

**TO:** Long Range Planning Committee  
Michael Pieciak, Chair  
Janette Bombardier, Vice Chair  
Megan Cluver  
Lynn Dickinson  
Dylan Giambatista  
Adam Grinold  
Bill Lippert  
Karen Luneau

**FROM:** Tricia Coates



**RE:** LRPC Meeting on August 26, 2019

**DATE:** August 21, 2019

The Long Range Planning Committee of the VSCS Board of Trustees will hold a regular meeting on Monday, August 26, 2019 starting at 3:00 in Room 101 at the Chancellor's Office. The agenda and materials are attached.

The agenda includes review and approval of the "*Serving Vermont's Students by Securing the Future of the Vermont State Colleges System*" white paper. The attached, comprehensive list of ideas generated by the LRPC's input gathering this summer, in addition to a memo summarizing points of consensus and further questions from the list, should guide the Committee's discussion about what it has learned to date and what it hopes to achieve during the fall outreach schedule.

Thank you.

Cc: VSCS Board of Trustees  
Council of Presidents

**Vermont State Colleges Board of Trustees  
Long Range Planning Committee Meeting**

**August 26, 2019**

**AGENDA**

1. Call to order
2. Approval of Minutes
  - a. June 19, 2019
3. Committee discussion: Reflections on *Secure the Future* summer input sessions
  - a. Key takeaways from college meetings
  - b. Reactions to memo summarizing input and document listing ideas received to date
4. Approval of final “Serving Vermont’s Students by Securing the Future of the Vermont State Colleges System” white paper.
5. Committee discussion: September outreach and meeting schedule
  - a. What questions is the LRPC bringing to the campus meetings?
  - b. Review meeting schedule.
6. Other business
7. Comments from the public

**MATERIALS**

1. June 19, 2019 minutes
2. Revised: *Serving Vermont’s Students by Securing the Future of the Vermont State Colleges System* white paper
3. Memo: Summary of Input on White Paper
4. List: Input received during *Secure the Future* outreach

Item 1:  
Minutes of the June 19, 2019 Meeting

**Minutes of the VSCS Board of Trustees Long Range Planning Committee meeting held  
Wednesday, June 19, 2019, in the 1787 Room at Castleton University, Castleton, VT –  
UNAPPROVED**

*Note: These are unapproved minutes, subject to amendment and/or approval at the subsequent meeting.*

The Vermont State Colleges Board of Trustees Long Range Planning Committee conducted a meeting Wednesday, June 19, 2019, at Castleton University, Castleton, Vermont

Committee members: Michael Pieciak (Chair), Megan Cluver, Lynn Dickinson, Dylan Giambatista, Adam Grinold, Bill Lippert

Absent: Janette Bombardier

Other Trustees Present: Peg Flory, Izzy Gogarty, Karen Luneau, Churchill Hindes, Jim Masland

Presidents: Joyce Judy, Karen Scolforo

Chancellor's Office Staff: Jeb Spaulding, Chancellor  
Tricia Coates, Director of External & Governmental Affairs  
Todd Daloz, Associate General Counsel  
Jen Porrier, Administrative Director  
Steve Wisloski, Chief Financial Officer  
Sophie Zdatny, General Counsel  
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Nolan Atkins, Provost, Northern Vermont University  
Ana Gaillat, Dean of Academic Affairs, Vermont Technical College  
Laura Jakubowski, Chief Budget & Finance Officer, Castleton University  
Maurice Ouimet, Dean of Enrollment, Castleton University  
Jonathan Spiro, Chief Academic Officer, Castleton University  
Emily Wiezalis, Assistant Dean of Enrollment, Castleton University

1. Chair Pieciak called the meeting to order at 3:16 p.m.

Chair Pieciak welcomed everyone to Castleton then turned the meeting over to President Scolforo who expressed her pleasure at hosting the Board at Castleton University and at her house.

