

2009 Resolutions

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- 1) Resolution Authorizing Contracts for Charter Bus Services
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- 1) Approval of Appointments to the Trustee Advisory Work Group
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- 1) Resolution Approving Renewal of Library Acquisition Contract with EBSCO, Inc.
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- 1) Resolution Regarding Graduate Student Senate
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- 5) Cook Physical Science Renovation Resolution
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- 7) Resolution Approving the Establishment of a Minor in Dance
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- 9) Resolution Authorizing Agreement to Establish U.S. Sino Pathways Program at University of Vermont
- 10) Resolution Approving Financing Plan for the Greening of Aiken
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- 13) Annual Review of Debt Policy
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- 15) Summer Tuition Resolution

December 14, 2009

- 1) Resolution Approving the Creation and Naming of the Tarrant Institute for Innovative Education
- 2) Resolution Authorizing Job Order Contracts for Hazardous Materials
- 3) Resolution Authorizing 5-Year Lease with CHF Winooski
- 4) General Obligations Bonds, Series 2010A (Taxable) and Series 2010B

EXECUTIVE COMMITTEE

January 12, 2009

Resolution Approving Furniture Purchase from Foliot Furniture

BE IT RESOLVED, that the Interim Vice President for Finance and Administration, in consultation with the Director of Residential Life Services, is authorized to confirm and continue a contract with Foliot Furniture for replacement dormitory furniture. The contract covers purchases for fiscal years 2008, 2009 and 2010 and shall not exceed \$1,700,000.

CONSENT AGENDA

February 7, 2009

COMMITTEE OF THE WHOLE

(1) Audit Firm for Fiscal Year 2009 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, 2009. The annual audit shall be conducted in compliance with the requirements of the University Bylaws and state and federal law.

(2) Resolution Establishing Reporting Line for the Chief Internal Auditor

RESOLVED, that the Board hereby directs that, pursuant to the recommendation of its Audit Committee, the chief internal auditor shall henceforth report directly to, and be supervised by, the Board Audit Committee; and

BE IT FURTHER RESOLVED, that pursuant to this direction, the Audit Committee shall have full authority with respect to the appointment, performance evaluation, and employment termination of the chief internal auditor; and

BE IT FURTHER RESOLVED, that the Audit Committee is, within the exercise of its sound discretion, authorized to assign to the President, by written delegation, specific administrative responsibilities relevant to the routine operations of the office of the chief internal auditor; and

BE IT FURTHER RESOLVED, that the Audit Committee and the chief internal auditor are hereby authorized and directed promptly to revise the Audit Committee Charter and Guidelines, and the internal audit office Charter, respectively, in a manner consistent with the directions of this resolution; and

BE IT FINALLY RESOLVED, that the Audit Committee shall report to the full Board on the status of actions taken in response to this resolution no later than the May 2009 meeting of the Board.

(3) Resolution Adopting Revisions to Delegation and Retention of Board Authority

RESOLVED, that the Board hereby adopts the revisions to its *Resolution Regarding Delegation and Retention of Board Authority* as recommended by the Committee on Board Governance and appearing as Attachment A to this resolution.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

(4) Resolution Approving a New Major in Global Studies

RESOLVED, that the Board of Trustees approves a new major in Global Studies, leading to the Bachelor of Arts degree, as approved and advanced by the Provost on January 15, 2009, and the President on January 16, 2009.

(5) Resolution Approving a New Minor in Global Studies

RESOLVED, that the Board of Trustees approves a new minor in Global Studies, as approved and advanced by the Provost on January 15, 2009, and the President on January 16, 2009.

(6) Resolution Approving a Name Change for the Area and International Studies Program

RESOLVED, that the Board of Trustees approves changing the name of the Area and International Studies Program to the Global and Regional Studies Program, as approved and advanced by the Provost on January 15, 2009, and the President on January 16, 2009.

(7) Resolution Approving Amendments to Diversity Policy Statement

WHEREAS, in a statement adopted on November 13, 2004, this Board articulated its belief that diversity and academic excellence are inseparable; and

WHEREAS, in its statement, this Board proclaimed that a diverse University community is a compelling institutional interest indispensable to achieving our goal of academic excellence; and

WHEREAS, the University Strategic Plan identifies as a strategic goal building a diverse and globally aware University community sustained by an inclusive, supportive, and just campus climate;

NOW, THEREFORE, the Board approves and adopts with enthusiasm, and with renewed dedication to its stated principles and objectives, a revised Diversity Policy Statement.

(8) Resolution Approving Changes to the Academic Freedom Policy

WHEREAS, the Faculty Senate adopted the Statement on Academic Freedom on September 23, 1954, and the Board of Trustees approved the statement on October 16, 1954; and

WHEREAS, the Faculty Senate revised and adopted the Statement on Academic Freedom on November 20, 2008;

NOW, THEREFORE, the Board approves and adopts, with renewed dedication and reaffirmed commitment to its stated principles and objectives, the Statement on Academic Freedom.

(9) Resolution Referring McAuley Hall Project to Budget, Finance and Investment Committee

RESOLVED, that the Educational Policy and Institutional Resources Committee favorably recommends the McAuley Hall project to the Budget, Finance and Investment Committee, thus signifying its Step 1 capital projects approval.

BUDGET, FINANCE & INVESTMENT COMMITTEE

(10) Harris-Millis Phase II Resolution

WHEREAS, the Educational Programs and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of \$4,000,000 for the Harris-Millis Residential Complex Phase II (the "Project") at its September 2008 meeting and found it an institutional priority, consistent with the *Strategic Capital Plan* and worthy of further consideration; and,

WHEREAS, the Educational Programs and Institutional Resources Committee endorsed the Project at its September 2008 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review and approval at a subsequent meeting; and

WHEREAS, the Division of Student and Campus Life has budgeted \$3,000,000 of its operating funds for this project; and

WHEREAS, at its February 2007 meeting the Board approved the Cook Commons Renovation budget for \$1,100,000 and the University completed that project at \$850,000; and,

WHEREAS, at its February 2007 meeting the Board approved the Marsh Austin Tupper Residential Complex Renovation budget for \$4,400,000 and the University completed that project at \$4,200,000; and,

WHEREAS, at its November 2006 meeting the Board approved the second and final phase of the Carbon Monoxide Detection Systems budget for a total of \$3,500,000 and it has been determined that project can be completed at \$2,950,000;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to decrease the Cook Commons Renovation Project budget from \$1,100,000 to \$850,000, the Marsh Austin Tupper Residential Complex Renovation Project budget from \$4,400,000 to \$4,200,000, and the Carbon Monoxide Detection Systems Project budget from \$3,500,000 to \$2,950,000; and,

BE IT FURTHER RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to apply the reallocation

of \$1,000,000 in funds with the \$3,000,000 of Student and Campus Life operating funds to finance the \$4,000,000 Harris-Millis Residential Complex Phase II 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 people 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.

(11) Resolution Recommending Adoption of the Uniform Prudent Management of Institutional Funds Act by the State of Vermont

WHEREAS, as a non-profit education corporation subject to the laws of the State of Vermont, the University of Vermont is subject to the Uniform Management of Institutional Funds Act (UMIFA) and some elements of this act are, after over 35 years, somewhat dated; and

WHEREAS, in July 2006, the National Conference of Commissioners on Uniform State Laws (NCCUSL) approved and recommended for adoption by all states the Uniform Prudent Management of Institutional Funds Act (UPMIFA), which is an update of UMIFA; and

WHEREAS, UPMIFA further protects donor intent regarding distributions from endowments and provides clarity about how endowments are to be managed in times when their market values decline below the value of the gifts when they were originally made;

NOW THEREFORE BE IT RESOLVED, that the Investment Subcommittee of the Board of Trustees of the University of Vermont recommends that the State of Vermont respond to the recommendation of the NCCUSL and adopt UPMIFA during the 2009 legislative session;

BE IT FURTHER RESOLVED, that this resolution be conveyed to the Speaker of the House, Senate Pro Tempore, the Chair of the Committee on Economic Development, Housing and General Affairs, and the Chair of the Committee on Commerce/Economic Development.

(12) General Obligation Bond Series, 2009 (see appended document)

(13) Commercial Paper Note Resolution (see appended document)

FULL BOARD

Retiring Trustee Resolutions

Edwin H. Amidon, Jr.

WHEREAS, Edwin H. Amidon is nearing the completion of his term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, Ed Amidon has provided the Board with invaluable knowledge, experience, and generosity of time during his service as Chair of the Audit Committee, Vice Chair of the Academic and Student Programs Committee, Vice Chair of the Committee on Board Governance, and Secretary of the Vermont Agricultural College Board, in addition to his service on the Budget, Finance and Investment Committee, the Diversity Committee, the Executive Committee, the Investment Committee, and the Nominating 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 Edwin H. Amidon.

Beth H. Rice

WHEREAS, Beth H. Rice is nearing the completion of her term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, Beth Rice has articulated frank and insightful viewpoints and offered sound advice during her service on Board Committees including the Audit Committee and the Educational Policy and Institutional Resources Committee, with additional service as a member of the Honorary Degrees Work Group;

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 Beth H. Rice.

Martha P. Heath

WHEREAS, Martha P. Heath is nearing the completion of her second term as Trustee of The University of Vermont and State Agricultural College having supported and served the University for over 12 years; and

WHEREAS, Martha Heath has enriched the Board by providing sound leadership as Board Vice Chair, discharging her responsibilities with outstanding dedication, in the Vermont tradition of common sense, all in service to the greater good of UVM;

WHEREAS, Martha Heath has led the Board in her service as Chair of the Academic and Student Programs and Educational Policy and Institutional Resources Committees, Vice Chair of the Executive Committee and the Subcommittee for Presidential Evaluation and Chair and Secretary of the Vermont Agricultural College Board, along with membership on the Finance and Budget Committee, Committee on Health Education, the Nominating Committee, the *ad hoc* Presidential Comprehensive Review Committee, the *ad hoc* Labor Advisory Group, and through her membership on the *ad hoc* Presidential Search Committee, the Student Commons Task Force and the Campus Life Task Force II;

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 Martha P. Heath.

James P. Leddy

WHEREAS, James P. Leddy is nearing the completion of his term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, James Leddy has served and supported The University of Vermont with passion and conviction during his service as Vice Chair of the Diversity Committee and in his membership on the Academic and Student Programs Committee, the Educational Policy and Institutional Resources Committee, and the Vermont Agricultural College Board, and through his additional service on the Committee on Socially Responsible Investing;

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 James Leddy.

Robert H. Young

WHEREAS, Robert H. Young is nearing the completion of his term as Trustee of The University of Vermont and State Agricultural College; and

WHEREAS, Robert Young has served the Board with distinction, bringing his extensive knowledge of business best practices and his sound judgment to the work of the Board in his service as Co-Vice Chair of the Budget, Finance and Investment Committee, Chair of the ad hoc Committee on Health Education, Chair of the Fletcher Allen Health Care Nominating Committee, and the UVM Nominating Committee, and as Chair and Vice Chair of the Facilities and Technologies Committee, and through his membership on the Executive Committee, Debt Subcommittee, the Subcommittee for Presidential Evaluation, the *ad hoc* Presidential Comprehensive Review Committee, and the *ad hoc* Presidential Search 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 Robert Young.

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, and authorization of severance payments in excess of the standard amount University policy specifies for officials who report to the President;

- (6) creation or elimination of, and material changes in, academic programs and departments; ~~establishment of, and appointments to, endowed professorships, with periodic reports from the administration to the Board of appointments made thereto;~~ and approval of ~~the~~ faculty medical or other clinical practice plans;
- (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 and academic programs ~~and departments~~;
- (10) through its Investment Subcommittee of the Budget, Finance and Investment Committee (“Investment Subcommittee”), selection, retention and termination of investment advisors and managers for the Long-Term Investment Pool; provided that₂; the Board must itself approve policies for the Long-Term Investment Pool and the Limited Term Asset Pool₂; the endowment spending rate; the endowment management fee; declaration of financial exigency₂; and dissolution, merger or the sale or pledge or transfer of all or substantially all of the University’s assets;
- (11) State capital appropriations requests, the institutional annual budget, State appropriation and capital requests, and the annual audited financial statement;
- (12) tuition, room and board rates, and student fees;
- (13) 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;
- (14) ~~authorization to make~~ payments in lieu of taxes;
- (15) issuance of bonds and approval of institutional debt policy;
- (16) 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;

- (17) ~~approval of~~ contracts for facilities construction ~~negotiation and execution of contracts for facilities construction~~ or renovation,³ and the 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 Sub ~~C~~committee, the selection and retention of all investment advisors regardless of contract cost;
- (18) selection and retention of independent audit firms to conduct mandatory financial attestation and/or compliance audits, regardless of contract cost; contracts at a cost 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;
- ~~(19)~~ ~~authorization to~~ settlement of lawsuits whose ~~value~~ direct (i.e., uninsured) cost to the University equals or exceeds
- ~~(20)~~ (19) \$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)~~ (20) 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 Board³; or as otherwise required or permitted by law; and
- ~~(22)~~ (21) 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 operations³; 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 settlement of lawsuits whose value equals or exceeds \$250,000; and

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

GENERAL OBLIGATION BONDS, SERIES 2009

WHEREAS, the University has decided to issue its General Obligation Bonds, Series 2009 (the “Series 2009 Bonds”), to provide funds (i) to refund all outstanding commercial paper notes of the University (including the payment of interest thereon), (ii) to finance the cost of certain capital projects of the University which have been authorized by the Board prior to or on the date hereof (including authorized reimbursements for prior University capital expenditures) and (iii) to pay the costs of issuance relating to the Series 2009 Bonds, which purposes have been found by the Board to be necessary and desirable; and

WHEREAS, the University desires to authorize the issuance of the Series 2009 Bonds in an aggregate initial principal amount not to exceed \$85 million; and

WHEREAS, the University has issued its General Obligation Bonds, Series 1990 (the “Series 1990 Bonds”), Series 1998 (the “Series 1998 Bonds”), Series 2002 (the “Series 2002 Bonds”), Series 2005 (the “Series 2005 Bonds”) and Series 2007 (the “Series 2007 Bonds”) pursuant to the terms of an Indenture dated as of February 1, 1990 (the “Trust Indenture”) between the University and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York Trust Company, N.A. and TD Banknorth, N.A.), as trustee (the “Trustee”), as amended and supplemented by the Series 1998 and First Supplemental Indenture, the Series 2002 and Second Supplemental Indenture, the Series 2005 and Third Supplemental Indenture) and the Series 2007 and Fourth Supplemental Indenture), (the Trust Indenture, as amended, hereafter referred to as the “Indenture”), and

WHEREAS, the University proposes to issue the Series 2009 Bonds on a parity with the Series 1990 Bonds, the Series 1998 Bonds, the Series 2002 Bonds, the Series 2005 Bonds and the Series 2007 Bonds pursuant to the terms of the Indenture and a Series 2009 and Fifth Supplemental Indenture thereto (the “Fifth Supplemental Indenture”) between the University and the Trustee; and

WHEREAS, the University desires to execute and deliver a Bond Purchase Agreement (the “Bond Purchase Agreement”) between the University and Citigroup Global Markets Inc. and J. P. Morgan Securities Inc. (the “Underwriters”), pursuant to which the University will sell the Series 2009 Bonds to the Underwriters in accordance with the terms and conditions set forth therein; and

WHEREAS, in connection with the issuance and sale of the Series 2009 Bonds, a Preliminary Official Statement (the “Preliminary Official Statement”) and a final Official Statement (the “Official Statement”) will be prepared by the University, which will present information about the University, the terms of the Series 2009 Bonds and the security for the Series 2009 Bonds, among other things; and

WHEREAS, the University desires to execute and deliver a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) between the University and the Trustee, pursuant to which the University will be obligated to update certain information in the Official Statement and provide certain other notices to specified repositories in accordance with the terms and conditions set forth therein; and

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

1. the Fifth Supplemental Indenture;
2. the Bond Purchase Agreement;
3. the Continuing Disclosure Agreement; and
4. the Preliminary Official Statement;

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Issuance of Series 2009 Bonds. The Board hereby approves and confirms the issuance of the Series 2009 Bonds by the University in the initial principal amount of not more than \$85 million (including the costs of issuance, insurance premium if any and other related expenses), bearing a true interest cost not exceeding 6.50% per annum and maturing not later than October 1, 2039 with a first maturity or sinking fund installment date not later than October 1, 2010 to provide funds (i) to refund all currently outstanding commercial paper notes of the University and (ii) to finance the cost of certain capital projects of the University which have been authorized prior to or on the date hereof (including authorized reimbursements for prior University capital expenditures). The Board hereby finds and determines that these purposes are necessary and desirable and hereby authorizes the Chair of the Budget, Finance and Investment Committee to establish an ad-hoc subcommittee for the issuance of the Series 2009 Bonds. Such subcommittee may authorize the President or the Interim Vice President for Finance and Administration to determine (i) whether a policy of municipal bond insurance should be obtained with respect to all or a portion of the Series 2009 Bonds (based on whether such policy will be cost effective considering both the interest cost of the Series 2009 Bonds if such a policy was obtained and the insurance premium, and based on whether the insurer will require that the University comply with certain covenants); (ii) whether the Series 2009 Bonds should be issued as two or more sub-series of bonds (based on whether the issuance of the Series 2009 Bonds in two or more sub-series will facilitate debt management, marketing of the bonds, or compliance with federal tax law restrictions) and (iii) the terms of the Series 2009 Bonds and the terms of the sale of the Series 2009 Bonds (including the maturity dates and amounts, the interest rates, the original issue premium or discount, the redemption provisions of the Series 2009 Bonds based on financial or structural benefits to the University and marketing considerations and the underwriters' compensation) subject to the limitations set forth in this resolution and any additional limitations imposed by such sub-committee. The form and content of the Series 2009 Bonds as set forth in the Fifth Supplemental Indenture are hereby approved and confirmed. The President or the Interim Vice President for Finance and Administration and Interim Treasurer of the University, and the Secretary or the Assistant Secretary of the Board are authorized and directed to execute and deliver the Series 2009 Bonds for and on behalf of the University, in substantially the form and content set forth in the Fifth Supplemental Indenture, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions.

Section 2. Authorization of Fifth Supplemental Indenture. The Board hereby approves and confirms the form and content of the Fifth Supplemental Indenture. The President or Interim Vice President of Finance and Administration and Interim Treasurer of the University, and the Secretary or Assistant Secretary of the Board are hereby authorized and directed to execute and deliver the Fifth Supplemental Indenture for and on behalf of the University, in substantially the form and content presented to the Board, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions. From and after the execution and delivery of the Fifth Supplemental Indenture, the President and Interim Vice President of Finance and Administration and Interim Treasurer of the University, and the Secretary or Assistant Secretary of the Board and all other officers of the Board and the University are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Fifth Supplemental Indenture as executed.

Section 3. Authorization of Bond Purchase Agreement. The Series 2009 Bonds shall be awarded and sold to the Underwriters pursuant to the terms of the Bond Purchase Agreement at an underwriters' discount or fee of not more than 0.6% (\$6.00 per \$1,000 bond) of the principal amount of the Series 2009 Bonds and the Series 2009 Bonds shall be authenticated and delivered to or upon the order of the Underwriters upon payment of the purchase price set forth in the Bond Purchase Agreement. The form and content of the Bond Purchase Agreement are hereby approved and confirmed. The President or Interim Vice President of Finance and Administration and Interim Treasurer of the University is hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the University, in substantially the form and content presented to the University, but with such changes, additions or deletions as shall to him or her seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all such changes, additions or deletions therein. From and after the execution and delivery of the Bond Purchase Agreement, the President and Interim Vice President for Finance and Administration and Interim Treasurer of the University and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 4. Authorization of Continuing Disclosure Agreement. The form and content of the Continuing Disclosure Agreement are hereby approved and confirmed. The President or Interim Vice President of Finance and Administration and Interim Treasurer of the University is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement for and on behalf of the University, in substantially the form and content presented to the Board, but with such changes, additions or deletions as shall to him or her seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Continuing Disclosure Agreement, the President and the Interim Vice President of Finance and Administration and Interim Treasurer of the University and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Agreement as executed.

