

June 14, 2017

MEMORANDUM

TO: Board of Trustees, Vermont State Colleges

FROM: Martha O'Connor, Chair
Jeb Spaulding, Chancellor



SUBJECT: Materials for Board of Trustees Meeting June 20, 2017

Attached are the agenda and supporting materials for the upcoming regular Board meeting, Tuesday, June 20, 2017.

Tuesday will begin at 8:30 a.m. with an EPSL Committee meeting followed by a Finance & Facilities meeting at 10:00. The Board meeting will begin at 12:30 p.m.

Meetings will take place here in the Chancellor's office in Conference Room 101.

cc: VSC Board of Trustees, Council of Presidents, Academic Deans, Business Affairs Council, Student Affairs Council

BOARD OF TRUSTEES

Martha O'Connor, Chair
(2/28/21)

Shavonna Bent
(5/30/18)

Janette Bombardier
(2/28/21)

M. Jerome "Jerry" Diamond
(2/28/19)

Rep. Eileen "Lynn" Dickinson
(2/28/20)

J. Churchill Hindes
(2/28/21)

Tim Jerman, Vice Chair
(2/28/18)

Rep. Bill Lippert, Jr.
(2/18/20)

Karen Luneau, Secretary
(2/28/21)

Chris Macfarlane
(2/28/19)

Rep. Jim Masland
(2/28/18)

Linda Milne, Treasurer
(2/28/21)

Michael Pieciak
(2/28/21)

Aly Richards
(2/28/19)

Governor Phil Scott
(*ex officio*)

Board Committees

Audit

Linda Milne, Chair
Lynn Dickinson, Vice-Chair
Church Hindes
Karen Luneau
Michael Pieciak

Education, Personnel & Student Life

Aly Richards, Chair
Jim Masland, Vice-Chair
Shavonna Bent
Janette Bombardier
Lynn Dickinson
Karen Luneau

Executive

Martha O'Connor, Chair
Tim Jerman, Vice-Chair
Karen Luneau
Linda Milne

Finance & Facilities

Church Hindes, Chair
Chris Macfarlane, Vice-Chair
Jerry Diamond
Tim Jerman
Bill Lippert
Linda Milne
Mike Pieciak

Long Range Planning

Jerry Diamond, Chair
Karen Luneau, Vice Chair
Lynn Dickinson
Church Hindes
Tim Jerman
Aly Richards

Board Meeting Dates

September 28-29, 2016
November 30 - December 1, 2016
March 24-25, 2017
June 21-22, 2017
September 20-21, 2017

Lake Morey Resort, Fairlee, VT
Community College of VT, Montpelier Academic Center
Johnson State College
Castleton University
Lake Morey Resort, Fairlee, VT

VSC Chancellor's Office **Jeb Spaulding, Chancellor**

Chief Financial Officer
General Counsel
Chief Academic Officer
Chief Information Officer
Director of External and Governmental Affairs
System Controller/Senior Director of Financial Operations
Executive Assistant to the Chancellor's Office
Director of Facilities
Director of Human Resources
Director of Institutional Research
Director of Payroll and Benefits

Stephen Wisloski
Sophie Zdatny
Yasmine Ziesler
Kevin Conroy
Tricia Coates
Sheilah Evans
Harriet Johnson
Richard Ethier
Nancy Shaw
Hope Baker-Carr
Tracy Sweet

**Vermont State Colleges Board of Trustees Regular Meeting
Office of the Chancellor, Room 101**

Tuesday, June 20, 2017 at 12:30 p.m.

AGENDA

1. Consent Agenda
 - a. Approval of March 24-25, 2017 Meeting Minutes
 - b. Approval of April 3, 2017 Special Meeting Minutes
 - c. Approval of May 9, 2017 Special Meeting Minutes
2. Report of the Meeting of the Nominating Committee
 - a. Election of the Chair, Vice Chair, Secretary, and Treasurer of the Board of Trustees
 - b. Election of Members of the Audit Committee
3. Personnel Review and Possible Actions: Presidents and Chancellor (possible executive session)
4. Approval of the FY2018 Board of Trustees Schedule of Meetings
5. Report of the Finance & Facilities Committee
 - a. Approval of FY2018 Budgets
 - b. Approval of FY2019 Tuition, Fees, Room and Board
 - c. Consent Agenda
 - i. Annual Banking and Investment Resolution
 - ii. Approval of Sale of Property
 - iii. Approval of Resolution in honor of Loren Loomis Hubbell
 - iv. Approval of Policy 433, Debt Management Policy
 - v. Approval of Grants and Endowments
6. Report of the Education, Personnel, and Student Life Committee
7. Report of the Audit Committee
 - a. Approval of Proposed New Policy 432, Internal Audits
8. Report of the Long Range Planning Committee
 - a. Reauthorization of Long Range Planning Committee
9. Report of the Executive Committee
10. Legislative Update
11. Other Business
12. Presidents Reports
13. Chancellor's Report
14. Report of the VSCSA
15. Comments from the Public
16. Date of Next Meeting:
Board of Trustees Annual Retreat
Wednesday & Thursday, September 20-21, 2017
Lake Morey Resort, Fairlee, VT

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**Item 1:
Consent Agenda**

UNAPPROVED minutes of the VSC Board of Trustees meeting Friday, March 24, 2017

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

The VSC Board of Trustees held a regular meeting on Friday, March 24, 2017 in the Stearns Performance Space at Johnson State College.

Board Members present: Martha O'Connor (Chair), Jerry Diamond, Lynn Dickinson, Morgan Easton, Kraig Hannum, Tim Jerman, Bill Lippert, Karen Luneau, Linda Milne, Mike Pieciak (by phone), Aly Richards

Absent: Church Hindes, Chris Macfarlane, Jim Masland

From the Chancellor's Office: Kevin Conroy, Chief Information Officer
Todd Daloz, Associate General Counsel
Elaine Sopchak, Administrative Director
Jeb Spaulding, Chancellor
Sophie Zdatny, General Counsel
Yasmine Ziesler, Chief Academic Officer

From the colleges:

Kate Abdel-Fatah, Student, Johnson State College
Shavonna Bent, Student, Johnson State College
Matt Boardman, Student, Johnson State College
Bobbi Jo Carter, Associate Dean of Distance Learning, Johnson State College
Henrique Cezar, Associate Professor of Business and Economics, Johnson State College
Jonathan Davis, Dean of Students, Lyndon State College
Barb Flathers, Vice President, VSCUP
Jennifer Harris, Executive Director of Development and Alumni Affairs, Lyndon State College
Penny Howrigan, Associate Dean of Enrollment, Johnson State College
JoAnn Lamore, Assistant Academic Dean, Johnson State College
Ken Leslie, Professor of Fine Arts, Johnson State College
Gonzo Macabeo, Student, Johnson State College
Karen Madden, Director of Academic Support Services, Johnson State College
Barbara Martin, Dean of Administration, CCV
Tyler McInnis, Student, Lyndon State College
Dana Mitchell, Student, Lyndon State College
Bill Morison, Assistant Professor of Business, Lyndon State College

Cecila North, Executive Assistant to the President, Johnson State College
Jay Paterson, Dean of Student Affairs, Vermont Technical College
Lauren Philie, Director of Development and Alumni, Johnson State College
Sylvia Plumb, Executive Director of Communications, Lyndon State College
Dennis Proulx, Dean of Students, Castleton University
Shelly Rosten, Student, Johnson State College
Sharron Scott, Dean of Administration, Johnson State College
Dotty Spoerl, IT Director, Johnson State College
Danielle Spring, Conferences & Events Director, Johnson State College
Toby Stewart, Controller, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, President, VSCUP
Brendan Walsh, Student, Johnson State College
Heather Weinstein, Dean of Students, CCV
Melissa Weinstein, Web & Digital Communications Manager, Johnson State College
Michele Whitmore, Dean of Students, Johnson State College

Guests: Mary Collins, Alumna, Johnson State College
Carina Driscoll, Director of Vermont Woodworking School
John Kascenska, Alumnus, Lyndon State College
Jennifer St Jean, State of Vermont Office of Veterans Affairs
Amanda Tingaud, Programs Coordinator, Vermont Woodworking School

Chair O'Connor called the meeting to order at 1:45 p.m. President Collins introduced Johnson State College staff and updated the Board on the progress of unification so far. Slides from her presentation are attached to these minutes.

President Collins reviewed the timeline for unification, funding sources, human resources hired and currently being recruited, the NEASC timeline, the new NVU mission and vision, planning model, proposed governance, programming, and communications, as further outlined in the attached slides.

In addition, the Johnson State College Choral Singers performed, there was a student panel presentation and an alumni panel presentation, and a presentation by the Vermont Woodworking School.

At 4:30 p.m. Chair O'Connor adjourned the meeting for dinner, to be reconvened next morning at 8:30 a.m.

UNAPPROVED minutes of the VSC Board of Trustees meeting Saturday, March 25, 2017

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

The VSC Board of Trustees held a regular meeting on Saturday, March 25, 2017 in the Stearns Performance Space at Johnson State College.

Board Members present: Martha O'Connor (Chair), Jerry Diamond, Lynn Dickinson, Morgan Easton, Church Hindes (by phone), Tim Jerman, Bill Lippert, Karen Luneau, Jim Masland, Linda Milne, Mike Pieciak, Aly Richards

Absent: Kraig Hannum, Chris Macfarlane

From the Chancellor's Office:

- Tricia Coates, Director of External & Governmental Affairs
- Todd Daloz, Associate General Counsel
- Sheilah Evans, System Controller/Senior Director of Financial Operations
- Elaine Sopchak, Administrative Director
- Jeb Spaulding, Chancellor
- Stephen Wisloski, Chief Financial Officer
- Sophie Zdatny, General Counsel
- Yasmine Ziesler, Chief Academic Officer

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

From the colleges:

- Hannah Burnham,
- Lisa Cline, Associate Professor of History, Johnson State College
- Leah Duckett, Student, Johnson State College
- Arielle Farrell, Student, Castleton University
- Barb Flathers, Vice President, VSCUP
- Loren Loomis Hubbell, Dean of Administration, Lyndon State College
- Brendan Lalor, Professor, Castleton University
- Marty McMann, Veterans and Military Resource Advisor, CCV
- Cecila North, Executive Assistant to the President, Johnson State College
- Sharron Scott, Dean of Administration, Johnson State College
- Danielle Spring, Conferences & Events Director, Johnson State College
- Toby Stewart, Controller, Johnson State College

Julie Theoret, Professor of Math, Johnson State College
Sharon Twigg, Interim Academic Dean, Johnson State College
Beth Walsh, President, VSCUP
Brendan Walsh, Student, Castleton University

Guests: Dr. Andrew Egan

Chair O'Connor called the meeting to order at 8:35 a.m. Trustee Jerman made the following motion:

I move the Board enter executive session, pursuant to 1 V.S.A. sec. 313(a)(3), for the purpose of interviewing a candidate for, and discussing the appointment to, a public office—namely the Presidency of Vermont Technical College. The Board will make any final decision or otherwise act in an open meeting where the reasons for the decision or action shall be explained. Along with the members of the Board, in its discretion, the Board invites the Chancellor, the candidate being interviewed and the members of the Council of Presidents to attend.

Trustee Milne seconded the motion to enter executive session. The motion was approved unanimously. The Board entered executive session at 8:36 a.m. The Board exited executive session at 10:46 a.m. and took no action.

At this time, Trustee Jerman made the following motion:

I move the Board enter executive session, pursuant to 1 V.S.A. sec. 313(a)(3), for the purpose of interviewing a candidate for, and discussing the appointment to, a public office—namely the Presidency of Vermont Technical College. The Board will make any final decision or otherwise act in an open meeting where the reasons for the decision or action shall be explained. Along with the members of the Board, in its discretion the Board invites the Chancellor, the candidate being interviewed and the members of the Council of Presidents to attend.

Trustee Milne seconded the motion to enter executive session. The motion was approved unanimously. The Board entered executive session at 10:50 a.m. The Board exited executive session at 12:30 p.m. and took no action. The Board adjourned for lunch at 12:30 p.m.

The Board reconvened and Chair O'Connor called the meeting to order at 1:15 p.m.

Trustee Diamond moved and Trustee Pieciak seconded the addition of the following agenda items: appointment of the president of Vermont Technical College, and a legislative update. The agenda additions were approved unanimously.

1. Approval of November 30, 2016 Meeting Minutes

Trustee Milne moved and Trustee Jerman seconded the approval of the minutes. Chancellor Spaulding inquired as to the correct date of the minutes. The date on the minutes was correct but the date on the meeting agenda was incorrect. No amendments to the minutes were needed. The minutes were approved unanimously.

2. Appointment of President of Vermont Technical College

Trustee Jerman moved and Trustee Hindes seconded the following motion:

I move that the Board appoint Patricia Moulton as the next president of Vermont Technical College under terms and conditions agreed upon between the Chancellor and Ms. Moulton. Based on discussions in this morning's executive session, the Board believes Ms. Moulton is the best candidate to lead Vermont Tech forward in the coming years.

The Board approved the motion unanimously. President Moulton thanked the Board for the honor of the appointment.

3. Report of the Finance & Facilities Committee

Trustee Hindes briefly reviewed the various issues currently being discussed by the Committee, including the upcoming 2019 tuition setting, debt restructuring, unification/consolidation, and other ongoing issues.

a. Consent Agenda

Trustee Hindes reviewed and moved the items on the consent agenda. Trustee Jerman seconded. No items were removed from the consent agenda. The Board approved the resolution unanimously.

b. Discussion of debt restructuring

CFO Steve Wisloski reviewed the debt restructuring conversation to date. The Board authorized restructuring all VSC debt in October 2016. Standard & Poor's affirmed the VSC's A- bond rating in the fall. The bond bank is now working on our new bond issue with a new structure that does not rely on the state's moral obligation but rather would intercept the VSC state appropriation. The tentative date to price bonds is at the end of April, though it could go to early May. The Board will need to approve a series resolution sometime towards the end of April at the earliest. The bond bank is creating a separate pool for the VSC bond. Trustee Lippert

inquired what the net savings to the VSC will be once the bond reissue is completed. Mr. Wisloski responded that with approximately 20 years of level payments there will be about \$5M in debt service savings.

c. Minutes of the January 9 and February 22, 2017 meetings

Trustee Hinds briefly reviewed the business conducted at these meetings.

4. Report of the Audit Committee

Trustee Milne moved and Trustee Dickinson Lynn seconded the resolution appointing O'Connor & Drew as auditors through FY2020. The resolution was approved unanimously.

5. Report of the Nominating Committee

a. Update on appointment of members to the Board of Trustees

Trustee Diamond reported that the Committee met three times to consider recommendations to the Board to fill two open seats for 4-year terms; by statute the Governor also makes one appointment. The Committee had been waiting for the Governor to make that appointment. Governor Scott has chosen to nominate Janette Bombardier of Global Foundries, and she has accepted. The Nominating Committee therefore recommends that the Board reappoint Martha O'Connor and Karen Luneau to 4-year terms.

Trustee Diamond emphasized that these reappointments do not set a precedent for future reappointments—trustees should not assume that incumbents will be renominated. Trustee Diamond moved the slate of nominees for reappointment. Chair O'Connor turned the leadership of the meeting over to Trustee Diamond as she is a nominee under consideration. Trustee Milne seconded the slate of nominees. Trustee Lippert expressed appreciation to Trustee Kraig Hannum for his service to the Board. The Board approved the slate of nominees unanimously. Trustee Diamond returned leadership of the meeting to Chair O'Connor. Chair O'Connor thanked General Counsel Sophie Zdatny and Associate General Counsel Todd Daloz for their guidance in the process.

b. Preparation of nominations for officers to be chosen at annual meeting

Trustee Diamond stated that at this time the Board needs to elect three members to serve on the Nominating Committee for the upcoming year. The Committee's next responsibility is to recommend a new slate of officers for the Board to elect in June.

Trustee Lippert moved to nominate Trustees Diamond, Dickinson, and Jerman to continue constituting the Committee. Trustee Luneau seconded. There were no other nominations. The Board approved the slate unanimously.

c. Minutes of the December 6, 2016 and February 20, 2017 meetings

Trustee Diamond stated that the minutes of the February 20th meeting were approved during yesterday's Committee meeting.

6. Report of the Education, Personnel & Student Life Committee

Chair O'Connor asked Chief Academic Officer Yasmine Ziesler to review the business of the EPSL Committee with the Board.

a. Revisions to Policy 301

Dr. Ziesler handed out the resolution "Revision of Policy 301: In-State Residency for Tuition Purposes" and explained that the changes to the policy have been made to comply with new Veterans Administration requirements. Trustee Masland moved and Trustee Dickinson seconded the resolution. The Board approved the resolution unanimously.

b. Recommendations for Emeritus Faculty

President Wolk and President Atkins praised the emeritus nominees from their institutions.

Trustee Jerman moved and Trustee Dickinson seconded the approval of emeritus status for Castleton University Professor Robert Gershon. The Board approved the resolution unanimously.

Trustee Luneau moved and Trustee Dickinson seconded the approval of emeritus status for Castleton University Professor John Gillen. The Board approved the resolution unanimously.

Trustee Dickinson moved and Trustee Jerman seconded the approval of emeritus status for Castleton University Professor Robert Johnson. The Board approved the resolution unanimously.

Trustee Dickinson moved and Trustee Jerman seconded the approval of emeritus status for Lyndon State College Professor Ronald Rossi. The Board approved the resolution unanimously.

c. Recommendations for VSC Faculty Fellows

Dr. Ziesler reviewed the nominations of the two Faculty Fellow nominees.

Trustee Masland moved and Trustee Easton seconded the Faculty Fellow nomination for Castleton University Professor Adam Chill. The Board approved the resolution unanimously.

Trustee Diamond moved and Trustee Easton seconded the Faculty Fellow nomination for Lyndon State College Professor Barclay Tucker. The Board approved the resolution unanimously.

d. Northern Vermont University Mission Statement

Trustee Richards moved and Trustee Jerman seconded the resolution. President Collins briefly reviewed the new NVU mission statement. She and her team added a vision statement for additional context.

Trustee Diamond moved to amend the resolution as follows: in the Resolved clause, after the word "mission," add "and vision" and pluralize the word "statement." The motion to amend the resolution was approved unanimously. The Board approved the resolution as amended unanimously.

e. Review and Discussion of Policy 109 Summary Data and Reports

Dr. Ziesler stated that no Board action was needed for this item and thanked EPSL Chair and Trustee Kraig Hannum, who worked with her and the academic deans to create a new way to present summary information about academic programs to the Board. Trustee Richards inquired whether the deans review whether programs are duplicated elsewhere in the state. Dr. Ziesler answered that reporting under both policies 101 and 102 require such a review.

7. Report of the Hall of Fame Planning Committee

Trustee Luneau asked Chancellor's Office Administrative Director Elaine Sopchak to share the results of the Hall of Fame event. She reported that the event raised \$112,750, which is \$5,750 more than last year's amount. Turnout for the evening was outstanding. She thanked President Collins and the 15 students from Johnson State's hospitality and tourism management program who assisted at the event and with the planning.

8. Discussion of schedule of FY18 Board meetings

Chancellor Spaulding asked the Board's preference for scheduling FY18 meetings. The actual dates will be confirmed at the June meeting. The Board expressed a desire to continue with overnight meetings on a quarterly basis. Trustees will review the proposed dates and respond with any changes.

Trustee Diamond reminded the Board that at the June meeting the Long Range Planning Committee will cease to be; it is a two-year ad hoc committee. Chair O'Connor stated she will discuss plans for the Committee with Trustee Diamond and Chancellor Spaulding.

