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# Vermont State Colleges System Board of Trustees Meeting



CASTLETON UNIVERSITY  
COMMUNITY COLLEGE OF VERMONT  
JOHNSON STATE COLLEGE  
LYNDON STATE COLLEGE  
VERMONT TECHNICAL COLLEGE

March 24, 2018

*Community College of Vermont  
Winooski, Vermont*

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## MEMORANDUM

**TO:** Board of Trustees, Vermont State Colleges Systems

**FROM:** J. Churchill Hindes, Chair  
Jeb Spaulding, Chancellor



**DATE:** March 19, 2018

**SUBJECT:** Materials for Board Meeting March 24, 2018

Attached are the agenda and supporting materials for the upcoming Board meeting Saturday, March 24, 2018 in the Couture Room, 108, at 1 Abenaki Way, Community College of Vermont, Winooski, Vermont. The EPSL Committee meetings will start at 9:00 a.m. and the Board of Trustees meeting will begin at 11:00 a.m.

We look forward to seeing everyone on Saturday. Please feel free to get in touch with any questions.

cc: Council of Presidents

## **BOARD OF TRUSTEES**

**J. Churchill Hindes, 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, Vice Chair**

(2/28/20)

**Dylan Giambatista**

(3/1/22)

**Rep. Bill Lippert, Jr.**

(2/18/20)

**Karen Luneau, Secretary**

(2/28/21)

**Chris Macfarlane**

(2/28/19)

**Rep. Jim Masland**

(2/28/22)

**Linda Milne, Treasurer**

(2/28/21)

**Michael Pieciak**

(2/28/21)

**Aly Richards**

(2/28/19)

**David Silverman**

(2/23/22)

**Governor Phil Scott**

(*ex officio*)

### **Board Committees**

#### **Audit**

Linda Milne, Chair

Lynn Dickinson, Vice-Chair

Karen Luneau

Chris Macfarlane

#### **Education, Personnel & Student Life**

Aly Richards, Chair

Jim Masland, Vice-Chair

Shavonna Bent

Janette Bombardier

Lynn Dickinson

Karen Luneau

#### **Executive**

Church Hindes, Chair

Lynn Dickinson

Karen Luneau

Linda Milne

#### **Finance & Facilities**

Church Hindes, Chair

Chris Macfarlane, Vice-Chair

Jerry Diamond

Bill Lippert

Linda Milne

Mike Pieciak

David Silverman

#### **Long Range Planning**

Jerry Diamond, Chair

Karen Luneau, Vice Chair

Lynn Dickinson

Dylan Giambatista

Mike Pieciak

Aly Richards

### **Board Meeting Dates**

December 1, 2017

March 24, 2018

June 21, 2018

Sept 26-27, 2018

Castleton University, Castleton, VT

Community College of VT, Winooski, VT

Northern Vermont University-Lyndon, Lyndonville, VT

To Be Determined

### **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**

**Patroklos Karantinos**

**Tracy Sweet**

**Vermont State Colleges Board of Trustees Regular Meeting  
Couture Room, Room 108, 1 Abenaki Way  
Community College of Vermont, Winooski, Vermont**

**Saturday, March 24, 2018  
Meeting Convenes at 11:00 AM**

**AGENDA**

**March 24, 2018**

11:00 AM – Presentation by CCV and probable executive session on real estate matter

Noon – Board recesses for lunch

1:00 PM - Board reconvenes

1. Welcome new Board Members
2. Presentation on VSCS Teacher Education Programs
3. Consent Agenda – Motion to Approve
  - a. December 1, 2017 Meeting Minutes
  - b. December 11, 2017 Meeting Minutes
  - c. January 9, 2018 Meeting Minutes
4. Updates from Chancellor and College Presidents
  - a. Chancellor Spaulding
  - b. President Collins
  - c. President Moulton
    - Probable executive session on real estate matter
  - d. President Scolforo
5. VSCUP President Beth Walsh has asked to address the Board
6. Report of the Finance & Facilities Committee
  - a. Consent Agenda – Motion to Approve
    - JSC’s Sugarman of Vermont scholarship
    - New Policy 434 for PCI compliance
  - b. Amended Policy 301 “Welcome Home Tuition” – Motion to Approve
  - c. Partial fossil fuel screening pilot for endowment – Motion to Approve

7. Report of the EPSL Committee: Consent Agenda Items
  - a. Consent Agenda – Motion to Approve
    - Resolution awarding VSC Faculty Fellowship to Dr. Sherrill Blodget at Castleton University
    - Resolution awarding VSC Faculty Fellowship to Dr. Hans Haverkamp at Johnson State College
    - Resolution authorizing Castleton University to award Chris Bohjalian an honorary Doctor of Humane Letters degree
    - Resolution authorizing Castleton University to award Stephen Kiernan an honorary Doctor of Humane Letters degree
    - Resolution authorizing Johnson State College to award Walter Mosely an honorary Doctor of Humane Letters degree
    - Resolution authorizing Lyndon State College to award Jim Cantore an honorary Doctor of Science degree
    - Resolution granting Johnson State College Professor of Humanities Emeritus status to Dr. William Doyle
  - b. Policy 102 Vermont Tech Program in Dental Therapy – Motion to Approve
8. Report of the Long Range Planning Committee
9. Legislative Report
10. Nominating Committee Report
11. Election of Nominating Committee Members
12. Report from the VSC Student Government Association
13. Tentative Meeting Dates for FY19 and discussion
14. Comments from the Public

