

Via Electronic Mail

May 11, 2020

The Honorable Jane Kitchel, Chair of the Senate Committee on Appropriations
The Honorable Catherine Toll, Chair of the House Committee on Appropriations
Mr. Adam Greshin, Commissioner of Finance & Management

Re: Vermont State Colleges System Request #2 for Assistance from State of Vermont's
Coronavirus Relief Fund (CRF)

Dear Senator Kitchel, Representative Toll and Commissioner Greshin,

On behalf of the Vermont State Colleges System and its four Institutions (Castleton University, Community College of Vermont, Northern Vermont University, and Vermont Technical College), thank you very much for the opportunity to request additional reimbursement from the State of Vermont's Coronavirus Relief Fund (CRF).

In addition to anticipated costs of \$5,117,792 related to room and board refunds, the System's Institutions have incurred, or anticipate incurring, and additional \$3,068,623 or a total of **\$8,186,415** of costs directly as a result of COVID-19 in FY2020. The System further projects incurring additional costs of \$23,073,057 during FY2021, or a total of \$31,259,472 during both fiscal years FY2020 and FY2021.

Included with this letter please find:

Attachment 1: System Level Costs Summary by Institution, Type and Fiscal Year

Attachment 2: Cost Detail for Castleton University

Attachment 3: Cost Detail for Community College of Vermont

Attachment 4: Cost Detail for Northern Vermont University

Attachment 5: Cost Detail for Vermont Technical College

Again, thank you very much for your guidance to date, and for your continued assistance going forward. The System and its Institutions will continue to furnish information regarding these additional costs as it becomes available.

Should you have any questions or require additional information, please contact me at stephen.wisloski@vsc.edu or (802) 595-5006, or Interim Chancellor Sophie Zdatny at sophie.zdatny@vsc.edu or (802) 279-8387.

Senator Jane Kitchel, Representative Catherine Toll and
Commissioner Adam Greshin
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Sincerely,

A handwritten signature in blue ink, appearing to read "Stephen T. Wisloski". The signature is stylized with a large, sweeping initial "S" and a horizontal line extending to the right.

Stephen T. Wisloski
Chief Financial Officer

Attachments

cc: Stephen Klein, Chief Fiscal Officer
J. Churchill Hinds, Chair, VSCS Board of Trustees
Sophie Zdatny, VSCS Interim Chancellor
Jonathan Wolff, Primmer Piper Eggleston & Cramer PC

Attachment 1:
Cost Summary at the System Level

Fiscal Year 2020	Castleton University	Community College of Vermont	Northern Vermont University	Vermont Technical College	Total
COVID-Related Cost					
Room and Board Refunds (previously reported on May 5)	\$2,235,834		\$1,922,230	\$959,728	\$5,117,792
Camps & Conference Revenue	\$340,000		\$281,000	\$150,000	\$771,000
Remote/Hybrid Instruction		177,623	25,000	50,000	252,623
Cancelled Student Travel			65,000	60,000	125,000
Health Screening/Medical Support		25,000			25,000
Increased Sanitation & PPE		100,000			100,000
Mental Health for Students			20,000	25,000	45,000
Admissions & Recruiting					0
Financial Aid					0
Advancement	300,000				300,000
Gifts	500,000				500,000
FFCRA/Sick Leave Costs					950,000
TOTALS	\$3,375,834	\$302,623	\$2,313,230	\$1,244,728	\$8,186,415

Fiscal Year 2021	Castleton University	Community College of Vermont	Northern Vermont University	Vermont Technical College	Total
COVID-Related Cost					
Camps & Conference Revenue	\$375,000		\$750,000	\$350,000	\$1,475,000
Remote/Hybrid Instruction	1,930,000		1,100,000	1,065,000	4,095,000
Health Screening/Medical Support	150,000	25,000	325,000	75,000	575,000
Instruction Changes for Distancing		2,225,057	200,000	250,000	2,675,057
Increased Sanitation & PPE	150,000	100,000	400,000	350,000	1,000,000
Mental Health for Students	100,000		80,000	75,000	255,000
Admissions & Recruiting	495,000		721,000	620,000	1,836,000
Financial Aid	1,500,000		2,000,000	2,450,000	5,950,000
Advancement	900,000				900,000
Gifts			550,000	100,000	650,000
Marketing		20,000	667,000	330,000	1,017,000
Housing Precautions				370,000	370,000
Enhanced Apprenticeship				225,000	225,000
Enhanced Public Safety				300,000	300,000
FFCRA/Sick Leave Costs					1,750,000
TOTALS	\$5,600,000	\$2,370,057	\$6,793,000	\$6,560,000	\$23,073,057

