

## MEMORANDUM

TO: VSC Finance & Facilities Committee  
M. Jerome Diamond  
J. Churchill Hindes, Chair  
Tim Jerman  
Bill Lippert  
Christopher Macfarlane, Vice Chair  
Linda Milne  
Martha O'Connor  
Aly Richards

FROM: Steve Wisloski, Vice Chancellor for Finance & Administration

DATE: October 13, 2016

SUBJ: Finance & Facilities Committee Meeting on October 19, 2016



The Finance and Facilities Committee of the VSC Board of Trustees is scheduled from 11:00 a.m. to 12:30 p.m. in the Stearns Performance Space at Johnson State College.

The agenda and materials for this meeting are attached. In addition to the consent agenda and brief updates on unification and system consolidations, the Committee's approval will be requested for the FY2018-2019 Capital Appropriation submittal, the repeal of Policy 411 regarding tuition and fee deferral, and amendment of the TD Bank 2008 Swap Loan refinancing resolution to include all or a portion of VSC's debt obligations. We also plan to review final enrollment results for Fall 2016, and the Committee's meeting schedule for the remainder of FY2017.

Should you have any questions regarding the upcoming meeting or any other matter, or any requested additions to the agenda, please contact me at [stephen.wisloski@vsc.edu](mailto:stephen.wisloski@vsc.edu) or (802) 224-3022. Thank you.

Attachments:

1. Agenda
2. Meeting Materials

cc: VSC Board of Trustees, Council of Presidents and Business Affairs Council  
David Beatty, Vermont Department of Finance & Management  
The Honorable Douglas Hoffer, Vermont State Auditor

**Vermont State Colleges Board of Trustees  
Finance and Facilities Committee Meeting  
Stearns Performance Space, Johnson State College  
October 19, 2016**

**AGENDA**

1. Call to Order
2. Consent agenda
  - a. Approve minutes of September 28, 2016 meeting
  - b. Grants and Endowments
3. LSC/JSC Unification and System Consolidation updates
4. Review and approval of FY2018 Capital Bill request
5. Requested repeal of Policy 411, Deferred Payment of Tuition and Fees
6. Requested approval of revised debt restructuring resolution
7. Final enrollment summary for Fall 2016
8. Review of Committee meetings for remainder of FY2017
9. Other business
10. Public comment
11. Adjourn

**MEETING MATERIALS**

- |   |                                |
|---|--------------------------------|
| 1. Consent agenda items   | <a href="#"><u>Page 3</u></a>  |
| 2. FY2018 Capital Bill request  | <a href="#"><u>Page 10</u></a> |
| 3. Policy 411, Deferred Payment of Tuition and Fees, and repeal request | <a href="#"><u>Page 21</u></a> |
| 4. Revised debt restructuring resolution                                | <a href="#"><u>Page 27</u></a> |
| 5. Preliminary final enrollment summary for Fall 2016                   | <a href="#"><u>Page 30</u></a> |
| 6. Updated Finance & Facilities Committee FY2017 meetings calendar      | <a href="#"><u>Page 33</u></a> |

## Item 1: Consent Agenda Items

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## Unapproved minutes of the Vermont State Colleges Board of Trustees Finance & Facilities Committee meeting Wednesday, September 28, 2016

Note: These are unapproved minutes, subject to amendment and/or approval at the subsequent meeting.

The Vermont State Colleges Board of Trustees Finance and Facilities Committee met on September 28, 2016 at the Lake Morey Resort in Fairlee, VT.

Committee members present: Jerry Diamond, Church Hinds (Chair), Tim Jerman, Bill Lippert, Martha O'Connor, Aly Richards. Linda Milne arrived late.

Absent: Chris Macfarlane (Vice Chair)

Presidents: Nolan Atkins, Elaine Collins, Joyce Judy, Pat Moulton, Dave Wolk

### Chancellor's Office Staff:

Tricia Coates, Director of External and Governmental Affairs  
Sheilah Evans, System Controller/Senior Director of Financial Operations  
Bill Reedy, Vice Chancellor of Legal Affairs  
Elaine Sopchak, Executive Assistant to the Chancellor  
Jeb Spaulding, Chancellor  
Steve Wisloski, Vice Chancellor for Finance & Administration  
Sophie Zdatny, Associate General Counsel  
Yasmine Ziesler, Vice Chancellor for Academic Affairs

From the Colleges: Todd Comen, FTF Faculty and Grievance Chair, Johnson State College  
Connor Cyrus, Student, Lyndon State College  
Scott Dikeman, Dean of Administration, Castleton University  
Terry Dwyer, VSCF Union Steward  
Barb Flathers, Assistant to the Dean of Students, Johnson State College  
Jennifer Harris, Director of Development, Lyndon State College  
Loren Loomis Hubbell, Dean of Administration, Lyndon State College  
Meaghan Meachem, Associate Professor, Lyndon State College  
Sandy Noyes, VSCSF Unit Chair  
Phil Petty, Academic Dean, Vermont Technical College  
Jay Schaefer, Professor, Lyndon State College  
Sharron Scott, Dean of Administration, Johnson State College  
Barclay Tucker, Professor, Lyndon State College

Littleton Tyler, Dean of Administration, Vermont Technical College  
Beth Walsh, VSCUP President  
Margo Warden, Director of First Year Experience, Johnson State College

From the Public: Dr. Peggy Williams, Former President, Lyndon State College

Chair Hinds called the meeting to order at 1:15 p.m.

1. Consent agenda
  - a. Approve minutes of August 24, 2016 meeting
  - b. Revision to Policy 417
  - c. Grants and Endowments

Chair Hinds moved the consent agenda. The consent agenda was approved unanimously.

2. Admissions summary

Vice Chancellor Wisloski reviewed the admissions figures to date.

3. Discussion of State appropriation requests

This item was moved to the full Board agenda for Thursday, September 28th.

4. Review of 4th quarter FY2016 unaudited results

Vice Chancellor Wisloski reviewed the fourth quarter results.

5. Unrestricted fund balances and system loans update

Vice Chancellor Wisloski reviewed the fund balances and updated the Committee on system loans.

6. TD debt ratio covenant update

Chair Hinds briefly reviewed the covenants and debt service coverage ratio with TD Bank investments. Vice Chancellor Wisloski reviewed the covenants in detail.

7. Review and discussion of capital budget policy and FY2018 request

Vice Chancellor Wisloski reviewed the capital budget process and VSC Policy 405, Capital Budget. He informed the Committee this the current VSC policy on capital budgeting will be updated in the near future.

