

The University of Vermont  
Vermont State Legislature Presentation

2016

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## Update Since Last Session: “Summer Study Committee” on Performance Based Funding

- Met three times to study Performance Based Funding Models
- Model should be based on nationally-recognized “output performance measures”
- Goal: more Vermonters should graduate with degrees
- Proposal: “Complete College Vermont,” an incentive payment to UVM and the VSC to support low income/first generation Vermont students



# Deepening UVM's Access to Success Efforts: “Step Up” & “Complete College VT”

UVM is partnering with Vermont State Colleges to propose two new programs:

- Step-Up – target and recruit working age Vermonters to attend college with five free classes
- Complete College Vermont –strengthen financial aid and support services for low-income and first generation students



# UVM 2015 Highlights

## UVM STEM Facility

- Projected completion: 2017
- State of the art laboratory facilities and classrooms
- Major economic driver for the state of Vermont through jobs and applied research
- 26 subcontractors and 300 individuals working on the site



# UVM 2015 Highlights

## Example of Basic and Applied Knowledge through Discovery and Research:

### Opiate Addiction Research

- National Institute of Health grant funds UVM study of the effects of illicit drugs on brain development in teens and young adults. The grant allows UVM scientists to study not only how to decrease the effects of addiction, but also its biological basis with a view to trying to avoid addiction in the first place.
- Popular undergraduate class teaches the effects of various addictive substances on the structure and function of the brain. Exposure to these lectures appears to be having a marked effect on choices concerning the recreational use of drugs – whether they be opiate analgesics or heroin.



# Teaching Tomorrow's Leaders

As Vermont's only comprehensive research university, UVM is critically important to the education of Vermont's next generation and the economic well-being of our state.

**Over 4,200 enrolled Vermonters**

**43% of Vermont students attended UVM  
tuition free in 2015**

**(due to the use of 1/2 of UVM's appropriation for  
scholarships, supplemented with private donations)**

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# UVM Degrees Awarded 2014-2015

|                       | In-State     | Out-of-State | All          |
|-----------------------|--------------|--------------|--------------|
| <b>Undergraduates</b> | 834          | 1,506        | 2,340        |
| <b>Masters</b>        | 223          | 139          | 362          |
| <b>Doctorate</b>      | 45           | 66           | 111          |
| <b>Medical</b>        | 34           | 79           | 113          |
| <b>All Levels</b>     | <b>1,136</b> | <b>1,790</b> | <b>2,926</b> |

**...Over 1,000 Vermonters graduate from  
UVM every year!**



# Retention and Completion

## 2015

|                           | <b><u>Vermonters<br/>UVM</u></b> | <b><u>Total<br/>UVM</u></b> | <b><u>National<br/>Public<br/>Research*</u></b> |
|---------------------------|----------------------------------|-----------------------------|---|
| <b><u>Retention</u></b>   | <b>89%</b>                       | 86%                         | 83%   |
| <b><u>Completion</u></b>  |                                  |                             |   |
| Four-Year Graduation Rate | <b>68%</b>                       | 62%                         | 37%   |
| Six-Year Graduation Rate  | <b>81%</b>                       | 77%                         | 62%   |

**Vermonters stick with UVM & graduate at higher rates than students at peer institutions.**  
**UVM graduation rates far exceed national averages.**

\* Public Research rates are for prior year cohorts as most recent cohorts are not yet available.

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# Degrees Awarded and Access to Success

Undergraduate Students, 2014-15

| <u>Access to Success</u> | <u>Vermonters</u> | <u>Out-of-State</u> |
|--------------------------|-------------------|---------------------|
| First-generation         | <b>32%</b>        | 14%                 |
| Pell recipients          | <b>28%</b>        | 16%                 |
| ALANA students           | <b>8%</b>         | 10%                 |



# UVM Graduates Get Jobs and Add to Vermont's “Brain Gain”

|  | <b>2013-14<br/>Graduates</b> |
|--|------------------------------|
| <b>Percent employed or enrolled in graduate school 1-year after graduation</b> | 91%                          |
| <b><i>Of those employed*:</i></b>  |                              |
| <b>Percent of graduates employed in Vermont</b>                                | 44%                          |
| <b>Percent of Vermonter graduates employed in Vermont</b>                      | 64%                          |
| <b>Percent of Out-of-State graduates employed in Vermont</b>                   | 33%                          |

\* Overall employment/success rates are weighted by gender and college/school to compensate for uneven participation rates. Further breakdown of these rates are not weighted and may have higher variability based on participation rates and sample sizes.



