

*For the benefit of Vermont*



**VERMONT STATE COLLEGES SYSTEM**  
Board of Trustees  
Handbook

June 2017

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VSCS Office of the Chancellor

Welcome to the Vermont State Colleges Board of Trustees.

The Vermont State Colleges are the gateway to a successful future for Vermonters and the state of Vermont. The work of our system touches every aspect of Vermont life: from agriculture to manufacturing, from business innovation to environmental conservation, from cultural awareness to policymaking. The economic success of every resident and the entire state is tied to the education and the services the Vermont State Colleges provide every day, statewide.

As a trustee, you are part of the leadership team that charts the course of the future of education and economic development in Vermont. You will see the full depth and breadth of the programs our institutions offer, the vast diversity of the students we serve, and the wide array of services our system provides to the state of Vermont. You will be a part of decisions that shape how the system meets the needs of our current students, and how it will change to meet the needs of the future.


Over the course of your tenure as a trustee, you will also work towards solutions to many challenges. Together the Board will navigate the difficult waters of higher education today, addressing issues of funding, accessibility, affordability, and student retention and completion. You will learn a great deal, and you will also teach your fellow Board members many things.

The mission of the Vermont State Colleges was very carefully crafted and clearly says what we are all about:

*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.*

On behalf of the entire VSCS Board of Trustees, I welcome you and look forward to working together with you for the benefit of Vermont.

Sincerely,



Martha H. O'Connor  
Chair, VSCS Board of Trustees

## Mission of the Vermont State Colleges

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.

This integrated education, in conjunction with experiential learning opportunities, assures that graduates of VSC programs will:

1. Demonstrate competence in communication, research and critical thinking;
2. Practice creative problem-solving both individually and collaboratively;
3. Be engaged, effective, and responsible citizens;
4. Bring to the workplace appropriate skills and an appreciation of work quality and ethics;
5. Embrace the necessity and joy of lifelong learning for personal and professional growth.

The Vermont State Colleges system provides continuing educational opportunities for individuals to meet their specific goals.

## Vision of the Vermont State Colleges

To realize its mission for the benefit of Vermont:

- The VSC will be known for high quality programs, as measured by the skills, knowledge and contributions of students, graduates and clients.
- VSC system resources – human, financial, technological and physical – will be collaboratively leveraged to achieve our mission and stated goals, and to address agreed-upon priorities.
- The VSC will develop a culture of continuous improvement, supported by college and system assessment systems that measure progress toward stated goals.
- The VSC will be recognized as a great place to work, in terms of what it offers employees as well as what it contributes to local communities.
- The VSC will have comprehensive and timely access to data that inform college and system planning, management and decision making.
- The VSC will maximize the advantages of being a system and minimize bureaucracy to maintain one comprehensive and interconnected system comprised of five distinct institutions.
- VSC structures and delivery systems will be flexible enough to both anticipate and quickly adapt to shifting internal and external forces.
- VSC services will be delivered when and where students and clients need them.
- The VSC will meet or exceed students' and clients' expectations related to service.

## An Overview of the Board of Trustees

The Board of Trustees of the Vermont State Colleges is charged with the oversight of the corporation. As the governing board of the system, the Board is the final authority and is held accountable for both the system and the institutions within it. The Board provides leadership and governance at the system level. System policies govern fiscal, academic, student, and personnel matters.

### *Board Principles of Governance*

There are certain clear and accepted principles that govern the Board's conduct of VSC affairs and its relationships. These include the following:

- Board Members are officers of the system with a fiduciary responsibility for the entire system. They represent statewide, rather than regional, political, or personal interests.
- The Board limits its direct action to the development and oversight of policy and finances, and to the hiring and evaluation of its executive officers. The Board does not directly manage the institutions.
- The Board takes action as a board, not as 15 individual trustees. Board members express their views and seek changes within the committees and other structures of the Board, rather than outside the Board process.
- Openness, trust, and honesty are the trademarks of all dealings between Board members, with the officers of the institutions, and with the public.

