

2004 Resolutions

January 12, 2004

- 1) Resolution authorizing Membership in Vermont Risk Retention Group and Related Limited Liability Corporation

February 7, 2004

- 1) Resolution in Memoriam for Dr. Joseph B. Warshaw
- 2) Mt. Mansfield Resolution
- 3) Gutterson Parking Structure Revisions
- 4) 2002 Bond Issue Proceeds Reallocation
- 5) Approval of the Certificate of Graduate Study being added to the Officers' Handbook
- 6) Acceptance of Gifts and Grants
- 7) Acceptance of Sale of Bickford Property, Lincoln, Vermont
- 8) Milton E. Goggans (retiring from his term on the board)
- 9) Pamela G. McDermott (retiring from her term on the board)
- 10) Seth R. Podolsky (retiring from his term on the board)
- 11) Bruce M. Lisman (retiring from his term on the board)

March 15, 2004

- 1) Approval of the addition of Appendix C Format for Proposals to Terminate an Academic Unit, Curriculum, Research, or Service Endeavor
- 2) Approval to Establish the Bachelor of Science Degree in Biological Sciences
- 3) Resolution Approving the Merger of the Fletcher Allen Facilities Corporation with Fletcher Allen Health Care, Inc.

April 19, 2004

- 1) Authorizing University Membership in Collegiate Housing Foundation

May 21, 2004

- 1) Resolution Approving Appointment of Board Chair
- 2) Resolution Approving Committee Appointments

May 22, 2004

- 1) Resolution regarding Long-Range Vision and Strategic Financial Plan
- 2) Gutterson Parking Structure Financing Resolution
- 3) Enterprise Resource Planning Project Resolution
- 4) Admissions Carriage House Project
- 5) Residential Learning Center Project Revisions
- 6) Resolution Authorizing Right of Way and Deed of Easement to City of Burlington through its Electric Department for Electrical Lines and Transformer at 1 South Prospect Street
- 7) Approval to Establish the Bachelor of Science Degree Athletic Training Education
- 8) Approval to Establish the Joint Doctorate of Philosophy Degree in Animal Sciences and Food Nutrition Sciences

- 9) Approval to Establish the Bachelor of Science Degree in Early Childhood Special Education
- 10) Approval to change the name of the degree from “Bachelor of Science, major in Computer Science” to Bachelor of Science in Computer Science”
- 11) Approval to change the name of the minor in Sociolinguistics in Anthropology to Linguistic Anthropology
- 12) Approval of the Certificate of Graduate Study in Ecological Economics
- 13) Resolution Regarding Shareholder Proposals and Tobacco Products
- 14) Resolution Regarding Shareholder Proposals and Discrimination in Employment
- 15) Resolution Regarding Investment Advisory Services
- 16) Resolution Revising University Statement of Investment Objectives and Policies-Section E and Exhibit 1
- 17) Acceptance of Gifts and Grants
- 18) Fiscal Year 2005 Budget Premises: General University
- 19) Tuition Charges for Fiscal Year 2005
- 20) Room and Meal Plan Rates, Fiscal Year 2005
- 21) Fees for Fiscal Year 2005
- 22) Fiscal Year 2004 Operating Budget: Morgan Horse Farm
- 23) Resolution regarding the Affiliation Agreement
- 24) Resolution regarding Presidential Compensation and Contract

June 21, 2004

- 1) Resolution Authorizing Acceptance of Title to University Place

September 11, 2004

- 1) Resolution Approving Committee Assignments for New Trustee
- 2) Resolution Regarding Delegation and Retention of Board Authority
- 3) Resolution Revising Section E of University Statement of Investment Objectives and Policies
- 4) Resolution Authorizing Award of Degrees
- 5) Resolution Approving the Revised Student Harassment Policy
- 6) Resolution Appointing the Endowed Professorship in Radiation Therapy
- 7) Shelburne Pond Property Gift Acceptance
- 8) Acceptance of Gifts and Grants
- 9) Authorization of Commence Development of Commercial Paper Program
- 10) Declaration of Official Intent of the University of Vermont to Reimburse Certain Expenditures from Proceeds of Indebtedness
- 11) Adoption of Debt Policy and Establishment of Debt Sub-Committee
- 12) University Commons Resolution
- 13) Nutrition and Food Sciences Project Resolution
- 14) Colchester Research Facility Resolution

November 13, 2004

- 1) Resolution in Memoriam of Dean Joan Smith
- 2) Authorization for President to Confer Honorary Degrees

- 3) Resolution Amending the Charge of the Standing Committee on Diversity and Restating the Commitment of the Board of Trustees on Diversity
- 4) Resolution Regarding the Audit Committee Charter
- 5) Acceptance of Fiscal Year 2004 Annual Audit
- 6) Audit Firm for Fiscal Year 2005 Audit
- 7) Acceptance of Gifts and Grants
- 8) General University and Morgan Horse Farm FY 2006 State Appropriation Request
- 9) Summer Session Tuition Rates
- 10) Resolution Relating to the Financing of the Wing-Davis-Wilks Residence Complex Renovation Plan
- 11) Approval to Establish the Bachelor of Science Degree in Public Communication
- 12) State Capital Request FY 2006
- 13) Wing-Davis-Wilks Renovation Planning
- 14) Plant Sciences Building Planning
- 15) Commercial Paper Resolutions:
 - Project CP Authorizing Resolution
 - Resolution Approving Documents & Agents
 - Wing – Davis – Wilks Project Resolution
 - A Resolution Relating to the Financing of Certain Projects

December 13, 2004

- 1) Resolution Regarding the Affiliation Agreement
- 2) Resolution Approving Debt Subcommittee Assignment Change

**THE UNIVERISTY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTES**

EXECUTIVE COMMITTEE

January 12, 2004

Resolution Authorizing Membership in Vermont Risk Retention Group and Related Limited Liability Corporation

WHEREAS, the University, as of July of 2003, began obtaining its general liability and other related insurance coverage through Genesis Limited (“Genesis”), an insurance and reinsurance captive domiciled in Bermuda, of which UVM is a member and shareholder; and

WHEREAS, a U.S domiciled insurer is currently paid an annual fee to be responsible for issuing insurance policies to Genesis members and performing other administrative tasks, but now wishes to have those functions carried out by a Vermont domiciled Risk Retention Group (RRG) controlled and operated by the 16 university members of Genesis, in order to obtain significant cost savings and other administrative and economic efficiencies on behalf of those members; and

WHEREAS, in order to establish a Vermont based RRG, Genesis has recommended that the sixteen (16) university members of Genesis, including UVM, associate themselves into an unincorporated association that functions as a reciprocal insurer which qualifies as an RRG under Vermont law, as well as jointly form and become members of a Vermont limited liability corporation (“LLC”) that will act as an “attorney in fact” for the RRG in accordance with the requirements of Vermont law; and

WHEREAS, University administrators, after performing appropriate due diligence with respect to issues involved in the creation of reciprocal insurer RRGs in Vermont, and considering the advantages and disadvantages of utilizing an RRG for these purposes, have concluded that it would be in UVM’s interest to become a member of the proposed RRG and related LLC along with the other 15 university members of Genesis;

NOW THEREFORE, BE IT RESOLVED, that the Board authorizes the University’s entering, together with the 15 other university members of Genesis, into an unincorporated association that functions as a reciprocal insurer which qualifies as an RRG under Vermont law, as well as jointly forming and becoming a member of a related Vermont LLC that will function as an “attorney in fact” for the RRG in accordance with the requirements of Vermont law; and

BE IT FURTHER RESOLVED, that the Board authorizes the President, Provost or Vice President for Finance and Administration, or their successors, to execute and deliver any necessary association agreements, subscriber agreements, operating agreements, and all other agreements, instruments and documents necessary or desirable to effect membership and participation in the aforesaid RRG and LLC and to take all other appropriate steps to obtain the full benefit of participation in such organizations in a manner they or their duly authorized

designees deem to be in the University's best interests in light of appropriate fiduciary and business considerations.