9. Other Business

Director of External and Governmental Affairs Tricia Coates provided a legislative update.

- The House Appropriations Committee finalized the FY18 budget, which contains a \$2M increase for the VSC that is proposed to come from the Higher Education Trust Fund.
- The budget also includes \$880,000 for funding of year two of the NVU unification. Ms. Coates thanked in particular Representatives Kitty Toll, Butch Shaw, and Bob Helm for their significant support.
- A resolution is also included in the budget for the Joint Fiscal Office and Legislative Council to conduct a summer study on the higher education funding formula.
- The capital bill contains \$2M for this fiscal and next fiscal year.
- There is support in the House for universal access to the dual enrollment program, strong support for the early college program, and the House Education Committee recommends a funding increase; Presidents Collins and Judy will testify soon about dual enrollment, particularly about the importance letting enrollment caps sunset.
- Free tuition for students in the National Guard is not going to advance; VSCA has an existing loan program that the Committee wants to make more robust.
- There is a proposal to disallow colleges from charging lab fees to dual enrollment students. Our colleges do not charge registration or other fees, but do charge lab fees and need to continue to do so.
- There is a bill in the Senate to protect freedom of expression for student journalists. Associate General Counsel Todd Daloz testified on our confidence in the VSC's existing policy.
- VSC students submitted a petition about the VSC's great value to the state.

Trustees thanked Ms. Coates for her hard work and success at the State House on behalf of the VSC.

Chair O'Connor reminded the Board the Castleton University President Dave Wolk is retiring at

end of 2017. She, Trustee Jerman, and Chancellor Spaulding will a community forum on March 28th to discuss next steps. Chancellor Spaulding stated the Board may want to have an executive session in the near future to discuss possibilities.

Trustee Masland departed the meeting.

10. Presidents Reports

Vermont Technical College President Pat Moulton thanked the Board for their confidence and support. Deposits, inquiries, applications, and acceptances at the college are all up. They hosted a very successful town meeting event with Senator Bernie Sanders. They are projecting a loss but the amount is approximately half the amount that was projected. She is concerned about potential federal budget cuts to TRIO and VMEC. On April 13th from 1-2:30 p.m. they will celebrate the college's 150th anniversary at the State House in the Cedar Creek Room. Long range planning for the Williston campus continues, as do partnerships with CCV.

Castleton University President Dave Wolk shared that they will begin implementing the tobacco free policy starting August of 2017. CCV students are coming to Castleton thanks to approximately twenty articulation agreements. The university ski teams have had their best year ever. They have obtained the wetlands permit and already have a storm water permit for the Spartan Dome; they hope to construct in summer and open in the fall. Downtown housing is expanding to another floor of the Gryphon Building. Entrepreneurial ventures are all helping the bottom line.

Community College of Vermont President Joyce Judy said that schools are actively incentivizing CCV students to transfer. She invited trustees to attend the leadership luncheon on Friday. CCV's commencement speaker is Eben Bayer, a young entrepreneur and inventor.

Johnson State College President Elaine Collins shared that Northern Vermont University—Johnson will host the 2019 annual meeting of COPLAC. They have been granted approval to offer both AA and BFA woodworking degrees by NEASC. NEBHE and out-of-state numbers for fall 2018 are good; in-state numbers are soft but building. Commencement on May 13th will feature Senator Bernie Sanders as speaker.

Lyndon State College Interim President Nolan Atkins shared that the March 11th veterans summit hosted approximately 280 vets. Students in the new climate changes science degree have created a group that visits local schools and are planning to meet with Senator Sanders' staff. The Northern Essex Community College NEASC visit is upcoming. President Atkins thanked the unification transition team for their hard work. Commencement will be May 14th with Senator Bernie Sanders as speaker. Chancellor Spaulding agreed the unification team is doing a

remarkable job.

11. Report of the VSCSA

Trustee Easton reported that the application for student trustee has been posted. The group is working on planning an annual student leader retreat that would rotate to different campuses.

12. Comments from the Public

Beth Walsh, president of VSCUP shared that she enjoyed being involved in supporting the VSC at the State House, and also enjoyed attending the Hall of Fame. Johnson State Math Professor Julie Theoret agreed.

Castleton University Professor Brendan Lalor and a group of students spoke to the Board regarding divestiture and Ethical principles of banking. Students Hannah Burnham (JSC), Brendan Walsh (CU), Arielle Farrell (CU), and Leah Duckett (JSC), as well as Marty McMann, veterans and military resource advisor for CCV northern sites, expressed concern that the VSC does business with TD Bank, which is the seventh largest investor in the Dakota Access Pipeline. They asked the Board to ensure the VSC models the values it teaches. The expressed hope that the Board would see an opportunity for the VSC to take a leadership role by inspiring their institutions and individuals to embrace principles of fossil free banking.

13. Date of Next Meeting

Trustee Jerman noted the next board meeting occurs on Wednesday and Thursday June 21 & 22, 2017, not Friday and Saturday as the agenda states. The meeting will be hosted by Castleton University

Trustee Diamond moved and Trustee Jerman seconded a motion to adjourn. Chair O'Connor adjourned the meeting at 3:16 p.m.

UNAPPROVED minutes of the VSC Board of Trustees Special Meeting held Monday, April 3, 2017 at the Office of the Chancellor, Montpelier, VT, and via conference call.

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

The Vermont State Colleges Board of Trustees held a special meeting on Monday, April 3, 2017 for the purpose of discussing and approving a process for selecting a new president for Castleton University.

Trustees present on the phone: Jerry Diamond, Lynn Dickinson, Morgan Easton, Church Hinds, Tim Jerman (Vice Chair), Chris Macfarlane, Jim Masland, Linda Milne, Martha O'Connor (Chair), Aly Richards

Absent: Janette Bombardier, Bill Lippert, Karen Luneau, Mike Pieciak

From the Office of the Chancellor: Elaine Sopchak, Administrative Director (by phone)
Jeb Spaulding, Chancellor (by phone)
Sophie Zdatny (in person at Chancellor's Office)

From the Colleges: Amy Bremel, Castleton University (by phone)
Martha Coulter, Castleton University (by phone)
Gayle Malinowski, Castleton University (by phone)
Louis Palmer, Castleton University (in person at Chancellor's Office)
Jennifer Turchi, Castleton University (in person at Chancellor's Office)
Beth Walsh, Castleton University (by phone)
Emily Wiezalis, Castleton University (by phone)
Denise Williams, Castleton University (by phone)

Chair O'Connor called the meeting to order at 2:04 p.m. She took attendance of Board members present on the phone, and absent.

The trustees expressed appreciation for the video recording of the March 28th community forum held at Castleton University, which they watched prior to this meeting.

Trustee Jerman moved to authorize the Chair of the VSC Board, with the Chancellor, to appoint a committee to conduct a national search for the next president of Castleton University. The search committee will deliberate with input from all members of the Castleton community and recommend candidates to the Board of Trustees for final consideration and decision.

Trustee Hinder seconded the motion and opened it for discussion. Chair O'Connor stated that she and Chancellor Spaulding will appoint members to the search committee within the next three weeks.

The expected timeline is to have final candidates come to the Castleton campus for visits after the start of the fall 2017 semester. Chair O'Connor said she expects the Board to make its final decision in late September or early October. Members of the Castleton community will be on the search committee.

Trustee Milne inquired whether the timeline would adversely impact the number of candidates to apply. Chancellor Spaulding responded it is not at all unusual to have a mid-year appointment and he expects a robust pool of applicants.

Chair O'Connor called for public comment. There was no public comment at this time.

Chancellor Spaulding stated he has received several letters from the Castleton community regarding the search process and he will forward them to the Board. He stated that a minority of letters did not support a national search, though a national search reflects the will of the vast majority of the Castleton community.

Chair O'Connor clarified that a national search does not preclude participation by internal candidates.

Chair O'Connor called for a vote at this time. The motion to hold a national search for the next Castleton University president was approved unanimously.

Beth Walsh asked Chancellor Spaulding to let her know if he needs copies of various letters sent to him by faculty.

Chancellor Spaulding stated that he will send an email to the entire Castleton community within the next day with an update and soliciting nominations for committee membership.

Trustee Milne moved and Trustee Diamond seconded the motion to adjourn. The meeting adjourned at 2:14 p.m.

UNAPPROVED Minutes of the VSC Board of Trustees Special Meeting held Tuesday, May 9, 2017 at the Office of the Chancellor, Montpelier, VT

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

The Vermont State Colleges Board of Trustees met on Tuesday, May 9, 2017 at the Office of the Chancellor, Montpelier, VT.

Board members present: Jerry Diamond, Lynn Dickinson, Church Hindes, Tim Jerman (Vice Chair), Chris Macfarlane, Karen Luneau, Jim Masland, Linda Milne, Martha O'Connor (Chair), Mike Pieciak (by phone), Aly Richards

Absent: Janette Bombardier, Morgan Easton, Bill Lippert

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

Chancellor's Office Staff: Tricia Coates, Director of External & Governmental Affairs
Todd Daloz, Associate General Counsel
Sheilah Evans, System Controller & Senior Director of Financial Operations
Jeb Spaulding, Chancellor
Steve Wisloski, Chief Financial Officer
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Scott Dikeman, Dean of Administration, Castleton University
Arielle Ferrell, Student, Castleton University
Loren Loomis Hubbell, Dean of Administration, Lyndon State College
Laura Jakubowski, Director of Finance, Castleton University
Brendan Lalor, Professor of Philosophy, Castleton University
Marty McMahon, Veterans Advisor, Castleton University
Maurice Ouimet, Dean of Enrollment, Castleton University
Frances Ryan, Librarian, Castleton University
Sharron Scott, Dean of Administration, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, VSCUP President, Johnson State College

1. Chair O'Connor called the meeting to order at 2:08 p.m.

Trustee Jerman made the following motion:

I move that the VSC BOT move into executive session pursuant to 1 V.S.A. § 313(a)(1)(f) for the purpose of receiving legal advice on an ongoing matter. Because premature general public knowledge of these issues would place the VSC at a substantial disadvantage it is appropriate for the Board to enter executive session. Along with the members of the Board present at this meeting, in its discretion, the Board invites the Chancellor, the members of the Council of Presidents, and the VSC General Counsel and Associate General Counsel to attend.

Trustee Masland seconded. The Board approved the motion unanimously and entered executive session at 2:10 p.m. The Board exited executive session at 2:22 p.m.

CFO Wisloski reviewed for the Board the debt restructuring plans. Trustee Masland moved the resolution “Resolution Authorizing Agreements, and The Execution and Delivery Thereof, To Refund Certain Outstanding Obligations Through The Not To Exceed \$_____ Vermont State Colleges General Obligation Refunding Bond Series 2017a.” Trustee Luneau seconded. The resolution was approved unanimously.

Trustee Macfarlane moved the series resolution “Relating to the Issuance of Vermont State Colleges General Obligation Refunding Bond, Series 2017A.” Trustee Jerman seconded. The resolution was approved unanimously.

Chair O’Connor adjourned the special Board meeting at 2:37 p.m.

Item 2:
Report of the Nominating Committee

Vermont State Colleges By-Laws¹

ARTICLE I - BOARD OF TRUSTEES

Section 1. Board of Trustees - The Board of Trustees is the governing body of the Corporation of the Vermont State Colleges and has complete and full authority over administration and operation, financial affairs, selection and appointment of officers and employees as set forth in No. 247 (H.422) of the Acts of 1961 and as amended from time to time.²

ARTICLE II - MEETINGS

Section 1. Meetings - The Board of Trustees shall hold a minimum of five regularly scheduled meetings during the course of each fiscal year. The annual meeting of the Board shall be the last regular meeting of the fiscal year. Following each annual meeting, the Chair of the Board shall propose a planned schedule of regular meetings for the fiscal year and the first two meetings of the following fiscal year. At its first regular meeting of the new fiscal year, the Board shall adopt a schedule of its regular meetings for the remainder of the fiscal year and for the first two regular meetings in the following fiscal year. Changes in the scheduled meetings of the Board may be made and special meetings of the Board may be called for other times by the Chair or by any four members of the Board.

Section 2. Notice - Notice of all meetings of the Board shall be transmitted to each trustee at least five days before a meeting.

Section 3. Quorum - A majority of the trustees shall constitute a quorum, but a lesser number may adjourn a meeting.

ARTICLE III - OFFICERS AND STAFF

Section 1. Officers - The officers of the Board shall be a Chair, a Vice-Chair, a Secretary and a Treasurer. The same person may serve as Secretary and Treasurer.

Section 2. Election - The Chair of the Board shall be elected biennially at the annual meeting from among the members of the Board. Officers of the Board shall be elected annually at the annual meeting from among members of the Board. Officers shall hold office for one year and

¹ Revised 2/11/65; 1/27/67; 2/24/67; 6/23/67; 2/9/68; 1/25/74; 1/24/75; 2/21-22/75; 12/17/77; 6/21/79; 11/17/82; 1/13/92, 9/8/06, 9/30/09; 4/3/13, 2/20/14, 9/23/15

² Vermont Statutes Annotated 2171 et seq.

until their successors are elected and qualified. In the event of a vacancy in an office, the Board shall elect, in the same manner the office was originally filled, a replacement to serve out the remainder of the term vacated.

Section 3. Staff - The Board shall appoint a Chancellor to serve at the pleasure of the Board unless the terms of service are otherwise designated by the Board.

ARTICLE IV - DUTIES OF OFFICERS AND STAFF

Section 1. Chair - The Chair of the Board shall preside at all meetings of the Board. He/She may call special meetings of the Board when he/she deems it necessary. He/She shall appoint members to committees unless otherwise specified. The Chair of the Board is an *ex officio*, non-voting member of all Committees.

Section 2. Vice-Chair - The Vice-Chair shall perform the duties of the Chair in his/her absence.

Section 3. Secretary - The Secretary of the Board shall have charge of the Seal of the Corporation, shall be the certifying officer with respect to its records, contracts, and other transactions, and shall keep a record of the proceedings of the Corporation.

Section 4. Treasurer - The Treasurer of the Corporation shall have general supervision of the finances and business transactions of the Corporation. He/She shall make provisions for annual audits. He/She shall be responsible to ensure that there is adequate bond coverage for himself/herself and all officers and employees of the Corporation who may handle money. He/She shall sign in the name of the Corporation such documents and instruments as the Board may direct.

Section 5. Chancellor - The Chancellor of the Corporation shall be the chief administrative officer and shall have all the duties, responsibilities and authority that commonly pertain to that position. He/She shall be the agent of the Board in implementing its decisions and policies. He/She shall have general supervision of the academic and business affairs of the Corporation and all other powers accorded to him/her under these By-Laws and the Personnel Handbook.

Section 6. Financial Officer - Under the direction of the Chancellor, the Financial Officer shall supervise and direct the financial and business affairs of the Corporation. He/She shall have general responsibilities for keeping of books of account; preparation of budgets; receiving, depositing, withdrawing of monies; investing of funds; and making payments on contracts. He/She shall perform such other duties as may be required of him/her by the Chancellor. He/She is appointed by the Chancellor.

ARTICLE V - INSTITUTION CHIEF EXECUTIVE OFFICERS

Section 1. President - The President is the chief executive and administrative officer of a member institution. The responsibility for selection of institutional presidents lies with the Board of Trustees after consultation with the Chancellor and representatives of the affected institution, including faculty, staff and students. The President is directly responsible to the Chancellor for the effective operation of the institution within system-wide policies and objectives as approved by the Board of Trustees. The Chancellor exercises direct supervision of the President. The Chancellor shall also make recommendations to the Board, as appropriate, on the compensation, reappointment, non-reappointment, and discharge of the President. After considering the Chancellor's recommendations and its own assessment of the President's performance, final authority in these matters shall rest with the Board. In cases of potential discharge of the President during his/her contract period, the Chancellor has the authority to suspend a President with pay pending Board of Trustees consideration of the matter.

ARTICLE VI – COMMITTEES

Section 1. Establishment of Committees - Committees may be established by resolution of the Board of Trustees, from time to time, as the Board may determine at any regular or special Board meeting.

Section 2. Powers - Each Committee shall have those powers set forth in the resolution establishing the Committee.

Section 3. Membership - No Committee shall have fewer than three (3) members including the Chair of the Board of Trustees. Each Committee member shall be a voting member of the Board of Trustees; provided however, that the Board by resolution may permit others to serve as *ex officio*, non-voting Committee members.

Each Committee established by the Board shall have a Chair, who shall be a voting member of the Board of Trustees. The Chair and all other Committee members shall be elected or appointed in the manner set forth in the resolution creating the Committee. In the event of a vacancy of a committee chair or a committee member, the vacancy shall be filled for the remainder of the term vacated in the same manner as the original appointment or election.

Section 4. Quorum - A majority of voting members is required for the conduct of Committee business, but a lesser number may adjourn a meeting. The Chair of the Board shall not be counted in the number required to determine a quorum.

Section 5. Meetings - All Committee meetings shall comply with the provisions of the open meeting law, 1 V.S.A. 310, et seq.

Section 6. Minutes - Minutes shall be kept of all Committee meetings.

Section 7. Subcommittees - Unless prohibited by the resolution establishing the Committee, any Committee may establish one or more subcommittees by majority vote of voting Committee members.

ARTICLE VII - POLICIES AND PROCEDURES MANUAL

Section 1. Policies and Procedures Manual - The Chancellor shall publish and distribute, after approval of the Board, a Policies and Procedures Manual which shall set forth the official policies of the Board and procedures adopted by the Chancellor where not inconsistent with the By-Laws.

Section 2. Approval - A Policy may be approved at any meeting of the Board.

ARTICLE VIII – AMENDMENTS

Section 1. Amendments - The By-Laws may be amended at any meeting by a majority vote of the Board provided notice is given as to substance of the proposal in the call.

Nominating Committee Areas of Responsibility

The Committee shall comprise three members elected annually by the Board at its first meeting of the new calendar year. The Chair of the Committee shall be elected from among its three members by the Board at the first meeting of the new calendar year.

1. Annually, the Committee shall recommend VSC Board officers for election at the annual meeting provided, however, that the Committee shall only recommend nominees for Board Chair in years the Chair is up for election, and shall recommend for election members to chair or serve on the committees to the extent such election is contemplated by the resolution creating the committee.
2. Effective July 15, 2015, the Committee biennially shall recommend to the Board of Trustees members for election at the annual meeting to the office of Chair of the Board.
3. Annually, the Committee shall recommend to the Board of Trustees members for election to the Audit Committee.
4. The Committee shall recommend for election officers, committee chairs, or committee members in the event of a vacancy where the original election called for a recommendation of the Nominating Committee.

In making recommendations for election to an office or position, the Committee may either recommend individual candidates or present competing candidates for the Board's consideration.

5. In 2017 and biennially thereafter, the Committee shall recommend to the Board of Trustees individuals for election to the Board as self-perpetuating members.

**Item 3:
Personnel Review and Possible Actions:
Presidents and Chancellor**

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTION

Personnel Actions: Reappointment of the College Presidents

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

<u>Name</u>	<u>Position</u>	<u>Term</u>
Elaine Collins	President	7/1/2017 – 6/30/2019
Joyce Judy	President	7/1/2017 – 6/30/2019
Pat Moulton	President	7/1/2017 – 6/30/2019
David Wolk	President	7/1/2017 – 6/30/2019

June 20, 2017

VERMONT STATE COLLEGESBOARD OF TRUSTEESRESOLUTION

Personnel Action: Reappointment of the Chancellor

BE IT RESOLVED, That upon recommendation of the VSC Board Executive Committee, the following personnel action is approved, subject to and in accordance with the terms of the letter of reappointment, to be signed by the Chair of the Board of Trustees.

