

Vermont State Colleges System

House Appropriations Committee

February 11, 2022

For the benefit of Vermont





Vermont State Colleges System

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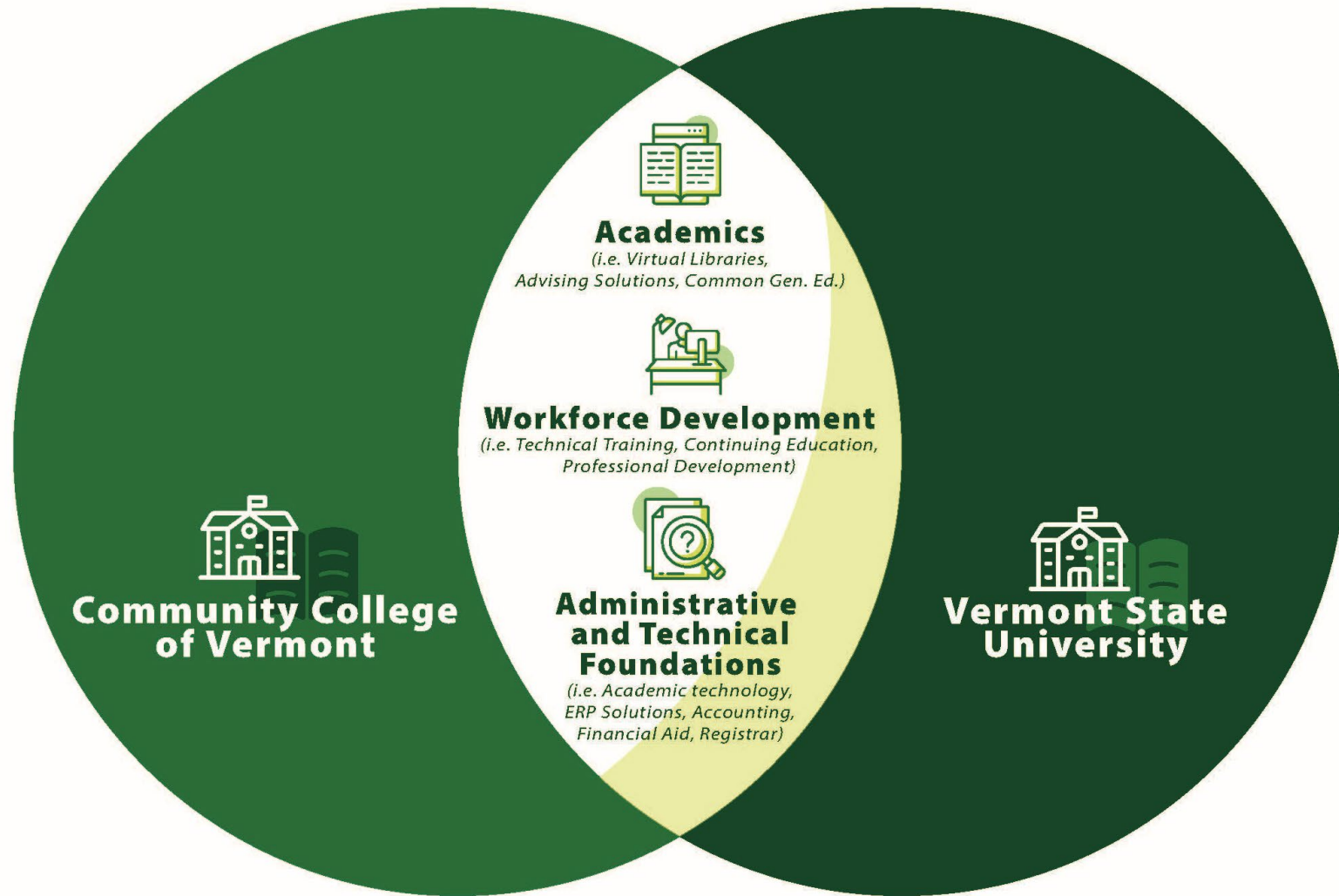
We are Transforming



Financial Ratio	Preferred Metric	FY21	FY20	FY19	FY18	FY17	FY16	FY15	FY14	FY13	FY12
Primary Reserve	≥ 0.40	0.51	0.25	0.21	0.20	0.17	0.18	0.18	0.19	0.18	0.22
Net Operating Revenue	2% to 4%	23.0%	3.4%	-0.8%	-1.4%	-1.2%	-3.1%	-1.2%	-2.7%	-5.2%	-2.4%
Viability Ratio	1.25 to 2.0	0.80	0.38	0.32	0.30	0.25	0.27	0.27	0.28	0.26	0.29
Return on Net Position	3% to 4%	41.9%	6.6%	-1.1%	-1.3%	0.5%	-3.0%	-4.0%	-2.8%	8.4%	7.5%
Composite Financial Index	5 to 10	5.02	2.11	0.59	0.45	0.55	(0.05)	0.14	0.06	0.79	1.23

Composite Financial Index Scale			
-1 to 1	Assess Viability to Survive	5 to 7	Focus Resources to Compete
0 to 3	Reengineer	7 to 9	Experiment with New Initiatives
3 to 5	Direct Resources to Transformation	8 to 10	Deploy Resources to Achieve Mission

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Scope of Transformation Initiative

Student Experience

- Admissions
- Financial Aid
- Registrar
- Marketing/Branding
- Student/Resident Life
- Athletics
- Alumni and Development

Academic Operations

- Academic Programs
 - Program Array
 - Scheduling
 - Policies/Catalog
- Advising/Academic Support
- Career Services
- Teaching and Learning
- Libraries

Administrative Operations

- Facilities Planning and Management
- Business Affairs/Finance
- IT Services
- Human Resources
- Procurement
- Legal/Compliance

Workforce Development

- Industry Engagement
- CE Program Portfolio
- Customized Training/Apprenticeships
- Registration & Student Operations