# Student Costs and Loan Debt

|  | <u>Vermonters</u>                     | <u>Out-of-State</u>            | <u>National Public Research*</u> |
|--|---------------------------------------|--------------------------------|----------------------------------|
| <b><u>Student Aid</u></b>  |                                       |                                |                                  |
| Average amount of financial aid awarded FY15                         | <b>\$10,109</b><br>(37% discount)     | \$14,505<br>(30% discount)     | \$8,384                          |
| <b><u>Net Cost of Attendance</u></b>                                 |                                       |                                |                                  |
| Net cost of attendance after all non-loan financial aid FY15         | <b>\$16,897</b>                       | \$34,149                       | \$14,449                         |
| <b><u>Student Loan Debt</u></b>                                      |                                       |                                |                                  |
| Median debt upon graduation FY15<br>(Average of students with loans) | <b>\$23,800</b>                       | \$25,500                       | \$28,950**                       |
| Median debt upon graduation FY15<br>(Average including all students) | <b>\$15,450</b><br>(32% have no debt) | \$10,375<br>(43% have no debt) |                                  |

\* Public Research rates are for prior year cohorts as most recent cohorts are not yet available. Includes In-State students only.

\*\* National *Average* Student Loan Debt (FY14) Source: Project on Student Debt



# UVM's Economic Impact in VT

**32,000 UVM alums live and work in Vermont.**

**Largest employer in the state:** 11,500 Vermonters employed by UVM and UVM Medical Center.

**\$132 million** in awarded outside research grants and contracts in 2015, with 89% of that funding coming in from out of state.

**\$1 billion** of direct and indirect economic activity to Vermont contributed by UVM every year, representing a **25 to 1 return on investment** from the state's appropriation to UVM.



# UVM's Economic Impact in Vermont

| OTC Performance By Fiscal Year                           | FY11         | FY12         | FY13         | FY14         | FY15         |
|--|--------------|--------------|--------------|--------------|--------------|
| New Invention Disclosures                                | 33           | 49           | 29           | 46           | 39           |
| US Provisional Application filings                       | 17           | 18           | 20           | 6            | 15           |
| US Non-Provisional Application filings                   | 10           | 11           | 13           | 13           | 7            |
| PCT Application filings                                  | 1            | 7            | 9            | 11           | 3            |
| Foreign Application filings                              | 6            | 2            | 0            | 2            | 7            |
| New US Patents Granted                                   | 14(3)        | 7(3)         | 10           | 13           | 7            |
| Options & Licenses executed                              | 6            | 7            | 3            | 2            | 6            |
| Spin-Off Companies formed                                | 2            | 1            | 3            | 0            | 4            |
| Gross Revenue (Royalties + Patent Expense Reimbursement) | \$431,176.40 | \$418,048.04 | \$439,101.78 | \$526,921.00 | \$630,270.00 |

| OTC Portfolio Snapshot                           | FY11 | FY12 | FY13 | FY14 | FY15 |
|--|------|------|------|------|------|
| Running Total of US Patents Issued               | 109  | 116  | 133  | 146  | 153  |
| Running Total of Licenses in Force               | 43   | 45   | 44   | 46   | 47   |
| Total No. of Companies created since 2000        | 13   | 14   | 17   | 17   | 21   |
| Total No. of Companies in which UVM holds equity | 13   | 13   | 14   | 14   | 15   |



# State Funding Has Not Kept Pace With UVM Growth



The declining percentage of the state appropriation as a percentage of the UVM Total Budget 1975-2016