**Next meeting: June 21, 2018, NVU - Lyndon**

## **Meeting Materials**

Item 1: Consent Agenda- Approval of Meeting Minutes

- a. December 1, 2017 Meeting Minutes
- b. December 11, 2017 Meeting Minutes
- c. January 9, 2018 Meeting Minutes

Item 2: Report of the Finance Committee

- a. JSC's Sugarman of Vermont scholarship
- b. New Policy 434 for PCI compliance
- c. Amended Policy 301 "Welcome Home"
- d. Partial fossil fuel screening pilot for endowment

Item 3: Report of the EPSL Committee

[March 24, 2018 EPSL Committee Meeting Materials](#)

Item 4: Discussion of Schedule of FY19 Board Meetings

## Item 1: Consent Agenda

- a. December 1, 2017 Meeting Minutes
- b. December 11, 2017 Meeting Minutes
- c. January 9, 2018 Meeting Minutes

**UNAPPROVED Minutes of the VSC Board of Trustees Meeting held Friday, December 1, 2017 at Castleton University, Castleton, Vermont**

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

The Vermont State Colleges Board of Trustees met on Friday, December 1, 2017 at Castleton University, Castleton, Vermont

Board members present: Tim Jerman (Vice Chair), Jerry Diamond, Lynn Dickinson, Church Hindes, Chris Macfarlane, Karen Luneau, Bill Lippert, Aly Richards, Shavonna Bent, and Mike Pieciak via conference call

Absent: Martha O'Connor, Linda Milne and Janette Bombardier

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

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

From the Colleges:             Scott Dikeman, Dean of Administration, Castleton University  
  Laura Jakubowski, Director of Finance, Castleton University  
  Lisa Cline, Johnson State College, Faculty Federation President  
  Barbara Martin, Dean of Administration, Community College of  
  Vermont  
  Lit Tyler, Dean of Administration, Vermont Technical College  
  Flo Keyes, F.T. Faculty, Castleton University  
  Nolan Atkins, Provost, Northern Vermont University  
  Dennis Proulx, Dean of Students, Castleton University  
  Lori Arner, Director of Registrar Services, Castleton University  
  Victoria Angis, Associate Dean of Students, Castleton University  
  Sarah Chambers, Inst. Technology Technician, Castleton  
  University  
  Matt Corriere, Assistant Network Administrator, Castleton  
  University  
  Jane Foley, Creative Services, Castleton University  
  Paul Cohen, Professor, Castleton University  
  Jamie Bentley, Coor. Wellness Education, Castleton University  
  Chris Boettcher, Assoc. Professor of English, Castleton University  
  Louis Palmer, Professor of English, Castleton University  
  Steve Belitsos, Professor, Vermont Technical College



William DeForest, Asst. Professor, Graphic Design, Vermont Technical College  
Cathy Kozlek, Assoc. Academic Dean, Castleton University  
David Blow, Professor of Communications, Castleton University  
Michael Talbott, Assoc. Professor Communication, Castleton University  
Lisa Ladd, Union Representative, Castleton University  
Rita Geno, Executive Assistant to the President, Castleton University  
Jeff Weld, Advancement, Castleton University  
Janet Hazelton, Human Resources Director, Castleton University  
Maurice Ouimet, Dean of Enrollment, Castleton University  
Kathleen O'Meara, Director of Financial Aid, Castleton University  
Adam Chill, Associate Professor, Castleton University  
Andre Fleche, Associate Professor, Castleton University  
Robert Gershon, Professor Emeritus, Castleton University  
Robert Johnson, Professor Emeritus, Castleton University  
John Gillen, Professor Emeritus, Castleton University

Guests: Scott Giles, CEO, Vermont Student Assistance Corporation  
Lyn Wolk  
Sharon Stearns, Alumni  
Jorinda Gershon, Student  
Mary Kay Gillen, Student  
Yinglei Zhang, Student

Vice Chair Jerman called the meeting to order at 1:07 p.m.

1. Consent Agenda – Motion to Approve
  - a. September 27, 2017 Meeting Minutes
  - b. September 28, 2017 Meeting Minutes

**Trustee Diamond moved, and Trustee Hindes seconded the approval of the minutes. The minutes were approved unanimously.**

2. Report of the Finance & Facilities Committee
  - a. FY2018 carryover requests (CCV and VTC)
  - b. Proposal to repurpose Stafford earmark (Castleton)

Trustee Hindes provided an overview of the FY18 carryover requests, as discussed at the Finance and Facilities Committee meeting, for Community College of Vermont, and Vermont Technical College, along with Castleton University's reallocation of the Stafford fund.

**Trustee Hindes made a motion to recommend approval of the fiscal year 2017 carryover requests from the Community College of Vermont in the amount of \$28,000, and from Vermont Technical College in the amount of \$1,220,446, and also of Castleton University's Stafford Fund Reallocation proposal in the amount of \$1,410,000 in each case as described**

**in the Finance and Facilities meeting material, seconded by Trustee Macfarlane. The motion was approved unanimously.**

- c. FY2019 Big Bill, FY2019 Capital Bill and FY2018 Budget Adjustment requests

Trustee Hinds and Chancellor Spaulding provided an overview of the state appropriation requests, as discussed at the Finance and Facilities Committee meeting. Trustee Dickinson suggested having a presentation for the legislature outlining the mission of the Vermont State Colleges and highlighting the Vermont State College's budget challenges.