AY2021-22

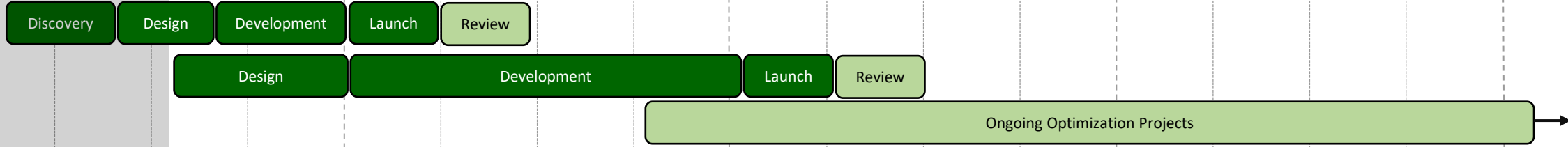
AY2022-23

AY2023-24

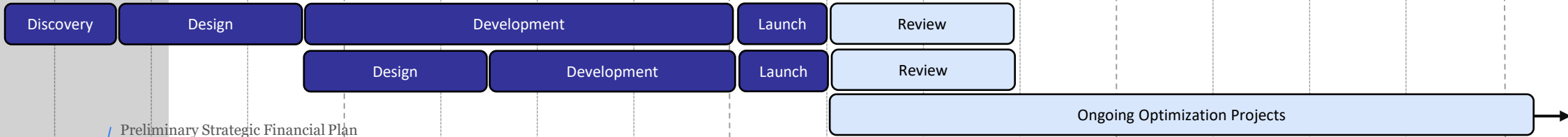
AY2024-25

Approved Name of Vermont State University

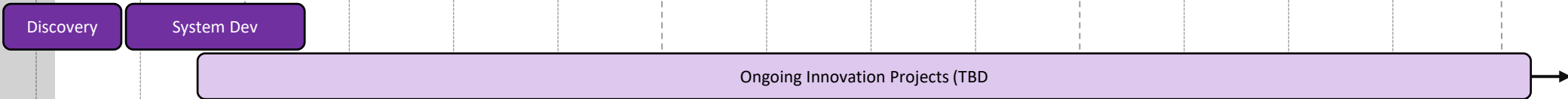
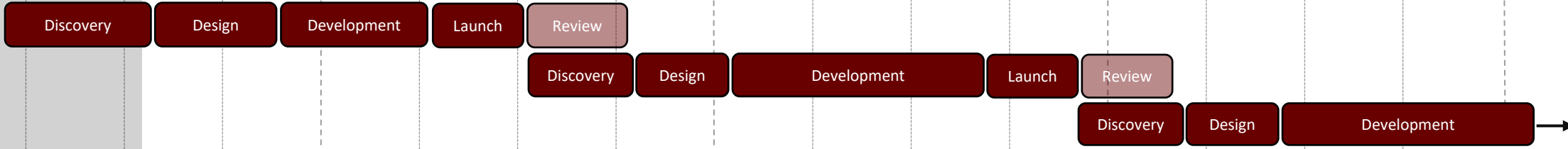
Students Start at Vermont State University



NECHE Substantive Change
 Program Array Approved
 Program Details Approved



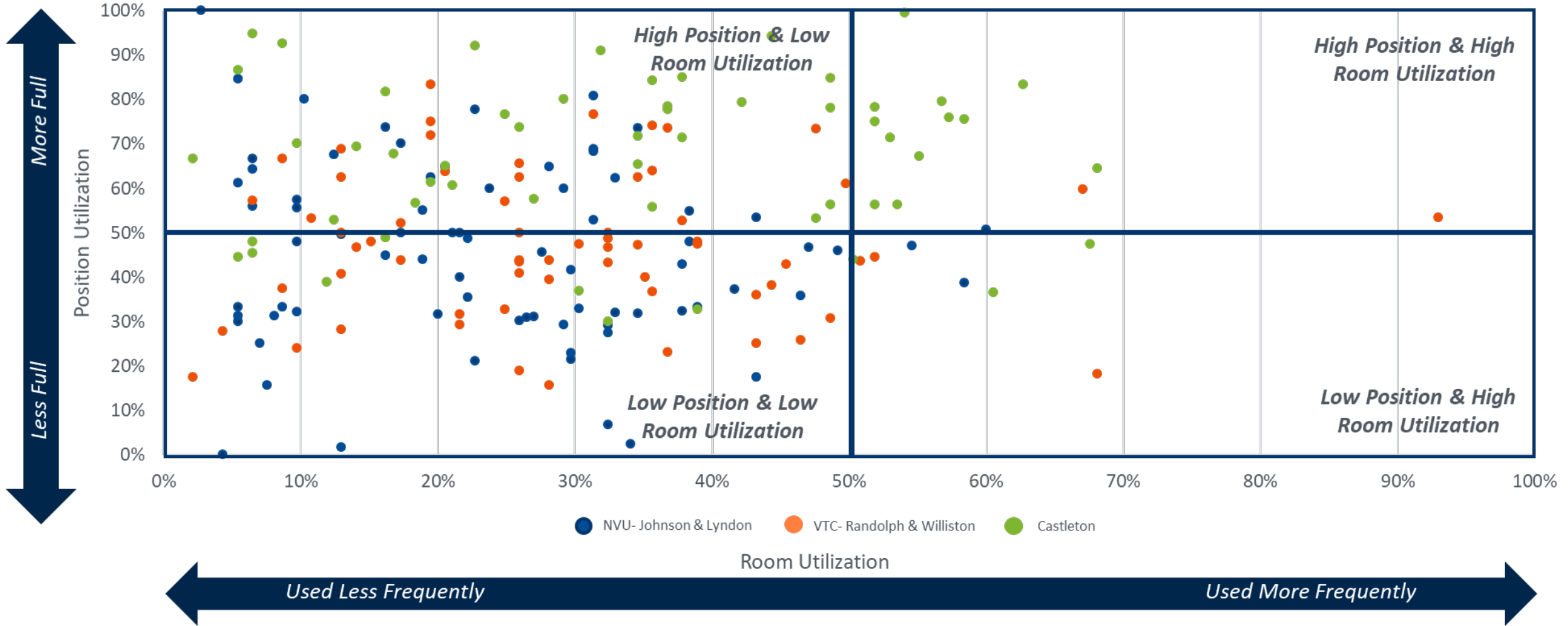
Preliminary Strategic Financial Plan
 Facilities Master Plan
 FY'23 Budget Approval



Key

- Student Experience (VSU)
- Academic Operations (VSU)
- Administrative Operations
- Workforce Development
- Key Milestone

System-Wide: Low Space Utilization Across all Campuses



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Leading Indicators

Act 74 Requirements

Student Enrollment: Demographics

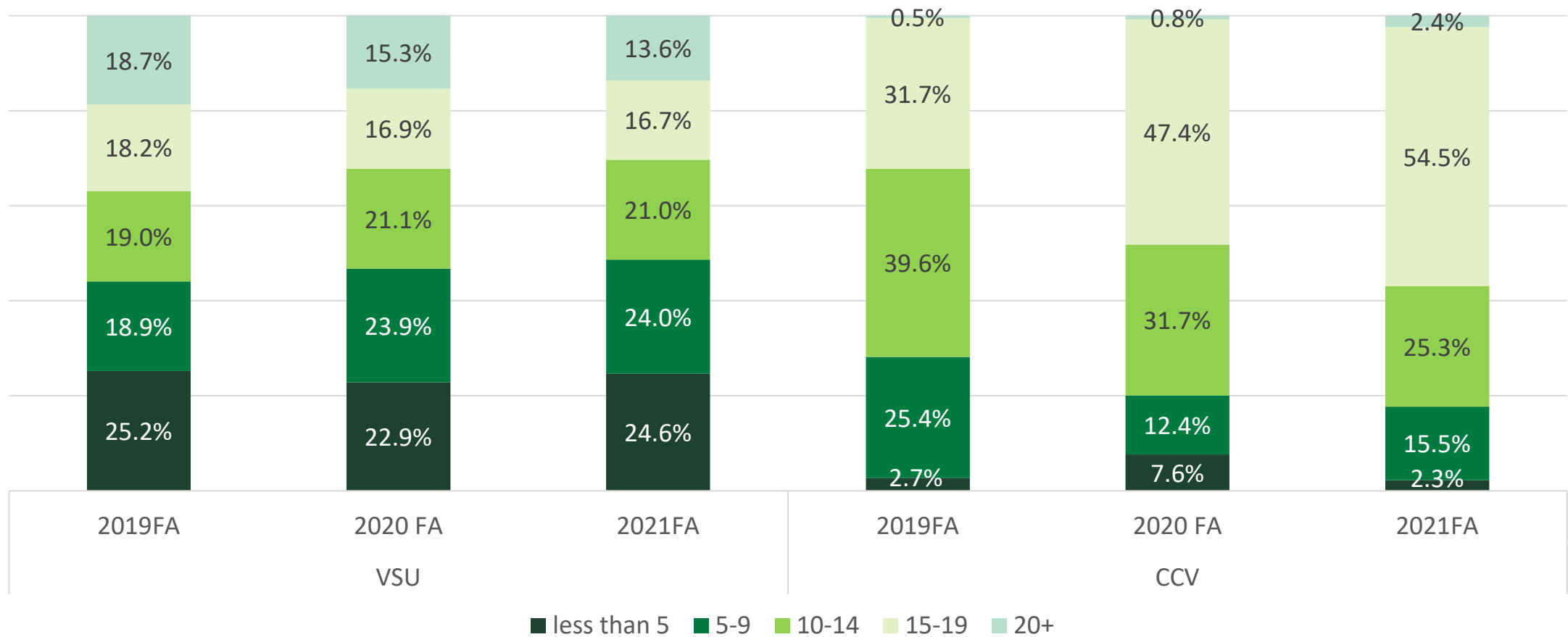
	CCV	CU/NVU/VTC	VSCS Total
Full-Time	801	3,406	4,469
Part-Time	4,740	2,159	6,081
Total (headcount)			10,550

