

Minutes of the Board of Trustees meeting Thursday, October 31, 2013, APPROVED by the Board Thursday, December 12, 2013.

The Vermont State Colleges Board of Trustees conducted a Board meeting on Thursday, October 31, 2013 at the Community College of Vermont Upper Valley site in Wilder, Vermont.

The following were present:

Trustees: Jerry Diamond, Lynn Dickinson, Michelle Fairbrother, Tim Jerman, Bill Lippert, Karen Luneau, Chris Macfarlane, Linda Milne, Gary Moore, Martha O'Connor, Heidi Pelletier, Colin Santee

Absent: Kraig Hannum, Jim Masland

Presidents: Joe Bertolino, Phil Conroy, Joyce Judy, Barbara Murphy, Dave Wolk

Office of the Chancellor:

Tim Donovan, Chancellor
Tom Robbins, Vice President and Chief Financial Officer
Bill Reedy, Vice President and General Counsel
Annie Howell, Director of Academic Research and Planning
Dan Smith, Director of Community Relations and Public Policy
Elaine Sopchak, Executive Assistant to the Chancellor

Chair Moore called the meeting to order at 3:03 p.m.

A. PRESENTATION

Innovating for Affordability

Community College of Vermont President Joyce Judy introduced Executive Dean Susan Henry and Dean of Academic Technology Eric Sakai, who gave a presentation on CCV initiatives designed to take advantage of technology to improve college affordability for CCV students. These projects are included in the \$50,000 requested from CCV's carryover budget designated for innovation.

Dean Henry began by highlighting the public's concerns about affordability and the skills gap that employers see in the workforce, as well as the discrepancy between family incomes and how they correlate to college enrollment and completion. She shared that a two-year degree has a high value, as someone with an associate's degree will have 36% higher earnings. CCV works on both student support and operational initiatives to tackle the problem of affordability. All twelve

CCV sites statewide have in-person financial aid advising, individual loan counseling, and award approximately \$75,000 in scholarships annually. CCV also maintains special student assistance funds at each site. Eighty percent of CCV students are part-time, 70% receive some kind of Title IV financial aid, and 40% of CCV graduates complete their associate's degrees with no debt.

CCV has a college-wide program challenging staff to develop innovative ideas to save money operationally. Several projects have come of this, including a popular monthly carpool raffle and reducing magazine subscriptions.

Dean Sakai discussed three current initiatives. A new program called PaperCUT reduces printing and the use of paper and manages submission of student work. Open Educational Resources (OER) is an initiative to provide students with academically sound learning materials readily available for free online in lieu of textbooks. Both CCV and Castleton have found that textbook costs are frequently a significant barrier to students, often preventing them from taking a class, or they will choose a course based on textbook cost. One benefit of designing courses this way is that the course is developed around student learning objectives, rather than based on the content of a single textbook. The OER courses are available for any CCV instructor to adopt for their own courses, or they can use only certain parts. The courses being developed for OER are among CCV's top forty courses overall, with the result being that over 75% of students will take some of these courses.

Dean Sakai also presented CCV's first "LOOC," or Little Open Online Course, based on the model of "MOOCs" or Massive Open Online Courses. This course is freely available, with no fees, registration, grades or credit. The current course offered is [On the Hunt for the Perfect Job](#), a five-week course designed to strengthen CCV's student support in this area. The course is open to anyone in the world and is accessible from CCV's public website. Two hundred twenty-five Vermonters enrolled, and about 60% of these are not CCV students but rather people who heard of the course. The course addresses interviewing skills, writing cover letters and resumes, networking and other aspects of the job search process. Students who enrolled ranged from adult professionals to high school students. Two CCV faculty have interacted with students regularly. CCV will leave the course open for the public after it is complete, as well as use it for student orientations or as ancillary material to other courses. Next semester a new LOOC will be offered on financial literacy.

B. ITEMS FOR DISCUSSION AND ACTION

Reports of the College Presidents

Vermont Technical College

President Phil Conroy updated the Board on VTC's business plan. Projections were accurate on the number of students enrolling this fall, though there were fewer nursing students and more VAST students. There was a drop in Vermonters continuing from AA to BA. As a result VTC has formed task forces on pricing and are researching the impact of tuition on enrollment and the pricing of residence halls. A task force in innovation and entrepreneurship is investigating how work with VMEC and SBDC can be integrated into degree programs. A task force on barriers to nursing enrollment is looking at streamlining the application process and smoothing the transition process between VTC's three nursing programs. There is also a task force on removing barriers to transfer students, including how students enrolled in the new STEM program at CCV can move more easily into VTC programs. Trustee O'Connor mentioned becoming aware of a lack of psychiatric nurses in the Brattleboro area and wondered if VTC is training more psychiatric nurses. President Conroy responded that all three of VTC's nursing programs have psychiatric rotations; they are looking at whether to become more specialized, possibly by site. They are also researching residence space needs and the possibility of having a psychiatric specialty at the Brattleboro campus. Trustee Milne asked President Conroy to clarify his comments regarding VTC's fall mix of students. President Conroy said that this fall there are 60 VAST students, double last year's number, and that fewer nursing students enrolled this year, the result in part of how the healthcare industry works in Vermont.

President Conroy continued that the Institute for Applied Agriculture and Food Systems has finished hiring staff and completed its first program. The Institute took over part of the Vermont Artisanal Cheese Institute and completed a cheesemaking course at VTC. The Institute is starting to change how courses are scheduled to allow more flexibility for students—3-4 short courses over a semester instead of semester-long courses. Other VTC programs including automotive tech and mechanical engineering are also looking into doing this. This schedule change will help reduce educational costs and keep tuition in line.