**Trustee Hinds made a motion to recommend approval of the System's State appropriation requests as described in the Finance and Facilities meeting material as follows:**

**First, a \$1,000,000 increase to the System's base appropriation in the fiscal year 2018 Budget Adjustment Act;**

**Second, increases of \$1,000,000 to the System's base appropriation to the extent not approved in the budget adjustment request, plus a cost of living increase to the System's fiscal year 2018 appropriation, plus \$350,000 of one-time funds for Northern Vermont University in the fiscal year 2019 Appropriations Bill; and**

**Third, \$2,000,000 for System construction, renovation and major maintenance in the fiscal year 2019 Capital Bill Adjustment, seconded by Trustee Diamond. The motion was approved unanimously.**

- d. Possible revision to Policy 301, In-State Tuition for Vermont high school graduates

Trustee Hinds provided an overview of the proposed amendment to Policy 301 for in-state tuition for Vermont high school graduates, as discussed at the Finance and Facilities Committee meeting.

Chancellor Spaulding introduced Sharon Stearns to share her perspective regarding her personal experience with in-state tuition and welcoming Vermont students back.

Chancellor Spaulding led a discussion with the Board on the proposed changes to the Policy and asked the Board to consider voting on this item at the March Board of Trustees meeting.

- e. New Policy 504, Campus Safety Policy

Trustee Hinds provided an overview of Policy 504, which ensures that college buildings, grounds, facilities, and equipment are safe for students, employees, and visitors, as discussed at the Finance and Facilities Committee meeting. Trustee Lippert inquired about the implementation schedule. Associate General Counsel Todd Daloz suggested March 2018.

**Trustee Hinds made a motion to approve Vermont State Colleges System Policy 504, Campus Safety Policy, as provided in the Finance and Facilities meeting material, seconded by Trustee Diamond. The motion was approved unanimously.**

f. The Marie Augustin '58 Fund for Lyndon State College

President Elaine Collins provided background of the Marie Augustin story.

**Trustee Hindes made a motion to approve the Marie Augustin '58 Fund for Lyndon State College, as provided in the Finance and Facilities meeting material, seconded Trustee Macfarlane. The motion was approved unanimously.**

g. Investment Requests by Fossil Free VSC

Trustee Hindes continued to report the outcomes of the Finance and Facilities meeting including faculty and student guests who came to the meeting to discuss fossil free VSC requests. Trustee Lippert also reported the Finance and Facilities committee decided to invite Morgan Stanley to a future meeting to discuss aligning banking and investing with this initiative.

3. Report of the EPSL Committee

Trustee Richards delivered an update on the EPLS committee meeting and provided the following motions for approval.

**Trustee Richards moved to approve the Vermont Tech Policy 102 New Program Proposal for A.A.S. in Forestry, seconded by Trustee Dickinson. The motion was approved unanimously.**

VTC President Moulton provided a brief background on the program offered at Vermont Technical College.

**Trustee Richards moved to approve the resolution commending the work of the committees on the Policy 101 review process for 2017 as included in the committee materials, seconded by Vice Chair Jerman. The motion was approved unanimously.**

**Trustee Richards moved to approve the programs and process outlined for the 2018 cycle of Policy 101 reviews as included in the committee materials, seconded by Trustee Dickinson. The motion was approved unanimously.**

4. Report on LRPC

Trustee Diamond gave an update on LRPC. The committee is scheduled to meet January 29, 2018. Current issues before the committee include: 1) Twelve strategic risks for the VSC system. 2) VTC's strategic planning and the future of the Williston campus and future of the Randolph campus. 3) A matter that overlaps with EPSL. Should there be associate degrees available in the system for students who have completed 2 years, but may not be able to reach the 4 year goal. This would allow them to receive an associate's degree. These are all continuing items for discussion.

Trustee Richards also provided an overview of the EPLS committee, indicating the proposed associate's degree option will be part of their "Start to Finish" initiative.

5. Report of the Audit Committee

a. FY17 Audited Financial Statements

Trustee Dickinson provided a brief overview of the audit committee. **Trustee Dickinson moved to approve the Vermont State Colleges System fiscal year 2017 audited financial statements and uniform guidance single audit prepared by O'Connor & Drew, P.C., seconded by Trustee Hindes. The motion was approved unanimously.**

Trustee Hindes recognized the financial team and their hard work.

6. Presentations of Emeritus Status and VSC Faculty Fellows

Vice Chair Jerman and Castleton University President Wolk presented the following 5 awards.

- Emeritus status for Castleton University Professor Robert Gershon
- Emeritus status for Castleton University Professor John Gillen
- Emeritus status for Castleton University Professor Robert Johnson
- VSC Faculty Fellowship for Castleton University Professor Adam Chill
- VSC Faculty Fellowship for Castleton University Professor Andre Fleche

7. Update on the VSCS Hall of Fame

Chancellor Spaulding and Trustee Luneau gave an update on the Hall of Fame scheduled for March 15, 2018, and provided the committee with the list of inductees.