Student Enrollment: Full-Time Equivalent

October 15 (Fall)	CCV	CU	NVU	JSC	LSC	VTC	VSCS
Fall 2021E	2,844	1,800	1,404			1,091	6,733
Fall 2020	2,568	1,816	1,656			1,164	6,800
Fall 2019	2,560	2,045	1,988			1,359	7,553
Fall 2018	2,705	1,911	2,192			1,326	7,774
Fall 2017	2,820	1,854		1,236	1,006	1,313	8,162
Fall 2016	2,983	2,016		1,223	1,116	1,338	8,594
Fall 2015	3,078	1,961		1,225	1,163	1,286	8,640
Fall 2014	3,186	1,940		1,296	1,283	1,274	8,927
Fall 2013	3,387	2,036		1,343	1,376	1,302	9,396
Fall 2012	3,520	2,023		1,415	1,376	1,402	9,685

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VSC Course Enrollment: 2019-2021



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Statewide Course Offerings & Formats

Online Courses

VSCS

2019	15%
2020	55%
2021	32%

Distance Learning Programs vs. Total Programs

CCV

13 of 32
12 of 33
13 of 38

CU/NVU/VTC

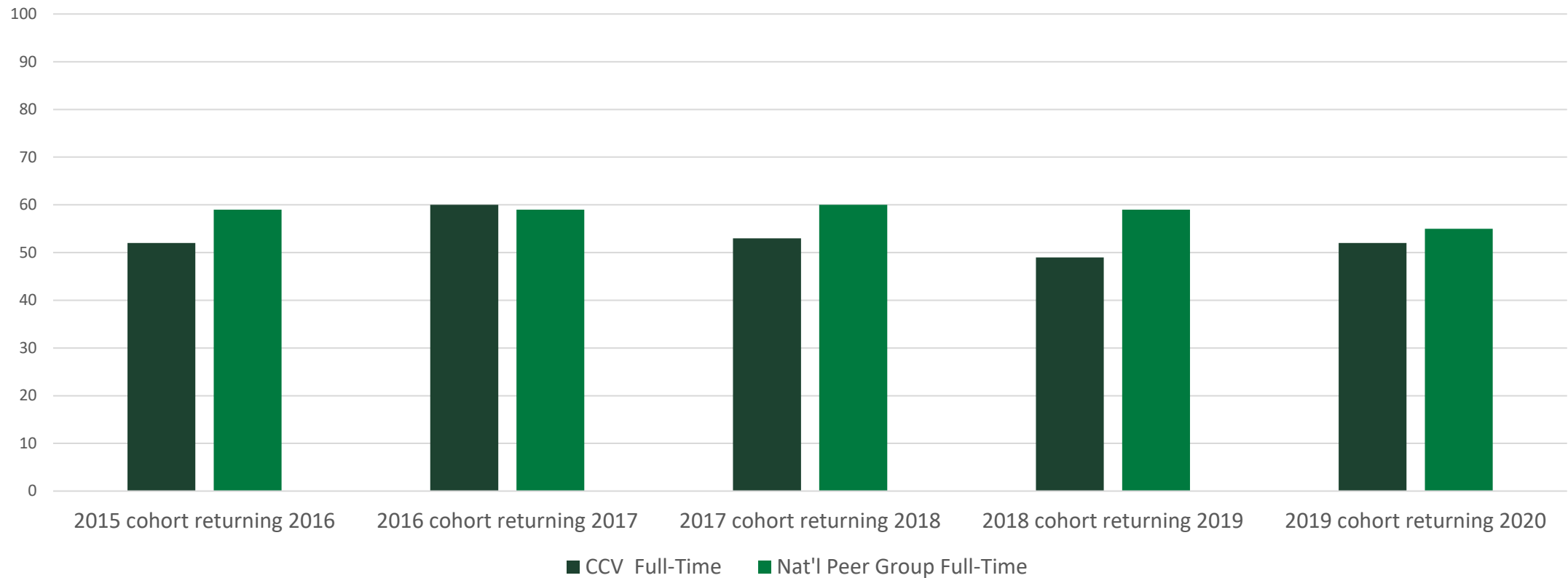
3 of 172
13 of 177
17 of 184

Degrees and Credentials of Value Awarded

	CCV	CU/NVU/VTC	VSCS Total
Certificates	90	167	257
Associate's	419	326	745
Bachelor's		892	892
Master's		125	125
Grad. Certificate		7	7
Total Awarded	509	1,517	2,026

