

**Minutes of the VSCS Board of Trustees Finance and Facilities Committee held Monday, August 26, 2019 at the Chancellor's Office, Conference Room 101, Montpelier, VT-  
APPROVED**

The Vermont State Colleges Board of Trustees Finance and Facilities Committee met on Monday August 26, 2019, at the Chancellor's Office, Montpelier, VT.

Committee members present: Churchill Hinds (Chair), David Silverman (Vice Chair), Lynn Dickinson, Peg Flory, Adam Grinold, Linda Milne, Mike Pieciak  
(1:03pm)

Other Trustees present: Karen Luneau, Jim Masland

Presidents: Elaine Collins, Joyce Judy, Pat Moulton, Karen Scolforo

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

From the Colleges: Laura Jakubowski, Chief Budget & Finance Officer, Castleton University  
Tom Maus-Pugh, Provost, Castleton University  
Maurice Ouimet, Dean of Enrollment, Castleton University  
Andy Pallito, Dean of Administration, Community College of Vermont  
Sharron Scott, Dean of Administration, Northern Vermont University  
Littleton Tyler, Dean of Administration, Vermont Technical College

From the Public: Jon Wolff, Government Relations Specialist, Primmer, Piper, Eggleston & Cramer

Chair Hinde called the meeting to order at 12:49 p.m.

1. Consent agenda and approvals:
  - a. Minutes of May 29, 2019 meeting
  - b. Endowment for Northern Vermont University

NVU President Elaine Collins shared that this endowment is a result of gifts from friends of NVU-J and matching funds from Title III and will support worthy projects and emerging opportunities that strengthen NVU's strategic initiatives.

**Trustee Silverman moved, and Trustee Dickinson seconded the approval of the meeting minutes from May 29, 2019 and the endowment for Northern Vermont University. They were approved unanimously.**

2. Review FY2019 unaudited financial results

Chair Hinde thanked the assorted people responsible for the hard work it took to have end of year results by this early date. CFO Wisloski described the overall results as positive. The results show considerable improvement compared to 3<sup>rd</sup> quarter projections, and are also ahead of budget, with a System-level deficit of \$830,000 or 0.5% of the System's \$174.7 million operating budget; when \$1.28 million of Carried Over Funds are included, the operating resulting becomes a small surplus of \$456,000 or 0.3%.

3. Review and discuss fall 2019 admissions and enrollments, and FY2020 budget outlooks

Mr. Wisloski shared that there are no deviations to report from the May report. As of August 15, year-over-year enrollments of first-time students at the residential campuses were up 5%, and overall projected enrollments generally remain unchanged compared to FY2020 budget assumptions. CCV President Joyce Judy stated that their budget was developed based on a projected 5% decrease in enrollment but CCV ended with only a 3% decrease. CCV's summer semester enrollment was also very strong. CCV is also interested in bringing in some consultants to do a thorough assessment and then assist with implementing strategies to improve retention. CU President Karen Scolforo stated that CU was projected last year to be about 15% over enrollment this year and they have met that projection. CU is seeing a decrease in early college enrollments and out of state enrollments are down as well. CU is seeing projected losses from the Killington and Bennington campuses but those were budgeted as investments and this was expected. CU has also applied for a Title III grant to focus on retention. VTC President Pat Moulton states that VTC will still utilize the next few weeks to add students until the add/drop period ends. VTC built their budget based on a 1% decrease in enrollment and they predict they will meet that. VTC reports that their Nursing program is growing and the new Radiological Science program is showing strong enrollment. VTC's room revenue has increased and VTC is now renting apartments in Williston because they have maxed out the dorm capacity there. Those apartments have been furnished with already owned furniture. NVU President Elaine

Collins states that NVU is showing slightly lower enrollment numbers but that they are still enrolling students now. NVU's graduate enrollment is very good – there has been strong interest in their Mental Health Counseling program and also in their new Master's in Leadership program. President Collins stated that the numbers in distance learning continue to grow through end of fall semester. NVU is also striving to eliminate structural deficit.

4. Discussion and approve FY2021 tuition, fees, and room and board rates

Mr. Wisloski reviewed proposed changes to FY2021 maximum tuition, fees, room and board rates, which included increasing board rates by 4% to accommodate both the 2.5% food price increase and the possibility of 1.2% to 1.4% per-meal increases due to lower numbers of meal plans; increasing the standard double room rate to \$7,100 to be closer to, but still considerably below, the average double room for regional public and private institutions; the elimination of both late registration and change of program or course fees and increases to graduation, student activity and facilities fees; and for NVU, CU and VTC a 2.9% increase to both Vermont and non-Vermont undergraduate tuition, with a 1.4% increase for CCV.

**Trustee Silverman moved and Trustee Dickinson seconded the motion to recommend to the Board the approval of the FY2021 tuition, fees, room and board rates. The motion was approved unanimously.**

5. Tracking cash balances.

Mr. Wisloski stated that the System's concentration account balance through mid-August is generally tracking consistent with the past 4 fiscal years.

6. Discuss creation of a Financial Services Subcommittee

Mr. Wisloski proposed that the Committee consider creating a three-member Financial Services subcommittee, in accordance with Article IV, Section 7 of the Vermont State Colleges By-Laws, that would be in charge of "deep dives" into financial matters – such as endowment oversight, cash and investment management, banking and financial services, and debt management – that the Finance and Facilities Committee typically is unable to accomplish within the time constraints of regularly-scheduled meetings. This subcommittee would report to the Committee at least semiannually.

7. Other business

Mr. Wisloski briefly previewed several topics that the Committee will discuss at future meetings:

- a. New policy regarding protection of minors – United Educators, which provides a number of the System's major insurance policies, is requiring as a condition of continued coverage starting in FY2021 that the System create a new policy specifically addressing protection of minors to include both mandatory reporting

to law enforcement, and mandatory disciplinary action for failure to comply. This policy will be a 300 series policy under the purview of the Education, Personnel and Student Life (EPSL) Committee, but it is of importance to the Finance & Facilities Committee as well.

- b. Refinancing of Series 2010B bond issue – this taxable series of Build America Bonds (BABs) is eligible for a refinancing for debt service savings in excess of \$200,000 per year; transaction was scheduled for spring 2020 but could be accelerated to fall/winter 2019.
- c. Potential revisions to Policy 430, Endowment Investment and Spending Policy – several updates regarding definitions, investment objectives, asset classes, and benchmarks, as well as ministerial changes will be proposed.
- d. Amendment to Policy 410, Financial Aid and Other Financial Awards – the Committee approved a waiver for FY2020, and the Business Affairs Council (BAC) is working on a proposed amendment before calendar year-end.
- e. Cash, investments and endowment quarterly reporting – is included in the Committee materials for information.
- f. Grants quarterly reporting – is included in the Committee materials for information; of note is a summary showing that most grants are federal.

#### 8. Comments from the public

There were no comments.

#### 9. Adjourn

Chair Hinds adjourned the meeting at 2:47 p.m.