8. Legislative Report and Planning

Patricia Coates, Director of External and Governmental Affairs provided a legislative update. Trustee Lippert informed the Board of new legislative Bill H.399, that would create a scholarship program for Native Americans who are Vermonters, and suggested VSC be prepared to comment on this bill.

9. Briefing – How federal tax legislation may affect colleges and students

Patricia Coates, Director of External and Governmental Affairs, gave an update on the US Tax Cuts and Jobs Act, bill H.R.-1, and handed out a summary on the bill showing various provisions. She explained the impact the bill may have on affordability and families regarding higher education, if passed.

10. Report from the VSC Student Government Association

Trustee Bent provided an update of the Student Government Association.

11. Presentation and discussion with Scott Giles, President and CEO, Vermont Student Assistance Corporation (VSAC)

Scott Giles with VSAC provided a presentation to the board highlighting educational opportunities and challenges we face, and how VSC and VSAC can work together as partners. Mr. Giles thanked President Wolk for his work and announced the Board of VSAC would like to make a \$1,000 contribution to a scholarship of President Wolk's choice at Castleton University.

12. Comments from the Public

There were no comments from the public.

13. Date of Next Meeting

The Board decided to return future Board of Trustee meetings back to one day meetings. The next meeting is scheduled for Saturday, March 24, 2018 at Community College of Vermont, Winooski, VT.

The Board went into recess at 4:00 p.m., and returned to session at 4:20 p.m.

Chancellor Spaulding introduced Governor Phil Scott who presented a resolution Honoring the Exceptional Career of Castleton University President Dave Wolk, changing the name of the Spartan Stadium to the Dave Wolk Stadium. **Vice Chair Jerman moved to accept the resolution, seconded by Trustee Macfarlane. The resolution was passed unanimously.**

Vice Chair Jerman adjourned the meeting at 4:50 p.m.

**UNAPPROVED Minutes of the VSC Board of Trustees Special Meeting held Monday, December 11, 2017 at the Office of the Chancellor, Montpelier, VT 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 special meeting on Monday, December 11, 2017 for the purpose of an administrative matter involving the unification of Lyndon State College and Johnson State College and a transitional name change for the purposes of federal student aid and the Department of Education.

Trustees present on the phone: Tim Jerman (Vice Chair), Lynn Dickinson, Church Hinds, Chris Macfarlane, Karen Luneau, Janette Bombardier, Aly Richards, Shavonna Bent. Trustee Jerry Diamond was present at the Chancellors Office at 575 Stone Cutters Way, Montpelier, VT

Absent: Martha O'Connor, Linda Milne, Michael Pieciak and Bill Lippert

Chancellor's Office Staff:     Jeb Spaulding, Chancellor  
  Tricia Coates, Director of External & Governmental Affairs  
  Harriet Johnson, Executive Assistant to the Chancellor  
  Sophie Zdatny, General Counsel

From the Colleges:             Sharron Scott, Dean of Administration, Johnson State College

Vice Chair Jerman called the meeting to order at 1:08 p.m.

Chancellor Spaulding provided a brief overview. The purpose for the call was to discuss approval of a resolution authorizing a transitional name change for Johnson State College and Lyndon State College for federal financial aid distribution purposes as the Colleges prepare to unify effective July 1, 2018.

General Counsel Sophie Zdatny, and Johnson State College Dean of Administration Sharron Scott provided additional background and answered questions from the committee.

Vice Chair Jerman moved to approve the resolution of the transitional name change of Johnson State College and Lyndon State College, seconded by Trustee Macfarlane

Vice Chair Jerman adjourned the meeting at 1:20 p.m.

**UNAPPROVED Minutes of the VSC Board of Trustees Special Meeting held Tuesday, January 9, 2018 at the Office of the Chancellor, Montpelier, VT 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 Tuesday, January 9, 2018 for the purpose of discussing and action on Nominating Committee recommendations regarding officers of the Board of Trustees.

Trustees present on the phone: Tim Jerman (Vice Chair), Lynn Dickinson, Church Hinds, Chris Macfarlane, Karen Luneau, Janette Bombardier, Aly Richards, Shavonna Bent, Linda Milne, Bill Lippert, Jerry Diamond.

Absent: Martha O'Connor

Chancellor's Office Staff:     Jeb Spaulding, Chancellor  
  Tricia Coates, Director of External & Governmental Affairs  
  Sophie Zdatny, General Counsel

Vice Chair Jerman called the meeting to order at 5:00 p.m.

Vice Chair Jerman asked for a report from the Nominating Committee. Trustee Diamond provided the following report.

The Nominating Committee recommends Churchill Hinds to the Board of Trustees as Chair effective immediately upon a favorable vote of the Board. Trustee Diamond also reported the Nominating Committee recommends Lynn Dickinson to the Board of Trustees as Vice Chair effective upon the expiration of the current Vice Chair at the end of February 2018.

In addition, due to recent bylaw changes, Trustee Diamond reported the Nominating Committee will recommend the election of officers at the first regular Board meeting of the calendar year in March as follows:

Church Hinds, Board of Trustees Chair (2 years)  
Lynn Dickinson, Board of Trustees Vice Chair (1 year)  
Karen Luneau, Board of Trustees Secretary (1 year)  
Linda Milne, Board of Trustees Treasurer (1 year)

Trustee Diamond stated the Nominating Committee will further recommend to the Board of Trustees election of the same five members currently serving on the Audit Committee for another term.

