



VERMONT

— STATE COLLEGES SYSTEM —



Fiscal Year 2024 Capital Budget

Sophie Zdatny, Chancellor

Sharron Scott, Chief Financial and Operating Officer

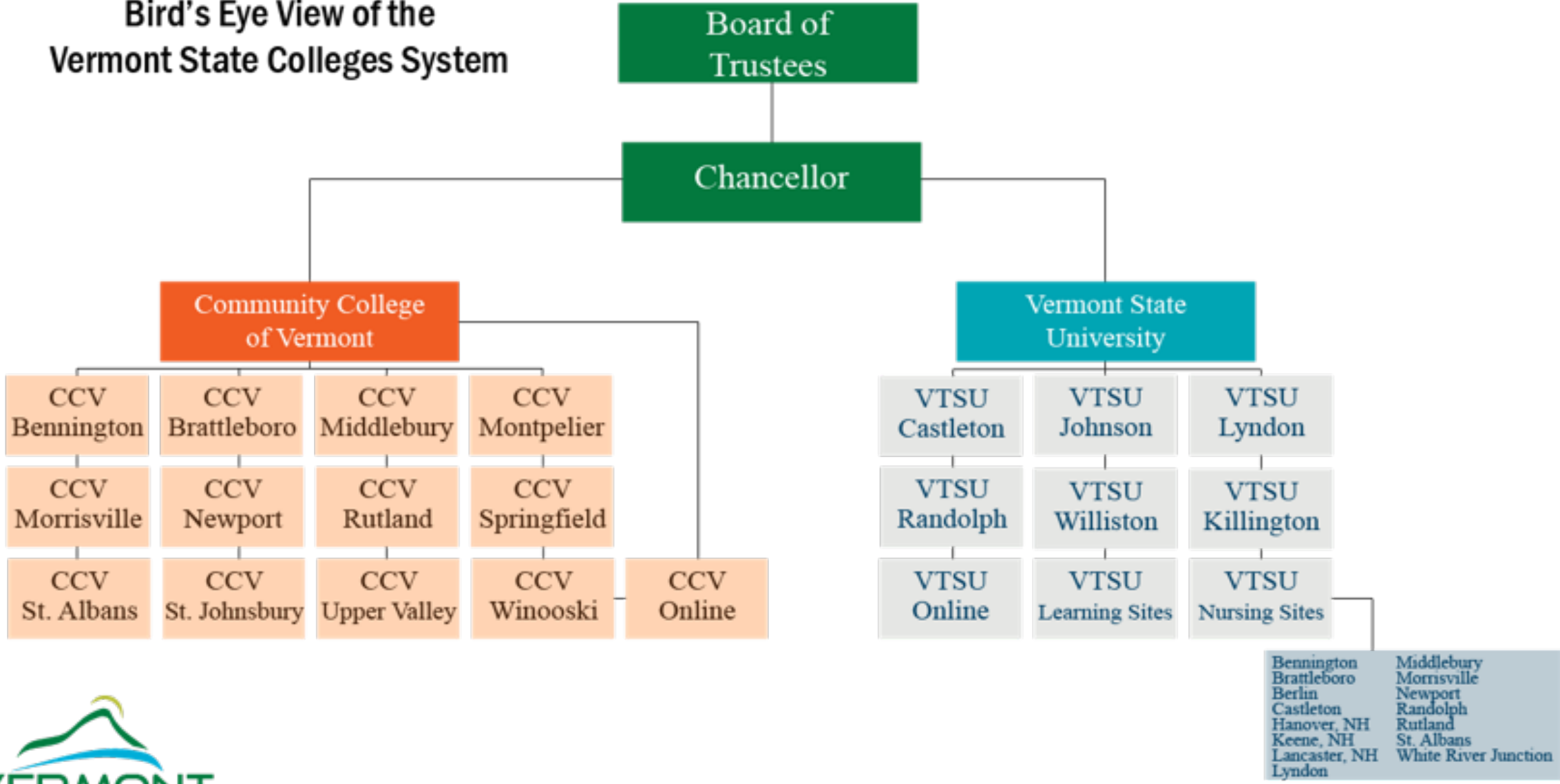
Katherine Levasseur, Director of External and Governmental Affairs

“Think higher education can’t ‘transform’ itself? Meet Vermont State University.”