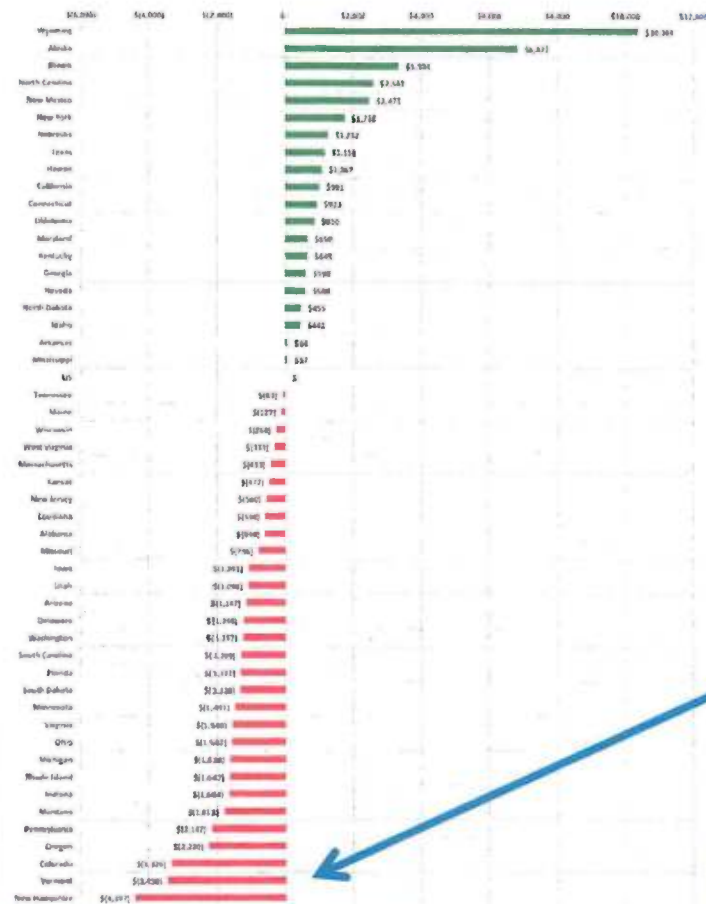
Source: Office of Financial Analysis and Budgeting

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# Vermont Ranks 49th in State Support of Higher Education

Educational Appropriations per FTE  
State Differences from U.S. Average Fiscal 2013



Vermont

Source: State Higher Education Finance FY13, State Higher Education Executive Officers

Notes: Dollars adjusted by Cost of Living Adjustment and Enrollment Index  
Source: State Higher Education Executive Officers

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# UVM Efficiency: Overhead Cut and Academics Strengthened

FY2015 versus FY2011

|                        |               |
|------------------------|---------------|
| Total staff            | -2.5%         |
| Executive office staff | -21.4%        |
| <b>Faculty</b>         | <b>+13.7%</b> |

The focus: academic investment and administrative efficiency.





# UVM Is Lean Compared To Its Peers

Management/Executive Staff Predicted: 11.98

Management/Executive Staff UVM Actual: **8.27**

-- per 1000 students. Source: IPEDS

National institutions compare public research university metrics and show that UVM has a much leaner management and executive team than other public research institutions, per 1,000 students.