Linda Milne, Audit Committee Chair (1 year)  
Lynn Dickinson, Audit Committee, Vice Chair (1 year)  
Church Hindes, Audit Committee (1 year)  
Karen Luneau, Audit Committee (1 year)  
Michael Pieciak, Audit Committee (1 year)

Trustee Diamond also reported that Nominating Committee members will need to be elected at the March 2018 Board of Trustees Meeting and that any board members interested in serving should communicate with Church Hindes.

Trustee Diamond moved to elect Church Hindes Chair of the Board effective immediately, and to elect Lynn Dickinson as Vice Chair of the Board when Vice Chair Jerman's term expires at the end of February for terms ending on March 24<sup>th</sup>, seconded by Trustee Jerman. The motion passed unanimous.

Trustee Hindes and Trustee Dickinson gave brief remarks thanking the Board members.

Trustee Diamond moved to adjourn the meeting seconded by Vice Chair Jerman. The meeting adjourned at 5:14 p.m.



## Item 2: Report of the Finance Committee

- a. JSC's Sugarman of Vermont scholarship
- b. New Policy 434 for PCI compliance
- c. Amended Policy 301 "Welcome Home"
- d. Partial fossil fuel screening pilot for endowment


CASTLETON UNIVERSITY  
COMMUNITY COLLEGE OF VERMONT  
JOHNSON STATE COLLEGE  
LYNDON STATE COLLEGE  
VERMONT TECHNICAL COLLEGE



OFFICE OF THE CHANCELLOR  
PO BOX 7  
MONTPELIER, VT 05601  
P (802) 224-3000  
F (802) 224-3035

## MEMORANDUM

TO: VSC Finance & Facilities Committee  
M. Jerome Diamond  
J. Churchill Hindes, Chair  
Bill Lippert  
Christopher Macfarlane, Vice Chair  
Linda Milne  
Michael Pieciak  
David Silverman

FROM: Steve Wisloski 

DATE: March 19, 2018

SUBJ: Finance & Facilities Committee Items for March 24 Trustees Meeting

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At its meeting on February 12, the Finance and Facilities Committee moved to recommend the following four (4) items for approval by the full Board of Trustees:

1. Johnson State College's "The Sugarman of Vermont, Inc. Scholarship Endowment" of \$10,000 gifted from alumna Kerry Sedutto '06.
2. A new Policy 434, "Merchant Credit Card Policy," as part of the System's efforts to protect credit card data and to ensure compliance with the Payment Card Industry Data Security Standard (PCI DSS).
3. An amended Policy 301, "Policy on Determination of In-State Residency For Tuition Purposes," as part of a "Welcome Home" initiative to extend in-state tuition to Vermont high school graduates meeting certain requirements.
4. A partial fossil fuel screening pilot to direct 20% or approximately \$5,700,000 of the System's endowment toward investments that do not include fossil fuel related companies.

### Attachments:

1. "The Sugarman of Vermont, Inc. Scholarship Endowment" Funding Document
2. Draft new Policy 434
3. Draft amended Policy 301
4. Partial fossil fuel screening pilot information

**Attachment 1:**  
**The Sugarman of Vermont, Inc. Scholarship Endowment**  
**Memo and Funding Document**



January 29, 2018

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/Northern Vermont University – Johnson.

Gifts totaling \$10,000 from alumna and business owner Kerry Sedutto '06 will be used to establish **The Sugarman of Vermont, Inc. Scholarship Endowment**. This scholarship will be awarded to an undergraduate student who meets the following eligibility requirements:

1. Priority will be given to students who attend the Johnson campus at Northern Vermont University. If there are no eligible applicants, students from Northern Vermont University Lyndon will be considered.
2. Priority will be given to students who are or have been employed by The Sugarman of Vermont, Inc. If there are no applicants who are or have been employed by The Sugarman of Vermont, Inc., the scholarship will be available to women enrolled in a business or accounting degree program and who aspire to work in a business or manufacturing setting, or have experience in those fields.
3. Applicants must be currently enrolled full-time in a degree-granting program at Northern Vermont University and must be attending classes on the Johnson and/or Lyndon campus (this precludes students enrolled solely in the distance learning program).
4. Applicants must demonstrate solid academic promise and have earned at least a 3.0 grade point average in any coursework completed prior to the time of application (this precludes incoming freshmen).
5. Preference will be given to applicants who demonstrate leadership skills, participate in community service, and enjoy the outdoors.
6. Financial need will not be a consideration.

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

Sincerely,

A handwritten signature in blue ink that reads "Elaine C. Collins".