- Inside Higher Education, August 24, 2022

[From 3 struggling public colleges, a new university emerges \(insidehighered.com\)](https://www.insidehighered.com)

Bird's Eye View of the Vermont State Colleges System



Overview Fiscal Year 2023

\$3,700,000 in Fiscal Year 2023

1. **\$2,000,000** for major maintenance projects
2. **\$900,000** for continued transformation work
3. **\$800,000** for nursing simulation laboratories

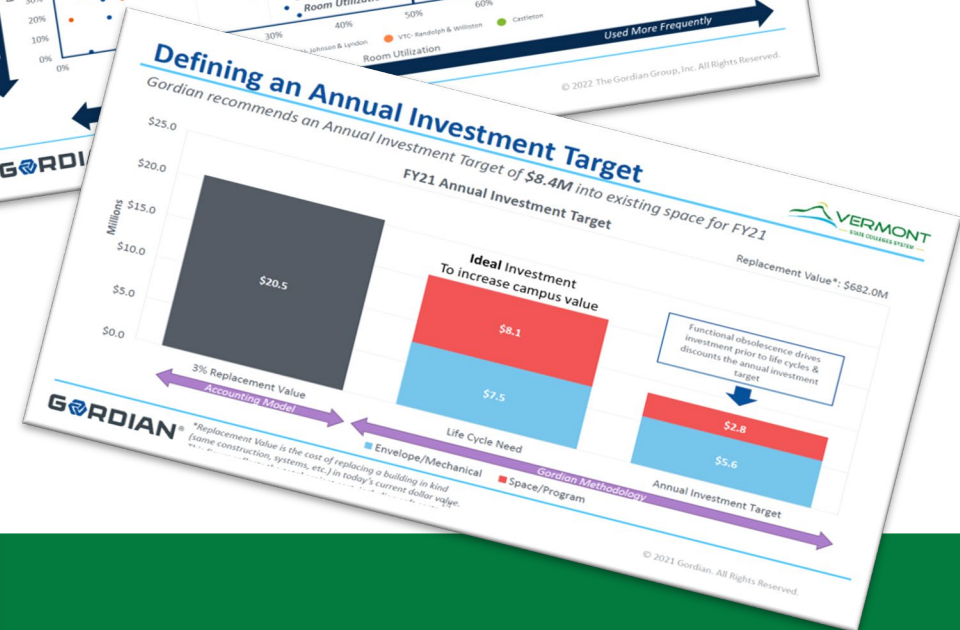
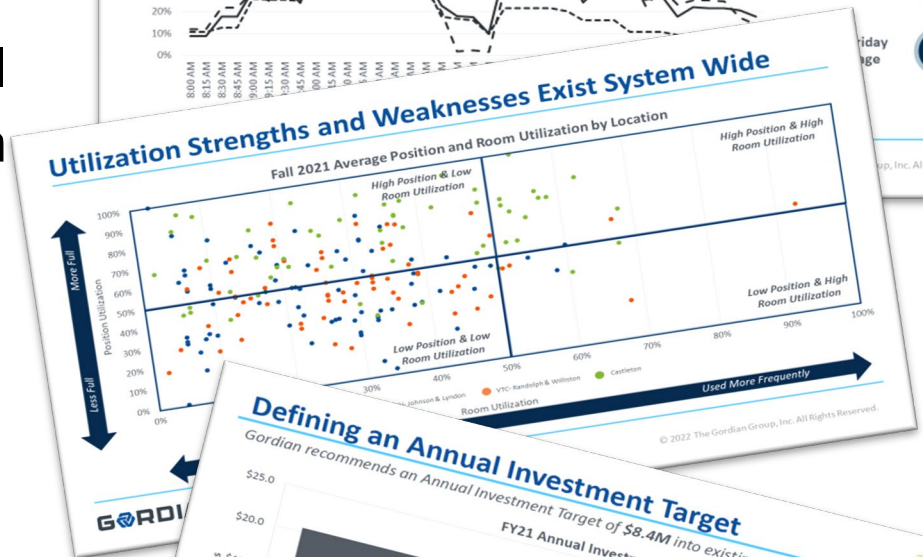
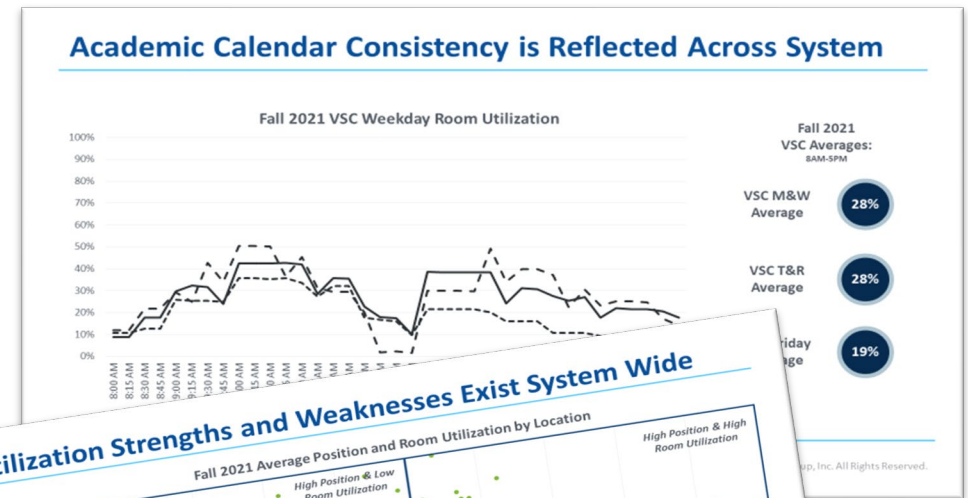


