

Minutes of the Board of Trustees meeting Thursday, May 21, 2015, APPROVED by the Board Thursday, July 23, 2015

The Vermont State Colleges Board of Trustees conducted a regular meeting Thursday, May 21, 2015 at Vermont Technical College in Williston, Vermont.

The following were present:

Trustees: Jerry Diamond (by phone), Lynn Dickinson, Kraig Hannum, Church Hindes, Tim Jerman, Bill Lippert, Karen Luneau, Chris Macfarlane, Linda Milne, Martha O'Connor, Heidi Pelletier, Mike Pieciak (by phone), Alyssa Slaimen

Absent: Jim Masland

Presidents: Joe Bertolino, Joyce Judy, Barbara Murphy, Dan Smith

Office of the Chancellor:

Tricia Coates, Director of External and Governmental Affairs
Tom Robbins, Vice President and Chief Financial Officer
Bill Reedy, Vice President and General Counsel
Elaine Sopchak, Executive Assistant to the Chancellor
Jeb Spaulding, Chancellor
Sophie Zdatny, Associate General Counsel
Yasmine Ziesler, Chief Academic and Academic Technology Officer

From the Colleges:

Pamela Ankuda, VTC Director of Human Resources
Amanda Chaulk, VTC Director of Marketing & Communication
Scott Dikeman, CSC Dean of Administration
Robert Frederickson, VTC Assistant Chief Technology Officer
Maureen Hebert, VTC Director of Continuing Education and Workforce Development
Loren Loomis Hubbell, LSC Dean of Administration
Ben Johnson, AFT VT President
Tim Lewis, LSC Professor, Electronic Journalism Arts
Barbara Martin, CCV Dean of Administration
Meaghan Meachem, LSC Professor, Electronic Journalism Arts
Linda Olson, President, Full-Time Faculty Federation
Jay Paterson, VTC Dean of Students
Dianne Pollak, VSC Chief Information Officer
Sharron Scott, JSC Dean of Administration

Benjamin Simone, Student Trustee-Elect
Jim Smith, VTC Chief Technology Officer
Julie Theoret, JSC Professor of Mathematics
Lit Tyler, VTC Dean of Administration
Beth Walsh, President, VSCUP

Chair O'Connor called the meeting to order at 1:05 and introduced President Smith.

A. PRESENTATION

President Smith introduced Associate Dean Jean-Marie Clark. Dean Clark, along with Dean of Academic Development Professor Brent Sargent, Director of Continuing Education and Workforce Development Maureen Hebert, Professor of Computer Information Systems Jean Hakim, and students Mallory Walling, Ken Bernard, and Nicole Hurley, gave a presentation on the history of Vermont Tech's Williston Campus and its plans for the future. Dean Sargent shared with the Board the development of the campus itself from a small number of classrooms and offices providing courses for IBM employees to the full size campus it is today, serving over 500 students. Students Mallory Walling, Ken Bernard, and Nicole Hurley each shared their stories of how they came to Vermont Tech and their current experiences as students. Professor Jean Hakim shared an overview of the growth and expansion of the college's Computer Information Systems department. Director Hebert gave an overview of the variety of services, support and opportunities provided by VT Tech's Continuing Education and Workforce Development programs.

Chair O'Connor informed the Board of an agenda change. Under Item #4 they will remove the Reappointment of the Chancellor, as Chancellor Spaulding's initial contract already goes through 2017.

B. ITEMS FOR DISCUSSION AND ACTION

1. Approval of the Minutes of the April 9, 2015 Meeting

Trustee Macfarlane moved and Trustee Jerman seconded the approval of the minutes. The minutes were approved unanimously.

2. Report of the Meeting of the Nominating Committee and the Election of the Officers of the Board of Trustees and Members of the Audit Committee

Nominating Committee Chair Diamond introduced the slate of nominees for officers of the Board for FY2016, as determined by the Nominating Committee at its March 17th meeting. Chair O'Connor turned the meeting over to Chancellor Spaulding to conduct the election.

Trustee Milne moved and Trustee Hannum seconded the following slate of nominees for the officers of the Board:

Chairperson, Martha O'Connor

Vice Chair, Tim Jerman

Secretary, Heidi Pelletier

Treasurer, Karen Luneau

There were no other nominations. The slate of nominees was approved unanimously. Chancellor Spaulding turned the meeting back over to Chair O'Connor.

