was based on Bond Buyer GO 20-Bond Municipal Bond Index. The discount rate is as of the measurement date.

The mortality rates for 2019 were based on the Sex-distinct RP-2006 Base Healthy Annuitant /Employee Mortality Tables with projection Scale MP-2018 for healthy participants and Sex-distinct RP-2006 Base Disabled Mortality Tables with projection Scale MP-2018 for disabled participants. The mortality rates for 2018 were based on the Sex-distinct RP-2006 Base Healthy Annuitant /Employee Mortality Tables with projection Scale MP-2017 for healthy participants and Sex-distinct RP-2006 Base Disabled Mortality Tables with projection Scale MP-2017 for disabled participants.

The University's OPEB plan is not large enough to develop credible mortality table based exclusively on plan experience. Therefore the University has relied on the previously mentioned published mortality table in which credible mortality experience was analyzed.

3. Changes in Total OPEB Liability

The following table represents changes in Total OPEB Liability for the year ended June 30, 2019 and 2018:

Total OPEB Liability	Fiscal Year 2019	Fiscal Year 2018
Balance at the beginning of year	\$ 492,575	\$ 471,201
Changes for the year:		
Service cost	15,645	14,434
Interest on total OPEB liability	17,175	18,066
Effect of plan changes	-	-
Effect of economic/demographic gains or losses	1,395	847
Effect of assumption changes or inputs	(48,429)	4,085
Benefit payments	(18,029)	(16,058)
Net changes	(32,243)	21,374
Balance at end of the year	\$ 460,332	\$ 492,575

Changes of assumptions and other inputs reflect a change in the discount rate to 4.10% in FY19 from 3.44% in FY18.

The following tables present the total OPEB liability of the University, calculated using the discount rates of 4.10% in FY19 and 3.44% in FY18, as well as what the University's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease (3.10%)	Discount Rate (4.10%)	1% Increase (5.10%)
Fiscal Year 2019			
Total OPEB liability	\$ 532,203	\$ 460,332	\$ 402,338

	1% Decrease (2.44%)	Discount Rate (3.44%)	1% Increase (4.44%)
Fiscal Year 2018			
Total OPEB liability	\$ 574,964	\$ 492,575	\$ 426,676

The following tables present the FY19 and FY18 total OPEB liability for the University, calculated using the current healthcare cost trend rates as well as what the University's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Fiscal Year 2019			
Total OPEB liability	\$ 390,911	\$ 460,332	\$ 547,983

	1% Decrease	Current Trend Rate	1% Increase
Fiscal Year 2018			
Total OPEB liability	\$ 418,002	\$ 492,575	\$ 587,400

(dollars in thousands)

4. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

OPEB expense for the fiscal year ended June 30, 2019 and 2018 is summarized as follows:

OPEB Expense	FY19	FY18
Service cost	\$ 15,645	\$ 14,434
Interest on total OPEB liability	17,175	18,066
Effect of plan changes	-	-
Recognition of deferred outflows/inflows of resources		
Recognition of economic/demographic gains or losses	485	160
Recognition of assumption changes or inputs	(10,517)	772
OPEB expense	\$ 22,788	\$ 33,432

Deferred outflows and inflows of resources as of June 30, 2019 and 2018 are summarized as follows:

Fiscal Year 2019	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ -	\$ 1,597
Changes of assumptions	(37,140)	2,540
Contributions after measurement period	-	8,998
TOTAL	\$ (37,140)	\$ 13,135
Fiscal Year 2018	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ -	\$ 687
Changes of assumptions	-	3,312
Contributions after measurement period	-	8,618
TOTAL	\$ -	\$ 12,617

Deferred outflows of resources resulting from contributions after the measurement period totaling \$8,998 and \$8,618 will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020 and June 30, 2019, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

For the Fiscal Year Ending June 30	OPEB Expense
2020	\$ (10,031)
2021	(10,031)
2022	(10,031)
2023	(2,909)
2024	-
Thereafter*	-

** Note that additional future inflows and outflows of resources may impact these numbers.*

(dollars in thousands)

M. Operating Expenses by Function

Operating expenses by functional classification for the years ended June 30, 2019 and 2018 are summarized as follows:

Year ended June 30, 2019					
Function	Compensation And Benefits	Supplies And Services	Scholarships And Fellowships	Depreciation	Total
Instruction	\$ 159,826	\$ 21,328	\$ -	\$ -	\$ 181,154
Research	60,444	32,626	-	-	93,070
Public service	48,167	16,011	-	-	64,178
Academic support	46,333	19,450	-	-	65,783
Student services	28,151	15,606	-	-	43,757
Institutional support	32,843	11,687	-	-	44,530
Operations and maintenance of plant	30,219	20,924	-	-	51,143
Scholarships and fellowships	-	-	20,747	-	20,747
Auxiliary enterprises	31,652	52,404	-	-	84,056
Depreciation	-	-	-	32,902	32,902
TOTAL	\$ 437,635	\$ 190,036	\$ 20,747	\$ 32,902	\$ 681,320

Year ended June 30, 2018					
Function	Compensation And Benefits	Supplies And Services	Scholarships And Fellowships	Depreciation	Total
Instruction	\$ 156,766	\$ 21,948	\$ -	\$ -	\$ 178,714
Research	59,611	30,208	-	-	89,819
Public service	47,641	15,506	-	-	63,147
Academic support	45,807	16,571	-	-	62,378
Student services	28,832	16,796	-	-	45,628
Institutional support	31,479	12,199	-	-	43,678
Operations and maintenance of plant	30,850	22,329	-	-	53,179
Scholarships and fellowships	-	-	16,799	-	16,799
Auxiliary enterprises	30,933	52,728	-	-	83,661
Depreciation	-	-	-	31,356	31,356
TOTAL	\$ 431,919	\$ 188,285	\$ 16,799	\$ 31,356	\$ 668,359

N. Pollution Remediation Obligations

The University is required to account for its pollution remediation activities in accordance with GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. GASB 49 requires the University to accrue estimated costs to conduct pollution remediation activities if certain obligating events have occurred. It also requires the University to expense pollution remediation costs which cannot be capitalized. The University incurred and expensed pollution remediation costs of \$300 and \$1,456 in fiscal 2019 and fiscal 2018, respectively.

Also, in fiscal 2019, the University commenced certain renovation projects that included the need for asbestos and lead paint removal. These projects are not expected to be completed until after fiscal 2019 and therefore fiscal 2019 supplies and services expense and current accrued liabilities include \$1,388 (\$1,654 in fiscal 2018) for the expected remediation portion of these projects. The accrual is based on management's estimate of expected outlays. There are no recoveries associated with these projects.

(dollars in thousands)

O. Subsequent Events

GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in AICPA Statements of Auditing Standards*, provides guidance for disclosure of events or transactions that occur subsequent to the Statements of Net Position date but prior to the issuance of the financial statements. The statement specifically refers to the issuance of bonds as an event that requires disclosure in the footnotes. On August 21, 2019 the University issued two bonds: General Obligation Bonds, Series 2019A (Green Bonds) par amount of \$38,200 and General Obligation Bonds, Series 2019B par amount of \$59,875. The 2019A Bonds are being issued to finance a portion of the costs of constructing an on-campus Multipurpose Center and to finance capitalized interest on the 2019A Bonds through April 1, 2020. The 2019B Bonds are being issued for the purpose of providing funds that will be used, together with available moneys of the University, to refund all the University's outstanding General Obligation Bonds, Series 2009 maturing after October 1, 2019 and to reimburse the University for the costs of certain deferred maintenance on the campus of the University. Proceeds of the 2019 Bonds will also be used to finance certain costs of issuance of the 2019 Bonds. The University incurred a deferred loss of \$1,207 on the refunding of the 2009 General Obligation Bonds.

Required Supplementary Information - Postemployment Benefits		
Schedule of Changes in the University's Total OPEB Liability and Related Ratios		
Total OPEB Liability	FY19	FY18
Service cost	\$ 15,645	\$ 14,434
Interest on total OPEB liability	17,175	18,066
Changes of benefit terms	-	-
Effect of economic/demographic gains or (losses)	1,395	847
Effect of assumption changes or inputs	(48,429)	4,085
Benefit payments	(18,029)	(16,058)
Net change in total OPEB liability	(32,243)	21,374
Total OPEB liability, beginning	492,575	471,201
Total OPEB liability, ending	\$ 460,332	\$ 492,575
Covered-employee payroll	\$ 241,981	\$ 241,981
Total OPEB liability as a % of covered-employee payroll	190.23%	203.56%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

Notes to Schedule:

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2019	4.10%
2018	3.44%



UNIVERSITY OF VERMONT & STATE AGRICULTURAL COLLEGE
(a component unit of the State of Vermont)



The University of Vermont

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Provost's Report
January 31, 2020

Board of Trustees
Educational Policy and Institutional Resources Committee

Prepared by
Provost and Senior Vice President Patricia A. Prelock

This is my first report since having been appointed Provost. I'd like to begin by thanking the Board for the confidence it has placed in my leadership and for this opportunity to serve our university. I am proud to be partnering with President Suresh Garimella as I believe strongly in the priority areas he has identified: supporting student success and access, elevating our research profile, and dedication to our land-grant mission.

I am working with the academic leadership to ensure that our efforts align with these three priorities, and to establish goals that will allow us to measure our progress. The process of establishing our academic goals will unfold through a series of purposeful conversations with the Academic Leadership Council, the Council of Deans, the Associate Deans Council, the Retention and Progression Leadership Committee, the Provost's Executive Team, and, of course, the Educational Policy and Institutional Resources Committee (EPIR).

At the January EPIR meeting, we'll engage in a general discussion about the three priority areas – what they mean, why they are important, and our potential for growth and impact in each. I'd like to use my report to you to discuss the land-grant mission in particular, and what it means for the University of Vermont.