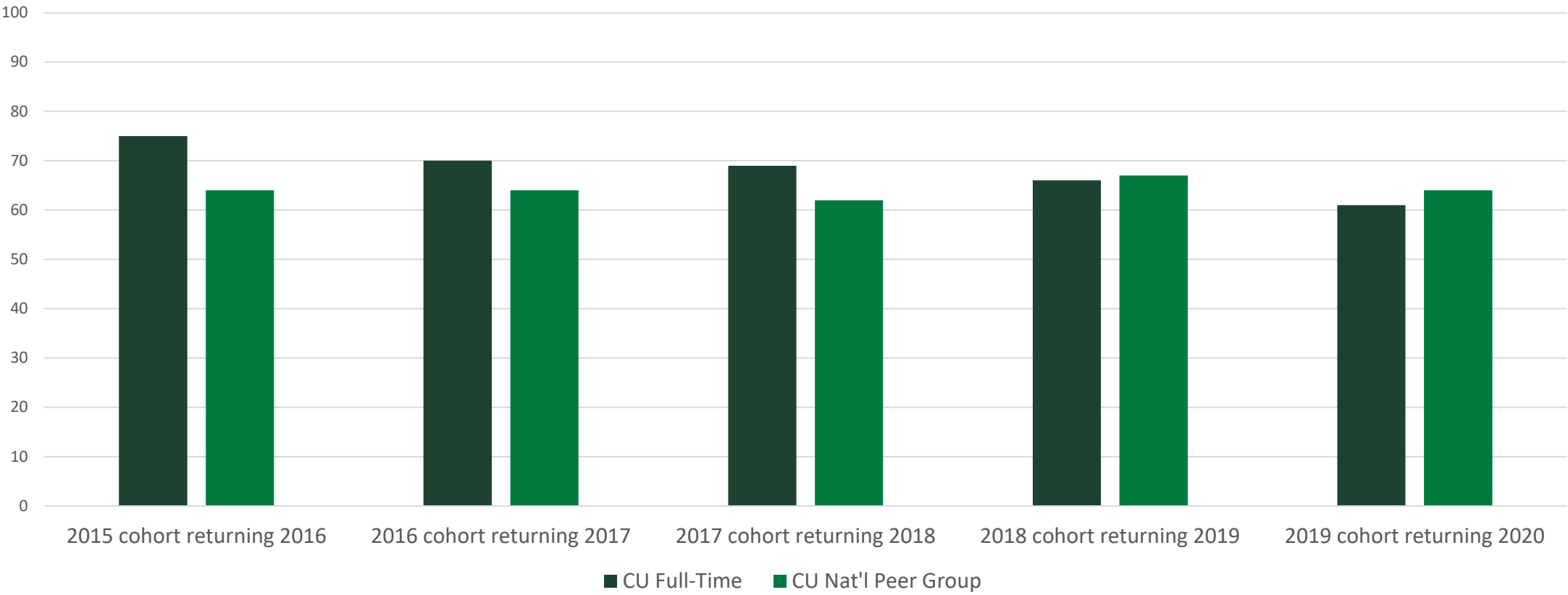
2020-2021 Academic Year

Retention: Community College of Vermont



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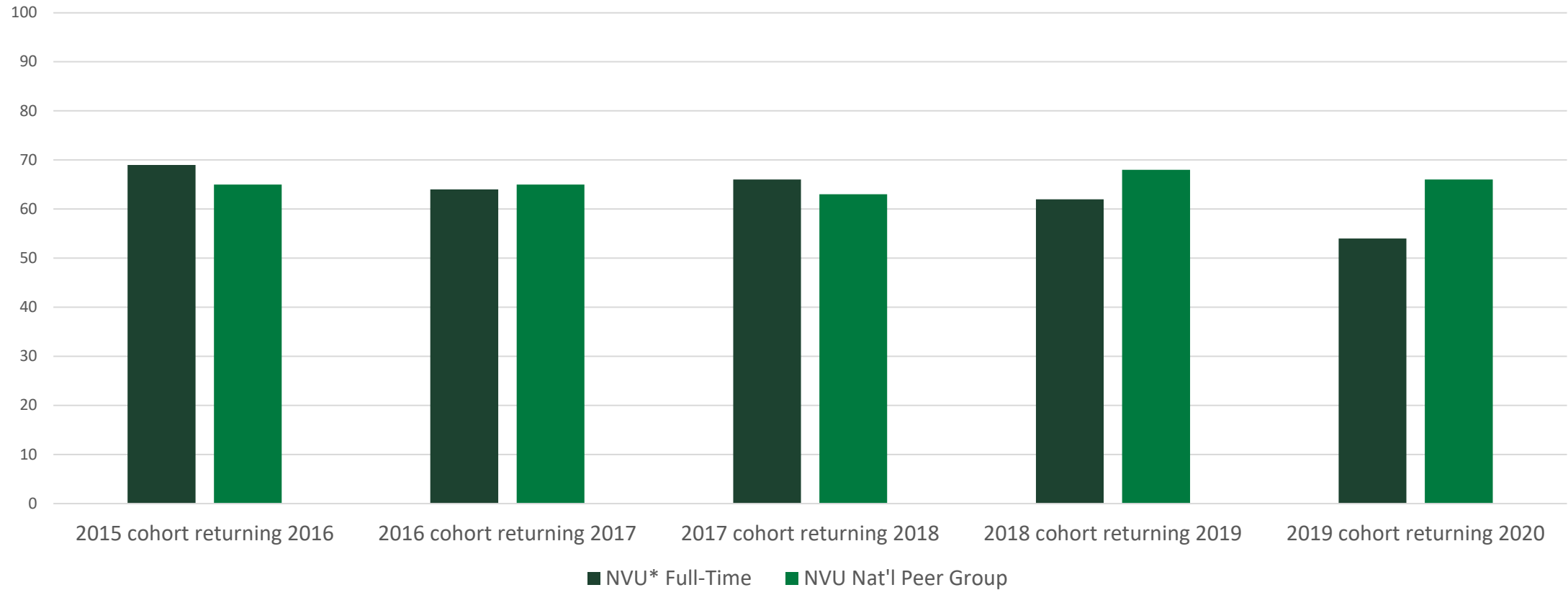
Retention: Castleton University



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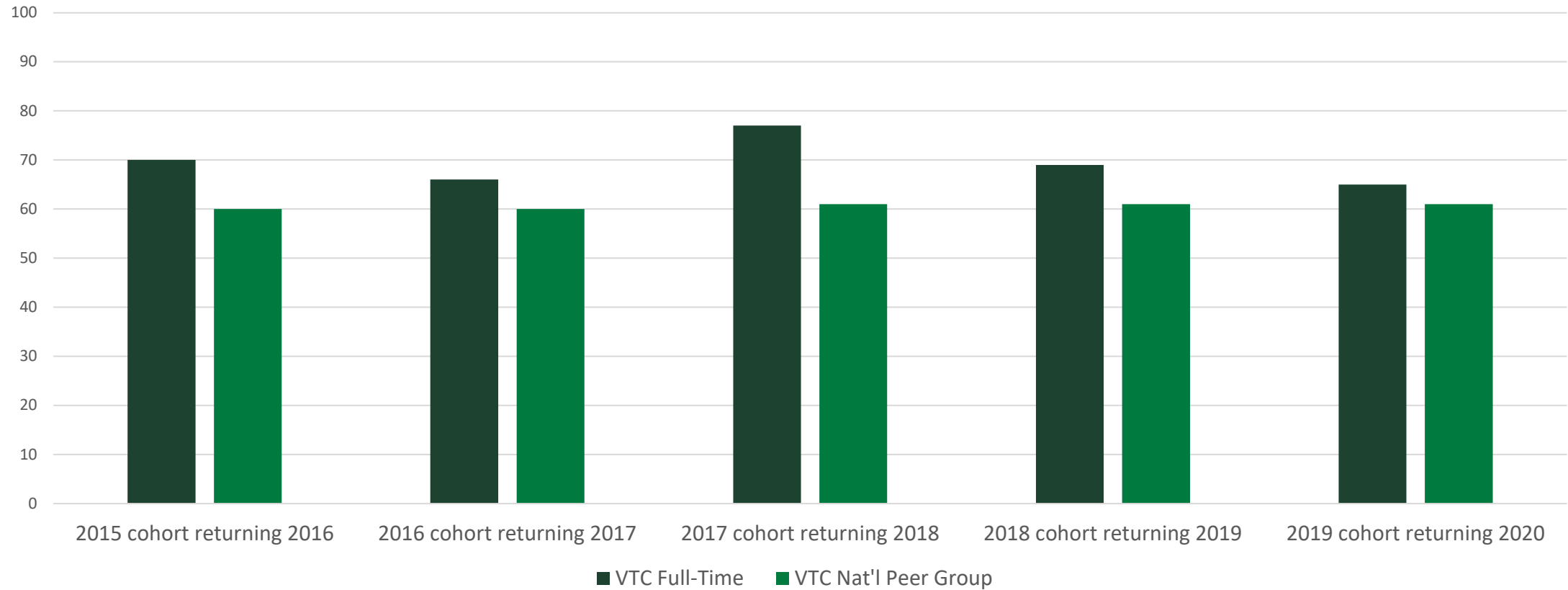


Retention: Northern Vermont University



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Retention: Vermont Technical College