Trustee Lippert moved and Trustee Jerman seconded the following slate of nominees for the members of the Audit Committee:

Linda Milne

Lynn Dickinson

Karen Luneau

Churchill Hindes

Michael Pieciak

There were no other nominations. The slate of nominees was approved unanimously. Chair O'Connor thanked the Board for their service during a very busy year that included a chancellor transition and the JSC presidential search. At this time Trustee Pieciak joined the meeting.

3. Preliminary Approval of FY2016 Board Meeting Schedule

Chair O'Connor explained to the Board that the upcoming year's schedule will consist of five, two-day meetings. Chancellor Spaulding requested Board member input regarding scheduling of committee meetings. Several trustees recommended not separating the committee meetings onto different days so that trustees can continue attending as many as possible. Chancellor Spaulding suggested that most committees would meet between Board meetings, and that follow-up meetings of committees could occur just before Board meetings if needed. Chair O'Connor reminded the Board that a special meeting can be called at any time, and informed the group that she, Trustee Jerman, and Chancellor Spaulding would meet in the next week to work out dates.

4. Personnel Actions: Presidents and Chancellor Reappointments

Chair O'Connor reminded the Board that they would not be voting to reappoint the Chancellor, but only the college presidents. Trustee Jerman moved and Trustee Pelletier seconded the resolution Reappointment of the College Presidents. The resolution passed unanimously.

5. Approval of FY2016 Budgets

a. VSC Budget

Chancellor Spaulding informed the Board that for FY2016, none of the presidents, most senior college administrators, and no senior leadership at the Chancellor's Office are receiving salary increases. Trustee Macfarlane moved and Trustee Jerman seconded the approval of the VSC FY2016 budgets. The resolution passed unanimously. Trustee Hindes commended the presidents for their leadership in the creation of the budgets.

b. VIT Budget

Trustee Macfarlane moved and Trustee Milne seconded the approval of the VIT FY2016 budget. Chancellor Spaulding informed the Board that the legislature has requested a summer study regarding the ownership of VIT assets and possible opportunities to continue the service. The resolution passed unanimously.

c. Workforce Development Budget

Trustee Macfarlane moved and Trustee Hannum seconded the approval of the Workforce Development FY2016 budget. The resolution passed unanimously.

6. Approval of Additional VTC Operating Loan Commitment

Trustee Macfarlane moved and Trustee Jerman seconded the resolution Approval of Additional VTC Operating Loan Commitment. Trustee Lippert asked President Smith what the financial projections currently are for Vermont Tech. President Smith stated that having addressed expense challenges, the college is now addressing revenue challenges, and he projects that the financial workout will take about three to four years, with a target of FY2019. The largest variables in the process are enrollment, tuition, and state support. Trustee Dickinson asked what is the VSC loan capacity; CFO Robbins stated the capacity is two to three more years. Trustee Pelletier inquired whether issues raised at the Finance and Facilities Committee meeting regarding the wording of the resolution have been resolved; Trustee Diamond stated that the new resolution currently before the Board is satisfactory. The resolution passed unanimously.

7. Approval of OPEB Fund Usage

Trustee Macfarlane moved and Trustee Hindes seconded the approval of the resolution Return of Previously Collected OPEB Funds Back to the Colleges. The resolution passed unanimously.

8. Approval of Annual Banking and Investment Resolution

Trustee Macfarlane moved and Trustee Milne seconded the approval of the resolution Banking and Investment. The resolution passed unanimously.

9. Endorsement of Grant Proposal

Trustee Macfarlane moved and Trustee Pelletier seconded the approval of the resolution Endorsement of Grant Proposal. The resolution passed unanimously.

10. Lyndon State College: Resolution in Support of Partnership between Lyndon State College and Northern Essex Community College

Trustee Hannum moved and Trustee Macfarlane seconded the resolution in support of Lyndon State College's partnership with Northern Essex Community College.