First, a brief history¹ of land-grant institutions:

“A land-grant college or university is an institution that has been designated by its state legislature or Congress to receive the benefits of the Morrill Acts of 1862, 1890, and 1994.

The original mission of these institutions, as set forth in the first Morrill Act, was to teach agriculture, military tactics, and the mechanic arts as well as classical studies so members of the working classes could obtain a liberal, practical education.

¹ From the Association of Public Land Grant Universities: <https://www.aplu.org/about-us/history-of-aplu/what-is-a-land-grant-university/>

Over the years, land-grant status has implied several types of federal support. A key component of the land-grant system is the agricultural experiment station program created by the Hatch Act of 1887. To disseminate information gleaned from the experiment stations' research, the Smith-Lever Act of 1914 created a Cooperative Extension Service associated with each land-grant institution.

Passage of the First Morrill Act (1862) reflected a growing demand for agricultural and technical education in the United States. The second Morrill Act (1890) sought to extend access to higher education by providing additional endowments for all land-grants. A third land-grant act conferred land-grant status to Native American tribal colleges in 1994."

EVOLUTION OF THE LAND-GRANT MISSION

The land-grant mission has evolved over time. In a February 25, 2016 [essay](#), President Tom Sullivan described the public responsibility of the University of Vermont as a 21st century land-grant institution. He highlighted the responsibility we have to "advance the economic and social well-being of our nation and our state by discovering new knowledge, bringing innovations into the world that advance the quality of life for all, and educating critical thinkers for leadership roles." He further stated that we are "to cultivate 'thinkers and doers,' in the words of Justin Morrill, and by doing so we are developing the "intellectual rigor and applied understanding that sustain communities, economies, and ecological well-being."

The intent of the original land-grant bill was to increase educational access to students of all socioeconomic backgrounds so that they might engage in advancing knowledge in several defined areas of need. As we think about the land-grant mission today, its spirit remains unchanged – but just as the challenges we face have grown more complex and significant, the scope and impact we bring to the mission has also expanded. Today, a successful land-grant institution:

- responds to the needs of the time;
- pursues scientific evidence with practical application;
- seeks solutions to real problems;
- engages with its community not only through Extension work but through workforce development, and responds to the need for a sustainable economy; and,
- ensures accessibility to an affordable education.

You might wonder how this differs from the goals of any modern university. Although it is true that comprehensive research institutions pride themselves on solving the world's problems, the work of most land-grant institutions includes the original areas of focus while *also* focusing on problems in the community where the institution exists, making economic contributions to the community, and delivering an affordable and accessible education.

OUR RESPONSIBILITY

As a land-grant university, the University of Vermont has a responsibility to get science to the public (local, state, national and global communities) and create relationships with our community partners to help define their needs and test possible solutions. At UVM, we must prepare a generation of learners who will create new knowledge for the next generation of learners, ultimately advancing the public good. We must engage in cutting-edge research that has immediate consequence to society (e.g.,

addiction and behavior change, health and wellness, food systems, climate, clean water, sustainable farming, sustainable business innovation).

The university has certainly met its land-grant responsibilities over time, but we have greater opportunities for advancing our impact and engagement – an ideal President Garimella and I share, and an area in which he has significant experience. Although we remain committed to our historical contributions in agricultural and engineering, we are increasing our efforts to educate students in areas that prepare them for the jobs our communities require (e.g., nursing, data science, business). We are identifying the outreach activities that exist across our campus and pursuing opportunities where not just Extension, but all colleges are contributing to workforce development and preparation to solve real problems. We are seeking new opportunities to expand our reach locally, regionally and globally. We are working hard to demonstrate the value proposition of our institution—reinforcing the state’s investment in our students, our research and our economic opportunities. We have the potential to claim recognition not only as a Public Ivy committed to a strong liberal arts education but as a land-grant institution committed to affecting change in our community.

The University of Vermont is in a unique position to re-commit to its land-grant mission in areas that have direct economic, ecological and social impact. There are several early examples of knowledge generation at UVM that had a significant community and global impact, including researchers’ identification of the effects of acid rain on forests that led to legislation which controlled pollutants. Since 1974, the University of Vermont Center for Disability and Community Inclusion (CDCI) has promoted inclusion for people with disabilities, enhancing student learning and faculty scholarship, sharing their knowledge and resources across the state and nation. UVM’s current research strengths in air and water quality, renewable energies, health care and food security impact our local, state, national and most recently, global communities. Examples include the development of a “digital printer that translates conventional graphics to raised-line versions for the blind”; a “priming medium” for enhancing the success of cardiac stem cell grafts; and a tiny vibration energy scavenging device that converts mechanical energy into electricity to power wireless sensors of all kinds. Our recent award from the United States Agriculture Research Service (ARS) supports our development of solutions to agricultural problems and our ability to provide information access and dissemination to the citizens of Vermont as we work to increase small-farm viability and human nutrition in the local food systems across the New England states.

We ensure our continued – and increased – ability to meet our land-grant responsibility in many ways. Among them: embedding the land-grant mission in our strategies and action plans at every level of the institution; establishing local, state, national, and global partnerships; recognizing and valuing the land-grant contributions of our faculty and staff; thinking strategically about faculty hiring and research foci – building bridges and clusters across the university for greater impact; and maximizing the many facets of access and affordability: containing costs, increasing scholarship philanthropy, and building non-traditional programs and revenue streams. All of this allows us to offer solutions to real problems – applying what we know to what is done in our communities.

CLOSING

The Provost’s Office and the entire academic leadership team stand ready with President Garimella to tackle the challenges of our communities and create opportunities for learners of all types to pursue the knowledge that will impact the environment, economy, and health of Vermont citizens and beyond. We are committed to serving our citizens by helping to solve the problems they face.



**Vice President for Human Resources,
Diversity and Multicultural Affairs Annual Report**
January 31, 2020

**Board of Trustees
Educational Policy and Institutional Resources Committee**

**Prepared By
Wanda Heading-Grant, Vice President
Human Resources, Diversity and Multicultural Affairs**

Introduction

The Division of Human Resources, Diversity and Multicultural Affairs (HRDMA) is committed to the success of the UVM community - its faculty, staff, and students. Each unit within the division works collaboratively to deliver a dynamic and relational approach to human resources and diversity, engagement and professional development. The result is a learning and working environment where diversity, equity, and inclusion are habits of mind, not the exception. Our innovative and people-centric programs and services, connect, inspire, and motivate employees and students to reach their full potential. In doing so, we support UVM's mission to foster a campus culture of inclusivity, academic excellence, and professional success. This annual report highlights:

- Enhancements in Customer Service and Efficiency
- Professional Development and Outreach
- Identity Centers and Student Engagement
- Campus Climate Survey Update

Enhancements in Customer Service and Efficiency

- Office of the Vice President and Human Resource Services (HRS) will now manage all executive-level searches for the University, including working with search committees, administration, scheduling, and vendor relations for searches that involve an outside search firm. Given HRS experience managing vendors, and its depth of knowledge in affirmative recruiting practices, we are in an ideal position to take on this new role while

advancing our commitment to inclusive and diverse leadership. Currently, searches for the Vice President for Research and the Dean of the College of Nursing and Health Sciences are both underway, with anticipated completion dates by the end of the spring semester.

- This year's employee Open Enrollment period was very successful. HRS staff processed 1,809 benefit forms during open enrollment, which includes 658 applications for our new comprehensive vision benefit, an increase from 2018 where HRS processed 967 forms. HRS staff also reviewed approximately 5,105 electronic personnel action requests (ePARs) and more than 2,500 additional pay forms (APFs).
- A new comprehensive vision benefit is being offered for the first time to all employees. For several years, Staff Council and other stakeholder groups have indicated a high interest in this benefit. The University conducted a Request-For-Proposal (RFP) process in 2019 for a voluntary benefit that is 100% funded by employees. Vision Service Providers (VSP) was the selected vendor because of their large national network of providers and the lowest overall employee premium rates. 658 employees signed up for the new benefit, which started on January 1, 2020.
- UVM concluded the Retirement Savings Plan RFP process in 2019 to reduce the number of record keepers from three to two, significantly lower participant fees, and streamline investment fund options. Numerous record keepers bid in the RFP, and TIAA and Fidelity were ultimately selected. During the process, we renegotiated our contracts with both TIAA and Fidelity, reducing participant fees by over 60% for a total savings of over \$700,000 per year starting in 2020.
- As of December 20, 2019, HRS has received 19,765 emails - an increase from 2018 where we received 12,100 emails. As of December 20, 2019, HRS answered 9,640 phone calls – a slight decrease from 2018 where we answered 9,867 phone calls, which indicates a marked increase in the use of email to interact with HRS rather than over the phone. In addition, this volume of emails and calls represents the myriad ways employees interact with HRS staff on a yearly basis and how important it is for us to continue to improve both the quality of our customer service and our efficiency in responding to employee needs.