# Snapshot: UVM's State Appropriation of \$42.7 million in FY 16

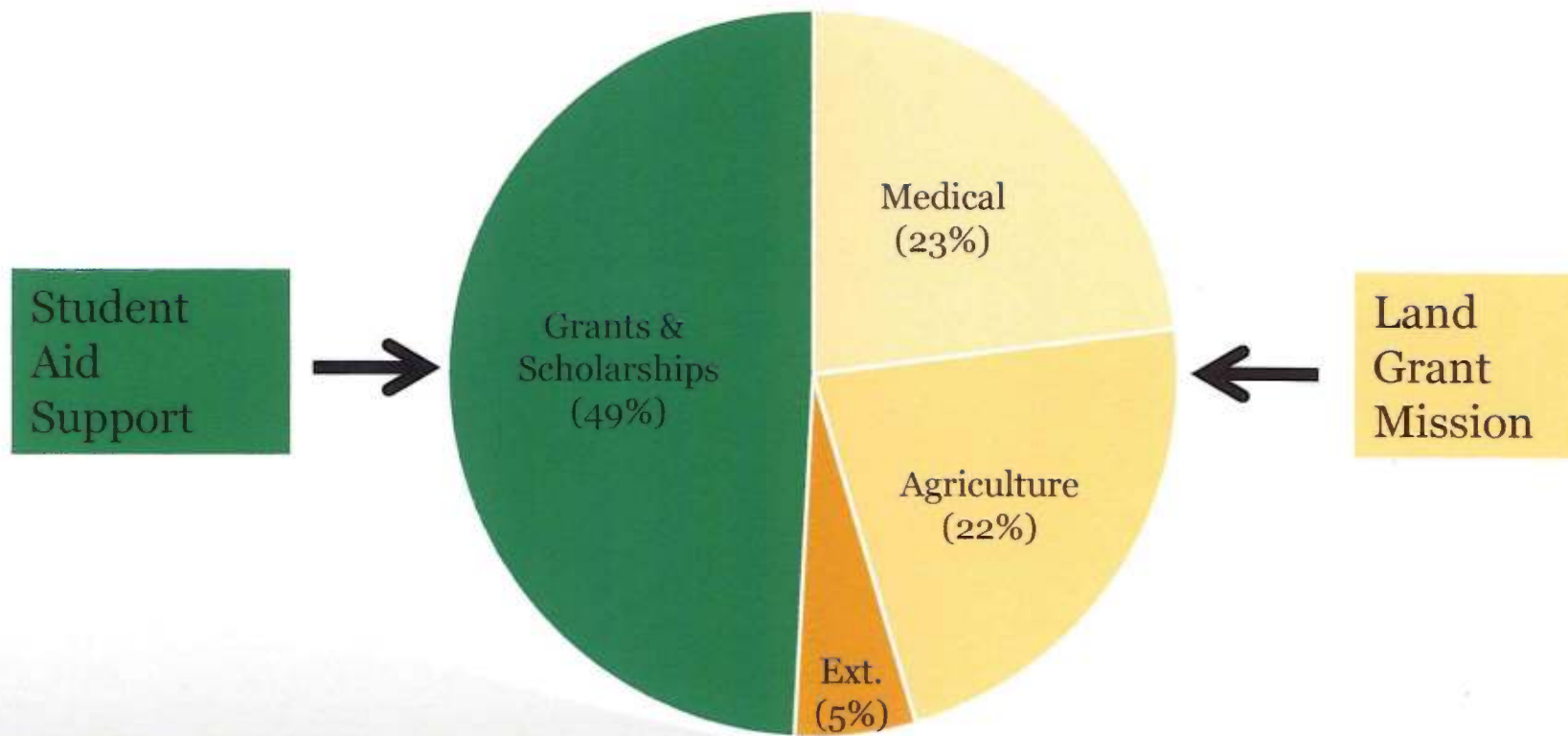
- 50% -- Scholarship and Financial Aid Support for Vermonters
- 25% -- Agricultural and Extension Services
- 25% -- Medical Education
- Vermont Package, EPSCoR Match, for Research Grants

**All State funding goes directly either to  
1) Vermont student financial support or to  
2) UVM's land grant mission**



# State Funding Breakdown:

State Funding Breakdown, FY2015



## UVM FY 2017 Budget Request

This year, the University of Vermont followed the recommendation of the Act 148 study committee report and requests that UVM’s appropriation be increased by the prior year increase of the State of Vermont general fund (from FY15 to FY16) plus 1% for a total increase of 5.2%.

| STATE OF VERMONT  |  |                     |                     |                     |
|---|--|---------------------|---------------------|---------------------|
| FISCAL YEAR 2017 BUDGET RECOMMENDATIONS                     |  |                     |                     |                     |
| University of Vermont                                       |  |                     |                     |                     |
| UNIVERSITY OF VERMONT APPROPRIATION SUMMARY BY MAJOR OBJECT |  |                     |                     |                     |
|   |  | FY 2015             | FY 2016             |                     |
| Appropriation   |  | Actual              | Appropriated        | University Request  |
| University of Vermont (Gen Fund)                            |  | \$38,462,876        | \$38,462,876        | \$40,463,000        |
| Global Commitment   |  | \$4,046,217         | \$4,046,217         | \$4,256,000         |
| <b>TOTAL</b>  |  | <b>\$42,509,094</b> | <b>\$42,509,094</b> | <b>\$44,719,000</b> |
| One-Time Appropriation                                      |  | \$0                 | \$0                 | \$0                 |
| FUND TYPE   |  |                     |                     |                     |
| General Fund  |  | \$42,509,094        | \$42,509,094        | \$44,719,000        |
| <b>TOTAL</b>  |  | <b>\$42,509,094</b> | <b>\$42,509,094</b> | <b>\$44,719,000</b> |



# UVM and the 40% Rule

- Dates from the 1950's
- Only institution of higher education in Vermont subject to the rule
- The 40% rule was eliminated almost two years ago for distance and graduate programs with no adverse effect on tuition for Vermonters
- Elimination of this rule will allow us to align with market norms and moderate tuition rates to make UVM more affordable for all students





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# Contact Information

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