VTC recently launched new marketing materials and have increased contact with potential students from six contacts to 32. They are also reworking the website. After today's Board approval they will send an announcement to all Vermont guidance counselors about VTC's new programs in Sustainable Design and Technology, and will be offering training to educate counselors on STEM offerings.

Three biodigester tanks are built; building construction is underway and they hope to finish by mid-December. The biodigester will start working in January, and they are hoping to have

Senator Leahy on hand to flip the switch. They expect to produce electricity by April. This summer a successful food and agriculture Governor's Institute was held; another will be held on entrepreneurship with SBDC. VTC is also working on helping underprepared students for its rigorous curriculum; they have found that New England high school students are not prepared for the rigor of VTC's math-based curriculum. VTC is partnering with the Vermont Agency of Education, tech centers, and vocational/tech high schools in New England to address the gaps. They are planning this summer an institute on teaching math for STEM careers with the understanding that students do not need remediation in math but rather further instruction. Trustee Pelletier inquired whether such courses would be available to high school students. President Conroy replied that they are developing one math course and one English course. Tech Math (pre-calculus) will be available through the dual enrollment program for college credit through tech centers and high schools. Chancellor Donovan is encouraging the VSC system to work more closely with career and tech education centers.

Trustee Dickinson asked if VTC is taking teachers into the summer institute. President Conroy stated yes, in collaboration with Castleton State College. VTC provides coursework for the alternative licensure for career and technical education teachers in Vermont. Castleton and VTC are going to develop a bachelor's degree in career and technical education based on VTC's coursework. Students will obtain licensure from VTC (including Tech Math) and the degree in education from Castleton.

Trustee Jerman asked about enriching campus life, and whether having fewer students has had an effect. President Conroy replied that VTC now has a new full-time student affairs position in Williston. In Randolph they are restructuring student affairs and recruiting an assistant dean. They have empowered the student council more, and there is a new program board at the Randolph campus. Jay Paterson has taken over the role of Dean of Enrollment Management and Student Affairs. They have established a task force on the quality of residence life, especially in Randolph. They are looking at possible short- and long-term capital investments. VTC's student council is a town meeting type organization and all the students take part; President Conroy stated they do not want to put a layer of administration over that. A balance of adult guidance and student governance works well. Trustee Diamond inquired about fall enrollment, and Chancellor Donovan handed out the official VSC enrollment report (generated in mid-October). VTC has 100 fewer students, which was predicted, though the mix was not what was anticipated. Traditionally VTC has a single enrollment period. With online degree programs, they will have three enrollment periods. Nursing, business and dental hygiene students will enroll in August, January and May, and there are no co-requisites, allowing students to enroll with flexibility.

Castleton State College

President Dave Wolk shared that over the last 18 months Castleton has undergone the first community planning process in its history. The Castleton Plan is for ten years and includes

incremental increases in undergraduate enrollment up to 2500, and radically expanding graduate school enrollment. The college has reached the capacity of its footprint, so they are focused on Rutland and making investments and expanding partnerships there. Castleton residence halls are over capacity. Hoff Hall is new and is full, and all dorms are full. There were students staying at the Rutland Holiday Inn in September who are now on campus. Nursing enrollment is growing: 11 years ago there were 100 students, there are 241 this fall. The bachelor's in nursing program is expected to become accredited, and so next fall they expect 300 nursing students. Castleton also needs to expand its space for experiential learning in a number of fields. They anticipate needing at least 100 beds next fall and are researching housing opportunities in Rutland City and Town. Pricing in several programs is under review. Vermont enrollment is at its highest ever, and overall enrollment is at the second highest level ever. With all the other financial constraints (such as low state support and reasonable tuition increases), the only way to increase revenue is through well planned increases in volume.

Castleton's new entrepreneurial ventures are doing well: conferences and events, Spartan Arena, Spartan Dome, Castleton Polling Institute, fundraising and grants, presence in Rutland. Trustee O'Connor stated that the Board will be expecting that Castleton will ask for a new building at some point; would they also bring forth how it would affect dining, parking, other facilities, etc.? President Wolk confirmed this and stated it would be necessary to discuss support services as well. Trustee Dickinson asked if expanding into Rutland would affect Castleton's traditional liberal arts, residential college culture. President Wolk responded that they will run bussing and other services but can't replicate the college campus experience off-campus. Rather they will take into account all the opportunities for experiential learning, and enhance what there is on campus. Trustee Fairbrother asked whether off-campus residences might be tailored for specific programs (nursing, theater, business). President Wolk agreed and noted a trend that more upperclassmen, who aren't required to live on campus, are doing so now. There is also a record number of commuters using food plans since the switch to Sodexo.

Trustee Jerman noted the increase in merit aid in President Wolk's report and asked whether it will attract higher paying out-of-state students, and whether lower income and Vermont students are not being disadvantaged. President Wolk stated that merit aid for both Vermonters and out-of-state students is based on academic criteria, and Castleton has increased its support of need-based aid. Keene State, Plymouth State and UVM are three schools that Castleton is keeping even with in order to keep students in Vermont. The college has to offer more aid to keep students in state because Vermont is not providing those kinds of scholarships that surrounding states offer.

Trustee Diamond asked to clarify whether there is physically not enough room in Castleton itself to expand. President Wolk explained that the planning commission and select board of the town of Castleton are concerned about increasing numbers of students on campus, which has the effect

of softening the housing market. Trustee Diamond asked whether this limitation included new academic buildings. President Wolk explained that the town of Castleton has a 37-foot (three-story) building height limit.