Professional Development and Outreach

- In honor of the State of Vermont's first official recognition of Indigenous Peoples' Day, the Center for Cultural Pluralism hosted Sarah Adams-Cornell, a member of the Choctaw Nation, who spoke to faculty, staff, and students about the importance of promoting Indigenous rights, education and culture as well as honoring members of the Abenaki Tribe.
- Faculty, staff, and students are invited to participate in the 2020 Rev. Dr. Martin Luther King, Jr. Celebration, Education and Learning Series to be held January 15-22, 2020. Dr. Ibram Kendi, author of the New York Times Bestseller, How to be an Antiracist, will be the keynote speaker for this year's celebration. Dr. Kendi is an award-winning scholar of racism and antiracism, a 2019 Guggenheim Fellow, a Professor at American University, and the Founding Director of the Antiracist Research and Policy Center. The keynote

address will take place on Tuesday, January 28, 2020 from 4-5:30 p.m. in Ira Allen Chapel. Other events are being planned during the week at the Davis Center, Interfaith Center, Larner College of Medicine, as well as in partnership with the Flynn Center for the Performing Arts. You can find additional information about these events here:

<https://www.uvm.edu/hrdma/mlk>

- The annual Blackboard Jungle (BBJ) Symposium will be held March 26-27, 2020. For 13 years, BBJ has been a critical part of the University's efforts to provide professional development opportunities for faculty and staff on a wide range of issues related to diversity, equity, and inclusion. President Garimella will kick off BBJ with a targeted session for the senior leaders. In addition, students are invited to participate in the evening keynote that brings our entire community together. As always, BBJ will include panels and sessions on a robust lineup of topics, including but not limited to, 1619 and the Legacy that Built a Nation, The Legacy of Matthew Shepard, and Ethics, Equity, and Social Justice in Healthcare. BBJ is a small but important part of our overall efforts to ensure that faculty and staff have the tools that they need to engage with students in the classroom and the community thoughtfully and respectfully on issues of diversity, equity and inclusion.
- As we have for the past several years, our Division plans and hosts all of the University's Staff Appreciation activities including the Social on the Green, UVM Staff Art Exhibit, and Recognition Luncheon and Dinner. By many accounts, this year's Social on the Green was the most well attended event in Staff Appreciation Week history.
- After careful planning, Professional Development and Training (PDT) launched a pilot series titled, *Groundwork: A Diversity and Social Justice Learning Series* for staff, and the series reached its enrollment capacity within a matter of days. In addition, PDT has initiated a *Mental Health First Aid* offering in partnership with the Center for Health and Wellbeing and a *Campus Sustainability Series* in partnership with the Office of Sustainability. In total, over 800 employees attended 125 course offerings during FY19.

Identity Centers Student Engagement

- The Mosaic Center for Students of Color (MCSC) continues to provide its wide range of critical services to students of color at UVM enabling student access, retention and success. In partnership with Counseling and Psychiatry Services (CAPS), counselors of color now offer their services in the Center five days a week, and UVM Student Health Services has launched a satellite office in the Center one afternoon per week.
- The Interfaith Center (IC) collaborated with community partners to host two educational and celebratory events to support the visibility and empowerment of individuals and groups often-marginalized on campus and in the greater community. In September, the IC hosted the Interfaith Pride Service to honor the intersections between gender identity, sexual orientation, and religious and/or philosophical identity within the LGBTQIA community. In October, the Green Mountain Pagan Pride celebration offered educational workshops, vendors, and networking opportunities addressing varied paths and perspectives within the Pagan tradition.

- The Women's Center continues working with survivors of sexual and dating violence by providing wrap-around services and support. Students worked with our Campus Victim's Advocate, attended the Survivor Space group with Laurie Brown from CAPS, attended CAPS drop in hours at the Center, and participated in the Empowerment Series, an ongoing workshop series focused on healing, resiliency, and building community and connection. Staff had the option to participate in this workshop through Professional Development and Training (PDT) called Basic Advocacy for Responsible Employees, allowing more staff to have a better understanding of how they can support survivors.
- The Prism Center, in partnership with the UVM Alumni Association's LGBTQ+ Affinity Group, hosted Prism20, a momentous celebration of the Center's 20th Anniversary. In addition, more space was dedicated to the Prism Center in the Allen House to support the growing needs of the Center and our students.

Campus Climate Survey Update

- Over the course of the fall 2019 semester, leadership from the Division of HRMDA and the Office of Institutional Research (OIR) met with every Dean and Vice President, representatives from all four Governance Bodies, and other units like the Athletics Department and Enterprise Technology Services (ETS) to discuss the data that was made available to the campus community from the 2019 UVM Campus Climate Survey. These meetings focused on best practices on how to analyze the data and how each group could best utilize the data to inform their inclusive excellence action plans, make decisions, and improve the University's climate and culture.

Conclusion

The work of our Division impacts every corner of the University community. Our collective work is vital to the health and well-being of faculty, staff, and students. While we are recognized for our work within the University community, recently, our work has also been acknowledged outside of the University in places like the City of Burlington and in national publications like *Profiles in Diversity Journal*. This acknowledgement is a small sign of the growth in our Division's reputation outside of the University, and we intend to continue to try to be innovators in our field and help UVM meet its institutional goals and priorities.

DIVISION OF STUDENT AFFAIRS ANNUAL REPORT

**University of Vermont Board of Trustees
Educational Policy & Institutional Resources Committee
January 31, 2020**

**Prepared By
Annie Stevens, Vice Provost for Student Affairs**

The Division of Student Affairs' work directly aligns to two of the President's strategic goals: student success and access and supporting our land grant mission. Below, I have outlined recent accomplishments and challenges in these areas.

STUDENT SUCCESS:

A Focus on Student Retention

Our staff has identified data indicators from the "First Six Weeks" first-time, first-year (FTFY) survey to inform our first-to-second year retention initiatives. These include:

- Satisfaction with residential experience
- Involvement outside of the classroom
- Sense of belonging

Data: Based on results from the 2018 survey (28% response rate, n=711), we have learned that first-year students who are more satisfied and feel that they belong are more likely to be retained.

		Fall 2018 Cohort			Fall 2019 Cohort	
		N	Fall 18	1-Year Retention	N	Fall 19
Satisfaction with residential experience	Very Satisfied/Satisfied	599	85%	91%	548	92%
	Very Dissatisfied/Dissatisfied	104	15%	74%	54	8%
I belong at UVM	Strongly Agree/Agree	511	75%	95%	488	82%
	Unsure/Strongly Disagree/Disagree	169	25%	69%	107	18%
Involvement outside of the classroom	Involved	587	85%	91%	N/A	N/A
	Not involved	107	15%	75%	N/A*	N/A*

**The involvement question was modified in 2019 and cannot be used as a comparison. However, this year's data tells us that 30% of respondents were involved in campus or community service organizations, 28% in intramural athletics, 22% in academic organizations, and 20% in environmental organizations. Moreover, 87% of respondents indicated the opening weekend activities taught them how to get involved in campus events and student organizations.*

Key strategies: Collaborative initiatives such as First Year Experience, Learning Communities, the New Student Orientation Programs, communications mapping and melt mitigation all contribute to positive outcomes.

Expanded Residential Learning Communities

In fall 2019, 100% of first-year students living on campus moved into a learning community. 100% of students who submitted their housing and meal plan contract by the May deadline received one of their top two choices.

Data: Overall, the one-year retention rate of first-time, first-year and transfer students in a learning community versus students not in a learning community remains above the university's average:

- In 2017, 68% of first-year students were in a learning community. 88.3% of these students were retained as compared to the UVM average, 86.6%. Of students not in a learning community, 82.9% were retained.
- In 2018, 82% of first-year students were in a learning community. 88.5% of these students were retained as compared to the UVM average, 86.9%. Of students not in a learning community, 81.3% were retained.

Key strategies: By moving up the learning community placement process earlier in the year, first-year students were able to begin to connect with each other and with their learning community team beginning as early as June orientation. This year, 92% of students indicated they were satisfied with their residential experience at the six-week mark as compared to 85% last year.

Overall Steady Decline in Undergraduates' High-Risk Drinking

Data: Once again, UVM undergraduate students self-reported their lowest high-risk drinking rate yearly average (source: Monthly Measures Survey, UVM).

- Last year's average represents a decline of 34.5% in six years.
- In 2018-19 **student detoxes were down 70% from 2009-10 levels**. Early data from 2019 indicate this trend is continuing.

Key strategies: Our College Health Improvement Project Committee is evaluating key indicators for the future, especially as students across the nation self-report higher use of cannabis.

Cannabis: A Barrier to Student Success

Students' misuse of cannabis impacts their ability to learn and poses physical health risks.

Key strategies: The College Health Improvement Project Work Group continues to monitor monthly data to steer population-based intervention strategies (e.g. within schools/colleges and learning communities). Our work focuses on reducing high-risk use, curbing perception of use and educating students, faculty and staff about the potential physical and mental health harms.

STUDENT ACCESS

Understanding Students' Mental Health

In fall 2018, we administered the Healthy Minds Study (HMS) (N=810, 20% response rate). This study originated at the University of Michigan and has been administered at 300 colleges and universities to provide a baseline measurement of students' mental health and provide reliable national comparisons.

Data: Measures indicate that the overall mental health of UVM students is consistent with national data and that UVM students access services at a slightly higher rate than the national average.

Specifically, data has revealed:

- Self-reported rates of depression are consistent with national rates and self-reported anxiety is slightly under national rates.
- UVM students reported a lower level of stigma around help-seeking behavior and a higher awareness of where to seek professional support.
- Students who experience academic impairment six or more days out of the past thirty days is slightly higher than the national comparison.
- UVM students are likely to talk about mental health problems impacting their academic performance with academic advisors and student services staff at higher than national rates.

Key Strategies: The survey allows us to compare data on specific subsets of the student population (for example: by sex, race, residence (on- v. off-campus), LGBTQ+, financial stress) as well as see the connections between student mental health and substance misuse. We will be following up with action steps regarding key findings as this study serves as the foundation for our strategic plan to address overall student wellbeing.

Counseling and Psychiatry Service Operational Improvements

Counseling and Psychiatry Services (CAPS), under the new leadership of Carrie Fleider, MSW, LICSW, has changed their service delivery model with a goal of reducing wait times overall and increasing access to care. Changes include:

- Hired a Care Manager tasked with implementing an effective system to support students getting care outside of the university.
- Implemented a telephone-based triage system that decreases the time between a student's initial outreach to CAPS and when they are able to speak with a counselor and allows for more rapid assessment of student needs and opportunities to quickly provide options of resources to students.
- Expanded drop-in programming to include daily topic-specific workshops in addition to increased time for general drop-in counseling.
- Delivered the Mental Health First Aid training program to 400 staff, faculty and students

Increase in Students of Concern

The UVM CARE Team, established in 2005, aims to identify and support "students of concern." The primary source of referrals to the CARE Team is the online CARE Form, which is utilized

heavily by students, staff, faculty, and family members to share concerns about students.