8. Policy 411, Tuition Deferrals

This item was deferred to October 19<sup>th</sup> Committee meeting.

9. Update on system consolidations

Vice Chancellor Wisloski shared the current status of system consolidations with the Committee.

10. Other business

There was no other business.

11. Public comment

There was no public comment.

Chair Hinds adjourned the meeting at 2:20 p.m.

October 12, 2016

Jeb Spaulding, Chancellor  
Vermont State Colleges  
P.O. Box 7  
Montpelier, VT, 05602

Dear Chancellor Spaulding,

I am pleased to send you the New Funding Source Document for establishing a new endowment at Johnson State College.

Justin Clayton was a young alumnus, class of 2012, who passed away in June of 2015. A gift of \$10,000 from Justin's family and friends will be used to establish:

**The Justin Clayton Memorial Endowment**

This endowment will be used to establish *The Justin Clayton Keep Climbing Memorial Scholarship*. This new scholarship will be awarded to an undergraduate student who meets the following eligibility requirements:

- a. is majoring in outdoor education;
- b. is in good academic standing;
- c. demonstrates a commitment to the environment;
- d. has financial need;
- e. and demonstrates Justin's playful spirit, passion for the outdoors, and love of travel, soccer, family, and friends

The recipient(s) will be chosen yearly by the outdoor education faculty. We look forward to the Vermont State College Board of Trustees' approval for the establishment of this new endowment.

Sincerely,



Dr. Elaine C. Collins, President

Attachments: Funding Source C document

APPENDIX C

- NEW FUNDING SOURCE DOCUMENT - ENDOWMENTS ONLY

Johnson State College

(College Name)

Submit to Chancellor's Office for all activities based upon a new funding source.  
Place copy in front of any applicable master file.

1) <u>Name of endowment:</u> (type in all CAP'S) <b>THE JUSTIN CLAYTON MEMORIAL ENDOWMENT</b>		
2) <u>Granting agency/donor/other funding source:</u> (attach support info)  Family and friends of Justin Clayton.		
3) <u>Purpose of endowment:</u> (attach support information) To fund the Justin Clayton Keep Climbing Memorial Scholarship to be awarded annually to a student with financial need majoring in outdoor education		
4) <u>Proper accounting fund:</u> <input checked="" type="checkbox"/> Regular Endowment <input type="checkbox"/> Term Endowment		
5) <u>General Ledger Activity Code(s):</u> (as proposed or assigned) 033-37057		
6a) <u>Date Endowment Reach Endowment Status:</u> 10/7/2016		
7) <u>Reporting requirements:</u> (format/to whom/frequency/other) None.		
8a) <u>Funding amount:</u> \$10,000	8b) <input checked="" type="checkbox"/> One-time - OR <input type="checkbox"/> Ongoing funding (indicate timeframe:)	
9a) <u>Is principal use allowed:</u> (w/Board OK?)	YES	9b) <u>If yes, is replenishment of principal allowed or required:</u>
10) <u>If investment proceeds generated, indicate intended disposition:</u> <input checked="" type="checkbox"/> Per Board Approved Spending Procedure <input type="checkbox"/> Fully expend for program as prescribed <input type="checkbox"/> Increase principal for inflation and expend remainder <input type="checkbox"/> Fully apply to increasing principal <input type="checkbox"/> Other (describe:)		
11) <u>President:</u> Dr. Elaine C. Collins <i>Elaine C Collins</i>	12) <u>Date to Ch's Ofc:</u> 12-Oct-16	13) <u>Date Board Approved:</u>



VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

VSC Finance and Facilities Committee Business: Consent Agenda

WHEREAS,           At its October 19, 2016 meeting the VSC Finance and Facilities Committee discussed the business items outlined below; therefore, be it

RESOLVED,       The Committee has voted to approve the items outlined below and recommends them to the full Board:

- Approval of the minutes of the September 28, 2016 meeting
- Approval of the Justin Clayton Memorial Endowment terms at Johnson State College