Dr. Elaine C. Collins, President

Attachments: Appendix C – New Funding Source Document

## APPENDIX C

## - NEW FUNDING SOURCE DOCUMENT - ENDOWMENTS ONLY

Johnson State College

(College Name)

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

1) <u>Name of endowment:</u> (type in all CAP'S) <b>THE SUGARMAN OF VERMONT, INC. SCHOLARSHIP ENDOWMENT</b>		
2) <u>Granting agency/donor/other funding source:</u> (attach support info)  Kerry Sedutto '06 through The Suagarman of Vermont, Inc.		
3) <u>Purpose of endowment:</u> (attach support information) To fund the Sugarman of Vermont, Inc. Scholarship to be awarded annually to a student who has worked for the company or a woman enrolled in business or accounting degree program.		
4) <u>Proper accounting fund:</u> <input checked="" type="checkbox"/> Regular Endowment <span style="float: right;"><input type="checkbox"/> Term Endowment</span>		
5) <u>General Ledger Activity Code(s):</u> (as proposed or assigned) 033-37059		
6a) <u>Date Endowment Reach Endowment Status:</u> 12/22/2018		
7) <u>Reporting requirements:</u> (format/to whom/frequency/other) None.		
8a) <u>Funding amount:</u> \$10,000	8b) <input checked="" type="checkbox"/> <u>One-time</u> - OR <input type="checkbox"/> <u>Ongoing funding</u> (indicate timeframe:)	
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> 19-Jan-18	13) <u>Date Board Approved:</u> 1-29-18

**Attachment 2:**  
**New Policy 434, Merchant Credit Card Policy**



## Manual of Policy and Procedures

Title	Number 434	Page 1 of 2
<b>MERCHANT CREDIT CARD POLICY</b>	Date March 24, 2018	

### I. PURPOSE

The purpose of this policy is to protect credit card data, to uphold the Vermont State Colleges System's reputation, to limit the financial liability associated with a breach of credit card information, and to outline best practices for all aspect of credit card transactions.

### II. STATEMENT OF POLICY

The Vermont State Colleges ("VSC") require all departments that process, store or transmit credit card data to be in compliance with the Payment Card Industry Data Security Standard ("PCI DSS"). PCI DSS was established by the credit card industry in response to an increase in identity theft and credit card fraud. It is administered by the Payment Card Industry Security Standards Council. Under PCI DSS, every merchant who handles credit card data is responsible for safeguarding the information and can be held liable for security compromises.

### III. SCOPE

This policy applies to all VSC departments that process, store or transmit credit card data. The VSC will review all credit card merchant accounts and will identify all the systems, applications and devices that process, store or transmit cardholder data. The Office of the Chancellor will identify and implement any business or technological changes required to comply with PCI DSS.

### IV. PROCEDURES

The Chancellor shall establish and periodically update procedures for implementing this policy. The implementing procedures shall define relevant terms, and the Chancellor may modify these procedures as necessary to comply with any changes in acceptable credit card industry standards and regulations, federal or state law.

Signed by: \_\_\_\_\_  
Jeb Spaulding, Chancellor

**Attachment 3:  
Amended Policy 301, Determination of  
In-State Residency for Tuition Purposes**





## Manual of Policy and Procedures

Title  <b>POLICY ON DETERMINATION OF IN-STATE RESIDENCY FOR TUITION PURPOSES</b>	Number  301	Page  1 of 3
		Date <b>March 25, 2017</b>

### PURPOSE

The Vermont State Colleges charges different tuition rates to in- and out-of-state students. Therefore, criteria and procedures to determine in-state residency for tuition purposes are required.

### STATEMENT OF POLICY

The following requirements must be met by a student prior to being granted resident status for the purpose of tuition and other VSC charges:

- 1) The student shall be domiciled in Vermont, said domicile having been continuous for one year immediately prior to the date of enrollment. Domicile shall mean a person's true, fixed and permanent home, to which he/she intends to return when absent. Domicile shall not be dependent upon a person's marital status. Although domicile may have been established, a student is presumed to be an out-of-state resident for tuition purposes if he or she moved to Vermont or continues residence in Vermont for the purpose of attending a Vermont institution of higher learning or qualifying for resident status for tuition purposes. Such presumption is rebuttable.
- 2) The student must demonstrate such attachment to the community as would be typical of a permanent resident of his/her age and education. The College's chief admissions officer shall consider in the determination of residency for tuition purposes, among other factors: voter registration, property ownership, payment of income and property taxes, automobile registration and driver's license.
- 3) Receipt of significant financial support from the student's family will create a rebuttable presumption that the student's residence is with his/her family. A student who has not reached the age of eighteen shall be presumed to hold the residence of his or her parents or legal guardian. The presumption shall be rebuttable.
- 4) A student who moves into Vermont within one year of enrollment shall be presumed to have moved to Vermont for the purposes of attending a Vermont institution of higher

learning and qualifying for resident status for tuition purposes. This presumption shall be rebuttable.

- 5) A student who is eligible for tuition purposes to enroll as a resident student in another state shall not be enrolled as a "Vermont Resident." The inability to enroll as a resident student in another state does not by itself establish residency in Vermont for tuition purposes. Additionally, a domicile or residency classification assigned by a public or private authority neither qualifies nor disqualifies a student for in-state residency status at a member College. However, such classification may be taken into consideration by the chief admissions officer.
- 6) Notwithstanding paragraphs 1-5, a student shall be considered a resident for in-state tuition purposes at the start of the next semester or academic period where:
  - a. The student, in accordance with 16 V.S.A. § 2185, is a member of the Armed Forces of the United States on active duty who is transferred to Vermont for duty other than for the purpose of education; or
  - b. The student is eligible for in-state tuition and fees, as of July 1, 2017,<sup>1</sup> because the student:
    - i. is a veteran who lives in Vermont (regardless of the student's formal state of residence) and enrolls in a member College within three years of discharge from a period of active duty service of ninety days or more;
    - ii. is anyone using a veteran's transferred benefits, who lives in Vermont (regardless of the student's formal state of residence) and enrolls in a member College within three years of the transferor veteran's discharge from a period of active duty service of ninety days or more;
    - iii. is anyone using benefits under the Marine Gunnery Sergeant John David Fry Scholarship, who lives in Vermont (regardless of the student's formal state of residence); or
    - iv. is anyone using a veteran's transferred benefits, who lives in Vermont (regardless of the student's formal state of residence) while the transferor is a member of the uniformed services serving on active duty.