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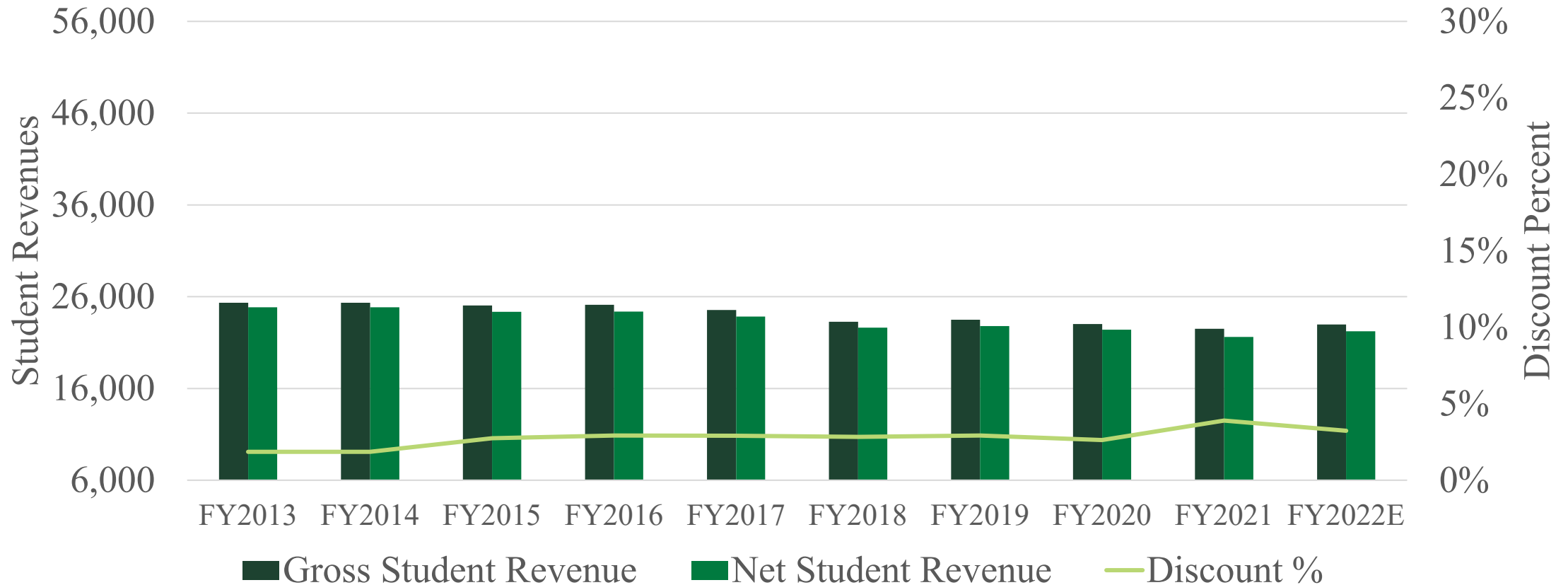
Net Student Revenue & Institutional Discounting

Discount % By Institution	FY2013	FY2021	FY2022E
Community College of Vermont	2%	3%	4%
Castleton University	5%	27%	29%
Northern Vermont University ¹	12%	21%	22%
Vermont Technical College	7%	11%	10%