President Wolk then discussed graduate programs: last year the Board approved a Master's in mathematics education, theater, and music. There is a total of 8-10 programs in place or in planning. Under consideration are Master's degrees in arts administration, sports administration, and history, an MBA in business, and a Master's in nursing (which only 3% of nurses in Vermont have). The new MS in accounting is doing well, and they are developing a doctoral program in education, along with national accreditation of their education programs under development. Castleton is also considering a Master's in public administration and school psychology. Undergraduate degrees planned include chemistry, computer science, graphic arts, and the AA-to-BA technical education program partnership with VTC. Castleton is focusing on new programs with the goal of becoming the premiere Master's degree granting institution in the state, with different campuses and programs.

Castleton's catalog and handbook are now online, and a new website will be ready in the spring, as well as a new ticket hub for college events. Spartan Dome was acquired from Middlebury College. It is a covered 40,000 square foot, heated and air conditioned, inflated permanent facility bigger than a football field. It will serve as a regional recreation facility, and may become a site for the exercise science, athletic training, nursing, and other academic programs and local healthcare facilities. Trustee Diamond asked whether the Board will have a chance to receive and discuss the master plans of all the colleges before finalizing its own strategic plan. Chancellor Donovan explained that master planning and strategic planning differ in that a master plan is usually a five-year window, whereas the Board's strategic plan will cover a much longer period. In time the system vision will inform college plans. Trustee Lippert asked President Wolk to talk about the Castleton Polling Institute, and commented that it is a forward thinking program for the VSC. President Wolk explained that the Institute started two years ago, and its first poll was extremely successful. It has completed many state and private contracts; its first year ran in the black. The Institute is also doing quality-of-life polling, has contracts with WDEV, Channel 3 and Vermont Business Magazine, and works a lot with state agencies. They employ a lot of students, giving them resume-building experience. The Institute has gained national exposure for Castleton. Trustee Pelletier asked whether business is cyclical, or whether polling happens year round. President Wolk stated the Institute is active all the time—it is an entrepreneurial enterprise for the college.

Johnson State College

President Barbara Murphy shared that JSC is in year four of its five-year plan. Next year they will be doing a NEASC self study, and may let the NEASC accreditation process inform the next plan. President Murphy reviewed the six goals of JSC's strategic plan.

- Increase academic challenge and student achievement. Currently there are six faculty members doing externally funded research with fifteen students per year. They have upgraded the education major to include special education. There is a more prepared student body, including several valedictorians. The START scholarship program is well underway, and there is now a similarly funded math scholarship. So far this year JSC has funded 20 students to attend conferences and professional meetings outside of college. President Murphy also launched a special initiatives competition for faculty and staff for \$5-10K grants that expand the college's mission. So far she has awarded money for Professor Plazek to do a model United Nations program; a visiting expert on learning communities; and Ken Leslie's adaptation of a senior seminar to a freshman experience, among other proposals.
- Foster early and ongoing student excellence. The first year program, the common book program and events that surround it, and freshman year seminars, extended orientation and peer tutors provide a good first year experience. The college is piloting sophomore year programs and services, including welcome back programming. There is also increased emphasis on Lamoille County students. Those students whose parents did not attend college have a lower likelihood to continue to college. Planning for the early college project is continuing with the hope of having a maximum of 15 students. The college is taking a new approach to career and internship services by hiring a new coordinator of career services and creating a new office that combines services and will focus more on area businesses. The college has also strengthened its healthy decision making program.
- Enrollment management. JSC continues to face challenges caused by the economic downturn, and is competing with other states who offer funds to students to stay in state. This fall there are 55 fewer students than last year. JSC has moved to a different admissions model that allows for more personalized student visits. JSC's call center is able to contact more prospective students. Programs themed for special audiences have received excellent response, including a performing arts day and a community journalism day. A multi-year athletics plan will be ready soon; its goal is attracting more out of state student athletes. JSC is also exploring more pathways for students to transfer in.
- Civic engagement in the Lamoille County. President Murphy is opening a president's roundtable with people in public/private/education sectors in Lamoille County to talk about what potential employers of JSC students are looking for. JSC is also reaching out to Winooski High School in search of possible partnerships. JSC continues to foster local internships and service work, including a new partnership with Vermont Public Television. JSC's veterans services are more enhanced than in past and are open for military connected students as well as the general public.
- Campus and technology updates. A new round of master planning is coming up. In the last five years JSC has made major renovations to five campus buildings. JSC just hired a new IT professional for faculty-specific IT needs to increase faculty IT understanding;

this will require improvements in the college's technology and do much more training. Gifts, grants and investments. There has been a modest increase in gifts. There is a new campaign to increase staff and faculty giving. JSC is a named recipient of a new trust of a gift of over \$1M.

JSC's challenges include sustaining and growing campus and External Degree Program enrollment; replacing some retired full-time faculty; multi-year commitments in a year-to-year budget process; and true facilities planning with negligible state support. JSC's opportunities include growing more robust articulation agreements and to introduce more graduate degree programs. Trustee Dickinson asked if EDP students are included in enrollment numbers; President Murphy answered that they are not. Trustee Milne inquired about the mix of students and President Murphy clarified that there are fewer out-of-state students, but more Vermonters received more aid. Trustee Macfarlane asked if during the budgeting process she sets a goal for number of students needed and then the budget, or if the opposite is the case. President Murphy answered that she gave targets to admissions staff that happened to fall short this year. In general there is sometimes a need to make adjustments going forward to address the shortfall. Chancellor Donovan stated that a target could be set, and then a college could aim to spend lower than that. Trustee Macfarlane asked whether Winooski is the only high school targeted for potential students, and President Murphy assured him that the college works with other high schools in the state. Chair Moore noted the new grocery store in Johnson, and President Murphy added that it has been a wonderful new development for students. Chair Moore asked President Murphy at the next board cycle to talk about JSC's partnership with the Vermont Studio Center.

