

**Minutes of the Board of Trustees regular meeting Saturday, February 13, 2016 –  
APPROVED May 26, 2016**

The Vermont State Colleges Board of Trustees conducted a regular meeting Saturday, February 13, 2016 in the Stearns Performance Space, Johnson State College, Johnson, Vermont.

The following were present:

Trustees: Jerry Diamond, Lynn Dickinson, Kraig Hannum, Church Hindes, Tim Jerman (Vice Chair), Bill Lippert, Karen Luneau, Chris Macfarlane, Jim Masland, Linda Milne, Martha O'Connor (Chair), Mike Pieciak, Aly Richards, Ben Simone

Presidents: Joe Bertolino, Elaine Collins, Joyce Judy, Dan Smith, Dave Wolk

Office of the Chancellor:

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

From the Colleges:

Tyler Cadorette, LSC Student  
Todd Comen, JSC Professor  
Lisa Cummings, JSC Director of Financial Aid  
Joe Farara, JSC Faculty Librarian  
Barb Flathers, JSC Assistant to the Dean of Students  
Sam Hartley, JSC Student, Editor-in-Chief, *Basement Medicine*  
Loren Loomis Hubbell, LSC Dean of Administration  
Jo Ann Lamore, JSC Assistant Academic Dean  
Tim Lewis, LSC Professor  
Meaghan Meachem, LSC Associate Professor  
J.J. Murphy, LSC Student  
James Nichols, JSC Head Athletic Trainer  
Cecilia North, JSC Executive Assistant to the President  
Dan Regan, JSC Dean of Academic Affairs  
Tyrone Shaw, JSC Associate Professor  
Paul Silver, JSC Professor

Dotty Spoerl, JSC Assistant Chief Technology Officer  
Danielle Spring, JSC Director of Conference & Events Services  
Julie Theoret, JSC Professor, VSCFF Treasurer, AFTVT Treasurer  
Sharon Twigg, JSC Professor  
Lit Tyler, VT Tech Dean of Administration  
Jamey Ventura, JSC Director of Athletics  
Beth Walsh, VSCUP President

Guest: Rick Beyer, Association of Governing Boards Institutional Strategies (by phone)

Chair O'Connor called the meeting to order at 8:45 a.m.

A. PRESENTATION

1. Presentation of Final AGB Report with Rick Beyer

Trustee Jerman moved to enter executive session pursuant to 1 V.S.A. §313(a)(6) as well as 1 V.S.A. §§317(c)(4) and (9) to discuss a public record that is exempt from public inspection and copying. The document in question is protected by deliberative process privilege and because it contains unpatented trade secrets and proprietary information—confidential business records and information—that a commercial concern such as the VSC would make reasonable efforts under the circumstances to keep secret and which give the VSC an opportunity to obtain business advantage over competitors who do not know it. In addition to the Board, the Chancellor, Rick Beyer from AGB, the presidents, and Stephen Wisloski were permitted in executive session. Trustee Diamond seconded and the motion was approved unanimously. The Board entered executive session at 8:47 a.m. The Board exited executive session at 10:15 a.m. and took no action. The Board recessed for a short time.

## B. ITEMS FOR DISCUSSION AND ACTION

### 1. Approval of the Minutes of the December 2<sup>nd</sup> and 3<sup>rd</sup>, 2015 Meetings

Trustee Jerman moved and Trustee Luneau seconded the approval of the minutes of the December 2, 2015 meeting. The minutes were approved unanimously.

Trustee Jerman moved and Trustee Luneau seconded the approval of the minutes of the December 3, 2015 meeting. The minutes were approved unanimously.

### 2. Election of Three Board Members to the Nominating Committee

Chair O'Connor reminded the Board that the Nominating Committee must present a slate of three nominations for the positions of Secretary, Treasurer, and Vice-Chair of the Board at the annual (May) meeting. In addition, the Nominating Committee must recommend members of the Audit Committee.

Chair O'Connor also stated that the Nominating Committee must recommend two new members to serve on the Board, for appointment in February 2017. The Governor will appoint a third member at that time. The terms of Trustees Hannum, Trustee Luneau, and Chair O'Connor end in February 2017.

Trustee Luneau nominated Trustees Diamond, Dickinson, and Jerman to be members of the Nominating Committee. The nominees were approved unanimously.

Trustee Jerman nominated Trustee Diamond to be Chair of the Nominating Committee. Trustee Luneau seconded the nomination. The appointment was approved unanimously.