Section 5. Approval of Preliminary Official Statement and Official Statement. The form, terms and content of the Preliminary Official Statement and the Official Statement in substantially the form of the Preliminary Official Statement (but including the terms of the Series 2009 Bonds) are authorized, approved and confirmed, with such changes, additions or deletions therein as shall seem necessary, desirable or appropriate to the President or Interim Vice President of Finance and Administration and Interim Treasurer of the University. The use of the Preliminary Official Statement and of the Official Statement by the Underwriters in connection with the sale of the Series 2009 Bonds is hereby authorized, approved and confirmed. The President or Interim Vice President of Finance and Administration and Interim Treasurer of the University is authorized to execute the Official Statement on behalf of the University.

Section 6. Tax Certificates. The President or Interim Vice President of Finance and Administration and Interim Treasurer of the University are hereby authorized to execute a certificate in order to evidence the University's compliance with the Internal Revenue Code of 1986 and the applicable Income Tax Regulations thereunder.

Section 7. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in the Series 2009 Bonds, the Indenture, the Fifth Supplemental Indenture, the Bond Purchase Agreement, the Continuing Disclosure Agreement or any other instrument related to the issuance of the Series 2009 Bonds shall be deemed a stipulation, obligation or agreement of any officer, agent or employee of the University in his or her individual capacity, and no such officer, agent or employee shall be personally liable on the Series 2009 Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 8. Actions of Officers. The officers of the Board and of the University are hereby authorized and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by (i) this Resolution, (ii) the Indenture and the Fifth Supplemental Indenture and (iii) the documents presented to this meeting; except that none of the above shall be authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Resolution, (b) the specific provisions of the Indenture and the Fifth Supplemental Indenture, (c) any agreement to which the University is bound, (d) any rule or regulation of the University or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of Vermont.

Section 9. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Series 2009 Bonds authorized hereunder.

Section 10. Conflicting Provisions. All prior resolutions or parts thereof of the Board in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 11. Effective Date. This Resolution shall take effect upon its adoption.

**SECOND SUPPLEMENTAL RESOLUTION TO
THE UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE
COMMERCIAL PAPER NOTE RESOLUTION**

**BE IT RESOLVED by THE UNIVERSITY OF VERMONT AND STATE
AGRICULTURAL COLLEGE** (the “University”), as follows:

ARTICLE I.

Authority for Second Supplemental Resolution

SECTION 1.01. Second Supplemental Resolution. This Second Supplemental Resolution is supplemental to, and constitutes a Supplemental Resolution within the meaning of and is adopted in accordance with Articles VII and VIII of, the resolution adopted by the University on November 13, 2004, entitled “THE UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE COMMERCIAL PAPER NOTE RESOLUTION ADOPTED NOVEMBER 13, 2004, A RESOLUTION AUTHORIZING THE ISSUANCE BY THE UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE OF ITS SHORTTERM PROMISSORY NOTES; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH NOTES; AND PROVIDING FOR THE RIGHTS OF THE HOLDERS THEREOF,” referred to herein as the “Resolution.”

SECTION 1.02. Authority for the Second Supplemental Resolution. This Second Supplemental Resolution is adopted pursuant to the provisions of the Resolution.

ARTICLE II.

Definitions

SECTION 2.01. Definitions. All terms not defined herein which are defined in Section 1.01 of the Resolution shall have the same meanings, respectively, in this Second Supplemental Resolution as such terms are given in said Section 1.01 of the Resolution. In addition, as used in this Second Supplemental Resolution, unless the context shall otherwise require, the term “Second Supplemental Resolution” means this First Supplemental Resolution, adopted _____, 2009.

ARTICLE III.

Amendment of Resolution

SECTION 3.01. Amendment to Reduce Maximum Authorized Principal Amount of Notes. The first sentence of Section 2.01 of the Resolution and the third sentence of the fourth paragraph of the back of the form of CP Notes attached as Exhibit A-2 to the Resolution are amended to read as follows:

The aggregate principal amount of Taxable Notes and Tax-Exempt Notes which may be outstanding at any time shall not exceed the lower of \$50,000,000 and the aggregate amount authorized to be issued to pay Costs of the Project and Costs of Issuance pursuant to resolutions of the Board authorizing the undertaking of a Project and the issuance of Notes to finance such Project.

ARTICLE IV.

Miscellaneous

SECTION 4.01. When Effective. This Second Supplemental Resolution shall become effective immediately upon the later of (i) the issuance of the General Obligation Bonds, Series 2009 and (ii) the date, subsequent to this date of adoption, that all Notes Outstanding on the date hereof no longer remain Outstanding under the Resolution, and the filing with the Issuing and Paying Agent of a copy of this Second Supplemental Resolution, accompanied by an opinion of Bond Counsel stating that this Second Supplemental Resolution has been duly and lawfully adopted in accordance with the provisions of the Resolution, is authorized or permitted thereby and is valid and binding upon the University and enforceable in accordance with its terms.

EXECUTIVE COMMITTEE

March 9, 2009 (Approved as Recommended by BFI on March 6)

McAuley Hall Resolution

WHEREAS, the Educational Policy and Institutional Resources Committee carefully reviewed the program, scope, and preliminary estimate of \$4,000,000 for McAuley Hall (the “Project”) at its February 2009 meeting and found it an institutional priority, consistent with the *Strategic Capital Plan* and worthy of further consideration; and,

WHEREAS, the Educational Policy and Institutional Resources Committee endorsed the Project at the same February 2009 meeting and remitted it to the Budget, Finance, and Investment Committee for financial review and approval at a subsequent meeting; and

WHEREAS, the State Capital Appropriation request for the FY2010 budget allocation has been recommended by the Governor at an amount of \$3,000,000; and

WHEREAS, the Division of Student and Campus Life has budgeted \$1,300,000 of its operating funds for this project;

NOW, THEREFORE, BE IT RESOLVED, that the Vice President for Finance and Administration and University Treasurer, or his successor or designee, is hereby authorized to apply General Fund cash reserves and, if available, funds from the FY 2010 State Capital appropriation totaling \$3,000,000 in combination with \$1,300,000 from the Division of Student and Campus Life reserves to finance the \$4,300,000 McAuley Hall 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 people 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.

Resolution Approving Establishment of Rutland Osher Lifelong Learning Institute

BE IT RESOLVED, that the Board approves the establishment of the Rutland Area Osher Lifelong Learning Institute as a free-standing Vermont non-profit corporation for the provision of lifelong educational services in cooperation with the University and its Division of Continuing Education.

BE IT FURTHER RESOLVED, that the Board approves the similar transition to, and the establishment of, separate Vermont non-profit corporations for each of the remaining seven OLLI sites in Vermont upon the Provost’s determination, after consultation with the Director of Sponsored Programs, the Vice President for Finance and Administration, and the Vice President for Federal, State & Community Relations, that each site is prepared to assume its own separate corporate identity and to manage its own budget and associated income-expense activity.

Resolution Regarding Honorary Degrees Work Group

WHEREAS, the Board of Trustees established the Joint Committee on Honorary Degrees on December 4, 1976, and revised the makeup of the Committee on October 14, 2000; and

WHEREAS, in light of the Board's reorganization of its Committees, the Joint Committee on Honorary Degrees has been retired as a freestanding committee; and

WHEREAS, the Committee on Educational Policy and Institutional Resources has responsibility for recommending Honorary Degree award recipients; and

WHEREAS, the Board, and its Committee on Educational Policy and Institutional Resources, conclude that the makeup, role, and function of the former Joint Committee on Honorary Degrees are important to retain within the new Committee structure;

THEREFORE, BE IT RESOLVED that:

The Committee on Educational Policy and Institutional Resources ("the Committee") shall establish an Honorary Degrees work group, to which the following appointments shall be made by the Board Chair following appropriate consultation with the Committee Chair:

- A member of the Committee, who will serve as the work group leader
- Additional Trustees; one of whom will be a student trustee
- The University President, *ex officio*
- The President of the Faculty Senate, *ex officio*
- The President of the Student Government Association, *ex officio*
- The President of the Graduate Student Senate, *ex officio*
- The President of the Staff Council, *ex officio*
- The President of the Senior Class Council, *ex officio*
- Two additional members of the faculty, to be designated by the Faculty Senate President
- An Alumni Relations representative, to be designated by the Vice President for Development and Alumni Relations
- One administrative officer or staff employee, to be designated by the University President; and

BE IT ALSO RESOLVED, that the Honorary Degrees work group annually shall develop recommendations to the Board regarding candidates for Honorary Degrees, including a recommendation for a proposed Commencement speaker; and the work group leader shall convey those recommendations to the full Board of Trustees no later than November of each year; and

BE IT RESOLVED, that Honorary Degree candidates shall be reviewed under the selection criteria recommended by the Honorary Degrees work group, as attached hereto, and the work group shall periodically review the criteria and recommend to the Board any changes the work group may deem necessary or desirable; and

BE IF FINALLY RESOLVED, that the work group be directed to develop procedures that ensure a transparent and collaborative process for expansive solicitation of honorary degree candidates and commencement speaker nominations, in consultation with the President.

As approved by the Board of Trustees: November 11, 2006

Approved as amended by the Executive Committee: April 30, 2007

Approved as amended by the Board of Trustees: May 17, 2008

Approved as amended by the Executive Committee: March 9, 2009

Resolution Amending Executive Committee Charge

RESOLVED, that the Executive Committee approves the revisions to the committee charge as recommended in Attachment A.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

BOARD OF TRUSTEES

EXECUTIVE COMMITTEE

During intervals between meetings of the Board of Trustees (“the Board”), the Executive Committee shall have all the powers of the Board in management of the property and affairs of the University, and may exercise the authority of the Board except as may otherwise be provided by law. The Chair of the Executive Committee shall be the Chair of the Board *ex officio*.

The Executive Committee shall oversee the work of the Committees of the Board and the University planning process, and it shall assist the Board in the discharge of its responsibilities to support the President and to assess his or her performance.

With respect to evaluation of presidential performance, the Chair shall annually appoint an **Annual Review** Subcommittee ~~on Presidential Evaluation~~. The subcommittee shall assess the performance of the President and convey its assessment and a compensation recommendation to the Executive Committee for its deliberations and referral by the Committee of a recommendation to the full Board. In conjunction with the presidential evaluation, the President will also provide a report on the status of his or her direct reports, including their proposed compensation for the upcoming fiscal year.

Approved by the Board of Trustees: September 9, 2006

Approved as revised by the Executive Committee: March 9, 2009

Honorary Degree Nominations for 2010 Commencement

Beginning in March 2009, the Honorary Degree Work Group will start the work of identifying those candidates who best meet the following criteria and place those recommendations before the Board of Trustees at the October 2009 meeting. The Board's practice is not to approve specific nominations, but to adopt a Resolution authorizing the President to award honorary degrees in consultation with the Work Group. It is the University's President's authority to select the commencement speaker, in consultation with the work group, who may also receive an honorary degree at the recommendation of the workgroup.

Criteria

In conferring an honorary degree and recommending a commencement speaker, the University of Vermont has historically recognized distinction in at least one of three general areas:

1. Outstanding achievement or service at or for the benefit of the University of Vermont.
2. Outstanding achievement or service in or for the benefit of the State of Vermont.
3. Outstanding achievement or service in the nation or the world.

Of particular interest is to identify honorary degree candidates and a commencement speaker who exemplify or reflect the University values, goals and strategic priorities.

The Work Group will also consider the following in evaluating nominees:

1. Sustained and dedicated commitment to public life and service.
2. Significant contributions to the advancement of knowledge.
3. Significant contribution to the University's ability to achieve its mission.

If you would like to submit a nomination, please write to Frank Cioffi, Leader, Honorary Degree Work Group, c/o Leslie Logan, Chief of Protocol and Administrator of University Events, President's Office, 358 Waterman Building, 85 South Prospect Street, Burlington, VT, 05405. Your letter should state how the nominee fits the nomination criteria and why the nominee should be honored in this way by the University. Please include biographical information and the nominees current contact information.

As this process will result in numerous highly qualified nominations and the workgroup will submit a list of 3 – 5 to the Board of Trustees, it is imperative that nominators keep their nominations confidential. In particular, we ask that nominees not be informed.

All nominations should be submitted by October 1, 2009.

EXECUTIVE COMMITTEE

Monday, April 13, 2009

Resolution Approving Committee and Chair Appointments

RESOLVED, that the Board of Trustees approves the Committee and Chair appointments for 2009 set forth in Attachments A and B.

Resolution Approving Underwater Endowment Guidelines – 2009

WHEREAS, the State of Vermont has enacted the Uniform Management of Institutional Funds Act (UMIFA) and is considering enacting its successor legislation the Uniform Prudent Management of Institutional Funds Act (UPMIFA); and

WHEREAS, the University has not had a stated practice with respect to the management of its endowment funds in relation to UMIFA; therefore

BE IT RESOLVED, that the University adopts the attached Underwater Endowment Guidelines included as Attachment C to guide its endowment distribution practices under UMIFA and to further guide them under UPMIFA if it is enacted into law. The use of the Guidelines will be effective with respect to endowment distributions for FY 2010.

Resolution Approving Contract with New Breed Marketing

BE IT RESOLVED, that the Vice President for Finance and Administration, in consultation with the Dean of Continuing Education, is authorized to enter into a one year contract of \$750,000 with New Breed Marketing for marketing services in support of University Continuing Education programs and services. The contract covers services from April 2009 through March 2010.

Resolution Approving Equal Opportunity Statements

RESOLVED, that the Board ratifies the Equal Employment Opportunity/Affirmative Action Policy Statement and the Equal Opportunity in Educational Programs and Activities Policy Statement, both effective as of April 13, 2009, attached hereto as Attachments D and E.

Resolution Confirming Contract with Sodexo

RESOLVED, that the University's contract for campus-wide dining services entered into with Sodexo in April 2006 and running through 2012, is accepted and confirmed, and;

BE IT FURTHER RESOLVED, that the Vice President for Student and Campus Life and the Vice President for Finance and Administration, or their successors or designees, are each authorized to ensure the completion of the terms of the contract with Sodexo, including the

related collection and transmission of fees and charges associated with the operation of the meal plan for students and any related services defined under the contract.

Resolution Approving Student Health Insurance Contract

RESOLVED, that the University's contract for student health insurance with Chickering Benefit Planning for the 2008, 2009 and 2010 fiscal years is accepted and confirmed;

BE IT FURTHER RESOLVED, that the Vice President for Student and Campus Life and the Vice President for Finance and Administration, or their successors or designees, are each authorized to assure the completion of the terms of the contract with Chickering Benefit Planning, including the related collection and transmission of fees and charges associated with the health insurance coverage provided by Chickering Benefit Planning to University of Vermont students.

Attachment A

**The University of Vermont and State Agriculture College
Board of Trustees Standing Committees
March 2009**

	Audit	Board Governance	Budget, Finance & Investment	Educational Policies & Institutional Resources	Executive	University of Vermont Board	Vermont Agricultural College Board
President, <i>ex-officio</i>		X	X	X	X		
Ayer-11				C	X		C
Bain-14			Co-VC			VC	
Betts-10				X		X	
Botzow-11 (Sec'y)	C	VC	X		X		X
Boyce-06 (C)					C	X	
Branagan-15	X		X				X
Bray-15		X		X			X
Chen-13	X	X		X			VC
Cioffi, F.-11 (VC)					VC		
Cioffi, R.-14			Co-VC		X	X	
Davis-13	X			Co-VC			
DePatie-10		X	X				
Donovan-11				Co-VC			Sec'y
Douglas, <i>ex-officio</i>							
Hilton-12			X			Sec'y	
Hudson-Wilson-12	X		X			C	
McAneny-10			C		X	X	
Potter-15				X			X
Roof-11				X			
Ruprecht-14		X		X		X	
Snow-10	X	C	X		X	X	
Sweaney-13		X	X				X
White-13		X		X			X
Young-15	VC		X				

C = chair

VC = vice chair

Co-VC = co-vice chair

Sec'y = secretary

The University of Vermont and State Agriculture College
Board of Trustees Other Committees
March 2009

	Investment Subcommittee	Annual Review Sub-Cmte*	Ad Hoc Labor Advisory Group	Honorary Degrees Work Group**	Socially Responsible Investing Work Group**
President, <i>ex-officio</i>					
Ayer-11		X		X	
Bain-14	Co-VC				
Betts-10				X	
Botzow-11 (Sec'y)		X			
Boyce-06 (C)		X	X		
Branagan-15					
Bray-15				X	
Chen-13		X	X		
Cioffi,F.-11 (VC)		X	X	Leader	
Cioffi,R.-14	C	X			
Davis-13			X		
DePatie-10					
Donovan-11				X	
Douglas, <i>ex-officio</i>					
Hilton-12					
Hudson-Wilson-12	Co-VC				X
McAneny-10		X			
Potter-15				X	
Roof-11				X	
Ruprecht-14			X		
Snow-10	X	X			Leader
Sweeney-13					
White-13				X	
Young-15					

C = chair

VC = vice chair

Co-VC = co-vice chair

Sec'y = secretary

*membership also serves as *the UVM & VSC Consolidation Advisory Group* and *Senior Administration Appointments Advisory Group*

**also includes constituency group members

University of Vermont Underwater Endowment Guidelines

Executive Summary: The Uniform Management of Institutional Funds Act (UMIFA), as adopted by the State of Vermont, allows the University to expend, for the uses and purposes for which an endowment fund is established, so much of the net appreciation, realized and unrealized, in the fair value of the assets of the fund over the historic dollar value of the fund as is prudent. At the same time, the current law can be interpreted to mean that spending from endowments that are underwater should be curtailed. Consideration should be given to the long and short term needs of the institution, its present and anticipated financial requirements, expected total return on its investments, price level trends, donor intent and general economic conditions. In order to recognize the impact of UMIFA, the University will adopt the following guidelines.

Guidelines: In order to comply with the current law, an annual review of historical dollar values and market values as of 12/31 will be performed to identify true endowments that are in an underwater position. If a true endowment is underwater as of 12/31, distributions for endowment spending and the administrative fee will be suspended for those specific endowments, as of the beginning of the following fiscal year for that fiscal year. This review process will be carried out on an annual basis to assess the underwater status of any endowments as of the next year. The suspension of distributions will then apply to applicable endowments for that successive year.

Department administrators responsible for endowment spending management will be notified of any endowments that are underwater by the end of February in order to prepare for the loss of this funding source as of the following July 1st. Given that new distributions from the underwater endowment will not occur in the coming fiscal year, department administrators may want to suspend spending, if appropriate, or replace this funding by other means such as, using endowment reserves, adjusting other gift or general fund budgets, or pursuing increased spending from quasi-endowments. The Office of Development and Alumni Relations will determine appropriate contacts to be made with individual donors, both to alert them to the underwater status of the endowment and to determine if solicitations for gifts to sustain current spending levels can be made. The Office of Budget and Resource Management and Development and Alumni Relations will be available to assist departmental budget managers.

Alternate Guidelines – UPMIFA: Action is now underway in the Vermont legislature to adopt the Uniform Prudent Management of Institutional Funds Act, the successor legislation to UMIFA. UPMIFA broadens and clarifies the latitude of institutions to manage overall endowment returns, without specifically isolating those particular endowments that because of the timing of receipt of the gift and market conditions are deemed underwater. Rather, the institution is expected to define an overall prudent approach both to distribution of funds for spending and long term preservation and growth of capital. In the event of adoption of UPMIFA, the University would then be in the position to continue with its uniform endowment distribution practice without taking any special, separate practice for underwater endowments.

Specifically, the University may continue to calculate and make distributions on an annual basis, valuing endowment shares as of December 31 and using the prior 13 quarter endowment value as a basis for the calculation. The distribution for the endowment fee and spending will be set at a level recommended by the Investment Subcommittee and the Budget, Finance and Investment Committee and authorized by the Board of Trustees. The impact of underwater endowments, should any exist, would be smoothed as a part of the overall 13 quarter averaging. As a matter of record, underwater endowments and their relative proportion of total endowments will be defined and reported to the Investment Sub-Committee as of each December 31 valuation. This information, together with overall endowment performance and market conditions will be part of the annual review and confirmation and/or change in the overall endowment spending policy.