<u>Name</u>	<u>Position</u>	<u>Term</u>
Jeb Spaulding	Chancellor	7/1/2017 – 6/30/2018

June 20, 2017

Item 4:
Proposed FY2018 Board of Trustees Schedule of Meetings

Proposed Board and Committee Meetings for FY2018August 2017

23 EPSL, Finance & Facilities

September 2017

20 LRPC, Finance & Facilities
20,21 BOT Retreat/Q1 Regular Meeting

October 2017

25 Audit, Finance & Facilities

December 2017

6 EPSL, Finance & Facilities
6,7 BOT Q2 Regular Meeting

January 2018

29 Finance & Facilities, LRPC

February 2018

19 Audit, Finance & Facilities

March 2018

15 Proposed Hall of Fame date
23 EPSL
23,24 BOT Q3 Regular Meeting

April 2018

2 Finance & Facilities
30 Audit, Finance & Facilities

May 2018

12 Castleton Commencement
18,19 VTC Commencements
19 Johnson Commencement
20 Lyndon Commencement
30 Finance & Facilities, LRPC

June 2018

2 CCV Commencement
20 EPSL, Finance & Facilities
20,21 BOT Q4 Regular Meeting

Please note:

These meeting dates are subject to change. Changes to meeting dates will be made to this calendar and posted at VSC.edu.

An official warning will be published prior to each meeting in accordance with VT Open Meeting Law, and the warning will confirm the official date and start time.

Schedule of Regular Board of Trustees Meetings 2017-2018

<u>Meeting/Date</u>	<u>Time/Place</u>
Board Retreat Wednesday, September 20, 2017 Board Meeting Thursday, September 21, 2017	Lake Morey Resort, Fairlee, VT
Board Meeting Wednesday, December 6, 2016 - Thursday, December 7, 2017	Castleton University, Castleton, VT
Board Meeting Friday, March 23, 2018 - Saturday, March 24, 2018	Community College of Vermont, Winooski, VT
Board Meeting Wednesday, June 20, 2018 - Thursday, June 21, 2018	Northern Vermont University-Lyndon Lyndonville, VT
Board Retreat Wednesday, September 19, 2018 Board Meeting Thursday, September 20, 2018	TBD

Schedule of Regular Board of Trustees Committee Meetings 2017-2018

All Committee Meetings will be held at the Chancellor's Office in Montpelier.

Committee Meeting/Date**Audit Committee Meetings**

Wednesday, October 25, 2017
Monday, February 19, 2018
Monday, April 30, 2018

Committee Meeting/Date

Education, Personnel and Student Life Committee Meetings

Wednesday, August 23, 2107
Wednesday, December 6, 2017
Friday, March 23, 2018
Wednesday, June 20, 2018

Executive Committee Meetings

To be scheduled as needed

Finance & Facilities Committee Meetings

Wednesday, August 23, 2017
Wednesday, September 20, 2017
Wednesday, October 25, 2017
Wednesday, December 6, 2017
Monday, January 29, 2018
Monday, February 19, 2018
Monday, April 2, 2018
Monday, April 30, 2018
Wednesday, May 30, 2018
Wednesday, June 20, 2018

Long Range Planning Committee Meetings

Monday, January 29, 2018
Wednesday, May 30, 2018

Item 5:
Report of the Finance & Facilities Committee

- a. Resolution Approving FY2018 Budgets
- b. Proposed FY2019 Tuition, Fees, Room and Board and VSC Policy 403
- c. Consent Agenda
- d. Minutes of May 9, 2017 F&F Committee meeting
- e. Minutes of May 31, 2017 F&F Committee meeting

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

FY2018 VSC Budget

- WHEREAS, The Finance and Facilities Committee of the Board of Trustees has reviewed the FY2018 budget information presented for the Vermont State Colleges, has discussed individual aspects of the proposals with institutional representatives, and endorsed approval by the full Board; therefore, be it
- RESOLVED That the Board of Trustees of the Vermont State Colleges hereby approves the budgets of the Consolidated System, the individual Colleges, and the Chancellor's Office as presented.

June 20, 2018

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Vermont State Colleges System
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > +3%	<u>Notes</u>
REVENUES					
Tuition and Fees	111,395	111,662	267		FY18 System-average increase of 4% as approved by BOT in July 2016; varies by College
State Appropriation	25,934	28,934	3,000	*	+\$2.75mm to base (\$3mm less \$250k OC hold-back), \$700k from FY17 moved to base, \$1.157mm VTC for allied h
Room and Board	24,486	24,894	408		FY18 increase of 3% as approved by BOT
Sales and Services	5,128	4,937	(191)	*	Provided by College
Gifts	1,433	1,413	(20)		Provided by College
Other Revenue	<u>1,793</u>	<u>1,260</u>	<u>(533)</u>	*	Provided by College
TOTAL REVENUES	170,169	173,099	2,930		
EXPENSES					
Salaries and Benefits	113,377	114,041	664		As per labor contracts, NO medical premium increase
Services, Supplies and Travel	35,359	35,121	(238)		Provided by College
Scholarships and Fellowships	10,907	11,748	841	*	Provided by College
Utilities	5,729	6,464	735	*	Provided by College
Other Expenses	-	437	437		Provided by College
Debt Service	10,621	8,217	(2,404)	*	Provided by OC, includes reduction from debt restructuring of \$2.6mm, less VTC \$240k System loan payment
Chancellor's Office	-	-	-		Split evenly at 20% or \$1.48mm per College, 4.2% increase over FY17
Other Transfers	<u>(1,100)</u>	<u>(2,895)</u>	<u>(1,795)</u>	*	Includes return of additional FY17 medical reserve of \$4mm
TOTAL EXPENSES	174,893	173,132	(1,761)		
NET REVENUES/(DEFICIT)	<u>(4,724)</u>	<u>(33)</u>	<u>4,691</u>	*	
	-2.7%	0.0%			
ONE-TIME FUNDS					
Carry-forward	696	-	(696)	*	Provided by College
Strategic Reserve	1,219	268	(951)	*	Provided by College
All Other	<u>2,809</u>	<u>(235)</u>	<u>(3,044)</u>	*	Provided by College
TOTAL ONE-TIME FUNDS	4,724	33	(4,691)	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		

(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Chancellor's Office
(Amounts rounded to \$1,000)

	<u>FY2017</u> <u>Projection</u>	<u>FY2018</u> <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	-	-	-		
State Appropriation	-	250	250		\$250k hold-back for System-wide revenue generating initiatives
Room and Board	-	-	-		
Sales and Services	-	-	-		
Gifts	-	-	-		
Other Revenue	-	-	-		
TOTAL REVENUES	<u>-</u>	<u>250</u>	<u>250</u>		
EXPENSES					
Salaries and Benefits	4,212	4,267	55		Salaries increase 2.95%; level healthcare cost.
Services, Supplies and Travel	3,370	3,070	(300)	*	
Scholarships and Fellowships	-	-	-		
Utilities	60	63	3	*	
Other Expenses	-	250	250		System-wide revenue generating initiatives
Debt Service	-	-	-		
Chancellor's Office	(7,100)	(7,400)	(300)	*	4.2% increase over FY17 budget, includes \$150k adjustment for tuition waiver expense
Other Transfers	-	-	-		
TOTAL EXPENSES	<u>542</u>	<u>250</u>	<u>(292)</u>	*	
NET REVENUES/(DEFICIT)	<u>(542)</u>	<u>-</u>	<u>542</u>	*	
ONE-TIME FUNDS					
Carry-forward	-	-	-		
Strategic Reserve	-	-	-		
All Other	542	-	(542)	*	
TOTAL ONE-TIME FUNDS	<u>542</u>	<u>-</u>	<u>(542)</u>	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		

(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Castleton University
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	30,675	30,535	(140)		Given the uncertainty about NY free tuition effect and other challenges, a calculated best guess student count by category with appropriate % Increases on tuition rate
State Appropriation	4,914	5,464	550	*	+\$550k to base (\$600k less \$50k OC hold-back), \$140k from FY17 moved to base
Room and Board	10,290	10,355	65		Assume room and board increases of 3%
Sales and Services	1,725	1,500	(225)	*	Conservative estimate
Gifts	610	900	290	*	New fundraising efforts
Other Revenue	<u>526</u>	<u>440</u>	<u>(86)</u>	*	Conservative estimate
TOTAL REVENUES	48,740	49,194	454		
EXPENSES					
Salaries and Benefits	30,160	29,970	(190)		Group insurance 0%, salaries as per bargaining contracts, includes reduction in overall staff
Services, Supplies and Travel	8,628	8,615	(13)		Supply budget decreases
Scholarships and Fellowships	4,470	5,125	655	*	Amount provided by Admissions
Utilities	1,700	2,028	328	*	Includes an increase of .43 cent per gallon oil cost
Other Expenses	-	-	-		Reclass to Serv,Sup,and Travel
Debt Service	4,107	3,032	(1,075)	*	Reflects post-restructuring FY18 debt service
Chancellor's Office	1,420	1,480	60	*	Includes 4.2% increase to Chancellors Office allocation
Other Transfers	<u>(125)</u>	<u>(540)</u>	<u>(415)</u>	*	Net result of CO anticipated transfers, includes FY17 medical reserve of \$1.08mm
TOTAL EXPENSES	50,360	49,710	(650)		
NET REVENUES/(DEFICIT)	<u>(1,620)</u>	<u>(516)</u>	<u>1,104</u>	*	
	-3.2%	-1.0%			
ONE-TIME FUNDS					
Carry-forward	371	-	(371)	*	
Strategic Reserve	-	116	116		
All Other*	<u>1,249</u>	<u>400</u>	<u>(849)</u>	*	
TOTAL ONE-TIME FUNDS	1,620	516	(1,104)	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		
(must sum to zero; postive net revenue must be absorbed by one or more one-time fund lines)					

* For FY17 All Other includes utilizing undesignated one-time cumulative fund balances such as Center for Schools, Golf Tournament, and Annual Fund.

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Community College of Vermont
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	22,979	22,044	(935)	*	BOT-approved tuition increase of 3% in State and out-of-State
State Appropriation	4,915	5,465	550	*	+\$550k to base (\$600k less \$50k OC hold-back), \$140k from FY17 moved to base
Room and Board	-	-	-		
Sales and Services	15	200	185	*	Ending of TAACCCT grant, increase in un-restricted activity
Gifts	25	50	25	*	
Other Revenue	<u>113</u>	<u>101</u>	<u>(12)</u>	*	
TOTAL REVENUES	28,047	27,860	(187)		
EXPENSES					
Salaries and Benefits	21,361	20,881	(480)		Group insurance flat, salaries and wages adjusted
Services, Supplies and Travel	4,133	3,766	(367)	*	Reduction in expenses reflecting budgeted enrollment
Scholarships and Fellowships	150	150	-		
Utilities	331	280	(51)	*	Upgraded control systems
Other Expenses	-	187	187		
Debt Service	1,941	1,276	(665)	*	Reflects post-restructuring FY18 debt service
Chancellor's Office	1,420	1,480	60	*	Includes 4.2% increase to Chancellors Office allocation
Other Transfers	<u>(964)</u>	<u>(1,070)</u>	<u>(106)</u>	*	Includes OPEB transfer FY16, Contracts and budgeted enrollment reduce expected transfers FY17
TOTAL EXPENSES	28,372	26,950	(1,422)	*	Variance includes one time medical reserve return
NET REVENUES/(DEFICIT)	<u>(325)</u>	<u>910</u>	<u>1,235</u>	*	Additional FY17 medical reserve of \$280k
	-1.1%	3.4%			
ONE-TIME FUNDS					
Carry-forward	325	-	(325)	*	Classroom technology
Strategic Reserve	-	-	-		
All Other	-	<u>(910)</u>	<u>(910)</u>		Returned of medical reserve for special projects
TOTAL ONE-TIME FUNDS	325	(910)	(1,235)	*	Balanced operating budget, use of carry forward funds
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		

(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Northern Vermont University
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	34,225	34,275	50		4% increase in Undergraduate Tuition less budgeted decline in enrollment
State Appropriation	9,830	10,930	1,100	*	Approved increase in state appropriation
Room and Board	10,330	10,738	408	*	3% increase in room and board less budgeted decline in participation
Sales and Services	1,339	1,334	(5)		
Gifts	463	363	(100)	*	
Other Revenue	<u>584</u>	<u>322</u>	<u>(262)</u>	*	Adjusts for FY17 activity that will not be repeated including loss of interest income
TOTAL REVENUES	56,771	57,962	1,191		
EXPENSES					
Salaries and Benefits	34,349	34,591	242		Group insurance flat, salaries as per bargaining contracts, unification related savings
Services, Supplies and Travel	10,738	11,353	615	*	Reflects spending at budgeted FY17 levels
Scholarships and Fellowships	5,094	5,375	281	*	5.5% increase in institutional aid reflecting increased competition
Utilities	2,508	2,798	290	*	11.5% increase in projected utility costs
Other Expenses	-	-	-		
Debt Service	3,060	2,393	(667)	*	
Chancellor's Office	2,840	2,960	120	*	Increased costs related to consolidation activities
Other Transfers	<u>289</u>	<u>(400)</u>	<u>(689)</u>	*	Add'l \$617K in medical reserve, less \$150K in CCV transfers, less \$196K in unification transfers
TOTAL EXPENSES	58,878	59,069	191		
NET REVENUES/(DEFICIT)	<u>(2,107)</u>	<u>(1,107)</u>	<u>1,000</u>	*	
	-3.6%	-1.9%			
ONE-TIME FUNDS					
Carry-forward	-	-	-		
Strategic Reserve	1,219	832	(387)	*	
All Other	<u>888</u>	<u>275</u>	<u>(613)</u>	*	
TOTAL ONE-TIME FUNDS	2,107	1,107	(1,000)	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		

(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Vermont Technical College
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	23,516	24,808	1,292	*	BOT-approved undergraduate tuition increase of 4.2% in and out-of-State. 0.9% enrollment increase.
State Appropriation	5,847	6,397	550	*	+\$550k to base (\$600k less \$50k OC hold-back), \$140k from FY17 moved to base, \$1.157mm for allied health
Room and Board	3,866	3,801	(65)		BOT-approved room and board increases of 3%. Anticipated 5% residential decline.
Sales and Services	1,143	1,178	35	*	
Gifts	335	100	(235)	*	
Other Revenue	<u>567</u>	<u>397</u>	<u>(170)</u>	*	
TOTAL REVENUES	35,274	36,681	1,407	*	
EXPENSES					
Salaries and Benefits	22,132	23,356	1,224	*	Group insurance flat, salaries as per bargaining contracts
Services, Supplies and Travel	7,770	7,646	(124)		
Scholarships and Fellowships	1,193	1,098	(95)	*	Removing \$142k of previously earmarked scholarships
Utilities	1,130	1,295	165	*	FY17 Q2 projection a bit high
Other Expenses	-	-	-		
Debt Service	1,513	1,516	3		\$1,295,309 of debt service. \$220,000 estimated system loan repayment--pending VIT accounting.
Chancellor's Office	1,420	1,480	60	*	Includes 4.2% increase to Chancellors Office allocation
Other Transfers	<u>246</u>	<u>(390)</u>	<u>(636)</u>	*	Changing how we plan for I.T. equipment replacement (including telepresence). FY18 will include ~\$200k transf
TOTAL EXPENSES	35,404	36,001	597		Includes additional \$440k FY17 medical reserve
NET REVENUES/(DEFICIT)	<u>(130)</u>	<u>680</u>	<u>810</u>	*	
	-0.4%	1.9%			
ONE-TIME FUNDS					
Carry-forward	-	-	-		
Strategic Reserve	-	(680)	(680)		Reflects debt restructuring savings of approx. \$200k, as well as "additional" approp. increase.
All Other	<u>130</u>	<u>-</u>	<u>(130)</u>	*	
TOTAL ONE-TIME FUNDS	130	(680)	(810)	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		
(must sum to zero; postive net revenue must be absorbed by one or more one-time fund lines)					

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Workforce Development
(Amounts rounded to \$1,000)

	<u>FY2017</u> <u>Projection</u>	<u>FY2018</u> <u>Budget</u>	<u>\$ Variance</u>	Var > +3%	<u>Notes</u>
REVENUES					
Tuition and Fees	-	-	-		
State Appropriation	428	428	-		Assumes no increase.
Room and Board	-	-	-		
Sales and Services	906	725	(181)	*	
Gifts	-	-	-		
Other Revenue	<u>3</u>	<u>-</u>	<u>(3)</u>	*	
TOTAL REVENUES	1,337	1,153	(184)	*	
EXPENSES					
Salaries and Benefits	1,163	976	(187)	*	
Services, Supplies and Travel	720	671	(49)	*	
Scholarships and Fellowships	-	-	-		
Utilities	-	-	-		
Other Expenses	-	-	-		
Debt Service	-	-	-		
Chancellor's Office	-	-	-		
Other Transfers	<u>(546)</u>	<u>(495)</u>	<u>51</u>	*	
TOTAL EXPENSES	1,337	1,152	(185)	*	
NET REVENUES/(DEFICIT)	<u>-</u>	<u>0</u>	<u>0</u>		
	0.0%	0.0%			
ONE-TIME FUNDS					
Carry-forward	-	-	-		
Strategic Reserve	-	-	-		
All Other	<u>-</u>	<u>-</u>	<u>-</u>		
TOTAL ONE-TIME FUNDS	-	-	-		
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		
(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)					

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Johnson State College
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	17,503	18,022	519		Undergraduate tuition increase of 4% less a 1.85% budgeted decline in enrollment
State Appropriation	4,915	5,465	550	*	\$550K increase in state appropriation
Room and Board	4,917	5,048	131		3% increase in room and board
Sales and Services	449	496	47	*	Reflects planned increase in sales
Gifts	263	224	(39)	*	Historical contributions
Other Revenue	<u>294</u>	<u>178</u>	<u>(116)</u>	*	Removes one-time revenue sources and all interest income
TOTAL REVENUES	28,341	29,433	1,092	*	
EXPENSES					
Salaries and Benefits	17,658	18,007	349		Group insurance flat, salaries as per bargaining contracts, unification related savings
Services, Supplies and Travel	4,843	4,999	156	*	Spending for FY18 increased to budgeted FY17 levels
Scholarships and Fellowships	2,828	2,969	141	*	Reflects tuition increase and changes in enrollment
Utilities	1,358	1,473	115	*	8.5% increase in utilities overall -- 15% increase in fuel oil costs
Other Expenses	-	-	-		
Debt Service	1,329	1,059	(270)	*	
Chancellor's Office	1,420	1,480	60	*	Increased costs due to system consolidation
Other Transfers	<u>65</u>	<u>(7)</u>	<u>(72)</u>	*	\$290K change in medical reserve, offset by \$196K in one-time unification transfers
TOTAL EXPENSES	29,501	29,980	479		
NET REVENUES/(DEFICIT)	<u>(1,160)</u>	<u>(547)</u>	<u>613</u>	*	
	-3.9%	-1.8%			
ONE-TIME FUNDS					
Carry-forward	-	-	-		
Strategic Reserve	272	272	-		
All Other	<u>888</u>	<u>275</u>	<u>(613)</u>	*	
TOTAL ONE-TIME FUNDS	1,160	547	(613)	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		

(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)

Unrestricted Revenues and Expenses
FINAL FY2018 Budget
Lyndon State College
(Amounts rounded to \$1,000)

	FY2017 <u>Projection</u>	FY2018 <u>Budget</u>	<u>\$ Variance</u>	Var > ±3%	<u>Notes</u>
REVENUES					
Tuition and Fees	16,722	16,253	(469)		Undergraduate tuition increase of 4% less a 4.1% budgeted decline in enrollment
State Appropriation	4,915	5,465	550	*	\$550K increase in state appropriation
Room and Board	5,413	5,690	277	*	3% increase in room and board plus 10 additional students in residence
Sales and Services	890	838	(52)	*	Adjusted to accommodate one-time FY17 sales
Gifts	200	139	(61)	*	Historical contributions
Other Revenue	<u>290</u>	<u>144</u>	<u>(146)</u>	*	Removes one-time revenue sources and all interest income
TOTAL REVENUES	28,430	28,529	99		
EXPENSES					
Salaries and Benefits	16,691	16,584	(107)		Group insurance flat, salaries as per bargaining contracts, unification related savings
Services, Supplies and Travel	5,895	6,354	459	*	Spending for FY18 increased to budgeted FY17 levels
Scholarships and Fellowships	2,266	2,406	140	*	Reflects tuition increase and changes in enrollment
Utilities	1,150	1,325	175	*	15.2% increase in utilities overall
Other Expenses	-	-	-		
Debt Service	1,731	1,334	(397)	*	
Chancellor's Office	1,420	1,480	60	*	Increased costs due to system consolidation
Other Transfers	<u>224</u>	<u>(393)</u>	<u>(617)</u>	*	\$326K change in medical reserve, offset by \$150K in CCV transfers and intra-entity transfers
TOTAL EXPENSES	29,377	29,089	(288)		
NET REVENUES/(DEFICIT)	<u>(947)</u>	<u>(560)</u>	<u>387</u>	*	
	-3.2%	-1.9%			
ONE-TIME FUNDS					
Carry-forward	-	-	-		
Strategic Reserve	947	560	(387)	*	
All Other	-	-	-		
TOTAL ONE-TIME FUNDS	<u>947</u>	<u>560</u>	<u>(387)</u>	*	
TOTAL OPERATING RESULT	<u>-</u>	<u>-</u>	<u>-</u>		
(must sum to zero; positive net revenue must be absorbed by one or more one-time fund lines)					



Manual of Policy and Procedures

Title	Number	Page
ANNUAL OPERATING BUDGET	403	1 of 4
	Date	
	7/21/2016	

PURPOSE

The VSC Board of Trustees considers the annual Vermont State Colleges operating budget as the primary financial plan for operations of the System and its components for a given fiscal year (July 1 through ensuing June 30). This policy prescribes the dimensions of the development, adoption, and subsequent administration of the annual Vermont State Colleges operating budget and the annual operating budgets for the individual colleges plus the System Offices and Services within the Vermont State Colleges System.