CONSENT AGENDA

February 7, 2004

COMMITTEE OF THE WHOLE

(1) Resolution in Memoriam for Dr. Joseph B. Warshaw

WHEREAS, Dr. Joseph “Joe” B. Warshaw served the University with selfless distinction and dedication since July 2000 as the Dean of the College of Medicine, and

WHEREAS, Joe had a substantial, visible, and positive impact upon the students, staff, and faculty of the University, and

WHEREAS, Joe was known for his deep, abiding commitment and concern for the students, and

WHEREAS, Joe demonstrated exceptional visionary leadership and steadfastness to the academic and intellectual mission of the College of Medicine, and

WHEREAS, Joe was a trusted, valued, kind-hearted colleague and friend to so many members of the University of Vermont family and members of this Board,

THEREFORE BE IT RESOLVED, that the Board of Trustees of the University of Vermont expresses its deep appreciation for Joseph’s service to our University, and sends heartfelt condolences to the family of Dr. Joseph B. Warshaw.

(2) Mt. Mansfield Resolution

RESOLVED, that the Board of Trustees authorizes and directs the President, and/or his designees, to negotiate and execute leases and other documents necessary and desirable to the University’s best interests relative to Mt. Mansfield.

FACILITIES & TECHNOLOGIES COMMITTEE

(3) Gutterson Parking Structure Revisions

WHEREAS, at its October, 2001 meeting the University of Vermont Board of Trustees approved the construction of up to 900 parking spaces in a parking structure east of the PFG Complex at a cost not to exceed \$8,000,000; and

WHEREAS, economies of scale and an expansion of the adjacent new residence halls project justify increasing the scope of the project to 1,000 spaces; and

WHEREAS, the expanded scope, additional site and off-site improvements (including storm water pond upgrades), relocations costs, and inflationary pressures have increased the overall cost of the project; and

WHEREAS, additional parking capacity must be constructed beginning in the summer 2004, in order to meet a permit condition of the new residence halls project;

THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration, or his designee is hereby authorized to increase the project budget from \$8,000,000 to \$12,500,000; and

BE IT FURTHER RESOLVED, that the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to utilize internal or obtain external interim financing until the University reallocates existing, or obtains new bond funding for the project; and

BE IT FURTHER RESOLVED, that the Vice President for Finance and Administration, or his designees, will provide a specific financing plan for this project at the May meeting; and

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

(4) 2002 Bond Issue Proceeds Reallocation

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

WHEREAS, in September 2003, the Board authorized the re-allocation within the 2002 Bond Issue of \$850,000 to space fit-up at the Trinity campus; and

WHEREAS, other work has been identified within previously approved projects which appropriately should be considered part of the capitalized improvements for the Trinity campus, and

WHEREAS, the administration desires to reallocate these funds to various Trinity campus projects;

THEREFORE, BE IT RESOLVED, that the Vice President of Finance and Administration, or his designee, is hereby authorized to make the following reallocations of the 2002 Bond proceeds:

- 1) reallocate \$340,000 from +the New Residence Hall Project to Mann Hall and Farrell Hall to space fit-up costs of relocating offices currently at University Heights to the Trinity campus; and

2) reallocate \$785,000 from the Trinity Communication Infrastructure Project to the Mann and Farrell Hall renovation projects for the installation of communications infrastructure and related costs.

ACADEMIC & STUDENT PROGRAMS COMMITTEE

(5) Approval of the Certificate of Graduate Study being added to the Officers' Handbook

RESOLVED, that the Board of Trustees approves the Certificate of Graduate Study being added to the Officers' Handbook as approved by the Provost and President on January 7, 2004.

FINANCE & BUDGET COMMITTEE

(6) Acceptance of Gifts and Grants

RESOLVED, that the Board of Trustees hereby accepts gifts in the amount of \$4,584,191.32 for the period October 5, 2003 through December 31, 2003 and grants and contracts in the amount of \$21,515,724 for the period October 1, 2003 through December 31, 2003.

(7) Acceptance and Sale of Bickford Property, Lincoln, Vermont

WHEREAS, Oletha '41 and Robert L. '43 Bickford of Starksboro, Vermont, wish to donate their house and land at 2038 Downingsville Road in Lincoln, Vermont to the University for the establishment of faculty fellowship awards fund; and

WHEREAS, the Gift Review Committee has recommended acceptance of the proposed gift, subject to certain conditions;

THEREFORE BE IT RESOLVED, that the Board approves the acceptance of the Bickford property gift, contingent upon the satisfactory completion of an appraisal, title search, Phase I Environmental Audit, and other due diligence steps.

BE IT FURTHER RESOLVED, that the Board's approval is contingent upon the determination by the President or the Vice President for Finance and Administration that no restrictions on the property's use would unduly inhibit the University's ability to sell the property.

BE IT FURTHER RESOLVED, that the President, the Vice President for Finance and Administration, or their designees, are hereby authorized to sell the Bickford property and to execute any documents that are necessary for that purpose.

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

FULL BOARD – retiring Trustee resolutions

(8) *Milton E. Goggans*

WHEREAS, Milton Goggans is nearing the completion of his term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, Milton Goggans has enriched the Board through his creative ideas and steadfast dedication to improving UVM, during his appointment as Chair of the Diversity Committee, and in his membership on Board Committees including the Educational Policy Committee, Student Activities Committee, Audit Committee, Academic and Student Programs Committee, Investment Committee, Executive Committee, and through his membership on the ad hoc Diversity and Compensation Committees;

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

(9) *Pamela G. McDermott*

WHEREAS, Pamela McDermott is nearing the completion of her term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, Pamela McDermott has provided expert advice and sound leadership during her appointment as Chair of the University Advancement Committee and University of Vermont Board, and in her membership on Board Committees, including the Executive Committee, the Facilities and Technologies Committee, the Nominating Committee and the ad hoc Compensation Committee;

THEREFORE, BE IT RESOLVED, that the Board of Trustees of The University of Vermont and State Agricultural College expresses its appreciation, affection, and heartfelt best wishes to Trustee Pamela G. McDermott.

(10) *Seth R. Podolsky*

WHEREAS, Seth Podolsky is nearing the completion of his term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, Seth Podolsky has offered sound thinking and innovative concepts in building community and quality at the University in his service as a member on Board Committees, including the Academic & Student Programs Committee and Diversity Committee;

THEREFORE, BE IT RESOLVED, that the Board of Trustees of The University of Vermont State and Agricultural College expresses its appreciation, affection, and heartfelt best wishes to Trustee Seth R. Podolsky.

(11) *Bruce M. Lisman*

WHEREAS, Bruce M. Lisman is nearing the completion of his term as Trustee of The University of Vermont; and

WHEREAS, through good times and through bad, Bruce Lisman has been a courageous, articulate, visionary leader who invariably placed the well-being of the University paramount in his generous service as Board Chair and Chair of the Investment Committee, and in his membership on Board Committees, including the Executive Committee, the Advancement Committee, the Finance and Budget Committee, the University of Vermont Board, and the ad hoc Compensation Committee, and through his membership on the Board of Advisors for the School of Business Administration, the Class Gift Committee, the Alumni Regional Board, the Campaign ad hoc Advisors, the Campaign Planning Study, and the National Campaign Steering Committee; and

WHEREAS, Bruce Lisman has not only been a superb leader, but has been instrumental in bringing invigorating, visionary leadership to UVM through his chairmanship of the Presidential Search Committee, and important new resources through both personal philanthropy and the launch of the University's \$250 million campaign,

THEREFORE, BE IT RESOLVED, that the Board of Trustees of The University of Vermont and State Agricultural College expresses its appreciation, affection, and heartfelt best wishes to Trustee Bruce M. Lisman.

**THE UNIVERISTY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTES**

EXECUTIVE COMMITTEE

Monday, March 15, 2004

Approval of the addition of Appendix C Format for Proposals to Terminate an Academic Unit, Curriculum, Research, or Service Endeavor.