According to the [Association of Governing Boards of Universities and Colleges](#), highly effective boards:

1. Create a culture of inclusion.
2. Uphold basic fiduciary principles.
3. Cultivate a healthy relationship with the chief executive.
4. Select an effective board chair.
5. Establish an effective governance committee.
6. Delegate appropriate decision-making authority to committees.
7. Consider strategic risk factors.
8. Provide appropriate oversight of academic quality.
9. Develop a renewed commitment to shared governance.
10. Focus on accountability.

System governance documents include:

- VSC enabling statutes ([Title 16 VSA Chapter 72 §2170-2186](#))
- [Corporate By-Laws](#)
- [VSC Policy and Procedures Manual](#)
- Contracts with [full-time faculty](#), [part-time faculty](#), [supervisory staff](#), [professional / administrative / technical staff](#), [non-faculty employees](#), and [non-exempt staff VSC Personnel Handbook](#) for non-bargaining unit employees

The Board promulgates policies and the Chancellor adopts procedures to guide institution presidents and other VSC officers in the execution of their respective duties.

The Board also selects the Chancellor, the chief executive officer of the VSC system, and the presidents, the chief operating officers of VSC's five institutions (with advice from the Chancellor).

The presidents, once appointed, report to the Chancellor. When a vacancy occurs in one of the above positions, the Board appoints a committee of trustees to review applications, conduct interviews, and ultimately recommend an appointment to the full Board. This Board committee is assisted by an advisory group made up of appropriate members of the VSC community.

Yearly, the Board conducts its performance review of the Chancellor and hears his/her performance reviews of the college presidents.

## VERMONT STATE COLLEGES BOARD OF TRUSTEES STATEMENT OF TRUSTEE RESPONSIBILITIES

Trusteeship is exciting, rewarding, and demanding; it requires commitment, time, intellectual energy, and effort. Major responsibilities include but are not limited to the following:

### Standard of Care

A Trustee shall at all times discharge his or her duties as a Trustee in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the Trustee reasonably believes to be in the best interests of the System.

### Diligence

A Trustee shall carefully prepare for, and regularly attend, all scheduled Board meetings and the meetings of Committees to which he or she is assigned.

A Trustee should allocate the necessary commitment of time to be effective in meetings and participate actively in the group discussion.

A Trustee shall exercise his or her best judgment in making decisions that affect the course of the System.

A Trustee is expected to become knowledgeable in all aspects of the System, including its governance, mission, strategic plans, and programs. In addition, in order to increase understanding of the System, its culture and community, a Trustee is encouraged to participate in the life of the Systems institutions through attendance at their functions and social events.

A Trustee must be committed to the principles of equal opportunity and non-discrimination for all students, faculty, and staff.

### Loyalty

A Trustee may challenge the judgment of others when he or she deems it necessary to do so, and shall vote his or her individual convictions after listening to others. A Trustee must, however, be willing to work with fellow Board members in the best interests of the System and should support Board decisions publicly.

A Trustee shall maintain the confidential nature of Executive Session.

A Trustee shall support the Chancellor's role as chief executive, to whom the Board has delegated responsibility for personnel, management and administrative matters. Furthermore, a Trustee shall communicate promptly and as appropriate any significant concern or complaint of which he or she becomes aware to the Chancellor or Board Chair.

A Trustee shall recognize that the Chancellor is the spokesperson for the System and the Chair is the spokesperson for the Board unless otherwise designated. When a Trustee engages in communications with personnel, students, citizens, and the media on an individual basis, the Trustee shall be guided by the duty of loyalty as set forth in this section of the Statement of Trustee Responsibilities.

A Trustee should support the System's fundraising and/or related activities through participation in fund drives according to their personal circumstances.

A Trustee should have an abiding interest in higher education and in furtherance of the mission of this System.

### Conflicts Avoidance

The constituency of each Trustee is the System, regardless of the source of appointment. A Trustee shall act independently for the benefit of the System as a whole and not for the benefit of a particular institution, program, or interest.

A Trustee shall comply with the letter and spirit of the Board of Trustees' Conflict of Interest Policy.