Lyndon State College

President Joe Bertolino reported that the college is completing its master plan but noted it will take time and money to accomplish it. LSC turns business away because there is not enough space to accommodate the need for conference space in the Northeast Kingdom. They have converted every lounge in the primary residence halls to dorm rooms. At this point buildings are becoming too expensive to renovate, and their useful lives are coming to an end. At some point they must start conversations about finances and how we can incur debt. There is momentum and pride at LSC as result of an aggressive public relations campaign over the last year.

President Bertolino reported that a former LSC employee was arrested for stealing. There is now ongoing review of internal controls related to cash events. LSC now has a new provost and CFO, two of the many leadership changes over the last fifteen months. Enrollment is stronger than budgeted. The Mountain Recreation Management and the Music Business and Industry programs have the highest number of students. President Bertolino stated that the college must make financial investments in infrastructure as well as equipment and faculty for programs to remain viable. The Atmospheric Sciences program remains strong and is now 40 years old. LSC received 72 solar panels to be used to heat the college pool and expect to save \$25K in costs

annually. LSC is fundraising for a new turf field and is researching partnering with local high schools. There is a high demand for this in the community. LSC is one of only two colleges in LSC's athletic conference that don't have a turf field.

LSC's 10-year strategic transformation plan process is timed to coincide with the VSC's strategic inquiry. There are external reviews happening in IT, institutional advancement, athletics, and financial aid, with outside entities reviewing each. They have restructured the IT area and hired an instructional technologies staff member. President Bertolino recently signed an MOU with Burke Mountain to provide practicums and paid internships for students in the recreation program. A new LSC website rolled out in September. LSC's cross country team won the Vermont state championships. Jane Lindholm of Vermont Public Radio will be this year's commencement speaker. On November 11th the second phase of the veterans park is opening.

Chancellor Donovan noted, regarding the age of facilities, that many VSC buildings are original to the creation of the VSC itself. CFO Robbins and Director of Facilities Dick Ethier can provide the Finance and Facilities Committee with background on current VSC facilities and deferred maintenance. Trustee Jerman suggested getting this information out early so the state budgeting process can be aware of these needs. Trustee Lippert expressed hope for continued outreach to the community (like JSC's president's roundtable) and legislative representatives, and to those who serve on committees that handle capital investment, stating that they need a sense of the VSC's infrastructure needs. Trustee Macfarlane asked whether the town of Lyndonville has height restrictions like Castleton. President Bertolino stated no. Chancellor Donovan informed the Board that the colleges will occasionally acquire adjacent land to work into master plans and to give the colleges some breathing room. Director of Community Relations and Public Policy Dan Smith shared that at the beginning of the biennium each college hosts a legislative breakfast for area representatives, and that the VSC maintains frequent contact with committee members during the session.

Community College of Vermont

President Joyce Judy introduced staff in attendance:

- Barbara Martin, Dean of Administration
- Tap Barnhill, Executive Director of CCV Upper Valley, Rutland and Brattleboro
- Debbie Stewart, Dean of Students
- Penne Ciaraldi, Executive Director of CCV Morrisville and part of VSC Workforce Development
- Megan Tucker, Assistant Chief Technology Officer
- Eric Sakai, Dean of Academic Technologies
- Susan Henry, Executive Dean

President Judy thanked each of her staff members for their continued excellent work and

reported that there are 180 staff members for 12,000 Vermonters every year. Chair Moore noted that CCV staff have been through many phases of CCV facility development. President Judy shared that classes used to be in the evening and spread all over town. Now about 50% of classes are during the day, based on student need, requiring new buildings. She credited then-President Donovan's vision of CCV for developing buildings into what they are now. Chair Moore stated that a new facility results in dramatically increased enrollment.

President Judy explained that the current enrollment numbers are a snapshot of fall enrollment, and do not reflect spring or summer. Courses are also expanding in workforce areas; some are intensive, 7-week courses, and some courses start at different times.

President Judy displayed blueprints of the new Brattleboro facility, Brooks House. CCV expects to move in July 2014. CCV Newport's lease is up in 2014. When a lease comes due, there is always consideration whether it would be wiser to lease or to buy. Currently CCV Newport is in a state building that is condo-ized. They will do some financial analysis to consider whether to buy, and may come to the Board to discuss it.

CCV is in year three of a 10-year plan, which is going well. This year CCV is focused on one of its strategic priorities, student access and success. Trustee Lippert stated that there seems to be a tremendous lack of awareness of CCV and the VSC system in general, and perhaps there is an opportunity to raise awareness of the system's quality of work and all our locations. He asked if the VSC could have the Castleton Polling Institute conduct a survey to measure what the awareness of the system is in Vermont.

Trustee Lippert also inquired whether CCV measures how many students take only a few courses for career advancement. President Judy answered that they do not, nor do metrics account for students who transfer into or out of CCV. Chancellor Donovan stated there is growing acknowledgement by the federal government that they need to come up with a different metric. President Wolk said the Castleton Polling Institute would be happy to conduct a survey and suggested contacting Dr. Rich Clark to discuss it. Trustee Dickinson asked for a future presentation to the Board on VSC demographics. Trustee Pelletier reminded the Board that there are some demographic metrics in the VSC's annual Performance Indicators. Chancellor Donovan shared that the state of Vermont is second or third in the nation in the number of students who start and graduate high school, but Vermont is but 27th in the number of students who start high school and go on to college. Having the same college continuation rank as Vermont's high school completion would be great. This is why we do dual enrollment, early college, and ways to engage students who otherwise don't have something in their lives that lets them envision themselves attending college.