After the expiration of the three year period following discharge or death, as described in 38 U.S.C. § 3679(c), a student who initially qualifies under subsection (i) and (ii) will continue to be eligible for in-state tuition and fees as long as the student remains continuously enrolled (other than during regularly scheduled breaks between

<sup>1</sup> The students described in sub-sections (i) and (ii), as well as some of those described in sub-section (iii), are eligible for in-state tuition and fees, prior to July 1, 2017, in accordance with Section 702 of the Veterans Access, Choice and Accountability Act of 2014.

courses, semesters, or terms) at a member College, even if the student enrolls in multiple programs.

7) Notwithstanding paragraphs 1-5, effective July 1, 2018, a student shall be considered a resident for in-state tuition purposes if:

a. After January 1, 2015, the student has earned:

- i. a high school diploma from a Vermont public school or a Vermont approved or recognized independent school, as defined in Title 16 of the Vermont Statutes Annotated, including a public or independent school in another state that is designated as the public school for the student's district of residence at the time the diploma was earned, or from the Community High School of Vermont; or
- ii. a high school equivalency certificate from the Vermont State Board of Education; or
- iii. a secondary school equivalency certificate based on successful completion of General Education Development tests;

and

b. At the time the student earned a diploma or certificate under subsection (a), the primary legal residence of the student, or the student's parent(s) or guardian(s) if the student was under age 18, was in Vermont; and

c. The student is and remains domiciled in Vermont at the time the student enrolls at the Vermont State Colleges. Domicile shall mean a person's true, fixed and permanent home, to which he/she intends to return when absent. Domicile shall not be dependent upon a person's marital status.

Eligibility for in-state tuition under this paragraph shall not necessarily constitute in-state residency for any other purpose within or outside the VSC system.

~~7)8)~~ \_\_\_\_\_ A student enrolling at the Vermont State Colleges shall be classified by the College's chief admissions officer as a resident or non-resident for tuition purposes. The decision by the officer shall be based upon information furnished by the student and other relevant information. The officer is authorized to require such written documents, affidavits, verifications or other evidence as he/she deems necessary.

~~8)9)~~ \_\_\_\_\_ The burden of proof shall, in all cases, rest upon the student claiming to be a Vermont resident for tuition purposes by clear and convincing evidence.

~~9)10)~~ \_\_\_\_\_ Changes in residency status for tuition purposes shall become effective for the semester following the date of reclassification.

~~10)11)~~ \_\_\_\_\_ A student with resident status for tuition purposes will lose that status if he/she, at any time, fails to meet the above requirements.

~~11)12)~~ \_\_\_\_\_ The decision of the College's chief admissions officer on the classification of a student as a resident or non-resident for tuition purposes may be appealed in writing to the College's Dean of Administration. Further appeal of a classification of a student's

residency for tuition purposes may be made in writing to the Office of the Chancellor.  
The decision of the Office of the Chancellor shall be final.

~~12)~~13) An applicant for admission or enrollment may obtain a determination of residency status for tuition purposes in accordance with the above criteria and procedures in advance of admission or enrollment.

Signed by:

Chancellor

**Attachment 4:  
Partial Fossil Fuel Screening Pilot  
Information**

Morgan Stanley

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## Plan for Reallocating 20% of Portfolio to Fossil Free Approach

- Replace 15% of the portfolio in the Russell 1000 Growth, Russell 1000 Value and the FTSE Developed Markets index tracking investments with like fossil free screened indices.
- Reallocate 5% of the portfolio from our separately managed account with Thomas Partners (50% of their mandate) into a fossil free screened version of this portfolio.
- Approximate value of changes is \$5,700,000.
- Makes a meaningful fossil free change within the portfolio and allows for monitoring of the impact of adjustments.