TOTAL FY2020 & FY2021: \$31,259,472

Attachment 2:
Cost Detail for Castleton University



Castleton University

INCURRED AND ANTICIPATED COSTS RELATED TO COVID-19

Camps and Conferences Revenue: Castleton University offers camps and conferences throughout the summer and academic year as an additional revenue stream. These camps and conferences offer significant net revenue that allows the University to meet its mission. Due to COVID-19, CU has seen a drop in summer revenue as groups are unable to run their programs due to the uncertainty of opening procedures. CU has incurred a reduction in revenue through June 30, 2020, related to summer camps and conferences and anticipates that nearly all summer programs will be unable to run for the remainder of the summer.

Estimated Lost Revenue FY20: \$340,000

Anticipated Lost Revenue FY21: \$375,000

Gifts: Due to an inability to travel, Castleton University's advancement team was unable to meet with donors and hold alumni gatherings that were scheduled to take place. The annual Castleton University fund-raising Gala and golf tournament scheduled for this summer had to be canceled.

Anticipated Loss of Revenue: \$200,000 to \$500,000

Remote and Hybrid Instruction:

- Additional Educational Technology staffing: \$100,000
- The addition of an Instructional Designer: \$120,000 - \$135,000
- Upgrades to faculty equipment: \$70,000
- Professional development for faculty to provide them with the tools and techniques necessary to move courses to online and hybrid formats: \$150,000
- Loaner laptops for students in classes requiring higher-powered machines: \$75,000
- Expanded software licensing to cover quarantined students (additional machines): \$25,000
- Upgrades to classrooms to allow for remote instruction for students in quarantine: \$265,000
- Wi-Fi upgrades to residence halls to accommodate remote academic instruction: \$400,000 - \$500,000
- Updates to network infrastructure: \$60,000

Anticipated Costs FY21: \$1,380,000

Additional sections of classes and labs to allow for social distancing: Anticipated Costs FY21: \$550,000

Health Screening and Medical Support: Current guidelines require health screening of all employees upon arrival to their place of work, and it is anticipated that additional

screening will be required of all students and visitors to our campus. It is anticipated that access to medical support for students, as well as transportation to physicians' offices, will be necessary. It is expected that additional resources will be necessary to support these activities.

Anticipated Costs FY21: \$150,000

Increased Sanitation and PPE: Guidelines for colleges and universities have not yet been released regarding the cleaning and sanitizing of academic and residential spaces. However, it is clear that the University will be required to increase the level of sanitation on each campus. Castleton, therefore, anticipates a need to hire up to four new custodians, along with specialized equipment to support this work in the coming year. In addition, the University anticipates needing to purchase personal protective equipment for key personnel.

Anticipated Costs FY21: \$150,000

Mental Health Counseling for Students: Castleton students have experienced an increased need for mental health services due to the pandemic. These needs are related to anxiety regarding the virus, the economy, job loss, loss of close personal relationships, disruptive changes in education and living situation, homelessness, and food insecurity. Castleton anticipates that mental health counseling related to COVID-19 will increase in the next fiscal year.

Anticipated Costs FY21: \$100,000

Admissions and Recruiting: COVID-19 has radically changed the traditional admission and recruitment process at Castleton University. The pandemic has forced what has been traditionally done face to face to a virtual environment. The spring season for rising high school seniors (current juniors) is the most important and influential time period to recruit students and leverage their interest. The extra costs associated with virtual experiences far exceed any potential savings from the lack of travel. In order to position Castleton for a successful 2021-2022 recruitment cycle, we will need to rely heavily on technology and "armchair" recruiting techniques to successfully land our class of incoming students. The virtual campus tour will need to be enhanced at the cost of approximately \$20,000. The University will need to purchase more names from list sources, costing about \$50,000. The associated costs of building marketing campaigns to those additional names result in an additional \$50,000. There will be additional pressures on Castleton to increase our advertising presence in the digital space for exposure due to the lost recruitment opportunities from this spring. It is estimated that the digital marketing budget will need to increase by at least \$300,000. Additional print materials and upgrades to computer software are estimated at about \$75,000.