### 3. Report of the Education, Personnel, and Student Life Committee

#### a. Policy 102 Final Proposal: Castleton University EdD in Leadership

Trustee Hannum moved and Trustee Diamond seconded the resolution. The resolution was approved unanimously.

b. Policy 102 Final Proposal: Johnson State College BA in Media Arts

Trustee Hannum moved and Trustee Diamond seconded the resolution. The resolution was approved unanimously.

c. Minutes of the January 13, 2016 EPSL Committee Meeting

There was no discussion of the minutes.

4. Report of the Finance & Facilities Committee

a. Establishment of Endowment

Trustee Hinds moved and Trustee Macfarlane seconded the resolution. The resolution was approved unanimously.

b. Tuition, Fees, Room & Board Rates for the 2016-2017 Academic Year

Trustee Hinds introduced the discussion by sharing that the Committee vote on this resolution was split 4 in favor, 3 against. Trustee Hinds moved the resolution *Tuition, Fees, Room & Board Rates for the 2016-2017 Academic Year*. Trustee Diamond made a point of order, inquiring whether the Board needed to make a motion to rescind the previous decision on tuition for FY2017. Trustee Hinds withdrew his motion, and moved to rescind the decision made by the Board in 2015 on FY2017 tuition. Trustee Jerman seconded the call for a vote on rescission. Vote results:

Opposed: Trustees Diamond, Macfarlane, Milne. In favor: Trustees Dickinson, Hannum, Hinds, Jerman, Lippert, Masland, Pieciak, Richards, Simone. Trustee Luneau abstained. Chair O'Connor did not vote. The resolution to rescind the previous decision on FY2017 tuition passed, 9-3-1. Trustee Hinds moved and Trustee Jerman seconded the resolution *Tuition, Fees, Room & Board Rates for the 2016-2017 Academic Year*.

Trustee Milne stated she supports the 0% tuition increase. Trustee Macfarlane agreed. Trustee Simone stated he consulted with all Student Government Association officers and they understand the increase is necessary though they are not in favor of it. Trustee Jerman stated that the State's contribution is static so tuition is a major way to meet the VSC's goals. Trustee Diamond stated the Board has an obligation to tell the legislature the VSC has reached the point where we cannot put the burden on students when the legislature generously supports PreK-12 funding. He emphasized that postsecondary education is a critical part of the public education

system and a part of the commitment to the citizens by the State. Trustee Masland acknowledged the legislature has done little but reminded the Board it will take awhile to realize the efforts the Chancellor's Office is making on this front. Trustee Jerman stated he believes the attention student loan debt is getting nationally will result in activity regarding higher education at the state level. Trustee Dickinson inquired why JSC graduate tuition shows a decrease. President Collins answered that this change brings graduate tuition more in line with competitors. Trustee Hindes stated that the divisions amongst the Board indicate the lack of a clear and simple solution.

Chair O'Connor invited comments from the public. JSC Professor Julie Theoret stated that without a tuition increase the college will suffer and need an increase in funds. If no tuition increase occurs then the Board needs to find other sources of revenue. Dr. Theoret stated that the unions are working in the State House as part of Reclaim the Promise and invited the Board to join with them on this common ground.

JSC Associate Professor Tyrone Shaw stated that a lack of support from the legislature is the most significant issue. He recommended that the formula for funding distribution between VSC and UVM should be adjusted, and that portability of VSAC grants must be addressed. VSCUP President Beth Walsh stated that the UP Staff union would also support approaching the legislature.

JSC Professor Paul Silver stated the Board must consider the financial limitations of the students. JSC Professor Todd Comen added the Board must also consider the students who are alone and don't have family resources. He recommended keeping level funding and marketing it to leverage the current pricing strategy. JSC Professor Sharon Twigg stated that when students arrive and find that offerings have been cut, they leave. The quality of what the colleges offer will start suffering without more revenue.

Trustee Lippert emphasized that this is not only legislative but a gubernatorial issue as well. He also stated people need to understand there are competing expenditure needs, such as healthcare. He encouraged the understanding that it's not money taken from one group and given to another but rather increasing revenue while trying not to raise taxes. To meet all these obligations those who propose them should offer revenue solutions and understand that maybe taxes are a solution. Trustee Lippert also stated people must continue raising the issues over time and become more a part of the process. People must make sure it's part of the election conversation among all gubernatorial candidates.

Chair O'Connor called for a vote. Results:

Opposed: Trustees Diamond, Macfarlane, Milne. In favor: Trustees Dickinson, Hannum, Hinds, Jerman, Lippert, Luneau, Masland, O'Connor, Pieciak, Richards, Simone. The resolution passed, 11-3. At this time Trustee Macfarlane left the meeting.

c. Minutes of the January 13, 2016 Finance and Facilities Committee Meeting

There was no discussion of the minutes.

