

**Minutes of the VSCS Board of Trustees Finance and Facilities Committee held Monday, October 21, 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 October 21, 2019, at the Chancellor's Office, Montpelier, VT.

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

Other Trustees present: Karen Luneau, Megan Cluver, Jim Masland, Izzy Gogarty

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
Richard Ethier, Director of Facilities
Sheilah Evans, System Controller & Sr Dir of Financial Operations
Jen Porrier, Administrative Director
Betsy Ward, Grants Compliance Officer
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 Mauhs-Pugh, Provost, Castleton University
Maurice Ouimet, Dean of Enrollment, Castleton University
Andy Pallito, Dean of Administration, Community College of Vermont
Toby Stewart, Controller, Northern Vermont University
Littleton Tyler, Dean of Administration, Vermont Technical College

Chair Hindes called the meeting to order at 2:10 p.m.

1. Consent agenda and approvals:

- a. Minutes of August 26, 2019 meeting
- b. Faith A. Smith Memorial Fund for Castleton University

Castleton University President Karen Scolforo spoke briefly about the Faith A. Smith Memorial Fund, indicating that a scholarship derived from the initial grant from Marilyn Mayo will be awarded annually to a qualifying resident of Vermont.

Trustee Pieciak moved, and Trustee Silverman seconded the approval of the meeting minutes from August 26, 2019, and the establishment of the Faith A. Smith Memorial Fund. The motion was approved unanimously.

2. Review FY2021 State Appropriation Request

Chancellor Spaulding spoke about the intended FY2020 State Appropriation request to the Governor's office, which reiterates a proposal to increase the System's base appropriation to the current average of non-land grant New England public colleges, to approximately \$55 million, over the next five years. As the VSCS is currently funded substantially below the New England average, the request from last year will be renewed to continue the multi-year commitment to bring the funding up to the average for similar institutions. Chancellor Spaulding shared that an alternative request to the Legislature would be to convert 2019's onetime funds of \$500,000 into the base for the VSCS and award a 3% inflationary increase. Additionally, in order to increase access to secondary education across Vermont, the VSCS would ask the Legislature for an additional \$5-\$10 million focused increase that would be used to cut the tuition of Community College of Vermont by 25%-50%. This would assist in providing a pipeline of prospective college students transferring from CCV to other VSCS institutions. Board members were supportive of a "strong ask" by the Chancellor to the Legislature.

3. Review and discuss fall 2019 admissions and enrollments

Mr. Wisloski shared the latest updates on admissions and enrollments and invited the presidents to share their most recent data. Castleton University President Karen Scolforo shared that incoming new enrollments were record-breaking, but that total FTE's were down by 21, indicating that retention was lower than projected. CU's headcount is over 2400 and therefore expenses are climbing while revenue is falling due to increased scholarships awarded (as a result of students transferring from the three local colleges that closed last spring).

Community College of Vermont President Joyce Judy shared that the enrollments at CCV are down 4% but they had budgeted for a 5% decrease, and class size average is strong. CCV is focusing efforts on retention by working with Inside Track.

Northern Vermont University President Elaine Collins told the Committee that NVU revenue is lower than budgeted, down 9.1% in FTE (with 72 FTE less in NVU-Johnson, 15 FTE less for NVU Online, and 113 FTE less at NVU-Lyndon). While NVU's projected deficit currently is larger than projected as a result, President Collins expressed confidence that NVU will meet the budget approved by the Board for FY2020 by the close of the fiscal year.

Vermont Technical College President Pat Moulton shared that VTC enrollment is up slightly with 26 new students in the new radiologic science program. VTC has 90 new residential students at both the Williston and Randolph campuses. VTC is not currently seeing a need for budget adjustments.

4. Discuss and approve creation of a Financial Services Subcommittee

Mr. Wisloski informed the Committee that the Subcommittee would be comprised of three members, selected by the Committee Chair, with the initial members being Trustees Pieciak and Silverman and Chair Hinds. The Subcommittee will be charged with oversight of financial services including those generally governed by Policy 404, Cash and Investment Management; Policy 430, Endowment Investment and Spending Policy; and Policy 433, Debt Management. The Subcommittee will report its activities to the Committee at least twice annually.

Trustee Flory moved, Trustee Milne seconded the approval of Resolution 2019-010, Creation of a Financial Services Subcommittee of the Finance & Facilities Committee. The motion was approved unanimously.

5. Review FY 2021 Proposed Capital Bill Projects

Director of Facilities Dick Ethier reviewed the current list of capital projects proposed for inclusion in the System's FY2021 Capital Bill request to the State. The projects list is prioritized to health and safety, major maintenance, infrastructure, energy, and roofing categories as well as being identified by Institution and urgency. Trustee Flory suggested presenting the project list by project type (e.g., energy efficiency) across the System, as a means of showing the Legislature how the VSCS's work fits into broader legislative agendas.

6. Review Quarterly Grants Summary

Grants Compliance Officer Betsy Ward shared the quarterly newsletter sent to presidents, deans and others involved in grant writing at the Institutions. Ms. Ward stated that the newsletter is well received and contains information such as summaries of active grants, policy updates and current grant profiles. Ms. Ward shared that she is working with member Institutions and the

Chancellor's Office to implement new processes, such as electronic approval for grant routing and research proposals. Additionally, some federal agencies require researchers to disclose significant financial conflicts of interest with their research and this requires specific training and disclosure processes that the VSCS has now put in place as a further step towards full compliance. Ms. Ward stated that there will soon be a web page with resources for grant writers and managers, which is part of a new initiative geared towards strengthening the culture of grant writing.

7. Refinancing of Series 2010B bond issue

Mr. Wisloski gave an update regarding the planned refunding of the System's Series 2010B Revenue Bonds. He described the process of application and review with the Vermont Bond Bank, and that the System would like to take advantage of current lower interest rates by attempting to price the bonds by mid-January, approximately 2-3 months sooner than initially planned. As such, this discussion is a preparation for a possible approval vote from the Board at the December 2, 2019 meeting.

8. Other business

There was no other business

9. Comments from the public

There were no comments.

10. Adjourn

Chair Hinds adjourned the meeting at 3:58 p.m.