**VERMONT STATE COLLEGES**  
PORTFOLIO SUMMARY - ASSET ALLOCATION  
December 31, 2017

	Large Cap Growth	Large Cap Value	Small / Mid Growth	Small / Mid Value	International	International Emerging	Domestic and High Yield Fixed	International Fixed	Alternatives	Cash	Total	% of Total Portfolio
<b>CG Advisor</b>												
i shares Russell 1000 Growth	\$ 3,736,697										\$ 3,736,697	13.1%
i shares Russell 1000 Value		\$ 2,964,141									\$ 2,964,141	10.4%
I shares Trust S&P Mid Cap 400			\$ 35,828								\$ 35,828	0.1%
iShares Russell 2000			\$ 233,188	\$ 233,188							\$ 466,375	1.6%
William Blair Int Growth					\$ 1,663,309						\$ 1,663,309	5.8%
Vanguard FTSE Developed Mkts					\$ 1,217,186						\$ 1,217,186	4.3%
Oppenheimer Developing Mkts						\$ 720,809					\$ 720,809	2.5%
I shares MSCI Emerging Mkts						\$ 380,635					\$ 380,635	1.3%
Lazard Emerging Markets						\$ 710,251					\$ 710,251	2.5%
Loomis Bond Fund							\$ 1,096,371				\$ 1,096,371	3.8%
Vanguard Sh Tm Inv Gr Inv							\$ 1,225,772				\$ 1,225,772	4.3%
Vanguard Total Bd Mkt Indx Inv							\$ 1,191,782				\$ 1,191,782	4.2%
Blackrock Hi Yield Bond							\$ 1,592,791				\$ 1,592,791	5.6%
Guggenheim Total Return Bond							\$ 1,204,035				\$ 1,204,035	4.2%
Dreyfus Standish Global Fixed Inc								\$ 792,139			\$ 792,139	2.8%
Money Funds										\$ 278,309	\$ 278,309	1.0%
Ishares Dj US Real Estate									\$ 268,872		\$ 268,872	0.9%
Vanguard REIT ETF									\$ 274,249		\$ 274,249	1.0%
Ironwood HF									\$ 548,440		\$ 548,440	1.9%
Skybridge HF									\$ 507,724		\$ 507,724	1.8%
Anchor				\$ 677,713							\$ 677,713	2.4%
Delaware					\$ 1,330,401						\$ 1,330,401	4.7%
Clearbridge	\$ 917,409	\$ 755,513	\$ 472,196	\$ 553,144						\$ 135,405	\$ 2,833,667	9.9%
Thomas Partners	\$ 906,559	\$ 1,205,026	\$ 83,682	\$ 242,679	\$ 287,309					\$ 64,156	\$ 2,789,411	9.8%
<b>Total Fund</b>	<b>\$ 5,560,664</b>	<b>\$ 4,924,680</b>	<b>\$ 824,894</b>	<b>\$ 1,706,723</b>	<b>\$ 4,498,206</b>	<b>\$ 1,811,696</b>	<b>\$ 6,310,751</b>	<b>\$ 792,139</b>	<b>\$ 1,599,286</b>	<b>\$ 477,870</b>	<b>\$ 28,506,910</b>	<b>100.00%</b>
Allocation	19.51%	17.28%	2.89%	5.99%	15.78%	6.36%	22.14%	2.78%	5.61%	1.68%	100.00%	
Strategic Target Allocation a/o 6.30.11												
By Percent	12.00%	12.00%	6.00%	6.00%	17.00%	7.00%	28.00%	4.00%	8.00%	0.00%	100.00%	
By Dollar	\$ 3,420,829	\$ 3,420,829	\$ 1,710,415	\$ 1,710,415	\$ 4,846,175	\$ 1,995,484	\$ 7,981,935	\$ 1,140,276	\$ 2,280,553	\$ -	\$ 28,506,910	
Tactical 12.31.17	16%	16%	5%	5%	16%	6%	26%	4%	6%	0%	100%	
<b>Operations Account</b>		\$ 99,162 (common stock)			\$ 17,012 (money funds)						\$ 116,174	
<b>Total All Accounts</b>											\$ 28,623,085	
<b>Basic Asset Allocation:</b>												
					<b>Stocks</b>	<b>68%</b>						
					<b>Alternatives</b>	<b>6%</b>						
					<b>Fixed Income/Cash</b>	<b>27%</b>						

The above summary/prices/quote/statistics have been obtained from sources we believe to be reliable, but we cannot guarantee its accuracy or completeness. Past performance is no guarantee of future results. The information provided in this summary is for illustrative purposes only and does not represent an official statement by the firm. You must refer to your monthly statements for an accurate and complete record of your transactions, holdings & balances. Best efforts have been made to reflect the true values of the figures, but we can not guarantee the accuracy or completeness due to the element of human error. This is not a binding or legal document. This information is based upon the market value of your account as of the close of business on 12.31.17 and is subject to daily market fluctuation.

Morgan Stanley Smith Barney, LLC. Member SIPC. Prepared

by: John O. Myhre, Vice President, Financial Advisor

**Board of Trustees Meeting  
Saturday, March 24, 2018**

**Example Motion**

Endowment Partial Fossil Fuel Screening Pilot

I move approval of the “Plan for Reallocating 20% of Portfolio to Fossil Free Approach” described in Morgan Stanley’s presentation to screen 50% of the market value of three of the Endowment’s passive index funds and one actively managed fund for fossil fuel related investments as follows:

Russell 1000 Growth index fund  
Russell 1000 Value index fund  
FTSE Developed Markets index fund  
Thomas Partners

The current estimated market value of screened funds totals approximately \$5.7 million.



## Item 3: Report of the EPLS Committee

[March 24, 2018 EPSL Committee Meeting Materials](#)

## Item 4: Discussion of Schedule of FY19 Board Meetings

## **Current Board of Trustees Schedule**

Saturday March 24, 2018 – CCV, Winooski

Thursday June 21, 2018 – LSU

Proposed Change from September 19-20, 2018; to Wednesday and Thursday September 26-27, 2018 – Retreat

## **Proposed Board of Trustees Meeting Dates FY 2019**

Friday December 7, 2018

Monday March 18, 2019; or

Monday March 25, 2019

Thursday June 20, 2019; or

Thursday June 27, 2019

Wednesday and Thursday September 25-26, 2019– Retreat