

**Minutes of the Long Range Planning Committee meeting Thursday, October 8, 2015 –  
APPROVED November 5, 2015**

The Vermont State Colleges Board of Trustees Long Range Planning Committee conducted a meeting Thursday, October 8, 2015 at the Office of the Chancellor in Montpelier, Vermont.

Committee members present: Jerry Diamond (Chair), Kraig Hannum, Church Hindes, Tim Jerman, Karen Luneau (Vice-Chair), Martha O'Connor, Heidi Pelletier (by phone)

Other Trustees: Chris Macfarlane

From the Chancellor's Office: Tricia Coates, Director of External & Governmental Affairs  
Bill Reedy, General Counsel  
Tom Robbins, CFO  
Elaine Sopchak, Executive Assistant to the Chancellor  
Jeb Spaulding, Chancellor  
Yasmine Ziesler, Chief Academic & Academic Technology Officer

College Presidents: Joe Bertolino, Elaine Collins, Joyce Judy, Dan Smith (by phone), Dave Wolk (by phone)

From the Colleges: Tess Conant, VSCUP, Lyndon State College  
Scott Dikeman, Dean of Administration, Castleton University  
Lit Tyler, Dean of Administration, Vermont Technical College

From the Public: Lola Duffort, Rutland Herald

Chair Diamond called the meeting to order at 1:03 p.m.

A. ITEMS FOR DISCUSSION AND ACTION

1. Approve the Minutes of the July 16, 2015 Committee Meeting

Trustee O'Connor requested that the minutes of each committee meeting be sent to the chair first, and then to all the committee members.

Trustee Jerman moved and Trustee Luneau seconded the approval of the minutes. Roll call vote:

Chair Diamond: Yes  
Trustee Hannum: Yes  
Trustee Hindes: Yes  
Trustee Jerman: Yes  
Trustee Luneau: Yes  
Trustee Pelletier: Abstain

The minutes were approved.

B. ITEMS FOR INFORMATION AND DISCUSSION

1. Update on the AGB Consulting Contract

Chancellor Spaulding began by commenting on the unique nature of the Long Range Planning Committee in that it does not make decisions on a regular basis regarding programs, policies, or finances. Rather the Committee weighs difficult questions and is a forum to investigate bigger issues that affect the system's long term health and ability to serve students.

The Chancellor's Office solicited proposals from outside experts to look at the four residential institutions and complete a diagnostic review of their basic business plans, assumptions and issues, to make comparisons to similar institutions, and to pinpoint areas needing closer attention. Five responses were reviewed, and the Association of Governing Boards of Higher Education (AGB) consulting team was chosen. AGB's proposal included not only diagnostic review but also plans to work with each campus to identify \$2M of new net revenue per college. The lead consultants on the project are Tom Meredith and Rick Beyer.

Chancellor Spaulding shared that he has asked Lyndon State College President Joe Bertolino to advise him and CFO Robbins on system initiatives and related issues, and he will also staff the Long Range Planning Committee with Chancellor Spaulding. Chancellor Spaulding will provide

the Board with an update on the process in November and December. The results of the AGB study will inform the upcoming budget process.

Trustee Macfarlane inquired about the basis for the proposed additional \$2M in revenue and whether it is an annual goal. Chancellor Spaulding responded that the consultant has experience working with other institutions in this way, and it is an ambitious but feasible annual goal.

Chair Diamond requested that the Committee discuss Item 3 on the agenda next, and return to Item 2.

## 2. Discussion of the VSC Mission and Vision Statements and Strategic Plans

Chancellor Spaulding distributed copies of the VSC mission and vision statements and noted that the system does not have an up to date strategic plan. He also distributed the most recent strategic priorities from 2008-2013. He stated that the current mission statement may not be as up to date as it could be; for example, it does not refer to alignment with state economic goals. He suggested that the strategic plan for the [Pennsylvania State System of Higher Education](#) is very good.

Trustee Hannum stated that the mission may need some work but did not want the Committee to spend a lot of time on it. Trustee Luneau stated she believes the general strategies laid out by the chancellor are sufficient. Trustee Hindes said consideration of the mission statement is part of the work of this Committee, but agreed that the current mission statement is good. Trustee Pelletier stated that the current mission is accurate, but could possibly use some revision regarding workforce development. Trustee Jerman agreed and stated he recommends revisions only if it results in a tangible benefit for the system. Trustee Luneau suggested forming a subcommittee to review and make recommendations. Chancellor Spaulding suggested he and his staff can bring suggested revisions back to the Committee.

Chair Diamond stated that the mission statement does not reflect the system's aspiration to become comprehensive, interconnected, and cohesive, and therefore should be updated. He also suggested that the Committee compare the colleges' strategic plans to a revised mission statement to ensure they align. Trustee Luneau suggested that student retention be included in the goals. Chair Diamond asked Committee members to contact Chancellor Spaulding or Chief Academic Officer Ziesler about ideas for the revision. Trustee Hindes emphasized the distinction between mission and vision and strategic goals in that mission and vision define aspiration and could be fine tuned, whereas the real work is in establishing the strategic priorities. The

Committee agreed to allow staff to draft revisions and send them to the Committee for further consideration at its November 5<sup>th</sup> meeting.

### 3. Discussion of Strategic Priorities

Chair Diamond reminded the Committee of Dr. Aims McGuinness' suggested areas of focus: serving the state and its regions; aligning the system's infrastructure needs with changes in student population; and how to provide incentives for our institutions to encourage the cohesive system behavior that is the Board's goal. President Bertolino agreed the system must approach educational delivery in new and innovative way and emphasized that capital expenses including deferred maintenance will be very significant.