Chair Pieciak took a moment to introduce to the Board the new Dean of Academic Affairs at Vermont Technical College, Ana Gaillat, as well as the new Trustee elected by the Vermont State Colleges Student Association, Izzy Gogarty. Chair Pieciak stated that the meeting was being recorded and will be available for viewing on the [www.vsc.edu](http://www.vsc.edu) website after the meeting.

2. Approval of the minutes
  - a. October 24, 2018
  - b. May 29, 2019

**Trustee Dickinson moved and Trustee Giambatista seconded the motion to approve the meeting minutes from October 24, 2018 and May 29, 2019. The motion was approved unanimously**

3. Committee Discussion of “*Serving Vermont’s Students by Securing the Future of the VSCS*” white paper

Chair Pieciak gave a brief overview of the white paper itself, describing how it explores the urgent challenges facing higher education in general and the VSCS in particular. The paper poses a series of questions for the Board to consider as it envisions the future. Chancellor Spaulding added that the paper discusses the VSCS’s mission of serving the students and the challenges the System faces while doing so. Chair Pieciak outlined the questions listed below and invited input from Committee and Board members.

- a. Do the challenges described in the paper adequately capture what we face? Is there anything missing, or is there something that does not warrant inclusion?

Chancellor Spaulding highlighted the six challenges faced by the VSCS and asked if the list is inclusive or if there are other challenges that need to be identified. Trustee Dickinson discussed the need to educate the public about the severity of these challenges. CCV President Judy reiterated the need for the VSCS to partner with local business and agencies for job preparation. CU President Scolforo talked about attracting more students to Vermont through branding to counteract the declining demographics. She also mentioned the need for a more robust fundraising infrastructure. Trustee Cluver posited that disruptive technology (challenge six listed on page 16 in the white paper) as epitomized by not-for-profit online universities (Arizona State Online, Southern New Hampshire University, Purdue Global and Western Governors University) pose the greatest threat. These institutions have the ability to be nimble, possess significant capital, have a completely different faculty structure, and are not limited by geographical location. Students are attracted to these online educators because they’re non-profit, accredited, less expensive, and provide flexibility. She added that some significant businesses with power in

the job market (Amazon, Apple, Google for example) are starting to place less value on traditional college degrees and consider applicants for hire based on demonstrated skills, rather than educational attainment. Dean Gaillat proposed that the VSCS can be competitive only by finding niche markets where it can focus and excel and meet specific needs. Trustee Lippert reiterated the need to serve Vermonters, first and foremost. He would like to focus on the transformative changes that can be done, as opposed to incremental changes. Trustee Grinold noted that as the Vermont school-aged population decreases, the level of poverty in that same group is increasing, which is likely to make the leap to post-secondary education more difficult for those students coming from less affluent backgrounds. This trend, if it continues, will pose an additional hurdle to the VSCS as an access institution.

b. Which system strengths are the most significant as we consider the future?

Trustee Gogarty discussed the benefits of building connections, including with potential future employers, as well as the opportunities for students to accrue personal experiences by attending a bricks and mortar college. Chair Hinds proposed capitalizing on the traditional college experience. He noted that the VSCS benefits from having distinctive campuses and being able to try different ideas at each institution. He added that our name recognition is a strength in the state of Vermont. CFO Wisloski summarized the discussion with three points: (1) What is within our control that we can change? (2) What return on investment do our students receive? and (3) Are we exercising due diligence with the financial aid awarded to students?

c. Discuss the “What’s Next” questions (p. 22). Are they the right questions? Are there additional questions we should ask?

No comments were provided about the proposed questions.

4. Discuss and approve proposed summer outreach schedule

Director of External and Government Affairs Tricia Coates discussed the reasoning behind the current proposed schedule. There are regularly scheduled LRPC Committee meetings with goals delineated for each. Additionally, there will be informal time scheduled with the leadership teams of each institution to meet with the LRPC chair and the Chancellor. A system-wide zoom meeting will be scheduled later in the summer with participation open to all members of the VSCS community. Also proposed is a meeting with statewide opinion/thought leaders. Ms. Coates also shared information about the “Secure the Future” website, which will include recordings of meetings along with articles, materials and updates as they occur. See <https://www.vsc.edu/board-of-trustees/securethefuture/>.