Data: The number of CARE Form reports received has grown every year, more than doubling in a five-year period. In 2018, we had 74 students withdraw from UVM for health concerns, this year we have had 61 students withdraw as of the mid-year mark.

Key strategies: Due to the steady decline in the prevalence of high-risk drinking and the reduction in overall student conduct caseload, the Center for Student Conduct staff have been leveraged to support the Assistant Dean of Students in triaging and supporting students referred to the CARE Team. Using a non-clinical case management approach, we have increased the number of staff members dedicated to initial outreach and support for students of concern.

Growing Demand for Student Accessibility Services

Requests for student accommodations are at an unprecedented high.

Data: UVM data mirror national trends, and we anticipate continued, significant growth. Overall, in 2019, the number of students receiving accommodations by Student Accessibility Services totaled 1,659 up from 555 in 2009.

Psychiatric and psychological accommodations are the primary cause of this growth -- from 95 cases in 2007 to 925 cases in 2019 (a percent change of 868%). Though smaller in number, there has been a 1,514% increase in students with developmental disabilities (e.g. Autism Spectrum Disorder) from 7 cases in 2007 to 113 cases in 2019; these students require significantly more individual support.

Key Strategies: Staff in Student Accessibility Services within the Center for Academic Success have adapted by changing business practices (e.g. expanded hours, focus on drop-in consultations, and on-line services) and will continue to do so, but anticipate the need for additional strategies to address students' needs (and compliance requirements). Anticipated needs include:

- Increasing staff dedicated to Student Accessibility Services
- Increasing exam proctoring space
- Educating UVM staff and faculty (including a faculty advisory committee)

SUPPORTING OUR LAND GRANT MISSION:

\$250,000 Grant Awarded to UVM Dining

The University of Vermont was awarded the 2019 Henry P. Kendall Foundation Food Vision Prize of \$250,000 to solve enduring challenges in local farm to institution systems. This prize will increase the availability of lightly processed, local produce to universities and hospitals. Over the next two years, the grant will support increasing the produce processing capacity of the Vermont Food Venture Center and the Pioneer Valley Growers Association. Together, UVM, UVM Dining, Norwich University and Norwich Dining will partner with UVM Medical Center and Dartmouth Hitchcock as anchor institutional buyers of the local, processed produce.

Capital Project Progress Report

January 31, 2020

**Board of Trustees
Educational Policy and Institutional Resources Committee**

**Prepared by
Robert B. Vaughan, Director of Capital Planning and Management**

On-Campus Multipurpose Center (OCMC)

Engineer/Architect:	Truex Cullins
General Contractor:	PC Construction
UVM Managed By:	Facilities Design & Construction Department
Est. Completion Date:	Summer 2022
Size:	370,549 gross square feet (SF)
Project Cost:	\$95.0 million
Project Description:	The project goals include: Create an enhanced and enlarged new health/wellness zone which will increase from 15,000 SF to 86,000 SF; Create a true multipurpose center that includes health, wellness, academic, social, cultural and athletic programming elements; Create tangible academic support space, classrooms and study space; Maintain two separate on-campus facilities for hockey and basketball; Upgrade competitive venues for hockey and basketball, including practice facility availability and improved athlete support facilities, locker rooms, training, meeting space and administrative/coaches offices; Dual use of air-conditioned venues for other events; speakers, concerts, cultural events and community programs; Renovate and upgrade existing spaces in need of systems/safety/circulation/ADA/cosmetic improvements and reconfiguration; Gutterson will be preserved, improved and remains the home of UVM Hockey; A new, properly sized Events Center will be built to house academic, social, cultural and entertainment events as well as basketball practice and competition; Address long-standing deferred maintenance issues; Improve internal circulation; Include an efficient and significant re-use of existing space, with limited new construction.
Status:	Bids are currently being evaluated.

Project Update: *Construction activities began during the summer, with site work occurring at the “Horseshoe” parking lot, utility work at the west alleyway area and interior work to develop swing space needs.*

McAuley Hall Deferred Maintenance

Engineer/Architect:	Scott + Partners
General Contractor:	TBD
UVM Managed By:	Facilities Design & Construction Department
Est. Completion Date:	Summer 2020
Size:	44,986 gross square feet

Project Cost: \$6.1 million
 Project Description: The scope of this project will replace the window curtain wall system and the replacement of the five different levels of membrane roofing throughout the complex. Additional scope elements would include the replacement of the heating system piping throughout the student rooms, and to complete a full hazardous material abatement of identified asbestos in both the curtain wall and roof surfaces. The new curtain wall framing system will require an alternate method of supporting the radiators and enclosures.
 Status: Currently on hold.

Project Update: *Preliminary work with the Historic Preservation Review has been completed. The construction phase will begin in late May 2021 with hazardous material removal. The residence hall will be off-line for the entire 2021-2022 academic year, with occupancy scheduled for the fall of 2022.*

Torrey Hall Interior Restoration

Engineer/Architect: SAS Architects
 General Contractor: TBD
 UVM Managed By: Facilities Design & Construction Department
 Est. Completion Date: TBD
 Size: 11,981 gross square feet
 Project Cost: \$6.3 million
 Project Description: This project includes new life safety systems, which will include a new sprinkler and fire alarm system. Chilled water supply will be introduced into the building to establish air-conditioning; a new hydronic heating system, a new electrical system, along with all new plumbing and construction of new restrooms. An addition on the north side of the building will also be created to establish an accessible entrance and vertical circulation core.
 Status: Currently on schedule and on budget.

Project Update: *The first phase of the project is currently in development of the construction documents. The first phase will include the construction of the new elevator/stairtower and connector to the main building. The targeted schedule for this first phase is a construction start in the spring of 2020. The second phase, which includes significant interior renovations, will be designed and completed when funding is available.*

Recital Hall Expansion and Renovation

Engineer/Architect: Scott + Partners
 General Contractor: ReArch
 UVM Managed By: Facilities Design & Construction Department
 Est. Completion Date: Fall 2020
 Size: 20,926 gross square feet
 Project Cost: \$3.3 million

Project Description: The Recital Hall structure is a uniquely shaped poured concrete form which secures structural integrity of the building. An expansion will be constructed on the northeast area of the hall to create a “back-of-house” addition with better access to the stage and to the front of the stage. New spaces will be created by the addition for piano storage, a Green Room and support facilities.

Status: Currently on schedule but the budget requires adjustment.

Project Update: *The project has successfully been through a Historic Preservation Review. The bidding and construction schedule is targeting the spring semester to begin. The project is scheduled for occupancy in the fall of 2021.*

Deferred Maintenance Projects (between \$1.0 million and \$2.0 million)

Ira Allen Chapel Exterior Repairs

Engineer/Architect: Gale Associates
General Contractor: E.F. Wall
UVM Managed By: Physical Plant Department
Est. Completion Date: Winter 2020
Size: 24,100 gross square feet
Project Cost: \$1.9 million
Project Description: The Ira Allen Chapel exterior requires extensive repairs/replacements to the main west entrance wood columns, as well as the granite stairs. Additional exterior work will include the restoration and repainting of all of the wood windows.

Status: Currently on schedule and on budget.

Project Update: *The project has been through Historic Preservation Review. The construction schedule continued into winter to install the different elements of the columns, which will be completed in the spring, and to restore the double hung windows, to be completed by the end of the calendar year 2020.*

Cohen Hall Renovation

Engineer/Architect: Scott + Partners
General Contractor: TBD
UVM Managed By: Facilities Design & Construction Department
Est. Completed Date: Fall 2020
Size: 25,123 square feet
Project Cost: \$1.9 million
Project Description: Project consists of the modification of the existing dance studio into a “White Box” theatre. The scope of work will include the construction and fit-out of a control room overseeing the area from the second level room developed over the former stage location. New theatrical lighting will be

Status: installed, a production communication system, video projection and dressing room accommodations with restrooms established in each. Currently on schedule and budget

Project Update: Work to be completed in the fall of 2020.

Central Utility Plant Steam Upgrades

Engineer/Architect: RMF Engineering
 General Contractor: TBD
 UVM Managed By: Physical Plant Department
 Est. Completed Date: Fall 2021
 Project Cost: \$1.5 million
 Project Description: Installation of redundant deaerator tank, associated feedwater pumps, controls, and steam piping to reduce single point failure risk.
 Status: Currently on schedule and budget

Project Update: Work to be completed in the summer of 2021.

Royal Tyler Theatre Exterior Deferred Maintenance

Engineer/Architect: SAS Architects
 General Contractor: PeakCM
 UVM Managed By: Physical Plant Department
 Est. Completion Date: Winter 2020
 Size: 38,661 gross square feet
 Project Cost: \$1.9 million
 Project Description: The scope of work for the exterior deferred maintenance project includes the replacement of the fiberglass shingle roof with copper roofing and additional wood sheathing and insulation, the restoration of the wood windows, and the repointing of selected areas of the masonry exterior walls.
 Status: Currently on schedule and on budget.

Project Update: The work associated with the roof and masonry exterior was completed in fall 2018. The window restoration will be performed in winter 2019 through winter of 2020.

Stafford Level 2 Renovation

Engineer/Architect: Black River Design
 General Contractor: PeakCM
 UVM Managed By: Facilities Design & Construction Department
 Est. Completion Date: February 2020
 Size: 9,631 square feet
 Project Cost: \$1.9 million
 Project Description: The scope of work will include upgrades to data wiring and equipment, office and laboratory fit-ups on the second floor of Stafford Hall. The area will be occupied by the newly-appointed Department Chair of

Microbiology and Molecular Genetics (MMG), and the relocation of the Vaccine Trials Center (VTC) from the Given Building.
 Status: Currently on schedule and on budget.

