

## The Vermont Statutes Online

### Title 16: Education

#### Chapter 72: Vermont State Colleges

##### § 2170. Statutory purposes

The statutory purpose of the exemption for the Vermont State Colleges in section 2178 of this title is to allow institutions providing higher education to deploy more of their financial resources to their educational missions. (Added 2013, No. 200 (Adj. Sess.), § 9.)

##### § 2171. Corporation established; purposes; powers

(a) There is created as a part of the educational system of the State of Vermont a public corporation to be known as "Vermont State Colleges" or any other name that the Board of Trustees, established under section 2172 of this chapter, selects at a meeting duly warned for that purpose, provided that the word "Vermont" shall appear in the selected name. The Corporation shall plan, supervise, administer, and operate facilities for education at the postsecondary level supported in whole or in substantial part with State funds; however, while the Corporation shall maintain cooperative relations with the University of Vermont and State Agricultural College, nothing in this chapter shall give the Corporation any responsibility for the planning, supervision, administration, or operation of the University.

(b) The Corporation shall own the real and personal property of the Castleton State College, Johnson State College, Lyndon State College, Vermont Technical College, and Community College of Vermont, and of other State-operated institutions of higher education that may be established. It shall protect, preserve, and improve the properties and promote their use as institutions of higher education.

(c) The Corporation may acquire, hold, and dispose of property in fee or in trust, or any other estate, except as provided in subsection (d) of this section, shall have a common seal, and shall be an instrumentality of the State for the purposes set forth in this section. The State of Vermont shall support and maintain the Corporation.

(d) The Corporation shall not abandon, lease, sell, or dispose of any of the institutions under its control unless that action is specifically authorized by the General Assembly. The terms of any such sale, lease, or other disposal shall be prescribed by the Agency of Administration, with the approval of the Governor, within the terms of the authorization of the General Assembly.

(e) The Corporation may make expenditures for capital improvements. The Corporation is authorized to borrow money for building purposes, to give security that may be required, and to execute necessary related instruments, and is also authorized to accept, use, and administer any funds made available to it for any of its corporate purposes by the United States or any of its agencies, and to agree to any terms and conditions that may be required that are not inconsistent with its corporate purposes. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 1963, No. 104, eff. May 22, 1963; 1973, No. 240 (Adj. Sess.), § 1, eff. April 8, 1974; 2007, No. 52, § 41, eff. May 28, 2007; 2013, No. 92 (Adj. Sess.), § 178, eff. Feb. 14, 2014; 2015, No. 19, § 1, eff. July 15, 2015.)

##### § 2172. Trustees; appointment; vacancies

(a) The Corporation shall be governed by a board of 15 trustees who shall be appointed or elected as follows:

(1) Biennially the Governor, with the advice and consent of the Senate, shall appoint trustees to serve for four-year terms expiring March 1 of the year of the biennial session. Five trustees may be in office at one time under this subdivision. In the event of any vacancy occurring between biennial sessions in an office under this subdivision, the Governor pursuant to 3 V.S.A. § 257 shall fill the vacancy, and the term of a person so appointed shall expire on March 1 in the year of the next following biennial session.

(2)(A) One trustee shall be a student trustee:

(i) who is a matriculated student at an educational institution operated by the Vermont State Colleges Corporation;

(ii) who is pursuing a degree program; and

(iii) who has reached the age of majority.

(B) The student trustee shall serve a one-year term expiring on June 1. The student trustee shall be appointed, and a vacancy may be filled, from among those eligible students applying for the position by the decision of those members of the steering committee of the Vermont State Colleges Student Association who have been elected at large to that committee by the students at their respective colleges. No student trustee may serve more than two consecutive terms.

(3) Four trustees shall be legislative trustees who are members of the General Assembly at the time of their election. Legislative trustees shall serve four-year terms expiring on March 1 of the second year of the biennial session, and they shall be elected by joint assembly of the Legislature. Vacancies for any cause shall be filled by the General Assembly at its earliest opportunity and the term of a person so appointed shall expire on March 1 of the next even numbered year.

(4) Four trustees shall be elected by the Board of Trustees to four-year terms expiring on March 1. Vacancies for any cause shall be filled by the remaining members of the Board of Trustees, and the term of the person so appointed shall expire on the next following March 1.