STATEMENT OF POLICY

1) Development of the Annual Operating Budget

Development of the annual Vermont State Colleges operating budget for recommendation to the Board of Trustees is the responsibility of the Chancellor. Budget development will be conducted in a collaborative manner with the Council of Presidents to assure application of revenue and expenditure factors as well as other dimensions in a consistent fashion appropriate to functioning as an integrated System. Annual general fund budgets (also called operating budgets) will be developed for individual colleges plus System Offices & Services and are consolidated as the Vermont State Colleges operating budget.

Development of the annual general fund budget will embrace the following key components and considerations:

State Operating Appropriations

- All State operating appropriations shall be allocated to the colleges equally.

System Office Allocation

- The System Offices & Services annual operating budget will be funded by a “System Services Charge” levied equally amongst the colleges. The amount, basis, and administration of the “System Services Charge” shall be determined by the Chancellor and Council of Presidents, and shall be an integral part of the annual operating budget recommended to the Board.

Student Tuitions & Fees

- Each college will retain all student tuitions & fees the college generates, and in consultation with the Chancellor can determine the use of these funds.
- During each year student tuitions & fees available to each college will be as actually generated, whether below or above budgeted levels. Each college will assume responsibility for confronting the financial impacts from under-realized or over-realized student enrollments.
- The Board is responsible for approving not-to-exceed maximum tuition rates, room and board program charges, and selected fees. Each college is responsible for setting individual tuition rates, room and board program charges, and selected fees at or below the approved maximum rates. Further, each college may set such waivers, merit aid programs, and need-based financial aid as the individual presidents believe are best designed to maximize net tuition revenue and support overall enrollment. Additionally, the VSC as a whole may enter into a waiver program (for example: NEBHE) with the approval of the Chancellor in consultation with the Council of Presidents. The proposed impact of the rate setting and waivers must be shown in the materials included with the Vermont State Colleges operating budget presented for Board approval. Actual tuition rates approved and implemented will be included in the budget materials provided to the Board. Each college will be responsible for the impact of the college’s setting of rates, charges and fees, tuition waiver programs, and discounting practices.

Further Provisions

- Incentive for sound college cash management will be provided by allocation to the colleges of all System investment income, returning this revenue to those whose funds produce it and doing so according to each college’s invested cash balances averaged over 12 months.
- Each college will retain all entrepreneurial revenues the college generates and, in consultation with the Chancellor, can determine the use of these funds.

Periodic Review of the Operating Budget Model

- Because the public higher education environment will continue to evolve, the Vermont State Colleges operating budget model and its key components should be periodically reviewed and, if necessary, recommendations made to the Board for recalibration or changes.

2) Adoption of the Annual Operating Budget

The VSC Board of Trustees is responsible for reviewing the Vermont State Colleges operating budget recommendations by the Chancellor, and for adopting the official annual operating budget. This is consistent with the Board's ultimate fiduciary responsibility for the Vermont State Colleges System. Timing of the Chancellor's recommendations will allow the Board to conduct its review and take action no later than the final Board meeting of each fiscal year. The Chancellor's annual operating budget recommendations are to include individual colleges plus System Offices & Services and are to reflect combined System totals, within each current operating fund or group of VSC activities.

3) Administration of the Annual Operating Budget

On behalf of the Chancellor and Council of Presidents, the System chief financial officer in the Chancellor's Office and the chief business officers at each college are expected to collaborate and work with other appropriate college and System officials to assure the proper and effective administration of all annual operating budgets as adopted by the Board.

Actual operating results compared to budgeted results for activities will periodically be provided by each college through the Chancellor to the Board, by means of quarterly financial statements which reflect budgeted, projected actual, and variance to budget numbers for key enrollment, revenue, and expenditure areas.

To hedge shortfalls in annual operating budgets, each college will maintain college contingency reserves in the amount of 2.50% of unrestricted fund budget. Use of funded reserves is subject to approval of the Chancellor, and depletion of a college's reserves must be replenished by the college in a timeframe determined in consultation with the Chancellor.

The colleges may reserve up to an additional 5.0% as a strategic or discretionary reserve. Such reserve may be budgeted and expended by the president with concurrence from the chancellor.

Upon the audited close of each fiscal year's books, any carry-over funds available (net of encumbrances forward, commitments forward, maintained college contingency and strategic and discretionary reserves) may be proposed by the president for one-time uses subject to concurrence of the Chancellor and approval by the Board of Trustees.

As circumstances confronting the annual operating budget change over the course of a year, budget modifications may be authorized by the Chancellor's Office for the purpose of realistically reflecting increases, decreases, or shifts among budgeted revenue and expenditure categories.

Signed by: Jeb Spaulding Chancellor

VERMONT STATE COLLEGES
BOARD OF TRUSTEES
RESOLUTION

Tuition, Fees, Room & Board Rates for the
2018-2019 Academic Year

- WHEREAS, Students, their families, and the Colleges all require and deserve timely and accurate information to plan for 2018-2019 academic costs and budgets; and
- WHEREAS, The Colleges have continued to work diligently to maximize revenue, decrease costs and maximize efficiencies to help minimize tuition, fees, room and board increases; and
- WHEREAS, The Presidents have submitted tuition recommendations for their respective Colleges to the Chancellor based upon careful considerations both of their revenue requirements and their market perspectives; and
- WHEREAS, The Chancellor has considered the Presidents' tuition recommendations in the context of revenues and the corresponding budgetary impact for the entire Vermont State Colleges System; and
- WHEREAS, For the 2018-2019 academic year the Chancellor has proposed tuition, fees, room and board rates attached hereto; and
- WHEREAS, In accordance with Policy 403, *Annual Operating Budget*, the Board of Trustees is responsible for setting maximum tuition, fees, room and board rates, and the Colleges are responsible for setting tuition, fees, room and board rates that are at or below these rates; therefore be it
- RESOLVED, That the Finance and Facilities Committee of the Board of Trustees has reviewed and discussed the 2018-2019 academic year rate requests by Vermont State Colleges management, and endorses their approval to the full Board; therefore be it further
- RESOLVED, That the Board of Trustees of the Vermont State Colleges establishes for the 2018-2019 academic year the maximum tuition, fees, room and board rates attached hereto.

June 20, 2017

VERMONT STATE COLLEGES
FY2019 Proposed Tuition, Fees, Room & Board

Maximum Full Time Undergraduate Tuition

	Proposed FY2019	\$ Change	% Change	FY2018
<u>CCV (per credit hour)</u>				
Vermonters	268	7	2.7%	261
Non-Vermonters	536	14	2.7%	522
<u>Castleton University</u>				
<u>Regular programs</u>				
Vermonters	11,184	312	2.9%	10,872
Non-Vermonters	27,192	768	2.9%	26,424
<u>Nursing</u>				
Vermonters	14,616	408	2.9%	14,208
Non-Vermonters	27,192	768	2.9%	26,424
<u>Northern Vermont University</u>				
Vermonters	10,944			
Non-Vermonters	24,264			
<u>(Johnson State College)</u>				
Vermonters	10,944	312	2.9%	10,632
Non-Vermonters	24,264	672	2.8%	23,592
<u>(Lyndon State College)</u>				
Vermonters	10,944	312	2.9%	10,632
Non-Vermonters	24,264	1,464	6.4%	22,800
<u>Vermont Technical College</u>				
<u>Regular programs</u>				
Vermonters	13,896	384	2.8%	13,512
Non-Vermonters	26,568	744	2.9%	25,824
International	30,552	864	2.9%	29,688
<u>Dental Hygiene</u>				
Vermonters	17,400	480	2.8%	16,920
Non-Vermonters	27,216	768	2.9%	26,448
International	31,200	888	2.9%	30,312
<u>Nursing</u>				
Vermonters	14,592	408	2.9%	14,184
Non-Vermonters	30,792	864	2.9%	29,928
International	34,776	984	2.9%	33,792
<u>VSC SYSTEM AVERAGE</u>			2.9%	

Notes

1. Per credit rates are full time divided by 24, unless otherwise noted.
2. Non-Vermonters includes students who do not meet VT residency requirements, except for those in special programs with individually identified rates.
3. New England Board of Higher Education Board (NEBHE) rate is 150% of Vermonters rate (except CCV, for which NEBHE rate equals the Vermonters rate).
4. JSC and VTC Online rates are same as Vermonters rate for all students.
5. Credits in excess of 18 (19 for VTC) per term will be charged at the per credit rate
6. Summer rates are billed per credit and billed at the course college rate.

VERMONT STATE COLLEGES
FY2019 Proposed Tuition, Fees, Room & Board

Maximum Full Time Graduate Tuition

	Proposed FY2019	\$ Change	% Change	FY2018
<u>Castleton University</u>				
Vermont	14,814	414	2.9%	14,400
Non-Vermont	14,814	414	2.9%	14,400
<u>Northern Vermont University</u>				
Vermont	10,584	288	2.8%	10,296
Non-Vermont	15,408	432	2.9%	14,976
<u>(Johnson State College)</u>				
Vermont	10,584	288	2.8%	10,296
Non-Vermont	15,408	432	2.9%	14,976
<u>(Lyndon State College)</u>				
Vermont	10,584	450	4.4%	10,134
Non-Vermont	15,408	(5,904)	-27.7%	21,312
<u>Vermont Technical College</u>				
Vermont	13,032	360	2.8%	12,672
Non-Vermont	24,930	702	2.9%	24,228
International	28,638	810	2.9%	27,828

Notes

1. Per credit and summer rates are full time divided by 18.
2. Non-Vermont includes students who do not meet VT residency requirements, except for those in special programs with individually identified rates.
3. New England Board of Higher Education Board (NEBHE) rate is 150% of Vermont rate.
4. Credits in excess of 12 per term will be charged at the per credit rate
5. Summer rates are billed per credit and billed at the course college rate.

VERMONT STATE COLLEGES
FY2019 Proposed Tuition, Fees, Room & Board

Fees, Room & Board

	Proposed FY2019	\$ Change	% Change	FY2018
<u>Individual Service Fees:</u>				
<u>Set by Board</u>				
Application	53	2	3.9% all	51
Graduation	101	3	3.1% all	98
Late Registration	66	2	3.1% all	64
Student Activity Fee	287	9	3.2% /yr	278
Change of Program or Course (after normal drop/add period)	26	1	4.0% all	25
Facilities Fee	845	25	3.0% /yr	820
<u>Set by Colleges</u>				
Orientation/Basic Skills Testing/Assessment			(can be adjusted for inflation as necessary)	
Course Fees				
Partial Payment				
Penalty Fees				
<u>Room Rates:</u>				
Double Room	6,312	184	3.0% /yr	6,128
Premium for a Single Room	1,683	49	3.0% /yr	1,634
Reduction for Tripling	(645)	(19)	3.0% /yr	(626)
Single Room Suite	8,795	257	3.0% /yr	8,538
<u>Board Rates:</u>				
Gold Plan/unlimited meals with \$100,	4,287	125	3.0% /yr	4,162
Base plan/12 meals/wk with \$150/yr	4,129	121	3.0% /yr	4,008
8 meals/wk with \$220/yr in DB	3,970	116	3.0% /yr	3,854

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

VSC Finance and Facilities Committee Business: Consent Agenda

WHEREAS, At its May 5 and 31, 2017 meetings 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:

- Annual Banking and Investment Resolution
- Approval of the sale of Vermont Tech's 44 Water Street house
- Resolution in honor of Loren Loomis Hubbell
- Proposed Policy 433, Debt Management
- JSC Dr. Thomas Fisher Choral Singing Scholarship Endowment in the amount of \$10,000

June 20, 2017

Annual Banking and Investment Resolution

The VSC's Banking and Investment Resolution prescribes what financial activities are empowered to the Chancellor and/or Chief Financial Officer on behalf of the system, and what are empowered to the Presidents and/or Deans of Administration on behalf of the individual colleges. Financial institutions with which we deal desire to see such a document endorsed periodically by the Trustees, to assure the Board is currently comfortable with its implications. To accommodate this desire, now presented for review and approval is the following resolution, which is unchanged from the one passed by the Board last year.

While resolution wording is in necessary legal language, essentially it: (a) empowers the Chancellor and/or Vice President, Chief Financial Officer to establish bank or other accounts for VSC operations as well as system cash management and investment activities; to secure financing consistent with applicable Board or legislative authority; to pledge collateral as may be necessary for certain financing; and to handle virtually all other aspects relevant to financial matters of the VSC; and (b) empowers college Presidents and/or Deans of Administration to establish bank or other accounts for respective college operations as well as college cash management activities.

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Banking and Investment

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

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

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

RESOLVED,

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

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

June 21, 2017




Office of the President
PO Box 500
Randolph Center, Vermont 05061

Tel: 802 728 1252
Email: president@vtc.edu

MEMORANDUM

TO: Jeb Spaulding, Chancellor, Vermont State Colleges

CC Stephen Wisloski, Chief Financial Officer, Vermont State Colleges
Littleton Tyler, Dean of Administration, Vermont Technical College

FROM: Patricia Moulton, President, Vermont Technical College 

DATE: May 16, 2017

SUBJECT: Permission to sell 44 Water Street House, Randolph Center, VT

Vermont Technical College requests permission from the Board of Trustees to sell real estate we own at 44 Water Street in Randolph Center. The property is a residential property with 7 bedrooms, three living rooms, three bathrooms and one kitchen. It was used as a student housing for many years. With excess dorm space, we no longer need it for residential housing. It has been vacant since 2015.

The house is in a residential area on Water Street which is across from the main campus, on the way to the farm. It is on municipal water and sewer. It has a washer, dryer, range and refrigerator which would be sold with the house. There is no garage but it has a storage shed. It could be converted to three apartments so could make a great investment property.

The college has considered using it for married student housing but with Old Dorm vacant, we do not see a need. We considered converting it to three apartments but again, with plenty of dorm space, including Old Dorm which we have used for older students and married students, we do not have a need.

The Town has it listed as a "three apartment house." An appraisal conducted in 2015 appraised it at \$193,000. (Attached) It is not generating any income for us now. We could lease it but that is not our core business so we would like to sell it. There are no additional costs associated with preparing it for sale. We have a realtor ready to list it. The only costs would be the realtor fee. At this time I do not have a suggested sale price. I would anticipate we could achieve the 2015 appraisal in a sale. The proceeds of the sale would be placed in our strategic reserves for now with the possibility of using the proceeds to assist with analysis and/or expansion of the Williston campus.

We are seeking a Finance and Facilities Committee recommendation to the Board of Trustees enabling us to list this property for sale. If possible, we would like this considered at the May 31, 2017 Committee meeting.

Please let me know if you need additional information.

ERIC BENSON APPRAISAL COMPANY
Residential Real Estate Appraisers

File No. E15155

APPRAISAL OF



A THREE FAMILY RESIDENCE

LOCATED AT:

44 Water Street
Randolph Center, VT 05061

CLIENT:

Vermont Technical College
P. O. Box 500
Randolph Center, VT 05061

AS OF:

May 21, 2015

BY:

Eric Benson
Certified Residential Appraiser

ERIC BENSON APPRAISAL COMPANY
Residential Real Estate Appraisers

File No. E15155

June 5, 2015

Ted Manazier
Vermont Technical College
P. O. Box 500
Randolph Center, VT 05061

File Number: E15155

Dear Client;

In accordance with your request, I have appraised the real property at:

44 Water Street
Randolph Center, VT 05061

The purpose of this appraisal is to develop an opinion of the defined value of the subject property, as improved.
The property rights appraised are the fee simple interest in the site and improvements.

In my opinion, the defined value of the property as of May 21, 2015 is:

\$193,000
One Hundred Ninety-Three Thousand Dollars

The attached report contains the description, analysis and supportive data for the conclusions,
final opinion of value, descriptive photographs, assignment conditions and appropriate certifications.