Definitions:

Above water Endowments: Endowments for which Market Value exceeds Historical Dollar Value

Endowment Spending: Amounts distributed from endowments based on endowment spending rule adopted by Board of Trustee resolution. Currently the rule allows for spending of 4.5% of the average of the last thirteen quarters market value as of 12/31. These amounts are transferred from the endowment accounts to separate operating accounts from which program expenditures are made in accordance with any restrictions established by the donor agreement.

Endowment Fee An amount distributed from the endowments to cover administrative costs. Currently the Board of Trustees has authorized an administrative fee of .5% of the average of the last thirteen quarters market value as of 12/31.

Expenditures: Amounts expended from operating accounts funded by endowment spending. This represents the actual use of the funds for the endowment purpose.

Historical Dollar Value: The corpus or total amount of gifts and donor stipulated reinvestment to an endowment.

Net appreciation: Market value and reinvested income, net of fees, in excess of the corpus.

Reserve Balances: Endowment spending amounts transferred from endowment accounts to the operating accounts in prior periods that have not been expended.

True Endowment: Funds received from donors with the stipulation that the principal be maintained permanently and be invested to produce income and appreciation to be expended for the purposes specified by the donor.

Underwater Endowments: Endowments for which Market Value is temporarily less than Historical Dollar Value



Policy V. 7.0.1.3

Responsible Official: President

Effective Date: April 13, 2009

Equal Employment Opportunity/Affirmative Action Policy Statement

Policy Statement

The University of Vermont and State Agricultural College is committed to a policy of equal employment opportunity and to a program of affirmative action in order to fulfill that policy. The University will accordingly recruit and hire into all positions the most qualified persons in light of job-related requirements, and applicants and employees shall be treated in employment matters without regard to unlawful criteria including race, color, religion, ancestry, national origin, sex, sexual orientation, disability, age, positive HIV-related blood test results, status as a disabled or Vietnam Era Veteran, or gender identity or expression, as these terms are defined under applicable law, or any other factor or characteristic protected by law.

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

Further, employees and applicants will not be subjected to harassment or retaliation because they have engaged in or may engage in the following: filing a complaint or assisting or participating in an investigation regarding alleged discrimination or harassment as prohibited in the policy statement above; filing a complaint or assisting or participating in an investigation, compliance evaluation, or any other activity related to the administration of the Vietnam Era Veterans' Readjustment Assistance Act of 1974 ("VEVRAA"), Section 503 of the Rehabilitation Act of 1973 ("Rehabilitation Act"), or the Affirmative Action provisions of federal, state or local law; opposing any act or practice made unlawful by VEVRAA, requiring equal employment opportunities for individuals with disabilities, disabled veterans, or veterans of the Vietnam Era; or exercising any rights under VEVRAA or the Rehabilitation Act.

Sources: Titles VI and VII of the Civil Rights Act of 1964; the Immigration Reform and Control Act of 1986; Title IX of the Education Amendments of 1972; the Equal Pay Act of 1963; the Age Discrimination in Employment Act of 1967; the Age Discrimination Act of 1975; Sections 503 and 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; Section 402 of the Vietnam-Era Veterans Readjustment Assistance Act of 1974; Executive Order 11246 as amended; the Vermont Fair Employment Practices Act; and such other federal, state and local non-discrimination laws as may apply.

Note: This Statement of Policy is the official University of Vermont Equal Educational Opportunity Policy Statement and supersedes all prior policy statements regarding its subject matter. It may be modified only by written statement issued by the President as Chief Executive Officer of the University or by formal action by the University of Vermont and State Agricultural College Board of Trustees. This Policy Statement is designed to express the University's intent and commitment to comply with the requirements of federal, state and local non discrimination laws. It shall be applied co extensively with such laws, and shall not be interpreted as creating any rights, contractual or otherwise, that are greater than exist under such non discrimination laws. Persons seeking to participate in educational opportunities offered by the University must consult position and program descriptions to determine criteria for eligibility. All such criteria shall be established in a manner consistent with the legal requirements herein referenced.

Contacts

Questions regarding this policy statement or compliance with its provisions may be directed to:

Executive Director
Diversity & Equity Unit/Office of Affirmative Action and Equal Opportunity
University of Vermont
428 Waterman Building
Burlington, VT 05405
(802) 656-3368

Questions may also be directed to government agencies having oversight and enforcement authority with respect to the referenced laws. A complete listing of such agencies may be obtained from the Office of Affirmative Action and Equal Employment Opportunity.

The President is the University official responsible for the interpretation and administration of this policy.

Related Documents/Policies

[Equal Opportunity in Educational Programs and Activities Policy Statement](http://www.uvm.edu/~uvmppg/ppg/student/equaledu.pdf)
<http://www.uvm.edu/~uvmppg/ppg/student/equaledu.pdf>

[Sexual Harassment Policy – Employees](http://www.uvm.edu/~uvmppg/ppg/hr/sexharasemp.pdf)
<http://www.uvm.edu/~uvmppg/ppg/hr/sexharasemp.pdf>

[Procedures for Investigating and Resolving Discrimination Complaints](http://www.uvm.edu/~aaeo/pdf/discrimination.pdf)
<http://www.uvm.edu/~aaeo/pdf/discrimination.pdf>

Effective Date

Approved by:

_____	<u>President</u>	_____
Daniel M. Fogel		Date

_____	<u>Chair Board of Trustees</u>	_____
Ian D. Boyce		Date



The
UNIVERSITY
of **VERMONT**

Policy V. 7.0.5.3

Responsible Official: President

Effective Date: April 13, 2009

Equal Opportunity in Educational Programs and Activities and Non-Harassment

Policy Statement

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

Note: This Statement of Policy is the official University of Vermont Equal Educational Opportunity Policy Statement and supersedes all prior statements regarding its subject matter. It may be modified only by written statement issued by the President as Chief Executive Officer of the University or by formal action by the University of Vermont and State Agricultural College Board of Trustees. This Policy Statement is designed to express the University's intent and commitment to comply with the requirements of federal, state and local non discrimination laws. It shall be applied co-extensively with such laws, and shall not be interpreted as creating any rights, contractual or otherwise, that are greater than exist under such non discrimination laws. Persons seeking to participate in educational opportunities offered by the University must consult position and program descriptions to determine criteria for eligibility. All such criteria shall be established in a manner consistent with the legal requirements herein referenced.

Contacts

Questions regarding this policy statement or compliance with its provisions may be directed to:

Dean of Students
University of Vermont
41-43 South Prospect Street
Burlington, VT 05405
(802) 656-3380

or to:

Executive Director
Diversity & Equity Unit/Office of Affirmative Action and Equal Opportunity
University of Vermont
428 Waterman Building
Burlington, VT 05405
(802) 656-2909

Questions may also be directed to government agencies having oversight and enforcement authority with respect to the referenced laws. A complete listing of those agencies may be obtained from the Office of Affirmative Action and Equal Opportunity.

The President is the University official responsible for the interpretation and administration of this policy.

Related Documents/Policies

Equal Employment Opportunity/Affirmative Action Policy Statement
http://www.uvm.edu/~uvmppg/ppg/general_html/affirm.pdf

Harassment – Students
<http://www.uvm.edu/~uvmppg/ppg/student/studentharas.pdf>

Procedures for Investigating and Resolving Discrimination Complaints
<http://www.uvm.edu/~aaeo/pdf/discrimination.pdf>

Sexual Harassment Policy – Students
<http://www.uvm.edu/~uvmppg/ppg/student/sexharasstudent.pdf>

Effective Date

Approved by:

_____	<u>President</u>	_____
Daniel M. Fogel		Date

_____	<u>Chair Board of Trustees</u>	_____
Ian D. Boyce		Date

CONSENT AGENDA

May 16, 2009

COMMITTEE OF THE WHOLE

(1) Resolution Approving Five-Year Office Supply Contract

BE IT RESOLVED, that the Vice President for Finance and Administration or his successors or designees are each authorized to enter into a five-year contract with Office Max for the University's office supplies for the period July 1, 2009, thru June 30, 2014.

(As recommended by the Audit Committee on April 28, 2009)

(2) Approval of Red Flag Rule Program

WHEREAS, the Red Flag Rule Program to reduce the risk of identity theft was developed by the University in compliance with Sections 114 and 315 of the Fair and Accurate Credit Transactions Act;

BE IT RESOLVED, that the Board hereby approves the Red Flag Rule Program as recommended by the Audit Committee and appearing as Attachment A to this document.

BE IT FURTHER RESOLVED, that the Board delegates ongoing oversight of the program to the Vice President for Enrollment Management.

(As recommended by the Audit Committee on April 28, 2009)

(3) Resolution Approving Audit Committee Charter Revisions

RESOLVED, that the Board hereby approves the revisions to the Audit Committee Charter as recommended by the Audit Committee and appearing as Attachment B to this document.

(4) Resolution Regarding Use of University Seal

RESOLVED, that the Board hereby approves the policy regarding use of the University Seal appearing as Attachment C to this document.

(5) Campus Life Task Force II Appreciation Resolution

WHEREAS, in May 2007, the Board of Trustees authorized the Chair to appoint the Campus Life Task Force II to investigate, analyze, and recommend to this Board what actions, if any, should be taken with respect to the University's health and wellness, recreational and fitness, athletic and multipurpose events facilities; and

WHEREAS, the Board of Trustees accepted the report of the Task Force in February 2008, acknowledging that its recommendations have been considered in light of the principles set forth in the University Campus Master Plan and that the Task Force has articulated a set of principles that require such facilities to be closely aligned with the vision, mission, and values of the University; and

WHEREAS, the Board of Trustees charged the administration with preparing a detailed assessment of the projects articulated in the report with respect to financial scope, potential phasing, resource generation strategies, and project priorities within the approved Strategic Capital Plan; and

WHEREAS, this work has been completed and included in a comprehensive final report that will provide a blueprint for future facilities planning;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Trustees gratefully acknowledges the effort and commitment of the Task Force members in successfully fulfilling its charge; and

BE IT FURTHER RESOLVED, that the Board of Trustees accepts the final report and its findings as a useful guide for long-term planning with respect to new and renovated facilities dedicated to the purpose of student health and wellness, indoor and outdoor recreational activities, a comprehensive Division I athletic program, and a multipurpose facility for University events, athletic contests, and ceremonial activities.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

(6) Resolution Approving Elimination of the Physical Education Requirement

RESOLVED, that the Board of Trustees approves the elimination of the University-wide two-credit Physical Education requirement, as approved and advanced by the Provost on April 3, 2009, and the President on April 6, 2009.

(7) Resolution Approving the Creation of a Bachelor of Arts in Engineering

RESOLVED, that the Board of Trustees approves the creation of a Bachelor of Arts in Engineering, as approved and advanced by the Provost on April 30, 2009, and the President on April 30, 2009.

BUDGET, FINANCE & INVESTMENT COMMITTEE

(8) Fiscal Year 2010 Budget Planning Assumptions: General Fund

RESOLVED, that the Board of Trustees hereby approves the budget planning assumptions for Fiscal Year 2010, which lead to a General Fund operating expense budget for the University of \$284,645,000, with additional one-time spending of \$2,349,000 covered by revenue of

\$276,173,000 and one-time State support of \$5,441,000 and one-time support from balances in the Loan Fund of \$5,380,000 and authorizes the President to proceed with detailed budget preparation in accordance with these assumptions.

(9) Tuition Charges for Fiscal Year 2010

RESOLVED, that the Board of Trustees hereby approves increases in the following tuition rates effective with the 2009-2010 academic year:

- a. In-state tuition from \$11,048 to \$11,712 per year, or \$488 per credit hour.
- b. Out-of-state tuition from \$27,886 to \$29,568 per year, or \$1,232 per credit hour.
- c. Medical student in-state tuition from \$26,680 to \$27,750 per year for first-year students; from \$26,680 to \$27,210 for second-year students; from \$26,680 to \$27,210 for third-year students; and from \$26,680 to \$27,210 for fourth-year students. Medical student out-of-state tuition from \$46,700 to \$48,570 per year for first-year students; from \$46,700 to \$47,630 for second-year students; from \$46,700 to \$47,630 for third-year students; and from \$46,700 to \$47,630 for fourth-year students.

(10) On-line Tuition Rate

RESOLVED, that the Board of Trustees hereby approves the establishment of a flat tuition rate for programs that enroll non-degree or certificate students and are offered primarily on-line. On-line tuition will go into effect for the Fall 2009 semester at a rate of \$488 per credit hour for the 2009-10 academic year.

(11) Room and Meal Plan Rates, Fiscal Year 2010

RESOLVED, that the Board of Trustees hereby approves room and meal plan rates for Fiscal Year 2010 as follows:

	<u>per year</u>
Private Single with Bath	\$7,446
Private Double with Bath	\$7,272
Suite Single with Shared Bath	\$7,042
Suite Double with Shared Bath	\$6,080
Traditional Single	\$6,868
Traditional Double	\$5,964
Traditional Triple	\$4,756
Traditional Quad	\$3,994
Retail Dining – Lite Points	\$2,386
Retail Dining – High Points	\$3,032
Unlimited Access (+100 Points)	\$3,032
Unlimited Access (+250 Points)	\$3,392

(12) Student Fees for Fiscal Year 2010

RESOLVED, that the Board of Trustees approves increases to student fees from \$1,796 to \$1,842 effective with the 2009-2010 academic year.

(13) Fiscal Year 2010 Operating Budget: Morgan Horse Farm

RESOLVED, that the Board of Trustees approves the recommended operating budget for the Morgan Horse Farm for Fiscal Year 2010 in the amount of \$360,001.

(14) Resolution Regarding Investment Advisory Services

BE IT RESOLVED, that the President, Provost, Vice President for Finance and Administration, 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, 2009 to June 30, 2010 at a fee to be determined by the Investment Subcommittee Chair.

This resolution supersedes all previous authorizations.

(15) Reaffirm Divestiture from Sudan

RESOLVED, that the Board of Trustees reaffirms its Resolution for Divestment from Sudan, as adopted by the Board on May 18, 2006, and amended by the Executive Committee on June 12, 2006 (stated below);

BE IT FURTHER RESOLVED, that the Budget, Finance and Investment Committee, as successor to the Committee on Socially Responsible Investing, will review this resolution on an annual basis.

Resolution for Divestment from Sudan

WHEREAS, the University's Policy Statement on Moral, Social and Ethical Considerations in Investment and Shareholder Resolutions holds that the primary objective of investment by the University is to provide a satisfactory return on investment for the support of University operations based upon the Prudent Investor Rule; and

WHEREAS, the Policy Statement also holds, however, that the policy of fiscal prudence shall not preclude the University from considering moral, ethical, and social criteria in determining companies in which to invest; and

WHEREAS, a balanced group of the University community has been convened as the Committee on Socially Responsible Investing and has studied the issue of genocide in the Darfur region of Sudan and has made recommendations to the Investment Committee of the Board of Trustees;

THEREFORE, BE IT RESOLVED, that the University adopt and implement a policy of targeted divestment from companies doing business with or otherwise aiding the governing regime of Sudan based on the model developed by the Sudan Divestment Task Force;

BE IT FURTHER RESOLVED, that the University implement its divestment policy to the fullest extent consistent with its fiduciary responsibilities; and

BE IT FURTHER RESOLVED, that the Socially Responsible Investment Work Group will review and reaffirm this resolution on an annual basis.

(16) Establishment of Bank Account

BE IT RESOLVED, that any combination of two of the following persons: the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, or any officer holding any of the above positions on an interim basis, are hereby authorized to open or close commercial checking accounts for the purpose of conducting corporate business; and

BE IT FURTHER RESOLVED, that the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, Assistant Controller for Tax and Treasury Services, Senior Treasury Management Professional, and Treasury Management Professional, or any officer holding any of the above positions on an interim basis, are hereby authorized to be signatories on these accounts.

This resolution supersedes all previous authorizations.

(17) Transfers between Corporate Accounts

BE IT RESOLVED, that the Board of Trustees hereby authorizes the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, Assistant Controller for Tax and Treasury Services, Senior Treasury Management Professional, Treasury Management Professional, or any officer holding any of the above positions on an interim basis, to issue telephone instructions to banks for the purpose of conducting University business by making transfers between the University's corporate accounts at banks and the University's accounts at other institutions.

This resolution supersedes all previous authorizations.

(18) Maintenance of Accounts

RESOLVED, that any combination of two of the following persons: the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, or any officer holding any of the above positions on an interim basis, are hereby authorized and empowered to carry out all legal acts relative to the maintenance of any Bank accounts; and

BE IT FURTHER RESOLVED, that the agreements and authority herein confirmed continue in force until notice of amendment or revocation thereof by proper resolution shall be given to the Bank.

(19) Establishment of Brokerage Account

BE IT RESOLVED, that any combination of two of the following persons: the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, Assistant Controller for Tax and Treasury Services, or any officer holding any of the above positions on an interim basis, are hereby authorized to open and close brokerage accounts for the purpose of conducting corporate business; and

BE IT FURTHER RESOLVED, that the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, Assistant Controller for Tax and Treasury Services, Senior Treasury Management Professional, or any officer holding any of the above positions on an interim basis, singly is hereby authorized to be signatories on these accounts.

This resolution supersedes all previous authorizations.

(20) Sale of Securities

BE IT RESOLVED, that the Board of Trustees hereby authorizes only the following officers to sell securities received as contributions to the University: President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, Assistant Controller for Tax and Treasury Services, Senior Treasury Management Professional, or any officer holding any of the above positions on an interim basis.

BE IT FURTHER RESOLVED, that the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, Assistant Controller for Tax and Treasury Services, Senior Treasury Management Professional, or any officer holding any of the above positions on an interim basis, singly is authorized to execute any and all instruments necessary, proper, and desirable for that purpose; and further that any officer of this Corporation is hereby authorized to certify this resolution to whom it may concern.

This resolution supersedes all previous authorizations.

(21) Signatory Authority - UVM Pooled Income Fund

WHEREAS, the Board of Trustees has appointed the University of Vermont and State Agricultural College as the custodian for securities held in connection with the UVM Pooled Income Fund; and

WHEREAS, from time to time documents relating to securities transfers, purchases, and sales are required in connection with the operation of this fund;

BE IT RESOLVED, that the President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, or any officer holding any of the above positions on an interim basis, singly is authorized to execute any and all instruments necessary, proper, and desirable for that purpose, and further that any officer of this corporation is hereby authorized to certify this resolution to whom it may concern.

This resolution supersedes all previous authorizations.

(22) TD Bank - Wire Transfer Agreement

BE IT RESOLVED, that the Board of Trustees hereby authorizes any combination of two of the following persons to enter into and execute the Wire Transfer Agreement and all its Exhibits and Schedules (collectively the “Agreement”) between the University of Vermont and State Agricultural College and TD Bank: President, Senior Vice President and Provost, Vice President for Finance and Administration and Treasurer, Controller, or any officer holding any of the above positions on an interim basis; and

BE IT FURTHER RESOLVED, that the Board of Trustees hereby authorizes any combination of two of the following persons to execute on behalf of the University additional exhibits to said Agreement in order to, from time to time, select different services: President, Provost, Vice President for Finance and Administration and Treasurer, Controller, or any officer holding any of the above positions on an interim basis; and

BE IT FINALLY RESOLVED, that any officer of this Corporation is hereby authorized to certify this resolution.