*Adopted by the Board of Trustees September 23, 2015*

*Trustee Commitment*

The full Board currently meets five times a year; full Board meetings constitute a two-day agenda including an overnight stay. Board committees meet approximately two weeks before full Board meetings. Full Board meetings occur at each of the VSC institutions on a rotating basis. Committee meetings occur at the Chancellor's Office. Board and committee meetings are open to the public and are subject to Vermont Open Meeting Laws ([1 VSA § 312-313](#)).

Trustees are expected to attend Board meetings and meetings of the committee(s) on which they sit. Trustees are also encouraged to attend other committee meetings as personal schedules permit.

In addition to Board and committee meetings, trustees are expected to attend one or two college graduations each year along with other appropriate college events in which they might have interest. The colleges appreciate such visits, which also increase Board members' knowledge of the institutions.

The Board of Trustees is an active body that meets on a regular basis but can also be called to meet more frequently for other reasons, such as a special meeting, ad hoc committee work, or a presidential search. In addition, Board decisions are frequently based on system data and other information provided by Chancellor's Office staff or the institutions. A certain amount of reading and studying information and data is essential to trustees' ability to make educated decisions. Opportunities for Board member professional development in the form of supplemental reading and other educational opportunities outside of the Board meeting cycle are also provided.

*General Roles & Responsibilities of Trustees**Annual Tasks*

- Selection of external auditor and review of audit reports
- Approval and audit of internal operating and capital budgets
- Establish tuition rates and fees
- Develop request for state appropriations
- Review of existing academic programs under VSC Policy 101
- Review of program enrollment under VSC Policy 109
- Election of Board officers (Chair, Vice-Chair, Secretary, and Treasurer)
- Attend VSC Board of Trustees retreat
- Performance review and reappointment of Chancellor and institution presidents
- Attend institutional commencements



### Ongoing Tasks

- System-wide strategic planning
  - Policy development, review, and revision
  - Review of system performance indicators and benchmarks
  - Review of and action on financial and real estate transactions
  - Review of and action on new program proposals under VSC Policy 102
- Participation in legislative activities

### Intermittent Tasks

- Chancellor selection
- President selection
- Task forces on special topics

### *Board Committees*

The standing committees of the Board are:

- Audit Committee
- Education, Personnel & Student Life (EPSL) Committee
- Executive Committee
- Finance & Facilities Committee
- Long Range Planning Committee
- Nominating Committee

While each committee's deliberations are often conducted informally, they follow Robert's Rules of Order when taking action as a committee. Minutes of the committee meetings are recorded and are archived at the Office of the Chancellor and published [online](#).

### *Special Task Forces & Committees*

In addition to the standing committees, occasionally the Board appoints special ad hoc committees or task forces to deal with specific problems or issues. Membership often includes non-trustees. The kinds of problems and issues that have been studied by VSC task forces in the past include library services, student life, computing services, and basic skills.

## Vermont State Colleges Board of Trustees Audit Committee Charter

### I. Purpose

The responsibilities of the Audit Committee (or ‘Committee’) of the Board of Trustees (or ‘Board’) of Vermont State Colleges Board of Trustees are to oversee:

- i. the VSC’s systems of internal controls and other processes regarding finance, operations, accounting and legal compliance;
- ii. the VSC’s auditing, accounting and financial reporting processes generally;
- iii. the integrity of the VSC’s financial statements and other financial information provided by the VSC to the public and others;
- iv. the VSC’s compliance with legal and regulatory requirements;
- v. the independent auditor’s qualifications and independence;
- vi. the performance of the VSC’s internal auditors and independent auditors;
- vii. the codification of policies, procedures and practices related to the foregoing.

The Audit Committee also provides an open avenue of communication among the independent auditors, the internal auditors, financial and senior management, and the Board of Trustees.

### II. Organization

The Audit Committee shall comprise five trustees who shall satisfy the independence, financial literacy, and experience requirements, as defined by applicable rules and regulations.

Committee members shall be elected by the Board of Trustees at the annual organizational meeting on the recommendation of the Nominating Committee.

The Committee may form and delegate authority to subcommittees when appropriate.