RESOLVED, that the Board of Trustees approves the addition of Appendix C *Format for Proposals to Terminate an Academic Unit, Curriculum, Research, or Service Endeavor* to the *Protocol and Procedures for Review of Proposals to Initiate, Alter, or Terminate an Approved Academic Unit, Enrollment Unit, Instructional Unit, Curriculum, Research of Service Endeavor* as approved by the Provost on February 28, 2004 and by the President on March 1, 2004.

Approval to Establish the Bachelor of Science Degree in Biological Sciences

RESOLVED, that the Board of Trustees approves the establishment of the Bachelor of Science Degree in Biological Sciences as approved by the Provost on March 9, 2004 and by the President on March 11, 2004.

Resolution Approving the Merger of the Fletcher Allen Facilities Corporation with Fletcher Allen Health Care, Inc.

WHEREAS, as a member of Fletcher Allen Health Care, Inc. ("FAHC"), the University of Vermont and State Agricultural College ("University") has been asked to consent to the proposed merger of Fletcher Allen Facilities Corporation ("FAFC"), a wholly owned subsidiary of FAHC, with and into FAHC with FAHC as the surviving entity; and

WHEREAS, Vermont law requires a plan of merger to be approved by the board and by the members of each corporation that is a party to the merger;

THEREFORE BE IT RESOLVED, that the merger of FAFC with and into FAHC is hereby approved by the University; and

BE IT FURTHER RESOLVED, that the University, as a member of FAHC, is hereby authorized to execute a written consent of members of FAHC reflecting the foregoing; and

BE IT FURTHER RESOLVED, that the President and the Vice President for Administration are each hereby authorized acting singly to sign the above-referenced consent of members of FAHC on behalf of the University; and

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

appointed to any of the positions heretofore mentioned, and further, that any officer of this corporation is hereby authorized to certify this resolution to whom it may concern.

**THE UNIVERISTY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTES**

EXECUTIVE COMMITTEE

April 19, 2004

Authorizing University Membership in Collegiate Housing Foundation

BE IT RESOLVED, that pursuant to a Letter of Intent dated March 15, 2004, between the University and the Collegiate Housing Foundation, the University is hereby authorized to become a member of the Collegiate Housing Foundation, an Alabama nonprofit corporation, which membership is necessary in order to facilitate the construction and operation of additional housing facilities for University students in connection with a redevelopment project (the "Project") in the City of Winooski, Vermont; and

BE IT FURTHER RESOLVED, that the Senior Vice President, or Vice President for Finance and Administration and University Treasurer, or their designees, are hereby authorized to execute any documents that are necessary or desirable for said purpose; and

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

As endorsed by the Facilities & Technologies Committee on April 19, 2004.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE BOARD OF TRUSTEES

May 21, 2004

Resolution Approving Appointment of Board Chair

RESOLVED, that the Board hereby accepts the recommendation of the Nominating Committee and approves the appointment of James Pizzagalli as Chair, effective immediately.

Resolution Approving Committee Appointments

RESOLVED, that the Board hereby approves the Committee appointments set forth in Attachments 3 and 4 hereto, effective immediately.

CONSENT AGENDA

May 22, 2004

COMMITTEE OF THE WHOLE

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

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

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

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

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

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

WHEREAS, the Board and the administration recognize and agree that:

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

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

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

BE IT FINALLY RESOLVED, that the Board thus adopts a Monitoring Plan to guide the process, as follows:

1. Quarterly, the Administration shall present to the Board's Finance Committee financial performance data for the University compared to this plan or the latest revision thereof.
2. Annually, the Administration shall revise and update the Strategic Financial Plan by adding an additional year to the projections and by revising the projections for the other years to reflect actual results and then-available data. Such revisions shall be presented to the Board for its review and approval in a manner congruent with the annual budget approval process.
3. The University shall retain an independent consultant to assist the University in establishing a debt policy and to study the University's ability to service the level of debt contemplated by the Strategic Financial Plan. The consultant shall also make recommendations on financing instruments and the sequencing and timing of these instruments, and shall study the impact of such additional debt on the University's credit rating.

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

4. The approval of this long-range vision and the Strategic Financial Plan does not constitute the approval of any program, initiative or capital expenditure contemplated thereby. All such programs, initiatives and capital expenditures shall be subject to trustee review and approval according to customary practices and procedures.
5. For this monitoring plan, the Strategic Financial Plan is defined as comprising:
 - projected statements of operations and assumptions
 - projected balance sheets, including cash flow, investments, debt, etc.
 - capital construction plans
 - performance indicators
 - academic growth projections
6. Pro forma balance sheets and statements of cash flow to be included in the Strategic Financial Plan shall be prepared for the September 2004 Board meeting.

FACILITIES & TECHNOLOGIES COMMITTEE

(2) Gutterson Parking Structure Financing Resolution

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

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

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

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

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

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

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

(3) Enterprise Resource Planning Project Resolution

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

WHEREAS, the Board has been presented the complete description and financing plan for the project;

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

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

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

(4) Admissions Carriage House Project

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

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

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

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

(5) Residential Learning Center Project Revisions

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

WHEREAS, at its May 2003 meeting the Board increased the scope of the project to approximately 800 beds with an increase in the project budget to \$47,000,000; and,

WHEREAS, unanticipated site and utility infrastructure costs, modifications to accommodate the Honors College, LEEDS certification expenses and market pressures in the cost of materials have increased the overall cost of the project to \$53,100,000; and,

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

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

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

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

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

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

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

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

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

ACADEMIC & STUDENT PROGRAMS COMMITTEE

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

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

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

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

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

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

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

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

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

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

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

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

INVESTMENT COMMITTEE

(13) Resolution Regarding Shareholder Proposals and Tobacco Products

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

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

(14) Resolution Regarding Shareholder Proposals and Discrimination in Employment

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

(15) Resolution Regarding Investment Advisory Services

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

This resolution supersedes all previous authorizations.

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

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

E. Guidelines for the Fixed Income Fund

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

**EXHIBIT 1
UNIVERSITY OF VERMONT
ASSET ALLOCATION STRATEGY**

<u>Strategy</u>	<u>Implementation</u>	<u>Target</u>	<u>Range</u>
U.S Equity	Core exposure to passive index complemented by one or more satellite managers	39.5%	30-50%
Non-U.S. Equity	One or more managers investing in developed and emerging markets	12%	10-14%
Marketable Alternatives	¹ A group of complementary managers with a distinct approach to investing, each offering attractive	17.5%	16-24%

	levels of expected returns while not being fully correlated with major equity and debt markets		
Real Estate/ Inflation Hedges	If real estate investments are undertaken, exposure will be achieved by investing in one or more commingled funds, offering broad diversification	5%	3-10%
Non-marketable/ Alternatives	Focus will be on high quality of funds, providing a broad range of diversification	5%	0-10%
Fixed Income	One or more managers will be used to provide broad diversification to high quality domestic fixed income	20%	15-30%
Cash & Equivalents	Small amounts of cash may be held for purposes that the Investment Committee deems necessary	1%	0-3%

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

FINANCE & BUDGET COMMITTEE

(17) Acceptance of Gifts and Grants

RESOLVED, that the Board of Trustees hereby accepts gifts in the amount of \$2,985,979.76 for the period January 1, 2004 through April 2, 2004 and grants and contracts in the amount of \$22,592,473 for the period January 1, 2004 through March 31, 2004.

(18) Fiscal Year 2005 Budget Premises: General University

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

(19) Tuition Charges for Fiscal Year 2005

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

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

Medical student out-of-state tuition from \$39,020 to \$40,390 per year for first-year students; from \$39,020 to \$40,000 for second-year students; from \$37,920 to \$38,870 for third-year students; and from \$37,720 to \$38,660 for fourth-year students.

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

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

	<u>per year</u>
Large Single room	\$5,700
Single room	\$5,386
Double room	\$4,710
Triple room	\$3,766
Basic meal plan	\$1,812
Average meal plan	\$2,306
Carte Blanche meal plan	\$2,576

(21) Fees for Fiscal Year 2005

RESOLVED, that the Board of Trustees approves increases to student fees from \$940 to \$1,138 effective with the 2004-2005 academic year.