(23) Resolution Regarding Divestment from Companies Manufacturing or Distributing Cluster Munitions and/or Military Items Containing Depleted Uranium

WHEREAS, the Board reaffirms its commitment to “Our Common Ground” and its stated values of “justice” and “responsibility”; and

WHEREAS, the University’s policy of fiscal prudence shall not preclude the consideration of moral, ethical and social criteria in determining companies in which to invest, and that the University will take an active role on request in pursuing shareholder resolutions through proxy resolutions and other means in order to further its goal of investing in firms that produce safe and useful products in accord with moral, ethical and social criteria; and

WHEREAS, reaffirming the Declaration of the Oslo Conference on Cluster Munitions, by which, inter alia, States recognized the grave consequences caused by the use of cluster munitions and committed themselves to conclude by 2008 a legally binding instrument that would prohibit the use, production, transfer, and stockpiling of cluster munitions that cause unacceptable harm to civilians, and would establish a framework for cooperation and assistance that ensures adequate provision of care and rehabilitation for victims, clearance of contaminated areas, risk reduction education, and destruction of stockpiles; and

WHEREAS, weapons containing depleted uranium have potentially harmful effects on human health and the environment and do so indiscriminately;

BE IT RESOLVED, that the Budget, Finance & Investment Committee recommends University divestment from companies that are materially engaged in the manufacture of:

- a) Cluster munitions as defined by the Oslo Treaty of December 2008.
- b) Military equipment and/or weapons containing depleted uranium.

BE IT FURTHER RESOLVED, that the Socially Responsible Investment Work Group will review and reaffirm this resolution on an annual basis.

FULL BOARD

(24) Resolution Authorizing President to Continue Contract Negotiations

RESOLVED, that the Committee authorizes and directs the President or his designee to continue contract negotiations pursuant to the status report received today.

(25) Resolution regarding Presidential Evaluation and FY10 Compensation

WHEREAS, on this date the annual review subcommittee (“the subcommittee”) has reported on the status of its work to this Board;

BE IT RESOLVED, that the Board hereby authorizes the Board Chair to finalize the annual performance evaluation for the president and presidential compensation for FY10 following such additional consultation with the subcommittee as he deems necessary or desirable; and

BE IT FURTHER RESOLVED, that the Board Chair shall report his final actions to the Board in due course.

Red Flag Rule Program

Background

The Federal Trade Commission (FTC) issued a regulation known as the Red Flag Rule (Sections 114 and 315 of the Fair and Accurate Credit Transactions Act), to be implemented no later than May 1, 2009 that is intended to reduce the risk of identity theft. This program is intended to detect, prevent, and mitigate opportunities for identity theft at the University of Vermont (UVM). The Red Flag Rule applies to UVM due to our participation in the Federal Perkins Loan program, our institutional loan programs, our extension of credit for student accounts, and the fact that we request background checks that may be “credit reports” for some potential employees and for certain students. Our analysis of the type and scope of activity covered in the regulation, and our risk assessment of potential identity theft opportunities has resulted in a determination that there is a low level risk of possible identity theft at the University of Vermont.

Scope of Covered Activities

- Participation in Federal Perkins Loan Program
- Institutional student loan programs
- Payment plans and promissory notes for covered student accounts.
- Background checks/credit reports in employee hiring process and for students enrolled in certain programs

Existing Policies and Practices

Many offices at UVM maintain files, both electronic and paper, of student biographical, academic, health, financial, and admission records. These records may also include student billing information, Federal Perkins Loan records, and personal correspondence with students and parents. Policies to insure compliance with Gramm-Leach-Bliley Act (GLB), Family Educational Rights and Privacy Act (FERPA), system and application security, and internal control procedures provide an environment where identity theft opportunities are mitigated. Records are safeguarded to ensure the privacy and confidentiality of student, parents, alumni and employees.

The Office of Human Resources performs credit and criminal background checks on some potential employees prior to their date of hire. This population includes police services employees. Additionally, criminal background checks are performed during the admission process for undergraduate and graduate level nursing students and for students applying to the College of Medicine. Many clinical placement sites also require background checks for students during clinical/practical training.

The University's controls over privileged information include:

- Students are given the opportunity to set up an authorized payer that enables a third party (ex. Parents, or grandparents) access to their student account which includes information regarding their bill only.
- Access to non-directory student data in UVM's Banner system is restricted to those employees of the University with a need to properly perform their duties. These employees are trained to know FERPA and Red Flag regulations.
- Social Security numbers are not used as primary student identification numbers and this data is classified as non-directory student data.
- Student Financial Services employees managing covered accounts are trained to know FERPA and Red Flag regulations.
- The University is sensitive to the personal data (unlisted phone numbers, dates of birth, etc.) that it maintains in its personnel files and databases. We will not disclose personal information, except by written request or signed permission of the employee (for example, the Campus Directory), or unless there is a legitimate business "need-to-know", or if compelled by law.
- Every effort is made to limit the access to private information to those employees on campus with a legitimate "need-to-know." University staff members who have approved access to the administrative information databases understand that they are restricted in using the information obtained only in the conduct of their official duties. The inappropriate use of such access and/or use of administrative data may result in disciplinary action up to, and including, dismissal from the University.
- The University's official personnel files for all employees are retained in the Human Resources Office. Employees have the right to review the materials contained in their personnel file.
- The University's College of Nursing and Health Sciences and College of Medicine each have policies and procedures relating to obtaining and safeguarding information obtained through background checks of students.
- The University has policies that address the safeguarding of various forms of confidential information. Those policies include:
 - Code of Business Conduct
http://www.uvm.edu/~uvmppg/ppg/general_html/businessconduct.pdf
 - Computer and Network Use <http://www.uvm.edu/~uvmppg/ppg/cit/compuse.pdf>
 - FERPA Rights Disclosure <http://www.uvm.edu/~uvmppg/ppg/student/ferpa.pdf>
 - Records Retention
http://www.uvm.edu/~uvmppg/ppg/general_html/recordretention.pdf

Detecting Red Flag Activity

The University's risk assessment has identified the following potential "red flags" as pertaining to its business activities:

- Address discrepancies noted in background check reports

- Presentation of suspicious documents
- Photograph or physical description on the identification is not consistent with the appearance of the person presenting the identification
- Personal identifying information provided is not consistent with other personal identifying information on file with the University
- Documents provided for identification that appear to have been altered or forged
- Unusual or suspicious activity related to covered accounts
- Notification from students, borrowers, law enforcement, or service providers of unusual activity related to a covered account
- Notification from a credit bureau of fraudulent activity

Responding to Red Flags

- Should an employee identify a “red flag” (patterns, practices and specific activities that signal possible identity theft as identified above), they are instructed to bring it to the attention of Director of Student Financial Services, the Director of Human Resources, or University Registrar immediately. The administrator will investigate the threat of identity theft to determine if there has been a breach and will respond appropriately to prevent future identity theft breaches. Additional actions may include notifying and cooperating with appropriate law enforcement, notifying the student or employee of the potential for attempted fraud and notifying background check vendors of any address discrepancies between information contained in the background check report and the University’s records.

Oversight of Service Providers

- UVM employs Educational Computing Services Inc. (ECSI), a loan servicer for the purpose of billing and collection of Federal Perkins and UVM institutional loan payments. The only information that is shared with ECSI is information required to properly bill and collect loan payment as established by the Department of Education. This includes student name, address, telephone number, social security number, and date of birth. UVM will collect and maintain on file documents from ECSI confirming their compliance with “Red Flag Rules”.
- UVM uses several collection agencies for the purpose of collecting overdue student receivables, defaulted Institutional and Federal Perkins Loans. The only information that is shared with the collection agencies is that information required to perform address searches, and to properly bill and collect payment. This includes student name, address, telephone number, social security number, and date of birth. UVM will collect and maintain on file documents from all collection agencies regarding their compliance with “Red Flag Rules”.
- UVM employs Tuition Management Services (TMS), a tuition billing service, for monthly tuition payment plans. The only data that is shared with the TMS is information relating to the tuition payment plan established by the student or parent. UVM provides TMS with the student name, id, University e-mail, phone number, class and address.

UVM will collect and maintain on file documents from TMS confirming its compliance with Red Flag Rules.

- UVM uses Nelnet to host our monthly billing statements and process on-line payments for tuition accounts. The only information that is shared with Nelnet is the student name, student id, address, and billing transactions. UVM will collect and maintain on file documents from Nelnet regarding their compliance with Red Flag Rules.
- UVM uses Pearson Government Solutions to print and host our 1098T. The only information that is shared with Pearson is the student name, social security number, address, and pertinent tax information. UVM will collect and maintain on file documents from Pearson regarding their compliance with Red Flag Rules.
- UVM contracts with Applicant Insight to perform background checks for employees and with Verified Credentials or Certiphi to perform background checks for students. UVM reviews the vendors' security policies with regard to information in any background check reports to ensure that the vendors adequately safeguard sensitive information.

Periodic Update of Program

This program will be re-evaluated on or about the first day of each calendar year to determine whether all aspects of the program are up to date and applicable in the current business environments, and revised as necessary.

Program Oversight

Operational responsibility of the program is delegated to the Director of Student Financial Services and the University Registrar. The University Official responsible for the oversight and administration of this program is the Vice President for Enrollment Management.

Internal Procedures for Red Flag Rule

I. IDENTIFICATION OF RED FLAGS

In order to identify relevant Red Flags, the University considers the types of accounts that it offers and maintains, methods it provides to open its accounts, methods it provides to access its accounts, and its previous experiences with Identity Theft. The University identifies the following Red Flags in each of the listed categories:

A. Notifications and Warnings from Credit Reporting Agencies

1. Report of fraud accompanying a credit report;
2. Notice or report from a credit agency of a credit freeze on an applicant;
3. Notice or report from a credit agency of an active duty alert for an applicant;
4. Receipt of a notice of address discrepancy in response to a credit report request; and
5. Indication from a credit report of activity that is inconsistent with an applicant's usual pattern or activity.

B. Suspicious Documents

1. Identification document or card that appears to be forged, altered or inauthentic;

2. Identification document or card on which a person's photograph or physical description is not consistent with the person presenting the document;
3. Other document with information that is not consistent with existing student information;
4. Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information

1. Identifying information presented that is inconsistent with other information the student (example: inconsistent birth dates);
2. Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a loan application);
3. Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
4. Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
5. Social security number presented that is the same as one given by another student;
6. An address or phone number presented that is the same as that of another person;
7. A person fails to provide complete personal identifying information on an application when reminded to do so; and
8. A person's identifying information is not consistent with the information that is on file for the student.

D. Suspicious Covered Account Activity or Unusual Use of Account

1. Change of address for an account followed by a request to change the student's name;
2. Payments stop on an otherwise consistently up-to-date account;
3. Account used in a way that is not consistent with prior use;
4. Mail sent to the student is repeatedly returned as undeliverable;
5. Notice to the University that a student is not receiving mail sent by the University;
6. Notice to the University that an account has unauthorized activity;
7. Breach in the University's computer system security; and
8. Unauthorized access to or use of student account information.

E. Alerts from Others

1. Notice to the University from a student, Identity Theft victim, law enforcement or other person that the University has opened or is maintaining a fraudulent account for a person engaged in Identity Theft.

II. DETECTING RED FLAGS

A. Existing Accounts

In order to detect any of the Red Flags identified above for an existing Covered Account, University personnel will take the following steps to monitor transactions on an account:

Detect

1. Verify the identification of students if they request information (in person, via telephone, via facsimile, via email);
2. Only accept requests to change billing addresses by mail or University assigned email and provide the student a reasonable means of promptly reporting incorrect billing address changes

B. Consumer (“Credit”) Report Requests

In order to detect any of the Red Flags identified above for an employment position or application to an academic program or activity for which a credit or background report is sought, University personnel will take the following steps to assist in identifying address discrepancies:

1. Require written verification from any applicant that the address provided by the applicant is accurate at the time the request for the credit report is made to the consumer reporting agency; and
2. In the event that notice of an address discrepancy is received, verify that the credit report pertains to the applicant for whom the requested report was made and report to the consumer reporting agency an address for the applicant that the University has reasonably confirmed is accurate.

III. PREVENTING AND MITIGATING IDENTITY THEFT

In the event University personnel detect any identified Red Flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the Red Flag:

Prevent and Mitigate

1. Continue to monitor a Covered Account for evidence of Identity Theft;
2. Contact the student or applicant;
3. Contact the vendor providing a credit report if there is an address discrepancy
4. Change any passwords or other security devices that permit access to Covered Accounts;
5. Provide the student with a new student identification number;
6. Notify the Director of Student Financial Services or Human Resources for determination of the appropriate step(s) to take;
7. Notify law enforcement;
8. File or assist in filing a Suspicious Activities Report (“SAR”); or
9. Determine that no response is warranted under the particular circumstances.

Protect Student Identifying Information

In order to further prevent the likelihood of Identity Theft occurring with respect to Covered Accounts, the University will take the following steps with respect to its internal operating procedures to protect student identifying information:

1. Ensure that its website is secure;
2. Ensure complete and secure destruction of paper documents and computer files containing student account information when a decision has been made to no longer maintain such information;
3. Ensure that office computers with access to Covered Account information are password protected;
4. Avoid use of social security numbers;
5. Ensure computer virus protection is up to date; and
6. Require and keep only the kinds of student information that are necessary for University purposes.

IV. PROGRAM ADMINISTRATION

A. Oversight

The Director of Student Financial Services in conjunction with the University Registrar will be responsible for the performance of this program under the oversight of the Vice President for Enrollment Management. These responsible parties will designate a Program Administrator who will be responsible for the operational activities of the program. These operational activities include responsibilities for ensuring appropriate training of University staff on the Program, for reviewing any staff reports regarding the detection of Red Flags and the steps for preventing and mitigating

Identity Theft, for determining which steps of prevention and mitigation should be taken in particular circumstances, for oversight of service provider compliance and for initiating the annual review of the Program with recommendations for change to be reported to the Vice President for Enrollment Management for consideration and approval.

B. Staff Training and Reports

University staff responsible for implementing the Program shall be trained in the detection of Red Flags and the responsive steps to be taken when a Red Flag is detected. University staff shall be trained, as necessary, to effectively implement the Program. University employees are expected to notify the Program Administrator once they become aware of an incident of Identity Theft or of the University's failure to comply with this Program. At least annually the Program Administrator shall report to the Director of Student Financial Services and the University Registrar on compliance with this Program. The report should address such issues as effectiveness of the policies and procedures in addressing the risk of identity theft in connection with the opening and maintenance of Covered Accounts, service provider arrangements, significant incidents involving identity theft and management's response, and recommendations for changes to the Program.

C. Service Provider Arrangements

In the event the University engages a service provider to perform an activity in connection with one or more Covered Accounts, the University will take the following steps to ensure the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent and mitigate the risk of Identity Theft.

1. Require, by contract, that service providers have such policies and procedures in place; and
2. Require, by contract, that service providers review the University's Program and report any Red Flags to the Program Administrator or the University employee with primary oversight of the service provider relationship.

D. Non-disclosure of Specific Practices

For the effectiveness of this Identity Theft Prevention Program, knowledge about specific Red Flag identification, detection, mitigation and prevention practices may need to be limited to those employees with a need to know them. Any documents that may have been produced or are produced in order to develop or implement this program that list or describe such specific practices and the information those documents contain are considered "confidential" and should not be shared with other University employees or the public. The Program Administrator shall inform those employees with a need to know the information of those documents or specific practices which should be maintained in a confidential manner.

E. Program Updates

The Program Administrator will periodically review and update this Program to reflect changes in risks to students and the soundness of the University from Identity Theft. In doing so, the Program Administrator will consider the University's experiences with Identity Theft situations, changes in Identity Theft methods, changes in Identity Theft detection and prevention methods, and changes in the University's business arrangements with other entities. After considering these factors, the Program Administrator will determine whether changes to the Program, including the listing of Red Flags, are warranted. If warranted the Program Administrator will update the Program subject to approval by the Vice President for Enrollment Management.

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

**AUDIT COMMITTEE
Charter**

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

I. Principal Responsibilities

The principal responsibilities of the Committee shall include:

- a. promoting the development and monitoring the effectiveness of 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. full authority and oversight of the internal audit function including appointment decisions, performance evaluations, and employment termination of the chief internal auditor;
- e. ~~approving the~~ selecting and retaining the independent auditor and recommending such additional audits as the Committee and/or the Board must approve under the Board's reserved authority;
- f. maintaining direct and effective communication with independent auditors on behalf of the Board;
- g. reviewing the results of internal and external audits (including the annually audited financial statement), and assessing the quality and timeliness of management's response and corrective actions;
- h. evaluating the scope and quality of internal and independent audit services, and the degree of coordination and appropriate degree of independence between them; and
- i. reporting regularly and promptly to the Board regarding matters within the scope of the Committee charge.

II. Membership

The University of Vermont Board of Trustees shall annually appoint at least 7 of its members to the Committee. Its members shall be independent of management and the University including its component units and affiliated organizations. For the purposes of this charter, “independence” is defined as rendering a Trustee ineligible for Committee service if he or she is (1) is employed by the University; (2) is a partner or employee of a firm retained to conduct an audit of the University; (3) held such University employment or audit engagement at any time during the previous three years; or (4) is receiving consulting, advisory, or other compensatory fees for services provided to the University. Members of the Investment Subcommittee are eligible for appointment to the Audit Committee, but no such member may serve as its Chair or Vice Chair. The University President is ineligible for service as a member, ex officio or otherwise, of the Audit Committee, as a University official and employee.

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

Members of the Committee shall receive orientation appropriate to their Committee membership. 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 that would violate the U.S. General Accounting Office Independence Standard, 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; or preparation of the indirect cost proposal or cost allocation plan. 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~~-regular 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. 114, 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 agreed upon procedures report of institutional National Collegiate Athletic Association programs;
- d. resolve disagreements between management and the independent audit firm regarding financial reporting;
- e. review the independent audit firm management letter comments regarding institutional financial 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, scope of services inclusive of office charter, and adequacy of resources of the University's Institutional Risk Assessment and Audit Services Office; ~~and~~
- k. ~~annually 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~~ review the appointment, evaluate the performance and set the salary of the chief internal auditor;
- l. identify and document specific administrative responsibilities relevant to the routine operations of the office of chief internal auditor that are assigned to the President;
- m. ensure that regular quality assessment reviews of the internal audit operations are performed in accordance with IIA standards; and
- n. meet separately with both the internal and external auditors without management representatives present subject to the requirement of the Vermont open meeting laws.

IV. Internal Controls

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. Policy Review.

The Committee will receive for its review and comment and, if necessary, its recommendation to the Board, institutional policies relevant to its scope of work, including conflict of interest, ethical and fraudulent conduct, whistleblower protection, and documents retention.

c. Required Disclosures and Compliance Monitoring.

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

d. Confidential Reporting.

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

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

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

Revised by the Audit Committee: November 12, 2007

Approved as amended by the Board of Trustees: December 1, 2007.

Revised by the Audit Committee: April 28, 2009

Approved by the Board: May 16, 2009



The
UNIVERSITY
of **VERMONT**

Policy V. 8.0.4.1

Responsible Official: Vice
President for Legal Affairs and
General Counsel

Effective Date:

University Seal

History of the Official Seal of the University of Vermont

The University first adopted an official seal in 1807. The seal depicts the sun rising over the Green Mountains with the original "college edifice" (now the remodeled Old Mill) in the upper foreground, and a diagram of the Pythagorean Theorem, a quadrant, and a globe in the lower foreground. The outer ring of the oval includes the motto "*Universitas V. Montis. A.D. 1791.*" "*Collegiumque Agriculturae*" in an inner ring notes the establishment of the College of Agriculture in 1865. From 1891 until 1975, the original seal was replaced with a round seal developed to include the College of Agriculture. In 1975, the University Board of Trustees approved a return to the original oval seal, modified to include the College of Agriculture representation within the inner ring of the oval.

Policy Statement

The embossed seal is, in addition to a symbol of the identity of the University, a corporate mark of identification demonstrating the authenticity of academic records, contracts and other documents executed in the name of the University. It is important as a fiduciary matter and to the integrity of the University that the seal ("Seal") be used only for permissible purposes by authorized University officials. This policy therefore sets forth rules regarding use of the Seal and describes how authorization is conferred.

Use to Authenticate Documents

The University Secretary or delegate(s) ("the Secretary") shall be the keeper of the University Seal. The University Seal shall be used for the purposes of authenticating documents for both corporate and academic purposes by University officials whom the Secretary designates to do so. University officials the Secretary authorizes to maintain and utilize the University Seal, including replicas, shall keep the Seal in a secure location that allows for vigilant oversight.