(Trustee O'Connor left the meeting at this point.)

Trustee Diamond advised that the purchase of the Newport site would be a wise investment for CCV. Chancellor Donovan stated that ten years ago the Board did not permit CCV to own property. CCV maintains a practice of locating sites in an economically viable place.

Chancellor Donovan asked the Board if the new format of having presidents' reports come first in the order of business is useful. The Board has expressed a wish to spend more time hearing from the colleges and engaging with the presidents. He welcomed comments to refine this portion of the meeting. Chair Moore was very happy with the number of questions from the Board. Trustee Fairbrother said the format was good and suggested that the hosting college's president should make the first report. Trustee Jerman commended the presidents for their excellent reports. President Murphy informed the group that on November 19th at UVM there will be an event about the Smarter Balance and Common Core.

2. Approval of the Minutes of the September 17 & 18, 2013 Board of Trustees Retreat and Meeting

Trustee Dickinson moved and Trustee Diamond seconded a motion to approve the minutes of the September 17 and 18, 2013 Board retreat and meeting. The motion passed unanimously.

3. Review and Approval of FY2015 Operating Appropriation Request for VSC, Workforce Development, Allied Health and VIT

Trustee Jerman moved and Trustee Pelletier seconded a motion to approve the FY2015 Operating Appropriation Request for VSC, Workforce Development, Allied Health and VIT. Chancellor Donovan stated that the VSC sends a budget request to the Governor's office for consideration each fall. The Finance and Facilities Committee usually discusses the request before its submission, and the Board approves the request. A change in the Governor's office schedule required that the preliminary request went to his office before the Finance and Facilities Committee was able to meet.

The VSC is requesting a 4% increase in appropriation. In the last budget cycle the Governor recommended 3% dedicated to aid for Vermont students (which passed in the legislature). At UVM the amount equated to no tuition increase for all Vermont students at UVM. When asked why the VSC could not do the same for its students we were able to inform the legislature that it would take an 11-12% increase because we serve so many Vermonters. There is no indication we will see a 4% increase, but we must continue to be respectful while emphasizing the position the funding puts the VSC in regarding affordability. Thirty-five years ago the state paid 50% of college costs. Now it's 17% and our students pick up the remaining 83%. The VSC has almost tripled in size over those same years. Trustee Jerman stated there was discussion in committee about possible

negative perception of the VSC's request. But he said the committee agreed the need is there and we need to ask for the funding; there is no downside to explaining what we need. Chair Moore stated the Priorities Committee also discussed it and agrees.

The motion passed unanimously. The resolution is attached and made a part of the official minutes of the meeting.

4. Acceptance of the FY2013 Audited Financial Statements and A-133 Report
Trustee Milne moved and Trustee Macfarlane seconded the resolution Acceptance of the FY2013 Audited Financial Statements and A-133 Report.

Trustee Milne stated the auditors gave a clean and unqualified opinion; no adjustments or past audit adjustments were needed. There were only two findings under the schedule of federal expenditures, which is better than past results. The motion passed unanimously. The resolution is attached and made a part of the official minutes of the meeting.

5. Approval of Audit Contract Extension for FY2014 through FY2016
Trustee Milne moved and Trustee Diamond seconded the resolution Audit Contract Extension for FY2014 through FY2016.

Trustee Milne stated that O'Connor & Drew have been the VSC's auditors for four years so far. They have met qualities the Audit Committee felt were important: they are a large firm; there is a high number of managers who are specialists including higher education; the same partners and staff work on our audits; they do a good job of communicating while on site at VSC; and they are responsive with information and guidance. Trustee Diamond asked how many years an audit firm is kept before new bids are sought. Trustee Milne responded that practices vary. VSC contracting policy allows for a four-year original contract and a three-year extension. The auditor contract should go out to bid at the end of the three-year extension. Chancellor Donovan stated that the VSC's practice is not to stay with a single auditor for more than seven or eight years. Trustee Milne stated that the current auditors are still giving good recommendations for improvement.

The motion passed unanimously. The resolution is attached and made a part of the official minutes of the meeting.

6. Approval of Finance and Facilities Committee: Consent Agenda
Trustee Jerman moved and Trustee Pelletier seconded the resolution to approve the Finance and Facilities Committee Consent Agenda that includes:
 - Use of FY2013 Carryover Funds Available
 - FY2015 VSC Capital Budget Proposal and State Appropriation Request

- FY2015 Vermont Interactive Technologies Capital Budget Proposal
- Johnson State College Facility Naming Request
- Naming the Lyndon State College Student Center ‘The Carol A. and Thomas E. Moore Community Room’
- Endorsement of Grant Proposals: Consent Agenda

The motion passed unanimously. The resolution is attached and made a part of the official minutes of the meeting.

7. Approval of Education, Personnel and Student Life Committee: Consent Agenda

Trustee Pelletier moved and Trustee Luneau seconded the resolution to approve the Education, Personnel and Student Life Committee Consent Agenda that includes:

- Revision to VSC Policy 312: Compliance with the Family Educational Rights and Privacy Act (FERPA)
- Approval of Degree Programs: Consent Agenda

The motion passed unanimously. The resolution is attached and made a part of the official minutes of the meeting.

8. Approval of Revised 2014 Board of Trustees Schedule of Meetings

Trustee Milne moved and Trustee Jerman seconded the resolution Approval of Revised 2014 Board of Trustees Schedule of Meetings.