November 30, 2016

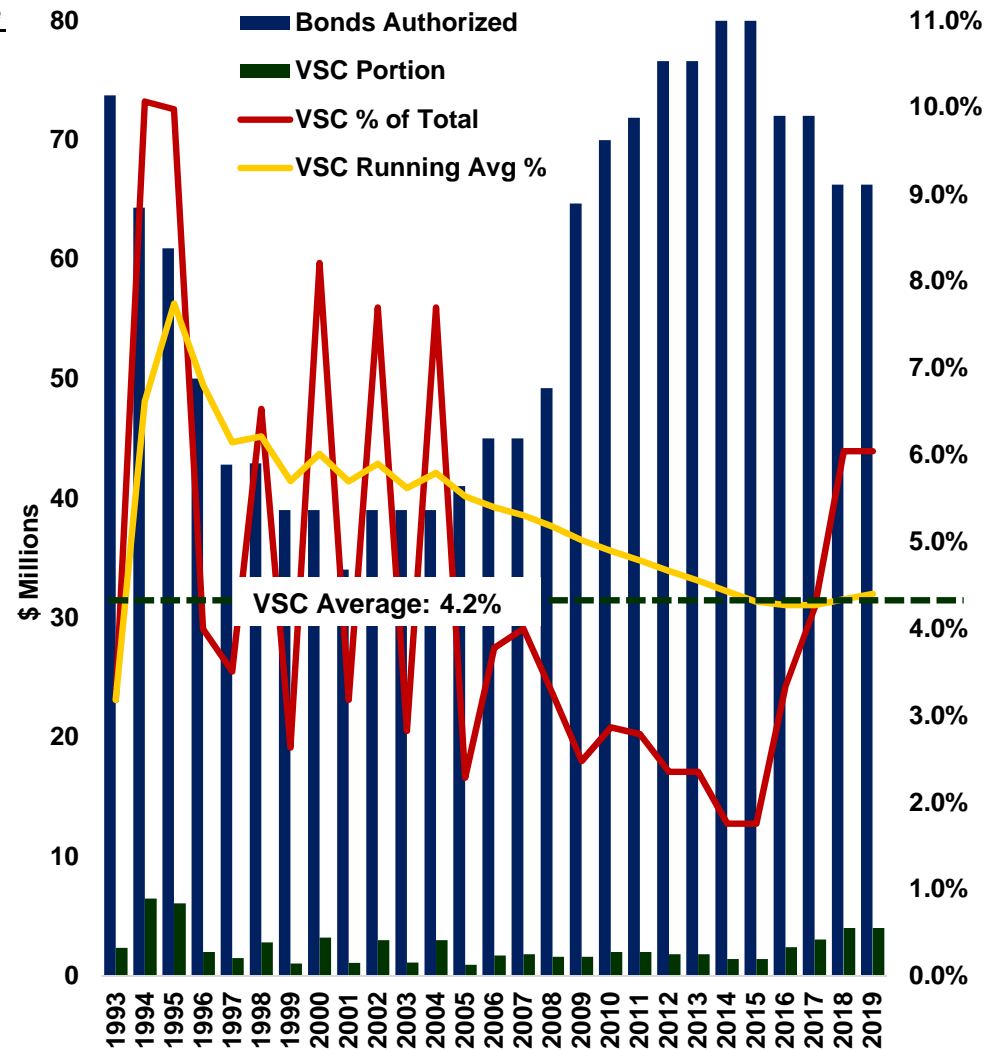
Item 2:  
FY2018 Capital Bill Request

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## Vermont State Colleges Capital Bill Appropriations from 1993-2017, and 2018-19 Request

Fiscal Year	G.O. Bonds Authorized	VSC Total Approp.	VSC Percent of Total	VSC Running Percentage
1993	73,700,000	2,342,000	3.2%	3.2%
1994	64,300,000	6,472,000	10.1%	6.6%
1995	60,900,000	6,076,000	10.0%	7.7%
1996	50,000,000	1,995,000	4.0%	6.8%
1997	42,800,000	1,500,000	3.5%	6.1%
1998	42,900,000	2,800,000	6.5%	6.2%
1999	39,000,000	1,025,000	2.6%	5.7%
2000	39,000,000	3,200,000	8.2%	6.0%
2001	34,000,000	1,080,000	3.2%	5.7%
2002	39,000,000	3,000,000	7.7%	5.9%
2003	39,000,000	1,100,000	2.8%	5.6%
2004	39,000,000	3,000,000	7.7%	5.8%
2005	41,000,000	936,000	2.3%	5.5%
2006	45,000,000	1,700,000	3.8%	5.4%
2007	45,000,000	1,800,000	4.0%	5.3%
2008	49,200,000	1,600,000	3.3%	5.2%
2009	64,650,000	1,600,000	2.5%	5.0%
2010	69,960,000	2,000,000	2.9%	4.9%
2011	71,830,000	2,000,000	2.8%	4.8%
2012	76,590,000	1,800,000	2.4%	4.7%
2013	76,590,000	1,800,000	2.4%	4.6%
2014	79,950,000	1,400,000	1.8%	4.4%
2015	79,950,000	1,400,000	1.8%	4.3%
2016	72,000,000	2,400,000	3.3%	4.3%
2017	72,000,000	3,050,000	4.2%	4.3%
2018	66,230,000	4,000,000	6.0%	4.3%
2019	66,230,000	4,000,000	6.0%	4.4%
<b>Averages (not including 2018-19):</b>			<b>4.3%</b>	<b>5.4%</b>



VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

FY2018 VSC Capital Budget Proposal and State Appropriation Request

WHEREAS, The Vermont State Colleges possesses institutional facilities which require major maintenance and improvements, and funding these needs necessitates both state capital appropriation and other VSC funds; and

WHEREAS, The Board is committed to seeing the system catch up on the backlog of deferred maintenance projects; therefore, be it

RESOLVED, That the Vermont State Colleges Board of Trustees hereby approves the proposed plan of facilities maintenance and improvements with an emphasis upon deferred maintenance projects, including specifically:

- 1) The attached “VSC FY2018 State Capital Appropriation Request” totaling \$4,000,000; and
- 2) The attached “VSC FY2018 Self-Funded Capital Projects” totaling \$1,000,000; and
- 3) Up to \$3,000,000 for system-wide business process standardization and software, whether as a single instance of Colleague or a new Enterprise Resource Planning (ERP) system, in addition to or in lieu of all or a portion of approved facilities maintenance projects.

November 30, 2016

**VERMONT STATE COLLEGES  
FY 2018 CAPITAL APPROPRIATION REQUEST  
SUMMARY OF ALL PROJECTS**

**10/19/2016**

<b><u>Deferred Maintenance Projects Proposed</u></b>		<b>VSC Request</b>	
VSC	Emergency Maintenance (Recurrent Need)	\$	200,000
VSC	Roof Repair and Replacement (Recurrent Need)	\$	300,000
CCV	Academic Facility Improvements	\$	250,000
CU	ADA Compliance Improvements	\$	75,000
CU	Sidewalk/Roadway Replacement	\$	350,000
CU	Coolidge Library Lighting Upgrade	\$	40,000
CU	Science Window Replacement	\$	75,000
CU	Campus Flooring Replacement	\$	150,000
CU	Stafford A/C Phase I	\$	122,500
JSC	Campus Walkway Reconstruction	\$	235,000
JSC	Campus Safety Projects	\$	25,000
JSC	Campus Security Surveillance System	\$	75,000
JSC	Building Backflow Preventers	\$	30,000
JSC	Dewey Window Replacement	\$	200,000
JSC	Dibden Dressing Room Renovation	\$	100,000
JSC	LLC Window Replacement	\$	85,000
JSC	McClelland Fasica Repair	\$	25,000
JSC	Campus Energy Conservation	\$	37,500
LSC	Shape Pool Dehumidification Equipment Phase II	\$	70,000
LSC	Alumni House Roof & Paint	\$	37,000
LSC	Campus Acoustical Ceiling Upgrades	\$	50,000
LSC	Activities Window Replacement Phase II	\$	50,000
LSC	Boiler Burner Retrofits Phase I	\$	30,000
LSC	Campus Ductwork Cleaning Phase I	\$	44,000
LSC	Campus Exterior Door Replacements	\$	20,000
LSC	Library Roof Replacement	\$	100,000
LSC	McGoff House Window Replacement	\$	36,500
LSC	Vail Window Replacement	\$	190,000
LSC	Campus Stormwater Improvements	\$	185,000
VTC	Randolph Site Light Upgrade Phase IV	\$	75,000
VTC	Norwich Farm - Ext Paint & Repair	\$	31,000
VTC	SHAPE Pool Flooring Repair Phase II	\$	71,000
VTC	Judd Hall Roof Replacement	\$	92,000
VTC	Conant Classroom Upgrades	\$	35,000
VTC	Williston Bld 200 Roof	\$	130,000
VTC	Window Replacement Project	\$	178,000
VTC	Hartness Roof Replacement	\$	86,000
VTC	Road & Walkway Repairs	\$	114,500
<b>Total Projects</b>		<b>\$</b>	<b>4,000,000</b>
VSC	System-Wide Business Process Standardization and new Enterprise Resource Planning (ERP) System	<b>\$</b>	<b>3,000,000</b>