Use for Promotion, Marketing and Communications

The University Seal is a registered trademark that may be used only in accordance with the following institutional policies:

- Trademarks
- Licensing
- University Name, Symbols, Letterhead, and other Proprietary Indicia of Affiliation; Use of
- Graphic Design [*in process*]

Reason for the Policy

The Policy is established to fulfill fiduciary responsibilities to, and protect the integrity of, the University.

Strategic Direction

This Policy supports the following goal in the [University's Strategic Plan](#):

- ***Institutional Efficacy:*** As an institution, model the highest standard of ethical conduct, public service, and strong commitment to lifelong learning.

Applicability of the Policy

The Policy applies to all proposed uses of the Seal, including without limitation to authenticate documents and for promotional, marketing or communications purposes, whether commercial or non-commercial.

Definitions

The Seal: is the emblem described in the introductory paragraph of this Policy.

The Secretary: is the Secretary of the Board of Trustees.

Procedures

Authorization of University officials to authenticate documents and/or to maintain the Seal or a replica thereof. The Secretary shall, through express and written delegation of authority, authorize specific institutional officials *ex officio* to maintain the Seal or a replica thereof. Any additional authorizations that become necessary in the course of University business must also be obtained from the Secretary.

Authorization of persons or entities to use the Seal for promotional, marketing, communications or related purposes. Policies and procedures applicable to use of the Seal for these purposes are listed in this Policy above.

Contacts

The Assistant Secretary to the Board, under the direction of the Secretary, is the official responsible for the operational interpretation of this Policy as it concerns use of the Seal to authenticate documents. Questions should be directed to:

Office of the Assistant Secretary of the Board and General Counsel:
351 Waterman 802 656 8585

The officials responsible for administering the Policies relating to Trademarks; Licensing; Use of University Name, Symbols, Letterhead, and other Proprietary Indicia of Affiliation; and Graphic Design are identified in those Policies.

Related Documents/Policies

- Contract Approval and Authority
<http://www.uvm.edu/~uvmppg/ppg/procure/contract.pdf>
- Graphic Design [*in process*]
- Licensing
http://www.uvm.edu/~uvmppg/ppg/general_html/licensing.pdf
- Trademarks
http://www.uvm.edu/~uvmppg/ppg/general_html/trademark.pdf
- University Name, Symbols, Letterhead, and other Proprietary Indicia of Affiliation
http://www.uvm.edu/~uvmppg/ppg/general_html/letterhead.pdf

Effective Date

Approved by:

_____	<u>President</u>	_____
Daniel M. Fogel		Date

_____	<u>Chair Board of Trustees</u>	_____
Ian D. Boyce		Date

EXECUTIVE COMMITTEE

Monday, June 15, 2009

Resolution Authorizing Contracts for Charter Bus Services

RESOLVED, that the Vice President for Finance and Administration (or his successor or designee) is hereby authorized to negotiate and execute charter bus transit contracts with First Student, Inc., for school-style bus services for local travel, and with Premier Coach Company, Inc., for coach-style bus services for long-distance travel, each for terms not to exceed five years.

Resolution Authorizing Lease Extension at 128 Lakeside Avenue, Burlington

WHEREAS, the University has leased and occupied office space at 128 Lakeside Avenue, Burlington, for the use of its Development and Alumni Relations and Continuing Medical Education units; and

WHEREAS, the present lease will expire on July 1, 2009; and

WHEREAS, the return of all those staff to campus is not yet possible;

THEREFORE BE IT RESOLVED, that the Vice President for Finance and Administration (or his successor or designee) is hereby authorized to negotiate and execute an extension of the lease for a term not to exceed five years.

Resolution Authorizing Lease Extensions at 19 Roosevelt Highway, Colchester

WHEREAS, the University has leased and occupied office space at 19 Roosevelt Highway, Colchester, for the use of its Enterprise and Technology Services, Human Resources, and Procurement Services units; and

WHEREAS, the two present leases will expire on June 30 and December 31, 2009; and

WHEREAS, the return of all those staff to campus is not yet possible;

THEREFORE BE IT RESOLVED, that the Vice President for Finance and Administration (or his successor or designee) is hereby authorized to negotiate and execute extensions of the two leases for terms not to exceed five years.

Approval of Appointments to the UVM/FAHC Affiliation Agreement Advisory Group

RESOLVED, that the Executive Committee approves the appointment of Trustees Harry Chen, James Betts and Debbie McAneny to serve as an advisory group to the administration regarding UVM/FAHC Affiliation Agreement negotiations;

BE IT FURTHER RESOLVED, Chair Ian Boyce and President Daniel Fogel will serve as *ex-officio* members.

AUDIT COMMITTEE

July 7, 2009

Resolution Authorizing Committee Chair to Initiate and Conclude Contract Negotiations

RESOLVED, that the Committee authorizes and directs the Committee Chair to initiate and conclude contract negotiations pursuant to the status report received today regarding the selection of the Chief Internal Auditor.

EXECUTIVE COMMITTEE

July 17, 2009

(As recommended by the Audit Committee on July 13, 2009)

Approval of Amended Code of Business Conduct Policy

WHEREAS, the University's Code of Business Conduct Policy has been amended to incorporate necessary reporting provisions, whistleblower protections currently in the Fraudulent and Dishonest Conduct Policy, and the Audit Committee's recommendations regarding leave recording, timeliness of reports and institutional endorsements;

WHEREAS, with these provisions subsumed into the revised Code of Business Conduct, the Fraudulent and Dishonest Conduct Policy will be retired;

BE IT RESOLVED, that the Executive Committee hereby approves the Code of Business Conduct Policy as recommended by the Audit Committee and appearing as attachment A to this document.

Authorization to Retain Search Firm for Chief Internal Auditor Recruitment

RESOLVED, that the Executive Committee hereby authorizes Audit Committee Chairman Bill Botzow to retain a search firm to assist the Audit Committee in recruiting a chief internal auditor, such retention to be made on contract terms commensurate with the report the administration made today.

Authorizations relative to Collective Bargaining

RESOLVED, that the Executive Committee hereby authorizes the administration to execute a collective bargaining agreement with United Academics governing the employment of faculty in the certified part-time unit, such agreement to be consistent with the material terms the administration today reported; and

BE IT FURTHER RESOLVED, that the Executive Committee hereby authorizes the administration to negotiate and, as appropriate, resolve, a collective bargaining agreement with United Electrical governing the employment of staff in the certified unit, such agreement to be consistent with the material terms the administration today proposed.



The
UNIVERSITY
of **VERMONT**

Policy V. 4.0.2.3

Responsible Official: Vice President for
Finance and Administration

Effective Date: July 17, 2009

Code of Business Conduct

Policy Statement

This Code of Business Conduct requires all University personnel to assume responsibility for safeguarding and preserving institutional resources so as to advance the institutional mission. It is the responsibility of supervisors to ensure that personnel whom they supervise receive adequate information and training to understand all laws and regulations, and all University policies and procedures, relevant to the discharge of their duties. In addition, all University personnel are expected to assume personal responsibility and accountability for understanding and abiding by relevant laws and policies and for adhering to the spirit of this Code.

Reason for the Code

All University personnel play a role in ensuring that institutional resources are protected, preserved and enhanced. This Code sets forth the fundamental expectations relating to business and fiduciary conduct. It is not intended to modify or restate University policies otherwise applicable to specific types of conduct or activities (see “Related Policies” below), or to limit in any way any additional rules or regulations that an administrative or academic unit may, through appropriate officials and channels, promulgate. Rather, the Code is a statement of the underlying standards and principles under which the University expects those with business and fiduciary responsibilities to carry out their duties.

Strategic Direction

This Code supports the following goal in the University’s Strategic Plan:

- ***Institutional Efficacy:*** As an institution, model the highest standard of ethical conduct, public service, and strong commitment to lifelong learning.

Applicability

This Code applies to all employees, including administrators, staff, faculty, and student employees, who manage, supervise or conduct University business or financial transactions or activities (“personnel”), and to University-recognized organizations and affiliated entities.

Persons and entities who are not affiliated with the University may also use the Ethics and Compliance Hotline (anticipated go-live August 2009) to report perceived violations of this Code.

Policy Elaboration

Administrators are required to report suspected fraudulent or dishonest conduct to the Audit Services Office. In addition, administrators are responsible for maintaining a system of management controls that deter and/or detect fraudulent or dishonest conduct. Failure by an administrator to establish management controls or report misconduct within the scope of this policy may result in adverse personnel action against the administrator, up to and including dismissal.

All University personnel are expected to be aware of and comply with University and unit policies relevant to their work duties, including without limitation the principles and policies listed below. Confirmed violations will result in disciplinary action, up to and including dismissal, and/or termination of institutional recognition of University group or organization status or external affiliate relationships with the University. In some instances, civil claims and criminal charges may also result. Procedures for the investigation of suspected violations, imposition of disciplinary action, and the availability of grievance or appeal channels shall be governed by otherwise applicable University policies, handbooks, and collective bargaining agreements.

Personnel in certain professions or occupations may be subject to additional ethical and professional standards. Failure to adhere to those standards may constitute a job performance issue to be addressed through customary performance review processes.

Neither the University nor its employees may retaliate against a whistleblower with the intent or effect of adversely affecting the terms or conditions of employment or enrollment (including but not limited to, threats of physical harm, loss of job or educational status, punitive work assignments, or impact on salary or wages). Relative to non-affiliated entities or persons who act as whistleblowers, neither the University nor its employees may retaliate with the intent or effect of adversely affecting business or other opportunities with the University.

General Principles of Conduct

- **Fraud, Theft or similar conduct** – Any act that involves theft, fraud, embezzlement or misappropriation of the property of University or any of its employees or suppliers is prohibited.
- **Fair Dealing** – University personnel must deal fairly with services and goods vendors. No unfair advantage shall be taken of prospective or current vendors through manipulation, concealment, abuse of privileged information, misrepresentation of material fact or any other unfair practice.
- **Financial Reporting** – All University accounts, financial reports, tax returns, expense reimbursements, and other documents that must be completed in the course of the business of the University, including those due government agencies, must contain accurate information and be completed promptly by authorized personnel.
- **Personnel Records** – All University personnel must scrupulously ensure that all personnel records that they submit in connection with their employment (e.g., job applications; timesheets; vacation and medical leave records; benefits plan coverage or reimbursement requests) are accurate and completed promptly and in a manner consistent with applicable policies and procedures.
- **Compliance** – Supervisors must ensure that their supervisees receive adequate information and training to understand the laws and regulations, and University policies and procedures, relevant to the supervisees' discharge of assigned duties. In addition, University personnel are expected to assume personal responsibility and accountability for understanding and abiding by relevant laws, regulations and policies in the discharge of their duties.
- **Authority to Contract** – University transactions must be authorized by appropriate officials in accordance with applicable institutional policies and procedures.
- **Conflicts of interest and commitment** – University personnel shall adhere strictly to institutional conflict of interest and commitment policies.
- **Stewardship of University assets and resources** – University assets and resources must be used prudently and effectively, and only for legitimate and authorized purposes. University property shall not be used, leased, donated, sold, or traded without proper authorization.
- **Gifts and Gratuities** – University personnel may not directly or indirectly give, offer, ask for, or accept for personal use, any gift or gratuity, in cash or in kind, from any current or potential vendor, or a regulatory authority, in connection with a business or comparable relationship between the University and the other party. This rule does not prohibit courtesy exchanges of gifts of equal and nominal value (such value not to exceed \$50 annually from one source) as dictated by the cultural customs of foreign visitors or when

UVM personnel visit foreign countries. If a courtesy gift of the nature just described exceeds nominal value, it must be turned over to UVM within thirty (30) days through the Office of Vice President for Finance and Administration. University personnel are responsible for determining the customs rules applicable to such gifts when traveling out of the U.S.

- **Bribery, Kickbacks and Payoffs** – Acts of bribery, and kickbacks and payoffs related to the discharge of University duties are prohibited.
- **Confidentiality** – University personnel must use reasonable diligence to maintain the confidentiality of information entrusted to them by the University or its students, alumni, employees or others with whom the institution has a business or fiduciary relationship, except when disclosure is authorized or legally mandated. This confidentiality principle applies both to information designated as such under applicable law, and non-public University information that might be useful to competitors or harmful to the University if disclosed. University personnel must take reasonable steps to protect and restrict the transfer of such confidential information to unauthorized persons and must share such information within the University on a “need-to-know” basis. All relevant protocols applicable to the safeguarding of information, including computer use protocols, must be followed.
- **Accuracy of Records** – University personnel are responsible for the integrity and accuracy of records they complete or maintain in the course of their duties regarding the business and/or financial operations of the University or a unit thereof. No false, misleading or artificial entries, or unauthorized alterations, shall be made on the University’s books and records or in reports the University is required to make as a matter of law or policy.
- **Records Retention** – Responsible University personnel must ensure that records are maintained and retained as required by University policy and governing law.
- **Responsible Management of Government Funds** – The University will strictly comply with government grants and contracts terms and conditions and expects its personnel to be knowledgeable about, and comply with, such terms and conditions as appropriate to, and required by, the nature of their duties.
- **Political Endorsements** – University personnel shall not, in their capacity as University personnel, endorse political candidates.
- **Commercial Endorsements** – University personnel shall not endorse commercial products or services except as specifically authorized in advance in an employment contract executed by appropriate University officials on behalf of the University and also approved in advance by the Senior Vice President and Provost.
- **Institutional Endorsements** – Institutional endorsements will be handled in accordance with University policies and procedures regarding Trademarks and Licensing.

Definitions

“Administrator” is a University official who has managerial or supervisory responsibility for another University employee or other University employees.

“Appropriate responsible official” is the individual by whom the possible violator is supervised. If the administrator making the report has reason to believe that the otherwise appropriate responsible official is aware of, or sanctioning, the violation, the report should be made to the next-level supervisor of the appropriate official.

“Good Faith” means honest belief, with the absence of malice or intent to defraud or seek unscrupulous advantage.

“Retaliation” includes any adverse action taken against University personnel because such person made a good faith report of a possible violation of this Policy. Examples of adverse action include, but are not limited to, threats of physical harm, implementing unfavorable changes in employment or educational status, punitive assignments, or negative impact on grades, salary or wages.

“Whistleblower” is an individual or entity who files a report of suspected wrongful conduct that is believed in good faith to constitute a violation of this Policy.

Procedures

Administrators must report perceived or demonstrated Code of Business Conduct violations to an appropriate responsible official or to the Office of Audit Services. Non-administrator personnel are strongly encouraged to report perceived or demonstrated violations to an appropriate official or to the Office of Audit Services. Reports may also be made using the Ethics and Compliance Hotline (anticipated go-live August 2009). Customary channels will be used in the investigation of alleged violations of this Code and any imposition of related disciplinary or administrative

The University cannot guarantee confidentiality to persons making reports of suspected violations (“whistleblowers”). The investigating office will nonetheless strive to keep the identity of a whistleblower confidential, unless:

- The whistleblower agrees to be identified;
- Identification is necessary to allow University or law enforcement officials to investigate or respond effectively to the report;
- Identification is required by law; or
- The person accused of the violation is entitled to the information in disciplinary proceedings as a matter of right.

Whistleblowers who believe they have been retaliated against may file a written complaint with the Audit Services Office, which shall refer the report promptly to the immediate supervisor(s) of any person(s) accused of retaliation. If the whistleblower is alleging that an immediate supervisor engaged in the retaliation, Audit Services shall refer the retaliation report to the next level of administration.

If investigation determines that retaliation occurred, disciplinary action against the offender will be initiated through normal channels. If it is determined that retaliation has not occurred, the appropriate University official will so notify the whistleblower and explain the rationale for the conclusion. A whistleblower is not entitled to be informed of the nature and extent of any disciplinary action taken against personnel found to have engaged in retaliation.

This protection from retaliation is not intended to prohibit managers or supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

Allegations of suspected violations made in bad faith may give rise to disciplinary action against the whistleblower and personal liability in response to external legal claims filed by an individual wrongfully accused of misconduct. The fact that a report of suspected violation has been investigated and found unsubstantiated is not necessarily indicative of bad faith.

Forms

The Ethics and Compliance Hotline (anticipated go-live August 2009)

Contacts and Responsible Official

Suspected violations of this Code may be reported to the appropriate responsible official or to the Office of Audit Services at:

Chief Internal Auditor
234 Waterman Building
Burlington, VT 05405
(802) 656- 2662

The Vice President for Finance and Administration is the University official responsible for the interpretation and administration of this Code.

Related Documents/Policies

Audit Services Investigative Protocol

http://www.uvm.edu/~uvmppg/general_html/related_docs/invprotocol.pdf

Computer and Network Use

<http://www.uvm.edu/~uvmppg/ppg/cit/compuse.pdf>

Conflict of Interest and Commitment Policy

http://www.uvm.edu/~uvmppg/ppg/general_html/conflictinterest.pdf

Effort Management and Reporting on Sponsored Awards

<http://www.uvm.edu/~uvmppg/ppg/grants/effortreporting.pdf>

FERPA Rights Disclosure

<http://www.uvm.edu/~uvmppg/ppg/student/ferpa.pdf>

Health Insurance Portability and Accountability Act (HIPPA)

http://www.uvm.edu/~complan/compliance/?Page=HIPAA_UVM.html

Intellectual Property

http://www.uvm.edu/~uvmppg/ppg/general_html/intellectualproperty.pdf

Loans to or Guarantees for Trustees and Officers

<http://www.uvm.edu/~uvmppg/ppg/otherdoc/botloans.pdf>

Misconduct in Research and Other Scholarly Activities – revisions pending

<http://www.uvm.edu/~uvmppg/ppg/grants/researchmisconduct.pdf>

Names, Symbols, Letterhead and Other Proprietary Indicia of Affiliation

http://www.uvm.edu/~uvmppg/ppg/general_html/letterhead.pdf

Political Activity

http://www.uvm.edu/~uvmppg/ppg/general_html/political_activity.pdf

Procurements and Contracts Policy – revisions pending

<http://www.uvm.edu/~uvmppg/ppg/procure/contract.pdf>

<http://www.uvm.edu/~uvmppg/ppg/procure/procurement.pdf>

Records and Documents Requests

http://www.uvm.edu/~uvmppg/ppg/general_html/record_request.pdf

Records Retention

http://www.uvm.edu/~uvmppg/ppg/general_html/recordretention.pdf

Related Significant Financial Interest in Research and Scholarly Activity

<http://www.uvm.edu/~uvmppg/ppg/grants/researchcoi.pdf>

Trademarks

http://www.uvm.edu/~uvmppg/ppg/general_html/trademark.pdf

Travel

<http://www.uvm.edu/~uvmppg/ppg/travel/travel.pdf>

Wrongful Conduct and Whistleblower Protection – revisions pending

http://www.uvm.edu/~uvmppg/ppg/general_html/fraud.pdf

Effective Date

Approved by:

Daniel M. Fogel

President

Date

Approved by the Board of Trustees Executive Committee on July 17, 2009.

EXECUTIVE COMMITTEE

Monday, August 17, 2009

Approval of Appointments to the Trustee Advisory Work Group

RESOLVED, that the Executive Committee approves the appointment of Trustees Christopher Bray, Harry Chen, Robert Cioffi, John Hilton, Susan Hudson-Wilson and Mark Young to serve as members of an advisory work group designed to assist the Board and the administration in exploring the desirability and feasibility of establishing a development foundation; and

BE IT FURTHER RESOLVED, Chair Ian Boyce and President Daniel Fogel will serve as *ex-officio* members of the advisory group.