Northern Vermont University Provost Nolan Atkins stressed the importance of having a clear message about the purpose of the project for communications with faculty, staff and students. Trustee Grinold suggested that the message on the webpage be more of a call to action than a passive message.

5. Other business

No other business

6. Comments from the public

No Comments from the public

Chair Pieciak adjourned the meeting at 5:10 p.m.

UNAPPROVED

Item 2:

Revised: *Serving Vermont's Students by  
Securing the Future of the Vermont State  
Colleges System* white paper



Version 1.2, August 26, 2019

# Serving Vermont's Students by Securing the Future of the Vermont State Colleges System

Office of the Chancellor

*This white paper is intended to set the stage for consideration of concrete, strategic actions that the Vermont State Colleges System can take to secure its mission in an increasingly challenging and rapidly changing higher education environment. The first step is to gain a clear understanding of the forces affecting our colleges and universities.*

## Introduction: Planning a Bright Future for the Vermont State Colleges System

The future of the State of Vermont, and the State's capacity to realize the potential of generations of future students, will depend upon a thriving Vermont State Colleges System (VSCS or System).

And yet significant challenges to colleges and universities bear down upon our region and much of the United States and threaten access to the affordable, high quality, student-centered education our member institutions provide. Significant demographic and market pressures are undeniable. In this environment, cost controls and innovation must quickly be coupled so that students will have post-secondary opportunities and our colleges and universities will thrive, not merely survive.

Plans to secure the future should reflect a vision of a thriving Vermont State Colleges System:

- Financially and functionally healthy institutions, all with consistently positive operating results;
- A high quality, relevant, and contemporary educational experience for students, both traditional and non-traditional;
- An interconnected, coordinated, and friction free system of unique and innovative colleges and universities;

- Engaged communities of faculty and staff treating each other with mutual respect;
- Great places to work and learn, in good condition and with up-to-date physical and IT infrastructure;
- Programs that meet the workforce needs of the state and region, while launching the hopes and dreams of our students; and
- Delivery of programs and services where and when students and clients need them.

A vision for the future must encompass our enduring mission for Vermont. It must also consider those actions taken by public higher education systems that are succeeding in this environment. Those systems are strategically and rapidly focusing resources on new delivery platforms and flexibly delivered credentials that reach traditional-age and adult students. They are creating opportunities distributed across a lifetime. Those who thrive will reduce the cost of delivery and will be the most entrepreneurial.

The Vermont State Colleges System must adapt, innovate, and leverage its strengths in order to secure a bright future. To that end, the Board of Trustees is embarking on a strategic initiative first to clarify and communicate the urgent challenges facing higher education and then to develop responses to allow the System to meet its critical mission of service to the State into the future.

As a statewide entity with strong regional presence and a long and proud history of educating Vermonters, the VSCS brings significant strengths to its work that will help it confront external forces. Because of our partnerships, our colleges and the System have the unique ability to respond to local, regional and state needs. Our State appropriation provides a predictable supplementary revenue source. As a System, the VSCS is capable of achieving necessary financial efficiencies. Significantly, strong leaders at the System and college level are guiding their institutions well through very challenging waters.

Challenges to the industry are facing nearly every college and university in the nation, but are hitting the Northeast and Vermont especially hard. Declining numbers of traditional college-age students and increased competition among colleges for those students are pressuring budgets. Student preferences and attitudes toward higher education are changing. Our traditional physical infrastructure and personnel processes do not always support timely responses to challenges. Vermont's ranking at the bottom of the nation in state support is a significant factor in our inability to compete on price, to innovate, and to keep up with basic infrastructure.

These challenges require fully leveraging our strengths. Areas with the greatest opportunity for solutions demand change: new delivery methods, new credential offerings, and strategically focusing resources as a system to efficiently and effectively deliver educational opportunities.

As the Board of Trustees develops plans for the future of the VSCS, a thorough exploration of the forces affecting our colleges and universities is a necessary first step. It will gather input

from the VSCS community and others about these challenges and about possible solutions to build a strong system that serves the needs of our students and our State into the future.