**VERMONT STATE COLLEGES  
FY 2018 SELF FUNDED CAPITAL PROJECTS**

9/22/2016

**REVENUE SOURCES**

Dorm/Dining Capital Fees	\$ 500,000.00
General Purpose Capital Fees	\$ 500,000.00
	<hr/>
<b>TOTAL SOURCES</b>	<b>\$ 1,000,000.00</b>

**PROJECTS PROPOSED**

CU	Sprinkler Adams	\$ 80,000.00
CU	Babcock Dormer Roof Repairs	\$ 15,000.00
CU	Residence Hall Renovations Phase I	\$ 155,000.00
JSC	Governors Sprinkler Project	\$ 150,000.00
JSC	Governors Card Access Upgrade	\$ 60,000.00
JSC	Governors Corridor Ceilings	\$ 30,000.00
JSC	Martinetti Asbestos Removal Phase I	\$ 10,000.00
LSC	Wheelock Restroom Renovations	\$ 70,000.00
LSC	Stevens Dining Hall Grease Trap Replacement	\$ 50,000.00
LSC	Arnold Boiler	\$ 30,000.00
LSC	Wheelock Stair Tread Replacement	\$ 30,000.00
LSC	Stonehenge Fire Alarm Replacement	\$ 70,000.00
VTC	Keenan Window Replacement	\$ 130,000.00
VTC	Morey Entry Repair & Renovation	\$ 90,000.00
VTC	Nutting Hardware & Lockset Replacement Phase I	\$ 30,000.00
		<hr/>
<b>TOTAL PROJECTS</b>		<b>\$ 1,000,000.00</b>

**VERMONT STATE COLLEGES  
FY 2018 CAPITAL APPROPRIATION REQUEST  
- STATE FUNDED PROJECTS -**

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**CCV**

**Academic Facility Site Improvements: \$250,000** CCV owns or leases twelve academic facilities. Therefore the burden for interior maintenance and improvement falls within CCV's responsibilities, either through lease agreements or ownership. Significant increases for contract work necessitate an increase in requested funds. Examples of candidate projects for FY17 site improvement funds are:

- Adaptation of facilities for new and revised programmatic offerings.
- Adaptation and expansion of facilities, and equipment for changes in enrollment.
- Addressing workplace safety and accessibility issues.
- Continued fit-out of site-based science and art rooms, computer labs, libraries, and other non-standard classroom facilities.
- Replacement/upgrade of building support systems (HVAC, EMS, etc)

**CU**

**ADA Compliance Improvements Project \$75,000** The Castleton Disability and Access committee has evaluated the campus and has created a list of projects and improvements to help us comply with ADA requirements and to better serve students and the campus community. This project would fund campus wide improvements such as door openers, signage and cross walk identification.

**Sidewalk / Roadway Replacement Project: \$350,000** Replacement of failing sidewalks and roadways around campus has been an ongoing project. The main loop through campus has substantial potholes and cracking which allow moisture to penetrate the base material, causing frost heaving. Repairs have been made, however there needs to be a more long-term solution. There are also several sidewalks on campus that need to be replaced and brought up to current standards. Funding of this project would allow Castleton to continue with replacing failing sidewalks, resurfacing parking lots and roadways around campus.

**Coolidge Library Lighting Upgrade Project: \$40,000** The Library lighting system utilizes over 900 fluorescent bulbs. A number of years ago the lighting fixtures were upgraded to T-8 tubes and ballast. Since the last upgrade, lighting systems have evolved and we now have LED lighting technology. In the never ending quest for energy savings, it makes sense to convert to a LED lighting system which will yield significant energy savings.

**Science Window Replacement Project: \$75,000** The Science Building was constructed in 1969 and still has the original windows. These window units are aluminum frames with single pane glass that are not thermally broken and are difficult to operate. These single pane non- thermally broken units allow the cold and heat to infiltrate the building during the winter and summer months. New energy efficient replacement windows would reduce heating and cooling costs by eliminating air infiltration.

**Campus Flooring Replacement Project: \$150,000** There are numerous areas on campus where the carpet or tile needs to be replaced due to wear and tear. Funding of this project would allow Castleton to replace the carpet in the Stafford Academic Center hallways and offices, Herrick Auditorium, Fine Arts Center and Woodruff Hall.

**Stafford A/C Project Phase I: \$122,500** When Stafford was remodeled in 1998, air conditioning was removed from the project, with exception of the computer labs and Herrick Auditorium. Stafford Academic Center houses the Nursing program and the Center for Schools and is extensively used during the summer months. It is proposed that cooling coils be added to the HVAC roof top unit to provide the necessary cooling for the classrooms and offices.

### **JSC**

**Campus Walkway Reconstruction Project: \$235,000** The campus walkways throughout the campus are in a deteriorated condition and are in need of replacement. The A&E for this project has been completed and the construction documents are ready to be released for bidding. The reconstruction will involve the complete removal of the existing walkway and the complete reconstructed the walkway base and walking surface. This approach will remove all conditions that could lead to premature failure of the walkways and insure a long useful life.

**Campus Safety Projects: \$25,000** This project would fund a number of small safety related projects across the campus. A few examples of these types of projects would be the repairs of small sections of walkways, building entry repairs, mold or asbestos issues, and emergency repair to site lighting.

**Campus Security Surveillance System project: \$75,000** Over the years JSC has installed 3 completely different video surveillance systems that do not communicate with each other. As a result of the non-communication issue, it is very cumbersome for Campus Security to review and follow up on incidences. It is proposed that a new centralized system be installed, one that will integrate as much of the existing hardware as possible including expanded coverage. This will allow Public Safety to retrieve data and monitor the campus more efficiently.

**Building Backflow Protection Project: \$30,000** There are 5 buildings on campus that do not have back flow protection and pressure regulators. Building backflow protection insures that contaminants cannot be siphoned from a contaminated source back into the public water supply. This project would fund the required water line reconfigurations and the installation of the backflow preventers.