(22) Fiscal Year 2004 Operating Budget: Morgan Horse Farm

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

COMMITTEE ON HEALTH EDUCATION

(23) Resolution regarding the Affiliation Agreement

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

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

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

FULL BOARD

(24) Resolution regarding Presidential Compensation and Contract

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

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

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

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

**THE UNIVERISTY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTES**

EXECUTIVE COMMITTEE

June 21, 2004

Resolution Authorizing Acceptance of Title to University Place

RESOLVED, that the Committee authorizes the President, or Vice President for Finance and Administration, or their successors or designees, to accept from the City of Burlington title by quitclaim deed to the property known as "University Place" (such property to be more particularly described in such deed); and

BE IT FURTHER RESOLVED, that acceptance shall be upon such terms and conditions as the President, or Vice President for Finance and Administration, deems necessary or desirable in the exercise of his reasonable discretion; and

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

CONSENT AGENDA

September 11, 2004

COMMITTEE OF THE WHOLE

(1) Resolution Approving Committee Assignments for New Trustee

RESOLVED, that the Board approves the appointment of Trustee Deborah McAneny to the Facilities and Technologies and Finance and Budget Committees.

(2) Resolution Regarding Delegation and Retention of Board Authority

WHEREAS, this Board has, in its Bylaws and through such policies and resolutions as it may issue from time to time, delegated to the President and other officers of the University certain authority and responsibility for the management of the University and its programs, activities and operations; and

WHEREAS, this Board recognizes the need for prompt and timely management decisions made by qualified University personnel, and thus, through such delegations, authorizes officers of the University to negotiate and enter into contracts and other arrangements to facilitate the objectives of University programs and activities and to conduct related operations; and

WHEREAS, in making such delegation, the Board also assigns to such officers responsibility to make informed and prudent decisions in the best interests of the University and to maintain accountability to the Board through prompt and accurate reports on University programs, activities and operations, including their financial status and impact;

NOW, THEREFORE, BE IT RESOLVED, that subject to its retained authority and responsibility for the general oversight of the University and subject to action that it will take in accordance with its own fiduciary and legal duties, the Board hereby delegates to the President and the officers of the University authority and responsibility to negotiate and enter into contracts and other arrangements to facilitate the objectives of University programs and activities and to conduct related operations, and hereby also recognizes the authority the Board delegates to the Faculty Senate as expressed in the Faculty Senate Constitution and Bylaws, except for the following, which shall require Board approval:

- (1) statements of institutional mission, principles and values;
- (2) the institutional strategic plan and associated goals, and related strategic financial plans and goals, and all material revisions thereto;
- (3) establishment and dissolution of University-affiliated corporations and foundations, and University membership in other corporate entities (but not institutional memberships in professional associations);

- (4) appointment of University trustees to the boards of other corporate entities or public bodies in their capacity as University trustees;
- (5) appointment and employment of the President, and appointment of other officers of the University in accordance with the University Bylaws;
- (6) creation or elimination of, and material changes in, academic programs and departments; establishment of, and appointments to, endowed chairs; and approval of the faculty medical practice plan;
- (7) award of academic and honorary degrees;
- (8) matters the Faculty Senate may appeal to the Board under the Senate Constitution and Bylaws;
- (9) naming of buildings, academic programs and departments;
- (10) termination of tenured faculty for cause;
- (11) through its Investment Committee, investment and reinvestment decisions as to all restricted and unrestricted funds; and selection, retention and termination of investment advisors and managers; provided that, the Board must itself approve the endowment spending rate, institutional debt policy, declaration of financial exigency, and dissolution, merger or the sale or pledge or transfer of all or substantially all of the University's assets;
- (12) the institutional annual budget, State appropriation and capital requests, and the annual audited financial statement;
- (13) tuition, room and board rates, and student fees;
- (14) purchase, sale, exchange, or transfer of complete or partial interests in real property, regardless of location, at a value that equals or exceeds \$500,000; authorization of acceptance of compensation in eminent domain proceedings; the lease or sublease of property with annual or aggregate rental value that equals or exceeds \$500,000, and renewals thereof; the pursuit or acceptance of historic preservation designation for University property; and adoption of, and material revisions to, a Campus Master Plan;
- (15) authorization to make payments in lieu of taxes;
- (16) issuance of bonds;
- (17) procurement of loans, lines or credit, or other financing, and performance as surety, in amounts or at a value that equals or exceeds \$1,000,000;

- (18) negotiation and execution of contracts for facilities construction or renovation, and purchase or sale of goods, equipment or services, and all other contracts whose value equals or exceeds \$1,000,000, provided that the Board shall approve all contracts for consulting services whose value equals or exceeds \$250,000, and shall also authorize, through its Investment Committee, the selection and retention of all investment advisors regardless of contract cost;
- (19) selection and retention of independent audit firms to conduct mandatory financial attestation and/or compliance audits, regardless of contract cost; contracts of \$10,000 or more for non-audit consulting services with any independent audit firm conducting a mandatory attestation and/or compliance audit for UVM; and, otherwise, contracts with independent audit firms for consulting services whose value equals or exceeds \$250,000;
- (20) authorization to settle lawsuits whose value equals or exceeds \$500,000; and authorization to file and/or settle lawsuits in which the Board is a named party or a Board-approved policy is in dispute;
- (21) all Board self-governance matters reserved to the Board in the University Bylaws, including without limitation the election, appointment and removal of Board officers, approval of Board Committee appointments, and election and appointment of Trustees by the UVM Board; or as otherwise required or permitted by law; and
- (22) revisions to University Bylaws; matters required by law, Bylaws, and/or contract; and such other authority as the Board is required to exercise without delegation as a matter of law, or that, in the future and prospectively, it wishes to retain or retrieve in the exercise of its fiduciary duties and sole discretion;

AND BE IT FURTHER RESOLVED, that notwithstanding such delegations, through the President or his designees, the administration shall report periodically on matters of institutional management and operations, as the Board may direct and/or as may be appropriate and desirable, including without limitation periodic reporting on gifts and grants; and subject to the terms of (18) and (19) above respectively, retentions of consultants and independent audit firms for consulting services whose value equals or exceeds \$ 100,000; and, subject to the terms of (20) above, settlement of lawsuits whose value equals or exceeds \$ 250,000; and

BE IT FINALLY RESOLVED, that this resolution shall supersede all preexisting delegations prospectively.

INVESTMENT COMMITTEE

(3) Resolution Revising Section E of University Statement of Investment Objectives and Policies

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

E. Guidelines for the Fixed Income Fund

1. The objective of the Fixed Income Fund is to outperform the Lehman Brothers Aggregate Bond Index (net of fees) as well as the Cambridge Associates bond manager median. (See Section J - Definitions) Performance will be monitored on a regular basis and evaluated over a running three- to five-year period.
2. Money market instruments as well as fixed income securities may be used in the Fixed Income Fund, but equities and convertible bonds are excluded. The fixed income fund manager is expected to employ so-called active management techniques such as interest rate anticipation and intersectoral arbitrage, but changes in average duration should usually be moderate and incremental. Since the fund is designed as a deflation hedge, an average (See Section J - Definitions) duration within one year of the Lehman Aggregate Index should be maintained.
3. With the exception of US Treasury, agency and agency mortgage issues, no more than 5% of the portfolio may be invested in the obligations of any one issuer.
4. The weighted average portfolio quality must be rated at least A1 by Moody's and/or A+ by Standard & Poor's. Individual investments must be rated at least BBB/B at the time of purchase. No more than 20% of the Account's assets may be rated below Baa/BBB- at time of purchase. Issues downgraded below B/B- must be disposed of in a prudent manner with a target disposition within ninety days after the date of the downgrade. In the case of split-rated issues, the lower of the two ratings will prevail. If an issue is not rated by either Moody's or Standard & Poor's, the rating of another Nationally Recognized Statistical Rating Organization (NRSRO) may be used. These NRSROs include Fitch and IBCA.
5. The aggregate notional value of derivative instruments such as options, futures, index-based securities (swaps), or derivative mortgage backed securities may be used up to a limit of 25% of the manager's portfolio. No derivative transaction will constitute more than 5% of the portfolio's assets. Credit counterparties will have at least a "AA" rating. Derivatives transactions may be entered into for hedging purposes, return enhancement, or as a substitute for a specific instrument, but not for speculative purposes or as a means to circumvent other stated objectives and policies. Under no circumstances should the use of derivatives lengthen the duration of the portfolio beyond 150% of the duration of the Lehman Brother's Aggregate Index.