Facilities Strategic Planning



Facilities Background

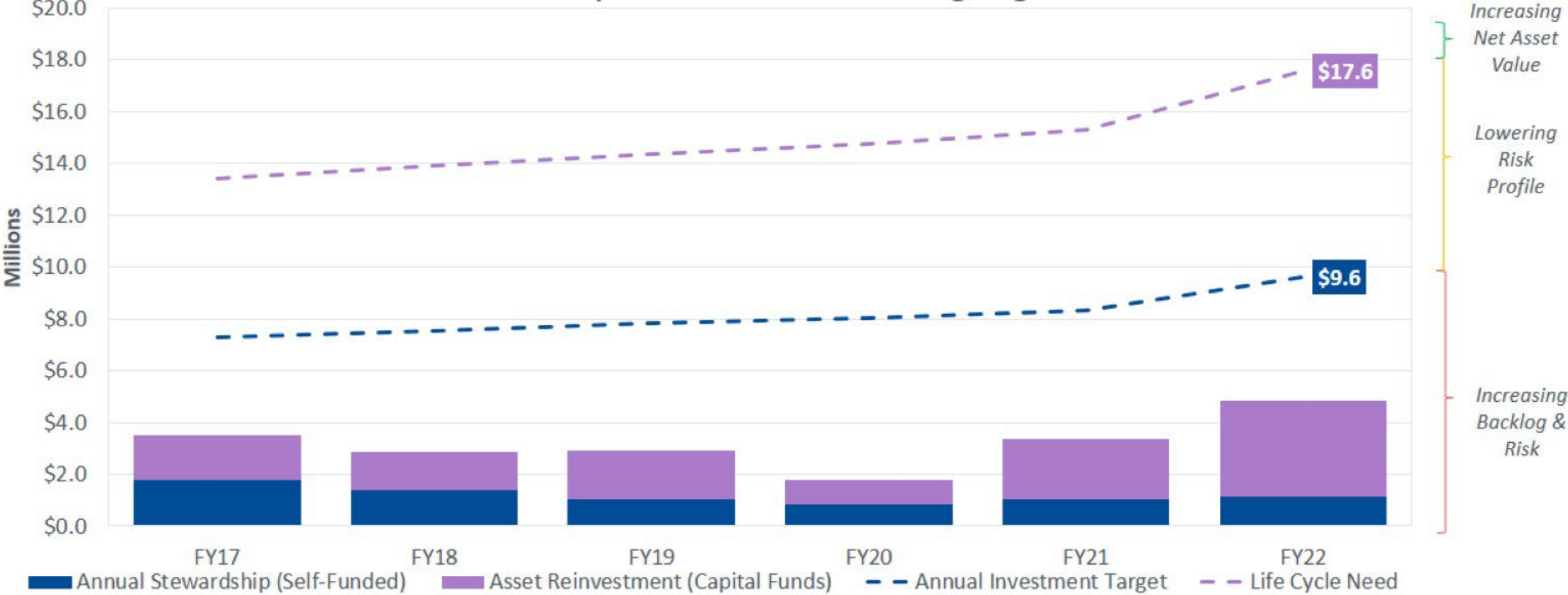
- Academic space utilization at Vermont State University campuses is roughly 30%. Should be closer to 65%
- To maintain existing conditions, \$9.6 million of Capital Investment is needed. Currently spending \$3-4 million
- Divestment of underused assets is necessary to:
 - Generate revenue
 - Reduce expenses
 - Make existing space feel utilized and more alive
 - 25-30% Cost reduction requires about 35% reduction of square footage through a combination of cut and build back