Anticipated Costs FY21: \$495,000

Financial Aid: The majority of Castleton students are Vermont residents. More than 50% are first-generation college students, and many meet the threshold for low income as well. Our Pell-eligible students make up about 43% of our entire student population. Castleton invested over \$3,000,000 in institutional financial aid for our Vermont students alone this past year. This represents more than ½ of the University's state appropriation. Even prior to the pandemic, many students were struggling to pay their bills, so we would

do our best to help offset costs with additional help to retain them and keep them on pace for graduation. The pandemic has exacerbated these financial issues and will be even more of an obstacle for students to finish their degrees. Students are already requesting additional financial assistance so they can return to school in the fall or even just to pay the current balance on their bill for this semester. A total of \$1,500,000 could go a long way in helping our neediest students with an individual maximum grant of \$1,500 per student.

Anticipated Costs FY21: \$1,500,000

Advancement:

The effects of the COVID-19 pandemic have greatly affected our marketing efforts for the 2020 recruitment cycle and likely beyond. At a critical time that students are making their college decisions, the marketing and communications team has had to change its focus from normal marketing activities to crisis management communications. Furthermore, the crisis has eroded confidence in the stability of the Vermont State Colleges System.

Consumer plans and perceptions of higher education, in general, are also shifting, requiring greater efforts to ensure students will attend Castleton this fall. We also face increased competition from well-established online entities. This comes at a time when the use of our physical campus, which serves as our competitive advantage, remains in question.

It will require significant resources to upgrade digital properties, increase advertising and PR efforts, and modernize our advancement practices to make up for lost time and effort toward our stated goals in the 2020 recruitment cycle and combat new challenges that will arise from the COVID-19 pandemic.

It is estimated that reimbursement of \$300,000 would be required to help offset losses in productivity of the Advancement Office and erosion of the Castleton brand in FY20.

Anticipated FY20 cost - \$300,000

Additional Advancement Office efforts estimated at \$1.8 million over the next two years will be required to ensure Vermonters and out-of-state students that Castleton remains the safe and stable choice they seek for their important investment.

Anticipated FY21 cost - \$900,000

Attachment 3:
Cost Detail for Community College of Vermont

Community College of Vermont

INCURRED AND ANTICIPATED COSTS RELATED TO COVID-19

FY 2020 - Moving on ground summer courses to online

CCV had scheduled 450 classes for Summer 2020. As a result of offering courses only in an online format for summer, CCV had to cancel 101 courses that could not be offered remotely. The terms of the CCV faculty contract include a cancellation stipend (7.25%) for courses cancelled by the College.

Estimated costs FY 20: \$32,623

Social distancing in on ground classes

CCV is expecting to follow social distancing guidelines as students return to on ground classrooms for fall 2020. CCV classrooms are small and currently hold an average of 14 students per room. We will need to adjust our current class size to 8 students per classroom to meet with the socially distance requirement. The College's operating budget is predicated on a class size of 12.5 so the shift to running smaller classes with have a significant impact to the CCV budget.

Estimated costs FY 21: \$2,225,057

Remote and Hybrid Instruction:

- Additional online tutoring and support for students: (Tutor.com): \$100,000
- Additional Educational Technology resources and licenses: \$25,000
- Loaner laptops for students who lacked sufficient equipment: \$10,000
- Expanded software licensing to cover quarantined students (additional machines): \$10,000

Estimated Costs FY20: \$145,000

Health Screening and Medical Support: Current guidelines require health screening of all employees upon arrival to their place of work, and it is anticipated that additional screening will be required of all students and visitors to our campus. It is expected that additional resources, such as digital thermometers, will be necessary to support these activities.

Estimated Costs FY20 & FY21: \$25,000/year

Increased Sanitation and PPE: Guidelines for colleges and universities have not yet been released regarding the cleaning and sanitizing of academic and residential spaces. However, it is clear that CCV will be required to increase the level of sanitation on each campus. This will come in the form of additional cleaning supplies and protocols.