Sincerely,



Eric Benson
Certified Residential Appraiser

epb

Summary Small Residential Income Property Appraisal Report

File No. E15155

PURPOSE	The purpose of this appraisal report is to provide the client with a credible opinion of the defined value of the subject property, given the intended use of the appraisal.								
	Client Name/Intended User Vermont Technical College		E-mail						
	Client Address P. O. Box 500		City Randolph Center State VT Zip 05061						
Additional Intended User(s) None									
Intended Use To assist in establishing the current estimated market value of the subject property with the highest and best use as a 3 family residential property.									
SUBJECT	Property Address 44 Water Street		City Randolph Center State VT Zip 05061						
	Owner of Public Record Vermont State Colleges		County Orange						
	Legal Description Per Randolph Town Records: Book 175, Page 633.								
	Assessor's Parcel # 117008		Tax Year 2015 R.E. Taxes \$ N/A						
Neighborhood Name Randolph Village		Map Reference 25-20-008 Census Tract MC-50-017045							
Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)									
My research <input type="checkbox"/> did <input checked="" type="checkbox"/> did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.									
Prior Sale/Transfer: Date None Price N/A Source(s) Town Records									
Analysis of prior sale or transfer history of the subject property (and comparable sales, if applicable) The subject has not sold in the prior 36 months. No prior sale of the comparables within the previous 12 months.									
Offerings, options and contracts as of the effective date of the appraisal The subject is not currently listed for sale on the open market and no offerings, options or contracts on the property are known by the appraiser.									
NEIGHBORHOOD	Neighborhood Characteristics		2-4 Unit Housing Trends		2-4 Unit Housing		Present Land Use %		
	Location <input type="checkbox"/> Urban <input checked="" type="checkbox"/> Suburban <input type="checkbox"/> Rural		Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining		PRICE AGE		One-Unit 60% %		
	Built-Up <input type="checkbox"/> Over 75% <input checked="" type="checkbox"/> 25-75% <input type="checkbox"/> Under 25%		Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply		\$(000) (yrs)		2-4 Unit 25% %		
	Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow		Marketing Time <input type="checkbox"/> Under 3 mths <input checked="" type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths		150 Low 30		Multi-Family 1% %		
	Neighborhood Boundaries The subject neighborhood is loosely defined as the village of Randolph Center.		350 High 150		Commercial 10% %		Mixed Pred. 100		
Neighborhood Description See Attached Addendum.		Other Vacant 4% %							
Market Conditions (including support for the above conclusions) The market is currently rather slow for income properties in general, however, income producing homes in areas of college influence appear to still be accepted in the market.									
SITE	Dimensions Not Recorded		Area .38 Acre Per Town		Shape Rectangular		View Local/Average		
	Specific Zoning Classification Residential 2-20		Zoning Description 20,000 SF Minimum						
	Zoning Compliance <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe)								
	Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. Note: Grandfathered properties can be rebuilt within 1 year if destroyed.								
	Utilities Public Other (describe)		Public Other (describe)		Off-site Improvements—Type		Public Private		
Electricity <input checked="" type="checkbox"/> <input type="checkbox"/>		Water <input checked="" type="checkbox"/> <input type="checkbox"/>		Street Paved		<input checked="" type="checkbox"/> <input type="checkbox"/>			
Gas <input type="checkbox"/> <input type="checkbox"/> None		Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/>		Alley None		<input type="checkbox"/> <input type="checkbox"/>			
Site Comments The lot is typical for the neighborhood with adequate lawn area and rear yard with a privacy fence for rear yard privacy. There has also been extensive curtain and perimeter foundation drains installed around the dwelling. The front of the lot has been enhanced with stone walls.									
IMPROVEMENTS	GENERAL DESCRIPTION		FOUNDATION		EXTERIOR DESCRIPTION		INTERIOR		
	Units <input type="checkbox"/> Two <input checked="" type="checkbox"/> Three <input type="checkbox"/> Four		<input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space		Foundation Walls Concrete		Floors SW/WW/Lin. Tile		
	<input type="checkbox"/> Accessory Unit (describe below)		<input type="checkbox"/> Full Basement <input checked="" type="checkbox"/> Partial Basement		Exterior Walls WoodClpbd/T-111		Walls Drywall		
	# of Stories 2 # of bldgs. 1		Basement Area 779 sq. ft.		Roof Surface Metal		Trim/Finish Softwood		
	Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit		Basement Finish 0 %		Gutters & Downspouts None		Bath Floor Vinyl/Lin Tile		
	<input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const.		<input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump		Window Type Mixed		Bath Wainscot Fiberglass		
	Design (Style) Cape		Evidence of <input type="checkbox"/> Infestation		Storm Sash/Insulated Insul/Some Strms		Car Storage		
	Year Built 1900 +/-		<input type="checkbox"/> Dampness <input type="checkbox"/> Settlement		Screens Yes		<input type="checkbox"/> None		
	Effective Age (Yrs) 20		Heating/Cooling		Amenities		<input checked="" type="checkbox"/> Driveway # of Cars 3		
	Attic <input type="checkbox"/> None		<input type="checkbox"/> FWA <input checked="" type="checkbox"/> HW <input type="checkbox"/> Radiant		<input type="checkbox"/> Fireplace(s) # 0 <input type="checkbox"/> WoodStove(s) # 0		Driveway Surface Gravel		
	<input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs		<input type="checkbox"/> Other Fuel Oil		<input type="checkbox"/> Patio/Deck 0 <input checked="" type="checkbox"/> Fence Privacy		<input type="checkbox"/> Garage # of Cars 0		
	<input type="checkbox"/> Floor <input checked="" type="checkbox"/> Scuttle		<input type="checkbox"/> Central Air Conditioning		<input type="checkbox"/> Pool 0 <input checked="" type="checkbox"/> Porch Small		<input type="checkbox"/> Carport # of Cars 0		
	<input type="checkbox"/> Finished <input type="checkbox"/> Heated		<input type="checkbox"/> Individual <input type="checkbox"/> Other		<input checked="" type="checkbox"/> Other Shed		<input type="checkbox"/> Att. <input type="checkbox"/> Det. <input type="checkbox"/> Built-in		
	# of Appliances		Refrigerator 3 Range/Oven 3 Dishwasher 1 Disposal		Microwave 1 Washer/Dryer 1 Other (describe)				
	Unit # 1 contains:		4 Rooms		2 Bedroom(s)		1. Bath(s) 698 Square feet of Gross Living Area		
Unit # 2 contains:		3 Rooms		1 Bedroom(s)		1 Bath(s) 418 Square feet of Gross Living Area			
Unit # 3 contains:		6 Rooms		3 Bedroom(s)		2 Bath(s) 1,482 Square feet of Gross Living Area			
Unit # 4 contains:		Rooms		Bedroom(s)		Bath(s) Square feet of Gross Living Area			
Additional features Detached storage shed; partially finished basement; whirlpool tub in second bath in unit 3; roof windows in several second floor rooms; bay window with storage area and exposed ceiling beams in unit 3 kitchen/dining room; Large mudroom entry to unit 3.									
Comments on the Improvements The subject property is an older traditional style dwelling with 3 rental units that have been updated. The original stone foundation has been replaced with poured concrete walls and floor. A small storage room in the basement has also been finished with a drop ceiling. The walls have been insulated and finished on the interior with drywall. The subject is within walking distance to the VTC College Campus. The subject is a pre-1978 structure and still may contain some areas of lead paint. If more information is required, it is suggested that an inspection be completed by a qualified individual. The property was most recently utilized as a "dorm" facility for housing VTC students. Some minor reconfiguring of doorways and kitchens will be required prior to returning the dwelling to a 3 unit income property.									

Client: Vermont Technical College	File No.: E15155
Property Address: 44 Water Street	Case No.:
City: Randolph Center	State: VT Zip: 05061



FRONT VIEW OF SUBJECT PROPERTY

Appraised Date: May 21, 2015
Appraised Value: \$ 193,000



REAR VIEW OF SUBJECT PROPERTY

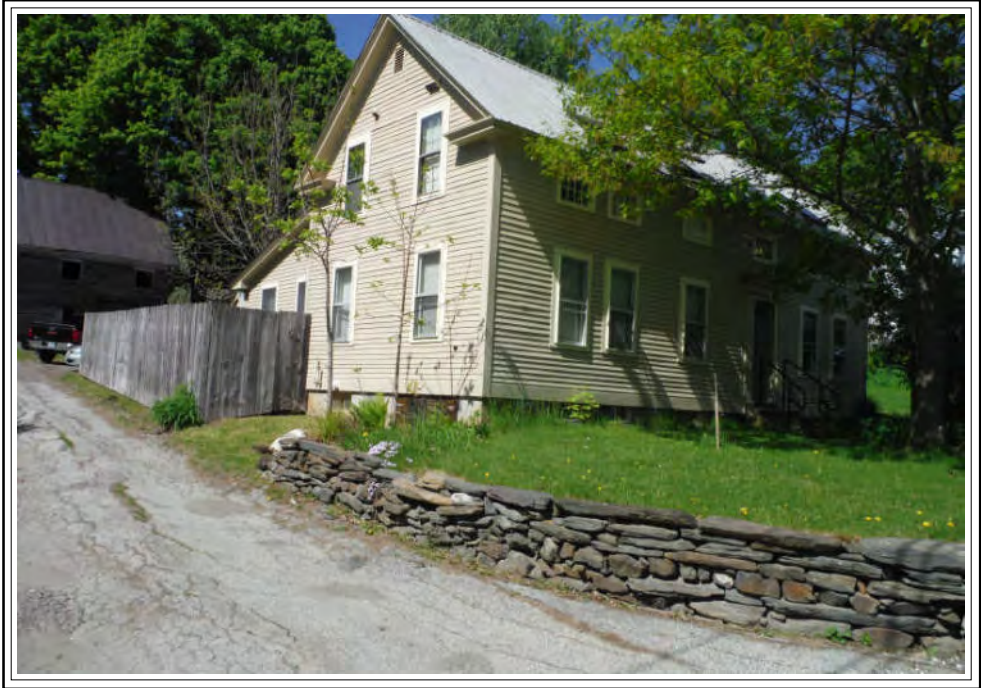


STREET SCENE

Client: Vermont Technical College	File No.: E15155
Property Address: 44 Water Street	Case No.:
City: Randolph Center	State: VT Zip: 05061



Storage Shed



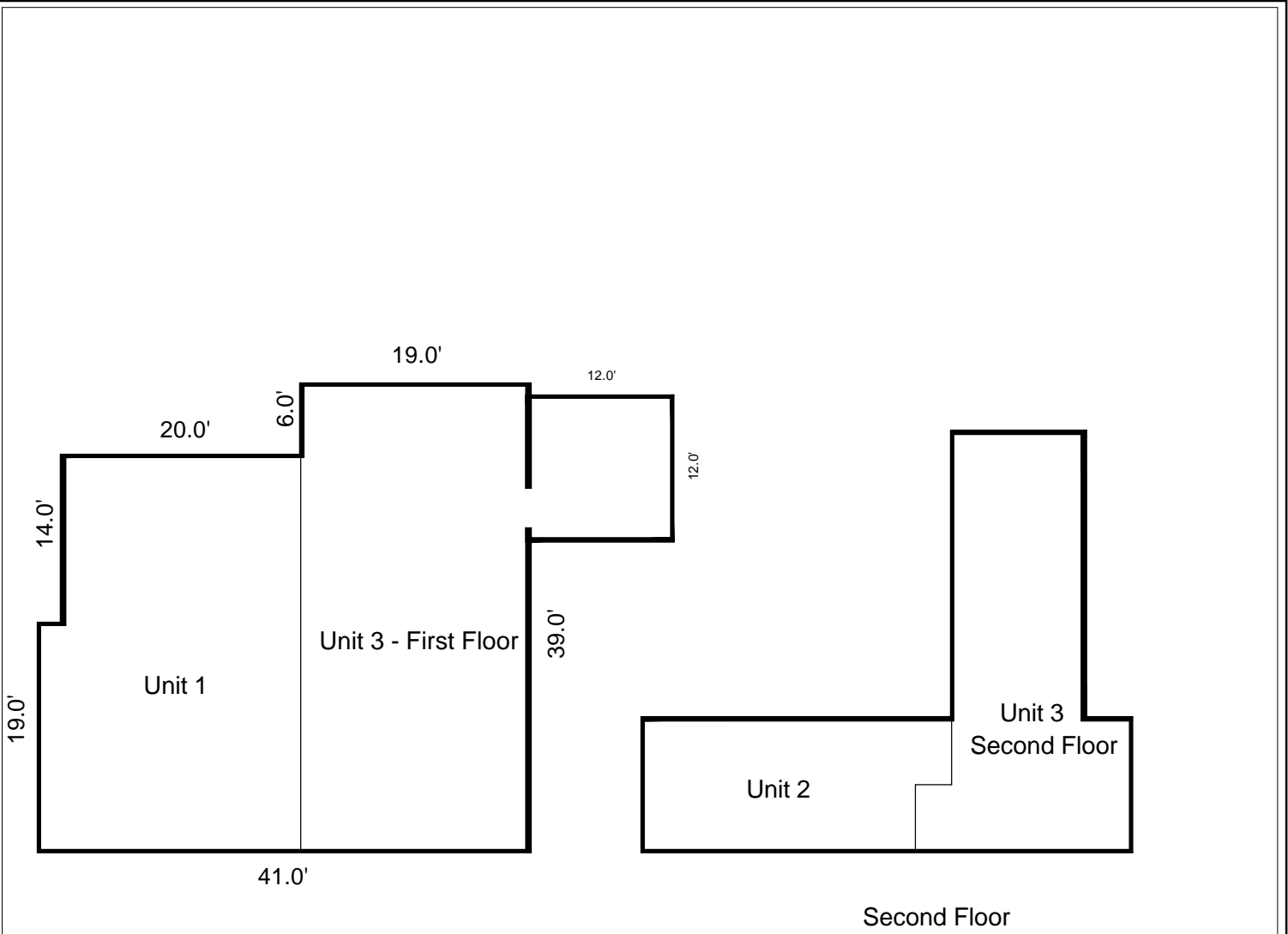
Additional Front View



Additional Rear View

FLOORPLAN SKETCH

Client: Vermont Technical College	File No.: E15155
Property Address: 44 Water Street	Case No.:
City: Randolph Center	State: VT Zip: 05061



Sketch by Apex IV Windows™

AREA CALCULATIONS SUMMARY			
Code	Description	Size	Totals
GLA1	First Floor	1439.00	
	First Floor	144.00	1583.00
GLA2	Second Floor	715.00	715.00
TOTAL LIVABLE (rounded)			2298

LIVING AREA BREAKDOWN		
Breakdown		Subtotals
First Floor		
33.0 x 39.0		1287.00
2.0 x 19.0		38.00
6.0 x 19.0		114.00
12.0 x 12.0		144.00
Second Floor		
11.0 x 24.0		264.00
11.0 x 41.0		451.00
6 Areas Total (rounded)		2298



Manual of Policy and Procedures

Title LEASES, ACQUISITION AND DISPOSAL OF REAL ESTATE	Number 426	Page 1
	Date 5/26/16	

PURPOSE

Any acquisition or disposal of real estate shall benefit the VSC and shall be consistent with appropriate business practices.

STATEMENT OF POLICY

When deemed to benefit a college and the system, VSC colleges may convey or acquire real estate (including easements and rights-of-way) by way of purchase, sale, trade or donation. In addition, with the approval of the Chancellor or the Chancellor's designee, VSC colleges may enter into leases of real property when deemed to be of benefit to a college and the system. However, any lease over \$250,000 per year or \$1,000,000 over the life of the lease shall require Board approval.

The VSC Board of Trustees shall approve any purchase, sale, trade or donation of real estate in accordance with the following procedures:

The college president, after consultation with the Chancellor, shall submit any proposal to acquire or dispose of real estate to the Finance & Facilities Committee for review. The proposal will include:

- a description of the property;
- rationale for the acquisition or disposal;
- costs and benefits associated with the proposal.

Any real estate sale shall occur only after a public advertising or bidding process, unless special circumstances are present and documented. Any real estate purchase shall occur only after due diligence appropriate to the circumstance. Any activity or expense related to federal grants or contracts must comply with 2 CFR 200 – *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, in addition to the provisions above.

The Finance & Facilities Committee will review any proposal to acquire or dispose of real estate, and will make a recommendation to the full Board of Trustees regarding action.

Signed by: _____
Jeb Spaulding, Chancellor

VERMONT STATE COLLEGES
BOARD OF TRUSTEES
RESOLUTION

Approval of Sale of Property

- WHEREAS, VSC Policy 426: *Leases, Acquisition, and Disposal of Property* requires that the Board of Trustees approves any “purchase, sale, trade, or donation of real estate;” and
- WHEREAS, Vermont Technical College President Pat Moulton has presented to the Board a request to sell a house owned by the College located at 44 Water Street, Randolph, Vermont; and
- WHEREAS, The Finance and Facilities Committee has reviewed the request made by President Moulton and recommends its approval to the full Board; therefore, be it
- RESOLVED, That the Vermont State Colleges Board of Trustees hereby authorizes Vermont Technical College to sell the property located at 44 Water Street, Randolph, Vermont.

June 20, 2017

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Honoring the Service of Loren W. Loomis Hubbell

- WHEREAS, Loren W. Loomis Hubbell came to Lyndon State College as its Dean of Administration in August of 2013; and
- WHEREAS, Loren arrived with a Master of Business Administration from the Harvard University Graduate School of Business, from which she graduated with second year honors; a Bachelor of Arts degree, magna cum laude and Phi Beta Kappa, from Smith College; and a resume with deep experience in finance, accounting, budgeting, cost reduction, modeling, strategic planning, and operations at a diversity of organizations including North Carolina Wesleyan College, Montserrat College of Art, Illinois College, Mercy College, Hobart and William Smith Colleges and Coopers & Lybrand; and
- WHEREAS, Loren is a respected and widely acknowledged expert in the field of higher education finance, having Chaired the Eastern Association of College and University Business Officers (EACUBO) Program and Annual Workshop Committees; spoken at numerous national and regional professional associations; and literally “wrote the book,” or in her case, books, including “Tuition Discounting: The Impact of Institutionally Funded Financial Aid” and “Cost-Effective Control Systems for Colleges and Universities: A New Paradigm;” and
- WHEREAS, Loren’s colleagues at Lyndon wish to acknowledge her considerable skills, expertise and wisdom to guide Lyndon State College’s financial efforts during her tenure; and
- WHEREAS, Loren’s colleagues on the Business Affairs Council were the regular beneficiaries of both her sense of humor, and her encyclopedic knowledge of higher education finance, and are better off for it; and
- WHEREAS, Loren has accepted a position as the Chief Financial Officer of the prestigious Vermont Academy in Rockingham; therefore be it
- RESOLVED, That the Board of Trustees of the Vermont State Colleges System honors the service of Loren W. Loomis Hubbell to Lyndon and to the System and wishes her nothing but the best in her future work and life.

VERMONT STATE COLLEGES SYSTEM MANUAL OF POLICIES AND PROCEDURES

Title: **REVISED DRAFT** POLICY 433: DEBT MANAGEMENT POLICY

POLICY STATEMENT:

The Vermont State Colleges System (hereinafter, the “System”) may incur debt when necessary to fulfill the System’s strategic mission. The System’s debt management objectives are to:

- 1) Maintain access to capital;
- 2) Maintain a credit rating that minimizes the risk-adjusted cost of capital and maximizes favorable business terms; and
- 3) Limit financial risk.

This policy assigns debt management responsibilities, and sets forth guidelines with respect to debt limits, structuring, issuance, management and use of derivatives. As used in this policy, “debt” is understood to mean any external borrowing by the System including but not limited to public sales of bonds, loans from banks or other lending institutions, loans from the State of Vermont or other governmental entity, or any other financing originated outside of the System that the System is obligated to repay.

PROCEDURES:

- 1) Prior approval from the Board of Trustees is required for all debt transactions.
- 2) The Office of the Chancellor will initiate and manage all debt transactions.
- 3) The Chief Financial Officer is responsible for debt portfolio management and compliance with this policy.

DEBT LIMIT:

- 1) The System’s debt limit will target medians and ratios appropriate to a rating in the A category or the equivalent from Standard & Poor’s Ratings Group, Moody’s Investors Service or Fitch Ratings.

STRUCTURING:

- 1) Any System debt with a term longer than three (3) years shall be fixed rate.
- 2) The maximum maturity of any debt issue shall be the shorter of 30 years, or the useful life of the asset being financed.