Chair Moore explained that the Priorities Committee set the schedule to allow for some all-day meetings and some two-day cycles. Chancellor Donovan stated that the revised schedule now includes set dates for Priorities Committee meetings. Chair Moore explained that Chancellor Donovan requested more frequent Priorities Committee meetings and that all members are welcome to attend. Trustee Jerman reminded the Board that Priorities Committee members will inform trustees who are not able to attend about business discussed. Trustee Diamond asked how they could change the name of The Priorities Committee to the Executive Committee. Chancellor Donovan stated he believed it required a bylaws change and will confirm that with General Counsel. If it is the Board’s desire then a resolution can be brought to the to next committee cycle.

Trustee Fairbrother stated that she is disappointed with the new schedule of meetings and feels that it is a decision that affects the full Board. She stated that she did receive a call from a Priorities Committee member about the appropriation but not about the schedule. She reminded the Board that she has expressed concerns about the schedule before. Trustee Fairbrother does not feel the schedule should be voted on since it was not discussed at the full Board level.

Trustee Pelletier pointed out an error in the schedule: the March 26th committee meetings should be removed since there will be a full-day meeting on April 3rd. At this time General Counsel Reedy informed the Board that the bylaws don't specify names of committees, only that committees are created as the Board determines. He advised passing a resolution at the next meeting to change the name of the Priorities Committee to the Executive Committee. The change does not require a change of the bylaws.

Trustee Jerman asked if the schedule could be revised at a later date if it is voted on at this time. Chancellor Donovan confirmed this and stated that for planning purposes going forward a decision on full-day and two-day meetings was needed. He stated that it would be valuable to the management team to have a final schedule by December. Trustee Pelletier stated that many Board members prefer different schedules. The Priorities Committee took these preferences into account as well as the scheduled content for each meeting, and tried to strike a balance between scheduling needs and the business calendar. Trustee Fairbrother restated that she felt it should be a full Board discussion and not the Priorities Committee only. She proposed not voting on the schedule today and vote at next meeting. She stated her concern that one-day meetings cover too much business at one time and her concern about the effectiveness of the Board. Trustee Jerman stated he would be willing to make changes but wants to vote on schedule today.

Trustee Luneau moved to table the vote on the resolution Approval of Revised 2014 Board of Trustees Schedule of Meetings. Trustee Macfarlane seconded. Trustees Diamond, Dickinson, Fairbrother, Luneau, and Macfarlane voted in favor of the motion to table. Trustees Jerman, Lippert, Milne, Pelletier and Santee voted against the motion to table. Chair Moore called for a division. The votes in favor and against were even. Chair Moore voted against the motion. The vote to table did not pass.

Trustee Milne restated her original motion to approve the resolution Approval of Revised 2014 Board of Trustees Schedule of Meetings as amended to remove the incorrect March dates. Trustee Jerman seconded the motion. Trustees Diamond, Dickinson, Jerman, Lippert, Milne, Moore, Pelletier, and Santee voted in favor of the resolution. Trustees Fairbrother, Luneau and Macfarlane voted against. Chair Moore called for a division. The motion passed. The resolution as amended is attached and made a part of the official minutes of the meeting.

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Report of the October 10, 2013 Priorities Committee Meeting

Chair Moore reported that the Priorities Committee discussed the state appropriation request, the schedule of meetings and the campus facility naming requests that were approved in the Finance and Facilities consent agenda. The Committee also discussed preparations for the tuition discussion, set future meeting dates, and held an executive session to discuss labor issues.

2. Report of the October 23, 2013 Audit Committee Meeting

Trustee Milne reported the Committee discussed the two items voted on by the Board. The auditors mentioned in the meeting that audits of other state colleges revealed several financial issues, and the Committee continued conversations about fraud and abuse. Trustee Milne referenced *Chronicle of Higher Education* articles on fraud disclosures by private colleges and stated the VSC must always be aware of fraud and potential risks. Trustee Lippert added that such precautions are necessary and not a reflection on the VSC.

3. Report of the October 23, 2013 Finance and Facilities Committee Meeting

Trustee Jerman reported that the Board voted on all items discussed at this meeting.

4. Report of the October 23, 2013 Education, Personnel and Student Life Committee

Trustee Pelletier highlighted the presentation on college affordability made by Scott Giles of VSAC. She called attention to surveys given to committee members for reflection on questions and requests for follow-up on topics. She thanked members for their considerable feedback and suggestions, and asked members to keep it going. The goal is to make the meetings as informative as possible.

5. Report of the Vermont State Colleges Student Association

Trustee Santee reported that the association held its first meeting on October 21st. They passed a \$5,000 budget including 50% for outreach across the VSC, and elected officers. There are two representatives from Castleton State College and one from Vermont Tech. Timothy McIntosh (CSC) is Vice President, Rachel Arsenault (VTC) is Treasurer, and Katie Wielgasz (CSC) is Secretary. The VSCSA discussed laundry issues at JSC and learned that laundry programs at each of the schools are different. VTC, LSC, and CSC have the same vendor, while JSC has a different one. The VSCSA is considering consolidating contracts to leverage negotiating and save money. VSCSA is also discussing fossil fuel divestment. In January the students will look into research on the issue done by the organization 350VT. Trustee Santee also spoke with Trustee Jerman about the VSCSA conducting its own research on this matter. VTC representative Rachel

Arsenault proposed the idea of a VSC-wide student appreciation day with a big one-time event or concert open to all VSC students for no cost. VSCSA's next meeting is November 18th at JSC. Trustee Jerman commended the VSCSA for taking time to study the fossil fuel issue first before acting.