Estimated Costs FY20 & FY21: \$100,000/year

Increased Marketing: In this environment of uncertainty, as well as the move to offering courses exclusively online, CCV has expanded its outreach and marketing to help Vermonters go to colleges and help communities get back on stable footing.

Estimated Costs FY21: \$20,000

Attachment 4:
Cost Detail for Northern Vermont University



INCURRED AND ANTICIPATED COSTS RELATED TO COVID-19

Mental Health Counseling for Students: NVU has experienced increased costs related to mental health counseling due to increased student need related to the pandemic. These needs are related to anxiety regarding the virus, the economy, job loss, loss of close personal relationships, disruptive changes in education and living situation, homelessness and food insecurity. NVU has incurred an increase in the current year's mental health counseling program for students and anticipates that mental health counseling related to COVID-19 will increase in the next fiscal year.

Estimated Incurred Costs FY20:	\$20,000
Anticipated Costs FY21:	\$80,000

Camps and Conferences Revenue: NVU offers camps and conferences throughout the summer and academic year as an additional revenue stream. These camps and conferences offer significant net revenue that allow the university to meet its mission. Due to COVID-19, NVU has seen a drop in summer revenue as groups are unable to run their programs due to the uncertainty of opening procedures. NVU has incurred a reduction in revenue through June 30, 2020 related to summer camps and conferences and anticipates that nearly all summer programs will be unable to run for the remainder of the summer.

Estimated Lost Revenue FY20:	\$281,000
Anticipated Lost Revenue FY21:	\$750,000

Cancelled Student Travel: NVU offers a robust international and domestic travel program for students. These trips provide students with cultural and educational exchange opportunities that cannot be found in Vermont and extend their education. All planned and booked student travel has been cancelled for the second half of the spring and entire summer. While the university worked with all of its vendors, in many instances the vendor was unable to offer a full refund. Rather, an in-kind voucher was offered to the student with a small cash refund to the university, which was then passed on to the student. However, due to federal financial aid regulations, students are not allowed to use their aid for travel that does not occur. Therefore, the university will be refunding large portions of travel fees incurred by students. While not all travel has been renegotiated, we expect that the additional costs are as noted below.

Estimated Incurred Costs FY20:	\$35,000 - \$65,000
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Remote and Hybrid Instruction: The university anticipates that returning students to the academic classrooms of NVU will require a substantial retooling of faculty resources and significant upgrades to its electronic infrastructure. Retooling will involve professional development for faculty to provide them with the tools and techniques necessary to move courses to online and hybrid formats (estimated at \$100,000 - \$150,000 in the form of summer mini grants), the addition of an instructional designer (estimated at \$120,000 - \$135,000), loaner laptops for students in programs requiring higher powered computers (estimated at \$60,000 - \$75,000), upgrading classrooms to allow remote instruction for students in self-quarantine (estimated at \$175,000 - 250,000), and Wi-Fi upgrades to residence halls to accommodate remote academic instruction (estimated at \$375,000 - \$500,000). The combination of these improvements would allow the safe return of students to the classrooms and residence halls.

Estimated Incurred Costs FY20:	\$25,000
Anticipated Costs FY21:	\$1,110,000

Instruction Changes due to Social Distancing: In addition to the retooling of faculty, and an increase in electronic infrastructure, NVU anticipates that it will require additional sections of labs, as well as first year courses. These courses either have limited size classrooms (such as labs) or require two or more class meetings a week (such as introductory English courses). Further, these classes generally fill more than 80% of any given classroom making social distancing impossible. In order to meet social distancing requirements, these sections may need to be duplicated.

Anticipated Costs FY21: \$150,000 - \$200,000

Health Screening and Medical Support: Current guidelines require health screening of all employees upon arrival to their place of work, and it is anticipated that additional screening will be required of all students and visitors to our campuses. In addition, it is expected that campus based medical support for students, as well as transportation to physicians' offices, will be necessary. To support these activities, it is expected that four full-time resources may be necessary for NVU (two on each campus) in addition to upgraded medical staff on the NVU-Johnson Campus.

Anticipated Costs FY21: \$300,000 - \$325,000

Increased Sanitation and PPE: Guidelines for colleges and universities have not yet been released regarding the cleaning and sanitizing of academic and residential spaces. However, it is clear that the university will be required to increase the level of sanitation on each campus. NVU therefore anticipates a need to hire up to four to six new custodians to support this work in the coming year. In addition, the university anticipates needing to purchase personal protective equipment for key personnel.