- 3) Debt principal shall amortize such that annual debt service on a total portfolio basis is either level or declining over time, and not increasing.

ISSUANCE:

- 1) The System shall engage a qualified, nationally recognized independent financial advisor to assist with any debt transaction in excess of \$10 million.
- 2) Debt generally should be tax-exempt, however taxable debt may be used to take advantage of special programs (e.g., Build America Bonds) or for economic savings (e.g., refunding tax-exempt debt that is ineligible for tax-exempt refunding), or to comply with federal tax law.
- 3) Debt may be publicly sold or privately placed, however privately placed debt may not include business terms less favorable to the System than for public debt (e.g., additional financial covenants beyond those contained in the System's bond resolution).
- 4) Public debt should generally be sold competitively. If a sale is negotiated, the underwriter must provide an estimate of interest rates for each maturity expressed as a spread to AAA-MMDTM or another widely-recognized and readily available independent index (for tax-exempt debt) or U.S. Treasury yields (for taxable debt) prior to the sale, and the System's independent financial advisor, if engaging one is required under (1), above, must concur with these rates prior to award.

MANAGEMENT AND COMPLIANCE:

The Office of the Chancellor shall adopt procedures regarding the investment of bond proceeds, ensuring compliance with all necessary Federal, State of Vermont and applicable regulations, primary and secondary market disclosure practices, and arbitrage rebate monitoring and filing. The Chancellor shall report to the Finance and Facilities Committee at least annually on the status of the System's debt, and also immediately following any material event (e.g., a credit rating change).

The Finance and Facilities Committee will review this policy on annual basis or in the interim whenever substantive changes to the guidelines are proposed by the Chancellor.

DERIVATIVES:

Derivatives (e.g., interest rate swaps) are not permitted. Any derivatives in place prior to the approval of this policy shall be valued no less frequently than annually, and may be held to maturity or terminated with the approval of the Board of Trustees. The System must engage a qualified independent derivative advisor to manage any such termination, and to provide a fairness opinion documenting that the derivative was terminated at fair market value.

DEBT RELATED TO FEDERAL GRANTS:

Any activity or expense related to federal grants or contracts must comply with 2 *CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, in addition to the provisions above.

*Office of the President*

337 COLLEGE HILL • JOHNSON, VT 05656

March 23, 2017

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.

The Dr. Thomas Fisher Scholarship for Choral Singing promotes choral singing at Johnson State College. The scholarship is named for Dr. G. Thomas Fisher, who in the 1960s composed the college's Alma Mater and served as director of the Johnson State College Men's Ensemble. Dr. Fisher came to Johnson in 1967 as a professor of Zoology, but his intense passion for music was obvious to all who knew him. He built upon his classical training as a bass soloist and performed at Carnegie Hall 1958. His musical talent, combined with his devotion to his students both in and out of the classroom, made a lasting impression on the young men involved in the Men's Ensemble.

This endowment will fund the scholarship that honors Dr. Fisher's music legacy. The scholarship provides financial assistance to promising choral students who are beginning their own journeys as singers. One award recipient is selected annually from the entering freshman class of the Music and Musical Theater programs. The scholarship is a talent-based award and the recipient(s) will be chosen yearly by the music faculty.

Gifts totaling \$10,000 from Dr. Fisher's students and Dr. Fisher, himself, will be used to establish:
The Dr. Thomas Fisher Choral Singing Scholarship Endowment.

These scholarships will be awarded to an undergraduate student who meets the following eligibility requirements:

- a. shows promise for choral singing through the required music and musical theater degree auditions;
- b. is in good academic standing;
- c. has financial need;
- d. has the ability to participate in two of the Johnson State College choral ensembles for the duration of the year associated with the scholarship award.

We look forward to the Vermont State College Board of Trustees' approval for the establishment of this new endowment.

Sincerely,

A handwritten signature in cursive script that reads "Elaine C. Collins".

Elaine C. Collins, Ph.D.
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) THE DR. THOMAS FISHER CHORAL SINGING SCHOLARSHIP ENDOWMENT		
2) <u>Granting agency/donor/other funding source:</u> (attach support info) Dr. Thomas Fisher, Professor Bethany Plissey, friends, and Dr. Fisher's former students		
3) <u>Purpose of endowment:</u> (attach support information) To fund the Dr. Thomas Fisher Scholarship for Choral Singing		
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> 3/8/2017		
7) <u>Reporting requirements:</u> (format/to whom/frequency/other) None.		
8a) <u>Funding amount:</u> \$13,000	8b) <input type="checkbox"/> One-time - OR <input checked="" type="checkbox"/> Ongoing funding (indicate timeframe:) Payroll gifts made by Professor Plissey will be used to build the endowment corpus	
9a) <u>Is principal use allowed:</u> (w/Board OK?) NO	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	12) <u>Date to Ch's Ofc:</u> 20-Mar-17	13) <u>Date Board Approved:</u>

Elaine C Collins

UNAPPROVED Minutes of the VSC Board of Trustees Finance and Facilities Committee held Tuesday, May 9, 2017 at the Office of the Chancellor, Montpelier, VT

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 Tuesday, May 9, 2017 at the Office of the Chancellor, Montpelier, VT.

Committee members present: Jerry Diamond, Church Hindes (Chair), Tim Jerman, Chris Macfarlane (Vice Chair), Linda Milne, Martha O'Connor, Aly Richards

Absent: Bill Lippert

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

Chancellor's Office Staff: Tricia Coates, Director of External & Governmental Affairs
Todd Daloz, Associate General Counsel
Sheilah Evans, System Controller & Senior Director of Financial Operations
Jeb Spaulding, Chancellor
Steve Wisloski, Chief Financial Officer
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Scott Dikeman, Dean of Administration, Castleton University
Arielle Ferrell, Student, Castleton University
Loren Loomis Hubbell, Dean of Administration, Lyndon State College
Laura Jakubowski, Director of Finance, Castleton University
Brendan Lalor, Professor of Philosophy, Castleton University
Marty McMahon, Veterans Advisor, Castleton University
Maurice Ouimet, Dean of Enrollment, Castleton University
Frances Ryan, Librarian, Castleton University
Sharron Scott, Dean of Administration, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, VSCUP President, Johnson State College

1. Chair Hindes called the meeting to order at 2:45 p.m.

2. Consent agenda

- a. Approve minutes of February 22, 2016 meeting
- b. Grants and Endowments
- c. Annual Banking and Investments Resolution

Chair Hindes reviewed the items on the consent agenda. Trustee Macfarlane moved and Trustee Milne seconded the consent agenda. Trustee Diamond requested that the Annual Banking and Investments Resolution be removed from the agenda for discussion.

Trustee Diamond moved that the resolved clause of the Annual Banking and Investments Resolution be amended to include Northern Vermont University.

The remaining consent agenda items were approved unanimously. The Committee agreed to this amendment. The amended resolution was approved unanimously.

3. Legislative Update

Tricia Coates, Director of External and Governmental Affairs, updated the Committee on legislative activity. The capital budget is set, our unification request is confirmed, and Early College caps will sunset.

4. Review of FY2018 budget format, key assumptions and factors that could change
5. Review of preliminary FY2018 budgets; admissions and enrollments discussion
6. Initial perspectives on FY2019 tuition

Items 4, 5, and 6 were discussed together at length, with each President providing key components driving revenue and expense related assumptions of their initial FY2018 budgets.

7. Presentation by Fossil Free VSC and discussion

Castleton University Professor Brendan Lalor, along with students and staff, presented short music video, and a petition for the VSC Board proposing:

- (1) publicly divesting the fossil fuel investments from the ~\$25M Endowment;
- (2) selecting and publicly moving to a green investment company to replace Morgan Stanley;
- (3) searching out and publicly moving to a bank that can both handle the VSC's size and has a green/justice-friendly commitment; and
- (4) assessing the institutions that hold our debt, and publicly initiating a transition plan

insofar as necessary.

The Committee discussed the presentation, and identified CFO Wisloski as the point of contact to receive further correspondence from Fossil Free VSC.

8. Other business

There was no other business.

9. Public comment

There was no public comment.

Chair Hinderes adjourned the meeting at 4:45 p.m.

UNAPPROVED

UNAPPROVED Minutes of the VSC Board of Trustees Finance and Facilities Committee held Wednesday, May 31, 2017 at the Office of the Chancellor, Montpelier, VT

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 Tuesday, May 31, 2017 at the Office of the Chancellor, Montpelier, VT.

Committee members present: Jerry Diamond, Church Hindes (Chair), Tim Jerman, Bill Lippert, Chris Macfarlane (Vice Chair; by phone), Linda Milne, Martha O'Connor, Mike Pieciak

Presidents: Nolan Atkins, Elaine Collins, Joyce Judy, Pat Moulton, Dave Wolk (by phone)

Chancellor's Office Staff: Tricia Coates, Director of External & Governmental Affairs
Kevin Conroy, Chief Information Officer
Todd Daloz, Associate General Counsel
Sheilah Evans, System Controller & Senior Director of Financial Operations
Harriet Johnson, Executive Assistant to the Chancellor's Office
Elaine Sopchak, Administrative Director
Jeb Spaulding, Chancellor
Steve Wisloski, Chief Financial Officer
Sophie Zdatny, General Counsel
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Scott Dikeman, Dean of Administration, Castleton University
Loren Loomis Hubbell, Dean of Administration, Lyndon State College
Laura Jakubowski, Director of Finance, Castleton University
Lisa Cline, Johnson State College, Faculty Federation President
Barbara Martin, Dean of Administration, Community College of Vermont
Maurice Ouimet, Dean of Enrollment, Castleton University
Sharron Scott, Dean of Administration, Johnson State College
Toby Stewart, Controller,
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, VSCUP President, Johnson State College

1. Chair Hindes called the meeting to order at 1:01 p.m.

Trustee Martha O'Connor informed the trustees present that due to the recently scheduled veto session of the Vermont Legislature, the Board meeting set for June 21-22 at Castleton University will be rescheduled to Tuesday, June 20th at the Chancellor's Office in Montpelier. On the same day there will be EPSL and Finance & Facilities Committee meetings. Trustees and presidents will receive full details in the near future.

2. Approve minutes of May 9, 2017 meeting

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

3. Review of 3rd quarter FY2017 financial reports

CFO Steve Wisloski reviewed the FY2017 financial reports. At this time the system is reporting a \$4.7M deficit. CCV is currently balanced; Vermont Tech is \$600K ahead of budget; Northern Vermont University's (Johnson State and Lyndon State combined) projected deficit is lower than budgeted due to cost savings initiatives and vacancies brought about by unification; Castleton University shows a deficit due to increased usage of financial aid packages; the Chancellor's Office is approximately \$550K over budget due to reclassification of tuition waivers as an expense, as well as expenditures related to consolidation and IT projects. Overall the system is approximately \$700K behind what was budgeted, with a \$4.7M deficit projected for the system at the close of FY2017 and the starting point for FY2018.

4. Review and approve final FY2018 budgets

Chancellor Spaulding stated that he is presenting a break even budget for the system. Chair Hindes noted this is the first balanced system budget the Board has seen in 7-10 years. Chancellor Spaulding continued that last year the Board approved a budget with a \$4M operating deficit. This year at the system level a balanced budget was made possible due to several important achievements:

- A significant increase in state appropriation thanks to strong support from legislators, Director of External & Governmental Affairs Tricia Coates, students, faculty, and staff. Of the \$3M appropriation increase, \$2.75M will be allocated to the colleges; \$250K will be used for strategic reinvestments to be determined.
- Approximately \$2M in savings from debt restructuring.
- Successful and collaborative negotiations with collective bargaining units yielded approximately \$1M of savings in defined contributions.
- Unification and consolidation savings are beginning to be realized.
- Healthcare spending has been lower than anticipated, and has also resulted in no increase in premiums.
- This balanced budget also takes into account approximately 3% salary increases among other increasing expenses.

Vermont Tech and CCV have projected surpluses for FY18. Castleton University and Northern Vermont University are projected to operate at a deficit. Chancellor Spaulding thanked the presidents for adjusting their budgets to achieve the balanced system budget.

Mr. Wisloski provided a review of the colleges' budgets and handed out a summary of system reserves. He listed the savings achieved in FY2017:

- \$3M appropriation increase
- \$2.6 debt service savings
- \$900K retirement contribution savings
- \$2M medical expenses reduction
- Approximately \$2M in savings due to no increase in healthcare premium

While these savings total approximately \$10.5M in increased revenue, expenses including salary increases and a drop in enrollment will quickly absorb it.

Mr. Wisloski noted that the lower than usual increase in the salaries line indicates vacancies remaining open, and attrition. Use of scholarship funds is also going up. There was discussion about multi-year and joint purchasing of fuel to address rising utility costs. Vermont Tech has begun repaying its system loan.

The presidents each reviewed their colleges' budgets. Castleton University President Dave Wolk stated that the university is not filling positions upon vacancy. A drop in international students, a drop in overall enrollment, and competition are affecting revenue. They are in the process of eliminating small classes, reducing sections, maintaining vacancies, looking at early retirements, improving internal processes, conducting cost benefit analysis of all programs, and renewing effort of development processes. The returning student number is flat, and new student numbers are down. There have been some rescissions, and they have more work to do to reduce the salaries and benefits line.

CCV President Joyce Judy reported that the college has a \$910K surplus; she emphasized that these are one-time funds available due to debt restructuring and the change in medical expenses. Staff are working on plans for these funds. They are considering paying down the mortgages on the Upper Valley and Montpelier academic centers to ensure savings when the debt restructuring payment schedule changes. They are not using the funds to balance the budget going forward.

Johnson State College President Elaine Collins reported that Northern Vermont University is showing a \$1.1M deficit, approximately \$400K better than expected and as reported to Board last September. Chair Hinds stated that after the close of FY2017 would like Mr. Wisloski to report on savings and expenses related to unification to date. Trustee Macfarlane asked to see the results of the spending initiatives undertaken by the presidents with the funds made possible by

changes in retirement investments approved by the Board for FY2017. President Collins stated that NVU's combined reserves currently total over \$4M.

Vermont Technical College President Pat Moulton reported that the college has a \$680K surplus, which reflects the planning that former President Smith and Dean of Administration Lit Tyler managed over the last three years. Enrollment increases are helping. The college needs to rebuild its reserves. Vacancies are being maintained. The college has a quasi-endowment but that will not be used as operating funds. Regarding workforce development, much of that funding is federal so there are concerns about VtSBDC and VMEC. Chair Hinderes stated he would like to know the system's exposure regarding federal funding changes (direct and through students), as well as state funds that may be reduced via federal cuts to state budgets. Trustee Lippert requested a summary of VSC reserves that were used to support Vermont Tech in comparison to what was Board approved.

Trustee Jerman moved that the budget as presented be recommended to the full Board for its consideration. Trustee Diamond seconded. Trustee Diamond inquired how this budget might be affected by the Board's tuition decision on FY2019 rates, if there is less than a 3% increase. Mr. Wisloski responded that the lower the Board sets the increase, the more the following year's budget will have to make it up. The FY2018 budget will not be affected by the FY2019 tuition rates the Board approves next month. The Committee approved the motion unanimously.

5. Review and discuss preliminary FY2019 tuition, fees, room and board table

Mr. Wisloski handed out a copy of the preliminary FY2019 tuition, fees, room and board tables. He reviewed the proposed tuition rates for FY2019. Chancellor Spaulding stated the figures presented are a consensus recommendation developed in collaboration with the presidents. Chair Hinderes inquired what is the average net price paid by in-state and out-of-state students as this would be useful information for the tuition discussion. He also requested an update on student debt, broken down by in-state and out-of-state students and by college. Trustee Diamond recommended the Board consider a tuition increase based on what Governor Scott suggested: a 5-year average, which would be about 2.6%. Chancellor Spaulding clarified that what the Governor proposed is not what ended up in the final budget. Chair Hinderes reminded the Committee that the next meeting will be when they approve tuition rates and make a recommendation to the full Board.

6. Approve Vermont Tech sale of 44 Water Street

Mr. Wisloski informed the Committee that sales proceeds cannot go to college reserves but must instead go to the plant fund. There were no questions from the Committee. Trustee Jerman moved and Trustee Diamond seconded the resolution. The resolution was approved unanimously.

7. Report on debt restructuring results

Mr. Wisloski reported that the bond offer closed and funds exchanged hands on May 24th. He reviewed the new debt service schedule. There is a \$3.1M increase in debt service costs in 2022 and 2028. Previous covenants no longer exist. Working with the state bond bank and including a state intercept (using state appropriation for payback if necessary) reduces reliance on enrollment increases which will help when S&P considers a new rating for the system.

8. Report on March 31 Morgan Stanley visit

Mr. Wisloski reported that on March 31st the Committee's investment subcommittee (consisting of Chair Hindes, Vice Chair Macfarlane, Mr. Wisloski, and Chancellor Spaulding) met with Morgan Stanley. The current, reasonable .44% management fee and .38% advisory fee cost the system approximately \$200K per year; this is very reasonable for the level of service and performance. Mr. Wisloski reviewed page 99 of Morgan Stanley's report (Added Value Through Diversification). Currently the system's holdings are a 65%/35% bond/stock mix. He also reviewed page 105 regarding future returns predicted as a result of effects of federal actions on financial markets. Page 86 shows actual returns for the period.

9. Review of FY2018 Committee meeting schedule

The Committee reviewed the FY2018 meeting schedule. Chancellor Spaulding stated there will not be a meeting on July 19th, so the first meeting of the fiscal year will be August 23rd. Chair Hindes stated that special topics and capital planning could be discussed during joint meetings with the Long Range Planning Committee.

10. Other business

Chancellor Spaulding asked if the Committee wished to follow up on last month's presentation from Fossil Free VSC. Chair Hindes stated that a substantive discussion will happen with the group after the fall semester begins. Trustee Jerman noted singling out an individual company was not productive; he feels fossil-free actions should be more comprehensive and would like more information on other options. Chancellor Spaulding stated that large financial institutions lend to a large assortment of clients and suggested the VSC may consider preparing a banking RFP for the system. He believes TD Bank has been a good corporate citizen, as it was very helpful during Tropical Storm Irene, and is a large Vermont employer. Financing the completed Dakota pipeline does not seem enough reason to divest. He suggested the system could ask Morgan Stanley to screen out certain investments, and could consider going fossil-free in equity investments. President Moulton stated it is worth looking at what the entire system is doing to become fossil-free—a teachable moment for students. Chair Hindes stated the Committee will continue to discuss the issue.

Trustee Jerman moved and read aloud a resolution honoring departing Lyndon State College Dean of Administration Loren Loomis Hubbell. The Committee approved the resolution unanimously and thanked her for her service. The resolution will go to full Board for its approval. Ms. Loomis Hubbell thanked the Committee.

11. Public comment

There was no public comment.

Trustee Jerman moved to adjourn. Chair Hinder adjourned the meeting at 3:40 p.m.

Item 6:
Report of the EPSL Committee

UNAPPROVED minutes of the VSC Board of Trustees Education, Personnel, and Student Life Committee meeting Friday, March 24, 2017

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

The VSC Board of Trustees Education, Personnel, and Student Life Committee met on Friday, March 24, 2017 in the Stearns Performance Space at Johnson State College.