Current Level of Funding Increases Backlog and Risk

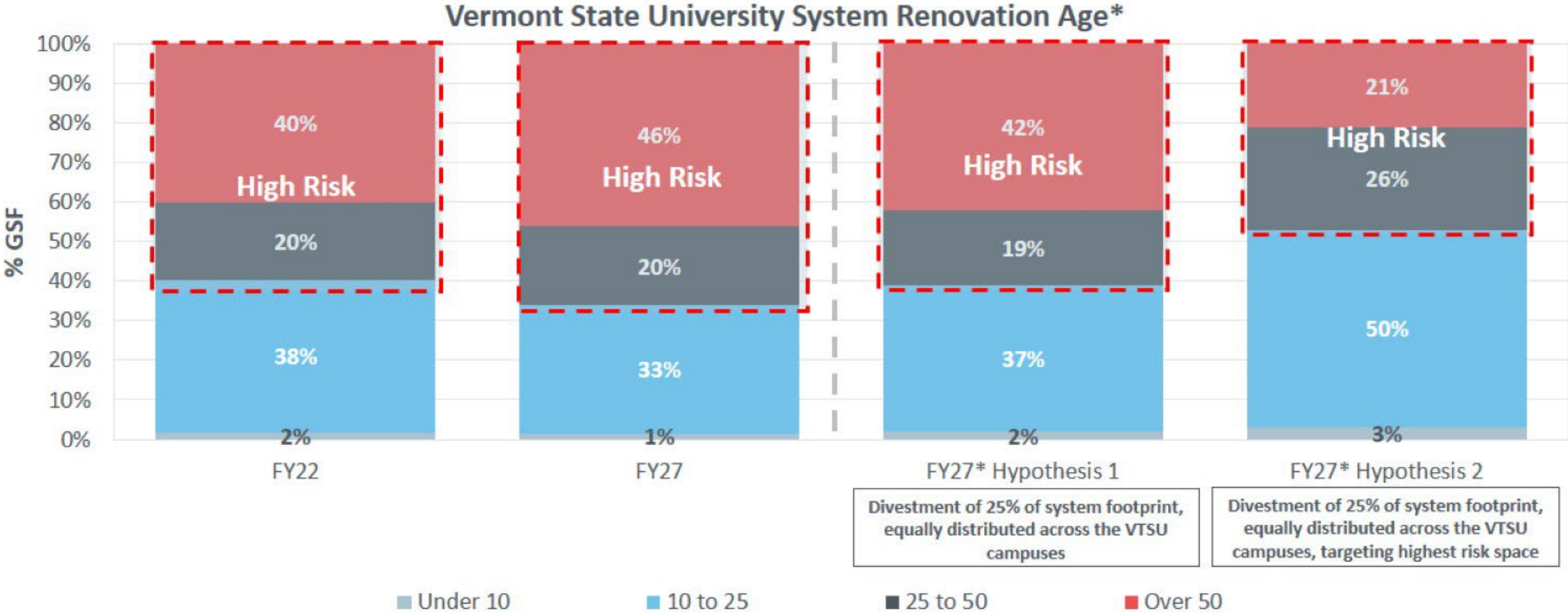
Repeatedly investing below annual target contributes to increased risk and deferred maintenance, exacerbating renewal efforts

Total Capital Investment vs. Funding Target



Reimagining What VTSU's Building Portfolio Looks Like

Historic capital investments and utilization rates of VTSU space is not enough to steward current portfolio of space; strategic decisions must be made to divest from specific VTSU assets