**Dewey Window Replacement Project: \$200,000** Dewey Hall was constructed in 1964 and still have the original windows. These window units are single pane glass with aluminum frames that are not thermally broken, thus allowing the cold and heat to infiltrate the building during the winter and summer months. Funding of this project would allow us to release the construction documents create in the A&E project to install energy efficient windows units that would eliminate air infiltration thus reduce draft and conserve energy and reduce heating and cooling costs.

**Dibden Dressing Room Renovation Project: \$100,000** The Dibden Theater was constructed in 1970. The dressing rooms and the associated restrooms have never been updated, the finishes and fixtures are worn and showing their age. This project would allow us to upgrade the finishes, replace the fixtures and improve the lighting. These improvements will greatly improve the appearance of the space.



**LLC Window Replacement project: \$85,000** The LLC building was built in 1996 and we now have a situation where the windows have been losing their thermal seals thus decreasing their energy efficiency. A number of units have been replaced over the years but at this time we have approximately 70 windows that require replacing. Replacement of these failed windows will help JSC's efforts to reduce campus energy costs.

**McClelland Fascia Repair project: \$25,000** The McClelland Fascia is in need of repairs due to its exposure to the elements. This Fascia is not protected by the roof, it is attached directly to the building exterior and is totally exposed to the elements. This project would fund the repair or replacement of the fascia as needed.

**Campus Electrical Energy Upgrades Project: \$37,500** Many of the campus building systems are original and by today's standards do not operate efficiently. This project would enable us to start updating these systems by installing energy efficient equipment that work reduce energy consumption, improve reliability and reduce maintenance repair costs.

## **LSC**

**Shape Pool Dehumidification Equipment Project Phase II: \$70,000** The SHAPE pool dehumidification and water heating systems are original equipment installed in 1990. These units have reached the end of their useful lives. Project funding for Phase I was received last year and now we are requesting funding for the second phase, which will allow us to complete the project. This funding will allow us to replace these units with energy efficient equipment, thus reducing operating and maintenance costs.

**Alumni House Roof & Paint Project: \$37,000** The roofing and exterior of the Alumni House are in need of repairs. The asphalt roofing shingles are 19 years old, very close to the end of their design life. In a number of areas the shingles are starting to show signs of disintegration. The building exterior is also in need of repainting and minor trim repair. In a number of locations, paint is peeling and exposing the wood which will lead to further deterioration of the trim.

**Campus Acoustical Ceiling Upgrades Phase I Project: \$65,000** There are numerous areas on campus where the ceilings are very poor condition and have become unsightly. Many of the ceiling tiles are water stained, dingy in appearance and have sagged. This project would fund the replacement of the tiles starting with the worst areas.

**Activities Window Replacement Project Phase II: \$50,000** The windows located in the Activities Building are the original wood framed thermopane units. Over the years the seals in these thermopane units have failed and thus causing them to collect moisture, and become unsightly. The scope of work for this project is to replace the existing windows and frames with energy efficient units thus improving the appearance and conserving energy. Funding was received for Phase I, funding for this phase would complete the project.

**Boiler Burner Retrofit Project Phase I: \$30,000** a number of the campus boilers have a tendency to over fuel the boilers thus making it difficult to maintain these units at their peak efficiency. This project would retrofit the existing burners with the latest technology in fuel metering and combustion controllers.

**Campus Ductwork Cleaning Project Phase I: \$44,000** Ductwork in all the HVAC systems are in need of cleaning. These ducts have collected over the years a significant amount of dust and dirt and when

disturbed, these contaminants are distributed throughout buildings. These dirty ducts are also known to cause air quality issues if not cleaned periodically. This project will be the first of a number of future projects for HVAC systems duct cleaning.

**Campus Exterior Door Replacement Project: \$20,000** A number of the exterior doors on building across campus are in need of replacement. The existing doors and hardware are worn, and do not function properly thus requiring a significant amount of maintenance. Replacement of these units with energy efficient models and having them operating correctly will also yield some energy saving for the college.

**Library Roof Replacement Project: \$100,000** This building was constructed in 1997 and is now 19 years old. This EDPM membrane ballasted roofing has recently started having roof leaks on a regular bases. It is recommended that we replace the roofing on this building within the next 1-2 years.

**McGoff House Window Replacement Project: \$32,000** The McGoff Hill House is approximately 150 years old and is believed to still have the original windows. These units are drafty, do not have storm sashes and do not operate very well. There are also units that have a considerable amount rot. It is proposed that the existing units be replaced with new energy efficient models that reasonably replicate the originals.

**Vail Window Replacement Project Phase II: \$190,000** The Vail Center was constructed in the mid 70's and still has the original windows. These window units are single pane glass with aluminum frames and are not thermally broken. These single pane non- thermally broken units allow the cold and heat to infiltrate the building during the winter and summer months. New energy efficient replacement window would reduce heating and cooling costs by eliminating air infiltration.

**Campus Stormwater Improvements Project: \$185,000** Recently LSC contracted with Krebs and Lansing Consulting Engineers to create a Campus Stormwater Management Plan. This plan identified a number of areas on campus which would benefit from improvements in Stormwater management. This project would fund improvements in the following areas:

- Add retention pond to lower discharge area below Skateboard Park.
- Tie store water drains from Harvey and Wheelock into the storm system emptying into the Rita Bole retention pond.
- Upgrade rain gardens at Stonehenge by increasing holding capacity in all areas.
- Address all swales and upper rain garden and swales along Lower Campus Drive to retention area.

## **VTC**

**Site Lighting Improvements, Phase IV: \$75,000** The site lighting system on the Randolph Center campus is approximately 20+ years old. The funding received from prior Capital requests has enabled us to replace the existing lighting system in phases. At this time we are requesting funding for Phase IV which will bring us very close to completing the replacement project. Only 75 of the original high pressure sodium fixtures remain. In addition to replacing the lighting fixture and poles the underground electrical is also being replaced.

**Norwich Farm Exterior Painting & Repair Project: \$31,000** A number of the structures at the Norwich Farm are in need of painting and minor repairs. The southern exposure of some of these

structures are in need of a fresh coat of paint. A couple structures will need to have some exterior trim replaced due to equipment incidences prior to repainting. Also, the Green House which now serves as a residence for students is in dire need of repainting.

**Shape Pool Tile flooring Repair Phase II Project: \$71,000** The SHAPE pool has been in operation for over 25 years. Pool environments are harsh on surrounding surfaces and mechanical systems. As a result of these harsh conditions a number of small projects are need to be funded to maintain the overall appearance and functionality of the pool. As part of the FY 17 request we completed Phase I of this project, we repaired the ceramic tile in a section of the pool deck. This year we are requesting funding for Phase II which will allow us to correct the situation where the HVAC air supply ducts located under the concrete pool deck slab is allowing sand to infiltrate into the supply ducts and being deposited on the pool deck. These ducts will be repaired and sealed to prevent this condition.