The Chair of the Committee shall be appointed by the Chair of the Board from the elected members of the Committee.

### III. Meetings

The Audit Committee shall meet a minimum of three times per year, or more frequently as circumstances require. The Committee shall require members of management, the financial department, the internal auditors if any, the independent auditors and others to attend meetings and to provide pertinent information, as necessary. To the extent permitted by Vermont open meeting requirements the Committee shall meet from time to time in separate executive sessions with management, the internal auditors, the independent auditors or others that it may designate to discuss any matters that the Committee (or any of these groups) believes should be discussed privately. The Board may adjust the number of Committee meetings required per year or the number of members on the Committee by majority vote at any warned regular or special meeting as long as the Board is satisfied that the fundamental purpose and functioning of the Committee will not be compromised.

#### IV. Responsibilities and Duties

The Committee shall consult with management but shall not delegate the responsibilities outlined herein. In performing its oversight responsibilities the Audit Committee shall:

*With respect to the independent auditors:*

1. The Board of Trustees shall have sole authority for approving the appointment of the independent auditors. However, the Committee shall have the authority and responsibility for the identification and evaluation of the independent auditors and submitting recommendations to the Board of Trustees regarding the terms, continuation, or termination of an engagement.
2. Approve all audit engagement fees.
3. Oversee the work of the independent auditors for the purpose of preparing or issuing an audit report or related work.
4. Oversee the resolution of disagreements between management and the independent auditors in the event that they arise.
5. Consider whether the independent auditor's performance of permissible non-audit services is compatible with auditor's independence and approve all non-audit engagements with the independent auditors in advance of any such engagement.
6. At least annually, obtain and review a report from the independent auditors describing (i) the independent auditors' internal quality control procedures; (ii) any material issues raised by the most recent internal quality control review, peer review, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the independent auditors, and any steps taken to deal with any such issues.

*With respect to financial information and reporting:*

1. On a timely basis review and discuss with management the quarterly financial statements (including disclosures made in "Management's Discussion and Analysis of Financial Condition and Results of Operations") and with both management and the independent auditors, the VSC's annual audited financial statements.
2. Discuss with the independent auditors matters required to be discussed by Statement on Auditing Standards No.114, The Auditor's Communication With Those Charged With Governance, as it may be amended, re-titled, or superseded from time to time.
3. Review with management and the independent auditor's financial accounting policies, significant reporting issues, systems of financial control and other matters related to the VSC's financial statements as required by applicable rules and regulations.

*With respect to the internal auditors and internal controls:*

1. Consider and review with the independent auditors and the internal auditors, if any, the adequacy of the VSC's internal control structure and systems and the procedures designed to ensure compliance with laws and regulations.
2. Review and advise on the selection or removal of the internal auditors, if any.

3. Periodically review any significant difficulties, disagreements with management, or scope restrictions encountered by the internal auditors in the course of their work.

*With respect to other matters:*

1. Report regularly to the Board of Trustees.
2. Discuss policies with respect to risk assessment and risk management, including the VSC's major financial and accounting risk exposures and the steps management has undertaken to control them.
3. Perform an annual self-assessment relative to the Audit Committee's purpose, duties and responsibilities outlined herein, including an assessment of the adequacy of this Charter.
4. Perform any other activities consistent with this Charter, the VSC's By-laws, and governing law as the Committee or the Board deems necessary or appropriate.

## V. Resources

After consultation with the Chairman of the Board of Trustees, the Audit Committee shall have the authority to retain independent legal, accounting, and other consultants to advise the Committee with respect to any matter. The Committee may request any officer or employee of the VSC or the VSC's outside counsel or independent auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee.