Planning & Processes

Phase I

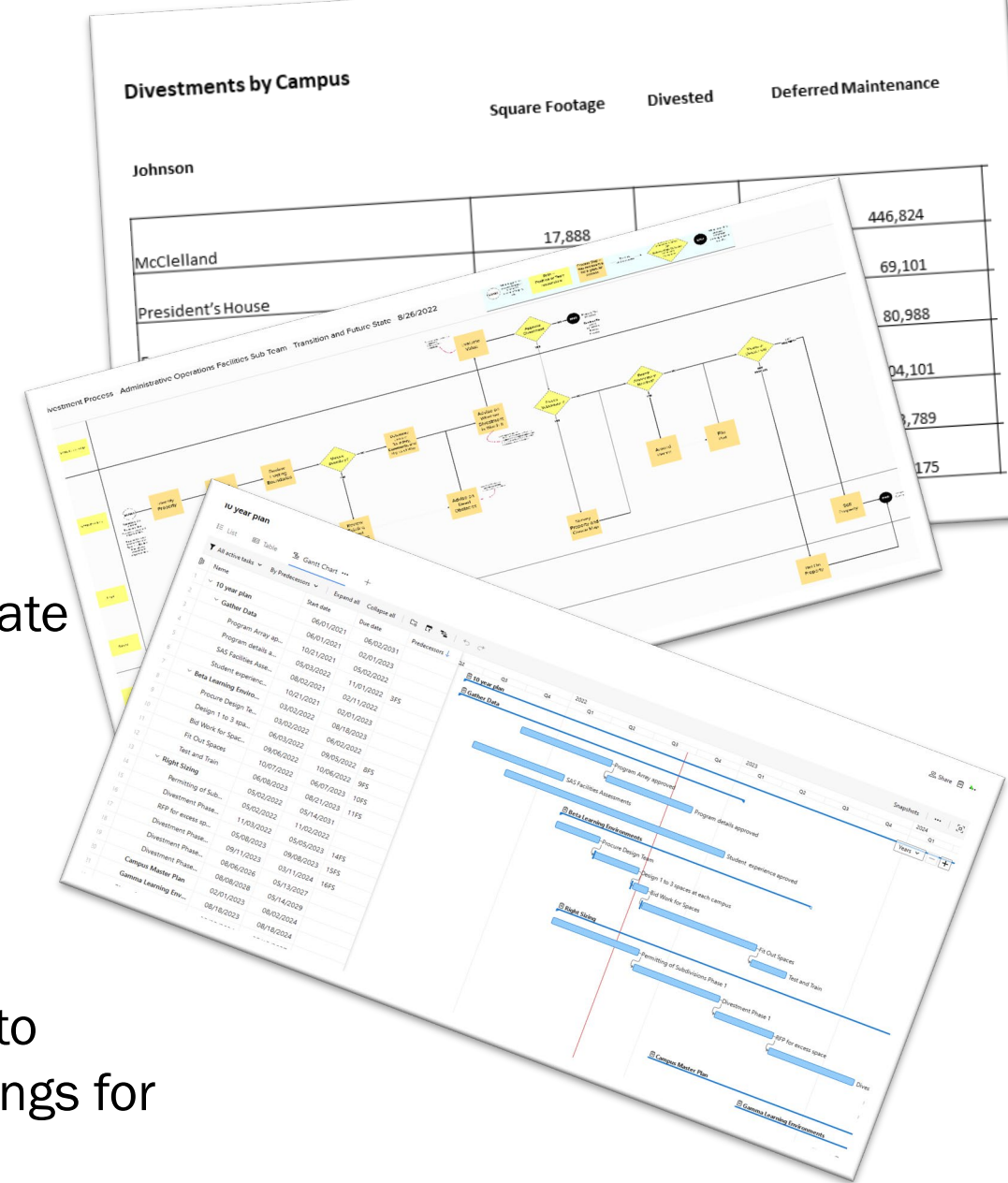
- Identified underutilized structures
- Investigate current programmatic use
- Subdivide, amend permits and divest

Phase II

- Identify structures with limited current use and relocate
- Subdivide and amend permits where needed