5. Report of the Long Range Planning Committee

a. Approval of Proposed Strategies to Achieve Board Priorities

Trustee Diamond moved and Trustee Jerman seconded the resolution. The resolution was approved unanimously.

b. Endorsement of Development of Strategic Alliances between VSC Institutions

At this time Trustee Macfarlane returned to the meeting via phone. Trustee Diamond moved and Trustee Hinds seconded the resolution. Trustee Diamond stated that the strategic alliance concept is not the only way the system will accomplish its goals. Other approaches will be used as well. Roll call vote:

Trustee Diamond	Yes	Trustee Macfarlane	Yes
Trustee Dickinson	Yes	Trustee Masland	Yes
Trustee Hannum	Yes	Trustee Milne	Yes
Trustee Hinds	Yes	Trustee O'Connor	Yes
Trustee Jerman	Yes	Trustee Pieciak	Yes
Trustee Lippert	Yes	Trustee Richards	Yes
Trustee Luneau	Yes	Trustee Simone	Yes

The resolution passed unanimously.

c. Minutes of the January 7, 2016 Long Range Planning Committee Meeting

There was no discussion of the minutes.

6. Revision to Policy 417

Chancellor Spaulding stated that the Board did not have to take action, and could request the topic be considered by the Education, Personnel and Student Life Committee and Finance and Facilities Committee at their next meetings, with approval by the Board in May, which would be in time for summer session registration. The current policy allows students 65 and older to take two free courses per semester. The projected population increase of people over age 60 is significant. The new policy would allow students ages 60 and older to take unlimited courses at half price. Chancellor Spaulding handed out data about students ages 60 and older which are attached to these minutes. The Board agrees that both committees will discuss the revision.

Trustee Diamond shared with the Board that the Long Range Planning Committee has recently dealt with issues brought by the Chancellor and other members of the Committee, and he encouraged other Board members to bring him any other topics they'd like to have considered.

C. ITEMS FOR INFORMATION AND DISCUSSION

1. Other Business

Chancellor Spaulding requested VSC Director of External and Governmental Affairs provide a legislative update. She shared that VSC staff are in the State House daily, and are also advocating with agencies and administration. Both House and Senate Education committees are crafting higher education bills. Representatives from VSC unions have been there as well. Teacher accreditation fees (ROPA) were not included in the Ways & Means Committee fee bill; Ms. Coates stated the VSC is working the Education and Ways & Means Committees to assure the future of the program. Without the fees to fund ROPA there may not be a state level accreditation process.

Ms. Coates thanked the legislative trustees for their guidance and support. She shared that the VSC has made a different appropriations request than in the past; the request is to tie VSC funding to the same annual inflationary increase transferred from the General Fund to the Education Fund. As the VSC is the de facto extension of the public K-12 system, it makes sense to apply the same percentage increase as K-12. This is a modest proposal that gets a modest annual increase into the statutes. There is interest in moving it forward. Both UVM and VSAC have made presentations, which she will send to the Board.

There are currently several higher education initiatives under consideration in both House and Senate Education Committees:

- VSC funding proposal
- Portability of VSAC state grant
- Proposals to increase state contributions to the Higher Education Endowment Trust Fund
- Proposals to allocate Higher Education Endowment Trust Funds based on the number of enrolled Vermont students
- Tuition reductions for members of the Vermont National Guard
- Tax breaks for tuition or student loan payments
- Tax breaks for the purchase of textbooks
- Providing assessed credit for tradespeople
- Alterations to/elimination of UVM's 40% rule
- Our "Complete College Vermont" proposal
- Statewide expansion of the CCV "Man Up" pilot
- New state funding for universal childhood savings accounts (CSAs)
- Future of the Community High School of Vermont

At the most recent PreK-16 Council meeting both the Agency of Education and the House and Senate Education Committees showed interest in the future of career and technical education in the state. It is probable there will be a summer study on CTE financial and governance models and possible additional rolls for the VSC.

## 2. Presidents Reports

Lyndon State College President Joe Bertolino invited Board members to the March 3<sup>rd</sup> town hall meeting and the March 12<sup>th</sup> Veterans Summit. He shared that the college is projecting it will end Q2 of FY2016 at -\$200K, or .6% of its overall budget. This is due to lower summer and spring enrollment, lower room and board, and higher than expected faculty costs. The college has invested in marketing and has hired two admissions counselors. The FY17 budget is currently underway, involving the community in the budget process. The new student target for FY2017 is 456, based on recommendations of the consultant the college has been working with. They anticipate a deficit next year. They have used rainy day funds this year, and may need to use strategic reserves next year. President Bertolino has been meeting frequently with President Collins; both agree there is not much left to cut, and there will be no more cuts to personnel. The college is working on a three-year plan for turnaround and growth.