Rev. 10/2011, 5/2016

## **Finance & Facilities Committee Governance Statement**

### **I. Purpose of the Committee**

The Committee's core responsibility is to assure the short and long term financial integrity of the VSC. To this end it acts to review and make recommendations to the Board of Trustees regarding:

- Strategic financial planning
- Initiatives having significant financial implications
- Annual budgeting
- Capital construction
- Facilities maintenance and protection
- Financial performance as reported in the financial statements

### **II. Recurring Areas of Oversight Responsibility**

The Committee will periodically review and make any necessary recommendations regarding:

- Approval of tuition and fees
- Annual Operating and Capital Budgets
- Annual and interim financial statements and reports
- Capital Projects
- Management of cash, investments, and endowment funds
- Review of grants and gifts
- Policies and procedures relating to financial affairs

### **III. Meetings and Processes**

The following apply to meetings and processes of the Committee:

- The members and chair of the Committee shall be appointed by the Chair of the Board, where feasible, by the next Board meeting following the Annual Meeting.
- The VSC Chief Financial Officer is the principal staff liaison to the Committee. His/her responsibility to the Committee includes preparation of meeting materials, design and preparation of monitoring and other reports, recording of minutes and general coordination with the committee members and chair.
- Annually the Committee will establish tentative agenda items.

## **EPSL Committee**

### **Areas of Responsibility**

The members and chair of the Committee shall be appointed by the Chair of the Board, where feasible, by the next Board meeting following the Annual meeting. The EPSL committee has primary responsibility for the development and implementation of policies related to Academic Affairs, Personnel, and Student Affairs.

On an annual basis, the EPSL committee shall:

1. Review activities of the colleges and system that promote the continuous improvement in quality of academic programs. These activities are summarized in reports generated according to VSC Policy 101 (Program Review and Continuous Improvement Process).
2. Recommend to the board the status of all programs under review through Policy 109 (Annual Enrollment Review of Existing Academic Programs).
3. Review annual personnel/ legal affairs reports, including but not limited to: crime statistics, staffing plans, and legal affairs activity.
4. Review annual system performance indicators and, on a rotating schedule developed in consultation with the Chancellor or designee, reports on system wide initiatives related to academic, personnel or student affairs, including but not limited to: educator quality, distance learning, workforce education and training, assessment, employee relations and PK-16 partnerships.

As needed on an ongoing basis, the EPSL committee shall also:

1. Approve preliminary proposals for new academic program development and make recommendations to the Board of Trustees on final proposals for new academic programs according to Policy 102 (Approval of New Academic Programs).
2. Review and recommend action to the Board of Trustees on proposals to award emeritus status (Policy 204).
3. Recommend action to the Board of Trustees on the revision and/ or development of VSC academic, personnel, and student affairs policies and procedures.
4. Review and recommend action to the Board of Trustees on resolutions to offer special recognition to individuals, groups or organizations.
5. Conduct other business as needed and related to academic, personnel and/or student affairs.

Revised 4/2015

## **Charge for the Executive Committee**

The Executive Committee is a Standing Committee of the Board of Trustees of the Vermont State Colleges.

### **Purpose**

The purpose of the Executive Committee is limited exclusively to those powers granted by the Board through this charge and any powers necessary and incidental to the exercise thereof. It is not intended as a “super” committee. The committee is intended to address occasional issues requiring action between Board meetings, to assist the Board in the evaluation process of VSC leadership, and to facilitate meaningful and productive Board and Committee proceedings. The Committee may not take action on matters affecting Board policies or the significant expenditure of resources.

### **Responsibilities**

Within the limits of its lawful authority, the Executive Committee shall have all the powers of the Board of Trustees in management of the property and affairs of the Vermont State Colleges and may otherwise exercise the authority of the Board of Trustees. The Committee is charged to take action only on matters which cannot or should not be deferred to the Board's next scheduled meeting and shall report in writing on all actions taken at the next full meeting of the Board of Trustees. Minutes of the Executive Committee shall be provided to all Trustees within five days of its meeting.

Additionally, the Executive Committee shall:

- Monitor and provide direction to the Chancellor between Board meetings on legislative issues and interactions with the Executive Branch.
- Review the Chancellor's performance with recommendations to the full Board of Trustees relative to reappointment and compensation.
- Review the Chancellor's evaluation of college presidents' performance with recommendations to the full Board of Trustees relative to reappointment.

- Coordinate and facilitate a regular process of Board self-evaluation and development.
- Coordinate and facilitate committee interaction in cases where more than one committee may have jurisdiction on a particular subject under consideration.
- Plan for the VSC Board of Trustees annual Retreat.
- Serve as a “sounding board” for the Chancellor.