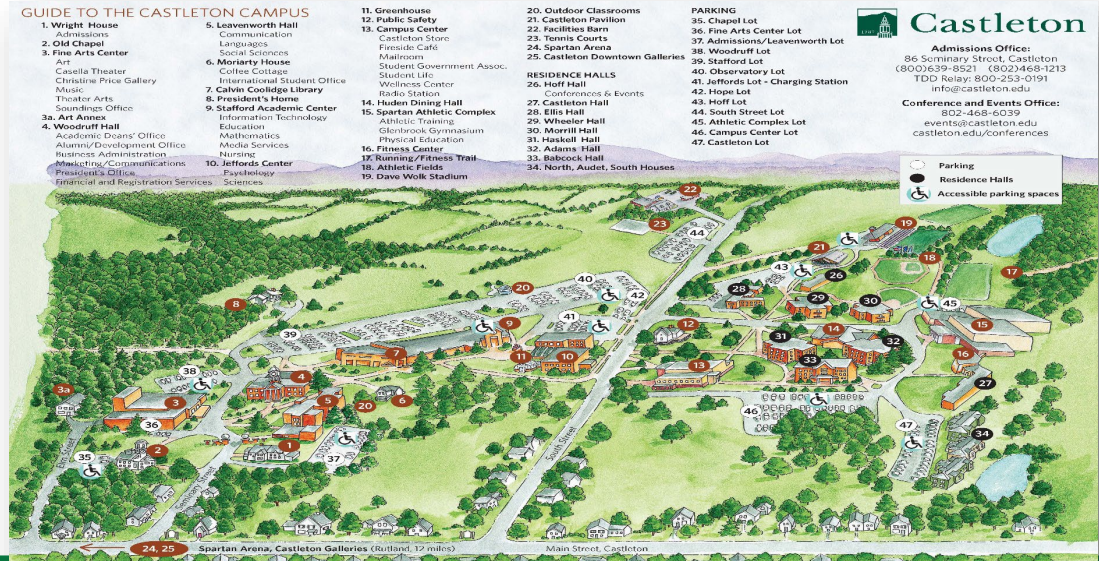
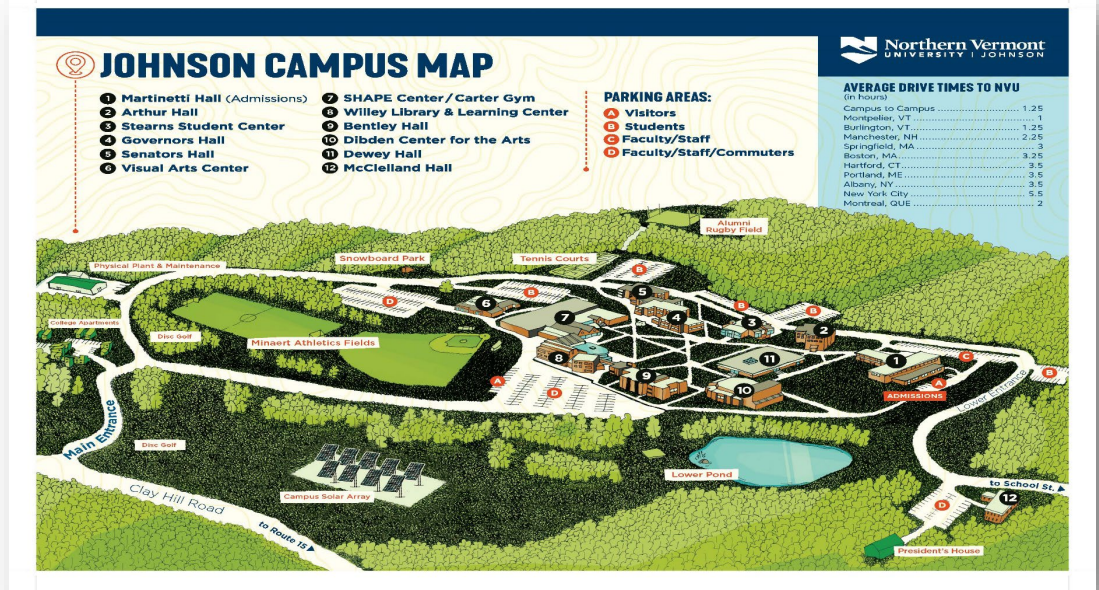
Phase III

- Identified through the master planning process.
- Based on programmatic array
- Actual location and numbers of students
- Projects will be identified to consolidate programs into more useful structures and free up less useful buildings for sale, lease or removal.