¹ *FY2013 is the combination of LSC (14%) & JSC (9%)*

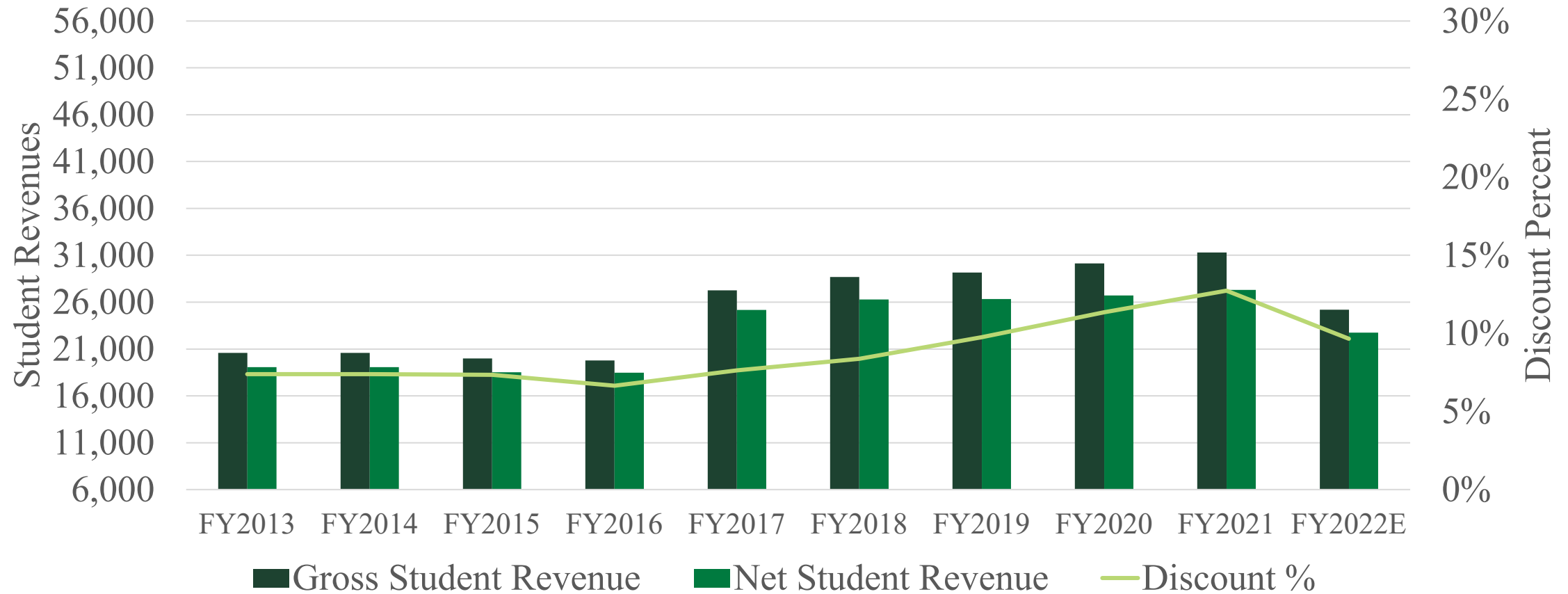
Discounting Trend FY13-FY22E

CCV Revenue & Discount Trends



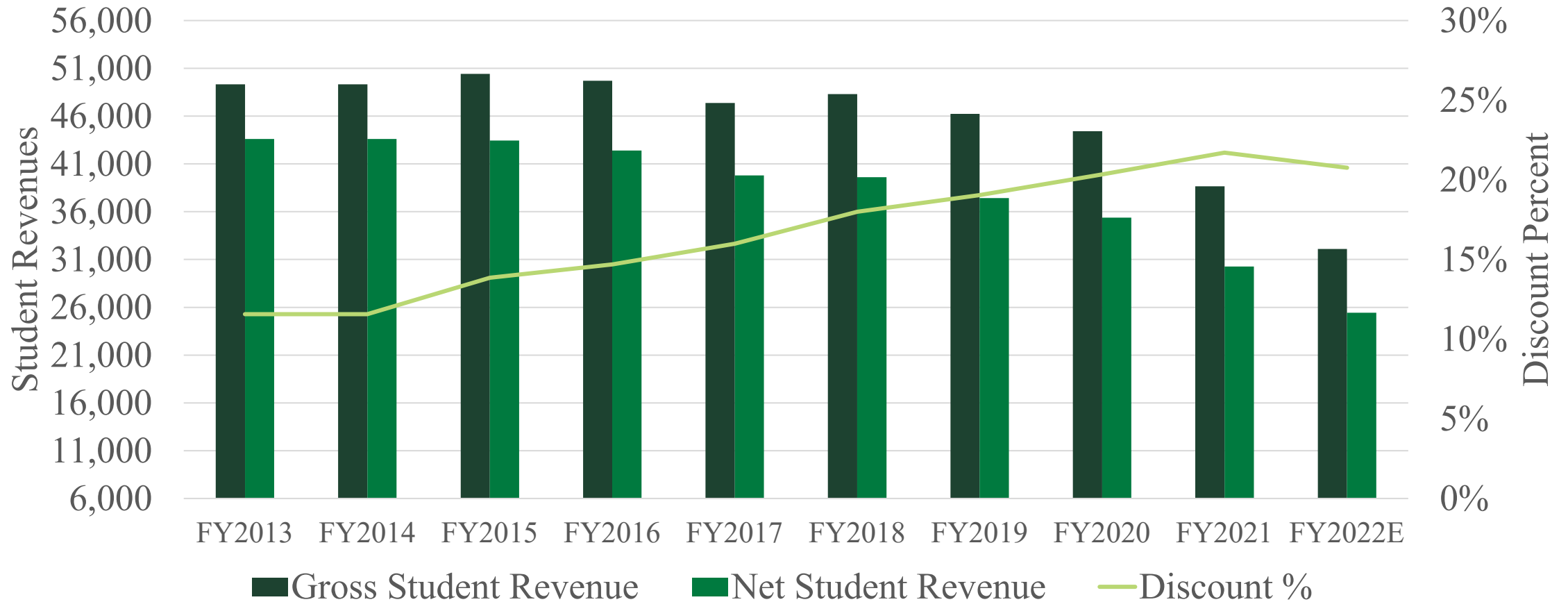
Discounting Trend FY13-FY22E

VTC Revenue & Discount Trends



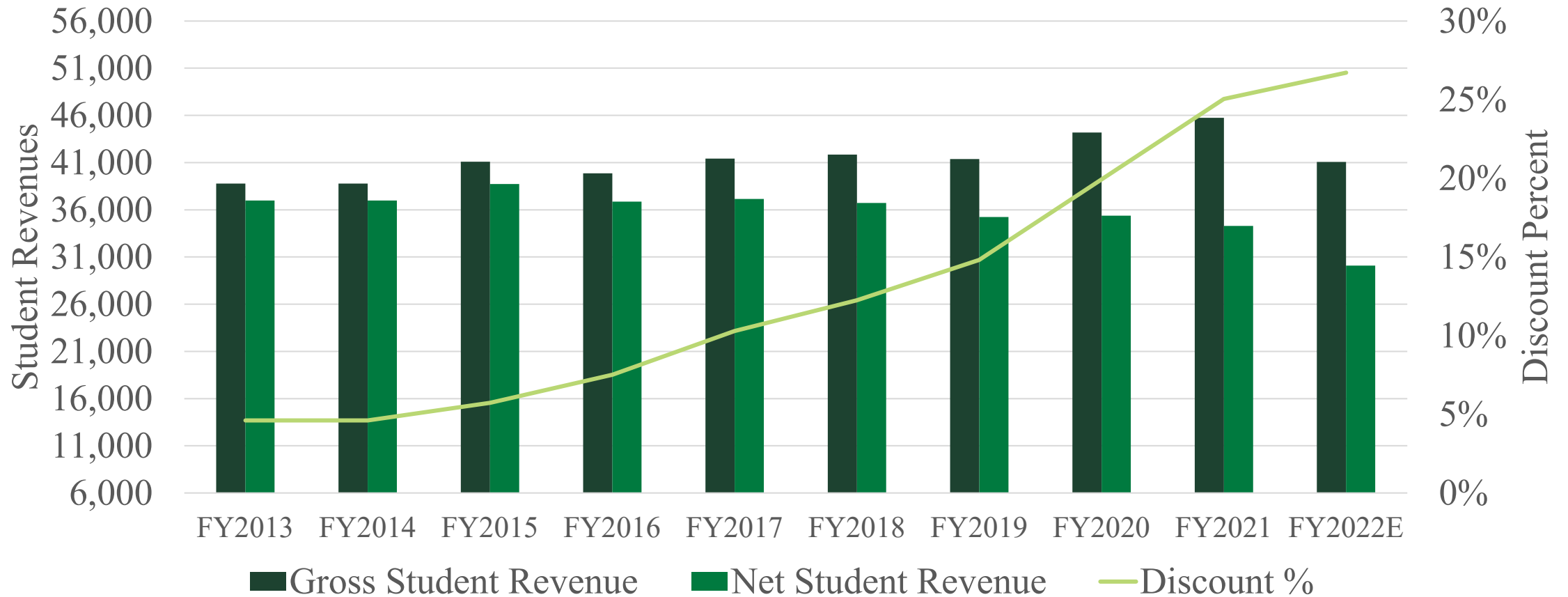
Discounting Trend FY13-FY22E

NVU Revenue & Discount Trends



Discounting Trend FY13-FY22E

CU Revenue & Discount Trends



Current Year Revenue & Expense Adjustments

(values exclude revenue/expense offsets derived from CRF/HEERF)

Expense Reductions		Revenue Enhancements	
Personnel (excludes CRF/HEERF)	2,500,000	Student Revenues (net of Scholarships)	7,500,000
Supplies, Services, Utilities	800,000	Sales, Services & Other Rev.	1,800,000
Total Expenses	3,300,000	Total Revenue	9,300,000

Forecasted Variance to Budget as of Q2 is \$15.5M
including CRF & HEERF

Budget Goals for Fiscal Year 2023

Expense Goals		Revenue Goals	
Personnel	-3,500,000	Student Revenues	5,000,000
Supplies, Services, Utilities	-1,500,000		
Expense Target	-5,000,000	Revenue Target	5,000,000

Use savings to invest in Capital Infrastructure (*CapEx*)
Deferred Maintenance, Information Technology, Equipment

Additional Act 74 Requirements

The Chancellor shall ensure all VSC Board of Trustees policies are adhered to unless a process for an exception to a Board policy is used to situationally and temporarily amend a specific Board policy.

The Chancellor shall establish policies and procedures to implement the Board approved transformation plan as developed by the Select Committee on Higher Education.

FY2023 Budget Request

General Fund

Previously Discussed:
Increase base to \$48M by FY25

Previously Discussed	FY22B	FY23E	FY24E	FY25E	FY26E	FY27E
Revenues						
Base Appropriation	30.5	35.5	40.5	45.5	48.0	48.0
Increase to Base	5.0					
Proposed Increase to Base		5.0	5.0	2.5	-	-
NET Base Appropriation	35.5	40.5	45.5	48.0	48.0	48.0
Institutional Revenues	116.0	116.0	116.0	116.0	116.0	116.0
Total Revenues	151.5	156.5	161.5	164.0	164.0	164.0
Operating Expenses	183.5	178.9	174.5	171.1	166.3	161.7
Net Deficit Before Bridge & One-Time	(32.05)	(22.5)	(13.0)	(7.1)	(2.3)	2.2
One-Time Funds						
Bridge Funding (received)	21.0	-	-	-	-	-
Bridge Funding (proposed)		14.9	16.5	10.0	5.0	-
HEERF/CRF/Carryforward	10.8	10.0	-	-	-	-
	31.8	24.9	16.5	10.0	5.0	-
Net Revenue/Deficit After One-Time	(0.23)	2.4	3.5	2.9	2.7	2.2

Previously Discussed	FY22B	FY23E	FY24E	FY25E	FY26E	FY27E
Revenues						
Base Appropriation	30.5	35.5	40.5	45.5	48.0	48.0
Increase to Base	5.0					
Proposed Increase to Base		5.0	5.0	2.5	-	-
NET Base Appropriation	35.5	40.5	45.5	48.0	48.0	48.0
Institutional Revenues	116.0	116.0	116.0	116.0	116.0	116.0
Total Revenues	151.5	156.5	161.5	164.0	164.0	164.0
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One-Time Funds						
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Bridge Funding (proposed)		14.9	16.5	10.0	5.0	-
HEERF/CRF/Carryforward	10.8	10.0	-	-	-	-
	31.8	24.9	16.5	10.0	5.0	-
Net Revenue/Deficit After One-Time	(0.23)	2.4	3.5	2.9	2.7	2.2