**Judd Hall Roof Replacement Project: \$92,000** The current EDPM membrane roof on this building is 30+ years old. It was not replaced when the building underwent an interior renovation that was completed in 2009, and is close to the end of its useful life. Over the years a number of repairs have been made to this roof to extend its life, but in recent years leaks have become more commonplace. It is recommended that the roof be replaced within the next 1-2 years with a .060 EDPM membrane system.

**Conant Classroom Upgrade Project: \$35,000** The finishes in the Conant classrooms are dated and are in need of being upgraded. This project would fund the replacement of the ceiling tile, the installation of new flooring, new energy efficient lighting and the repainting of these spaces.

**Williston Building 200 Roof Replacement Project: \$130,000** The EDPM membrane roof on this building is 28 years old. It was not replaced when the building underwent an interior renovation approximately 7 years ago, and has reached the end of its useful life. Leaks have become more commonplace and, as this building houses a newly renovated interior, it is recommended that the roof be replaced within the next 1-2 years with a .060 EDPM membrane system.

**Window Replacement Project: \$178,000** Administration Building: We would like to replace the two storefront windows located on the north and south entries of this building. These windows were installed as part of the general building renovation in 1986. However, the metal support frame is deteriorating because of the use of salt, which in turn is then oxidizing (deteriorating) the aluminum window frames.

Conant: We would like to replace the existing original (1964) single pane hopper windows in this building. The storefront windows and entry doors have been replaced, are in good shape, hence they are not included in this project. There are 36 total windows in this building, and we to replace these windows with a more energy efficient Dual Pane/Low E model. We would also like to include new window treatment as well.

Morrill/Morrill Annex: We would like to replace the existing original (1964) single pane hopper windows in these buildings, as well as several original wood doors. There are 26 windows in Morrill, 18 doors in Morrill Annex, as well as two storefront and 6 exterior doors that we would like to replace. All windows will be replaced with a double pane Low E model. Doors will be replaced with energy efficient models as well.

**Hartness Roof Replacement Project: \$86,000** The current EDPM Membrane roof on this building is 20+ years old and is reaching the end of its expected life. This roof has been repaired numerous times. The lack of funding prevented us from replacing this roof when the building underwent a complete interior renovation in 2012. It is proposed that the roof be replaced with a new .060 EDPM fully adhered roofing system.

**Road & Walkway Repair Project: \$114,500** Sections of the Campus roadways are developing pot holes and cracks which allow moisture to penetrate the base material thus causing frost heaving. These areas will be shimmed and repaved to prevent further deterioration. We also have sections of walkways that have deteriorated due to salt damage and harsh winter conditions, these areas will be evaluated and be replaced or repaired as needed.

## **VSC**

### **Emergency Maintenance: \$200,000**

As in previous years, this is annual funding to provide the college system with a contingency that will be used to fund unplanned needs that inevitably arise across VSC's more than 100 buildings (approximately 1,700,000 sq ft) and over 1,400 acres of property, which combined have a replacement value approaching \$250,000,000.

**Roof Repair and Replacement: \$300,000** To address the most serious roofing concerns as assessed from annual review of all structures throughout the college system.

**Enterprise Resource Planning (ERP) Software Replacement: \$3,000,000** To standardize system-wide business processes and replace existing Enterprise Resource Planning (ERP) system, whether as a single instance of Colleague or a new software program.

Item 3:  
Policy 411, Deferred Payment of Tuition and Fees  
and Request for Repeal

[Back to Agenda](#)



## Manual of Policy and Procedures

Title	Number	Page
	411	1 of 2
<b>DEFERRED PAYMENT OF TUITIONS AND FEES</b>		
	Date	9/24/82

### PURPOSE

To provide colleges a means of assisting students over a temporary delay in the receipt of reasonably assured resources with which to pay tuition and fees when due by college calendars.

### STATEMENT OF POLICY

Colleges may offer a deferred payment plan to students unable to pay tuition and fees when due according to the college calendar, but who are able to pay before the end of the semester. Operations under the plan must not constitute a discriminatory discount on tuition and fees charged. Individuals who are permitted to defer payment must pay fees and interest to compensate for the delay in payment. College plans shall be operated in accordance with the following guidelines:

### GUIDELINES

1. Deferred obligations shall be represented by a legally binding note. (Minors must have co-signatories) (See attached form.)
2. Deferred payments involved added administrative cost and the loss of interest earnings which support operating budgets. Therefore, deferred payment plans should require both a fixed service charge related to administrative costs and an interest charge. Interest charges should be related to market rates of interest.
3. A deferred payment plan must not become Financial Aid. All obligations must be satisfied within the academic term for which the deferral is granted. (Or before the commencement of a new term or financial aid award year.)
4. Deferring payment involves a consumer credit decision. Failure to pay results in a bad debt. Credit should be issued only when collection is reasonably assured.
5. Financial aid offices should attest that the student does not have resources to pay cash before credit is authorized.

6. Third party sponsorship (as an employer, for example) should not involve a deferred payment by a student. The College accepts the obligation of the employer as payment for the student. (The college should require evidence of third party intent to pay before crediting a student's account. A formal letter or purchase order is appropriate.)
7. Third party reimbursement of attendance costs of a student based on completion of a course of studies is not grounds for the deferral of payment. The student should pay and be reimbursed by his/her employer upon completion.

Signed by:	Charles I. Bunting Chancellor
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Deferred Payment of Tuitions  
and Fees

VERMONT STATE COLLEGES

Deferred Payment Plan

Promissory Note and Disclosure Statement

\_\_\_\_\_  
Date

In consideration of the extension of the normal date for payment of tuition and fees I \_\_\_\_\_

promise to First Middle Last Name

pay to \_\_\_\_\_ the sum of \_\_\_\_\_  
College

(\$\_\_\_\_\_.00) together with interest at the rate of \_\_\_\_\_ percent, ( \_\_\_\_\_ %), per month on the outstanding balance and as required in compliance with the following schedule of payments together with a one-time administrative fee of \$\_\_\_\_\_.

	<u>Payment Number</u>	<u>Date</u>	<u>Principal Amount Due</u>	<u>Interest Due</u>	<u>Ttl Due</u>
1	_____	_____	_____	_____	_____
2	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____
		Total	=====	=====	=====

Annual percentage rate \_\_\_\_\_.