11. Real Estate Matter

12. Personnel Matter

Trustee Jerman moved that the Board enter executive session pursuant to 1 V.S.A. §313(a)(1)(A)-(C) to discuss the current status of collective bargaining negotiations with employees, including mediation and fact-finding. Premature general public knowledge of employer negotiating and other strategies would clearly place the Board at a substantial disadvantage. He further moved, pursuant to 1 V.S.A. §313(a)(2), that the Board enter executive session to discuss, and if warranted to act on, the negotiating or securing of real estate purchase options. With respect to both motions, in addition to the Board, the Chancellor, the Presidents, CFO Robbins, General Counsel Reedy, and Vermont Technical College Dean of Administration Lit Tyler were included in the executive session. Trustee Pelletier seconded the motion and the Board approved the motion unanimously. The Board entered executive session at 3:02 p.m. While in executive session the Board approved a resolution, the results of which are on file at the Vermont State Colleges. The Board exited executive session at 3:43 p.m.

C. ITEMS FOR INFORMATION AND DISCUSSION

1. Report of the Meeting of the Executive Committee

Chair O'Connor stated there was nothing to add to the report.

2. Report of the Meeting of the Audit Committee

Trustee Milne stated there was nothing to add to the report.

3. Report of the Meeting of the Finance and Facilities Committee

Trustee Macfarlane stated there was nothing to add to the report.

4. Report of the Meeting of the Education, Personnel and Student Life Committee

Trustee Hannum stated there was nothing to add to the report.

5. Report of the Vermont State Colleges Student Association

Trustee Slaimen stated that the group met in April and elected Ben Simone of Johnson State College to be the new student trustee. Trustee Slaimen's term ends May 31st.

6. Legislative Update

Director of External and Governmental Affairs Tricia Coates updated the Board on the final days of the legislative session and informed the Board of the outcomes of the session for the VSC.

7. Report of the Chancellor

Chancellor Spaulding emphasized the importance of the appropriations made to Vermont Tech—both the placement of the Agency of Natural Resources lab at the Randolph campus and the \$1M appropriation for lab improvements. He reminded the group that the Board composition bill recently passed will allow the Board to change the name of the corporation if it so chose. The newly formed Long Range Planning Committee will be meeting soon, and he expressed a hope that the Committee will follow up on the strategic planning initiative undertaken by the Board, and explore operating more as a system.

8. Reports of the College Presidents

Vermont Technical College President Smith introduced members of his staff in attendance. He informed the Board that the ANR lab and state appropriated lab improvement projects are both up and running.

Lyndon State College President Joe Bertolino shared that the college graduated 256 students on Sunday. He offered congratulations to Professor Tim Lewis, whose students were awarded three local Emmy awards and two honorable mentions.

Community College of Vermont President Joyce Judy stated that CCV commencement will be held at Norwich University on June 6th. She shared that a new version of [CCV Now](#) launched.

Castleton State College Dean of Administration Scott Dikeman, attending for President Wolk, shared that Castleton had four athletic teams end the season as top seeds and host conference champions on campus; three made it to their NCAA championships.

Johnson State College President Barbara Murphy shared that the year has ended on a high note with an excellent commencement ceremony and thanked Board members for attending.

9. Other Business

There was no other business.

10. Comments from the Public

Linda Olson acknowledged the efforts of members of the Full-Time Faculty Federation and students who spent time at the legislature advocating for the VSC. VSCUP President Beth Walsh stated that she supports two-day Board meetings but is concerned about costs. She also has concerns about added travel time to committee meetings. She also stated that the unions use VIT and will miss it when it closes.

General Counsel Reedy shared that this meeting is Linda Olson's last as president of the Federation and thanked her for her hard work.

The Board, President Murphy, and Chancellor Spaulding all thanked Trustee Slaimen for her excellent service to the Vermont State Colleges and wished her the best as she graduates in December.

The Board, presidents, and Chancellor Spaulding also thanked President Murphy for her many years of service and wished her well in her retirement.

11. Date and Place of Next Meeting
Thursday, July 23, 2015 @ 10 am
Office of the Chancellor, Montpelier, VT

The meeting adjourned at 4:35 p.m.

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Personnel Actions: Reappointment of the College Presidents

BE IT RESOLVED,

That upon recommendation of the Chancellor, the following personnel actions are approved, subject to and in accordance with the terms of the letters of reappointment, to be signed by the Chancellor.