If the System's colleges and universities are to remain relevant and viable, leadership and stakeholders must have the foresight to recognize the forces upon us and the fortitude to make tough and timely decisions about what, how, and where to deliver relevant public postsecondary education to Vermonters.

This paper will first detail what the Chancellor believes are the forces negatively affecting the System. It will also review steps the VSCS has taken thus far to adjust to them. To gain consensus on the changing environment, this document is intended to evolve, reflecting vigorous and constructive dialogue with many constituencies.

The next step will be for the VSCS to identify a range of specific actions the System could take to secure its future for the benefit of Vermont. You are welcome to visit [www.vsc.edu/securethefuture](http://www.vsc.edu/securethefuture) over the coming months to view revisions to this paper, find out about participating in input sessions, and other information about this strategic process.

## Strengths of the Vermont State Colleges System and its significance to Vermont

The Vermont State Colleges System, which includes Castleton University, Northern Vermont University, Vermont Technical College, and the Community College of Vermont, acts as the State of Vermont's public system of higher education.

The System's mission begins, "For the benefit of Vermont," and its colleges and universities serve over 11,000 students and employ over 2,000 Vermonters in 20 locations in thirteen of Vermont's fourteen counties. In addition, close to 9,000 adults are served in workforce and professional education programs offered at every institution. Over 80% of the System's students are Vermonters, and the vast majority its graduates stay and work in Vermont. These graduates, in turn, comprise a major input into Vermont's workforce pipeline and become the entrepreneurs and workers powering Vermont's economy.

The VSCS is the extension of the State of Vermont's public education system into the postsecondary years. This means that the System's colleges and universities are, by design, a logical continuation of the State's pre-kindergarten through 12<sup>th</sup> grade primary and secondary schools and are accessible to almost all Vermonters. In addition to providing traditional four-year, residential, bachelor's degree programs to 18 - 22 year-old students, they also provide a wide range of graduate, associate degree and certificate programs, serve commuter and online students, and provide continuing education opportunities for Vermonters of all ages. This broad

accessibility and wide range of offerings enables the System's colleges and universities to confer more bachelor's and associate's degrees and non-degree certificates to Vermonters than all of the other colleges and universities in the state combined.

In their role as the State of Vermont's "access institutions," the System's colleges and universities also provide upward mobility for Vermont's citizens, which results in attendant benefits for the State. The Lumina Foundation's study, ["It's Not Just the Money"](#) demonstrates that on any number of human services measures, whether rates of poverty, incarceration, mental illness, poor health, or overall difficulty in life are inversely correlated with education levels. The System is one of the State's most cost-effective investments both to improve Vermonters' quality of life and to reduce dependency on State services.

Finally, the System's colleges and universities serve as the economic and cultural foundation of many rural parts of Vermont. The System spends almost \$170 million each year on employee salaries and benefits, paid almost entirely to Vermonters, and purchases of goods and services from Vermont based businesses. Its students and employees eat at local restaurants, shop in local stores, and flock to Vermont recreation areas. Additionally, the colleges and universities are centers of music, fine arts, theatre, athletic events, public lectures, summer youth camps, and innumerable other life-enriching activities that otherwise would be unavailable to Vermont's rural communities and regions.

The VSCS is a sizable statewide public entity, which sets us apart from the many small, tuition-dependent, private colleges across the region that face significant pressures on their own. As a college system with a statewide footprint, the strengths inherent to a system are more valuable to our member institutions than ever before. Shared services, joint purchasing and systemwide contracts all provide financial efficiencies unavailable to independent colleges. In the past few years, several of our colleges have accessed timely financial support from the System when taking on a bank loan would not have been feasible. Additional strengths can be leveraged when academic policies are aligned at the system level to provide more opportunities for VSCS students (ie. Direct Admissions).