(b) Appointments by the Governor and elections by the General Assembly shall be made with consideration of the geographic distribution of members to prevent an unfair focus on any single college.

(c) No trustee shall be a member of the Board of Trustees of the University of Vermont.

(d)(1) The Board of Trustees, after notice and a hearing, may remove a trustee for incompetency, failure to discharge duties, malfeasance, illegal acts, or other cases inimical to the welfare of the Corporation.

(2) Gubernatorial-appointed trustees shall serve at the pleasure of the Governor pursuant to 3 V.S.A. § 2004.

(3) In the event of a vacancy occurring under this subsection, the Governor or the Board, as applicable, shall fill the vacancy pursuant to subsection (a) of this section. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 1977, No. 188 (Adj. Sess.), § 1, eff. April 5, 1978; 2015, No. 19, § 1, eff. July 15, 2015; 2015, No. 48, § 8, eff. July 16, 2015.)

#### **§ 2173. Board of Trustees; organization**

In addition to the 14 elected and appointed trustees, the Board of Trustees shall include as a member the Governor of Vermont. A majority of the trustees shall constitute a quorum for the transaction of business. Biennially, the Board shall elect one of its voting members to serve as its chair. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 1977, No. 188 (Adj. Sess.), § 2, eff. April 5, 1978; 2013, No. 92 (Adj. Sess.), § 179, eff. Feb. 14, 2014; 2015, No. 19, § 1, eff. July 15, 2015.)

#### **§ 2174. Board of Trustees; power**

The Board of Trustees may confer such honors and degrees as are usually given in colleges and universities and any other appropriate degrees, and shall appoint a chancellor of the Corporation and a president for each institution under its control and prescribe their duties, salaries, and terms of office. The Board shall make bylaws and regulations for the government of its meetings and each institution under its control prescribing among other things, the terms of admission, courses of instruction, educational standards, rates of tuition, scholarships, and other student aids. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 2015, No. 19, § 1, eff. July 15, 2015.)

#### **§ 2175. Retirement system**

The Corporation may deduct from funds appropriated to it for salaries, employer contributions to a retirement system established by its Board of Trustees, or to such other retirement system as the Board may choose. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 2013, No. 92 (Adj. Sess.), § 180, eff. Feb. 14, 2014.)

#### **§ 2176. Procedures relating to accounting**

The Corporation shall develop, administer, and install procedures relating to accounting practices, control of expenditures, budgets, audits, and purchase of supplies. The fiscal year of the Corporation shall be July 1 to June 30, and its fiscal biennium shall be the period of two successive fiscal years beginning July 1 of each odd-numbered year. (Added 1961, No. 247, § 1, eff. July 28, 1961.)

#### **§ 2177. Controls and audits; financial reports; other reports**

(a) Control of funds appropriated and of the work carried on shall be vested in the Board of Trustees.

(b) The financial statements of the Corporation shall be audited annually as of June 30 by an independent public accounting firm registered in Vermont in accordance with government auditing standards issued by the U.S. Government Accountability Office. The Auditor of Accounts or his or her designee shall be the State's nonvoting representative to an audit committee established by the Board.

(c), (d) [Repealed.]

(e) With the approval of the Governor, the Secretary of Administration, through the Deputy Secretary of Administration or any departments of the Agency of Administration that the Secretary may designate, shall have:

(1) the authority to allot to the Corporation the appropriation made by the General Assembly for the Corporation, which may be on a monthly basis or as the work of the Corporation may progress;

(2) the keeping of such controlling accounts as may be necessary in order to determine the accuracy and limit of the expenditures made under the allotments; and

(3) access to and the right to copy any records of the Corporation under such regulations as the Governor may prescribe.

(f) The Corporation shall be governed by the allotments made pursuant to this section and shall not at any time exceed the sums allotted; provided, however, that nothing in this section authorizes the Secretary of Administration, the Deputy Secretary, or any department designated pursuant to subsection (e) of this section to decrease any appropriation, except to the extent that actual annual receipts are less than estimated receipts. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 2007, No. 121 (Adj. Sess.), § 3; 2007, No. 154 (Adj. Sess.), §§ 6, 9; 2009, No. 33, § 83(g)(3); 2013, No. 92 (Adj. Sess.), § 181, eff. Feb. 14, 2014.)