<u>Name</u>	<u>Position</u>	<u>Term</u>
Joseph Bertolino	President	7/1/2015 – 6/30/2017
Joyce Judy	President	7/1/2015 – 6/30/2017
Dan Smith	President	7/1/2015 – 6/30/2017
David Wolk	President	7/1/2015 – 6/30/2017

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

FY2016 VSC Budget

WHEREAS, The Finance & Facilities Committee of the Board of Trustees has reviewed the FY2016 budget information presented for the Vermont State Colleges, has discussed individual aspects of the proposals with institutional representatives, and endorses approval by the full Board; therefore, be it

RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby approves the pre-GASB 45 FY2016 Operating Budget of \$168,473,872. These budgets are consistent with the attached material and subject to final determination of fund balances available on June 30, 2015, and with the use of available carry-over funds to be approved at a later date.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

FY2016 VIT Budget

WHEREAS, The Finance & Facilities Committee of the Board of Trustees has reviewed the FY2016 budget information presented for the Vermont Interactive Technologies, has discussed individual aspects of the proposal with institutional representatives, and endorses approval by the full Board, therefore, be it

RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby approves the pre-GASB 45 FY2016 balanced Operating Budget of \$657,900 for Vermont Interactive Technologies. This budget is consistent with the attached material and subject to final determination of fund balances available on June 30, 2015, and with the use of available carry-over funds to be approved at a later date.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

FY2016 Workforce Development Budget

WHEREAS, The Finance & Facilities Committee of the Board of Trustees has reviewed the FY2016 budget information presented for VSC Workforce Development programs, has discussed individual aspects of the proposals with institutional representatives, and endorses approval by the full Board, therefore, be it

RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby approves the pre-GASB 45 FY2016 balanced Operating Budget of \$1,581,621 for Workforce Development. This budget is consistent with the attached material and subject to final determination of fund balances available on June 30, 2015, and with the use of available carry-over funds to be approved at a later date.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Vermont Tech Internal Loan Commitment

- WHEREAS, Vermont Tech is projecting an FY2016 operating deficit of \$1,834,335; and
- WHEREAS, For FY2013 the VSC loaned VTC \$818,000 to cover its operating deficit and that loan was collateralized by the 2.5% Board-required reserve; and
- WHEREAS, For FY2014 the VSC loaned VTC \$2,283,000 to cover its operating deficit and that loan was collateralized by VTC's quasi endowments; and
- WHEREAS, For FY2015 the VSC loaned VTC \$2,192,507 to cover its operating deficit and that loan was collateralized by VTC's assets; and
- WHEREAS, It is proposed that the VSC will loan VTC up to \$1,900,000 to cover its FY2016 operating deficit and will use VTC's assets as collateral for this loan; and
- WHEREAS, The Finance & Facilities Committee of the Board of Trustees has considered the loan and endorses approval up to \$1,900,000 by the full Board; therefore, be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges hereby authorizes the VTC Internal Loan of up to \$1,900,000 for FY2016.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Return of Previously Collected OPEB Funds Back to the Colleges

- WHEREAS, As part of a comprehensive plan to fund the VSC OPEB obligations the colleges set money aside for FY2013 and FY2014; and
- WHEREAS, The same type of funds set aside in FY2015 have already been returned to the colleges; and
- WHEREAS, In order to have the FY2013 and FY2014 funds returned to the colleges, they needed to demonstrate how they would use these funds to increase revenues, decrease costs, and/or increase efficiencies; and
- WHEREAS, The colleges have submitted and reviewed plans with the Board that satisfies the above requirements; therefore be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges authorizes the Chancellor to return the FY2013 and FY2014 funds collected from the colleges to enable them to execute the plans reviewed with the Board.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Banking and Investment

- WHEREAS, The conduct of the business affairs of the Vermont State Colleges and each of its constituent members requires the establishment of banking relations and investment of funds; and
- WHEREAS, The selected officials of the Vermont State Colleges should be empowered to conduct banking and investment affairs in keeping with the organization of Vermont State Colleges; and
- WHEREAS, The term “bank” throughout this resolution also refers to credit unions and other depository or lending institutions that are licensed by the state of Vermont; therefore, be it
- RESOLVED, That the Chancellor and/or Chief Financial Officer are authorized to do the following:
1. Establish accounts with banks and authorized brokers/dealers (safekeeping, trust, checking, savings, money market, time or demand deposit) through which to transact the cash management and investment business of the Vermont State Colleges, and delegate authority for initiation of related wire transfers;
 2. Borrow money and obtain credit from banks, authorized brokers/dealers, or other lending agencies in conformity with Board of Trustees approved budgets: and execute and deliver notes, draft acceptances, instruments of guaranty, and any other legal obligations of Vermont State Colleges, therefore, in form satisfactory to the lending agency;
 3. Pledge or assign and deliver, as security for money borrowed or credit obtained, stocks, bonds, bills receivable, accounts, mortgages,