Key Activities

- Currently Identified:
 - 18 Phase I properties
 - 16 Phase II properties identified
 - Over 500,000 square feet
- Surveyors on campuses September and October 2022
- Deed and permit work. There is a backlog of up to eight months
- 10-year campus master plan for VTSU launches by February 1, 2023



Required Input

Finance & Facilities & Board of Trustees

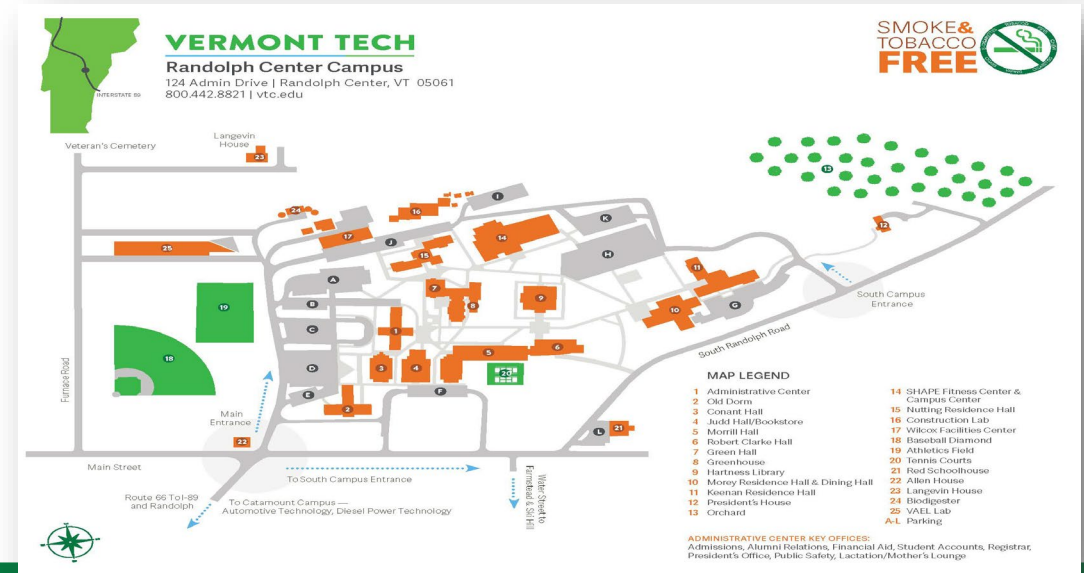
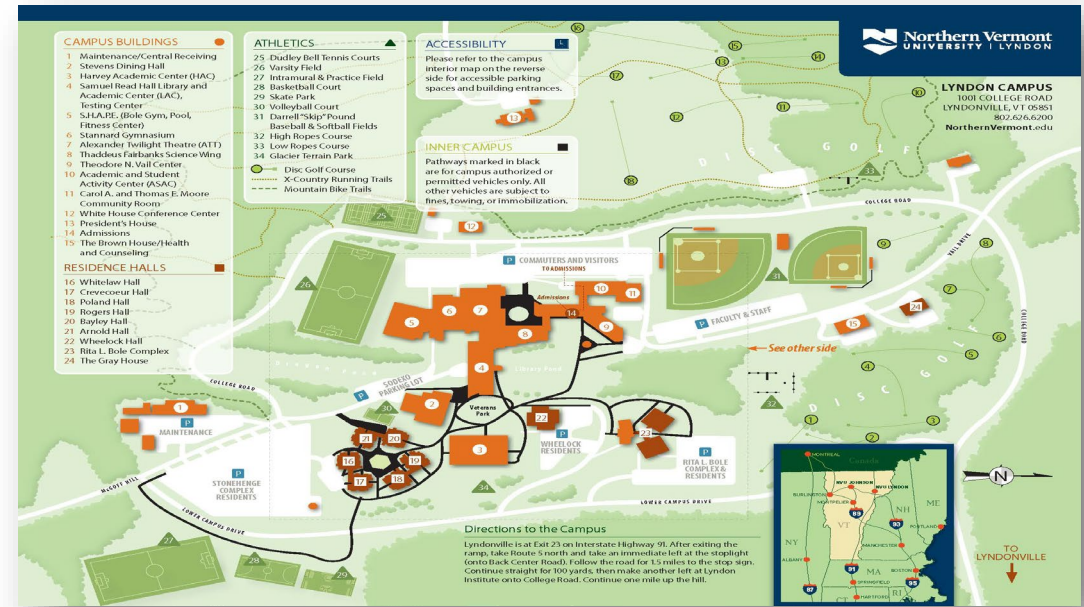
- Regular updates feedback on divestment activities
- Permission to divest of selected properties
- Permission to execute sale