#### **§ 2178. Tax exemption**

All real and personal property owned by the Corporation and used for educational and not commercial purposes shall be exempt from taxation. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 2005, No. 207 (Adj. Sess.), § 8.)

#### **§ 2179. Nonapplicability of certain statutes**

Except as expressly provided in this chapter, the Corporation, its officers and employees shall not be governed by:

(1) 3 V.S.A. chapter 9, dealing with administrative departments;

(2) 3 V.S.A. chapter 13, dealing with classification of State personnel;

(3) 3 V.S.A. chapter 16, dealing with State Employees Retirement System except as may be otherwise agreed by the Board of Trustees of the system and the Board of Trustees of the Corporation with respect to those officers and employees of the Corporation transferred to the Corporation from the State institutions replaced by the Corporation;

(4) chapter 55 of this title, dealing with the State Teachers Retirement System except as may be otherwise agreed by the Board of Trustees of the System and the Board of Trustees of the Corporation with respect to those officers and employees of the Corporation transferred to the Corporation from the State institutions replaced by the Corporation;

(5) 32 V.S.A. chapter 7, dealing with public monies;

(6) chapters 3 and 5 of this title, dealing with the State Board and the Secretary of Education;

(7) 29 V.S.A. chapter 49, dealing with supplies, duties of Commissioner of Buildings and General Services as to purchases of material, supplies, or equipment except upon request of the Corporation;

(8) 29 V.S.A. chapter 5, dealing with the Department of Buildings and General Services, except that any contracts awarded for the construction of buildings by the Corporation shall continue to be subject to the provisions of 29 V.S.A. § 161(b); or

(9) 21 V.S.A. § 342(c), dealing with required written employee authorization before an employer may pay wages through electronic funds transfer or other direct deposit systems to a checking, savings, or other deposit account maintained by the employee within or outside the State. (Added 1961, No. 247, § 1, eff. July 28, 1961; amended 1967, No. 50; 1973, No. 240 (Adj. Sess.), § 2, eff. April 8, 1974; 1983, No. 147 (Adj. Sess.), § 4(a), (b), eff. April 11, 1984; 1995, No. 148 (Adj. Sess.), § 4(c)(2), eff. May 6, 1996; 2003, No. 63, § 47, eff. June 11, 2003; 2009, No. 4, § 87, eff. May 1, 2009; 2013, No. 92 (Adj. Sess.), § 182, eff. Feb. 14, 2014; 2015, No. 48, § 4.)

#### **§ 2180. Repealed. 2015, No. 19, § 1, effective July 15, 2015.**

**§ 2181. Repealed. 1967, No. 8, § 1.**

**§ 2182. Repealed. 2009, No. 106 (Adj. Sess.), § 2(1), eff. May 13, 2010.**

**§ 2183. Repealed. 1999, No. 62, § 62.**

**§ 2184. School of Dental Hygiene**

(a) The Vermont State Colleges shall establish and operate a School of Dental Hygiene for the training of dental hygienists. The Colleges shall have the authority to grant certificates of graduation on the successful completion of a two-year course in dental hygiene.

(b) The General Assembly shall appropriate funds to conduct a curriculum of a recognized School of Dental Hygiene to the State Colleges.

(c) The Colleges shall grant special tuition rates to residents of the State who agree to practice dental hygiene in the State for two years following graduation. The Colleges shall give preference in admissions to eligible students who are residents of the State.

(d) The Vermont State Colleges are authorized and empowered to receive from any source sums donated for scholarships or general improvements and may cooperate with the federal government or any agency thereof in securing federal funds for dental hygiene education in the State. (Added 2003, No. 107 (Adj. Sess.), § 11.)

**§ 2185. Determination of residency for tuition purposes**

(a) The Board of Trustees shall adopt policies related to residency for tuition purposes, consistent with State and federal requirements.

(b) Any member of the U.S. Armed Forces on active duty who is transferred to Vermont for duty other than for the purpose of education shall, upon transfer and for the period of active duty served in Vermont, be considered a resident for in-state tuition purposes at the start of the next semester or academic period. (Added 2003, No. 127 (Adj. Sess.), § 2; amended 2015, No. 19, § 1, eff. July 15, 2015.)