### **Composition**

The Committee shall be composed of the four elected officers of the Board of Trustees. The Chair of the Executive Committee shall be the Chair of the Board.



## **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.

## 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.

About the Vermont State Colleges System

*The Chancellor's Office*

The Chancellor is the chief executive officer of the corporation. The Chancellor manages and coordinates the system within policies and guidelines established by the Board of Trustees. Responsibilities of the Chancellor include supervision of fiscal, academic, personnel, and student affairs of the corporation.

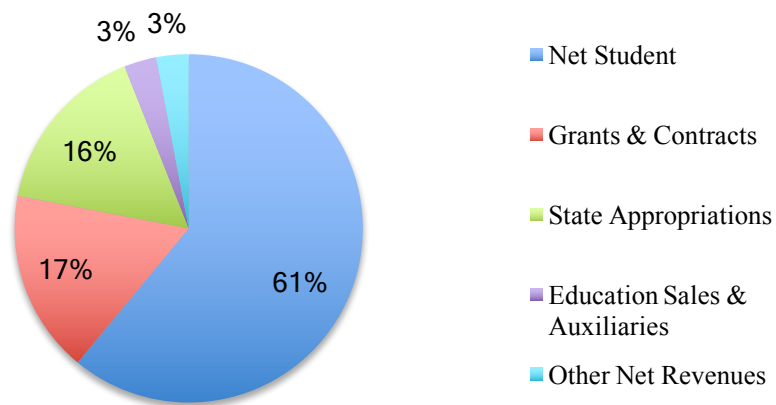
The Chancellor also serves as the communication channel between the institutions and the Board of Trustees and represents VSC interests with the governor, state agencies, and the General Assembly.

The Chancellor testifies before gubernatorial and legislative committees and directs others to do so as needed. The presidents work for and report to the Chancellor as does the Chancellor's staff.

Funding

By statute, the Vermont State Colleges were to be supported “in whole or in substantial part” by the State of Vermont. The VSC receives funding for operations, allied health programs, and the Vermont Manufacturing Extension Center. The appropriation provided by the Vermont General Assembly is approximately 15% of our operating budget. The annual capital appropriation provided by the Vermont General Assembly is approximately \$2 million.

**FY16 Revenue**



The legislature can also appropriate one-time funds for special projects, such as workforce development or scholarships for Vermonters. VSC students also benefit from the Vermont Higher Education Endowment, the interest from which is transferred to the VSC (also to UVM and VSAC).

## The VSC Institutions

The four-year institutions with liberal arts and pre-professional programs include Castleton University, Johnson State College, and Lyndon State College. They offer degree programs ranging from the associate through the master's level. Effective July 1, 2018, Johnson State College and Lyndon State College will merge into one four-year institution, Northern Vermont University.

The two-year institutions that offer associate degrees are Community College of Vermont and Vermont Tech. Vermont Tech also has an increasing number of bachelor's degree programs and recently added its first master's program.

Each institution has a distinctive character and each offers programs to meet the special interests and needs of its students and its region. Together, they offer outstanding opportunities for Vermonters and non-Vermonters to achieve their individual goals.

### *Organizational Structure*

The President is the chief executive and operating officer of each institution. Reporting directly to the Chancellor, the presidents manage their institutions with considerable discretion and autonomy within the bounds of the Board policies and guidelines.

While the system does not impose staffing requirements, each institution typically has the following executive staff positions: academic dean, dean of student affairs, dean of administration, physical plant director, director of human resources, director of admissions, director of financial aid, director of development, and registrar.

## A Brief History of the VSC

The public corporation known as the Vermont State Colleges was created by statute in 1961. The Vermont State Colleges currently consists of five institutions founded over a span of 200 years. Castleton, Johnson, Lyndon and Vermont Tech all started as normal schools between 1787 and 1911 and were under the control of the State Board of Education. The Community College of Vermont, a statewide institution, was founded by executive order of Governor Deane Davis in 1975.