merchandise, bills of lading or other shipping documents, warehouse receipts, insurance policies, certificates and any other property held by, or belonging to, this corporation, with full authority to endorse, assign, transfer or guarantee the same in the name of this corporation, except as restricted by Vermont Statute;

4. Discount any bills receivable or any paper held by this corporation, with full authority to endorse the same in the name of this corporation;
5. Withdraw from banks or authorized brokers/dealers and give receipt for, or authorize banks or authorized brokers/dealers to deliver to bearer or to one or more designated persons, all or any documents and securities or other property held by it, whether held as collateral security or for safekeeping or for any other purpose;
6. Invest funds of Vermont State Colleges in legal investments as established by Board of Trustees policy;
7. Sell or authorize and request banks, or authorized brokers/dealers to purchase or sell, for the account of this corporation, foreign exchange, stocks, bonds, and other securities;
8. Apply for and receive letters of credit, and execute and deliver all necessary or proper documents for that purpose;
9. Execute and deliver all instruments and documents required in connection with any of the foregoing matters, and to affix the seal of this corporation; and, be it further

RESOLVED,

That the President and/or Dean of Administration of each college of the Vermont State Colleges (Community College of Vermont, Castleton State College, Johnson State College, Lyndon State College, and Vermont Technical College) are authorized to do the following:

1. Establish bank or accounts (safekeeping, trust, checking, savings, money market, time or demand deposit) through which to transact the banking business of the college in which they are officers.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Endorsement of Grant Proposal

WHEREAS, Revised VSC Policy 408 requires Board approval for grants requesting \$750,000 or more per fiscal year, or involve annual matching or cost sharing of \$375,000 or more even though budget changes are not required; and

WHEREAS, The VSC Finance & Facilities Committee has appropriately reviewed the current grant proposal and recommends it to the full Board; therefore, be it

RESOLVED, That the Vermont State Colleges Board of Trustees hereby endorses the following grant proposal titled, in the amount, and from the specific granting entity as indicated:

- Vermont Manufacturing Extension Center NIST Hollings Manufacturing Extension Partnership grant from the US Department of Commerce in the amount of \$650,000 with \$1,300,000 in other funding sources over five years.

May 21, 2015

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Partnership between Lyndon State College and
Northern Essex Community College

- WHEREAS, Lyndon State College (LSC) would like to collaborate with Northern Essex Community College (NECC) in Lawrence, Massachusetts to offer educational programming in three areas (Computer Information Systems, Music Business Industry, and Visual Communications) to NECC students in hopes of such students finishing their baccalaureate education through LSC; and
- WHEREAS, To make the program attractive to NECC students, courses would be offered at Vermont in-state tuition rates; and
- WHEREAS, The courses would be offered in a building leased by HEP to be occupied by NECC, another college, and LSC; and
- WHEREAS, The influx of new students could provide significant new revenues to LSC; and
- WHEREAS, The initial term of this arrangement would be ten years; and
- WHEREAS, This arrangement would allow the offering of day and evening courses, online distance learning opportunities, and other best practices to maximize student success; therefore be it
- RESOLVED, That the Trustees approve the offering of in-state tuition rates to NECC students taking courses through the NECC/LSC collaboration; and be it further
- RESOLVED, That the Trustees approve, to the extent necessary, the arrangement for occupying the HEP building in Lawrence, Massachusetts for the term set forth in the Collaboration Agreement between LSC and HEP; and be it further
- RESOLVED, That the Trustees authorize the VSC/LSC to form a Massachusetts corporation for the purpose of receiving Massachusetts approval for the operation of its programs in Massachusetts and to complete any other activities that are necessary and incidental to the operations of higher education programs in Massachusetts.

May 21, 2015