



CASTLETON UNIVERSITY
COMMUNITY COLLEGE OF VERMONT
JOHNSON STATE COLLEGE
LYNDON STATE COLLEGE
VERMONT TECHNICAL COLLEGE

**Appropriations Committees
Testimony 2/6/18
Jeb Spaulding, Chancellor**



New Initiatives at the VSCS

Visit www.vsc.edu for more information

Start to Finish

This systemwide initiative advances game-changing strategies to increase academic success and retention in the first year, on-time completion of a VSCS degree or other credential of value, and progression within the system to further learning.

New Workforce Certifications

To tackle Vermont's workforce needs and provide working-age adults with the skills they need to build their careers, the VSCS is increasing certificate programs. New programs include certified production technician and certified public bookkeeper (CCV), two new industry recognized hospitality certificates (LSC), a host of new industry credentials including diesel, cyber security, welding, HVAC (VT Tech) and more.

Direct Admissions

Community College of Vermont students are guaranteed transfer admission to Castleton University, Johnson State College, Lyndon State College or Vermont Technical College.

www.vsc.edu/direct-admissions

Unification: Northern Vermont University

On July 1, 2018, Johnson State College and Lyndon State College will become Northern Vermont University, a two-campus institution of higher learning combining nationally recognized professional and liberal arts programs.

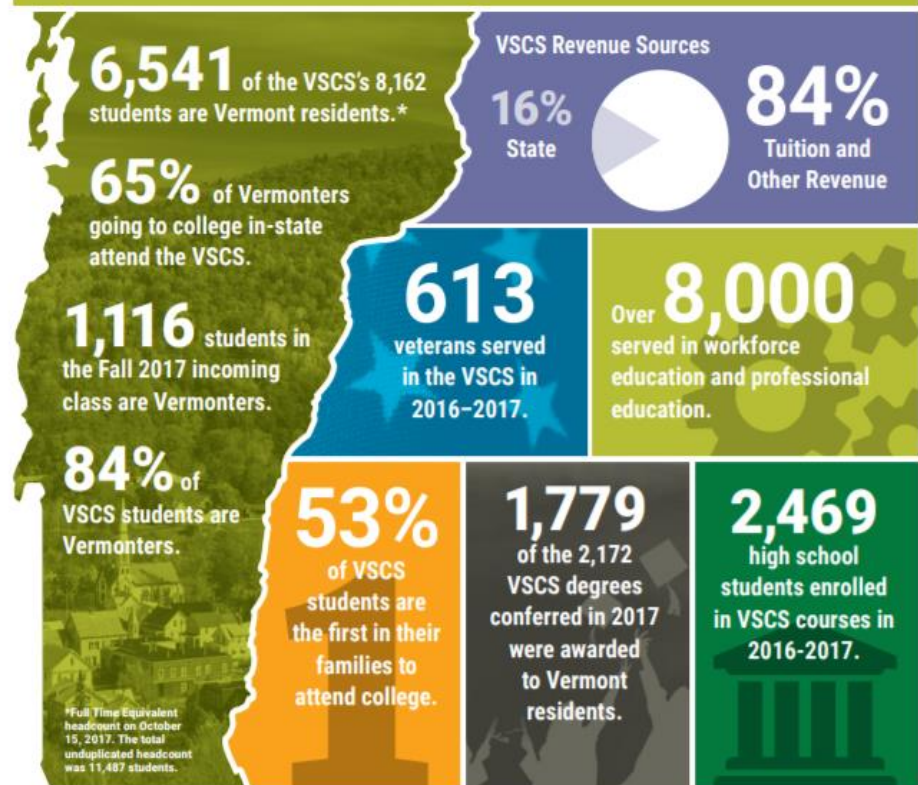
northernvermont.edu



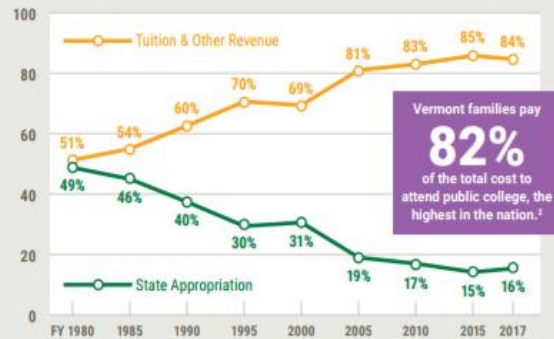
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IMPACT 2016 2017