Committee Members present: Kraig Hannum (Chair), Lynn Dickinson, Morgan Easton, Karen Luneau, Martha O'Connor, Mike Pieciak (by phone)

Absent: Jim Masland

Other Trustees: Jerry Diamond, Tim Jerman, Linda Milne, Aly Richards

From the Chancellor's Office: Kevin Conroy, Chief Information Officer
Todd Daloz, Associate General Counsel
Elaine Sopchak, Administrative Director
Jeb Spaulding, Chancellor
Sophie Zdatny, General Counsel
Yasmine Ziesler, Chief Academic Officer

From the colleges:

Jonathan Davis, Dean of Students, Lyndon State College
Barb Flathers, Vice President, VSCUP
Barbara Martin, Dean of Administration, CCV
Sharron Scott, Dean of Administration, Johnson State College
Dotty Spoerl, IT Director, Johnson State College
Danielle Spring, Conferences & Events Director, Johnson State
Jay Paterson, Dean of Student Affairs, Vermont Technical College
Dennis Proulx, Dean of Students, Castleton University
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, President, VSCUP
Heather Weinstein, Dean of Students, CCV
Michele Whitmore, Dean of Students, Johnson State College

Guests: Jennifer St Jean, State of Vermont Office of Veterans Affairs

1. Call to Order

The meeting start was delayed due to bad weather. The attending Committee members chose to skip the approval of the minutes temporarily and begin discussion of revisions to Policy 301, but would not take action because there was no quorum. General Counsel Sophie Zdatny introduced Jennifer St. Jean from the Vermont Office of Veterans Affairs. Ms. Zdatny explained that the revisions to Policy 301 cover expanded benefits and do not take any benefits away. The Committee did not take action on the revisions to Policy 301 at this time.

The Committee then moved on to discussing the recommendations for emeritus faculty. Chief Academic Officer Yasmine Ziesler reviewed the nominations from Castleton University. Trustee O'Connor asked for a list of faculty granted emeritus status to date. At this time Trustee Dickinson arrived, establishing quorum. Chair Hannum called the meeting to order at 12:04 p.m.

2. Approval of the Minutes of the November 16, 2016 Meeting

Trustee Luneau moved and Trustee Dickinson seconded the approval of the minutes. The minutes were approved unanimously.

3. Revisions to Policy 301

There were no further questions on this topic. Trustee Luneau moved and Trustee Easton seconded the revisions. The Committee approved the revisions to Policy 301 unanimously.

4. Recommendations for Emeritus Faculty

Lyndon State College Interim President Nolan Atkins discussed their nominee, Professor Ron Rossi.

Trustee Luneau moved and Trustee Dickinson seconded the approval of emeritus status for Castleton University Professor Robert Gershon. The Committee approved the resolution unanimously.

Trustee Easton moved and Trustee Luneau seconded the approval of emeritus status for Castleton University Professor John Gillen. The Committee approved the resolution unanimously.

Trustee Luneau moved and Trustee Dickinson seconded the approval of emeritus status for Castleton University Professor Robert Johnson. The Committee approved the resolution unanimously.

Trustee Luneau moved and Trustee Dickinson seconded the approval of emeritus status for Lyndon State College Professor Ronald Rossi. The Committee approved the resolution unanimously.

5. Recommendations for VSC Faculty Fellows

Dr. Ziesler introduced the Faculty Fellow process and presented the nominees.

Trustee Easton moved and Trustee Luneau seconded the Faculty Fellow nomination for Castleton University Professor Adam Chill. The Committee approved the resolution unanimously.

Trustee Dickinson moved and Trustee Luneau seconded the Faculty Fellow nomination for Lyndon State College Professor Barclay Tucker. The Committee approved the resolution unanimously.

6. Northern Vermont University Mission Statement

Johnson State College President Elaine Collins shared that they are working on their NEASC proposal for substantive change. To comply with NEASC Standard 1, they have drafted a new mission statement for the institution. The communities of both campuses had opportunities to contribute to the discussion. The Committee would be approving the mission statement only; the vision statement does not have to be approved. Trustee Diamond inquired why the vision statement is included in the resolution if it does not need to be approved. President Collins answered that it is acceptable for the Committee to approve both. General Counsel Sophie Zdatny stated the resolution is appropriate as is. Trustee Luneau moved and Trustee Dickinson seconded the resolution. The Committee approved the resolution unanimously.

7. Student Trustee Report on the VSCSA

Trustee Easton reported that the VSCSA has appointed two students to serve as public relations interns; Tyler McInniss (LSC) and Brendan Walsh (JSC) will share a \$1000 stipend. They are compiling a multi-campus event calendar at www.vscsa.wordpress.com.

The application for student trustee is available on this website and the VSC portal. They are establishing a newsletter, Twitter feed, and Facebook page. Trustee Easton inquired about a social media policy for the VSC—VSCSA wants to follow a system policy rather than attempt to comply with individual policies from the colleges. She is working with Associate General Counsel Todd Daloz on this question.

Regarding the tobacco free policy, Johnson State College has nine zones for smoking, and are applying for two grants applying for. Vermont Tech is telling students on tours about the 2018 policy change. Castleton University has sent out a thorough update to students.

Chair O'Connor inquired and the Committee discussed whether the VSCSA and student government meetings are required to follow open meeting law.

8. Review and Discussion of Policy 109 Summary Data and Reports

Dr. Ziesler reminded the Committee about the recent changes to Policy 109. She reviewed the Board guide enclosed in the materials, and enrollment trends across all programs. Trustee Pieciak asked for more data regarding the percent increase in program enrollment from year to year.

9. Discussion of Student Mental Health with VSC Student Affairs Council

The deans of students presented on what each college is doing for mental health services. There are overall high levels of anxiety, depression, and need for stress management. There is no mandate for mental health services from the federal level. Beyond one-on-one relationship counseling, the colleges provide addiction support, life coaching, and academic support.

Johnson State College Dean of Students Michele Whitmore described their wellness center, which includes 8-10 staff members, two master clinicians, three to four graduate students, and two undergraduate interns. Services offered include counseling, group counseling, guidance on collaboration, and a well-utilized relaxation room. Collaborations exist with residence life, peer mentors, the first year experience office and academic support services. Statistics reflect 722 sessions held for students, with topics including anxiety, abuse history, depression, and suicide ideation. More education is desired by staff and faculty. Future hopes are for additional resources to be proactive: health educators and experts on the ground, especially in evening hours.

Lyndon State College Dean of Students Jonathan Davis reported that the college wellness program has one full-time employee, two part-time counselors, a supervising physician three hours per week, and a part time registered nurse and physician's assistant. They want to increase outreach and education. Counseling demands are up even with lower enrollment. There are fewer staff in residence life and academic support. They have an online early alert system with weekly follow-up meetings. The location of services at Brown House can be an issue. There is nine-month service but counselors also show up in the summer. Dean Davis stated that they sometimes know what the students need before they arrive on campus, but also often don't know until the students get there. Usage increases even though enrollment is declining because students are consumers, and faculty and staff are highly knowledgeable.

Vermont Technical College Dean of Student Affairs Jay Paterson shared that the college has defined for students the scope of their eligibility and what the college can and cannot do. They have a counselor from the veterans center, two other counselors, and a consulting psychologist. They have applied for a grant to assist with suicide prevention efforts. All at Vermont Tech understand it is everybody's job to help with these issues.

Community College of Vermont Dean of Students Heather Weinstein reported that because CCV is non-residential the needs are very different. Only a third of students are traditional age; the average age is 27. There is a broad variety of needs: housing, childcare, food scarcity, mental health. They have contracted with United Way's Working Bridges program and brought 211 to CCV to make connections and referrals. The program assists students in getting services on a sliding fee scale, and helps faculty and staff too. They are rebranding and re-promoting the service. Academic advisors are an important resource too. They have deeply established relationships with students and are identifying barriers. CCV has established a college intervention team that reviews cases of students of concern. They have contracted with a psychiatrist for counsel as needed. Next year they hope to implement a web form for faculty to flag concerns about students. The mental health needs of their students reflect similar needs of Vermonters.

Castleton University Dean of Students Dennis Proulx shared that they utilize a licensed psychologist, two interns, and two private practitioners, as well as RNs, health educators, and a sexual assault prevention specialist. There were 132 crisis events in 2010, and 260 in 2015-2016. 75% of users say counseling has helped them remain in college, so it's important for retention. These services are not covered by insurance; they come out of the operations budget. Students would not use services if they took insurance due to privacy concerns.

Trustee Dickinson inquired whether peer involvement helps. Dean Proulx answered that students are more aware and comfortable with mental health services. The need for services is not specific to certain years but is spread evenly throughout the classes.

Trustee Richards inquired whether Castleton is the only college in the system that does not use insurance. Dean Proulx responded that Castleton refers students to other practitioners who do accept insurance. Dean Davis shared that Lyndon State bills for medical services and is starting to bill for mental health services. Dean Paterson said Vermont Tech does not have licensed practitioners on staff. They will pay for the first three visits and the goal is that the student shifts to his or her own practitioner and insurance. Generalized intake leads to more specific referrals. Lyndon State's services are for residential students only; there are no services for commuters or off-campus students.

Trustee Easton mentioned food insecurity and that the Vermont Higher Education Council is hosting a panel on the topic on March 31st. Each of the colleges maintains various relationships with local food shelves and Sodexo to address this issue.

10. Other Business

Dr. Ziesler informed the Board about the upcoming Governor's Summit on Substance Use Disorder Workforce being held at Vermont Tech in Randolph in April.

11. Public Comment

Trustee Diamond inquired about credentials of the providers supplying mental health services and wondered about the VSC's liability. Dean Proulx assured him that all the services are being provided by correctly licensed practitioners. Counseling in a clinical sense without a license is not being practiced. General Counsel Zdatny stated that support services are different from counseling. Short term support services are being provided and more long term needs are being referred out. Chancellor Spaulding reminded the Committee that if the VSC is using accepted best practices then insurance would protect the system from claims. Ms. Zdatny stated the colleges have various types of intervention teams in place to keep communication about students of concern happening.

12. The meeting adjourned at 1:35 p.m.

Item 7:
Report of the Audit Committee



Manual of Policy and Procedures

Title INTERNAL AUDITS	Number 4XX	Page 1 of 3
	Date [[DATE]]	

I. PURPOSE

The Vermont State Colleges (“VSC”) conducts regular internal audits of all member institutions through an objective and impartial process in order to ensure the efficient and effective use of resources and to identify areas for operational, financial and performance improvement.

II. STATEMENT OF POLICY

An objective, independent and confidential process of reviewing and appraising VSC procedures, systems and operations is vital to the continued success and health of the System and its member institutions. Such a review provides necessary insight into how well the VSC is functioning and important recommendations for future improvement. The Internal Audit Team carries out such examinations and provides a final Audit Report detailing its conclusions.

Objectivity

The Internal Audit Team provides an objective review of various activities and operations within the VSC, gathering evidence from which to form opinions and conclusions on internal matters such as the adequacy of internal financial controls, the degree of compliance with established policies and procedures, and the effectiveness and efficiency of current VSC organizational objectives.

Independence

In order to maintain some level of independence, The Internal Audit Team operates and makes decisions for procedures, recommendations, etc. as a collective diverse group, with members from more than one institution represented. Team members audit areas in which they have no direct responsibility for or authority over any of the activities or operations under review.

Confidentiality

In performing its function, the Internal Audit Team will treat all information consistent with the requirements of VSC Policy 312 (“*Compliance with the Family Educational Rights and Privacy Act (FERPA)*”) and the VSC Information Sensitivity Policy. Particular care should be taken when handling student or employee personally identifiable information or other sensitive information. To the extent reasonably possible, the Internal Audit Team will limit its examination to the information directly related to its stated audit goal and will endeavor not to collect or review information beyond this scope. In preparing its Audit Report, the Internal Audit Team will remove all sensitive, confidential or personally identifiable information from the final, public report or provide the report in a manner established to maintain the greatest degree of reasonable confidentiality.

III. SCOPE

All VSC procedures and operations may fall within the scope the Internal Audit Team’s review. The VSC Chief Financial Officer, in consultation with the Audit Committee of the Board of Trustees, will develop the general scope and schedule of audits on an annual or less frequent basis. To ensure independence, the Internal Audit Team is comprised of individuals from across the System, and audits will be assigned to avoid having employees audit their own locations. Additionally, staff from two different member institutions will be assigned to each audit or location.

The Internal Audit Team is responsible for examining and evaluating the adequacy and effectiveness of the VSC’s internal controls established to prevent, or detect and correct errors, and to discourage fraud.

In carrying out their duties, the Internal Audit staff is responsible for using a systematic, disciplined approach including:

- a) Developing and maintaining a comprehensive audit program necessary to ensure compliance with accounting standards, policies and procedures necessary to safeguard VSC resources.
- b) Communicating the results of audits and reviews by preparing timely reports, including recommendations for modifications of management practices, fiscal policies and accounting procedures as warranted by audit findings.
- c) Establishing and maintaining a quality assurance program to evaluate the Internal Audit operations

IV. REPORTING

The Internal Audit Team operates under the direction of the VSC Chief Financial Officer. It provides the completed Audit Report to the CFO and the Audit Committee of the Board of Trustees, and may make the Report public on the VSC website.

During the course of an audit, if the internal audit team, or any member thereof, reasonably believes that a material error or an irregularity exists in an area under review or in any other area of the VSC, the error or irregularity should be discussed immediately with the Dean of Administration at the affected institution (or to the VSC Chief Financial Officer if the allegations relate to the Office of the Chancellor or the Board of Trustees), or via the EthicsPoint portal. If the allegations implicate a Dean of Administration, the report shall be forwarded to the President at the affected institution for further handling. If the allegations implicate the VSC Chief Financial Officer or General Counsel, the report shall be forwarded to the Chancellor for further handling. If the allegations implicate the Chancellor, the report shall be forwarded to the Chair of the Audit Committee of the Board of Trustees for further handling. Reports filed through EthicsPoint shall be handled by the Office of the Chancellor pursuant to this policy. Any such reports shall be considered Whistleblower reports, per VSC Policy 211 (*“Whistleblower Policy for Reporting Fraudulent, Illegal or improper Activities”*).

V. PROCEDURES

The Chancellor shall establish and periodically update procedures for implementing this policy. The implementing procedures shall define relevant terms and may be modified as necessary by the Chancellor to comply with changes in acceptable auditing practices and other professional codes and legal requirements.

Signed by:

Jeb Spaulding, Chancellor

VERMONT STATE COLLEGES

BOARD OF TRUSTEES

RESOLUTION

Proposed New Policy 432, *Internal Audits*

WHEREAS, The Vermont State Colleges conducts regular internal audits of all member institutions through an objective and impartial process in order to ensure the efficient and effective use of resources and to identify areas for operational, financial and performance improvement.; and

WHEREAS, An objective, independent, and confidential process of reviewing and appraising VSC procedures, systems and operations is vital to the continued success and health of the System and its member institutions; therefore, be it

RESOLVED, That the VSC Board of Trustees approves the new Policy 432: *Internal Audits*, as of this date, June 20, 2017.

June 20, 2017

UNAPPROVED Minutes of the VSC Board of Trustees Audit Committee held Wednesday, May 9, 2017 at the Office of the Chancellor in Montpelier, VT

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

The Vermont State Colleges Board of Trustees Audit Committee met on May 9, 2017 at the Office of the Chancellor in Montpelier, VT.

Committee members present: Lynn Dickinson (Vice Chair), Church Hindes, Karen Luneau, Linda Milne (Chair), Martha O'Connor, Mike Pieciak (by phone)

Other trustees present: Jerry Diamond, Tim Jerman, Chris Macfarlane, Jim Masland, Aly Richards

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

Chancellor's Office Staff: Tricia Coates, Director of External & Governmental Affairs
Todd Daloz, Associate General Counsel
Sheilah Evans, System Controller & Senior Director of Financial Operations
Jeb Spaulding, Chancellor
Steve Wisloski, Chief Financial Officer
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Scott Dikeman, Dean of Administration, Castleton University
Loren Loomis Hubbell, Dean of Administration, Lyndon State College
Laura Jakubowski, Director of Finance, Castleton University
Barbara Martin, Dean of Administration, Community College of Vermont
Maurice Ouimet, Dean of Enrollment, Castleton University
Frances Ryan, Librarian, Castleton University, VSCUP Secretary
Sharron Scott, Dean of Administration, Johnson State College
Tobey Stewart, Controller, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, VSCUP President, Johnson State College

Guests: Dave Diulis, O'Connor & Drew
Kieth Goldie, O'Connor & Drew

Chair Milne called the meeting to order at 1:00 p.m.

1. Approval of the Minutes of the January 9, 2017 Meeting of the Audit Committee
Trustee Luneau moved and Trustee Dickinson seconded the approval of the minutes. The minutes were approved unanimously.

2. Review and Approve Internal Audit Policy and Procedures

Chair Milne reminded the Committee that Trustee Hinds had requested staff to create a policy regarding internal audit. System Controller Sheilah Evans reviewed the draft policy and procedures with the Committee.

Trustee Hinds moved and Trustee Dickinson seconded the resolution “Proposed New Policy 432, Internal Audits.” The resolution was approved unanimously.

3. Discuss FY17 Audit Plan with O’Connor & Drew

Chair Milne invited Dave Diulis and Kieth Goldie of O’Connor & Drew to join the meeting. Mr. Diulis and Mr. Goldie discussed the FY17 audit, which yielded a clean opinion. They issued a management report which contained some comments related to single audit federal grant requirements and compliance. They also reviewed the schedule for the upcoming year’s audit.

4. Review FY17 Internal Audit Summary Report

Ms. Evans reviewed with the Committee the results of the FY17 internal audit, which focused on Employee Conflict of Interest (Policy 210), Trustee and Executive Conflict of Interest (Policy 207), and Contracting for Goods and Services (Policy 429).

5. Other Business

Trustee Luneau moved and Trustee Dickinson seconded a motion to enter executive session pursuant 1 V.S.A. § 313 (a)(1)(f) for the purpose of evaluating public officers and employees. The members of the Audit Committee and the auditors were invited to attend. The Committee approved the motion unanimously. The Committee entered executive session at 1:45. The Committee exited executive session at 1:55 and took no action.

6. Public Comment

There was no public comment.

Chair Milne adjourned the meeting at 2:07 p.m.

Item 8:
Report of the Long Range Planning Committee

VERMONT STATE COLLEGES
BOARD OF TRUSTEES
RESOLUTION

Reauthorization of the Long Range Planning Committee

- WHEREAS, At its April 9, 2015 meeting the VSC Board of Trustees approved the formation of the Long Range Planning Committee as a standing committee; and
- WHEREAS, The charge of the Long Range Planning Committee is to “serve as an advisory committee to the Board of Trustees, Chancellor, and college presidents on strategic long term planning in general and on specific proposals to change the governance and/or structure of the system, as well as on alternative approaches for administration and program delivery at a system level which require Board approval;” and
- WHEREAS, The Long Range Planning Committee has fulfilled its purpose effectively and the Board wishes to continue its existence; therefore, be it
- RESOLVED, That the Vermont State Colleges Board of Trustees hereby reauthorizes the Long Range Planning Committee to remain in effect as a standing committee until June 30, 2019, unless reauthorized by the Board.

June 20, 2017

Long Range Planning Committee Charge

The Long Range Planning Committee is a Standing Committee of the Board of Trustees of the Vermont State Colleges. The Committee shall sunset on June 30, 2017, unless reauthorized by the Board.

Purpose

The Long Range Planning Committee plays a significant role in charting the future course of the Vermont State Colleges. It serves as an advisory committee to the Board of Trustees, Chancellor, and college presidents on strategic long term planning in general and on specific proposals to change the governance and/or structure of the system, as well as on alternative approaches for administration and program delivery at a system level which require Board approval.