ACADEMIC AND STUDENT PROGRAMS COMMITTEE

(4) Resolution Authorizing Award of Degrees

RESOLVED, that the Board delegates to the President and, and in the event of his absence or unavailability, to the Provost, each *ex officio*, the authority to award academic degrees following Faculty Senate approval of the award of those degrees; and

BE IT FURTHER RESOLVED, that this authority will be for the academic year 2004 – 2005 or until the Board revokes its delegation.

(5) Resolution Approving the Revised Student Harassment Policy

RESOLVED, that the Board approves the revised Student Harassment Policy effective July 1, 2004.

(6) Resolution Appointing the Endowed Professorship in Radiation Therapy

RESOLVED, that the Board of Trustees approves the appointment of Ahmad Chaudhry to the Endowed Professorship in Radiation Therapy.

FACILITIES AND TECHNOLOGIES COMMITTEE

(7) Shelburne Pond Property Gift Acceptance

WHEREAS, the Nature Conservancy is the owner of a parcel of land in the Town of Shelburne that it wishes to convey to the University for inclusion in the University's H. Laurence Achilles Natural Area; and

WHEREAS, the parcel consists of approximately 38 acres of the former Mallette Farm located at the northwest corner of Shelburne Pond, and abuts the University's 2000 Mallette addition to its H. Laurence Achilles Natural Area; and

WHEREAS, the property is significant for educational and scientific purposes because it has diverse habitats of hard ground and marshland, and because it borders the only large undeveloped natural pond remaining in western Vermont; and

WHEREAS, the University is willing to accept this parcel of land to be added to its H. Laurence Achilles Natural Area, to ensure its preservation and its continued use as an educational and research resource to the University;

THEREFORE, BE IT RESOLVED, that the Board of Trustees hereby authorizes the President or Vice President for Finance and Administration, or their successors, to negotiate the acquisition of the property as a gift and to execute any and all instruments necessary to accomplish that

purpose. The terms of the deed shall include the right of first refusal in favor of The Nature Conservancy if the University should wish to convey any of these lands in the future; and

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

FINANCE AND BUDGET COMMITTEE

(8) Acceptance of Gifts and Grants

RESOLVED, that the Board of Trustees hereby accepts gifts in the amount of \$4,319,719.05 for the period April 3, 2004, through June 30, 2004, and grants and contracts in the amount of \$36,697,913 for the period April 1, 2004, through June 30, 2004.

(9) Authorization to Commence Development of Commercial Paper Program

WHEREAS, the University of Vermont intends to advance its vision through a strategic capital plan that includes targeted investment in buildings, facilities, and computing infrastructure; and

WHEREAS, it may be beneficial to obtain internal or external interim financing until bonds can be issued for the projects at the appropriate time;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and University Treasurer, or their successors or designees, are hereby authorized, subject to final Board of Trustees approval, to commence development of a Commercial Paper Program, to include taxable and tax-exempt series, through (i) selection of an investment bank to act as dealer (for the Commercial Paper Program) and/or underwriter (for a bond issue) and negotiation of a dealer agreement, (ii) selection of a commercial bank to act as issuing and paying agent and negotiation of the issuing and paying agent agreement, (iii) selection of a bank or other financial institution to act as liquidity provider and negotiation of a revolving loan or other agreement, and (iv) preparation of a Tax Certificate with the aid of University bond counsel.

(10) Declaration of Official Intent of the University of Vermont to Reimburse Certain Expenditures from Proceeds of Indebtedness

WHEREAS, the University of Vermont intends to purchase, construct, or renovate certain buildings, facilities, and computing infrastructure, including the following: University Commons Project, Colchester Research Facility, Nutrition and Food Sciences Project and ERP Project, Residential Learning Center (each described in the May 21, 2004 resolution of the Facilities and Technologies Committee), and Living, Learning Residential Halls Renovations (described in resolution of May 11, 2002 and amended on May 16, 2003), (the "Projects"); and

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Projects before the issuance of indebtedness for the purpose of financing costs associated with the Projects on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed \$150 million will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Projects with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University of Vermont to make any expenditure, incur any indebtedness, or proceed with the Projects.

Section 3. The University of Vermont hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

(11) Adoption of Debt Policy and Establishment of Debt Sub-Committee

WHEREAS, the University of Vermont has a strategic plan that calls for a variety of capital investments to further the overall purposes of that plan; and

WHEREAS, the University desires to effectively manage access to capital; to manage its credit to meet its long-term strategic objectives while maintaining creditworthiness consistent with the most favorable relative cost of capital and borrowing terms; to limit risk to its debt portfolio; and to permit the optimization of the investment of the University’s working capital and cash balances; and

WHEREAS, these goals warrant an organized and consistent means to define and manage the use of debt as a source to provide capital for the initiatives needed to support the institution and its strategic plan;

NOW, THEREFORE, BE IT RESOLVED, that the University of Vermont hereby adopts the attached Debt Policy, dated September 10, 2004.

BE IT FURTHER RESOLVED, that a permanent Debt Subcommittee of the Finance and Budget Committee is hereby established and charged with the regular review of the Debt Policy and related oversight responsibilities as defined in that Policy.

FACILITIES & TECHNOLOGIES AND FINANCE & BUDGET COMMITTEES

(12) University Commons Resolution

WHEREAS, the Board of Trustees authorized at its February 2003 meeting the programmatic planning phase for a University Commons (the “University Commons Project”); and

WHEREAS, the Board subsequently authorized at its May 2003 meeting the next phase of the University Commons Project including architect selection, project design, and permitting process initiation; and

WHEREAS, through due diligence it has been demonstrated to the Board that the University Commons will assist the University in advancing its strategic objectives, including academic program and student quality; and

WHEREAS, the Board has been presented the complete design and financing plan for the project;

NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees are hereby authorized to commence construction and to execute any and all contracts and documents necessary to undertake the University Commons project at a total cost not to exceed \$70,000,000; and

BE IT FURTHER RESOLVED, that the administration is hereby authorized to deconstruct the Carrigan Dairy Sciences Building, the UVM Bookstore Building, and the building at 622 Main Street, and to relocate the Johnson House from 590 Main Street to 617 Main Street, as part of the University Commons Project; and

BE IT FURTHER RESOLVED, that, until bonds are issued for the project, the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to obtain internal or external interim financing via the issuance of commercial paper, utilization of lines of credit, or other financing vehicles as authorized by the Board, and

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

(13) Nutrition and Food Sciences Project Resolution

WHEREAS, the long-term plan of the College of Agriculture and Life Sciences is to consolidate the various programs of the Department of Nutrition and Food Sciences into a single facility; and,

WHEREAS, the deconstruction of Carrigan Dairy Science building necessitates the relocation of the Food Sciences program; and

WHEREAS, the construction of a 15,000 square foot addition to Marsh Life Sciences would allow for the ultimate consolidation of these units, once the Plant Sciences Building is built; and

WHEREAS, this consolidation and those resulting from the program of the Plant Sciences Building are both integral components of the education and research planning for Life Sciences in the College of Agriculture and Life Sciences;

NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees, are hereby authorized to commence design and construction of a Nutrition and Food Sciences addition to Marsh Life Sciences (the "Nutrition and Food Sciences Project"), and to execute any and all contracts and documents necessary to undertake the project at a total cost not to exceed \$6,850,000; and

BE IT FURTHER RESOLVED, that, until bonds are issued for the project, the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to obtain internal or external interim financing via the issuance of commercial paper, utilization of lines of credit, or other financing vehicles as authorized by the Board, and