6. Report of the Chancellor

Chancellor Donovan discussed current activities around career and technical education. Various VSC staff are looking at workforce issues and a common theme is that unlike other states that created a system of community and technical colleges and didn't make much investment in secondary tech education, Vermont has a group of fifteen public and two private vocational/ technical high schools. There is also CCV, whose origins were based in general education and a technical college whose focus is higher levels of vocational tech. There are gaps between these groups and institutions. A small group of CCV and VTC staff and tech center directors are thinking about partnerships for a common framework for a full postsecondary vo-tech system in Vermont without creating a new institution.

An RFP process for wide area network services is happening right now as the current contract expires next summer. Bids have been received. The goal is more bandwidth at a base level of service to which colleges can add if they want, as well as carve off residence halls into a separate system if they choose. The state has fiber capacity in almost all VSC locations.

Regarding current collective bargaining, there was a day of mediation recently with the Staff Federation and the VSC is still at impasse with that group. There is no new contract yet with the PAT/SUP. General Counsel Reedy suggested entering executive session if the Board was interested in hearing further details. The Board did not choose to enter executive session at this time.

Chancellor Donovan discussed the contract the VSC and other institutions in Vermont have with Sodexo. A clause in our contract requires our approval of substantive changes in compensation and benefits for Sodexo employees before they can be implemented. The clause was included in the contract as provided by Sodexo. Most political rhetoric around the issue is not factual. The VSC is limited to a single question: Do changes Sodexo is planning to make impact their ability to perform under the contract?

Employees who work less than 30 hours per week on average (which is considered full-time employment as defined by the Affordable Care Act) paid 20% of their health insurance. Of 109 employees total, 69 would be affected by the redefinition of their jobs. Out of those 69, 23 opted to purchase Sodexo health insurance. There is some evidence

that for those 23, they would fare better (depending on personal circumstances of total family income) by enrolling in the federal health plan. One question of concern was whether Sodexo would eliminate sick leave. The VSC felt that would definitely impact Sodexo's ability to perform under our contract. Sodexo assured everyone that all of their employees would continue to have sick time. Another concern was a loss of vacation time compensated with pay.

Considering the impact the change to their employees' healthcare might have, we made the decision that the VSC does not approve the changes to the contract. Chancellor Donovan handed out copies of his letter to Sodexo regarding the VSC position that was also published publicly. Sodexo's timeline was too quick and provided too little information for us to make a judgment about impact on their ability to perform. A variety of advocacy groups circulated a variety of information; no one had factual information; and the healthcare exchanges are not mature at this time; therefore the VSC does not approve the changes. Approval depends on how Sodexo wants to make the changes and what information they can provide. Chancellor Donovan noted that groups critical of the change are groups who are strong advocates for publicly funded health systems. Trustee Jerman stated the issue is difficult to look into because every individual is different. Trustee Dickinson stated that some companies provide insurance for the full year even if the workers don't work the full year; seasonal businesses are affected by this issue. Chancellor Donovan said that even though the exchange isn't working we have looked at hypothetical situations and some people would see a benefit and some would not. Trustee Lippert said he was comfortable with what the Chancellor did. Further discussion is outside the appropriateness of the conversation.

7. Other Business

Trustee Diamond made a motion to present a resolution at the next meeting to change the name of the Priorities Committee to the Executive Committee. Chancellor Donovan asked whether the item can be moved in Other Business. General Counsel Reedy replied that first the resolution should be warned. Chair Moore stated the resolution will be on the next agenda. Trustee Diamond withdrew the motion.

Trustee Luneau requested that Trustee Diamond submit a rationale for the title change since he will be absent at the December meeting. Chair Moore explained that the Executive Committee is the proper name. Trustee Diamond explained that the committee functions as an Executive Committee and the public would understand that better than the title Priorities Committee, which is not a common term.

Trustee Lippert asked for a clarification of the membership of this committee. Chair Moore replied that the members are the officers of the Board and the chairs of the

Board's committees. Trustee Lippert asked if there is there a member at large. Chair Moore confirmed that there is not a member at large. Trustee Fairbrother asked to discuss membership and consider as well whether one person can occupy two seats on the committee.

8. Comments from the Public

Linda Olson, President of the VSC Faculty Federation, stated that she appreciated that the VSC did not approve Sodexo's proposed changes to their contract and presented a petition to the Board containing 1,800 signatures in support of Sodexo workers.

9. Date and Place of Next Meeting:

Thursday, December 12, 2013

Lyndon State College, Lyndon Center, VT

A motion to adjourn was made by Trustee Diamond and seconded by Trustee Jerman. The meeting adjourned at 6:39 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Elaine Sopchak".

Elaine Sopchak, Recording Secretary

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

FY2015 VSC, WD, Allied Health and VIT State Appropriation Request

- WHEREAS, The Vermont State Colleges Board of Trustees is responsible for approving the annual operating budget for the Vermont State Colleges, Workforce Development, Allied Health and Vermont Interactive Technologies; and
- WHEREAS, The Vermont State Colleges Board of Trustees also approves, as part of the operating budget, the state operating appropriation request to the State of Vermont; therefore, be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby authorizes the Chancellor to submit a request for an FY2015 VSC state operating appropriation of \$25,272,483, which includes Workforce Development, to help support the general operating budgets; and be it further
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby authorizes the Chancellor to submit a request for a FY2015 state operating appropriation of \$1,195,998 to help support an FY2015 Allied Health operating budget, this activity to be tracked separately; and be it further
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby authorizes the Chancellor to submit a request for an FY2015 state operating appropriation of \$833,526 to help support an FY2015 Vermont Interactive Technologies operating budget.