Aiken Center Renovation Project (Greening of Aiken)

WHEREAS, at its December 1, 2007 Board of Trustees meeting, the Board approved the Greening of Aiken project and \$13.44 million in funding consisting of \$8.44 million of debt that was to be combined with \$5 million (37%) of non-debt funds; and

WHEREAS, the Greening of Aiken project was not initiated after the Board's approval because the non-debt financing requirement had not been met; and

WHEREAS, currently \$3.27 million in cash and pledges to support this project, including an \$867,000 EPA grant that is a direct federal appropriation from Senator Leahy has been received; and

WHEREAS, the importance of the project, both to the Rubenstein School of Environment and Natural Resources and the University is even more critical than when the Board approved the project in 2007; and

WHEREAS, given that the project delay makes securing added non-debt support even more difficult;

NOW THEREFORE, BE IT RESOLVED, that the Executive Committee authorizes the administration to proceed with all necessary planning steps, including the preparation of detailed construction drawings, to enable the University to put out to bid the Greening of Aiken project by January 2010; and

BE IT FURTHER RESOLVED, that the President and Vice President for Finance and Administration shall following such authorization prepare a plan upon which the Budget, Finance and Investment ("BFI") Committee will act; and

BE IT FINALLY RESOLVED that, if the BFI approves the plan, at the October 2009 meeting of the Board, the administration will submit for Board approval a resolution amending the original

2007 resolution that authorized the administration to proceed with the project at the same overall cost of \$13.4 million; amending the non-debt requirement to a minimum of \$3.4 million; and securing up to \$10.0 million in debt financing through borrowing secured by cash investment of the same amount.

EXECUTIVE COMMITTEE

September 14, 2009

Resolution Approving Renewal of Library Acquisition Contract with EBSCO, Inc.

BE IT RESOLVED, that the Vice President for Finance and Administration, in consultation with the Dean of Libraries, be authorized to renew the contract with EBSCO, Inc. as subscription agent for library acquisitions. The contract for EBSCO will be for calendar year 2010 and shall not exceed \$3,700,000.

Resolution Authorizing Extension of Royall & Company Contract

RESOLVED, that the Vice President for Finance and Administration is hereby authorized to negotiate and execute an extension to the Student Marketing Program contract of \$476,449 with Royall & Company for the deployment of UVM's student interest initiation campaign, for launch dates to begin November 15, 2009, and conclude May 31, 2010.

Authorization to Retain Audit Firm for Follow-Up Review of Internal Controls Relating to Specified Transactions

RESOLVED, that the Executive Committee hereby authorizes Audit Committee Chairman Bill Botzow, in consultation with Audit Committee members, to retain an Audit firm for follow-up review of internal controls relating to specified transactions, such retention to be made on contract terms commensurate with the report the administration made today.

CONSENT AGENDA

October 24, 2009

COMMITTEE OF THE WHOLE

(1) Resolution Regarding Graduate Student Senate

BE IT RESOLVED, that on September 3, 2009, the Committee on Board Governance accepted President Fogel's recommendation that governance body status be accorded to the Graduate Student Senate, and thus hereby recommends to the full Board that such status be granted; and

BE IT FURTHER RESOLVED, that the Committee on Board Governance recommends that the full Board approve a revision to the University Bylaws, as appended, that accords the Graduate Student Senate governance group status; and

BE IT FINALLY RESOLVED, that the Committee on Board Governance recommends that full Board approval be granted expressly conditional upon the submission by the Graduate Student Senate (GSS) and the Student Government Association ("SGA") of GSS and SGA-approved governance documents reflecting the new status of the GSS and commensurate changes to SGA governance documents, such submissions to be made jointly at the May 2010 Board meeting.

(2) Vermont Department of Health/UVM Project Resolution

RESOLVED, that the Board endorses the University's intention to work with the State of Vermont to develop a project for the Vermont Department of Health at the Colchester Business and Technology Park. The project would also include the common use of a portion of the Colchester Research Facility.

FURTHER RESOLVED, that the Board approves the allotment of up to \$100,000 of the FY2011 State Capital Appropriation request towards the project.

(3) Resolution for President to Confer Honorary Degrees

RESOLVED, that the President be and hereby is authorized to offer and confer honorary degrees at the 2010 Commencement to the individuals recommended by the Honorary Degree Work Group.

EDUCATIONAL POLICY AND INSTITUTIONAL RESOURCES COMMITTEE

(4) Given Mechanicals & Infrastructure Resolution

WHEREAS, the Board of Trustees Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of \$16,240,000 for the

proposed Given Mechanicals & Infrastructure and finds it an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review;
THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby endorses the project and remits it to the Budget, Finance, and Investment Committee, following confirmation of National Institutes of Health grant award, for financial review and approval at their February 2010 meeting.

(5) Cook Physical Science Renovation Resolution

WHEREAS, the Board of Trustees Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of \$2,204,000 for the proposed Cook Physical Science renovation and finds it an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review;

THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby endorses the project and remits it to the Budget, Finance, and Investment Committee, following confirmation of National Science Foundation grant award, for financial review and approval at their February 2010 meeting.

(6) Simpson Residential Dining Hall & Retail Store Resolution

WHEREAS, the Board of Trustees Educational Policy and Institutional Resources Committee has carefully reviewed the program, scope, and preliminary estimate of \$7,200,000 for the proposed Simpson Residential Dining Hall and Retail Store renovation and finds it an institutional priority, consistent with the *Strategic Capital Plan*, and worthy of further review;

THEREFORE, BE IT RESOLVED, that the Educational Policy and Institutional Resources Committee hereby endorses the project and remits it to the Budget, Finance, and Investment Committee for financial review and approval at their February 2010 meeting.

(7) Resolution Approving the Establishment of a Minor in Dance

RESOLVED, that the Board of Trustees approves the establishment of a Minor in Dance, as approved and advanced by the Provost on May 29, 2009, and the President on June 3, 2009.

(8) Resolution Approving the Termination of the Biobehavioral Concentration for the Psychology Bachelor of Science

RESOLVED, that the Board of Trustees approves the termination of the Biobehavioral concentration for the Psychology Bachelor of Science, as approved and advanced by the Provost on May 29, 2009, and the President on June 3, 2009.

(9) Resolution Authorizing Agreement to Establish U.S. Sino Pathways Program at University of Vermont

RESOLVED, that the Board of Trustees hereby authorizes the President and/or Vice President for Enrollment Management to enter into a contract with Northeastern University and Shanghai Kai Bo Education Investment Management Co., Ltd, for the purpose of establishing a multi-component pathways program for students from the Peoples Republic of China (PRC) to begin studies in the PRC and complete them at the University of Vermont;

BE IT FURTHER RESOLVED, that the initial agreement shall be for a term of one year, with the parties' intent to develop a multi-year program of students completing their studies at the University of Vermont.

BUDGET, FINANCE & INVESTMENT COMMITTEE

(10) Resolution Approving Financing Plan for the Greening of Aiken

WHEREAS, the Trustees reviewed and authorized the renovation of Aiken Hall in November 2007 based on a total project cost of \$13,400,000, with \$5,000,000 to be funded from gifts and grants and \$8,400,000 to be funded from long-term borrowing; and

WHEREAS, the need for and strategic and operational importance of the project remain high, and it is now appropriate to proceed with the project;

NOW, THEREFORE, BE IT RESOLVED, that the President and the Vice President for Finance and Administration, or their successors or designees, are hereby authorized to commence the Aiken Hall Project and to execute any and all contracts and documents necessary to undertake the Project at a total Project cost not to exceed \$13,400,000 to be financed through use of the gift and grant support of at least \$3,400,000 and financing of up to \$10,000,000. The President and Vice President may immediately proceed to use the available gift and grant funds for this purpose.

BE IT FURTHER RESOLVED, that the President and Vice President shall develop the precise character of the long-term bond financing proposal, to be subsequently submitted for approval by the Board, that will secure up to \$10,000,000. These officials may include in the recommended financing package the use of taxable Build America Bonds and/or RECOVERY ZONE

ECONOMIC DEVELOPMENT BONDS to the degree that the Project is eligible for these federal programs. The financing proposal may also include the redemption and refinancing of up to \$22,000,000 of bonds previously issued by the University. These bonding recommendations will be brought to the Executive Committee for action if they are fully developed before the February 2010 Board meeting, and that Committee is hereby authorized to approve a financing proposal that conforms with this resolution.

INVESTMENT SUBCOMMITTEE

(AS RECOMMENDED BY INVESTMENT SUB-COMMITTEE - OCTOBER 21, 2009)

(11) Resolution Reaffirming Endowment Administration Fee

RESOLVED, that the *Endowment Management Fee* is renamed the *Endowment Administration Fee Policy* and is reaffirmed as amended below:

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

BE IT FURTHER RESOLVED, that on a fiscal year basis, the fee will be reviewed and assessed annually as 0.25 percent of the average market value of the University endowment for the previous thirteen quarters ending December 31 of the prior calendar year; and

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

Adopted by: Board of Trustees - September 13, 2003

Reaffirmed: Board of Trustees - September 8, 2007

Board of Trustees - September 5, 2008

Amended: Board of Trustees - October 24, 2009

(AS RECOMMENDED BY THE INVESTMENT SUBCOMMITTEE - SEPTEMBER 10, 2009)

(12) Resolution Reaffirming the Endowment Budget Policy

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

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

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

Adopted by: Board of Trustees - May 13, 1995

Reaffirmed: Board of Trustees - September 8, 2007

Board of Trustees - September 5, 2008

Board of Trustees - October 24, 2009

(13) Annual Review of Debt Policy

WHEREAS, in September 2004, the Board adopted a Debt Policy to guide the portfolio management of debt, which it updated most recently in December 2008; and

WHEREAS, the Debt Subcommittee of the Finance and Budget Committee was charged with the regular review of the Debt Policy;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the modified Debt Policy as appended.

(14) State Capital Appropriation Request - Fiscal Year 2011

RESOLVED, that the President be and is hereby authorized to request \$2.0 million from the Governor and Legislature of the State of Vermont toward construction, renovation, and major facility maintenance in advancement of the mission of the University of Vermont.

(15) Summer Tuition Resolution

RESOLVED, that the Board of Trustees hereby approves the change in tuition for the Summer Session from \$391 to \$414 per credit hour for in-state students and from \$987 to \$1,046 per credit hour for out-of-state students. The changes will become effective for the 2010 Summer Session.

BE IT FURTHER RESOLVED, that the Board of Trustees hereby approves an all-inclusive fee for the US-Sino Pathway Program (USPP) Bridge Program for Summer 2010 of \$13,099, pending approval of that academic initiative via the Educational Policy and Institutional Resources Committee.

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

UNIVERSITY BYLAWS

ARTICLE I: Name

Section 1.1. Name: The name of the corporation is the University of Vermont and State Agricultural College. These Bylaws refer to the corporation as the "University."

ARTICLE II: Purpose

Section 2.1. Purpose: The University shall be recognized and utilized as an instrumentality of the State of Vermont for providing public higher education, with all the rights and powers incident to corporations. The University shall not carry on any activity not permitted to be carried on by a corporation exempt from federal income taxation under Sections 501(a) and 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provisions of any future federal tax code).

ARTICLE III: Offices

Section 3.1. Offices: The principal office of the University shall be located in Burlington, Vermont. The University Board of Trustees (hereinafter "Board of Trustees") may designate other offices within or without the State of Vermont as the business of the University may require.

ARTICLE IV: Trustees

Section 4.1. Number and Qualification: The Board of Trustees shall consist of twenty-five (25) persons. The Board of Trustees shall be composed of the following members:

- Three (3) members shall be individuals appointed by the Governor of the State of Vermont with the consent of the Vermont Senate
- Nine (9) members shall be individuals elected by the Vermont Legislature, said nine members being the same individuals who constitute the Board of Trustees of the Vermont Agricultural College
- Nine (9) members shall be individuals elected by the Board of Trustees of the University of Vermont, said nine members being the same individuals who constitute the Board of Trustees of the University of Vermont

- Two (2) members shall be full-time students enrolled at the University (each of whom must be at least 18 years old) elected by the Associated Directors for the Appointment of the University of Vermont and State Agricultural College Student Trustees, Inc.
- One (1) member shall be the Governor of the State of Vermont, by virtue of the office ("*ex officio*")
- One (1) member shall be the President of the University, *ex officio*

Section 4.2. Manner of Appointment and Election: The trustees shall be appointed or elected in the manner set forth in Section 4.1 of these Bylaws and in the Charter.

Section 4.3. Term of Office: The term of office of each trustee, other than the two student members and the *ex officio* members, shall be six (6) years and until his or her successor has been duly elected or appointed. The term of office of each student trustee shall be two (2) years. The *ex officio* trustees shall have a term of office lasting for such period as they serve in their respective offices. The term of office for each trustee other than the *ex officio* trustees shall begin on March 1 of the initial year of such term and expire on the last day of February in the final year of said term.

Section 4.4. Duties and Powers: The Board of Trustees shall have the entire management and control of the property and affairs of the University. All corporate powers shall be exercised by or under the authority of the Board of Trustees. The trustees may adopt such rules and regulations for the conduct of their meetings and the management of the University as they deem proper, not inconsistent with law or these Bylaws. These Bylaws and resolutions of the Board of Trustees shall take precedence over other documents and policies of the University.

Section 4.5. Resignation: Any trustee may resign his or her office at any time by delivering written notice of the resignation to the Chair of the Board, the President, or the Secretary of the Board. Unless the notice of resignation specifies a later effective date, the resignation shall take effect immediately.

Section 4.6. Vacancies: Any vacancy occurring in the Board of Trustees by death, resignation, or otherwise shall be promptly filled by the appointing authority. The trustee thus chosen shall hold office for the unexpired term of his or her predecessor and until the election and qualification of his or her successor.

Section 4.7. Conflict of Interest Policy: The Board of Trustees shall adopt a written conflict of interest policy, by resolution, which policy shall be reviewed periodically and revised as determined to be necessary or desirable.

ARTICLE V: Meetings of the Board of Trustees

Section 5.1. Notice of Meeting: Notice of regular and special meetings of the Board of Trustees and its committees shall be given, and meetings shall be conducted, in accordance with the Vermont Nonprofit Corporation Act and the applicable state public access laws.

Section 5.2. Waiver of Notice: Whenever under the provisions of these Bylaws or of any statute any trustee is entitled to notice of any regular or special meeting, such meeting may be held without the giving of notice to trustees if every trustee entitled to notice waives the required notice in writing or by attendance at or participation in the meeting; provided, however, such waiver by trustees shall not affect the University's obligations, if any, to provide notice to persons other than trustees, including its obligations under state public access laws.

Section 5.3. Meetings: The regular meetings of the Board of Trustees shall include the annual meeting of the Board of Trustees shall be held in May of each year, the date and time to be fixed by the trustees by resolution. The annual meeting shall be held in Burlington, Vermont or such other place as the Board of Trustees may approve from time to time by resolution. Other regular meetings of the Board of Trustees shall be held at such times and places as the Board may determine at the annual meeting or from time to time. Special meetings of the Board of Trustees may be called by the Chair of the Board of Trustees, the President, or at the request of any five members of the Board of Trustees.

Section 5.4. Telephone Meetings: Members of the Board of Trustees and members of any committee appointed by the Board of Trustees may participate in a meeting of the Board or such committee by any means of communication, including audio conference or conference telephone call, by which all persons participating in the meeting may simultaneously hear each other, and participation in a meeting in such manner shall constitute presence in person at the meeting.

Section 5.5. Quorum; Vote Necessary for Action: At any meeting of the Board of Trustees, the presence of a majority of the Board shall be necessary to constitute a quorum for the transaction of business. The act of a majority of the trustees present at a meeting at which a quorum is present shall be the act of the Board of Trustees, unless a greater vote is required by the Charter, these Bylaws, or by law. Should a quorum not be present, a lesser number may adjourn the meeting to some later time. At all meetings of the Board of Trustees, each trustee shall have one vote. Trustees are not entitled to vote by proxy.

ARTICLE VI: Officers

Section 6.1. Officers and Qualifications: The officers of the University shall be the Chair, Vice Chair, and Secretary of the Board of Trustees; the University President, Provost, and Treasurer; and such other officers as the Board of Trustees may determine. Any two or more offices may be held by the same person, except (a) the offices of President and Secretary and (b) the offices of President and Provost. The Chair Vice Chair, and Secretary of the Board of Trustees, and the President, shall be members of the Board of Trustees. No trustee may be initially elected Chair unless he or she has at least two years of his or her term as trustee remaining. The Provost shall be an individual nominated by the President.

Section 6.2. Election: All officers of the University other than the President and the Chair of the Board of Trustees shall be elected annually by the Board of Trustees at a regular meeting held in the month of February, or at such other time as is determined by the trustees by resolution. The Chair of the Board of Trustees shall be elected in a manner consistent with the Charter. The

President shall be elected at a regular or special meeting and said election shall be for an unspecified term.

Section 6.3. Term of Office: Except where a vacancy is being filled pursuant to the requirements of these Bylaws, all officers of the University shall take office effective March 1. All officers shall hold office until their successors have been duly elected and have qualified, or until removed from office in accordance with such procedures as may be adopted by the Board of Trustees from time to time.

Section 6.4. Duties of Officers: The duties and powers of the officers shall be as follows and as set by resolution of the Board of Trustees from time to time:

(a) **Chair of the Board.** The Chair of the Board shall preside at all meetings of the Board of Trustees. If the Chair is absent, the Vice Chair of the Board shall preside. In the absence of both, the Secretary shall preside for the election of a chair *pro tempore*.

(b) **President.** The President shall be the chief executive officer of the University and his or her duties shall be those that commonly pertain to the office of the president of a university. The President shall be the administrative head of the University and its constituent parts and he or she shall have the power to veto any act or resolution of any committee or other collective body within the University or its constituent parts except for the Board of Trustees and committees of said Board, subject to such procedures as the Board may adopt from time to time. The President shall cause to be called regular and special meetings of the Board of Trustees in accordance with the requirements of the Vermont Nonprofit Corporation Act, these Bylaws, and applicable state public access laws. The President shall prepare the agenda for meetings of the Board of Trustees and the Executive Committee in consultation with the Chair of the Board. The President shall have authority to sign and execute all contracts in the name of the University and all notes, drafts, or other orders for the payment of money, unless restricted in any specific instance by resolution of the Board of Trustees.

(c) **Treasurer.** The Treasurer shall be responsible for the receipt and investment of funds. The Treasurer shall also be responsible for the management of cash and securities. The Treasurer shall ensure that all trustees receive financial statements from the University, including comparisons of revenues and expenditures with the budget of the University. The Treasurer shall have such other responsibilities as may be assigned to him or her by the President or the Board of Trustees from time to time.

(d) **Secretary.** The Secretary shall record all votes and proceedings of the Board of Trustees or any committee thereof, unless the Board later delegates such duties to another person. The Secretary shall be custodian of the records and seal of the University and shall authenticate records of the University when required, unless the Board later delegates such duties to another person. The Secretary shall cause the University to maintain an office in Burlington, Vermont where the corporate records of the University shall be kept, and the Secretary shall procure and file in said office certified copies of all papers required by law to be filed with the Secretary of State. The Secretary shall cause the University to make records and documents available to the public in accordance with the applicable requirements of state public access laws. The Secretary

shall perform the duties incident to the office of the Secretary as specifically delegated from time to time by the Board of Trustees and as may be required by the laws of the State of Vermont.

(e) **Provost.** The Provost shall be responsible for academic and administrative duties assigned by the President. During the absence or incapacity of the President, or in the case of the death or resignation of the President, the Provost shall assume the administrative duties of the President until such time as the Board of Trustees shall, by resolution, determine who shall exercise said duties or until the vacancy in the office of the President shall have been filled. When so acting, the Provost shall have all the powers and shall be subject to all the responsibilities of the office of the President and shall perform such duties and functions as the Board of Trustees may prescribe.

(f) **Other Officers.** Other officers shall perform such duties and such powers as may be assigned to them by the Board of Trustees.

Section 6.5. Vacancies: All vacancies in any office shall be filled by the Board of Trustees, either at a regular meeting or at a meeting specifically called for that purpose.

ARTICLE VII: Committees

Section 7.1. Standing Committees: The standing committees of the Board of Trustees shall be as follows: Executive Committee, Investment Committee, Audit Committee, and other standing committees established by the Board of Trustees from time to time. Any committees, including standing committees, that include non-trustees shall be advisory in nature and shall not have the right to exercise the authority of the Board of Trustees. The President of the University shall be an *ex officio* member of all committees except for the Audit Committee. The chair of each committee other than the Executive Committee shall prepare the agenda for meetings of the committees. The President shall prepare the agenda for meetings of the Executive Committee in consultation with the Chair of the Board.