BE IT FURTHER RESOLVED, that construction shall not commence until the University's retained Master Planning consultants have reviewed and endorsed the project, and

BE IF FURTHER RESOLVED, that the retained Master Planning consultants will report its findings to the Executive Committee at its October 18, 2004 meeting, and the administration will submit such report to the Executive Committee for its approval; and

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

(14) Colchester Research Facility Resolution

WHEREAS, the Board of Trustees authorized at its September 2003 meeting a site analysis, schematic design drawings, and a financial plan for a combined life sciences facility to replace the Hills building, provide additional research space for the College of Medicine (to replace space leased in the Colchester Business Park), and provide for the co-location of State Health Department and Public Safety forensic laboratories; and

WHEREAS, the Board was advised by the administration at its May 2004 meeting that such a plan presented significant obstacles and challenges; and

WHEREAS, further financial analysis has confirmed that the best solution would be to acquire the currently leased Aquatec property in Colchester and an abutting lot on which additional research space could be constructed; and

WHEREAS, the State of Vermont has decided to move forward with its portion of the proposed project independent of the University;

NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees are hereby authorized to exercise existing options to acquire the Aquatec property at 208 South Park, Colchester, Vermont, and the abutting undeveloped Lot #1, subject to due diligence, and to execute any and all contracts and documents necessary to undertake this purchase at a total cost not to exceed \$12,000,000; and

BE IT FURTHER RESOLVED, that the President or Vice President for Finance and Administration, or their successors or designees, are authorized to renovate portions of the former Aquatec building and provide for freezer storage at a cost not to exceed \$1,800,000, and to execute any and all documents necessary to undertake this project (the Colchester Research Facility”); and

BE IT FURTHER RESOLVED, that, until bonds are issued for the project, the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to obtain internal or external interim financing via the issuance of commercial paper, utilization of lines of credit, or other financing vehicles as authorized by the Board, and

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

CONSENT AGENDA

November 13, 2004

COMMITTEE OF THE WHOLE

(1) Resolution in Memoriam of Dean Joan Smith

WHEREAS, Dr. Joan Smith served the University with distinction and dedication since 1995 as the Dean of the College of Arts and Sciences, and as a Professor of Sociology since 1990, and

WHEREAS, Joan had a substantial, visible, and positive impact upon the students, faculty and staff to whom her profound and abiding commitment was felt and known; and

WHEREAS, Joan demonstrated exceptional visionary leadership and tenacious fidelity to the academic and intellectual mission of the College of Arts and Sciences, and

WHEREAS, Joan was an accomplished and recognized scholar, initially focusing on the U.S. prison system and later chronicling the struggles of working class women, and

WHEREAS, Joan was a deeply valued, compassionate colleague and friend to so many members of the University community and beyond;

THEREFORE, BE IT RESOLVED, that the Board of Trustees of the University of Vermont expresses its deep appreciation for Joan's service, and sends heartfelt condolences and this remembrance to the family of Dr. Joan Smith.

(2) Authorization for President to Confer Honorary Degrees

RESOLVED, that the President be and hereby is authorized to offer and confer honorary degrees at the 2005 Commencement to the individuals recommended by the Joint Committee on Honorary Degrees.

DIVERSITY COMMITTEE

(3) Resolution Amending the Charge of the Standing Committee on Diversity and Restating the Commitment of the Board of Trustees on Diversity

WHEREAS, on February 5, 1999, the University of Vermont Board of Trustees established the Standing Committee on Diversity, following several years of active Board and University-wide discussion, debate and deliberation on the value and importance of diversity; and

WHEREAS, diversity is a core educational value essential to advancement of the University's mission, and is prominent in the University's Strategic Plan; and

WHEREAS, the Committee on Diversity has examined the Committee's charge to clarify the focus of the Committee's work and responsibilities, to help the Board and the University to make further progress in this area; and

WHEREAS, the Board of Trustees finds that continuing progress in achieving the University's strategic diversity goals will be fostered by making a clear and persuasive statement articulating the reasons why diversity is a critically important strategic priority for the University, and supporting the Board's own commitment to diversity;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Board of Trustees adopts and affirms the 'Why Diversity' statement attached to this Resolution as a statement of fundamental University policy and values.
2. That the Committee on Diversity's charge be hereby amended to read as follows:

The charge of the Standing Committee on Diversity shall be to review and monitor the progress of the University's ongoing and strategic efforts to (i) attract a diverse student body, faculty and staff; (ii) foster a climate that promotes success for students, faculty and staff from diverse backgrounds; and (iii) develop curricula and programs, for the benefit of the University community and beyond, that educate and inform about the challenges and opportunities of a diverse country and world. The Committee shall also review and examine the University's Strategic Plan in this area, recommending changes as and when appropriate.

3. That, realizing that each Committee of the Board has opportunities to advance the University's diversity initiatives, the Board recognizes that progress toward them is a responsibility of each Board Committee, and of the Board as a whole.
4. That this Resolution inform the President's continuing work in (a) promoting vigorous University discussion and dialogue about the importance of diversity as expressed in the 'Why Diversity' statement, as set for the in Attachment A to this resolution, and (b) achieving the University's strategic diversity goals.

AUDIT COMMITTEE

(4) Resolution Regarding the Audit Committee Charter

WHEREAS, the Board has established a standing Audit Committee; and

WHEREAS, the Board seeks an appropriate venue for its consideration of (1) the integrity of the University's financial statements, (2) the systems of internal control, (3) sound business risk

practices, (4) sound business ethical behavior, (5) the performance of the independent auditor and internal audit function, and (6) the independent audit firm's independence; and

WHEREAS, consideration of these topics by the Committee is both appropriate and desirable given its purpose;

THEREFORE, BE IT RESOLVED, that the charge of the Committee be amended as set forth in Attachment B to this resolution.

(5) Acceptance of Fiscal Year 2004 Annual Audit

WHEREAS, the books and accounts of the University of Vermont and State Agricultural College for the Fiscal Year ended June 30, 2004, have been audited by KPMG Peat Marwick, Certified Public Accountants, under the supervision of the Auditor of Accounts, State of Vermont, and the report of such audit published in detail in accordance with 16, V.S.A., Section 2281(a);

BE IT RESOLVED, that in accordance with authorization contained in the Bylaws, the Board hereby accepts such audit in lieu of the annual audit, and that the same be considered as the report of the Audit Committee.

(6) Audit Firm for Fiscal Year 2005 Audit

RESOLVED, that the Board of Trustees authorizes the President and/or Provost to enter into a contract with KPMG, Certified Public Accountants, to conduct the annual audit of the University and other related audits for and during the fiscal year ending June 30, 2005, under the terms and conditions of KPMG's proposal dated November 1, 2002, and contingent upon receipt of a confirmation letter from KPMG, consistent with the terms and conditions of said proposal. The annual audit shall be conducted in compliance with the requirements of the University Bylaws and State and Federal law.

FINANCE AND BUDGET COMMITTEE

(7) Acceptance of Gifts and Grants

RESOLVED, that the Board of Trustees hereby accepts gifts in the amount of \$3,331,561.64 for the period July 1, 2004 through October 1, 2004 and grants and contracts in the amount of \$34,824,270 for the period July 1, 2004 through September 30, 2004.

(8) General University and Morgan Horse Farm FY 2006 State Appropriation Request

RESOLVED, that the President be and hereby is authorized to request from the Governor and the Legislature of the State of Vermont an appropriation for general operations of The University of Vermont in the amount of \$40,834,388 for Fiscal Year 2006, representing a 5% increase in base appropriation and a supplemental request of \$1,000,000.

BE IT FURTHER RESOLVED, that the President be and hereby is authorized to request an appropriation for general operations of the Morgan Horse Farm of \$5,000 for Fiscal Year 2006.

(9) Summer Session Tuition Rates

RESOLVED, that the Board of Trustees hereby approves increases in tuition for the Summer Session from \$332 to \$357 per credit hour for in-state students and from \$779 to \$855 per credit hour for out-of-state students. The increases are to become effective with the 2005 summer session.