Project Update: *All of the work will be completed in February 2020.*

Old Mill Building Envelope Restoration

Engineer/Architect: SAS Architects
 General Contractor: TBD
 UVM Managed By: Physical Plant Department
 Est. Completion Date: Fall 2021
 Size: N.A.
 Project Cost: \$1.9 million
 Project Description: Restoration of stone sills and keystones on west and south elevations. Window restoration of historic windows and repointing of select brick areas on the building, with wood trim restoration.
 Status: Currently on schedule and on budget

Project Update: *Finalizing bid documents with all of the work to be started in summer 2020 and completed in the fall of 2021. Seasonal work to occur only in summers.*

Billings SW Turret Restoration

Engineer/Architect: Gale Associates
 General Contractor: Stewart Construction
 UVM Managed By: Physical Plant Department
 Est. Completion Date: Summer 2020
 Size: N.A.
 Project Cost: \$1.3 million
 Project Description: Remodel and restoration of the SW Turret roof and exterior walls. Replacement of severely damaged historic stones. Replacement of interior plaster throughout turret. Repointing of select areas on exterior of building including east turret. Waterproofing of turret roof and injection of mortar in voids in walls.
 Status: Currently on schedule and on budget.

Project Update: *All of the work will be completed in the summer of 2020.*

Marsh Life Science Roof Replacement

Engineer/Architect: Scott + Partners
 General Contractor: TBD
 UVM Managed By: Physical Plant Department
 Est. Completion Date: Fall 2020
 Size: 17,326 gross square feet
 Project Cost: \$1.9 million

Project Description: Replacement of the flat membrane roof surface, upgrading the penthouse wall siding and insulation, and the addition of new insulation to upgrade the insulation value of the roof.

Status: Currently on schedule and on budget.

Project Update: All of the work will be completed in the summer of 2020.

If you have any questions concerning the Capital Projects, please contact Robert B. Vaughan, Director of Capital Planning and Management, at 802-656-1304 or by e-mail at Robert.Vaughan@uvm.edu.

Note: With the completion of one Capital Project and three Deferred Maintenance projects since the last report, the following projects are no longer included: **STEM Complex, Stafford Low Roof Replacement, Votey Utility Improvements, and Billings/Votey Sidewalk Replacement.**

Curricular Affairs Committee of the Faculty Senate

Report of the Curricular Affairs Committee of the Faculty Senate

January 31, 2020

**Board of Trustees
Educational Policy and Institutional Resources**

**Prepared By
Laura Almstead, Chair of the Curricular Affairs Committee**

Reviews of Proposals to Initiate, Alter or Terminate an Academic Program:

Completed Reviews (six):

- › **Approval of a request by the College of Education and Social Services in conjunction with the Graduate College to terminate the Master of Education in Reading and Language Arts**

NOTE: This will be an action item for this Board meeting.

The Curricular Affairs Committee approved an uncontested request from the Department of Education, College of Education and Social Services (CESS) in conjunction with the Graduate College to terminate the Master of Education in Reading and Language Arts. The request was also approved by the Faculty Senate at the November 18, 2019 meeting. If approved by the Board of Trustees, the termination will go into effect in fall 2020.

In 2011, admission to the program was suspended because of declining enrollments and faculty retirements. Students enrolled in the program at the time of suspension completed the program shortly thereafter. Thus, there have not been any students enrolled in the program for multiple years. Termination of the program does not affect existing faculty or staff. Termination of the Master of Education in Reading and Language Arts was supported by the Chair of the Department of Education, Kimberly Vannest, the CESS curriculum committee, and the Dean of CESS, Scott Thomas.

- › **Approval of a request by the College of Engineering and Mathematical Sciences to terminate the Bachelor of Arts in Engineering**

NOTE: This will be an action item for this Board meeting.

The Curricular Affairs Committee approved an uncontested request from the College of Engineering and Mathematical Sciences (CEMS) to terminate the Bachelor of Arts (BA)

in Engineering. The request was also approved by the Faculty Senate at the December 16, 2019 meeting. If approved by the Board of Trustees, the termination will go into effect in fall 2020.

The BA in Engineering was established in fall 2010 with the goal of providing an opportunity for students to study engineering while gaining a broader liberal arts background. Only two students have completed the program, and there is only one student currently enrolled in the program. Thus, the College is seeking to eliminate the BA in Engineering due to a lack of student interest. The student that is currently pursuing a BA in Engineering will be able to complete their degree. Termination of the BA in Engineering was supported by the CEMS Curriculum Committee, faculty, and Dean Linda Schadler.

› **Approval of a request by the College of Agriculture and Life Sciences for a new Minor in Bioinformatics**

NOTE: This will be an action item for this Board meeting.

The Curricular Affairs Committee approved a proposal for a new Minor in Bioinformatics from the Department of Microbiology and Molecular Genetics (MMG) in the College of Agriculture and Life Sciences (CALS). The proposal was also approved by the Faculty Senate at the November 18, 2019 meeting. If approved by the Board of Trustees, the minor will be offered beginning fall 2020.

Program Description, Rationale, and Justification

Bioinformatics is a rapidly emerging discipline defined as “the collection, classification, storage, and analysis of biochemical and biological information using computers, especially as applied to molecular genetics and genomics” (Merriam-Webster, 2019). The proposed Bioinformatics minor is designed for students interested in the study of genetic diseases, public health and epidemiology, infectious diseases, microbial ecology, and other life science topics through the application of recent advances in computer technology and statistics. Students completing the minor are expected to be able to 1) describe and apply basic bioinformatics information, concepts, and experimental techniques, and 2) apply ethical principles with regard to scientific research, patient information, student and faculty interactions and resources.

The proposed minor will allow students to take advantage of new employment opportunities in the fields of biotechnology and biomedical research, as well as support their applications to graduate and medical programs.

Evidence for Demand

Current national and international research trends in fields such as ecology, evolution, microbiology, and molecular genetics necessitate a strong working knowledge of the concepts of bioinformatics. Currently, a number of UVM laboratories from a variety of departments utilize bioinformatical approaches in their research. This minor would help support the development of a cadre of students able to more fully engage in on-going research across the campus while also preparing them for future employment or further schooling.

Relationship to Existing Programs and Anticipated Impact on Existing Programs

There are no other minors at UVM that include bioinformatics as a core component of their required coursework, or that combine components of biological science, computer science, and statistics as their core and prerequisite requirements.

Curriculum

Completion of the minor will require a total of 18 credit hours comprised of four required courses (12 credits) plus six credits chosen from a set of elective courses (see table below). A total of ten credit hours of prerequisite courses are also required. All courses currently exist and are offered on a regular basis.

Prerequisite Courses (10 credits total)	
BIOL 001, BIOL 002, BCOR 011, or BCOR 012	Principles of Biology Exploring Biology
CS 20 or CS 21	Programming for Engineers or Computer Programing
STAT 111, STAT 141, or STAT 143	Elements of Statistics, Basic Statistical Methods, or Statistics for Engineering
Required Courses (12 credits total)	
MMG 106	Introduction to Biomedical Research Methods
MMG 231	Programming for Bioinformatics
MMG 232	Methods in Bioinformatics
MMG 233	Genetics and Genomics
Elective Courses (6 credits total)	
MMG 197/198	Undergraduate Research
MMG 211	Prokaryotic Molecular Genetics
CS 124	Data Structures and Algorithms
CS 254	Machine Learning
STAT 087	Introduction to Data Science
STAT 200	Medical Biostatistics & Epidemiology
STAT 201	Statistical Computing & Data Analysis

The proposed minor will be available to all majors across the University, however students in the minor may only count up to two required or elective courses toward this minor and any other major or minor.

Anticipated Enrollment and Impact on Current Programs

The proposers expect approximately 20 to 30 students will ultimately be enrolled in the minor. They do not anticipate inauguration of the minor will significantly impact enrollments in the courses, nor do they expect the proposed minor to significantly affect any of the existing minors at UVM.

Advising

In addition to current MMG undergraduate advisors (Drs. Gilmartin, Guy, Johnson, Hodge, and Murray), Dr. Julie Dragon, Director of the Bioinformatics core, will also act as an advisor for students in the minor.

Assessment Plan

Assessment of the proposed Bioinformatics minor will be carried out by the MMG advisors and the MMG Undergraduate Affairs Committee. It will focus on determining if students are meeting the proposed learning outcomes which include: 1) to be able to describe and apply basic bioinformatics information, concepts, and experimental techniques, and enrollment in 2) to be able to apply ethical principles with regard to scientific research, patient information, student and faculty interactions and resources. Metrics used for assessment include students' GPAs in the core and elective courses, particularly MMG 231 and MMG 232, and a degree audit assessment.

Staffing Plan, Resource Requirements, and Budget

All courses that are part of the proposed minor currently exist, are taught on a regular basis, and have capacity for the expected enrollment. There are no anticipated new faculty or staff appointments associated with the minor, nor are there any anticipated costs associated with the inauguration of the minor.

Evidence of Support

Letters of support were received from the individuals below. The proposed minor was also approved by the CALS curriculum committee and the CALS faculty.

- Chair of Computer Science, Christian Skalka
- Dean of CALS, Jean Harvey

Summary

Students pursuing an academic career and/or employment in the fields of biotechnology and biomedical research require a strong working knowledge of bioinformatic approaches. It is anticipated that the proposed minor will be of interest to majors from across campus, including animal sciences, biochemistry, biology, integrated biological sciences, computer science, microbiology, molecular genetics, neuroscience, nutrition and food science, plant and soil science, plant biology, and statistics. Students that complete the minor will be better positioned to conduct research while at UVM, and will gain skills beneficial in future graduate studies and/or careers.

› Approval of a request by the College of Agriculture and Life Sciences for a new Minor in Biosecurity

NOTE: This will be an action item for this Board meeting.

The Curricular Affairs Committee approved a proposal for a new Minor in Bioinformatics from the College of Agriculture and Life Sciences (CALS). The proposal was also approved by the Faculty Senate at the December 16, 2019 meeting. If approved by the Board of Trustees, the minor will be offered beginning fall 2020.