Section 7.2. Composition and Duties of Standing Committees: The standing committees shall be comprised of such members as may be determined by resolution of the Board of Trustees from time to time. Appointment of members to each standing committee must be approved by a majority of all trustees in office when the action is taken. Standing committees other than the Executive Committee shall have such duties as may be determined by resolution of the Board of Trustees from time to time.

Section 7.3. Duties of the Executive Committee: During the intervals between meetings of the Board of Trustees, the Executive Committee shall have all the powers of the Board of Trustees in management of the property and affairs of the University and may exercise the authority of the Board of Trustees except as may otherwise be provided by law. In addition to its authority to take action on matters that cannot or should not be deferred to the next scheduled meeting of the Board of Trustees, the Executive Committee shall oversee the work of committees of the Board of Trustees, University planning processes, and the responsibility of the Board of Trustees to support the President and to assess his or her performance.

Section 7.4. Ad hoc Committees: The Board of Trustees may create ad hoc committees and appoint members to them from time to time. The creation of such committees and appointment of members must be approved by a majority of all the trustees in office when the action is taken. Each committee shall have at least two persons who are members of the Board of Trustees. If a committee includes non-trustees, the committee shall be advisory in nature and shall not have the right to exercise the authority of the Board of Trustees. The President of the University shall be an *ex officio* member of all ad hoc committees.

Section 7.5. Liaisons and Representatives on Committees: The President shall designate one or more members of his or her administrative staff as liaison officer to each standing and ad hoc committee and specify their duties. The Faculty Senate, the Student Government Association, the Graduate Student Senate, the Alumni Council, and the Staff Council may respectively designate a representative to each of the committees at their discretion. The representatives may attend meetings of the committees and participate in discussions but shall not have any voting rights.

Section 7.6. Meetings, Notices, Quorum: The provisions set forth in Sections 5.1, 5.2, 5.4, and 5.5 of these Bylaws shall also apply to meetings of committees of the Board of Trustees.

Section 7.7. Vacancies: Any vacancy occurring on a committee by death, resignation, or otherwise may be filled by the Board of Trustees. Such appointments to fill vacancies must be approved by a majority of all the trustees in office when the action is taken.

ARTICLE VIII: Fiscal Year

Section 8.1. Fiscal Year: The fiscal year of the University shall begin on the 1st day of July in each year and end on the 30th day of June in each year or such other dates as the Board of Trustees may determine from time to time by resolution.

ARTICLE IX: Indemnification

Section 9.1. Mandatory Indemnification: The University shall indemnify any individual who is or was a trustee or officer of the University to the extent that such indemnification is required under the Vermont Nonprofit Corporation Act.

Section 9.2. Discretionary Indemnification: The University may indemnify a trustee, officer, employee, or agent of the University to the extent permitted by the Vermont Nonprofit Corporation Act. The determination as to whether the University will consider providing discretionary indemnification shall be made by resolution of the Board of Trustees, provided that the determination as to whether an individual has met the standard of conduct necessary to entitle him or her to be indemnified shall be made in the manner specified by the Vermont Nonprofit Corporation Act.

Section 9.3. Advance for Expenses: The University may pay for or reimburse the reasonable expenses incurred by a trustee, officer, employee, or agent of the University in advance of the final disposition of the proceeding in accordance with the Vermont Nonprofit Corporation Act.

Section 9.4. Insurance: Nothing herein shall affect the University's right to purchase and maintain insurance on behalf of an individual who is or was a trustee, officer, employee, or agent of the University. No individual for whom indemnification is intended hereunder shall be indemnified for any expenses or liability for which coverage is provided and reimbursement is paid under an insurance policy.

ARTICLE X: Amendments

Section 10.1. Amendments: The Bylaws may be amended by an affirmative vote of a majority of all of the members of the Board of Trustees. The Bylaws may be amended at any meeting of the trustees, provided that the notice of the meeting at which proposed amendments to the Bylaws are to be considered must state that the purpose, or one of the purposes, of the meeting is to consider proposed amendment to the Bylaws. The notice must also contain or be accompanied by a copy or summary of the amendment.

ARTICLE XI: Miscellaneous

Section 11.1. References to Vermont Act: All references in the Bylaws to the Vermont Nonprofit Corporation Act shall mean and include said Act as it may be amended, supplemented, or replaced from time to time.

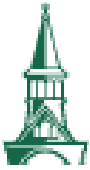
Section 11.2. References to the Charter: All references in the Bylaws to the Charter shall mean the Charter of the University of Vermont and State Agricultural College as it may be amended, supplemented, or replaced from time to time.

Section 11.3. Inconsistencies with Charter: To the extent that any provision of the Bylaws is inconsistent with the Charter, the Charter shall govern.

Adopted by the Board of Trustees: February 7, 1998

Revised and adopted by the Board of Trustees: September 8, 2007

As further revised and adopted by the Board of Trustees: October 24, 2009



University of Vermont
Debt Policy
As Adopted by the Board of Trustees,
September 2004
Revised, November 2005,
Revised, November 2006,
Revised, November 2007,
Reaffirmed, December 2008,
Revised, October 2009

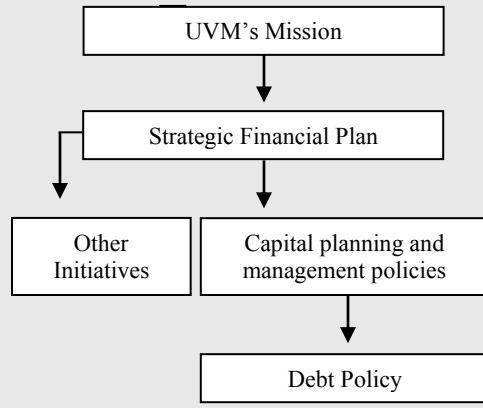
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OVERVIEW

Purpose

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



The University of Vermont's strategic planning is a long-term process that establishes University-wide priorities as well as University and divisional programmatic objectives to guide principles and practices. The University's strategic plan identifies specific goals and initiatives, including capital plans that identify necessary and desired University facility investments. To fund its plan, the University will continue to utilize a mix of financing sources including State and Federal sources, philanthropy, internal reserves, and external University-supported debt.

As the University continues to balance the significant need for both current and future facilities investment, research, teaching, student, and other important needs and competing initiatives for capital from limited resources, the University is implementing this debt policy. This policy, in conjunction with the Strategic Financial Plan and capital planning, will aid management in ensuring that an appropriate mix and types of funding sources are utilized and that the University's debt capacity is allocated strategically. A UVM-specific debt policy is appropriate to ensure adequate financial strength to service existing and proposed debt, maintain leverage within an acceptable risk tolerance while investing in priority capital projects, maintain a strong financial profile to ensure a competitive position relative to its peers, and maintain the budgetary capacity to invest in other initiatives. Additionally, this policy will provide the foundation for internal procedures to ensure that appropriate reporting and management requirements are in place in order to meet objectives outlined in this policy, and to provide a more efficient process for the ongoing external and internal management of debt in order to optimize its utilization on campus.

Management and the Board of Trustees, acting through the ~~Trustee Budget, Finance and Investment Committee~~ appropriate Board of Trustee committee, will assess this policy on an ongoing basis to ensure that it remains responsive to UVM's evolving academic, research and strategic priorities and financial position. Additionally, a set of operating procedures will be established in order to implement the objectives set forth in this policy. The procedures will outline management roles and responsibilities including internal operating controls and fiduciary responsibilities consistent with the long-term objectives of this policy.

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

INTRODUCTION AND OBJECTIVES

Purpose

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

Over time, appropriate financial leverage serves an important role in funding the University's capital investments and should be considered a long-term component of UVM's balance sheet. Just as investments represent an integral component of assets, debt is viewed to be a long-term component of liabilities that therefore should be managed on a long-term portfolio-basis consistent with the institution's policy objectives. Debt, especially tax-exempt debt, provides a limited low cost source of funding for capital projects in order to achieve the University's mission and strategic objectives, and, together with other limited resources, should be utilized and allocated appropriately, strategically, judiciously, and equitably.

This objectives of the policy are to:

- (i) Maintain the University's access to capital. Management will utilize and issue debt in order to provide timely access to capital to fund project priorities that have been approved by the Board;
- (ii) Manage the University's credit to meet its long-term strategic objectives while maintaining creditworthiness consistent with the most favorable relative cost of capital and borrowing terms. Maintaining the highest acceptable credit rating will permit the University to continue to issue debt and finance capital projects at favorable interest rates while meeting its strategic objectives;
- (iii) Limit risk of the University's debt portfolio. Debt will be managed on a portfolio, rather than a transactional or project-specific, basis. Management's continuing objective of incurring the lowest achievable long-term risk-adjusted cost of capital will be balanced with the goal of appropriately limiting exposure to market shifts within acceptable budgetary parameters. Various types of debt structures and financial instruments will be considered, monitored, and managed within the framework established in this policy and according to internal management procedures; and
- (iv) Permit the optimization of the investment of the University's working capital and cash balances. Management will explore various options and alternatives to internal cash holdings regarding the optimal funding mechanism for short-term equipment needs, bridge financing and cash requirements. Management recognizes that working capital requirements, debt management, and the investment of cash should be viewed comprehensively in order to optimize overall funding and investment return strategies.

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

OVERSIGHT

Purpose

1. Provide mechanism for oversight and review on periodic basis.
2. Provide management flexibility to make ongoing financing decisions within the framework of the policy.

By adopting this policy and regularly reviewing its results and appropriateness with the ~~Trustee Budget, Finance and Investment Committee~~appropriate Board of Trustee committee, management will follow and report on guidelines and requirements regarding debt utilization. With appropriate authorizations consistent with the policy, management will have flexibility to implement specific financial transactions and utilize approved financing vehicles (e.g. commercial paper) in accordance with stated procedures.

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

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

In addition, the ~~Trustee Budget, Finance and Investment Committee~~appropriate Board of Trustee committee will hold regular meetings in order to review short and intermediate term financing needs, market opportunities, and financial performance. This regular review will help the University determine appropriate financial decisions as well as review capital investments and the timing of financing plans responsive to market conditions.

POLICY RATIOS

Purpose

1. Identify core ratios.
 - a. Operating Statement—Debt Burden Ratio.
 - b. Balance Sheet Leverage—Viability Ratio.
2. Clearly communicate with key parties such as rating agencies the University's philosophy regarding debt and management's ongoing assessment of debt capacity and affordability.

This policy establishes limits to measure the total amount of outstanding debt compared to University balance-sheet resources and the annual operating budget. These ratios can be derived from the financial statements and are subject to review periodically.

The policy identifies ratios that (i) are based on current GAAP requirements, including the GASB 34/35 reporting format and (ii) are consistent with ratios utilized in the higher education industry to permit benchmarking.

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

Ratio 1 – Debt Burden Ratio

This ratio measures the University's ability to repay debt service associated with all outstanding debt and the impact on the overall budget and includes all activities of the University. The defined limit

for this ratio is intended to maintain the University's long-term operating flexibility to fund existing requirements and new initiatives, although the University may target a desired ratio below this limit.

$$\frac{\text{ANNUAL DEBT SERVICE}}{\text{TOTAL EXPENSES}} < 6\% \text{ *}$$

TOTAL EXPENSES

The measure is based on aggregate operating expenses as opposed to operating revenues because expenses typically are more stable (e.g., no one-time operating gifts, investment return, variability of State funding) and better reflect the operating base of the University. Management recognizes that a growing expense base would make this ratio appear more attractive. The limit for this ratio is not to be greater than 6.0%. If more than 6.0% of the University's annual budget were committed to debt service expense, flexibility to devote resources to fund other objectives could be diminished. This ratio will be adjusted to include the impact of non-amortizing or non-traditional debt structures that could result in significant single year fluctuations, as well as an assumption of an appropriate variable rate.

**As adopted by the Board of Trustees, December 1, 2007:*

"That the Board directs the Administration to develop and implement a plan to lower the debt burden ratio to 5% by 2017"

Ratio 2 - Viability Ratio

This ratio indicates one of the most basic determinants of financial health by measuring the availability of liquid and expendable net assets compared to aggregate debt. The ratio measures the medium to long-term health of the University's balance sheet and debt capacity and is a critical component of universities with the highest credit quality.

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

This policy establishes a debt policy limit (floor) for this ratio of 1.0x to ensure that sufficient balance sheet strength is maintained at all times.

$$\frac{\text{UNRESTRICTED NET ASSETS + TEMPORARILY RESTRICTED}}{\text{NET ASSETS - EQUITY IN PLANT}} > 0.8x$$

NET ASSETS - EQUITY IN PLANT

AGGREGATE DEBT

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

The 0.8x limit is recognized as a limit, and not a long-term objective. Over time, to remain competitive and retain the flexibility to invest in future strategic initiatives, UVM will want to target and maintain a ratio above 0.8x

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

Ratios as a Credit Factor

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

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

TYPES OF FINANCINGS

Purpose

1. Review of all potential funding sources for projects.
2. Maximize tax-exempt University-issued debt.
3. Commercial Paper program.
 - a. Provide bridge funding.
 - b. Provide continual access to capital.
 - c. Issuance on a taxable or tax-exempt basis.
4. Manage derivative products, including swaps.
5. Consider other financing sources.
 - a. Management will explore securitizations, joint ventures and other financial structures to provide for the optimal funding for any project.

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

Tax-Exempt Debt

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

Recognizing the inherent benefit provided by tax-exempt borrowing, the University will prefer to consider maximizing the external maturity of any tax-exempt bond issue, subject to prevailing market conditions and opportunities, budgetary constraints, the useful life of projects being financed, and other considerations. Although debt will be structured to meet the University's comprehensive long-term objectives, each project being financed will be required to provide a sound business plan, including the source of repayment for the debt and appropriate and realistic

repayment terms. Among other things, the repayment terms will require that the loan term is no greater than the expected componentized useful life of the asset financed. Additionally, the financed project will be required to budget and fund principal payments on a fully amortized basis.

Taxable Debt

While all of the University's capital projects may not qualify for tax-exempt debt, taxable debt should only be used in appropriate cases as it generally represents a more expensive source of capital relative to tax-exempt issuance. Issuing taxable debt reduces the University's overall debt affordability due to higher associated interest expense.

When utilized, taxable debt will be structured to provide maximum repayment flexibility and rapid external principal amortization.

Commercial Paper

The University is establishing a commercial paper program, which will include both a tax-exempt and taxable series. The CP program can provide substantial financial flexibility to the University including the ability to manage and optimize cash balances, provide an alternative to lease transactions, and other purposes. At this time, however, the University is limiting the use of the program to providing the University with interim financing for capital projects in anticipation of the receipt of funding either in the form of future philanthropy or the issuance of long-term debt for permanent financing, providing greater flexibility regarding the timing and structuring of individual bond transactions. It is expected that the University may consider expanding the permitted use of the CP program at some point in the future.

The University recognizes that the amount of project-related commercial paper is limited by the ratios established by this debt policy, and the University's available liquidity support however, the University will not include outstanding CP in the variable rate debts exposure, given the expected short-term nature of the CP. The existence and utilization of the commercial paper program has influenced the decision to limit variable rate exposure to no more than 35% of the long-term debt portfolio.

Derivative Products

Management recognizes that derivative products may enable more opportunistic and flexible management of the debt portfolio. Derivative products, including interest rate swaps, may be employed primarily to manage or hedge the University's interest rate exposure for a specific period of time. The University will utilize a framework to evaluate potential derivative instruments through consideration of (i) its variable rate allocation, (ii) market and interest rate conditions, (iii) impact on future financing flexibility, and (iv) the compensation for assuming risks, or the costs for eliminating certain risks and exposure. In addition, the University will analyze and quantify the cost/benefit of any derivative instrument relative to achieving desirable long-term capital structure objectives. Under no circumstances will a derivative transaction be utilized that is not understood fully by management or that imposes inappropriate risk on the University. Risks include but are not limited to tax risk, interest rate risk, liquidity risk, counterparty credit risk, basis risk, and any other potential risks either imposed or removed through the execution of any transaction. In addition, management will consider and

disclose the potential impact of any derivative product on the University's financial statements and the appropriate treatment in calculating the debt policy ratios. The University will regularly report on the status and performance of its derivative products, if any, to the ~~Trustee Budget, Finance and Investment Committee~~appropriate Board of Trustee committee.

Given the risks and complexity associated with derivative products, they will be considered more seriously only when: (i) conventional financing sources are relatively more expensive (e.g. exceed the portfolio blended interest rate, and (ii) can achieve desired financial objectives more efficiently or at a significantly lower risk-adjusted cost than traditional structures. Management is required to present any recommended derivative product to the ~~Trustee Budget, Finance and Investment Committee~~appropriate Board of Trustee committee and must receive ~~the Subcommittee's recommendation and~~ Board approval prior to execution.

Other Financing Sources

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

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

PORTFOLIO MANAGEMENT OF DEBT

Purpose

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

The University considers its debt portfolio holistically; that is, it optimizes the portfolio of debt for the entire University rather than on a project-by-project basis, and takes into account the University's cash and investments. Therefore, management will make decisions regarding project prioritization, variable rate allocation, and financing structures within the context of the overall needs and circumstances of the University.

Variable Rate Debt

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

- (i) take advantage of repayment/restructuring flexibility;

- (ii) benefit from historically lower average interest costs; and
- (iii) diversify the debt portfolio; and,
- (iv) provide a hedge to short-term working capital balances

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

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

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

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

Overall Exposure

The University recognizes that it may be exposed to short-term interest rates, third-party credit, and other potential risks in areas other than direct University debt (e.g., non-traditional transactions, exposure in the investment portfolio, etc.) and, therefore, exposure will be considered on a comprehensive University-wide basis.

The University recognizes that during some periods it may be desirable to maintain a lower variable-rate allocation within its 35% limit, depending on prevailing long-term rates and/or opportunities in the short-term market.

GLOSSARY

Annual Debt Service – refers to the principal and interest due on long-term debt in a fiscal year.

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

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

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

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

GAAP – refers to Generally Accepted Accounting Principles.

GASB 34/35 – Government Accounting Standards Board Statement Nos. 34 and 35. These statements dramatically changed the reporting format for the University effective Fiscal 2002 by consolidating fund balances into net assets and consolidating university-wide activity instead of distinct fund groups. The Statements also require a statement of cash flows and a change in representation of state appropriation and investment income.

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

EXECUTIVE COMMITTEE

December 14, 2009

Resolution Approving the Creation and Naming of the Tarrant Institute for Innovative Education

RESOLVED, based on the enthusiastic endorsement of the Faculty Senate Curricular Affairs Committee and pending final approval by the full Faculty Senate, that the Executive Committee of the Board of Trustees approves the creation of the Institute for Innovative Education in the College of Education and Social Services,

BE IT FURTHER RESOLVED, that the Executive Committee of the Board of Trustees approves the naming of the Institute the Tarrant Institute for Innovative Education in recognition of the generous gift for the Institute received from the Richard E. and Deborah L. Tarrant Foundation.

Resolution Authorizing Job Order Contracts for Hazardous Materials

RESOLVED, that the Vice President for Finance and Administration (or his successor or designee) is hereby authorized to negotiate and execute job order contracts for hazardous materials with MARCOR Environmental LP, Environmental Hazards Management, Inc., and Service Master Elite. Each contractor is guaranteed a minimum value of \$50,000 and a maximum of \$400,000 for the year beginning January 1, 2010, with the possibility of renewal on those same terms for up to two additional years.

Resolution Authorizing 5-Year Lease with CHF Winooski

RESOLVED, that the Executive Committee hereby authorizes the Vice President for Finance and Administration to sign a five (5)-year lease with CHF Winooski at a price not to exceed \$1.8 million for 40 beds for student housing at Spinner Place apartments.