**§ 2186. Reserve funds**

(a) The Vermont State Colleges may create and establish one or more special funds, herein referred to as "debt service reserve funds," and shall pay into each debt service reserve fund:

(1) any monies appropriated and made available by the State for the purpose of the fund;

(2) any proceeds of the sale of notes or bonds, to the extent provided in the resolution or resolutions of the Vermont State Colleges authorizing the issuance thereof; and

(3) any other monies that may be made available to the Vermont State Colleges for the purpose of the fund from any other source or sources.

(b) All monies held in any debt service reserve fund, except as hereinafter provided, shall be used, as required, solely for the payment of the principal or purchase or redemption price of or interest or redemption premium on bonds or notes secured in whole or in part by the fund or of sinking fund payments with respect to the bonds or notes; provided, however, that monies in any fund shall not be withdrawn therefrom at any time in an amount as would reduce the amount of the fund to less than the debt service reserve requirement established by resolution of the Vermont State Colleges for the fund as hereafter provided except for the purpose of making payments, when due, of principal, interest, redemption premiums, and sinking fund payments with respect to bonds and notes secured in whole or in part by the fund for the payment of which other monies of the Vermont State Colleges are not available. Any income or interest earned by any debt service reserve fund may be transferred to other funds or accounts of the Vermont State Colleges to the extent that it does not reduce the amount of the fund below the requirement for the fund.

(c) The Vermont State Colleges shall not at any time issue bonds or notes secured in whole or in part by a debt service reserve fund if upon the issuance of the bonds or notes the amount in the debt service reserve fund will be less than the debt service reserve requirement established by resolution of the Vermont State Colleges for the fund, unless the Vermont State Colleges at the time of issuance of the bonds or notes shall deposit in the fund from the proceeds of the bonds or notes so to be issued, or from other sources, an amount that, together with the amount then in the fund, will not be less than the debt service reserve requirement established for the fund. The debt service reserve requirement for any

debt service reserve fund shall be established by resolution of the Vermont State Colleges prior to the issuance of any bonds or notes secured in whole or in part by the fund and shall not be required to exceed "maximum debt service," which shall mean, as of any particular date of computation, an amount equal to the greatest of the respective amounts, for the then-current or any future fiscal year of the Vermont State Colleges, of annual debt service on the bonds and notes of the Vermont State Colleges secured or to be secured in whole or in part by the debt service reserve fund.

(d) In the computation of the amount of the debt service reserve funds for the purpose of this section, securities in which any of the funds shall be invested shall be valued at par if purchased at par or at amortized value, as the term is defined by resolution of the Vermont State Colleges, if purchased at other than par.

(e) In order to assure the maintenance of the debt service reserve requirement in each debt service reserve fund established by the Vermont State Colleges, there may be appropriated annually and paid to the Vermont State Colleges for deposit in each fund the sum as shall be certified by the Chair of the Board of Trustees of the Vermont State Colleges to the Governor, the President of the Senate, and the Speaker of the House as is necessary to restore each such debt service reserve fund to an amount equal to the debt service reserve requirement for the fund. The Chair shall annually, on or about February 1, make and deliver to the Governor, the President of the Senate, and the Speaker of the House his or her certificate stating the sum required to restore each debt service reserve fund to the amount aforesaid, and the sum so certified may be appropriated, and if appropriated, shall be paid to the Vermont State Colleges during the then-current State fiscal year. The principal amount of bonds or notes outstanding at any one time and secured in whole or in part by a debt service reserve fund to which State funds may be appropriated pursuant to this subsection shall not exceed \$34,000,000.00, provided that the foregoing shall not impair the obligation of any contract or contracts entered into by the Vermont State Colleges in contravention of the Constitution of the United States of America.

(f) The proceeds of any bonds or notes secured by a debt service reserve fund to which State funds may be appropriated pursuant to this section shall be applied solely to costs of reconstruction, rehabilitation, or improvement of existing facilities or property of the Vermont State Colleges. (Added 2007, No. 200 (Adj. Sess.), § 48.)