



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

House Appropriations Committee FY2018 Budget Request

February 16, 2017

VT State Colleges System: 2016 Impact

IMPACT 2015
2016

84%
of VSCS
students are
Vermonters.



65%
of Vermonters
going
to college
in-state go to
the VSCS—
more than all
other Vermont
colleges
combined.

VSCS Revenue

16% State
84% Tuition & Fees

49% of VSCS
students are the
first in their families to
attend college.

603
veterans served by the
VSCS in 2016.

Over **9,000** served in workforce
and continuing education.

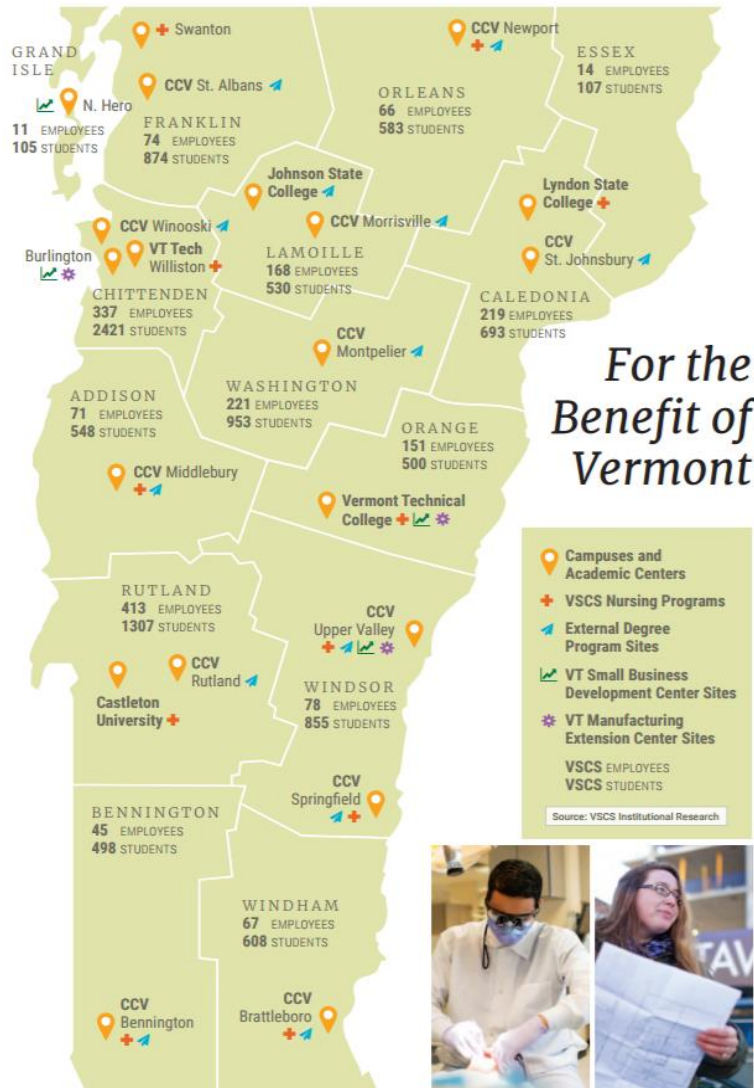
2,043
college degrees
conferred to
Vermonters in
2016.



2,386
high school
students enrolled
in VSCS courses
in 2015-2016.



VT State Colleges System: 2016 Impact



Total Vermont Students: 10,055

Total Employees: 2,089



Initiatives: Enrollment

Boosting Enrollment that Leads to Completion

- Increase high school to college continuation rate.
- Improve retention and completion rates.
- Increase pathways to credentials for working age adults.
- Become a more attractive destination for Vermont students.

Initiatives: System Integration for Student Opportunities

Student Opportunities

- Direct Admissions
- Universal credit transfer
- Northern Vermont University
- Study Away
- Collaborations: development, grants, marketing, academic initiatives

Initiatives: System Integration for Operating Efficiency

Operating efficiencies to target structural savings

- High-deductible health plan and reduced employer contribution to 403(b) plans: \$2 million
- Unification of Johnson and Lyndon State Colleges: \$2 million
- Consolidation of business functions: \$1 million
- Salaries & wages reduced \$3.6 million from FY14 to FY16
- Total employees reduced 216 from FY13 to FY16