General Obligation Bonds, Series 2010A (Taxable) and Series 2010B

(See Attachment A)

GENERAL OBLIGATION BONDS,
SERIES 2010A (TAXABLE)
AND
SERIES 2010B

WHEREAS, pursuant to a resolution adopted on October 24, 2009, the Board of the University delegated to the Executive Committee the authorization to approve the terms of a long-term bond financing, subject to the terms of such resolution; and

WHEREAS, the Executive Committee has determined to authorize the issuance by the University of its General Obligation Bonds, Series 2010A (Taxable) (the “Series 2010A Bonds”) to provide funds (i) to finance the cost of certain capital projects of the University which have been authorized by the Board prior to or on the date hereof (including authorized reimbursements for prior University capital expenditures) and (ii) to pay the costs of issuance relating to the Series 2010A Bonds, which purposes have been found by the Board to be necessary and desirable; and

WHEREAS, the University may designate the Series 2010A Bonds as “Recovery Zone Economic Development Bonds” as described in the American Recovery and Reinvestment Act of 2009 (for which it would receive a cash subsidy payment from the United States Treasury equal to 45% of the interest payable by the University on the Series 2010A Bonds) but only if the Vermont Bond Bank allocates “Recovery Zone Economic Development Bond” issuance authority to the University; and

WHEREAS, the University may designate the Series 2010A Bonds as “Build America Bonds” as described in the American Recovery and Reinvestment Act of 2009 (for which it would receive a cash subsidy payment from the United States Treasury equal to 35% of the interest payable by the University on the Series 2010A Bonds) without any allocation of issuance authority from the Vermont Bond Bank; and

WHEREAS, the Executive Committee has determined to authorize the issuance by the University of its General Obligation Bonds, Series 2010B (the “Series 2010B Bonds”) to provide funds (i) to refund a portion of the outstanding Series 1998 Bonds (defined herein) of the University (including the payment of interest and redemption premium thereon) and (ii) to pay the costs of issuance relating to the Series 2010B Bonds, which purposes have been found by the Board to be necessary and desirable; and

WHEREAS, the Series 2010B Bonds shall be issued only if there are present value debt service savings from the refunding of the Series 1998 Bonds; and

WHEREAS, the Executive Committee desires to authorize the issuance of the Series 2010A Bonds in an aggregate initial principal amount not to exceed \$9 million; and

WHEREAS, the Executive Committee desires to authorize the issuance of the Series 2010B Bonds in an aggregate initial principal amount not to exceed \$22 million; and

WHEREAS, the University has issued its General Obligation Bonds, Series 1990 (the “Series 1990 Bonds”), Series 1998 (the “Series 1998 Bonds”), Series 2002 (the “Series 2002

Bonds”), Series 2005 (the “Series 2005 Bonds”), Series 2007 (the “Series 2007 Bonds”) and Series 2009 (the “Series 2009 Bonds”) pursuant to the terms of an Indenture dated as of February 1, 1990 (the “Trust Indenture”) between the University and The Bank of New York Mellon Trust Company, N.A. (as successor to The Bank of New York Trust Company, N.A. and TD Banknorth, N.A.), as trustee (the “Trustee”), as amended and supplemented by the Series 1998 and First Supplemental Indenture, the Series 2002 and Second Supplemental Indenture, the Series 2005 and Third Supplemental Indenture, the Series 2007 and Fourth Supplemental Indenture and the Series 2009 and Fifth Supplemental Indenture (the Trust Indenture, as amended, hereafter referred to as the “Indenture”), and

WHEREAS, the Executive Committee proposes to issue the Series 2010A Bonds and the Series 2010B Bonds on a parity with the Series 1990 Bonds, the Series 1998 Bonds, the Series 2002 Bonds, the Series 2005 Bonds, the Series 2007 Bonds and the Series 2009 Bonds pursuant to the terms of the Indenture, a Series 2010A and Sixth Supplemental Indenture thereto relating to the Series 2010A Bonds (the “Sixth Supplemental Indenture”) and a Series 2010B and Seventh Supplemental Indenture thereto relating to the Series 2010B Bonds (the “Seventh Supplemental Indenture”), each between the University and the Trustee; and

WHEREAS, the Executive Committee desires to authorize the execution and delivery of one or more Bond Purchase Agreements (together, the “Bond Purchase Agreement”) between the University and J. P. Morgan Securities Inc. (the “Underwriter”), pursuant to which the University will sell the Series 2010A Bonds and the Series 2010B Bonds to the Underwriter in accordance with the terms and conditions set forth therein; and

WHEREAS, in connection with the issuance and sale of the Series 2010A Bonds and the Series 2010B Bonds, a Preliminary Official Statement (the “Preliminary Official Statement”) and a final Official Statement (the “Official Statement”) will be prepared by the University, which will present information about the University, the terms of the Series 2010A Bonds and the Series 2010B Bonds and the security for the Series 2010A Bonds and the Series 2010B Bonds, among other things; and

WHEREAS, the Executive Committee desires to authorize the execution and delivery of a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) between the University and the Trustee, pursuant to which the University will be obligated to update certain information in the Official Statement and provide certain other notices to the specified repository in accordance with the terms and conditions set forth therein; and

WHEREAS, the University desires to authorize the execution and delivery of an Escrow Agreement (the “Escrow Agreement”) between the University and the Trustee, as escrow agent, pursuant to which the escrow agent shall purchase Government Obligations (as defined in the Indenture) and/or make a cash deposit to comply with the requirements of Article XI of the Indenture with respect to payment of the refunded bonds; and

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

1. the Sixth Supplemental Indenture;
2. the Seventh Supplemental Indenture;
2. the Bond Purchase Agreement;
3. the Continuing Disclosure Agreement;
4. the Escrow Agreement; and
5. the Preliminary Official Statement (including Appendix A thereto);

NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1. Issuance of Series 2010A Bonds. The Executive Committee hereby approves and confirms the issuance by the University of the Series 2010A Bonds to provide funds to finance the cost of certain capital projects of the University which have been authorized prior to or on the date hereof (including authorized reimbursements for prior University capital expenditures and including the costs of issuance and any other related expenses). The Series 2010A Bonds shall be designated as either “Recovery Zone Economic Development Bonds” or “Build America Bonds” under the American Recovery and Reinvestment Act of 2009 and shall be in the initial principal amount of not more than \$9 million, bearing a true interest cost not exceeding 6.75% per annum and maturing not later than October 1, 2044 (including all Series 2010A Bonds maturing on October 1, 2044, with or without earlier sinking fund installment(s)). The Executive Committee hereby finds and determines that these purposes are necessary and desirable and hereby authorizes the President or the Vice President for Finance and Administration, and Treasurer to determine (i) whether the Series 2010A Bonds should be issued as two or more sub-series of bonds (based on whether the issuance of the Series 2010A Bonds in two or more sub-series will facilitate debt management or marketing of the bonds) and (ii) the terms of the Series 2010A Bonds and the terms of the sale of the Series 2010A Bonds (including the maturity dates and amounts, the interest rates, the original issue premium or discount, the redemption provisions of the Series 2010A Bonds based on financial or structural benefits to the University and marketing considerations (including redemption upon payment of a make-whole premium calculated on the basis of a spread of 20 to 60 basis points over comparable United States Treasury securities at the time of redemption) and the underwriters’ compensation) subject to the limitations set forth in this resolution. The form and content of the Series 2010A Bonds as set forth in the Sixth Supplemental Indenture are hereby approved and confirmed. The President or the Vice President for Finance and Administration, and Treasurer of the University, and the Secretary or the Assistant Secretary of the Board are authorized and directed to execute and deliver the Series 2010A Bonds for and on behalf of the University, in substantially the form and content set forth in the Sixth Supplemental Indenture, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions.

Section 2. Issuance of Series 2010B Bonds. The Executive Committee hereby approves and confirms the issuance by the University of the Series 2010B Bonds to provide funds to refund a portion of the outstanding Series 1998 Bonds of the University (including the

costs of issuance and any other related expenses). The Series 2010B Bonds shall be in the initial principal amount of not more than \$22 million, bearing a true interest cost not exceeding 5.75% per annum and maturing or subject to sinking fund installment redemptions in each year in which the refunded Series 1998 Bonds mature or are subject to sinking fund installment redemption. The Executive Committee hereby finds and determines that these purposes are necessary and desirable and hereby authorizes the President or the Vice President for Finance and Administration, and Treasurer to determine (i) whether the Series 2010B Bonds should be issued as two or more sub-series of bonds (based on whether the issuance of the Series 2010B Bonds in two or more sub-series will facilitate debt management or marketing of the bonds or compliance with federal tax law restrictions) and (ii) the terms of the Series 2010B Bonds and the terms of the sale of the Series 2010B Bonds (including the maturity dates and amounts, the interest rates, the original issue premium or discount, the redemption provisions of the Series 2010B Bonds based on financial or structural benefits to the University and marketing considerations (including redemption upon payment of a make-whole premium calculated on the basis of a spread of 20 to 60 basis points over comparable United States Treasury securities at the time of redemption) and the underwriters' compensation) subject to the limitations set forth in this resolution. The form and content of the Series 2010B Bonds as set forth in the Seventh Supplemental Indenture are hereby approved and confirmed. The President or the Vice President for Finance and Administration, and Treasurer of the University, and the Secretary or the Assistant Secretary of the Board are authorized and directed to execute and deliver the Series 2010B Bonds for and on behalf of the University, in substantially the form and content set forth in the Seventh Supplemental Indenture, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions.

Section 3. Authorization to Determine Series 2010A Bond Designation. The Executive Committee hereby authorizes the President or Vice President for Finance and Administration, and Treasurer of the University to designate the Series 2010A Bonds as "Recovery Zone Economic Development Bonds" under the American Recovery and Reinvestment Act of 2009. Notwithstanding the foregoing, if the Vermont Bond Bank has not allocated "Recovery Zone Economic Development Bond" issuance authority to the University by January 31, 2010 or if the Vermont Bond Bank has affirmatively determined prior to January 31, 2010 that it will not allocate such issuance authority to the University, then the President or Vice President for Finance and Administration, and Treasurer of the University is hereby authorized to determine whether to instead designate the Series 2010A Bonds as "Build America Bonds" under the American Recovery and Reinvestment Act of 2009.

Section 4. Authorization to Determine Bond Redemptions. The Executive Committee hereby authorizes and directs the President or Vice President for Finance and Administration, and Treasurer of the University to determine which maturities (or portions of maturities) of the Series 1998 Bonds shall be refunded with the proceeds of the Series 2010B Bonds and the dates of redemption of such refunded bonds; provided that such refunding results in debt service savings on a present value basis.

Section 5. Authorization of Sixth Supplemental Indenture. The Executive Committee hereby approves and confirms the form and content of the Sixth Supplemental Indenture. The

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

Section 6. Authorization of Seventh Supplemental Indenture. The Executive Committee hereby approves and confirms the form and content of the Seventh Supplemental Indenture. The President or Vice President for Finance and Administration, and Treasurer of the University, and the Secretary or Assistant Secretary of the Board are hereby authorized and directed to execute and deliver the Seventh Supplemental Indenture for and on behalf of the University, in substantially the form and content presented to the Board, but with such changes, additions or deletions as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, additions or deletions. From and after the execution and delivery of the Seventh Supplemental Indenture, the President and Vice President for Finance and Administration, and Treasurer of the University, and the Secretary or Assistant Secretary of the Board and all other officers of the Board and the University are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Seventh Supplemental Indenture as executed.

Section 7. Authorization of Bond Purchase Agreement. The Series 2010A Bonds and the Series 2010B Bonds shall be awarded and sold to the Underwriters pursuant to the terms of one or more Bond Purchase Agreements at an aggregate underwriters' discount or fee of not more than 1.20% (\$12.00 per \$1,000 bond) of the aggregate principal amount of the Series 2010A Bonds and not more than 0.64% (\$6.40 per \$1,000 bond) of the aggregate principal amount of the Series 2010B Bonds. The Series 2010A Bonds and the Series 2010B Bonds shall be authenticated and delivered to or upon the order of the Underwriter upon payment of the purchase prices set forth in the Bond Purchase Agreement. The form and content of the Bond Purchase Agreement is hereby approved and confirmed. The President or Vice President for Finance and Administration, and Treasurer of the University is hereby authorized and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the University, in substantially the form and content presented to the University, but with such changes, additions or deletions as shall to him or her seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all such changes, additions or deletions therein. From and after the execution and delivery of the Bond Purchase Agreement, the President and Vice President for Finance and Administration, and Treasurer of the University and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 8. Authorization of Continuing Disclosure Agreement. The form and content of the Continuing Disclosure Agreement is hereby approved and confirmed. The President or Vice President for Finance and Administration, and Treasurer of the University is hereby authorized and directed to execute and deliver the Continuing Disclosure Agreement for and on behalf of the University, in substantially the form and content presented to the Board, but with such changes, additions or deletions as shall to him or her seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Continuing Disclosure Agreement, the President and the Vice President for Finance and Administration, and Treasurer of the University and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Agreement as executed.

Section 9. Authorization of Escrow Agreement. The form and content of the Escrow Agreement is hereby approved and confirmed. The President or Vice President for Finance and Administration, and Treasurer of the University is hereby authorized and directed to execute and deliver the Escrow Agreement for and on behalf of the University, in substantially the form and content presented to the Executive Committee, but with such changes, additions or deletions as shall to him or her seem necessary, desirable or appropriate, his execution thereof to constitute conclusive evidence of his approval of any and all such changes, modifications, additions or deletions. From and after the execution and delivery of the Escrow Agreement, the President or Vice President for Finance and Administration, and Treasurer of the University and all other officers of the Board and the University are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Escrow Agreement as executed.

Section 10. Approval of Preliminary Official Statement and Official Statement. The form, terms and content of the Preliminary Official Statement and the Official Statement in substantially the form of the Preliminary Official Statement (but including the terms of the Series 2010A Bonds and the Series 2010B Bonds) is authorized, approved and confirmed, with such changes, additions or deletions therein as shall seem necessary, desirable or appropriate to the President or Vice President for Finance and Administration, and Treasurer of the University. The use of the Preliminary Official Statement and of the Official Statement by the Underwriter in connection with the sale of the Series 2010A Bonds and the Series 2010B Bonds is hereby authorized, approved and confirmed. The President or Vice President for Finance and Administration, and Treasurer of the University is authorized to execute the Official Statement on behalf of the University.

Section 11. Tax Certificates. The President or Vice President for Finance and Administration, and Treasurer of the University is hereby authorized to execute certificates in order to evidence the University's compliance with the Internal Revenue Code of 1986 and the applicable Income Tax Regulations thereunder.

Section 12. No Personal Liability. No stipulation, obligation or agreement herein contained or contained in the Series 2010A Bonds and the Series 2010B Bonds, the Indenture, the Sixth Supplemental Indenture and the Seventh Supplemental Indenture, the Bond Purchase

Agreement, the Continuing Disclosure Agreement, the Escrow Agreement or any other instrument related to the issuance of the Series 2010A Bonds and the Series 2010B Bonds shall be deemed a stipulation, obligation or agreement of any officer, agent or employee of the University in his or her individual capacity, and no such officer, agent or employee shall be personally liable on the Series 2010A Bonds or the Series 2010B Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

Section 13. Actions of Officers. The officers of the Board and of the University are hereby authorized and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by (i) this Resolution, (ii) the Indenture, the Sixth Supplemental Indenture and the Seventh Supplemental Indenture and (iii) the documents presented to this meeting; except that none of the above shall be authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Resolution, (b) the specific provisions of the Indenture, the Sixth Supplemental Indenture and the Seventh Supplemental Indenture, (c) any agreement to which the University is bound, (d) any rule or regulation of the University or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of Vermont.

Section 14. Severability of Invalid Provisions. If any one or more of the agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the Series 2010A Bonds and the Series 2010B Bonds authorized hereunder.

Section 15. Conflicting Provisions. All prior resolutions or parts thereof of the University in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 16. Effective Date. This Resolution shall take effect upon its adoption.

\$9,000,000*
University of Vermont and State Agricultural College
General Obligation Bonds
Taxable Series 2010A
“Recovery Zone Economic Development Bonds”

TRANSACTION TERM SHEET	
Purpose:	The Series 2010A Bonds are being issued to: (1) fund capital projects and (2) pay issuance costs.
Bonds:	<p>The University is issuing a taxable fixed rate term bond in one series (2010A) on which interest will be paid semi-annually. The series will be structured as one term bond maturing on 10/1/2044 with mandatory sinking fund payments to achieve the desired overall debt service profile.</p> <p>The Series 2010A bonds will be designated as Recovery Zone Economic Development Bonds.</p> <p>The rating agencies are expected to provide long-term ratings based on the University's credit of A1/A+ (Moody's/S&P ratings respectively).</p>
Underwriter:	J.P. Morgan Securities Inc
Bond Purchase Agreement:	The BPA will be signed on Wednesday, January 11, 2010*.
Bond Pricing Date:	Tuesday, January 10, 2010*
Pre-closing Date:	Tuesday, January 17, 2010*
Delivery Date:	Wednesday, January 18, 2010*
Dated Date:	January 18, 2010*
Interest payments accrue from:	Date of delivery
1st Bond Interest Payment Date:	October 1, 2010
1st Bond Sinking Fund Date:	October 1, 2042*
Term Bond Final Bond Maturity Date:	October 1, 2044
Redemption Provisions on Bonds:	<p>The Series 2010A Bonds will be subject to a make-whole call set at T+XX basis points</p> <p>The Series 2010A will be subject to an extraordinary make-whole call set at T+100 basis points in the event that the 45% subsidy is reduced or eliminated in the future</p>
Capitalized Interest Fund:	There is no capitalized interest.

* Preliminary, subject to change

\$22,000,000*
University of Vermont and State Agricultural College
General Obligation Bonds
Series 2010B

TRANSACTION TERM SHEET	
Purpose:	The Series 2010B Bonds will provide for (1) the current refunding of a portion of the University's 1998 Bonds and (2) pay issuance costs.
Bonds:	The University is issuing a tax-exempt fixed rate serial and term bonds on which interest will be paid semi-annually. The rating agencies are expected to provide long-term ratings based on the University's credit of A1/A+ (Moody's/S&P ratings respectively).
Underwriter:	J.P. Morgan Securities Inc
Bond Purchase Agreement:	The BPA will be signed on Wednesday, January 11, 2010*.
Bond Pricing Date:	Tuesday, January 12, 2010*
Pre-closing Date:	Tuesday, January 19, 2010*
Delivery Date:	Wednesday, January 20, 2010*
Dated Date:	January 20, 2010*
Interest payments accrue from:	Date of delivery
1st Bond Interest Payment Date:	April 1, 2010*
1st Serial Bond Maturity Date:	October 1, 2010*
Final Serial Bond Maturity Date:	October 1, 2029*
Distribution of cash flow savings for the current refunding of Series 1998:	Savings will generally follow the profile of the 1998 bonds. Savings will be presented on the basis of a fiscal year ending June 30.
Calculation of present value savings for Series 1998:	Present value savings are calculated by comparing Refunded Bond debt service to Refunding Bond debt service as of the Delivery Date, employing a discount rate equal to arbitrage yield.
Refunding Mechanics:	The Refunded Bonds will be redeemed 30 days after closing at a price of 100.5% plus accrued interest. The notice of redemption will be published at closing.

Refunded Bonds:

<u>Maturity</u>	<u>Coupon</u>	<u>Amount</u>
Series 1998 Serial Bonds		
10/01/2010	4.38%	870,000
10/01/2011	4.50%	915,000
10/01/2012	4.60%	955,000
10/01/2018	4.75%	1,260,000
10/01/2019	4.75%	1,320,000
Series 1998 2029 Term Bond		
10/01/2020	4.75%	1,380,000
10/01/2021	4.75%	1,450,000
10/01/2022	4.75%	1,520,000
10/01/2023	4.75%	1,590,000
10/01/2024	4.75%	1,670,000
10/01/2025	4.75%	1,740,000
10/01/2026	4.75%	1,825,000
10/01/2027	4.75%	1,915,000
10/01/2028	4.75%	2,000,000
10/01/2029	4.75%	2,100,000
Total Par		\$22,510,000

Redemption Provisions on Bonds: The Series 2001B Bonds maturing after October 1, 2020 is subject to Optional Redemption on or after October 1, 2020 at par.

Capitalized Interest Fund: There is no capitalized interest.

* Preliminary, subject to change