(10) Resolution Relating to the Financing of the Wing-Davis-Wilks Residence Complex Renovation Plan

WHEREAS, the Wing-Davis-Wilks Residence Complex (the "Project") at the south end of Redstone Campus is in need of renovation and rehabilitation; and

WHEREAS, such renovations have been anticipated, and are included in both the Residential Life Master Plan and the Strategic Financial Plan; and

WHEREAS, it may be beneficial to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued at the appropriate time for the Project;

NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees are hereby authorized to retain at a cost not to exceed \$2,000,000 various architects, engineers and a construction manager to develop plans and estimates for the renovation of the Wing-Davis-Wilks Residence Complex and to execute any and all contracts and documents necessary to undertake this planning.

BE IT FURTHER RESOLVED, that the President or Vice President for Finance and Administration, or their successors or designees, are hereby authorized to obtain internal or external interim financing, including the use of commercial paper, until bonds can be issued for the project.

BE IT FURTHER RESOLVED, that a complete plan and budget for this project will be brought to the Facilities and Technologies Committee for review and approval at its February 2005 meeting.

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

Declaration of Official Intent of The University of Vermont to Reimburse Certain Expenditures from Proceeds of Indebtedness

WHEREAS, the University expects to pay certain expenditures (the “Reimbursement Expenditures”) in connection with the Project before the issuance of indebtedness for the purpose of financing costs associated with the Project on a long-term basis; and

WHEREAS, the University reasonably expects that debt obligations in an amount not expected to exceed \$2,000,000 will be issued and that certain of the proceeds of such debt obligations will be used to reimburse the Reimbursement Expenditures; and

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the University to declare its reasonable official intent to reimburse prior expenditures for the Project with proceeds of a subsequent borrowing;

NOW, THEREFORE, the University of Vermont declares:

Section 1. The University of Vermont finds and determines that the foregoing recitals are true and correct.

Section 2. This declaration is made solely for purposes of establishing compliance with the requirements of Section 1.150-2 of the Treasury Regulations. This declaration does not bind the University to make any expenditure, incur any indebtedness, or proceed with the Project.

Section 3. The University hereby declares its official intent to use proceeds of indebtedness to reimburse itself for Reimbursement Expenditures.

Section 4. This declaration shall take effect from and after its adoption.

ACADEMIC AND STUDENT PROGRAMS COMMITTEE

(11) Approval to Establish the Bachelor of Science Degree in Public Communication

RESOLVED, that the Board of Trustees approves the establishment of the Bachelor of Science Degree in Public Communication as approved by the Provost on November 10, 2004 and by the President on November 10, 2004.

FACILITIES AND TECHNOLOGIES COMMITTEE

(12) State Capital Request FY 2006

RESOLVED, that the President be and hereby is authorized to request \$4,087,500 from the Governor and Legislature of the State of Vermont toward the proposed Plant Sciences Building that will replace the Hills Agricultural Sciences Building.

(13) Wing-Davis-Wilks Renovation Planning

WHEREAS, the Wing-Davis-Wilks residence complex at the south end of Redstone Campus is in need of renovation and rehabilitation; and

WHEREAS, such renovations have been anticipated, and are included in both the Residential Life Master Plan and the Strategic Financial Plan;

NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees are hereby authorized to retain at a cost not to exceed \$2,000,000 various architects, engineers and a construction manager to develop plans and estimates for the renovation of the Wing-Davis-Wilkes Residence Complex and to execute any and all contracts and documents necessary to undertake this planning; and

BE IT FURTHER RESOLVED, that a complete plan and budget for this project will be brought to the Facilities and Technologies Committee for review and approval at its February 2005 meeting; and

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

(14) Plant Sciences Building Planning

WHEREAS, the Board of Trustees authorized at its September 2003 meeting a site analysis, schematic design drawings, and a financial plan for a combined life sciences facility to replace the Hills building, provide additional research space for the College of Medicine and provide co-location of State Health Department and Public Safety forensic laboratories; and,

WHEREAS, the State of Vermont subsequently decided to move forward with its portion of the proposed project independent of the University; and,

WHEREAS, further financial analysis confirmed the best solution for the College of Medicine was to acquire the currently leased Aquatec property in Colchester which the Board of Trustees authorized at its September 11, 2004 meeting; and

WHEREAS, the needs of the Plant and Soil Science and the Botany and Agricultural Biochemistry departments can best be met by construction of a Plant Sciences building on the main campus; and,

WHEREAS, the General Assembly has appropriated \$3,912,500 toward the replacement of the Hills Agricultural Sciences Building;

NOW, THEREFORE, BE IT RESOLVED, that the President, Vice President for Finance and Administration, or their successors or designees are hereby authorized to retain at a cost not to exceed \$3,912,500 various architects, engineers and a construction manager to develop plans and

estimates for the construction of a Plant Sciences Building and to execute any and all contracts and documents necessary to undertake this planning; and

BE IT FURTHER RESOLVED, that a complete architectural and funding plan for this project will be brought to the Facilities and Technologies Committee for review and approval prior to commencing construction; and

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

(15) Commercial Paper Resolutions:

- Project CP Authorizing Resolution
- Resolution Approving Documents & Agents
- Wing – Davis – Wilks Project Resolution
- A Resolution Relating to the Financing of Certain Projects

(Refer to November 13, 2004 Full Board Meeting Minutes for Commercial Paper Resolutions)

**Why Diversity is an Academic and Institutional Strategic Priority
For the University of Vermont
November 13, 2004**

The University of Vermont holds that diversity and academic excellence are inseparable. An excellent university, particularly one that is a public land grant, needs to actively seek to provide access to all students who can excel at the institution, without respect to their backgrounds and circumstances, including, among other differences, those of race, gender, sexual orientation, ethnicity, socio-economic status, cultural and/or geographic background, religious belief, age, and disability. There is, moreover, a compelling national interest in a higher education sector rich in diversity and opportunity, and a clear state interest in making the educational benefits of this diversity and opportunity accessible to Vermonters.

The nation's economic success depends upon global networks and markets, and our future security and prosperity require us to be a respected partner with diverse countries and communities across the globe. Research and scholarship are increasingly international and cooperative enterprises that require team building and collaborative skill sets. Many of the most pressing problems our graduates will face in their lifetimes are regional or global in nature, including war and terrorism, disease, poverty, global warming, and an intense competition for diminishing resources. An education grounded in diverse perspectives will better enable our graduates to confront these problems. Likewise, the social, economic and political challenges of our increasingly diverse state and nation require leaders well educated in, and respectful of, the nature and complexities of diversity and differences.

The compelling interest of public universities in creating and supporting diversity was cited in the majority decision of the U. S. Supreme Court in Grutter v. Bollinger, decided June 23, 2003:

“the Court endorses Justice Powell’s view that student body diversity is a compelling state interest in the context of university admissions.”

Our mission as a public research university is to educate students and to create and disseminate knowledge. Consequently, we must strive to educate our students about the world that they live in and help them acquire the information and skills they need for successful and productive lives. It is not possible to accomplish this without the strong presence of three critical things. The first is maintaining a safe and respectful climate for all members of our University community. The second is achieving diversity among the university community of faculty, staff and students. The third is providing a curriculum that is rich in multicultural perspectives across our various programs and disciplines.

We must recognize, however, that diversity goes well beyond curriculum. In 1852, Cardinal Newman, in seeking to explain the effectiveness of British universities in forming successful students, said:

"When a multitude of young men [add, of course, "young women" for the modern public university], keen, open-hearted, and observant, as young men are, come together and freely mix with each other, they are sure to learn from one another, even if there be no one to teach them; the conversation of all is a series of lectures to each, and they gain for themselves fresh matter of thought, and distinct principles for judging and acting day by day. Such teaching," Cardinal Newman adds, "is necessary for our social being, and it is secured by a large school or a college . . . for the pupils come from very different places, and with widely different notions."