Financial Review: Enrollment

<u>Total Enrollment by College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>Fall '16</u>
Castleton Univ	2,215	2,192	2,156	2,175	2,183	2,246	2,342
Johnson State	1,924	1,859	1,783	1,692	1,613	1,514	1,525
Lyndon State	1,436	1,422	1,508	1,519	1,430	1,266	1,256
Vermont Tech	1,656	1,603	1,645	1,543	1,542	1,559	1,645
CC Vermont	6,738	6,578	6,311	6,194	6,019	5,983	5,862
Unduplicated Total	13,494	13,200	12,911	12,656	12,305	12,036	12,009
<u>Castleton University</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>Fall '16</u>
Full-time	1,910	1,867	1,880	1,876	1,735	1,743	1,766
Part-time	305	325	276	299	448	503	576
<u>Johnson State College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>Fall '16</u>
Full-time	1,148	1,132	1,056	992	967	940	922
Part-time	776	727	727	700	646	574	603
<u>Lyndon State College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>Fall '16</u>
Full-time	1,199	1,219	1,257	1,259	1,162	1,053	966
Part-time	237	203	251	260	268	213	290
<u>VT Technical College</u>	<u>Fall '10</u>	<u>Fall '11</u>	<u>Fall '12</u>	<u>Fall '13</u>	<u>Fall '14</u>	<u>Fall '15</u>	<u>Fall '16</u>
Full-time	1,226	1,168	1,142	1,046	996	994	1,023
Part-time	430	435	503	497	546	565	622

- After five years of demographically-driven admissions declines and graduations of large classes, enrollment appears to be stabilizing.
- Graduate student enrollment at Castleton, Lyndon and Johnson rose by almost 100, from 539 in FY2015 to 632 in FY2016.

Financial Review: Admissions

Fall 2016

First-Time Freshmen	Residential					CCV	Total VSC
	CU	JSC	LSC	VTC	Subtotal		
In-State	314	151	160	181	806	519	1,325
Out-of-State	162	60	105	37	364	39	403
Total	476	211	265	218	1,170	558	1,728

Transfer Students	Residential					CCV	Total VSC
	CU	JSC	LSC	VTC	Subtotal		
In-State	87	123	48	242	500	215	715
Out-of-State	48	33	39	55	175	50	225
Total	135	156	87	297	675	265	940

Fall 2015

First-Time Freshmen	Residential					CCV	Total VSC
	CU	JSC	LSC	VTC	Subtotal		
In-State	279	160	136	170	745	631	1,376
Out-of-State	166	44	136	45	391	44	435
Total	445	204	272	215	1,136	675	1,811

Transfer Students	Residential					CCV	Total VSC
	CU	JSC	LSC	VTC	Subtotal		
In-State	104	135	38	237	514	304	818
Out-of-State	23	24	23	38	108	68	176
Total	127	159	61	275	622	372	994

- Residential campuses experiencing an uptick in Freshmen and Transfer Students.
- CCV's declines are manageable due to greater operating flexibility.