Vermont State Treasurer

- Review properties selected for divestment that used State of Vermont capital within last ten years
- Take actions as required

Vermont Municipal Bond Bank

- Review properties selected for divestment that are part of the security with the Bond Bank



Fiscal Year 2024-2025 Capital Ask

Overview of Request

\$12,196,328 in FY 2024 - 2025

1. **\$6,340,320** for major maintenance projects
2. **\$1,100,000** for continued transformation work
3. **\$1,585,689** to upgrade Green Hall on the Randolph campus
4. **\$3,170,319** for the renovation of Vail Hall on the Lyndon campus



Vermont State Colleges System Capital Request

Project Description	VSC Request	Governor's Recommend
Major Maintenance - Statewide	6,340,320	4,500,000
Transformation - Statewide	1,100,000	1,000,000
Green Hall - Randolph	1,585,689	1,585,689
Vail Hall - Lyndonville	3,170,319	2,914,311
Total	12,196,328	10,000,000

Major Maintenance: \$6.340 million

Repair and replacement of infrastructure such as elevator retrofits, repaving projects, heating system replacements, fire alarm system replacements, building masonry cleaning and repair, window replacements, HVAC system repairs

Program	FY24	FY25
Major Maintenance	3.108	3.232
Transformation	.600	.500
Green Hall – Randolph	1.586	
Vail Hall – Lyndon		3.170
Total Projects	5.294	6.902

Transformation: \$1.1 million

Fund projects that directly support transformation of the VSC. Key projects include activities to decrease structural budget deficit, making necessary investments in classrooms to support new teaching modalities, and creating new signage for a unified Vermont State University

Program	FY24	FY25
Major Maintenance	3.108	3.232
Transformation	.600	.500
Green Hall – Randolph	1.586	
Vail Hall – Lyndon		3.170
Total Projects	5.294	6.902

Green Hall at Randolph: \$1.586 million

Replace the aging facility infrastructure of Green Hall (the campus's engineering and renewable energy building) supporting core technical education programs. Upgrade and replace mechanical, electrical, and plumbing systems to improve building efficiency.

Program	FY24	FY25
Major Maintenance	3.108	3.232
Transformation	.600	.500
Green Hall – Randolph	1.586	
Vail Hall – Lyndon		3.170
Total Projects	5.294	6.902

Vail Hall at Lyndon: \$3.170 million

Address much needed code upgrades and building efficiency enhancements. Many of the building's systems have failed making it difficult to heat and maintain the facility.

Program	FY24	FY25
Major Maintenance	3.108	3.232
Transformation	.600	.500
Green Hall – Randolph	1.586	
Vail Hall – Lyndon		3.170
Total Projects	5.294	6.902

Thank You

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Appendix: Fiscal Year 2026-2032 Outlook

Next Biennium FY26 to FY27: \$17.235 million

Continue to address major maintenance and finalize transformation spending. Complete one major deferred maintenance and energy efficiency project a year.

Program	FY26	FY27
Major Maintenance	3.361	3.496
Transformation	.400	.300
Jeffords Hall - Castleton	5.595	
Stearns Hall - Johnson		4.083
Total Projects	9.356	7.879

FY28 and Beyond: \$51.046 million

Continue to address major maintenance and finalize transformation spending. Complete one major deferred maintenance and energy efficiency project a year.

Program	FY28	FY29	FY30-33
Major Maintenance	3.636	3.781	16.700
Deferred Maintenance & Energy Efficiency	4.500	4.500	18.000
Total Projects	8.136	8.210	34.700