



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

House Committee on Commerce and Economic Development

FY2018 Budget Review
Sec. E. 602 Vermont State Colleges

What is the funding proposal?

- A \$4 million increase to the VSC's \$24.3 million annual appropriation.
- An annual, inflationary increase in subsequent years, tied to the mean of the prior six years of nominal average wage growth in Vermont.
- FY2017 \$700,000 appropriation increase was tied to need-based aid to VT students, not operations.

Why \$4 million?

- To strengthen finances.
- To support continued progress on our top priorities

\$4 Million to Strengthen Finances

Unrestricted Revenues and Expenses
Proposed Final FY2017 Budget
Consolidated - All Colleges plus Chancellor's Office
(Amounts rounded to \$1,000)

REVENUES

Tuition and Fees	111,369
State Appropriation	25,911
Room and Board	24,653
Sales and Services	5,465
Gifts	1,224
Other Revenue	<u>1,142</u>
TOTAL REVENUES	169,763

EXPENSES

Salaries and Benefits	114,715
Services, Supplies and Travel	34,992
Scholarships and Fellowships	9,304
Utilities	6,125
Other Expenses	440
Debt Service	10,849
Chancellor's Office	-
Other Transfers	<u>(2,629)</u>
TOTAL EXPENSES	173,796
NET REVENUES/(DEFICIT)	<u><u>(4,033)</u></u>

Goal: Affordability

VSCS provides the most affordable college education in Vermont. However:

- The State appropriation accounts for 16% of VSCS budget.
- In-state tuition is the second-highest in the nation.
- Despite lower tuition rates, VSCS graduates carry higher student debt than many of their independent college peers.
- Vermont families pay the highest share of total college costs (public) in the nation.
- With a \$4 million increase, the VSCS is pledging to hold tuition increases at levels tied to the wage growth index.

Goal: Deliver VT's Workforce

[VSCS 2016 Impact on Vermont](#)

[VSCS Integral to "McClure Foundation Pathways to Promising Careers"](#)

[VSCS Alignment with Vermont's Comprehensive Economic Development Strategy](#)

[New Efforts: Castleton U, CCV, Johnson State, Lyndon State, VT Technical College](#)

Goal: Boost Enrollment and 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.

Goal: Increase Student Opportunities

- Direct Admissions
- Credit Transfer
- Northern Vermont University
- Study Away
- Intrasystem Collaborations

Goal: Strengthened budgets through efficiencies

- 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

Why \$4 Million?

Allows the VT State Colleges System to continue to deliver for the state:

- Provide continued access to affordable post-secondary education across the state.
- Further our drive to be efficient, to expand student opportunities, and to deliver for VT's workforce.

Questions?