President Collins shared the expected FY2016 deficit will be \$975K, covered by strategic reserves, due to a lower than expected incoming fall class, though there has been an increase in in-state students. Reductions in out-of-state enrollment have affected auxiliary revenue, room



and board. EDP persistence is also lower. It will take several years for the college to develop a healthy profile. In FY2017 the Board will see the results of concrete steps. They are working with Lyndon State College to form key strategic alliances and hold down expenses.

Vermont Technical College President Dan Smith reminded the Board that for FY2016 they authorized a line of credit of \$1.9M based on an approximately -\$1.8 deficit. The college currently projects a shortfall of \$1M, well ahead of projections. This is due to an uptick in enrollment of 5% FTE and reduced expenses, 80 new students from fall to spring, and low attrition. The FY2017 shortfall is projected to be in the high six figures, and he projects balance by FY2018. The OPEB funds returned to the college went to additional recruiting resources and they are paying off. President Smith stated he is extremely proud of the Randolph campus staff for their communications and response to student illnesses this week. He also noted that unexpected occurrences like widespread illness point to potential vulnerability for budgets. Trustee Dickinson congratulated President Smith for his progress regarding the manufacturing lab funding; Vermont Tech is very close to meeting the match.

CCV President Joyce Judy stated the budget in good shape: they are 2% over in headcount for spring and 1% over in enrollment. They had projected a 5% decrease. President Judy noted that positive relationships keep students coming through the doors. They are holding access days for middle school students, and certificate programs for GE Aviation and Global Foundries, who are hiring employees out of the program. She also noted that 73% of Vermont Tech's LPN students have taken courses at CCV. CCV is doing a lot of work with each of the colleges.

Castleton University President Dave Wolk agreed there is close collaboration with CCV. Castleton now guarantees CCV graduates admission to the university as well as the same CCV tuition rate (via scholarship funds). He encouraged the Board to set tuition for FY2018 this July. FY2016 enrollment is up; the budget is not balanced now but will be at yearend. Room and board are up due to more upperclassmen choosing to live on campus. There is a need for new residences. The university is pursuing housing downtown, with up to 40 beds for students who are working or interning in the Rutland area. Revenues for auxiliary enterprises are up. The largest increase has been in scholarships; they have dedicated this year's carryover funds to scholarships. President Wolk noted that investment income is decreasing for all the colleges; gifts are up and compensate for this at Castleton. In FY2017 they will continue to highlight the tuition freeze; all things being equal they will need to bring in another 100 students to offset the freeze. Castleton has signed agreements with Vermont Law School for 3+3 and 3+2 programs; they are working on connections with VLS master's programs, and plan to make connections in pre-pharmacy and pre-med programs.

3. Report of the VSCSA

Trustee Simone reported that the VSCSA is currently rewriting its constitution. They have created a new position and are hoping to create a paid internship. They have also formed a new events committee.

4. Hall of Fame Event Update

Trustee Luneau invited Chancellor Spaulding's assistant Elaine Sopchak to provide an update on Hall of Fame event planning. She reported that invitations have been sent out, and thanked President Wolk for sharing the expertise of his marketing department staff, who designed the invitation and are putting together a lengthy program. To date financial commitments to the event, including ticket sales, sponsorships, advertisements, and donations, have exceeded \$100K.

5. Comments from the Public

Dr. Julie Theoret shared that on Monday, February 15<sup>th</sup> from 6-7 p.m. there will be open testimony at multiple sites for Reclaim the Promise. She requested that the unions receive more information on VSC activity in the State House. She also stated that the two-day format of Board meetings is good but suggested the Board reconsider Saturday and summer meetings, as those make it difficult to get to know students.

Professor Todd Comen stated that as grievance chair for the Faculty Federation he works well with the presidents. The shared that the unions have ratified the part-time and full-time contracts, and thanked the Chancellor and General Counsel Reedy for making that happen. He requested that the Board keep faculty involved in discussions and decision making.

Professor Tyrone Shaw thanked the Board for their hard work.

President Judy thanked Chair O'Connor for attending the memorial service of a former CCV staff member.

Trustee Lippert congratulated President Collins and Johnson State for becoming a LGBTQ-friendly campus.

6. Date of Next Meeting:  
Wednesday, May 25<sup>th</sup> – Thursday, May 26<sup>th</sup>  
Hosted by Lyndon State College

Chair O'Connor adjourned the meeting at 12:30 p.m.