Thus Cardinal Newman recognized that much student learning comes from personal and group interactions inside and outside the classroom and that those interactions need to be enriched by a diversity of experiences, opinions and views. Many of the most able and gifted students actively seek such a diversity of people and ideas. Without this type of multicultural experience and the depth of understanding and the skills it helps develop, our students will lack a very significant dimension of educational preparation as they leave to pursue their chosen careers and take their place as leaders in a state, a nation and a world that are increasingly diverse.

It is also clear that academic excellence goals cannot be met without a diverse professoriate. A diverse faculty is necessary not only for the variety of ideas and experiences that it brings to the creation of a truly excellent curriculum but also for the intellectual and social vibrancy that marks a vital academic community. Likewise, diversity among our staff enhances the safe and respectful climate that is essential to achieving the University's educational goals.

For these reasons, therefore, a diverse UVM community is a compelling institutional interest that is indispensable to achieving our goal of academic excellence. If we are unsuccessful, the academic quality of the institution will be compromised, we will become less competitive for the best students, staff and faculty, and we will find ourselves increasingly isolated from the ever more diverse world in which our graduates will live and work.

The University of Vermont Board of Trustees

Audit Committee

Charter

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

I. Principal Responsibilities

The principal responsibilities of the Committee shall include:

- a. promoting the development and monitoring the effectiveness of an institutional system of risk assessment and internal controls;
- b. reviewing and, as appropriate, making recommendations to the Board, regarding institutional policies relevant to the scope of Committee responsibilities, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention;
- c. ensuring that audit plans encompass significant and material aspects of University operations;
- d. approving the selection and retention of the independent auditor and recommending such additional audits as the Committee and/or the Board must approve under the Board's reserved authority;
- e. maintaining direct and effective communication with independent auditors on behalf of the Board;
- f. reviewing the results of internal and external audits (including the annually audited financial statement), and assessing the quality and timeliness of management's response and corrective actions;
- g. evaluating the scope and quality of internal and independent audit services, and the degree of coordination and appropriate degree of independence between them; and
- h. reporting regularly and promptly to the Board regarding matters within the scope of the Committee charge.

II. Membership

By resolution, the University of Vermont Board of Trustees shall annually appoint members to the Committee who are independent of management and the University. Members of the Committee shall be considered independent as long as they do not directly or indirectly accept any consulting, advisory, or other compensatory fees from the University and are not affiliated persons of the University, its subsidiaries or management.

Members of the Committee shall receive orientation appropriate to their Committee membership. They will have the goal of understanding general accounting, business and finance principles, including the ability to read and understand institutional financial statements. If possible, at least one member of the Committee will possess accounting or financial expertise.

III. Authority

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

IV. Adoption of Charter

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

Audit Committee Guidelines

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

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

I. Retention of the Independent Audit Firm

- a. The Committee shall annually select and retain an independent audit firm to conduct mandatory annual financial attestation and/or compliance audits. In conjunction with such selection, the Committee will assess the independence and objectivity of the firm by reviewing and assessing the letter the firm issues under Independence Standards Board Standard No. 1. The Committee will review and assess any relationships disclosed that may impact auditor objectivity and independence.
- b. The Committee shall solicit requests for proposals relative to mandatory annual financial attestation and/or compliance audits from qualified independent audit firms no less than once every five years.
- c. In the event that an independent audit firm is retained to conduct a mandatory annual financial attestation and/or compliance audit for seven or more consecutive years, the Committee shall, as a condition of retention of the firm, require rotation of the lead audit partner on the University engagement.

II. Retention of Other Audit Services

- a. The independent audit firm retained to conduct mandatory annual financial attestation and/or compliance audits generally shall not be eligible for University engagements to perform non-audit services, including bookkeeping; financial information systems design, implementation or operation; appraisal or valuation services, fairness opinions or contribution-in-kind reports; internal audit outsourcing services; management functions or human resources; broker or dealer, investment advisor, or investment banking services; legal services and expert services unrelated to the audit; preparation of the indirect cost proposal or cost allocation plan; or other services that would violate the U.S. General Accounting Office Independence Standard. If, due to extenuating circumstances, and in the exercise of its reasonable discretion, management deems it to be in the best interests of the University to retain the independent audit firm for non-audit services, the proposed retention is subject to review and action by the Committee where the retention will result in fees of \$10,000 or more.

b. Contracts for non-audit services with independent audit firms not already retained by the University to conduct mandatory annual financial attestation and/or compliance audits are subject to review and recommendation by the Committee and subsequent Board consideration and action when such retentions will result in fees of \$ 250,000 or more.

III. Oversight of Audits

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

- a. review annual audit plans developed by the Office of Institutional Risk Assessment and Audit Services, and receive periodic progress reports relative to such plans;
- b. review and approve audit plans developed in consultation with independent audit firms, including (i) the critical accounting policies and practices to be used; (ii) all alternative treatments of financial information discussed with management, ramifications of alternative treatment and the treatment preferred by the firm; (iii) other material communications between the firm and management; and (iv) required communications from the firm under Statement of Auditing Standards No. 61, as amended;
- c. review and approve mandatory annual financial attestation and/or compliance audit reports, including the annual audit reports on federal awards received as required by Office of Management and Budget Circulars (*e.g.*, A-133) and the financial audit report of institutional National Collegiate Athletic Association programs;
- d. resolve disagreements between management and the independent audit firm regarding financial reporting;
- e. review the independent audit firm management letter comments regarding institutional financial internal controls, accounting policies and procedures, and management's response to those comments;
- f. review with management, the Office of Institutional Risk Assessment and Audit Services, and the independent audit firm their respective judgments about the quality of University accounting principles; the consistency, and the degree of aggressiveness or conservatism, in the application of accounting principles; the reasonableness of significant accounting judgments; and the clarity and completeness of the financial statements and related disclosures;
- g. confirm with management, the Office of Institutional Risk Assessment and Audit Services and the independent audit firm respectively that the annual financial statements disclose all material off-balance sheet transactions, arrangements, obligations, and other relationships of the University with unconsolidated entities or other persons that may have a material current

or future effect on institutional financial condition, and the results of operations, liquidity, capital expenditures, capital resources, or significant components of revenues or expenses;

- h. receive reports from management, the Office of Institutional Risk Assessment and Audit Services and the independent audit firm, regarding new and significant accounting standards to understand their impact on institutional financial statements;
- i. receive reports from the Office of Institutional Risk Assessment and Audit Services regarding any financial fraud which, in single incident or aggregate, results in an institutional uninsured or insured loss in excess of \$10,000;
- j. review the organizational structure, qualifications, and independence of the University's Institutional Risk Assessment and Audit Services Office; and
- k. review and take action regarding recommendations from the President to the Committee regarding the appointment, reassignment or employment termination of the University's Associate Vice President for Institutional Risk Assessment and Audit Services.

IV. Internal Controls

a. Certifications

- i. The Committee will receive periodic reports from management on attestations it is rendering in conjunction with mandatory annual financial attestation and/or compliance audits as well as significant and material debt financing, such as issuance of bonds.
- ii. Without limitation on 4.a(i), the Committee will receive from the Chief Financial Officer record of certification along with the annual financial statement report that:
 - a. He/she has approved the audit report,
 - b. Based on his/her knowledge, the report does not contain any material untrue statements or omissions,
 - c. Based on his/her knowledge, the financial statements materially present the financial condition and result of operations,
 - d. He/she is responsible for establishing and maintaining a system of financial internal controls, and that
 - e. He/she has disclosed to the auditors and the Audit Committee all significant internal control deficiencies and changes that could materially affect financial data.
- b. The Committee will receive for its review and comment and, if necessary, its recommendation to the Board, institutional policies relevant to its scope of work, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention.

**THE UNIVERISTY OF VERMONT AND STATE AGRICULTURAL COLLEGE
BOARD OF TRUSTES**

EXECUTIVE COMMITTEE

December 13, 2004

Resolution regarding the Affiliation Agreement

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

BE IT FURTHER RESOLVED, that the deadline shall be extended to March 31, 2005.

Resolution Approving Debt Subcommittee Assignment Change

RESOLVED, that the Board approves the appointment of Trustee Deborah McAneny as a member of the Debt Subcommittee, succeeding Trustee Margaret Hummel.