Anticipated Costs FY21: \$250,000 - \$400,000

Admissions and Recruiting: The COVID-19 pandemic has resulted in an inability to travel. We have clearly learned, over the last two months, that we must be able to rapidly pivot from a face-to-face recruiting model to one that deploys technology and printed materials to their best advantage. To do so, the university will need funding for virtual experiences for prospective students (approximately \$30,000 per campus of \$60,000), an increase to its digital advertising budget of approximately \$500,000, and the production and mailing of marketing pieces estimated at \$150,000.

Anticipated Costs FY21: \$710,000

Lost Gifts/Development Opportunities: Due to an inability to travel, the university anticipates that it will have difficulty stewarding critical donors. This loss of stewardship is expected to result in a loss of key gifts for the upcoming year.

Anticipated Loss of Revenue FY21: \$150,000 – \$550,000

Financial Aid: More than 70% of NVU's students are Vermonters and approximately 50% of its students are Pell Eligible. Vermont has been hard-hit by COVID-19, and those with the lowest incomes have been hit the hardest. An infusion of financial aid for Pell Eligible students, in the amount of \$2,000 each, would help students return to the classroom.

Anticipated Cost FY21: \$2,000,000

Marketing: In order for higher education to survive and thrive into the future, colleges and universities in Vermont must be viewed as a safe haven where students can safely learn. For NVU specifically, we estimate that a three-year campaign would be necessary, estimated at approximately \$2,000,000.

Anticipated Cost FY21: \$667,000

Attachment 5:
Cost Detail for Vermont Technical College

VERMONT TECHNICAL COLLEGE

INCURRED AND ANTICIPATED COSTS RELATED TO COVID-19

Mental Health Counseling for Students: Vermont Technical College has experienced increased costs related to mental health counseling due to increased student need related to the pandemic. These needs are related to anxiety regarding the virus, the economy, job loss, loss of close personal relationships, disruptive changes in education and living situation, homelessness and food insecurity. Vermont Tech has incurred an increase in the current year's mental health counseling program for students and anticipates that mental health counseling related to COVID-19 will increase in the next fiscal year. We are currently working with four part-time, hourly contractual counselors, but it may be in our best interest to hire one full-time LMHC to work directly for the College

Estimated Incurred Costs FY20:	\$25,000
Anticipated Costs FY21:	\$75,000

Camps and Conferences Revenue: Vermont Tech offers camps and conferences throughout the summer and academic year as an additional revenue stream. Additionally, Vermont Tech provides community access to the pool and athletic facilities in its SHAPE building. These offerings provide significant net revenue that allow the university to meet its mission. Due to COVID-19 restrictions, Vermont Tech has experienced a significant loss of revenue.

Estimated Lost Revenue FY20:	\$150,000
Anticipated Lost Revenue FY21:	\$350,000

Cancelled Student Travel: Vermont Tech offers an international travel program for students. This annual trip provides students with a cultural and educational exchange opportunity that cannot be found in Vermont. All planned and booked student travel has been cancelled for FY2020. The institution, which utilizes the same primary vendor as NVU, was unable to obtain a full refund. Additionally, Vermont Tech had to cancel student organization planned travel. Clubs have requested refunds.

Estimated Incurred Costs FY20:	\$60,000
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Remote and Hybrid Instruction: Vermont Tech will require substantial investment in faculty development resources and significant upgrades to its IT infrastructure. These costs will involve professional development for faculty in order to improve and expand their capacity to continue delivering courses in online and hybrid formats to a standard in accordance with proper planning, as opposed to the emergency mode accepted in the spring semester. This professional development opportunities will take place during the summer, necessitating faculty as well as facilitator compensation. The expense of this professional development initiative is: \$100,000 - \$150,000 (including compensations, cost of trainings, inclusion in professional development networks, consulting, developed course materials, etc.), the postponed addition of an instructional designer (estimated at \$100,000), loaner equipment (expanded laptop and mobile inventory, high-end cameras, wireless cards, etc.) for students in programs requiring higher-end hardware and equipment (estimated at \$60,000 - \$75,000), upgrading classrooms and labs to allow remote instruction for students in self-quarantine (estimated at \$175,000 - 250,000), and Wi-Fi upgrades accommodate remote academic instruction (estimated at \$150,000).