Program Description, Rationale, and Justification

The proposed minor in Biosecurity allows students to formalize a grouping of courses from STEM disciplines, including agriculture, as well as social science with a focus on biosecurity. Topics covered in the minor include bioterror threats, prevention, and resilience in our lived, built, and natural environments. The general learning objectives for the minor include: 1) to think critically about biohazards and what to do about them, 2) to understand how communities reduce vulnerability to bio and agroterrorism and to cope with the consequences of such events, 3) to engage in problem solving, 4) to be exposed to a rich variety of perspectives and ideas from across disciplines involved in biosecurity, and 5) to be able to effectively communicate with stakeholders about biosecurity and bioterrorism.

Increased technical capabilities combined with the rapid expansion of the global biotechnology industry have led to heightened concern of bioterrorism. These factors have broadened the availability of materials, technologies, and expertise needed to produce biological weapons, and simultaneously lowered the barriers to executing bioterrorism. In particular, the global food supply is a potential target. Put in positive terms, biosecurity is the opposite of bioterrorism and includes both the study of threats and the systems necessary to prevent those threats or reinforce resiliency to those threats.

Evidence for Demand

There is a growing need for graduates to have some coursework in the areas of biosecurity, including areas of bioterrorism, agroterrorism and related aspects such as communication and policy. Enrollments in courses currently offered at UVM that are part of the minor (see Curriculum section below) indicate student interest in this area. Students completing the proposed minor in Biosecurity will be better prepared to enter careers ranging from emergency management to agriculture.

Curriculum

Completion of the minor will require a minimum of 17 credit hours comprised of four core required courses (11 credits) plus at least six credits chosen from a set of elective courses (see table below). Other relevant, advisor-approved courses will be allowed to count for elective credit. Although there are no specific prerequisite courses, some of the upper-level elective courses have prerequisites that are not part of the minor. Some of the required courses also serve as prerequisites for the upper-level electives: CDAE 032 fulfills the prerequisite requirement for CDAE 141 while MMG 002 fulfills the prerequisite requirement for MMG 101. Additional prerequisite courses are noted in the table where applicable.

Required Courses (11 credits total)	
MMG 002:SU*	Unseen Worlds: Microbes and You
ASCI 007*	ABCs of Biosecurity
CDAE 032	Protect Your Privacy
PSS 133*	Agroterrorism and BioPiracy (<i>prereq MMG 002, ASCI 0xx, CDAE 0xx, BIOL 001, or BCOR 011</i>)
Elective Courses (minimum of 6 credits; must be chosen from at least two different departments)	
CS 006** or CS 116	Exploring Cybersecurity Cybersecurity Principles (<i>prereqs CS 006 and CS 021</i>)
ASCI 117	Animal Plagues and Global Health (<i>prereq BIOL 001/002 or BCOR 011/012</i>)
FS 103/NFS 114	Human Health in the Food System (<i>prereq NFS 043 or NFS 073</i>)
NFS 254	Global Food Safety (<i>prereq NFS 113</i>)
MMG 101	Microbiology and Infectious Disease (<i>co/prereq one semester biology or chemistry</i>)
MMG 235	Bioterrorism (<i>prereq MMG 101 or MMG 002 plus PSS 133</i>)
CDAE 141	Crisis Communication (<i>prereq CDAE 024, CDAE 032, CDAE 128, ASCI 007, or PSS 133</i>)
CDAE 260	Smart Resilient Communities (<i>prereq CDAE 102</i>)
POLS 051** or POLS 071**	Intro to International Relations Comparative Political Systems
POLS 150	International Security (<i>prereq POLS 051</i>)
POLS 157	International Politics of the Middle East (<i>prereq POLS 051</i>)
POLS 162	Terrorism and Counterterrorism (<i>prereq POLS 051</i>)
POLS 174	Latin American Politics (<i>prereq POLS 071, HIS 063, SPAN 145, or SPAN 146</i>)

**New course; approved and scheduled to be in the catalogue next year.*

***Students that select CS 006, POLS 051, or POLS 071 will need to take an additional elective course to ensure that they meet the standards for a minor, which is a minimum of nine credits at the 100-level.*

The proposed minor will be available to all majors across the University, however students in the minor may only count up to two core or elective courses toward this minor and any other major or minor.

Advising and Assessment

All CALS departments that offer one of the required courses for the proposed minor will designate a faculty to act as an advisor for the minor. A committee of participating CALS faculty will meet at least once a year to discuss requirements, successes, and improvements to the minor. Representatives will be appointed to the committee by their Chair and serve on the committee for two to three years.

Staffing Plan, Resource Requirements, and Budget

No additional resources are necessary. The three new courses can be taught by existing faculty within their workloads and, as noted above, there is additional capacity in the existing courses that are part of the minor.

Relationship to Existing Programs and Anticipated Impact on Existing Programs

The most similar programs at UVM are the Computer Science minor with a focus in the area of cybersecurity and the Cybersecurity Certificate offered by the Computer Science Department in CEMS. The Computer Science Department and Dean of CEMS provided letters of support that indicated little overlap between the programs, and computer science courses are included in the electives for the proposed minor. As noted in the Curriculum section, students will only be able to count two courses towards the proposed minor and any other major or minor.

Based on a survey of other institutions conducted by the proposers, coursework in the area of biosecurity is primarily found at the graduate level in the fields of public health and biological/biomedical sciences. The proposers indicated that they were not able to identify an undergraduate major or minor in biosecurity or agroterrorism at a degree-granting institution in the US.

While the proposers anticipate a minor in Biosecurity will be of interest to many students in the STEM disciplines, they do not expect the new minor to significantly affect any particular existing program at UVM. Based on a survey of enrollments, the proposers

indicated that there is room for an additional ~10% enrollment in existing courses that are part of the proposed minor.

Evidence of Support

Letters of support were received from the individuals below. The proposed minor was also approved by the CALS curriculum committee and the CALS faculty.

- Chair of Computer Science, Christian Skalka
- Dean of CEMS, Linda Schadler
- Dean of CALS, Jean Harvey

Summary

The proposed Minor in Biosecurity allows students to develop focused knowledge in an emerging area of need. There appear to be few undergraduate programs with this focus (particularly agroterrorism) at other institutions, and there are no similar programs at UVM. It is anticipated that the proposed minor will be of interest to majors across campus, primarily in the STEM disciplines.

› Approval of a request by the College of Nursing and Health Sciences in conjunction with the Graduate College for a new Post-Professional Doctorate of Occupational Therapy

NOTE: Pending approval by the Faculty Senate at the January 27, 2020 meeting, this will be an action item for this Board meeting.

The Curricular Affairs Committee approved a proposal for a new Post-Professional Doctorate in Occupational Therapy from the College of Nursing and Health Sciences (CNHS) Department of Rehabilitation and Movement Science in conjunction with the Graduate College. It will be presented to the Faculty Senate for a vote on January 27, 2020. If approved by the Faculty Senate and Board of Trustees, the anticipated start date is fall 2020.

Program Description

The proposed post-professional Doctorate in Occupational Therapy (OTD) is designed for licensed occupational therapists wishing to expand knowledge in leadership, instructional delivery, and evidence-based and occupation-based practice. Access to the program will be limited to practicing, licensed occupational therapists, hence the designation “post-professional.” The program will be offered entirely online, and therefore allow flexible progression toward the terminal degree in the field utilizing students’ current occupational therapy degree and years of practice as a starting point. Taking into consideration the fact that students in the program will likely be working

while they are enrolled in the proposed OTD, the program will offer rolling admissions, choice of live sessions, ability to earn digital badges, and didactic intense course modules (see Curriculum section for additional details).

The overarching goal of the proposed post-professional OTD is to produce occupational therapists that are leaders, occupation-based practitioners, effective educators, and scholars in their field. Students completing the program will know how to interpret and design research, understand occupation-based practice in an everchanging healthcare society, learn how to be innovative and creative in the practice and advocacy of occupational therapy, and will articulate clearly through written and verbal communication the value of the profession. The specific curricular outcomes are listed below.

- Understand research methods and design a research study
- Demonstrate knowledge translation skill by applying evidence to practice
- Articulate their leadership strengths and challenges, and devise a leadership plan that can be sustained throughout one's professional career
- Apply one leadership method to a clinical or educational setting and reflect on the process
- Apply an innovative, creative thinking concept to a real-world scenario, either in the clinical or educational setting, and report on the success, challenges, and lessons learned
- Implement one teaching strategy in a classroom or professional venue and report outcomes of the teaching experience
- Link common practice techniques and occupation-based practice to the occupational therapy practice framework in one practice area
- Work with a scholar in their area of practice to complete an individual capstone project that has practice, research, and/or education implications for our field

Rationale and Justification

The field of Occupational Therapy (OT) has entered a transitional phase of restructuring with current emphasis on producing evidence-based and client-centered leaders that deliver effective outcomes. As a consequence, many OT programs are moving to an entry-level doctorate degree, rather than the current master's level degree. This change means there is an anticipated need for currently licensed occupational therapists to obtain a doctoral level degree to either maintain or pursue academic employment, or to remain current with evidence-based practice and occupation-based practice. The proposed post-professional OTD program meets that need.

Additionally, the proposed program aligns with UVM's Academic Excellence Goals to expand programmatic offerings to include distance and hybrid modes of instructional delivery, and to increase enrollments in graduate and professional programs. It addresses

a clear need for currently practicing and licensed occupational therapists who desire to move up to a doctoral level terminal degree in their field. Importantly, Vermont is currently the only state that does not offer a degree in Occupational Therapy; thus this program will most certainly address local needs. The workforce demand for occupational therapists is increasing and expected to be robust for many years. Faculty affiliated with this program are also in the planning stage of developing an entry-level Doctorate in OT to meet the needs of future students who are not already practicing occupational therapists.