Repayment: The maker of this note is obligated to pay this note even though he/she may be under 18 years of age.

Demand Payment, Default: At the option of the Lender or other holder of this Note, the maturity date of this Note will be accelerated, the entire unpaid balance of this Note will become immediately due and payable in the event that the Maker: (1) fails to comply with the terms and conditions of this Note and Disclosure(s); or (2) terminates enrollment; or (3) initiates or is subject to



Deferred Payment of Tuitions  
and Fees

Page 4

bankruptcy proceedings which may result in the discharge of this loan; or (4) fails to make any payment hereunder when due, with time being of the essence of this Note; or (5) misrepresents himself/herself in any way with respect to his/her application for and/or receipt of this loan.

Collection Costs; Off-Set; Late Charges: The Maker agrees to pay to the Lender or other holder all reasonable attorney's fees and other costs and charges necessary for the collection of any amount not paid when due. The Maker hereby grants the Lender or other holder of this Note the right of off-set against the Maker's deposit accounts or other assets in the event of default. In the event of late payments by the Maker, a late charge of 5% of the monthly payment of \$5.00, whichever is less, may be charged on any payment made later than 10 days from the due date.

Prepayment: The Maker has the right to prepay all or any part of this Loan without penalty.

Waiver: The delay in enforcement or other waiver of any of the provisions of this Note and Disclosure shall not constitute a waiver of enforcement of said provisions or other provisions in the future.

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I acknowledge receipt of, prior to the signing of this Promissory Note and Disclosure, a completed copy of this Promissory Note and Disclosure Statement. I certify that I have read and understand the provisions of this Promissory Note and Disclosure Statement.

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College

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Maker Signature

BY: \_\_\_\_\_  
Its Officer (Signature)

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NOTICE TO CO-SIGNER: YOUR SIGNATURE ON THIS PROMISSORY NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER, I.W., MAKER, DOES NOT PAY, THE LENDER OR OTHER HOLDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.

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Co-signer (if any) signature

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Typed Name

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Repeal of Policy 411, *Deferred Payment of Tuition and Fees*

- WHEREAS, Policy 411, *Deferred Payment of Tuition and Fees*, was signed by Chancellor Charles I. Bunting and became effective on September 24, 1982; and
- WHEREAS, In the 34 years since that date, substantial declines in interest rates have materially decreased the opportunity costs to VSC associated with delayed payment of tuition and fees; and
- WHEREAS, Advances in technology, including the development of customized business software and the near-ubiquitous utilization of networked personal computing devices and Internet-based resources, have greatly reduced the burden associated with administering a deferred payment program; and
- WHEREAS, The TouchNet payment system currently used by the Colleges allows students to pay tuition and fees in installments; and
- WHEREAS, The substantial increase in the number of students sponsored or reimbursed by employers necessitates flexibility with respect to timing of tuition and fee payments; therefore be it
- RESOLVED, That the Vermont State Colleges Board of Trustees hereby repeals Policy 411, *Deferred Payment of Tuition and Fees*.

November 30, 2016

## Item 4: Revised Debt Restructuring Resolution

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VERMONT STATE COLLEGES  
BOARD OF TRUSTEES  
RESOLUTION

VSC Authorization to Refinance ~~the \$72,000,026 TD SWAP Loan~~ Outstanding Debt Obligations

WHEREAS, During FY2008 the VSC entered into a 20 year SWAP loan agreement with a 30 year amortization with TD Bank for \$72,026,000; and

WHEREAS, During that time period the longest financing term available to the VSC was a 20 year term loan with a balloon payment due in the 20<sup>th</sup> year (2028); and

WHEREAS, ~~The credit markets are beginning to open up enough where 30 year financing is becoming an option~~ Credit markets have recovered since the loan was issued; and

WHEREAS, By refinancing the current loan to a 30 year loan the VSC can do away with the balloon payment in the 20<sup>th</sup> year, while keeping the payments generally the same amount; and

WHEREAS, By also refinancing the remaining TD Bank Loans from FY2005 and FY2009, VSC may obtain relief from related loan covenants that limit additional borrowing to support needed capital projects; and

WHEREAS, By also refinancing bonds issued in FY2010 and FY2013, VSC may obtain near-term debt service relief and possible refinancing savings; and

WHEREAS, The VSC would like ~~to~~ authorization to seek and secure ~~the refinance of the TD Bank loan~~ refinancing of all or a portion of its outstanding debt at the time when it is most financially advantageous to do so; therefore be it

RESOLVED, That the Vermont State Colleges Board of Trustees hereby authorizes the Chancellor to seek and secure the refinancing of the \$72,026,000 TD Bank SWAP loan agreement when of all or a portion of its outstanding debt when it is most advantageous for the VSC.

~~June 3, 2010~~ November 30, 2016

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

VSC Authorization to Refinance Outstanding Debt Obligations

- WHEREAS, During FY2008 the VSC entered into a 20 year SWAP loan agreement with a 30 year amortization with TD Bank for \$72,026,000; and
- WHEREAS, During that time period the longest financing term available to the VSC was a 20 year term loan with a balloon payment due in the 20<sup>th</sup> year (2028); and
- WHEREAS, Credit markets have recovered since the loan was issued; and
- WHEREAS, By refinancing the current loan to a 30 year loan the VSC can do away with the balloon payment in the 20<sup>th</sup> year, while keeping the payments generally the same amount; and
- WHEREAS, By also refinancing the remaining TD Bank Loans from FY2005 and FY2009, VSC may obtain relief from related loan covenants that limit additional borrowing to support needed capital projects; and
- WHEREAS, By also refinancing bonds issued in FY2010 and FY2013, VSC may obtain near-term debt service relief and possible refinancing savings; and
- WHEREAS, The VSC would like authorization to seek and secure refinancing of all or a portion of its outstanding debt at the time when it is most financially advantageous to do so; therefore be it
- RESOLVED, That the Vermont State Colleges Board of Trustees hereby authorizes the Chancellor to seek and secure the refinancing of all or a portion of its outstanding debt when it is most advantageous for the VSC.