Previously Discussed:
FY23-FY26
Bridge Funding
totaling
\$46.4M

**VSCS
Proposal:**
Accelerate
base increase
to \$48M in
FY23

VSCS Proposal	FY22B	FY23E	FY24E	FY25E	FY26E	FY27E
Revenues						
Base Appropriation	30.5	35.5	48.0	48.0	48.0	48.0
Increase to Base	5.0					
Proposed Increase to Base		12.5	-	-	-	-
NET Base Appropriation	35.5	48.0	48.0	48.0	48.0	48.0
Institutional Revenues	116.0	116.0	116.0	116.0	116.0	116.0
Total Revenues	151.5	164.0	164.0	164.0	164.0	164.0
Operating Expenses	183.5	178.9	174.5	171.1	166.3	161.7
Net Deficit Before Bridge & One-Time	(32.05)	(15.0)	(10.5)	(7.1)	(2.3)	2.2
One-Time Funds						
Bridge Funding (received)	21.0	-	-	-	-	-
Bridge Funding (proposed)		7.4	14.0	10.0	5.0	-
HEERF/CRF/Carryforward	10.8	10.0	-	-	-	-
	31.8	17.4	14.0	10.0	5.0	-
Net Revenue/Deficit After One-Time	(0.23)	2.4	3.5	2.9	2.7	2.2

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VSCS Proposal	FY22B	FY23E	FY24E	FY25E	FY26E	FY27E
Revenues						
Base Appropriation	30.5	35.5	48.0	48.0	48.0	48.0
Increase to Base	5.0					
Proposed Increase to Base		12.5	-	-	-	-
NET Base Appropriation	35.5	48.0	48.0	48.0	48.0	48.0
Institutional Revenues	116.0	116.0	116.0	116.0	116.0	116.0
Total Revenues	151.5	164.0	164.0	164.0	164.0	164.0
Operating Expenses						
	183.5	178.9	174.5	171.1	166.3	161.7
Net Deficit Before Bridge & One-Time	(32.05)	(15.0)	(10.5)	(7.1)	(2.3)	2.2
One-Time Funds						
Bridge Funding (received)	21.0	-	-	-	-	-
Bridge Funding (proposed)		7.4	14.0	10.0	5.0	-
HEERF/CRF/Carryforward	10.8	10.0	-	-	-	-
	31.8	17.4	14.0	10.0	5.0	-
Net Revenue/Deficit After One-Time	(0.23)	2.4	3.5	2.9	2.7	2.2

VSCS Proposal:
Accelerating base increase lowers bridge funding by comparable amount to \$36.4M

FY2023 Options

Option 1:

Increase base to \$48M in FY23
\$7.4M in bridge for FY23

Option 1: FY23 Budget Crosswalk	FY22	FY23 Proposed	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	48.0	40.5	(7.5)
Bridge Funding (ARPA)	21.0			
Bridge Funding (TBD)		7.4		(7.4)
Total Funding	56.5	55.4	40.5	(14.9)

option 1 or option 2

Option 2: FY23 Budget Crosswalk	FY22	FY23 Alternate	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	40.5	40.5	-
Bridge Funding (ARPA)	21.0			-
Bridge Funding (TBD)		14.9		(14.9)
Total Funding	56.5	55.4	40.5	(14.9)

FY2023 Options

Option 2:

*Increase base to \$40.5M in FY23
\$14.9M in bridge for FY23*

option 1 or option 2

Option 1: FY23 Budget Crosswalk	FY22	FY23 Proposed	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	48.0	40.5	(7.5)
Bridge Funding (ARPA)	21.0			
Bridge Funding (TBD)		7.4		(7.4)
Total Funding	56.5	55.4	40.5	(14.9)

Option 2: FY23 Budget Crosswalk	FY22	FY23 Alternate	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	40.5	40.5	-
Bridge Funding (ARPA)	21.0			-
Bridge Funding (TBD)		14.9		(14.9)
Total Funding	56.5	55.4	40.5	(14.9)

FY2023

Crosswalk

*\$14.9M needed above
Governor's Recommend
with both options*

Option 1: FY23 Budget Crosswalk	FY22	FY23 Proposed	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	48.0	40.5	(7.5)
Bridge Funding (ARPA)	21.0			
Bridge Funding (TBD)		7.4		(7.4)
Total Funding	56.5	55.4	40.5	(14.9)

option 1 or option 2

Option 2: FY23 Budget Crosswalk	FY22	FY23 Alternate	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	40.5	40.5	-
Bridge Funding (ARPA)	21.0			-
Bridge Funding (TBD)		14.9		(14.9)
Total Funding	56.5	55.4	40.5	(14.9)

Base and Bridge Options

Option 1:	FY22	FY23	FY24	FY25	FY26	FY27
Base Appropriation	35.5	48.0	48.0	48.0	48.0	48.0
Bridge Funding	21.0	7.4	14.0	10.0	5.0	-

*Option 1:
FY23-FY26
Bridge
required
\$36.4M*

Option 2:	FY22	FY23	FY24	FY25	FY26	FY27
Base Appropriation	35.5	40.5	45.5	48.0	48.0	48.0
Bridge Funding	21.0	14.9	16.5	10.0	5.0	-

Base and Bridge Options

Option 1:	FY22	FY23	FY24	FY25	FY26	FY27
Base Appropriation	35.5	48.0	48.0	48.0	48.0	48.0
Bridge Funding	21.0	7.4	14.0	10.0	5.0	-

Option 2:	FY22	FY23	FY24	FY25	FY26	FY27
Base Appropriation	35.5	40.5	45.5	48.0	48.0	48.0
Bridge Funding	21.0	14.9	16.5	10.0	5.0	-

*Option 2:
FY23-FY26
Bridge
required
\$46.4M*

FY2023 Request

- *\$55.4 million in base appropriation and bridge funding for FY23*
- *FY24-FY26 bridge funding of \$29 million*

FY23 Budget Crosswalk	FY22	FY23 Proposed	Governor's Recommend	Variance
Base Appropriation - General Fund	35.5	48.0	40.5	(7.5)
Bridge Funding (ARPA)	21.0			
Bridge Funding (TBD)		7.4		(7.4)
Total Funding	56.5	55.4	40.5	(14.9)