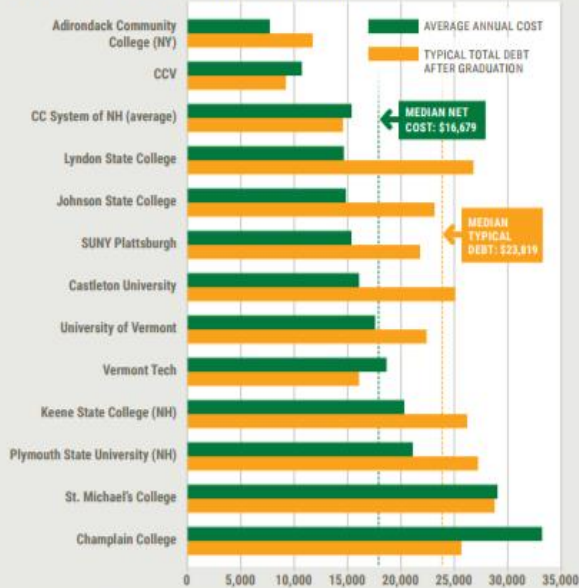


State Support of the Vermont State Colleges System¹



¹ Source: VSCS Audited Financial Statements ² Source: Young Invincibles 2016 State Report Card/SHEED SHEF Report

Average Annual Cost and Typical Total Debt After Graduation³



³ Source: U.S. Dept. of Education College Scorecard, <https://collegescorecard.ed.gov/>



For the Benefit of Vermont

The VSCS has adopted six strategic priorities to support its mission:

1. Increase the continuation rate of high school students on to postsecondary education.
2. Improve the retention and graduation rates at our colleges.
3. Become a more attractive destination for Vermont high school graduates.
4. Serve well more working age Vermonters.
5. Operate as a more integrated system to expand student opportunities and achieve operational efficiencies.
6. Increase state financial support and other supplemental revenues.

Mission of the Vermont State Colleges System

For the benefit of Vermont, the Vermont State Colleges System provides affordable, high quality, student-centered, and accessible education, fully integrating professional, liberal, and career study, consistent with student aspirations and regional and state needs.

Top VSCS Degree Programs, Fall 2017

- Business & Management 1,333 students
- Health Professions 1,252
- Liberal Arts & Humanities 1,092
- Public Administration/Social Services/ 540
- Security Professions
- Education 497
- Science 474
- Engineering & Technology 394
- Leisure & Fitness Studies 337
- Visual & Performing Arts 313
- Psychology 308
- Computer Science & Engineering 288



FY2018 Appropriations Review

VSCS FY2018 Request:

- \$4.0 million increase to base.
- Modest, annual inflationary increases.
- \$880,000 for Northern Vermont University.

FY2018 Budget:

- \$3.0 million added to \$25 million base.
- \$880,000 for Northern Vermont University
- No annual inflationary increase.

FY2019 Request

- \$1 million increase to the VSCS base appropriation (completion of the \$4 million FY2018 request).
- Annual inflationary increase – the Governor’s six year average wage growth (2.36%) would be appropriate.
- \$350,000 in one-time funds to support the unification of Johnson and Lyndon State Colleges to become Northern Vermont University.