From 1961 to 1977 the VSC operated largely as a “loose confederation” of colleges. There was little or no coordination of academic, financial, or personnel activities. Cooperation between the colleges was minimal and there were few system policies. In 1977, the Board of Trustees asserted their leadership over the colleges and created a functioning system. The Board accepted full responsibility for the financial, academic, and personnel activities of the system.

For decades, the Vermont State Colleges operated under a “top-down” model. The Chancellor’s Office served as central leadership for the system, and the colleges operated within guidelines set from above.

Over time, VSC leaders restructured the system and the function of the central office to enable a sharing of leadership. By cutting staffing and the budget of the central office and working with the presidents to decentralize decision-making, the Chancellor moved considerable authority back to the colleges. Instead of being “command and control,” the Chancellor’s Office shifted to “support and enhance.”

Most recently, the Board of Trustees and Chancellor have made it a priority to become a more comprehensive, cohesive, and interconnected system with multiple distinctive institutions within it. This is intended to enhance educational opportunities by providing students access not only to the resources of their particular college or university, but to the resources of the system as a whole, and to enable the most cost effective operation of individual institutions and the system.

Leadership has evolved into a collaborative relationship allowing for substantial autonomy at the institutional level, while maximizing the educational and operational opportunities provided by a strong system and central office. The Board of Trustees sets policy for the system and the Chancellor adopts system-wide procedures in support of those policies. Each institution operates under the authority of its president and presidential cabinet, consistent with the policies and procedures adopted by the Board of Trustees and Chancellor.

### *Collaboration and Consolidation*

Since 2000, VSC institutions have made working as a system a priority. There are many system-wide planning groups, including:

- Council of Presidents (consisting of the five presidents, the Chancellor, and Chancellor's Office senior staff)
  - Academic Deans Council
  - Business Affairs Council (Administrative Deans)
  - Student Affairs Council (Deans of Students)
  - HR Council (Directors of Human Resources)
  - IT Council (VSC Chief Information Officer and institutional Chief Technology Officers)
- Other VSC-wide groups focus on special topics such as general education or employee evaluations on an as needed basis.

Additionally, to conserve resources and operate more efficiently, the system has consolidated the delivery of several administrative functions. Functions are performed better because we have the resources to do the job well one time, rather than spreading every institution's resources too thin. Areas that have been consolidated include:

- Institutional Research
- Payroll
- Administrative Information Systems
- Information Technology
- Accounts Receivable
- Legal Services

The VSC is unique in having a single administrative information system across five institutions, including a single course list. By consolidating large amounts of data across multiple systems, we have made business and administration processes more effective and are able to leverage information technology to support institutional priorities and make informed decisions.



## *Employee Relations*

VSC Employees fall into two general categories: unionized or non-unionized. Non-unionized employees include:

- All employees in the Chancellor's Office
- Executive level employees at the four campus-based institutions
- Employees in VSC's outreach programs (e.g. VMEC)
- All CCV employees including faculty
- All faculty in Johnson State's External Degree Program

Unionized employees include:

- [Full-time faculty](#) at Castleton, Johnson, Lyndon and Vermont Tech
- Professional, Administrative and Technical Employees ([PAT](#))
- Supervisory Employees ([SUP](#))
- Represented clerical/maintenance [staff \(VSEA\)](#)
- [Part-time faculty](#) at Castleton, Johnson, Lyndon and Vermont Tech

Non-unionized employees are governed by the [VSC Personnel Handbook](#). Unionized employees are governed by negotiated [Agreements](#), one for each unit (see links above). In addition, the Board of Trustees maintains a [Policies and Procedures Manual](#) applicable to all VSC employees.

## Strategic Planning

The VSC undergoes system-wide strategic planning on a regular basis. The rapidly changing landscape of higher education requires flexibility, responsiveness, and innovation to ensure the VSC is meeting the needs of our students and the state of Vermont.

### *Past strategic planning initiatives*

The VSC Board of Trustees launched a comprehensive planning process in the spring of 1999 in order to position the colleges and the entire system for continued growth and efficiency. This process included a complete revision of our mission and vision statements, and the creation of 11 strategic initiatives to strengthen the VSC's finances, academic programs and organizational structure.