Trustee Jerman stated he believes the highest priority is addressing fiscal challenges, and improving educational delivery is a part of that. Chancellor Spaulding asked the Committee for specific ways to incentivize collaborating and integration of the colleges, outside of the many ways this is already being done. There are more substantial discussions to be had, from how the system uses its appropriation, to how students can take courses at other VSC schools.

CCV President Judy stated that until the financial model is changed there will not be a cohesive system. The Board controls the tuition rate and the legislature controls appropriation increases. The colleges' budgets are expected to be balanced. They have been operating as independent entities with no financial incentives to figure it out together. She shared the example that hundreds of students enrolled at the other colleges are taking courses at CCV; however, CCV does not receive tuition payment for these students. Chancellor Spaulding stated the question is often asked whether it make sense for multiple colleges to offer similar programs but acknowledged that the colleges offer these programs to maintain financial viability. The financial model would have to change before programming at the colleges could change. Trustee O'Connor suggested that the Board is still looking at five strong colleges but needs to think like a strong system with five colleges in it.

Chancellor Spaulding inquired whether the other presidents have concerns about the current financial model? Vermont Tech President Smith agreed with President Judy that the current revenue model is challenging and encouraged consideration of different models of revenue sharing. Johnson State College President Collins stated she is interested in the collaboration possibilities but does not want to jeopardize the integrity of each institution. President Judy encouraged researching other models for lessons to be learned; for example, the high school/tech center model encourages high schools to keep students even if a tech center is a better option for them, because the money follows the student. Chair Diamond stated that the conversation on the

financial model is one strategic priority, and both the Finance and Facilities Committee and the Long Range Planning Committee should be deeply involved.

Trustee Jerman stated that a bottom line is that the system will maintain five institutions; some financial models may not support that. Trustee Luneau stated the Board needs to ask the questions based on new realities in higher education. She inquired whether it would be cost effective to have a single online presence instead of five different ones, and encouraged exploring new uses for VSC real estate. Chancellor Spaulding reminded the Committee to remember that the current conversation is not an effort happening at a time of crisis but rather looking at ensuring long term success and making a proactive effort to ensure the system is able to meet the needs of Vermonters.

Trustee Macfarlane stated the colleges need to market collaboratively and asked how the system can determine its audience and deliver the message of the mission. Chancellor Spaulding stated that is the direction the system is headed. Chair Diamond stated the upcoming VSC website redesign will help with this.

Trustee Luneau stated that the VSC is the extension of public education in Vermont, and that having grade 12 be the end of the public commitment to education is an old paradigm. Chancellor Spaulding agreed and shared that he discusses this concept when he is speaking publicly. Trustee Jerman asked the Committee to remember that the PreK-16 Council and the dual enrollment program already exist, and achieving the Chancellor and Trustee Luneau's goal will have to occur incrementally.

#### 4. Discussion of General Strategies

The Committee reviewed the general strategies suggested by Chancellor Spaulding:

- Increase the continuation rate of high school graduates on to postsecondary education
- Increase the retention and graduation rates at our colleges and university
- Become a more attractive destination for Vermont high school graduates
- Serve well more working age Vermonters
- Achieve operational efficiencies by operating as a more integrated system
- Build a successful effort to increase State support and other supplemental revenues

Chair Diamond suggested if the Committee approves of the strategies they could be the Committee's recommendations to the Board and then begin work on ways to implement them.

Trustee Hindes stated the strategies should both further the mission of the VSC and make Vermont a better place, in addition to addressing fiscal challenges. He added items he wished to

see included: affordability; the relevancy of the education the system to the students and the state; and improving services for students; different phrasing for “operational efficiencies” in bullet five.

Trustee Jerman encouraged including language regarding state support that focuses on building a partnership with the state to provide better outcomes. Chair Diamond asked the Committee to affirm its support of the Chancellor’s argument to increase state support. Trustee Jerman clarified that it is important to ensure that the state upholds its statutory requirements for education. Audience member Tess Conant stated it is unfortunate that the colleges are expected to do more with less money, due to fewer students, but that K-12 education continues to receive increases in spite of also having fewer students.

Chair Diamond called for a motion to adopt the Chancellor’s strategic priorities subject to revisions based on Committee discussion, and asked for the topic to be included on the Committee’s November 5<sup>th</sup> agenda. Trustee Luneau moved and Trustee Jerman seconded the motion. Roll call vote:

Chair Diamond: Yes  
Trustee Hannum: Yes  
Trustee Hindes: Yes  
Trustee Jerman: Yes  
Trustee Luneau: Yes  
Trustee Pelletier: Yes

The motion was approved unanimously.

President Collins added that it is possible to meet the strategic objectives with subpar education for Vermonters—language must be included to ensure a quality education and attention to quality.

## 5. Open Discussion and Public Input

Chancellor Spaulding offered an update on the potential name change process. A survey was sent to all faculty and staff, and another will be sent to students. Responses to date raise the question whether changing the system name is truly necessary. He will provide the Committee with another update at its November 5<sup>th</sup> meeting.

## 6. Date and Place of Next Meeting

Thursday, November 5, 2015, 1-3 p.m.  
Office of the Chancellor, Montpelier, VT

Trustee Jerman moved and Trustee Hannum seconded a motion to adjourn. The meeting adjourned at 2:51 p.m.