October 31, 2013

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONAcceptance of the FY2013 Audited Financial Statements and A-133 Report

- WHEREAS, The Vermont State Colleges has contracted with O'Connor & Drew to perform its FY2013 financial statements audit, and the auditors have delivered the draft financial statements, A-133 report and Advisory Comments thereon; and
- WHEREAS, The Trustees' Audit Committee has reviewed these materials and recommended that the Board accept them; therefore, be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby accepts the FY2013 Financial Statement Audit Report by O'Connor & Drew.

October 31, 2013

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTIONAudit Contract Extension for FY2014 through FY2016

- WHEREAS, The VSC has ended a four year audit contract cycle with O'Connor & Drew (O&D); and
- WHEREAS, The VSC and the VSC Audit Committee have been satisfied with the work of O&D; and
- WHEREAS, VSC Policy 429 – Contracting Goods and Services states that an existing contract may be extended one time but no longer than the original term or a maximum of three years; and
- WHEREAS, O&D has submitted a proposal for their auditing services for FY2014 through FY2016 that the VSC Audit Committee has found to be acceptable; therefore be it
- RESOLVED, That the Vermont State Colleges Board of Trustees hereby authorizes retaining O'Connor and Drew as the VSC financial statement and A-133 auditors for the fiscal years 2014 through 2016.

October 31, 2013

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

VSC Finance and Facilities Committee: Consent Agenda

- WHEREAS, The VSC Finance and Facilities Committee met on October 23, 2013 to discuss the business items outlined below; and
- WHEREAS, The Committee has voted to approve the items outlined below and recommends them to the full Board; therefore, be it
- RESOLVED, That the Vermont State Colleges Board of Trustees hereby endorses the approval of the following resolutions:
- “Use of FY2013 Carryover Funds Available”
 - “FY2015 VSC Capital Budget Proposal and State Appropriation Request”
 - “FY2015 Vermont Interactive Technologies Capital Budget Proposal”
 - “Johnson State College Facility Naming Request”
 - “Naming the Lyndon State College Student Center ‘The Carol A. and Thomas E. Moore Community Room’”
 - “Endorsement of Grant Proposals: Consent Agenda”

October 31, 2013

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

VSC Education, Personnel and Student Life Committee Business: Consent Agenda

WHEREAS, The VSC Education, Personnel and Student Life Committee met on October 23, 2013 to discuss the business items outlined below; and

WHEREAS, The Committee has voted to approve the items outlined below and recommends them to the full Board; therefore, be it

RESOLVED, That the Vermont State Colleges Board of Trustees hereby endorses the approval of the following resolutions:

- “Revision to VSC Policy 312: Compliance with the Family Educational Rights and Privacy Act (FERPA)”
- “Approval of Degree Programs: Consent Agenda”

October 31, 2013

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Revised Schedule of VSC Board and Board Committee Meetings for FY2014

- WHEREAS, A public body in Vermont shall designate the time and place of all its regular meetings by, among other methods, resolution of the public body; and
- WHEREAS, The Vermont State Colleges Board of Trustees wishes to designate certain times and places for its regular meetings for FY2014 and for the regular meetings of its Finance and Facilities Committee; its Education, Personnel and Student Life Committee; its Audit Committee; and its Priorities Committee; therefore, be it
- RESOLVED, That the Vermont State Colleges Board of Trustees and its Committees shall hold regular meetings in FY2014 as listed in the attached schedule.

October 31, 2013

Vermont State Colleges Board of Trustees
Schedule of Board and Board Committee Meetings for FY2014

Schedule of Regular Board of Trustees Meetings FY2014

<u>Meeting/Date</u>	<u>Time/Place</u>
Board Meeting Thursday, October 31, 2013	3 p.m./CCV UV (Wilder)
Board Meeting Thursday, December 12, 2013	3 p.m./Lyndon State College
Board Meeting Thursday, February 20, 2014	3 p.m./Johnson State College
Board Meeting Thursday, April 3, 2014	10 a.m./Vermont Tech*
Board Meeting Thursday, May 22, 2014	10 a.m./Castleton*
Board Meeting Thursday, July 31, 2014	10 a.m./Chancellor's Office
Board Retreat Tuesday, September 23, 2014	9 a.m./TBD
Board Meeting Wednesday, September 24, 2014	1 p.m./TBD

**Board and Committee meetings will occur on the same day.*

Schedule of Regular Board of Trustee Committee Meetings FY2014

All Committee Meetings will be held at the Chancellor's Office in Montpelier, except those noted (*), which will be held at the same location as the Board meeting.

<u>Committee Meeting/Date</u>	<u>Time</u>
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Education, Personnel and Student Life Committee Meetings

Wednesday, October 23, 2013	5:00-7:00 p.m.
Wednesday, December 4, 2013	3:00-5:00 p.m.
Wednesday, February 12, 2014	5:00-7:00 p.m.
Thursday, April 3, 2014*	10 a.m.
Thursday, May 22, 2014*	10 a.m.

Finance & Facilities Committee Meetings

Wednesday, October 23, 2013	2:00-4:00 p.m.
Wednesday, December 4, 2013	5:00-7:00 p.m.
Wednesday, February 12, 2014	3:00-5:00 p.m.
Thursday, April 3, 2014*	10 a.m.
Thursday, May 22, 2014*	10 a.m.

Committee Meeting/Date	Time
Audit Committee Meetings	
Wednesday, October 23, 2013	12:00-2:00 p.m.
Wednesday, February 12, 2014	1:00-3:00 p.m.
Thursday, May 14, 2014	3:00-5:00 p.m.
Priority Committee Meetings	
Wednesday, November 20, 2013	1:00-3:00 p.m.
Monday, January 20, 2014	1:00-3:00 p.m.
Monday, March 10, 2014	1:00-3:00 p.m.
Monday, April 21, 2014	1:00-3:00 p.m.