By 2004 the VSC had moved toward more theme-based planning, identifying key challenges and setting priorities annually. Each year the system as a whole reviewed the progress made in each area and developed priorities for the coming year.

At its annual retreat in 2006 the Board of Trustees set five strategic priorities:

- Affirm the VSC's essential role in the economic and social vitality of Vermont.
- Ensure the long-term financial sustainability of the system.
- Strengthen student recruitment and retention.
- Attract and retain highly effective employees.
- Ensure effective and efficient business practices.

These priorities were set after review of current and emerging issues and trends affecting higher education, consideration of the individual institutions' priorities, and analysis of Vermont's critical issues and needs, particularly in relation to education and workforce development. Three themes of ongoing importance to the VSC were identified: access, affordability, and accountability.

A five-year plan developed in 2008 by the Board during the next strategic planning cycle identified five strategic goals:

- Realize the full potential of the system to support the intellectual, economic and social vitality of the State.
- Enhance student access and success through high quality programs and services.
- Ensure the long-term financial viability and sustainability of the system.
- Attract, support, and retain highly effective employees.
- Support the well-being of individuals and local communities through five strong colleges.

Five priorities were established in support of those goals: access and affordability; academic quality and success; financial strength; economic development; and employee development and support.

In 2013 the Board took a different approach and embarked on a broad strategic inquiry process that engaged a wide array of stakeholders in the VSC, including leadership, students, faculty, staff, parents, workforce partners, and businesses. Multiple focus groups, interviews with dozens of constituents, and survey results from hundreds of Vermonters identified “The Ideal VSC:”

- A unified system that is cooperative and collaborative
- High academic standards and increased academic rigor
- Modern and up-to-date, with
- Great faculty and staff
- Nimble and flexible
- Student centric and focused
- Welcoming and supportive
- User friendly and accessible
- Affordable
- Accessible

The culmination of the strategic inquiry process was the creation of “Six Big Ideas” to guide the future of the VSC:

1. To create a whole VSC system that’s greater than the sum of its parts through the collaboration and cooperation of the individual colleges.
2. Create a more versatile and flexible VSC system that enables students to move through at their own pace, charting their own course of study, and with a level of rigor that matches their abilities and needs.
3. To foster a VSC system that has a place for every student regardless of their resources (financial and/or otherwise), age, background, abilities, or station in life.
4. Integrate the VSC system with external communities and partners – sister colleges, the Legislature, public school system, business community, alumni, VSAC, OEP and others – to create educational and employment opportunities for all Vermont students.
5. Enrich the campus experience to give students a well-rounded/holistic education: mind, body and spirit.
6. Incorporate technology and foster innovation that supports, enables and/or enhances the above.

*Strategic planning going forward*

Equipped with the direction provided by the “Ideal VSC” and “Six Big Ideas,” the Board is actively engaged in ongoing strategic planning. The Board created a Long Range Planning Committee tasked with serving as an advisory committee to the Board, Chancellor, and 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. Ongoing discussions regarding student success, interconnectedness between institutions, and innovation will inform the system’s future path in a way that ensures the needs of our students and of Vermont are met.

## **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.*

## Vermont State Colleges By-Laws<sup>1</sup>

### 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.<sup>2</sup>

### 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

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<sup>1</sup> 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

<sup>2</sup> 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.

## The Vermont Statutes Online

### Title 16: Education

#### Chapter 72: Vermont State Colleges

##### § 2170. Statutory purposes

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

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

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

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

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

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

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

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

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

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

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

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

(ii) who is pursuing a degree program; and

(iii) who has reached the age of majority.

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

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

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

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

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

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

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

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

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

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

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

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

#### **§ 2175. Retirement system**

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

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

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

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

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

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

(c), (d) [Repealed.]

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

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

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

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

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

#### **§ 2178. Tax exemption**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**§ 2184. School of Dental Hygiene**

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

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

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

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

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

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

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

**§ 2186. Reserve funds**

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

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

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

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

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

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

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

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

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

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