Northern Vermont University

TIMELINE:

Sep. 30, 2016 Board of Trustees Approves Unification

Dec. 1, 2016 “Northern Vermont University” named

July 1, 2017 Unified Administration for Johnson and Lyndon State Colleges

July 1, 2018 Northern Vermont University launches

One-Time Funding				
	FY17 Actual	FY18 Committed	FY19 Budgeted	Total
Academic	\$ 188	\$ 79,812	\$ 70,000	\$ 150,000
Accreditation	\$ 21,454	\$ 78,546		\$ 100,000
IT & Connected Classrooms	\$ 55,772	\$ 494,228		\$ 550,000
Marketing, Branding, Signage	\$ 311,334	\$ 438,666	\$ 250,000	\$ 1,000,000
Legal	\$ -	\$ 100,000		\$ 100,000
Fleet Enhancements	\$ -	\$ 40,000	\$ 20,000	\$ 60,000
Misc.	\$ -	\$ 30,000	\$ 10,000	\$ 40,000
Grand Total	\$ 388,748	\$ 1,261,252	\$ 350,000	\$ 2,000,000

Unrestricted Revenues and Expenses
FY2018 Budget Outlook as of December 31
Vermont State Colleges System
(Amounts rounded to \$1,000)

EXECUTIVE SUMMARY

	<u>FY2018</u> <u>Budget</u>	<u>Outlook as of</u> <u>30-Sep</u>	<u>Outlook as of</u> <u>Dec 31</u>	<u>\$ Variance</u>	<u>Var</u> <u>> +3%</u>
REVENUES					
Castleton University	49,194	48,339	48,264	(930)	
Community College of Vermont	27,860	28,140	28,141	281	
Northern Vermont University	57,962	55,941	55,622	(2,340)	*
Johnson State College	29,433	28,863	28,552	(881)	
Lyndon State College	28,529	27,078	27,070	(1,459)	*
Vermont Technical College*	37,833	37,375	37,467	(366)	
Chancellor's Office	250	250	250	-	
TOTAL REVENUES	<u>173,099</u>	<u>170,045</u>	<u>169,744</u>	<u>(3,355)</u>	
EXPENSES					
Castleton University	49,710	49,535	49,775	65	
Community College of Vermont	26,950	27,280	27,435	485	
Northern Vermont University	59,069	57,846	57,164	(1,905)	*
Johnson State College	29,980	29,277	28,877	(1,103)	*
Lyndon State College	29,089	28,569	28,287	(802)	
Vermont Technical College*	37,153	37,056	36,741	(412)	
Chancellor's Office	250	250	464	214	
TOTAL EXPENSES	<u>173,132</u>	<u>171,967</u>	<u>171,579</u>	<u>(1,553)</u>	
NET REVENUES/(DEFICIT)					
Castleton University	(516)	(1,196)	(1,511)	(995)	*
Community College of Vermont	910	860	706	(204)	*
Northern Vermont University	(1,107)	(1,905)	(1,542)	(435)	*
Johnson State College	(547)	(414)	(325)	222	*
Lyndon State College	(560)	(1,491)	(1,217)	(657)	*
Vermont Technical College*	680	319	726	46	*
Chancellor's Office	-	-	(214)	(214)	
NET REVENUES/(DEFICIT)	<u>(33)</u>	<u>(1,922)</u>	<u>(1,835)</u>	<u>(1,802)</u>	*
	0.0%	-1.1%	-1.1%		

* Includes Workforce Development

FY18 VSCS
projected deficit
reflects lower
enrollments and
shortfall from
our budget
request.

Managing for Sustainability

PROACTIVE STEP

TARGETTED SAVINGS

Creation of Northern Vermont University

\$2 million

High Deductible Health Plan

\$1 million

Reduced Employer Contribution to 403(b) Plan

\$900,000

Debt Restructuring

\$2.6 million

Shared Business Services

\$1 million

Reductions in Personnel, Salaries, Benefits

\$3.6 million (FY14 – 17)

Proactive Steps, continued

Graduate on time: it PAY\$!

START TO FINISH!

Here's the math:

Most bachelor's degrees require **120 credits** to graduate.

IF YOU TAKE:	YOU WILL GRADUATE IN:
9 CREDITS EACH FALL & SPRING SEMESTER	6-7 YEARS
12 CREDITS EACH FALL & SPRING SEMESTER	5 YEARS
15 CREDITS EACH FALL & SPRING SEMESTER	4 YEARS

Take **summer courses** to graduate even sooner and earn even more!