Responsibilities

Specifically, the Long Range Planning Committee shall:

- Periodically assess the mission statements of the VSC and its individual colleges to ensure that overall strategic direction is consistent with the goals and objectives of the system.
- Monitor and assess the Vermont State Colleges strategic planning process, making appropriate recommendations to the Board for adjustment from time to time.
- Undertake long range planning and coordination for the VSC, consistent with its goals, objectives, priorities, roles, and responsibilities, making appropriate recommendations for adjustment to the Board as warranted.
- Consider alternative approaches to system governance and structure, and VSC relationships with external entities, making recommendations to the Board on potential structural, operational, governance, and marketing changes that should be expected to improve long term prospects for the VSC.

- Monitor and review governmental or other developments and initiatives that may impact the VSC to assure that management and the Board are responding appropriately.
- Involve and consult with college leadership in the development of any recommendations, prior to bringing them to the Board of Trustees for action.
- Coordinate with any other committees of the Board, particularly when overlapping jurisdictions may come into play.

Composition

The Committee shall be composed of no more than six Board members appointed by the Chair of the Board, who shall also appoint the Chair of the Committee.

Six Priorities to Support the Mission of the Vermont State Colleges System

For the benefit of Vermont, the Vermont State Colleges system provides affordable, high quality, student-centered, and accessible education, fully integrating professional, liberal, and career study, consistent with student aspirations and regional and state needs.

- 1) Increase the continuation rate of high school students on to postsecondary education.

Strategy 1.a. Provide effective leadership and advocacy, with partners, on the urgent need to increase postsecondary affordability and attainment while sustaining program quality.

Strategy 1.b. Expand strategies (e.g. Introduction to College Studies, dual enrollment, “try a major” events) targeted at current populations of high school students who are not continuing with postsecondary education.

Strategy 1.c. Expand existing and create additional flexible academic pathways into and through our degree programs, including providing meaningful certificates and associate degrees.

- 2) Improve the retention and graduation rates at our colleges.

Strategy 2.a. Implement degree maps to create clear curriculum paths to graduation.

Strategy 2.b. Improve access and use of data and advising technologies.

Strategy 2.c. Develop multiple delivery models for degree completion, including online, connected classrooms, and flexible schedule options.

Strategy 2.d. Continue to increase comprehensive and strategic approaches to student support services.

- 3) Become a more attractive destination for Vermont high school graduates.

Strategy 3.a. Create a positive brand at the VSC system level that supports the unique characteristics of each college and is rooted in the sustained quality of the academic experience.

Strategy 3.b. Continue to improve technological and physical infrastructure.

Strategy 3.c. Enhance relationships with school counselors statewide.

Strategy 3.d. Establish VSC celebration and support of academic excellence (e.g. VSC Hall of Fame).

4) Serve well more working age Vermonters.

Strategy 4.a. Improve and expand flexible and online delivery of programs across the VSC to increase number of degree programs available to students statewide.

Strategy 4.b. Work with employers on needs assessment and flexibility of delivery.

Strategy 4.c. Improve the entire technology infrastructure of the system to ensure that it is user friendly and competitive.

5) Operate as a more integrated system to expand student opportunities and achieve operational efficiencies.

Strategy 5.a. In addition to maximizing productive collaboration and integration across the entire system, develop strategic alliances between Johnson and Lyndon State Colleges, as well as Vermont Technical College and Community College of Vermont, intended to complement and/or supplement their individual strengths and weaknesses.

Strategy 5.b (Also 4c.) Improve the entire technology infrastructure of the system to ensure that it is user friendly and competitive.

Strategy 5.b. Review the financial model of the system to ensure institutional stability and explore financial incentives that support collaboration and system interconnectedness.

Strategy 5.c. Reduce transferability and course-sharing barriers to expand the diversity of student academic and co-curricular learning opportunities.

6) Increase state financial support and other supplemental revenues.

Strategy 6.a. More effectively advocate for state support.

Strategy 6.b. Increase grant-writing capacity in the system.

Strategy 6.c. Collaborate on shared fundraising resources.

**Unapproved minutes of the Long Range Planning Committee meeting Tuesday,
May 9, 2017**

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

The Vermont State Colleges Board of Trustees Long Range Planning Committee conducted a meeting Tuesday, May 9, 2017 at the Chancellor's Office in Montpelier.

Committee members present: Jerry Diamond (Chair), Lynn Dickinson, Church Hindes, Tim Jerman, Karen Luneau (Vice-Chair), Martha O'Connor

Other Trustees: Bill Lippert, Jim Masland, Linda Milne

Chancellor's Office Staff: Jeb Spaulding, Chancellor
Steve Wisloski, Chief Financial Officer
Yasmine Ziesler, Chief Academic Officer

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

Chancellor's Office Staff: Tricia Coates, Director of External & Governmental Affairs
Todd Daloz, Associate General Counsel
Sheilah Evans, System Controller & Senior Director of Financial Operations
Jeb Spaulding, Chancellor
Steve Wisloski, Chief Financial Officer
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Scott Dikeman, Dean of Administration, Castleton University
Arielle Ferrell, Student, Castleton University
Loren Loomis Hubbell, Dean of Administration, Lyndon State College
Laura Jakubowski, Director of Finance, Castleton University
Brendan Lalor, Professor of Philosophy, Castleton University
Marty McMahon, Veterans Advisor, Castleton University
Maurice Ouimet, Dean of Enrollment, Castleton University
Frances Ryan, Librarian, Castleton University
Sharron Scott, Dean of Administration, Johnson State College
Lit Tyler, Dean of Administration, Vermont Technical College
Beth Walsh, VSCUP President, Johnson State College

Chair Diamond called the meeting to order at 10:00 a.m.

1. Approval of the minutes of the August 24, 2016 meeting

Trustee Dickinson moved and Trustee Luneau seconded the approval of the minutes. The minutes were approved unanimously.

2. Presentation and discussion with Vermont Tech President Pat Moulton

President Moulton gave a presentation on future possibilities for the college's farms.

Trustee Dickinson made the following motion:

I move that the Long Range Planning Committee of the VSC Board of Trustees enter executive session, pursuant to 1 V.S.A. § 313(a)(1)(A) and (F), for the purpose of discussing contracts and to receive confidential attorney-client communications. Because premature general public knowledge of these discussions would place VSC at a substantial disadvantage, it is appropriate for the Committee to enter executive session. Along with the members of the Board present at this meeting, in its discretion, the Board invites the Chancellor, VSC General Counsel, the President of Vermont Technical College and the Dean of Administration of Vermont Technical College to attend.

The motion was seconded by Trustee Hindes and approved unanimously. The Committee entered executive session at 10:06 a.m., exited executive session at 10:48 a.m., and took no action.

President Moulton introduced potential next steps for thinking about future of the Williston campus. There are options regarding the campus' current location:

- \$10,000 to search for other sites
- \$15-20,000 to develop existing campus improvement recommendations
- \$50,000 to do analysis, asset management review, space utilization
- \$80-130,000 for full analysis and long-range plan

President Moulton stated she suspects the sale price of the property would not cover costs to relocate elsewhere, and the location is desirable for Vermont Tech.

Chancellor Spaulding stated that Vermont Tech needs to figure out what kinds of programming are most appropriate first, and then consider facilities needs. He recommended forming a working group with some external members. President Moulton will ask Professor Allan Rodgers to do this strategic planning work.

Chair Diamond inquired whether Vermont Tech would need to include any projects in next year's budget to be considered by the Finance & Facilities Committee.

President Moulton answered that she is looking for Board direction as to whether to explore other locations first. They can hold off on the \$100K+ master plan for now, and can look first to smaller improvements to accomplish over the next five years. A 2010 report from Northern Architects recommended rebuilding one building at a time and including parking underneath. There could be options to partner with a developer.

Chancellor Spaulding agreed with President Moulton regarding the desirability of the campus' current location. There was general agreement among the trustees that the location is good. Trustee Lippert stated he wants to hear the discussion about the Williston campus embedded in a strategic vision for Vermont Tech overall.

3. Progress update on the Six Strategic Priorities and associated action steps

Chief Academic Officer Yasmine Ziesler presented to the Committee an update on how the system has met the six strategic priorities set by the Board in 2015.

4. Discussion of challenges in current higher education landscape

The Committee decided to delay this conversation until May 31, 2017 and would hold a meeting for this purpose prior to the Finance & Facilities Committee meeting that day.

5. Discussion regarding extension of the Long Range Planning Committee

The Long Range Planning Committee was formed by the Board in April 2015. Its charge states, "The Committee shall sunset on June 30, 2017, unless reauthorized by the Board." The Committee discussed this upcoming deadline. Chancellor Spaulding recommended that the Committee remain active and hold quarterly meetings to assist with greater strategic needs. The Committee members agreed and will recommend to the full Board that the Committee be reauthorized.

6. Other business

The Committee discussed the impact of the new free tuition plan adopted by the state of New York. There is concern about potential out-of-state students remaining in New York as a result of this program. There are additional concerns regarding international students and the impact recent immigration-related issues may have on their enrollment.

7. Comments from the public

There were no comments from the public.

The meeting was adjourned at 12:45 p.m.

Unapproved minutes of the Long Range Planning Committee meeting Wednesday, May 31, 2017

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

The Vermont State Colleges Board of Trustees Long Range Planning Committee conducted a meeting Wednesday, May 31, 2017 at the Chancellor's Office in Montpelier.

Committee members present: Jerry Diamond (Chair), Lynn Dickinson, Church Hindes, Tim Jerman, Karen Luneau (Vice-Chair), and Martha O'Connor

Other Trustees present: Bill Lippert and Linda Milne

Chancellor's Office Staff: Tricia Coates, Director of External & Governmental Affairs
Kevin Conroy, Chief Information Officer
Todd Daloz, Associate General Counsel
Harriet Johnson, Executive Assistant to the Chancellor's Office
Jeb Spaulding, Chancellor
Elaine Sopchak, Administrative Director
Steve Wisloski, Chief Financial Officer
Sophie Zdatny, General Counsel
Yasmine Ziesler, Chief Academic Officer

College Presidents: Nolan Atkins, Elaine Collins, Joyce Judy, and Pat Moulton

From the Colleges: Lisa Cline, Johnson State College, Faculty Federation President
Scott Dikeman, Dean of Administration, Castleton University
Laura Jakubowski, Director of Finance, Castleton University
Barbara Martin, Dean of Administration, Community College of Vermont
Maurice Ouimet, Dean of Enrollment, Castleton University
Sharron Scott, Dean of Administration, Johnson State College
Toby Stewart, Controller, Johnson State College
Beth Walsh, VSCUP President, Johnson State College

1. Chair Diamond called the meeting to order at 10:00 a.m.
2. Approval of the May 9, 2017 meeting minutes.

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

3. Discussion of challenges in current higher education landscape

Chair Diamond asked Chancellor Spaulding to open the discussion.

President Collins identified the following macro trends:

- Rising tuition takes 40% of family income now versus 20% twenty years ago.
- 80% of students graduate high school. Of those, 50% are not ready for college; there is a preparation issue. Rising mental health issues affect retention and time to graduation.
- Financial need for aid increasing.
- There is a public relations crisis where the public is not understanding the benefits of higher education other than the financial benefit. Need to articulate the personal value and social impact (how does it benefit society) of education.
- State and federal budgetary pressures. Strings attached by states to appropriation increases like performance benchmarks or other measures do not take into consideration infrastructure needs.
- Increased labor costs and increased cost centers in general. Health care, salary increases, retirements, tenure are fixed investments with little room to change.
- Increasing competition.

President Moulton added to President Collins statements relative to undervaluing certain professions particularly in liberal arts, and prioritizing professions based on service to others (teachers, primary care doctors, direct care nursing, social workers, etc).

President Judy emphasized there are huge opportunities within these challenges. Low college-going rate is an opportunity to reach those potential students. Chancellor Spaulding stated students that are not going on to postsecondary education are the ones most likely to be unprepared and need aid. It is more expensive to prepare them and help them succeed. VSC tries to help students so they can attend college and this requires an investment. The group continued with further discussion regarding the need for remedial work.

Dean Dikeman spoke of the accumulation of multiple factors affecting Castleton University, referencing the New York free tuition program, aggressive discounting by other colleges, and international students and travel bans. He also mentioned that Canadian students' attendance is lower due to the exchange rate and affordability. This accumulation adds up to serious challenges facing Castleton University. General discussion of demographics and markets continued.

Trustee Hindes stated structural deficiencies within higher education should be considered as a challenge. How should we target certain groups, and how do we perceive our roles.

Trustee Dickinson spoke about the perception of free tuition being the cure for everything. President Moulton discussed deferred maintenance and how students see our buildings in comparison to competition. The dorms are not new and this is a challenge.

Chancellor Spaulding asked the Trustees to discuss how the colleges can address these challenges.

President Collins presented several revenue generating ideas, including unification; reduced number of administrative positions; resource sharing; increased development efforts; increased fund raising; increased revenue streams; public/private partnerships developing new programs; letting go of other programs, non-traditional programming; increasing technical delivery systems; and examining instructional costs.

Interim President Atkins stated many students are currently earning 12 or fewer credits per semester. Some ideas to improve this include creating a new academic calendar to build in winter and summer terms, which will allow students flexibility to stay on track for 4-year graduation; or to have a fall and spring semester with multiple start dates.

Other ideas include:

- Examine the advising model (cf SNHU's advising center); more for retention. Resolving student-facing software and technology issues continues to be a big challenge. Summer bridge program starting this summer on both campuses.
- Diversity of revenue streams—NVU Online, hybrid/low res options, micro credentials, other entrepreneurial partnerships (NECC).
- Addressing the perception and brand of state colleges because there is a stigma associated with them.
- More institutional research to understand who is enrolling and who is not. For example, better understanding the application to deposit conversion. Need to get smarter about how we look at data.

President Judy spoke about supporting K-12 and encouraging dual enrollment, nurturing relationships with other high schools and colleges, and working on credentials development.

Dean Dikeman of Castleton spoke about the need to downsize Castleton due to reduced enrollment. He suggested looking at the workforce; reduction in hours; and early retirement options. An option for revenue will be requiring students to live on campus the first two years,

and will also consider looking at new technology and increasing marketing efforts. Dean Ouimet of Castleton would like to revisit Vermont tuition and look at whether secondary Vermont property owners could get tuition breaks.

President Moulton provided the following suggestions: setting up a working adult programs two nights a week or on a weekend; bringing more high school students on campus and organizing competitions, or having NVU offering courses at the CCV or VTC campus.

Trustee Hindes asked whether we should have this conversation with the Secretary of Education or her staff to have their perspective and begin to work together. Trustee Lippert suggested our system should convene a conversation between the AOE and key stakeholders in K-12. Chief Academic Officer Yasmine Ziesler stated she is also looking at designing some programming delivered in high schools in partnership with faculty, and high school teachers.

4. Other business

Chair O'Connor discussed scheduling problem regarding the Board's June 21-22 meeting. Legislators will be absent, and several other members are unavailable so there won't be a quorum. The Board will consider alternatives and have a decision by June 5 regarding how to hold this meeting.

5. Comments from the public

Beth Walsh spoke about workload and reduction in hours as we try to find ways to do more with less and asked the Board to be mindful of contracts and ensure equity of process.

The meeting was adjourned at 12:14 p.m.

Item 9:
Report of the Executive Committee

Unapproved minutes of the VSC Board of Trustees Executive Committee meeting Monday, April 28, 2017

The Vermont State Colleges Board of Trustees Executive Committee conducted a Committee meeting on Friday, April 28, 2017 at the Office of the Chancellor in Montpelier, Vermont.

Executive Committee members present: Martha O'Connor (Chair), Tim Jerman (Vice Chair), Karen Luneau, Linda Milne

Other trustees present: Lynn Dickinson, Bill Lippert

Other trustees present by phone: Jerry Diamond, Churchill Hindes, Chris MacFarlane, Mike Pieciak, Aly Richards

Chair O'Connor called the meeting to order at 10:30 a.m.

Trustee Jerman made the following motion:

I move the Executive Committee of the Vermont State Colleges Board of Trustees enter executive session, pursuant to 1 V.S.A. § 313(a)(3) to discuss the employment of a public employee. Further, I move the Committee enter executive session, pursuant to 1 V.S.A. § 313(a)(1)(B), for the purpose of discussing labor relations agreements with employees. Because premature general public knowledge of these discussions would place VSC at a substantial disadvantage, it is appropriate for the Committee to enter executive session. Along with the members of the Board present at this meeting, in its discretion, the Board invites the Chancellor and VSC General Counsel to attend.

Trustee Milne seconded the motion. The motion passed unanimously on a voice vote and the Committee entered executive session.

At 11:25 a.m. Chancellor Spaulding exited the executive session.

At 12:04 p.m. trustees exited executive session and took no actions.

Chair O'Connor then adjourned the Executive Committee meeting.

Unapproved minutes of the VSC Board of Trustees Executive Committee meeting Monday, May 9, 2017

The Vermont State Colleges Board of Trustees Executive Committee conducted a Committee meeting on Tuesday, May 9, 2017 at the Office of the Chancellor in Montpelier, Vermont.

Executive Committee members present: Martha O'Connor (Chair), Tim Jerman (Vice Chair), Karen Luneau, Linda Milne

Other trustees present: Jerry Diamond, Lynn Dickinson, Churchill Hindes, Bill Lippert, Jim Masland

Other trustees present by phone: Chris Macfarlane

Chair O'Connor called the meeting to order at 8:35 a.m.

Trustee Jerman made the following motion:

I move the Executive Committee of the VSC Board of Trustees enter executive session, pursuant to 1 V.S.A. § 313(a)(1)(B) and (F), for the purpose of discussing labor relations agreements with employees and to receive confidential attorney-client communications. Because premature general public knowledge of these discussions would place VSC at a substantial disadvantage, it is appropriate for the Committee to enter executive session. Further, I move the Committee enter executive session, pursuant to 1 V.S.A. § 313(a)(3) to discuss the employment of a public employee. Along with the members of the Board present at this meeting, in its discretion, the Board invites the VSC General Counsel to attend.

Trustee Milne seconded the motion. The motion passed unanimously on a voice vote and the Committee entered executive session.

At 9:38 a.m. trustees exited executive session and took no actions.

Chair O'Connor then adjourned the Executive Committee meeting.

Unapproved minutes of the VSC Board of Trustees Executive Committee meeting Monday, May 31, 2017

The Vermont State Colleges Board of Trustees Executive Committee conducted a Committee meeting on Wednesday, May 31, 2017 at the Office of the Chancellor in Montpelier, Vermont.

Executive Committee members present: Martha O'Connor (Chair), Tim Jerman (Vice Chair), Karen Luneau, Linda Milne

Chancellor's Office Staff: Harriet Johnson, Executive Assistant to the Chancellor's Office
Elaine Sopchak, Administrative Director
Jeb Spaulding, Chancellor

Chair O'Connor called the meeting to order at 9:00 a.m.

Trustee Jerman made the following motion:

I move the Executive Committee of the Vermont State Colleges Board of Trustees enter executive session, pursuant to 1 V.S.A. § 313(a)(3) to discuss the employment of a public employee. Because premature general public knowledge of these discussions would place VSC at a substantial disadvantage, it is appropriate for the Committee to enter executive session. Along with the members of the Board present at this meeting, in its discretion, the Board invites the Chancellor to attend.

Trustee Milne seconded the motion. The motion passed unanimously on a voice vote and the Committee entered executive session at 9:02 a.m.

At 9:44 a.m. the Committee exited executive session and took no actions.

Chair O'Connor then adjourned the Executive Committee meeting at 9:45 a.m.