Evidence for Demand and Anticipated Enrollment

Candidates for the proposed post-professional OTD will be licensed occupational therapists from around the nation and the world. The proposers indicate that a majority of practicing occupational therapists have either a bachelor's or master's level degree. As noted above, the profession's educational requirements are changing. Because of this, faculty shortages are anticipated, and currently practicing occupational therapists are likely to seek avenues to advance their education. According to a market analysis submitted with the proposal, there is a significant regional demand for doctoral-level trained occupational therapists. Given that there are no occupational therapy programs currently in Vermont, there is strong support in the community to start offering this level of education to state residents.

The proposers anticipate that approximately five students will initially enroll per semester, for a total of 15 students per academic year. Eventually, they estimate that seven to ten students will enroll per semester and summer, for a total of 21 to 30 students.

Relationship to Existing Programs and Anticipated Impact on Existing Programs

There are currently three doctorate level programs in CNHS: (1) Entry-level Doctorate of Physical Therapy; (2) Doctorate of Nursing Practice; (3) Doctor of Philosophy in Human Functioning and Rehabilitation Sciences. The proposed program is unique and distinctive in that it is offered entirely online and specifically designed for licensed occupational therapists. There is a Doctor of Nursing Practice post-professional degree that may be begun post-licensure; however, licensure is not a pre-requisite for entry. There are no other post-professional clinical doctorate programs at UVM. The proposers indicate that inauguration of the proposed OTD program will have no impact on the existing programs.

As noted previously, there are no other occupational therapy programs offered in Vermont. Market analysis identified only seven online programs in the United States. Thus, UVM is in a unique position to bring occupational therapy education to Vermont and be at the forefront of online OT programs.

Curriculum

The curriculum is designed with five threads: evidence-based practice, leadership, innovation, teaching excellence, and occupation-based practice. To complete the proposed OTD program, students must take a total of six credits in evidence-based practice, leadership, and teaching, as well as eight credits of capstone experience and a two-credit course at the end of their program to design their portfolio. All of the courses are new and are moving through the approval process in CourseLeaf; complete syllabi were submitted with the proposal.

Students entering with a bachelor's degree will need to take two additional prerequisite courses – a course in statistics and OT 488. Any college-level statistics course will satisfy the statistics requirement. OT 488 (Exploring current occupational therapy theory and practice) discusses current occupational therapy theory and practice and will be offered online through UVM. Both courses must be taken in the first semester. Students who have taken a college-level statistics course within the last five years may submit that for transfer credit.

Course Thread	Course #	Course Name	Credits
Evidence-based practice	OT 480	Evidence-based practice I	3
	OT 481	Evidence-based practice II	3
Leadership	OT 482	Leadership Exploration	3
	OT 483	Maximizing your Leadership Potential	3
Professional scholarship	OT 465	Capstone I: Professional Scholarship	2
	OT 466	Capstone II: Supporting Evidence	2
	OT 467	Capstone III: Implementation	2
	OT 468	Capstone IV: Dissemination	2
	OT 489	Designing your Portfolio	2
Occupation-based practice	OT 487	Examining Occupation-Based Practice	3
Professional innovation	OT 484	Innovation and Creative Thinking	3
Teaching excellence	OT 485	Implementing Adult Learning Theory I	3
	OT 486	Implementing Adult Learning Theory II	2

As indicated in the Program Description section of this report, the proposed OTD program makes use of didactic intense course modules. All courses run the entire semester, however didactic material for some courses is condensed into eight week modules. Following the intensive didactic instruction, students and faculty spend the remaining seven weeks of the semester focusing on more complex learning strategies that allow students adequate time to appraise, support, develop, critique, and design scholarly

material. During this time, specific weekly objectives and assessments are utilized to ensure maximal learning. The use of didactic intense course modules is designed to give students focused time to process and apply learned material at a deeper level.

Two optional, in-person sessions will be offered each year, one in fall at UVM and one in the spring at the American Occupational Therapy Association annual meeting (location changes annually). The sessions will provide students the opportunity to network with UVM faculty and professionals from around the country, and encourage students to get involved at a national level. They will also give students the opportunity to meet their peers and explore concepts related to OT practice, education, and research in a face-to-face environment. For the sessions held at UVM, students who are unable to travel will have the option to participate remotely. Students will be able to attend as many of these live sessions as desired, even after they graduate.

The proposed OTD program also includes the opportunity to earn digital badges, which are a relatively new concept in the clinical arena. Currently, the proposers are working on a policy and process for awarding digital badges. Once the appropriate policies and processes have been approved, the proposed OTD programs plans to utilize digital badges to mark progress through the curriculum. Badges are awarded after completion of particular courses and do not require any additional components. Badges are not a requirement for program completion, and the program can run without them.

Admission Requirements and Advising

Applicants to the proposed post-professional OTD must meet the minimum requirements below. As previously indicated, students entering with a bachelor's degree will need to take two additional prerequisite courses (statistics and OT 488).

- Bachelor's or master's degree in occupational therapy from the US or abroad
- Minimum cumulative GPA 3.2 (based on a 4.0 maximum scale)
- Appropriate transcripts
- Two years of clinical practice as a licensed occupational therapist
- Personal statement
- Three letters of recommendation
- Curriculum Vitae
- Interview (phone, virtual, or face-to-face)
- English proficiency exam as required by UVM Graduate College

In the first year, an admissions committee consisting of two faculty members will review all admission applications. As the Occupational Therapy program grows and develops, three faculty members will be assigned to the admissions committee. The Program Director will provide academic advising to all students as they progress through the program. Additional occupational therapy faculty will assume advising roles as needed.

Assessment Plan

A detailed assessment plan and assessment timeline was submitted as part of the proposal. Following internal assessment, a report will be generated every May and shared with the faculty. The proposed OTD program will be assessed based on the parameters below. Individual courses will be evaluated through student evaluations, attendance, grades, peer evaluations, and OT program curricular decisions. Like all UVM degree programs, it will also be reviewed as part of the normal Academic Program Review process.

- Faculty effectiveness in their assigned teaching responsibilities
- Students' progression through the program.
- Student retention rates
- Student satisfaction with the program
- Graduates' job advancement
- Graduates' continued contribution to scholarship

Staffing Plan, Resource Requirements, and Budget

When the program is operating at full capacity, the proposers estimate that three FTE faculty effort will be required to run it. In addition to the Program Director, Dr. Victoria Priganc, one 9-month faculty member and one part-time faculty member will be hired. The proposers also expect additional money will be required for part-time faculty on an as-needed basis. While the demand for a post-professional OTD is expected to decrease with time as currently licensed and practicing occupational therapists obtain a doctoral-level degree in the field, the two faculty positions are not temporary. The Department of Rehabilitation and Movement Science is in the process of developing an entry-level Occupational Therapy Doctorate program to meet the needs of students entering the field of OT, and expect to submit an additional program proposal later this year. The faculty hired to support the proposed post-professional OTD program will also be needed for the soon-to-be-proposed entry-level OTD.

A summary of the budget analysis indicates the proposed program will be viable if students can be attracted at the expected levels (a total of 15 students in the first year, and 7 to 21 in subsequent years) with approximately 50% in-state and 50% out of state students. The proposers acknowledge that UVM's high out of state tuition could make it difficult to attract this many out of state students, and once the program is approved will initiate the process to request a variable tuition to reduce the cost to out of state students while still ensuring positive net revenue.

The letter from the Dean of CNHS, Scott Thomas, indicates that he has carefully reviewed the proposal and will support appropriate allocation of College and Institutional resources such that the proposed OTD program can be successfully implemented. The proposers indicate that the library has most of the needed journals and estimate only one additional journal is necessary, the Journal of Occupational Science. The proposers

are working with Gary Atwood, Interim Director of the Dana Medical Library, to determine whether the library's budget can support the cost (\$532).

Instructional design support is needed given that the program is 100% on-line. CNHS has secured funding to support the development of the OTD portfolio in partnership with UVM Continuing and Distance Education, including online course development team support for the online programming.

Evidence of Support

Letters of support were provided by the individuals below. The proposal was also approved by the CNHS Curriculum Planning Committee.

- Theodore J. Angelopoulos, Chair, Department of Rehabilitation & Movement Sciences
- Shelley Velleman, Chair, Communication Sciences and Disorders
- Scott Thomas, Interim Dean of CNHS
- Cynthia Belliveau, Dean of Continuing and Distance Education
- Cynthia Forehand, Dean of the Graduate College

Summary

The proposed post-professional Doctorate in Occupational Therapy will be the first OT degree program in Vermont, and will meet the needs of currently licensed occupational therapists as the field shifts from requiring a master's level degree to a doctoral level degree. The curriculum is well-structured, meets the competencies of the professional organization standards, and provides the flexibility required for working professionals. All courses have been designed in collaboration with Continuing and Distance Education support to ensure best practices in online education.

Workforce demand for occupational therapists is increasing and expected to be robust for many years. Resources invested in the proposed program (e.g. a full time faculty member) will also support an entry-level Occupational Therapy Doctorate that is currently being developed. Inauguration of the proposed post-professional OTD program and anticipated proposal for an entry-level degree will allow Vermont to meet future workforce demands in occupational therapy without students needing to leave the state to be trained. The program also aligns with UVM's Academic Excellence Goals to expand programmatic offerings to include distance and hybrid modes of instructional delivery, and to increase enrollments in graduate and professional programs. Therefore, the proposed post-professional Doctorate in Occupational Therapy will be a valuable addition to UVM's graduate program portfolio.

› **Approval of a request by the College of Arts and Sciences to terminate the Bachelor of Music Degree**

NOTE: Pending approval by the Faculty Senate at the January 27, 2020 meeting, this will be an action item for this Board meeting.

The Curricular Affairs Committee approved an uncontested request from the Department of Music in the College of Arts and Sciences (CAS) to terminate the Bachelor of Music (BMus) degree. It will be presented to the Faculty Senate for a vote on January 27, 2020. If approved by the Faculty Senate and Board of Trustees, the termination will be effective next year.

