

**Minutes of the VSCS Board of Trustees Finance and Facilities Committee held Monday, June 1, 2020 at 1:00 p.m. via Zoom - APPROVED**

The Vermont State Colleges Board of Trustees Finance and Facilities Committee met on Monday, June 1, 2020 via Zoom.

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

Other Trustees present: Ryan Cooney, Bill Lippert, Karen Luneau, James Masland

Presidents: Elaine Collins, Joyce Judy, Pat Moulton, Jonathan Spiro (Interim)

Chancellor's Office Staff: Donny Bazluka, Network/Security Analyst  
Todd Daloz, Interim General Counsel  
Brenda Flint, Associate Controller  
Jocelyn Haley, Director of Financial Operations  
Wayne Hamilton, Interim Controller  
Jen Porrier, Administrative Director  
Meg Walz, Program Manager, Library Coordinator  
Steve Wisloski, Chief Financial Officer  
Sophie Zdatny, Interim Chancellor  
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Nolan Atkins, Provost, Northern Vermont University  
Sarah Chambers, Coordinator of Instructional Technology, Castleton University  
Jonathan Davis, Dean of Students, Northern Vermont University  
Michael Fox, Dean of Enrollment & Marketing, Northern Vermont University  
Laura Jakubowski, Chief Budget & Finance Officer, Castleton University  
Karen Madden, Director of Academic Support Services, Northern Vermont University  
Sandra Noyes, President, VSC Staff Federation, Northern Vermont University  
Linda Olson, VP Education AFT-VT, 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  
Michael Stevens, Director of Facilities, Northern Vermont University  
Littleton Tyler, Dean of Administration, Vermont Technical College  
Beth Walsh, President, VSCUP, Northern Vermont University

From the Public:                      Lola Duffort, Reporter, VT Digger  
   Amy Nixon, Reporter, Caledonian Record

1. Chair Hinds called the meeting to order at 1:12 p.m.
2. Approval of February 3, 2020 meeting minutes

**Trustee Silverman moved and Trustee Pieciak seconded the approval of the meeting minutes. The motion was approved unanimously.**

3. Approval of Endowments
  - a. Elaine H. and Sok Nam Ko International Student Scholarship (Castleton)

Castleton University Interim President Jonathan Spiro shared that Sok Nam Ko was a 1958 graduate from CU and one of the first International students at CU. He has passed away but his wife Elaine, who was also a CU graduate, has created this scholarship for international students demonstrating a history of community involvement and volunteerism.

**The endowment was approved unanimously.**

4. Approval of Grants
  - a. Castleton University CARES Act Student Aid
  - b. Castleton University CARES Act Institutional Funds
  - c. Northern Vermont University CARES Act Student Aid
  - d. Northern Vermont University CARES Act Institutional Funds
  - e. Vermont Technical College, Small Business Development Corporation (SBDC) CARES Act Award

Chief Financial Officer Steve Wisloski provided an overview of the listed Grants with the first four relating to the CARES Act. The fifth Grant relates to the Vermont Technical College Small Business Development Corporation CARES Act.

**Trustee Flory moved and Trustee Silverman seconded the motion to approve the five Grants as listed. The motion was approved unanimously.**

5. Approval of Annual Banking and Investments Resolution 2020-005

Mr. Wisloski noted that Johnson State College is listed on the Resolution because it is noted that way on the bank account.

**Trustee Flory moved and Trustee Pieciak seconded the motion to approve the Annual Banking and Investments Resolution 2020-005. The motion was approved unanimously.**

6. General update since February 3 meeting

Mr. Wisloski shared that while the Coronavirus pandemic has dramatically and negatively impacted the System's enrollment outlook, the resulting policy intervention by the federal government and State of Vermont, combined with extraordinary spending restraint by the Colleges, ironically may have significantly improved the System's FY2020 results. Additionally, the Business Affairs Council (BAC) is currently working with State Treasurer Beth Pearce, and with former Chancellor of the University of Maine System Jim Page, both at the request of the Legislature. Specifically, the Treasurer is attempting to provide an independent assessment of the cost, and range of potential deficits, necessary to maintain the System's current physical footprint through the end of FY2021. Meanwhile, the former Maine System Chancellor is providing a separate assessment and recommendation informed by long-term enrollment trends and long-term costs such as deferred maintenance, debt and other post-employment (OPEB) liabilities.

7. Review and discuss 3<sup>rd</sup> Quarter FY2020 financial results and projection to year-end

Mr. Wisloski stated that the State of Vermont's supplemental FY2020 budget adjustment act includes \$12.2 million for the System; of this amount, \$5.1 million is to cover the cost of room and board refunds, and another \$175,000 covers student travel refunds and infrastructure costs, both of which will offset VSC's anticipated FY2020 budget deficit of \$5.7 million dollar-for-dollar. It is important to note, however, that this is one-time money, and the FY2021 budget is still being developed and could have a wide range of outcomes depending upon the degree of COVID restrictions on in-person instruction in the fall.

8. Discuss the FY2021 budget development and meeting schedule:

- a. Proposed: Wednesday, June 17 (Special Meeting) – First Pass FY2021 Budgets
- b. Proposed: Monday, July 27 (Special Meeting) – Second Pass FY2021 Budgets
- c. Monday, August 24 (Regular Meeting) – Third Pass FY2021 Budgets
- d. Proposed: Monday, September 21(Special Meeting) – Final FY2021 Budgets

Mr. Wisloski reviewed the purposes for the proposed special meetings schedule to prepare the FY2021 budgets, and suggested that the Committee and Board adopt a "one quarter" budget from July 1 through September 30 to provide spending authority while full year budgets are developed, similar to the processes being used both by the State of Vermont and the University of Vermont. Chair Hinde asked Administrative Director Jen Porrier to look at the possibility of adding the July 27<sup>th</sup> meeting to the Committee's calendar while the remainder of the dates coincide with regularly scheduled meetings.

9. Quarterly reports for information (and discussion)

- a. Cash and Investments
- b. Fixed Income Investments (TD Wealth)
- c. Endowment (Morgan Stanley)
- d. Grants

Mr. Wisloski gave a comprehensive review of the quarterly reports related to cash and investments, the System's fixed income portfolios with TD Wealth, the endowment with Morgan Stanley and a grants update.

10. Other Business

Mr. Wisloski advised that there might need to be three amendments or waivers to Policies at the next meeting, including Policy 403, System Annual Operating Budget (if the Trustees adopt a one-quarter budget through September 30); Policy 410, Financial Aid and Other Financial Awards (another one-year waiver as this policy is revised); and Policy 433, Debt Management Policy (to waive the requirement for level or declining debt service until FY2025).

11. Comments from the public

There were no comments from the public.

12. Adjourn

Chair Hinderes adjourned the meeting at 2:45 p.m.