November 30, 2016

Item 5:  
FY2016 Preliminary  
Final Enrollments

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## Vermont State Colleges Comparative Admissions Summary Report October 12, 2016 vs. Prior Year

	Fall 2016 from 10/12/16	Fall 2015 10/15/2015	% Change
<b>Applications</b>			
Castleton University	2,927	2,676	9%
Johnson State College	1,562	1,282	22%
Lyndon State College	1,631	1,446	13%
Vermont Technical College	1,663	1,543	8%
<b>Total</b>	<b>7,783</b>	<b>6,947</b>	<b>12%</b>

<b>Acceptances</b>			
Castleton University	2,346	2,255	4%
Johnson State College	1,341	1,114	20%
Lyndon State College	1,382	1,343	3%
Vermont Technical College	1,007	974	3%
<b>Total</b>	<b>6,076</b>	<b>5,686</b>	<b>7%</b>

<b>Deposits</b>			
Castleton University	719	639	13%
Johnson State College	459	422	9%
Lyndon State College	425	368	15%
Vermont Technical College	673	647	4%
<b>Total</b>	<b>2,276</b>	<b>2,076</b>	<b>10%</b>

	Fall 2016 from 10/12/16	Fall 2015 10/15/2015	% Change
<b>Community College of Vermont</b>			
Applications	4,253	4,501	-6%
Acceptances	3,335	3,468	-4%
Enrollments	2,511	2,525	-1%

## Enrollment by Headcount at Castleton, Johnson, Lyndon, and VT Tech

Fall 2011 - Fall 2016 (as of October 15th)

with Enrollment Status (full-time or part-time)

							<i>preliminary</i>
							<i>final</i>
<u>Total Enrollment by College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>10/12/16</u>
Castleton State	2,215	2,192	2,156	2,175	2,183	2,246	2,243
Johnson State	1,924	1,859	1,783	1,692	1,613	1,514	1,524
Lyndon State	1,436	1,422	1,508	1,519	1,430	1,266	1,199
Vermont Tech	1,656	1,603	1,645	1,543	1,542	1,559	1,646
CC Vermont	6,738	6,578	6,311	6,194	6,019	5,983	5,874
Unduplicated Total	13,494	13,200	12,911	12,656	12,305	12,036	11,866

							<i>preliminary</i>
							<i>final</i>
<u>Castleton State College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>10/12/16</u>
Full-time	1,910	1,867	1,880	1,876	1,735	1,743	1,764
Part-time	305	325	276	299	448	503	479

							<i>preliminary</i>
							<i>final</i>
<u>Johnson State College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>10/12/16</u>
Full-time	1,148	1,132	1,056	992	967	940	920
Part-time	776	727	727	700	646	574	604

							<i>preliminary</i>
							<i>final</i>
<u>Lyndon State College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>10/12/16</u>
Full-time	1,199	1,219	1,257	1,259	1,162	1,053	970
Part-time	237	203	251	260	268	213	229

							<i>preliminary</i>
							<i>final</i>
<u>VT Technical College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>10/12/16</u>
Full-time	1,226	1,168	1,142	1,046	996	994	1,025
Part-time	430	435	503	497	546	565	621



Item 6:  
Finance & Facilities Committee  
FY2017 Meeting Calendar

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**Finance and Facilities Committee  
Meeting Schedule for Fiscal Year 2017  
as of October 19, 2016**

Mtg #	Date	Topic Count	JSC-LSC Unification	System Consolidation	FY18 Budget Development	FY19 Tuition, Fees, Room & Board	Quarterly Results**, Metrics	Appropriation Requests	Cash, Investments, Endowment	Debt Management	Capital Planning and Projects***	Facilities Management	Grants and Gifts	Policies and Procedures	Special Topics
1	Wed, Aug 24, 2016 (1:56pm - 3:00pm)	5	Standing Topic/Regular Updates	Standing Topic/Regular Updates					Regular quarterly report (per Policy 404)	Debt "101" discussion		Deferred maintenance update	(as needed)	(as needed)	(as needed)
2	Wed, Sep 28, 2016 (1:15pm - 2:30pm)	* 7	Unification report to BOT due Sep 29	Standing Topic/Regular Updates			Q4 FY16 Results, reserves and system loans	(Budget Adjustment and Appropriations Bills discussed at BOT)		TD Debt Coverage Covenant for FY16	Discussion of Policy 405 and Legislative Report	Preliminary capital projects list		Policy 411 discussion	
3	Wed, Oct 19, 2016 (11:00am - 12:30pm)	6	Standing Topic/Regular Updates	Standing Topic/Regular Updates			Review of final Fall 2016 enrollment	Capital appropriation request due October 14 (subject to BOT approval)		TD Bank loan refinancing resolution amended to include all debt	Capital Projects list submitted			Repeal of Policy 411, Deferred Payment of Tuition and Fees	
4	Wed, Nov 30, 2016	* 7	Standing Topic/Regular Updates	Accounts payable consolidation target date of Nov. 18	Initial discussion informed by Q1 FY17 results		Q1 FY17 Results	Election results known; transition team briefings (if any)	Regular quarterly report (per Policy 404)	Debt issuance vote (if any)			Addition of Uniform Guidance Compliance Policies	Investment policy review and/or debt policy discussion?	AGB Report update
5	Mon, Jan 9, 2017	4	Standing Topic/Regular Updates	Standing Topic/Regular Updates				Responses to Budget Adjustment Act (if any)			Legislative Report due January 15				
6	Mon, Feb 9, 2017	3	Standing Topic/Regular Updates	Standing Topic/Regular Updates					Regular quarterly report (per Policy 404)						
7	Mon, Mar 13, 2017	* 3	Standing Topic/Regular Updates	Standing Topic/Regular Updates			Q2 FY17 Results								AGB Report update
8	Mon, Apr 10, 2017	4	Standing Topic/Regular Updates	Standing Topic/Regular Updates	Preliminary FY18 Budgets presented	Initial FY19 Tuition discussion									
9	Wed, May 31, 2017	6	Standing Topic/Regular Updates	Standing Topic/Regular Updates	Vote on FY18 Budgets	Preliminary FY19 Tuition request	Q3 FY17 Results		Regular quarterly report, Annual Banking & Investment Resolution (per Policy 404)						
10	Wed, Jun 21, 2017	* 3	Standing Topic/Regular Updates	Standing Topic/Regular Updates		Vote on FY19 Tuition									AGB Report update

\* Last meeting before quarterly Board of Trustees Meeting

\*\* Unification report due September 28 BOT (done)

\*\* Report due to Joint Fiscal Committee during November 2016 on use of \$700,000 "to increase need-based aid for Vermont students"

\*\*\* "Long term strategic plan... for the most effective use of capital funds..." due January 15, 2017 to Institutions Committees (also from UVM)