Other technological upgrades required for administering a socially distant academic workforce include: (1) an innovation fund to test innovative lab delivery technologies (\$50,000); (2) Software investment for workforce remote access (\$10,000); (3) Virtualized server environment (\$150,000); (4) Digitized phone system and VOIP technology (\$100,000); (5) Lecture capture software to support online/remote learning (\$30,000)

Estimated Incurred Costs FY20: \$50,000
Anticipated Costs FY21: \$1,065,000

Instruction Changes due to Social Distancing: In addition to the items above it will be necessary to create additional sections of labs, as well as high-enrollment courses, in order to make social distancing possible. This will require the hiring of additional faculty, ideally adjunct or on terminal contract, or the overload of current full time faculty were other alternatives are not feasible.

The critical laboratory and clinical courses for VTC students will be the most impacted by these potential restrictions.

Anticipated Costs FY21: \$200,000 - \$250,000

Health Screening, Medical Support: Current guidelines require health screening of all employees upon arrival to their place of work, and it is anticipated that additional screening will be required of all students and visitors to our campuses. In addition, it is expected that campus based medical support for students, as well as transportation to physicians' offices, will be necessary. To support these activities, it is expected that our part-time coordinator of health services may need to become a full-time position for one year only.

Anticipated Costs FY21: \$75,000

Enhanced Public Safety: Adding public safety personnel and a public safety station at the entrance of campus to support the Health Screening efforts described above.

Anticipated Costs FY21: \$300,000

Increased Sanitation and PPE: Guidelines for colleges and universities have not yet been released regarding the cleaning and sanitizing of academic and residential spaces. However, it is clear that the college will be required to increase the level of sanitation on each campus. VTC therefore anticipates a need to hire up to four to six new custodians to support this work in the coming year. In addition, the university anticipates needing to purchase personal protective equipment for key personnel.

Anticipated Costs FY21: \$350,000

Housing precautions: If we open housing for fall 2020 there may be a need to offer single rooms to promote social distancing. We normally charge an additional fee to students for singles. This would not be fair if we are mandating that. Cost is based on 400 students in housing placed in singles for fall only.

Anticipated Costs FY21: \$370,000

Admissions and Recruiting: The COVID-19 pandemic has resulted in an inability to travel. Our ability to reach students it with technology and printed materials to our best advantage. To do so, the college will need funding for virtual experiences for prospective students for approximately \$20,000, an increase to its digital recruitment campaign with a four-year campaign approximately \$450,000 annually, and the production and mailing of marketing pieces with corresponding postage estimated at \$150,000.

Anticipated Costs FY21: \$620,000

Lost Gifts/Development Opportunities: Due to an inability to travel, the institution anticipates that it will have difficulty stewarding critical donors. This loss of stewardship is expected to result in a loss of key gifts for the upcoming year.

Anticipated Loss of Revenue FY21: \$100,000

Financial Aid: More than 80% of Vermont Tech’s students are Vermonters and approximately 50% of its students are Pell Eligible. Our ability to support students requires optimization of our scholarship funding. The financial impacts of COVID-19 have hit those with the lowest incomes the hardest. An infusion of financial aid for Pell Eligible students, in the amount of \$2,000 each (approx. 1,185 FTE) for the duration of their four years at the college, would help students return to the classroom.

Anticipated Cost FY21: \$2,450,000

Marketing: Vermont Tech must be recognized as stable, open and ready to serve its students into their future. For Vermont Tech to demonstrate its stability in the marketplace, it needs to reach a broad referring market. We estimate that a three-year campaign would be necessary, estimated at approximately \$1,000,000.

Anticipated Cost FY21: \$330,000

Enhanced Apprenticeship Outreach: To respond to Vermont workforce & employer’s post-COVID-19 recovery needs, Vermont Tech’s Continuing Education and Workforce Development division is seeking funding to augment its Apprenticeship program. We propose to add a FT position responsible for program coordination and outreach, along with software, travel, and support, and to expand the reach of the program while continuing to meet or exceed the requirements of the VDOL, local industry, and the accrediting agency.

Anticipated Cost FY21: \$225,000