Financial Review: FY2017 Budget, FY2016-12 Actuals

	BUDGETED		AUDITED			
	2017	2016	2015	2014	2013*	2012
Operating Revenues:						
Tuition and fees, net	\$ 91,299,000	\$ 91,264,613	\$ 89,933,383	\$ 90,937,190	\$ 91,029,172	\$ 89,751,010
Residence and dining	20,103,000	20,075,441	19,926,641	20,674,084	20,651,576	19,928,368
Grants and contracts	14,750,000	14,689,255	14,524,308	15,143,895	15,134,384	14,837,922
Other operating revenues	<u>8,117,000</u>	<u>8,112,553</u>	<u>8,768,852</u>	<u>7,853,969</u>	<u>8,129,605</u>	<u>7,608,682</u>
Total Operating Revenues	<u>134,269,000</u>	<u>134,141,861</u>	<u>133,153,184</u>	<u>134,609,138</u>	<u>134,944,737</u>	<u>132,125,982</u>
Operating Expenses:						
Salaries and wages	78,146,000	78,963,999	79,922,958	82,488,029	81,453,823	79,821,981
Employees' benefits (GASB45 included, see below)	42,466,000	42,364,668	42,665,064	42,798,448	42,196,246	40,992,260
Scholarships and fellowships	7,104,000	6,920,136	6,741,524	7,191,107	8,007,863	7,908,653
Supplies and other services	40,890,000	40,860,715	39,342,201	41,490,709	42,567,893	41,825,487
Utilities	6,125,000	6,176,191	7,142,919	7,289,372	6,926,313	6,683,132
Depreciation	<u>10,000,000</u>	<u>10,488,999</u>	<u>14,087,245</u>	<u>14,030,027</u>	<u>13,238,072</u>	<u>7,597,971</u>
Total Operating Expenses	<u>184,731,000</u>	<u>185,774,708</u>	<u>189,901,911</u>	<u>195,287,692</u>	<u>194,390,210</u>	<u>184,829,484</u>
Net Operating Loss	<u>(50,462,000)</u>	<u>(51,632,847)</u>	<u>(56,748,727)</u>	<u>(60,678,554)</u>	<u>(59,445,473)</u>	<u>(52,703,502)</u>
Non-operating Revenues and Other Revenues/Expenses:						
State appropriations	25,911,000	25,702,913	27,221,566	27,330,899	25,891,792	25,998,079
State appropriations for capital expenditures	3,050,000	3,006,258	1,488,000	1,688,000	4,099,241	2,099,484
Federal grants and contracts	16,650,000	16,639,503	18,451,754	19,909,045	20,797,045	20,327,223
Gifts	1,223,000	3,761,581	4,784,059	4,400,731	15,728,032	3,278,941
Other non-operating revenues	<u>(5,580,000)</u>	<u>(5,600,106)</u>	<u>(5,450,744)</u>	<u>(2,043,072)</u>	<u>(4,244,672)</u>	<u>(4,602,715)</u>
	<u>41,254,000</u>	<u>43,510,148</u>	<u>46,494,635</u>	<u>51,285,603</u>	<u>62,271,438</u>	<u>47,101,012</u>
Increase (Decrease) in Net Assets	<u>(9,208,000)</u>	<u>(8,122,699)</u>	<u>(10,254,092)</u>	<u>(9,392,951)</u>	<u>2,825,965</u>	<u>(5,602,490)</u>
Net Assets, Beginning of Year	<u>45,554,911</u>	<u>53,677,610</u>	<u>63,931,702</u>	<u>73,324,653</u>	<u>71,430,115</u>	<u>77,032,605</u>
Net Assets, End of Year	<u>\$ 36,346,911</u>	<u>\$ 45,554,911</u>	<u>\$ 53,677,610</u>	<u>\$ 63,931,702</u>	<u>\$ 73,324,653</u>	<u>\$ 71,430,115</u>
Increase in GASB 45 Liability	5,175,000	4,865,548	5,789,774	6,189,974	7,063,266	8,032,158
Change in Net Position Excluding GASB 45	(4,033,000)	(3,257,151)	(4,464,318)	(3,202,977)	9,889,231	2,429,668

* If a software gift of \$12,526,000 is excluded, FY13 change in net position would have been (2,636,769)

Financial Review: FY2016 Results, FY2017 Outlook

Individual college outlooks

- Community College of Vermont
- Castleton University
- Vermont Technical College
- Northern Vermont University
 - Johnson State College
 - Lyndon State College

FY2018: Why \$4 Million Plus an Inflator?

Financial Stability and Mission

\$4 million will help Vermont address:

Affordability: \$4 million will keep tuition increases at inflationary levels and help students graduate with less debt.

Vermont's college-going gap: Keeping a lid on tuition increases and assuring continued quality educational experiences in the public higher education system will allow more students to attend college in-state.

Workforce development: \$4 million will help us continue building career-ready degree and certificate programs to fill critical workforce gaps in Vermont.

Access to postsecondary opportunities in all corners of Vermont: The VSCS is the first—and sometimes the only—option for most Vermonters going to college in our State.

\$4 million will be used by the VSCS to:

Strengthen finances by eliminating reliance on limited reserves to fund operations.

Support continued progress on our top priorities: enrolling and graduating more Vermonters; serving more working-age adults in our career and continuing education programs to serve Vermont's workforce; and take advantage of administrative efficiencies and increased student opportunities through a more cohesive system.

Incentivize performance of our colleges on enrolling more first-generation, low income Vermont students and increasing on-time graduation rates.

Stave off rises in tuition rates beyond inflationary increases.

2016 Data

[VT State Colleges System: 2016 Impact](#)

[VT State Colleges System 2016 Performance Indicators](#)

[Connecting the Dots: Who Suffers when State Support for Public Higher Education Stagnates?](#)

Questions?