Here's the payoff!

Here's an example showing the **increased earnings** from graduating in 4 years:

GRADUATE IN:	YOU MAY EARN AN ADDITIONAL:
4 YEARS	\$81,000*
5 YEARS	\$40,000
6 YEARS	\$0

*ASSUMES \$40,000/YEAR WAGES PLUS COST OF LIVING INCREASE IN YEAR TWO.

Guaranteed Transfer through...

VSCS Direct Admissions

Headwinds

- Declining numbers of high school graduates
- Aggressive pricing competition
- Other states moving to keep their students at home
- Substantial fixed costs
- *Affordability*

FTE Enrollment, 2001-2017

Full Time Equivalent Enrollment by College, Fall 2001 to 2017

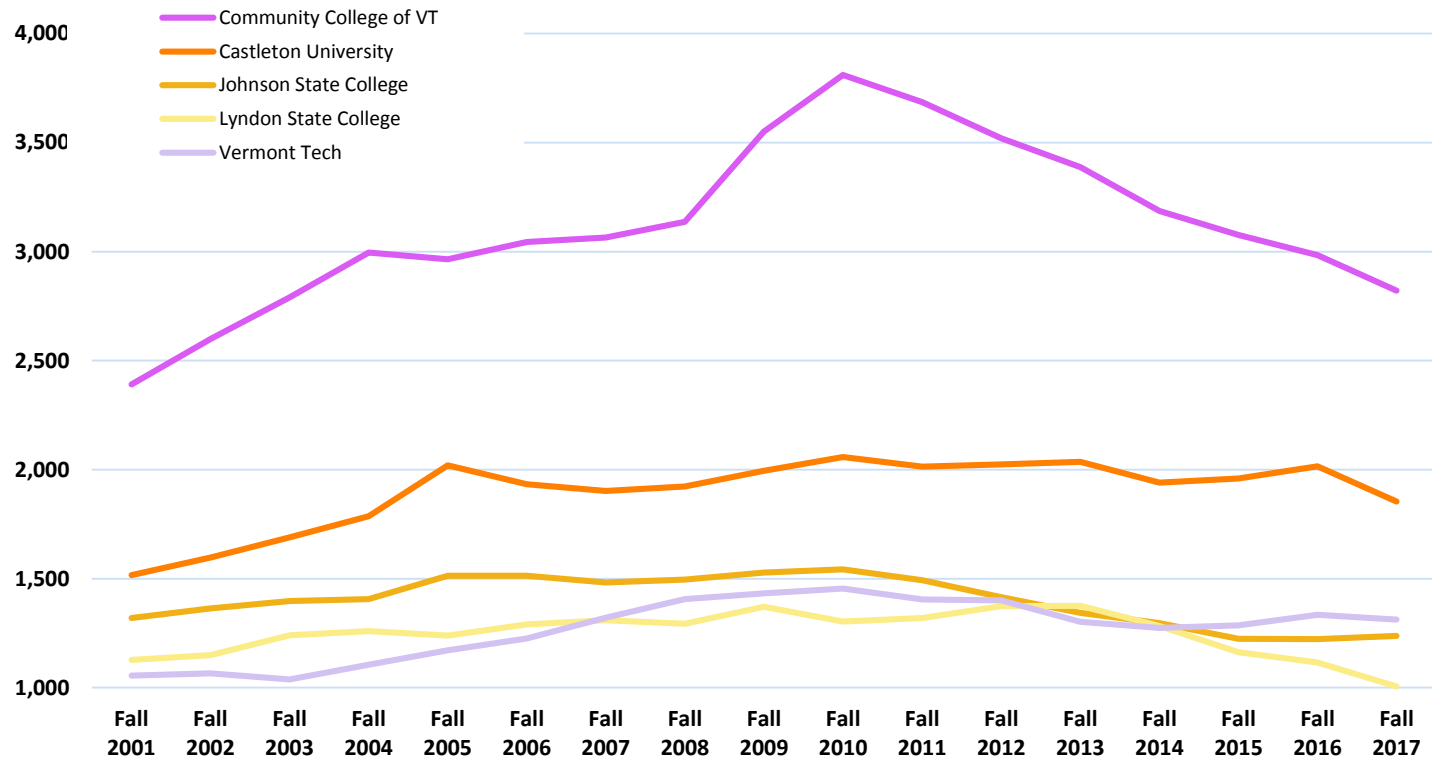
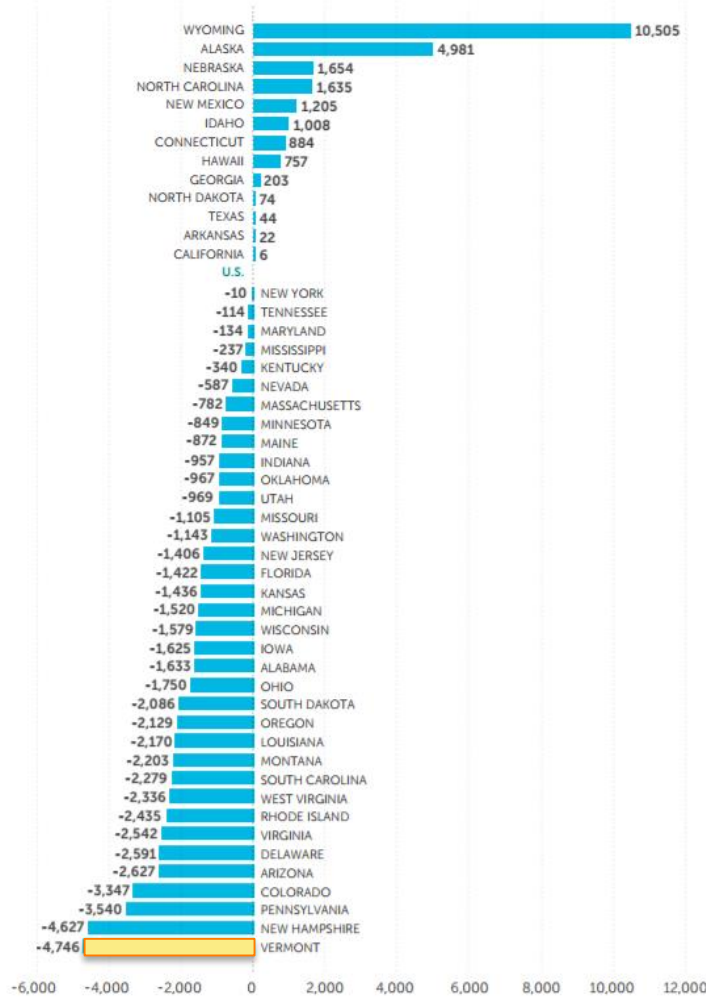