In addition to a major in Music, the Department of Music currently offers a Bachelor of Music degree program. It includes forty credits of intensive musical training beyond what is required of students completing a Music major with a concentration in Music Performance, and is geared towards students intending to become professional performing musicians. The request to terminate the Bachelor of Music degree was prompted by limited student interest. Only one student has graduated with the degree in the recent past. Note that this termination only eliminates the specialized Bachelor of Music degree. It does not affect the existing Music major (students completing the major graduate with a Bachelor of Arts degree).

Termination of the Bachelor of Music degree was supported by the Department of Music faculty, as well as the CAS curriculum committee, faculty, and Dean Bill Falls.

Academic Program Reviews

Reviews in Progress:

- Public Administration
- Human Development & Family Studies and Interdisciplinary Studies

Other Academic Actions

Completed Actions – The CAC recently:

- › Approved a request from the Department of Plant and Soil Science in the College of Agriculture and Life Sciences (CALS) to change the names of the major and minor in Ecological Agriculture to a major and minor in Agroecology. The department believes that changing the names will reduce confusion among present students, better align the curriculum with an internationally recognized discipline, and improve marketing to new prospective students. The name changes received support from department faculty, the

CALS Curriculum Committee, the CALS faculty, and Jean Harvey, Interim Dean of CALS.

- › Approved a request from the Department of Romance Languages in the College of Arts and Sciences (CAS) to change the name to the Department of Romance Languages and Cultures. The department believes that the new name gives a wider and more accurate picture of the courses of study that are offered, which include both language study at all levels and courses focused on the cultures in areas of the world where the languages taught are spoken. Additionally, the department offers some culture-focused courses that are taught in English under the WILT (World Literature) prefix. There are no changes to programs associated with the name change. This name change request received support from the CAS curriculum committee, CAS faculty, and the Dean of CAS, Bill Falls.
- › Approved a request from the College of Nursing and Health Sciences (CNHS) in conjunction with the Graduate College to change the name of the PhD in Human Functioning and Rehabilitation Science (HFRS) to the PhD in Interprofessional Health Sciences (IHS). No changes to the curriculum are planned with this name change. The PhD in HFRS is a unique interprofessional program involving faculty across CNHS with an overarching goal of promoting interprofessional, hypothesis-driven research across fields relevant to the health sciences. It provides an opportunity for health professionals who assess and treat motor dysfunction to build research expertise in the area of human motor performance. The current name, HFRS, has created confusion for applicants, some of whom think it is a PhD in Physical Therapy and others of whom do not understand how the name reflects the focus of the program. The nature, goals and philosophy of the program are obscured by the name, which is a deterrent to recruitment. The new name, Interprofessional Health Sciences, accurately reflects the intent of the program and its curriculum. The name change proposal received support from the CNHS curriculum committee, the Graduate Executive Council as well as the Deans of CNHS, the Graduate College, and the Larner College of Medicine, which provides some of the core curriculum.
- › Approved a proposal from the Grossman School of Business (GSB) to eliminate the requirement for a minor in the Bachelor of Science in Business Administration. The primary goal of the change is to allow GSB students more flexibility to build relevant connections across fields in support of their chosen area of interest. (All students in the program choose one of three interdisciplinary strategic themes by the end of their sophomore year, which include Global Business, Sustainable Business, and Entrepreneurship.) Additionally, the change will make it easier for students such as transfer students, Honors College Students, ROTC students, varsity athletes, and students who wish to study abroad to complete their degree in four years. With the existing requirements, students in these categories cannot complete the GSB program in four years without AP credits and/or carefully selecting courses that can double-count for requirements. Students that have the flexibility to pursue a minor will be strongly encouraged to do so. The GSB program is an accredited degree, and the proposers indicate that not requiring a minor is consistent with AACSB-accredited peers. The

proposal was approved by the GSB Undergraduate Studies Committee, GSB faculty, GSB Board of Directors, Grossman Student Advisory Committee, and the Dean of GSB, Sanjay Sharma. Letters of support were also provided by deans of the College of Arts and Sciences, College of Engineering and Mathematical Sciences, College of Education and Social Services, College of Nursing and Health Sciences, and Rubenstein School of Environment and Natural Resources.

- › Approved a request from the Directors of the Global and Regional Studies Program to add three concentrations to the Global Studies Major and establish parallel thematic categories for the Global Studies Minor. Creation of the concentrations was approved by the CAS Curriculum Committee, faculty, and Dean Bill Falls. The concentrations were developed in response to student demand and faculty review of the existing curriculum. The primary goal of these changes is to provide more coherence to the courses students take in the major or minor. There are no changes to the courses included in the major or minor. The proposed changes will simply organize the existing electives into concentrations that mirror the current thematic areas:
 - Political-Economic Perspectives on Globalization
 - Human and Environmental Perspectives on Globalization
 - Humanities Perspectives on Globalization
- › Approved a proposal from the College of Agriculture and Life Sciences in conjunction with the Graduate College to change the name of the existing PhD in Animal, Nutrition, and Food Sciences (ANFS) to the PhD in Animal Biosciences. This name change is accompanied by proposal to substantially revise the curriculum by removing two of the three tracks within the program, Nutrition and Food Sciences, and establishing the existing curriculum for the remaining track, Animal Science, as the program's curriculum. Upon the inauguration of a Food Systems PhD in 2015, the Department of Nutrition and Food Sciences began recruiting doctoral students through that program and suspended recruitment through ANFS; only the ANFS Animal Science track has accepted students for the past few years. After reviewing the curriculum for the existing ANFS Animal Sciences track, it was decided that the existing curriculum meets the needs of the program. There will be no changes to admission requirements or advising. The name change will be presented to the Faculty Senate for a vote on January 27, 2020; the substantial changes to the program do not require a Faculty Senate vote.
- › Revised the policy documents listed below. Revisions were focused on addressing common questions from proposers, updating language to match current titles and policies, and updating the document names. The documents are all posted on the Faculty Senate Curricular Resources webpage (see [here](#)). All revisions were approved by the CAC and shared with the Faculty Senate.
 - New Program Proposal Cover Sheet
 - Proposal for New Academic Program
 - Substantial Revisions to Existing Academic Programs: Approval Process and Definitions
 - Proposal to Substantially Revise an Existing Academic Program

- Proposal to Terminate an Academic Program
 - 2019-2020 Timeline for Policy & Proposal Review Process
- › Created a new Deactivated Program status and associated policies for no contest deactivation, contested deactivation, reactivation with and without substantial changes, and requesting continuation of deactivated status. Proposal guidelines and the review process were modeled on the existing program termination policies. The new program deactivation process allows for the formal suspension of an academic program for a period of up to five years. The program will not be able to accept students once the deactivation is approved by the Faculty Senate. Detailed information on the deactivated program will be removed from the University Catalogue and department/program webpage(s). The program title will be listed in the graduate or undergraduate catalogue under the heading “Programs Not Currently Accepting Students.” Unless the program has been reactivated or terminated, the unit and the department housing the program will be notified by the Office of the Provost during the fourth year that action must be taken prior to the catalogue deadline in the coming academic year. At that point, the sponsoring unit has three choices: request continuation of deactivated status, begin a Program Termination process, or reactivate the program. By creating a deactivated program status, the CAC hopes to provide an option for programs that do not wish to initiate a termination process, but are not actively recruiting and accepting students. The program deactivation and reactivation documents are posted on the Faculty Senate Curricular Resources webpage (see [here](#)). They were approved by both the CAC and the Faculty Senate.

Ongoing Work – The CAC is actively:

- › Working to promote communication between unit-level curriculum committees and the Curricular Affairs Committee as well as among the unit-level curriculum committees. The primary goals of these efforts are 1) to foster a culture of communication and collaboration in development of new programs and revisions of existing programs, 2) to increase awareness of the guidelines and approval process for new programs, and 3) to promote adherence to university-wide policies and approval processes relating to new course proposals, course revisions, and special topic courses. To help achieve these goals, the CAC Chair is organizing yearly meetings as well as individual meetings when needed between the CAC Chair and Chairs of all unit-level curriculum committees.
- › Participating in the Educational Stewardship Committee (ESC), a joint committee between the Provost’s Office and the Faculty Senate. The purpose of the ESC is to ensure campus-wide good stewardship and coordination of the University’s educational mission. The Committee is charged to provide recommendations to 1) safeguard the integrity of the University’s educational mission with respect to stated tenets, particularly as those tenets may be impacted by the new incentive-based budget model (IBB); and 2) to provide recommendations to promote excellence in teaching and learning and the educational experience.

- › Continuing to participate in the oversight of UVM's existing General Educational program, which includes Writing and Information Literacy, Diversity, Sustainability, and Quantitative Reasoning. The Chair of the CAC is a member of the recently established General Education Coordinating Committee.
- › Collaborating with the Provost's Office to carry out Academic Program Reviews (APRs). With the exception of five externally accredited programs, CAC reviews have been completed for all programs in cycles one through eleven.

- Proposals Under Consideration (*none*)
 - › Name Change: MS in Animal Science
 - › Substantial Change: Environmental Science Major – new concentration in Environmental Health

Wilbur Trust Investment Pool Review
as of
November 30, 2019

Board of Trustees
University of Vermont Board

Prepared By
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Beginning Balance July 1, 2019	
Long Term Investment Pool	22,123,751 <i>349.3778 units</i>
Separate Investment Pool	<u>9,330</u>
Total Balance at July 1, 2019	<u><u>\$ 22,133,081</u></u>

Ending Balance November 30, 2019	
Long Term Investment Pool	22,315,512 <i>349.7549 units</i>
Separate Investment Pool*	<u>4,330</u>
Total Balance at November 30, 2019	<u><u>\$ 22,319,843</u></u>

Separate Investment Pool Detail	
Och Ziff ¹	775
CF Venture Partners IV	3,430
CF Intl Private Equity Partners III	<u>125</u>
Total Separate Investment Pool	<u><u>\$ 4,330</u></u>

¹ *Special (side pocket) investments.*
To be distributed as liquidated by manager.