Workforce Development



Strengthening
Nursing Education



Vermont
Associate's Pledge

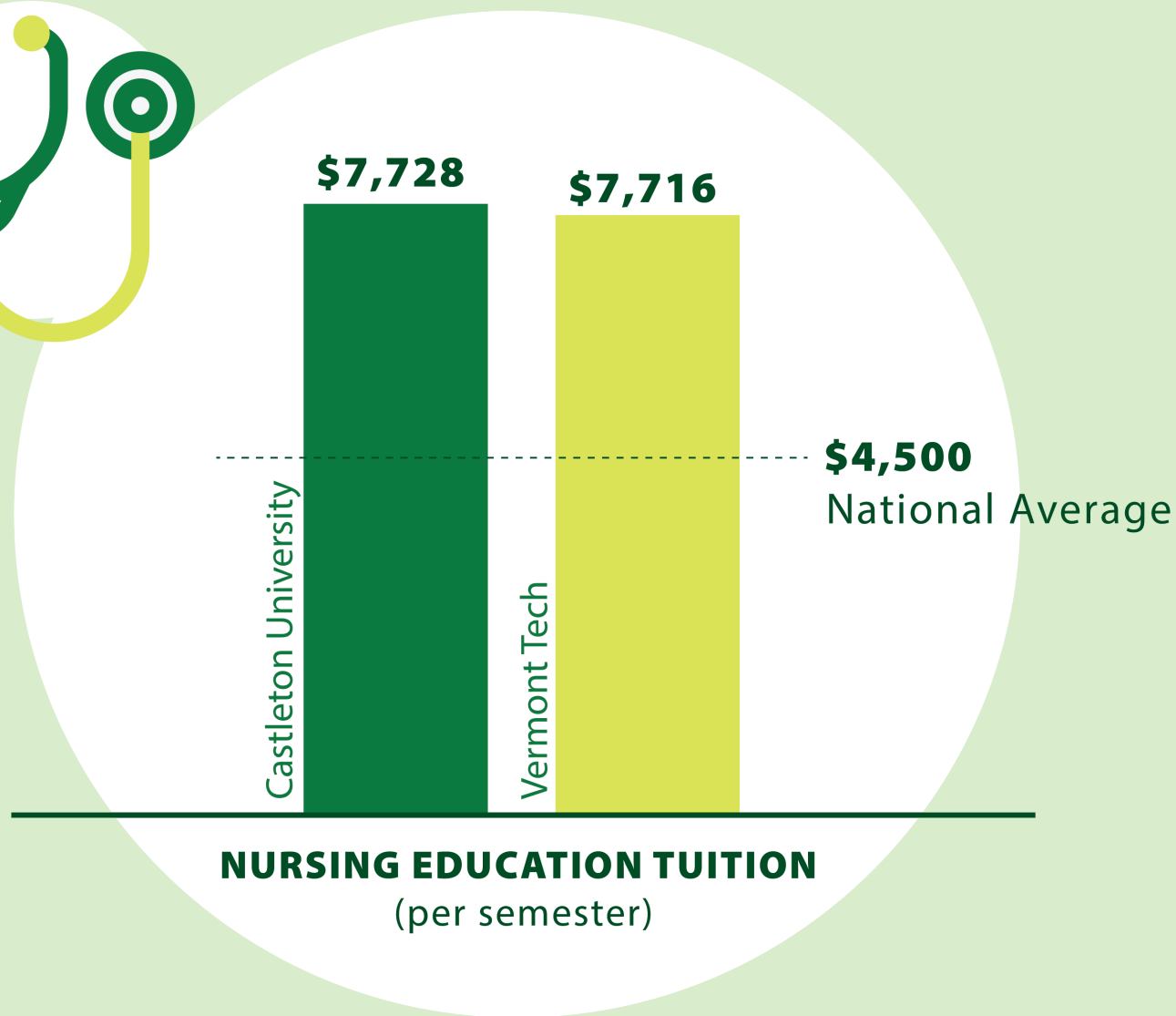


Critical
Occupations plus

For the benefit of Vermont



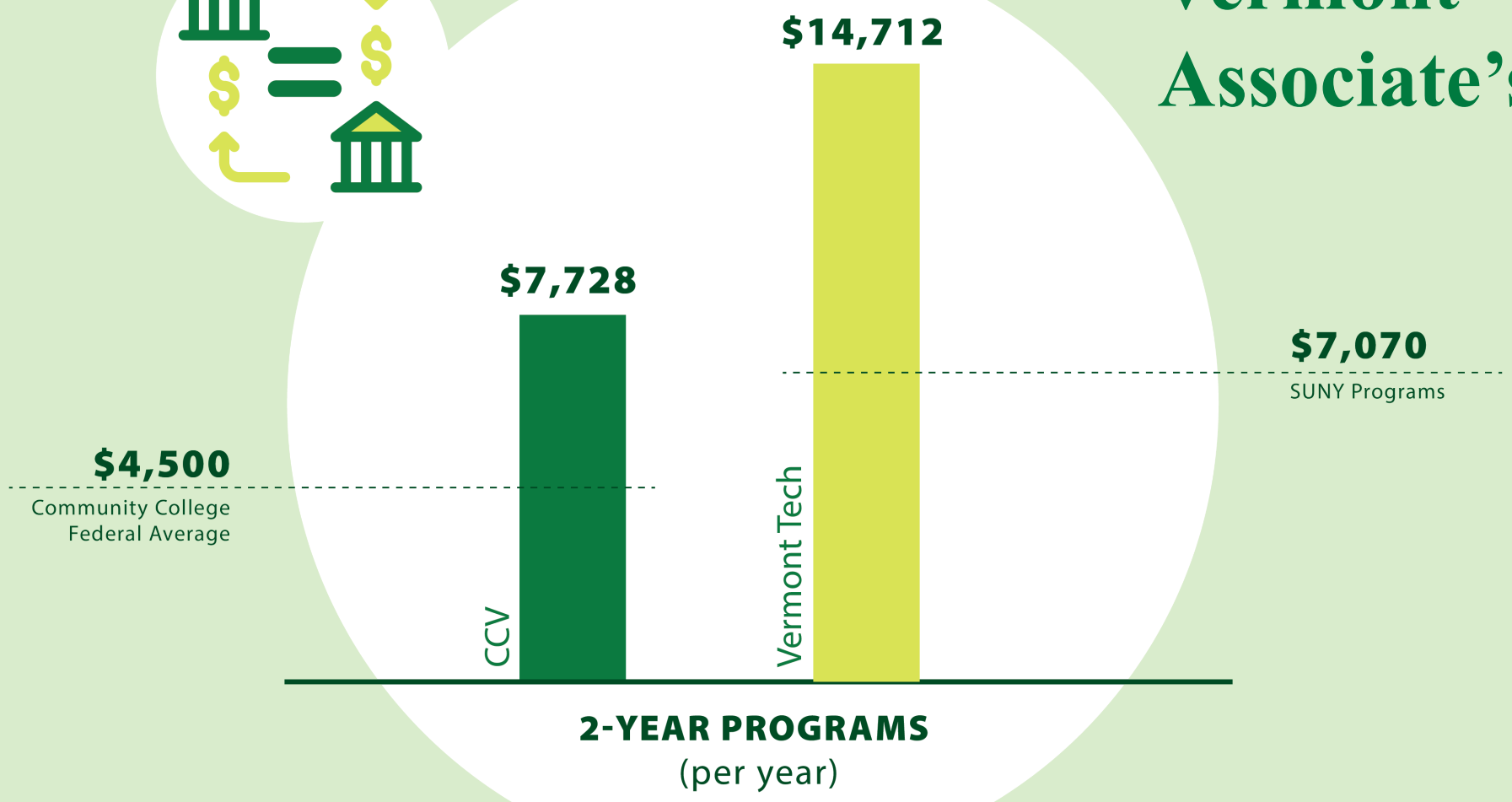
Strengthening Nursing Education



NURSING EDUCATION TUITION
(per semester)

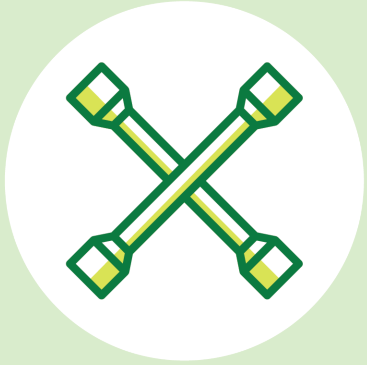
For the benefit of Vermont

Vermont Associate's Pledge

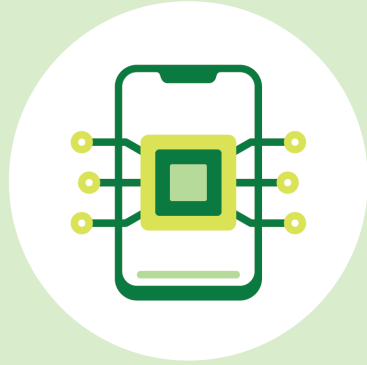


For the benefit of Vermont

Critical Occupations Plus



**Mechanical
Engineering**



**Electrical
Engineering**



**School
Psychology**



**Graduate
Mental Health**

For the benefit of Vermont

Thank You

Sophie Zdatny

Chancellor

Sophie.Zdatny@vsc.edu

Katherine Levasseur

*Director of External & Gov.
Affairs*

Katherine.Levasseur@vsc.edu

Sharron Scott

*Chief Financial and Operating
Officer*

Sharron.Scott@vsc.edu