FIGURE 15

EDUCATIONAL APPROPRIATIONS PER FTE (ADJUSTED) – DIFFERENCE FROM U.S. AVERAGE, FY 2016



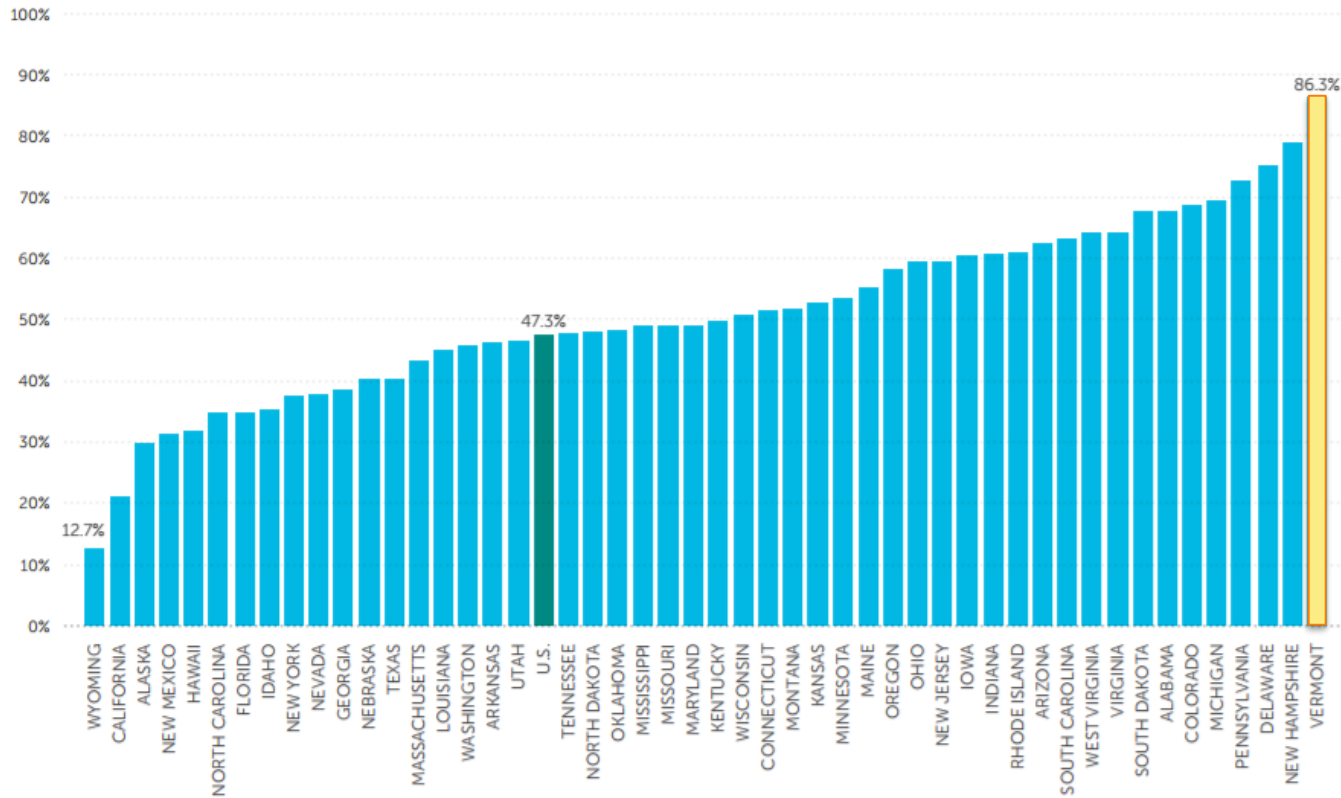
Source: [“State Higher Education Finance,” SHEF: FY2016, State Higher Education Executive Officers Association \(SHEEO\)](#)

Excludes Illinois

- NOTES:
1. Dollars adjusted by 2016 HECA, Cost of Living Index, and Enrollment Index.
 2. Educational appropriations measures state and local support available for public higher education operating expenses and excludes appropriations for independent institutions, financial aid for students attending independent institutions, and research.

SOURCE: State Higher Education Executive Officers

FIGURE 13
NET TUITION AS A PERCENT OF TOTAL EDUCATIONAL REVENUE, FY 2016



Source: [“State Higher Education Finance,” SHEF: FY2016, State Higher Education Executive Officers Association \(SHEEO\)](#)

Excludes Illinois

- NOTES:**
1. Dollars adjusted by 2016 HECA, Cost of Living Adjustment, and Enrollment Index.
 2. Net tuition revenue is calculated by taking the gross amount of tuition and fees, less state and institutional financial aid, tuition waivers or discounts, and medical student tuition and fees. Net tuition revenue used for capital debt service is included in the net tuition revenue figures above.

SOURCE: State Higher Education Executive Officers

HELPFUL LINKS

[Report on Act 85 of 2017, Sec. E. 602 \(c.\): VSCS to the House and Senate Appropriations Committees, January 15, 2018](#)

[Vermont State Colleges System](#)

[Castleton University](#)

[Community College of Vermont](#)

[Northern Vermont University](#)

[*NVU Viewbook!*](#)

[Vermont Technical College](#)

"Growing Pains,"
Champion,
NCAA, Fall 2017