Our statewide presence makes us a valuable state asset. The map of VSCS campuses, academic centers, and workforce resources reveals a statewide presence and illustrates our mission: to provide access to educational opportunities for all Vermonters. Taken together, our four colleges and universities, spread out over thirteen counties, serve a majority of Vermont students attending college from those counties. Our statewide presence has fostered well-rooted connections with our host communities. Our partnerships with employers, local agencies, alumni, and friends are not confined to one region, but are statewide. Because of our established partnerships, the VSCS can respond quickly to regional employment or educational needs. Because we are a system, the VSCS can deliver programs for the State of Vermont in every county.

The State of Vermont's stake in the success of our colleges is enormous. The State is dependent on our member institutions as regional economic engines, workforce pipelines, and as access institutions for the majority of Vermonters remaining in state to go to college. While State funding accounts for only 17% of our budget, one of the lowest levels of funding in the nation, the VSCS annual appropriation does provide a predictable, annual source of revenue. Any independent college would be envious of a \$30 million annual disbursement from an endowment.

Another key strength is our strong system and college-level leadership. Squaring off against the challenges listed in this report, our presidents, with the support of their leadership teams, staff and faculty, are making bold decisions about the future of their institutions, all while offering innovations to better serve students and to remain competitive. The Chancellor's Office is supporting this work and pushing forward with significant business process redesign, systemwide academic policy and program changes, and transformation of our information technology. A highly knowledgeable and diversely talented Board of Trustees also provides invaluable guidance to and engaged oversight of this timely and urgent work.

Despite significant challenges, and because of them, the VSCS colleges and universities continue to innovate. New programs, including non-degree credentials and apprenticeships, are being developed faster than ever. Employer partnerships are flowering. New technologies, more convenient scheduling, and improved student support services abound.

**"A clear view of the complexities opens the way to constructive action"**

--- John W. Gardner

## Challenges we face

The recent closures of Green Mountain College in Poultney, Southern Vermont College in Bennington, and the College of St. Joseph in Rutland make clear that Vermont is about to experience – in rapid sequence and without precedent in the history of the State, and quite possibly the country – the devastating impact of losing the economic and cultural anchors for several rural communities and their surrounding regions.

These closures provide stark evidence of the negative and powerful external forces that continue to bear down on almost all colleges and universities generally, but that are particularly acute in Vermont. Many observers and analysts predict the pace of college closures will escalate, and that small, rural, tuition-dependent, and less selective colleges are the most vulnerable.

While the System's institutions face many of the same problems and difficulties confronting other colleges and universities in Vermont and the Northeast, a few key challenges stand out in

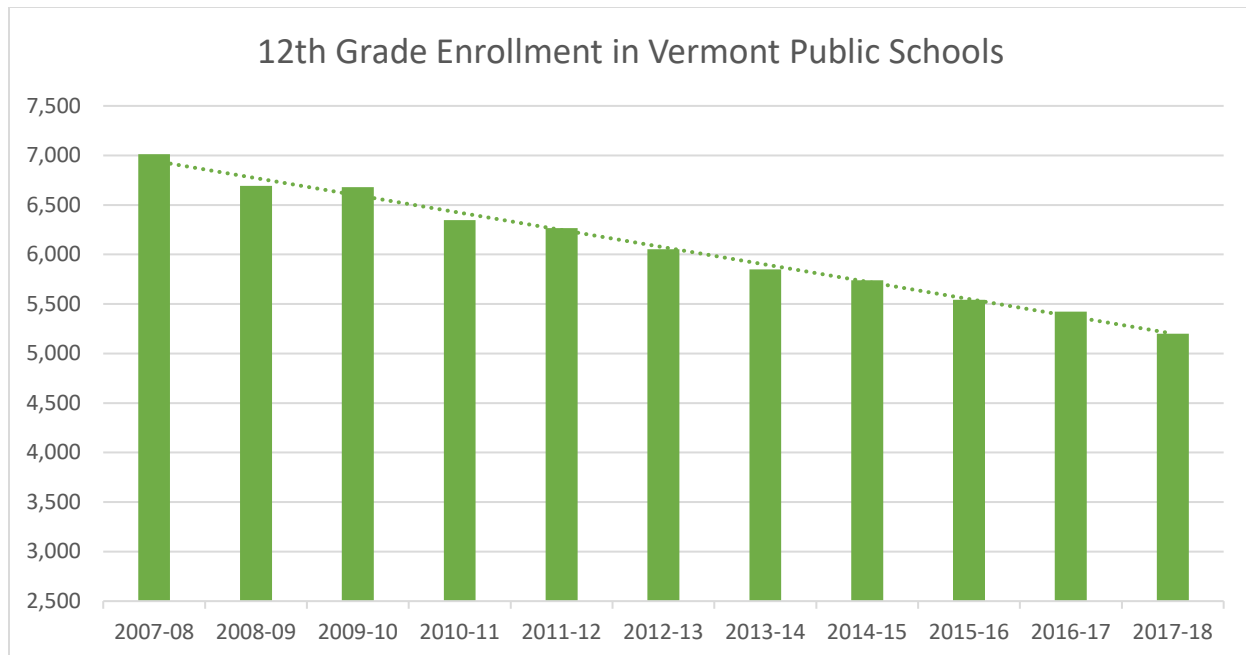
terms of financial magnitude and immediacy, and therefore in potential impact to the System's strategic outlook. These challenges include:

1. Historically weak demographics
2. Bottom-ranked State support
3. Accelerating pricing pressures
4. Barriers to adaptability
5. Changing student preferences and attitudes
6. Disruptive technology and delivery

#### Challenge 1: Historically Weak Demographics

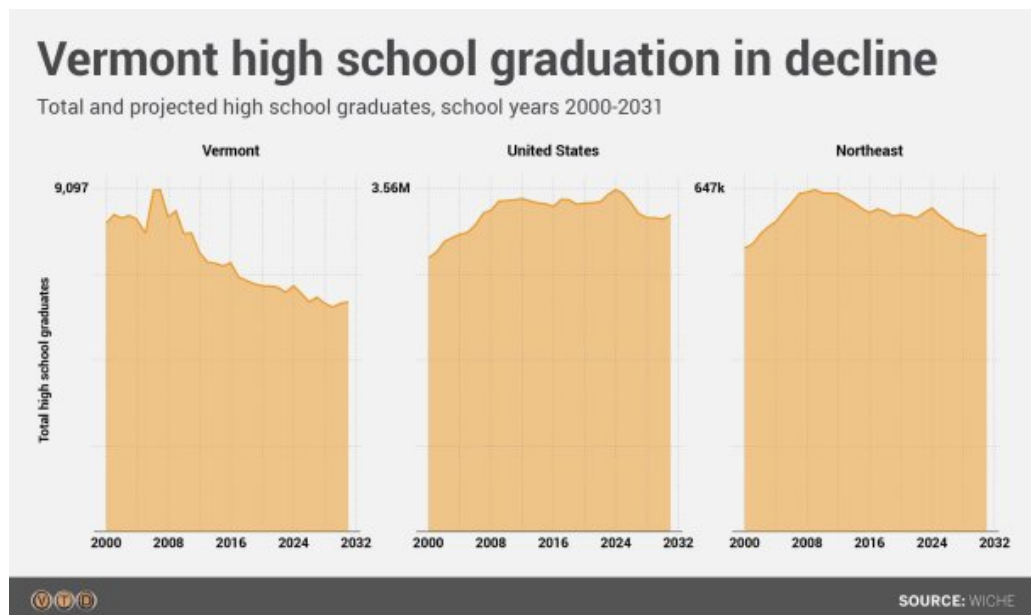
**Downward demographic trends are serious and will continue to intensify indefinitely.**

While the System's institutions serve students of all ages, the primary student cohort, other than for Community College of Vermont, is still traditional-age high school graduates. The number of Vermont high school graduates has decreased by 25% over the past ten years and, given record-low birthrates, this trend is expected to continue indefinitely. The long-term outlook for other New England and the Northeastern states is similarly dire. This very likely means that the System's capacity, physical footprint, and cost of operations already likely is, or soon likely will be, "over built" relative to future demand.



Source: Vermont Agency of Education School Enrollment Reports

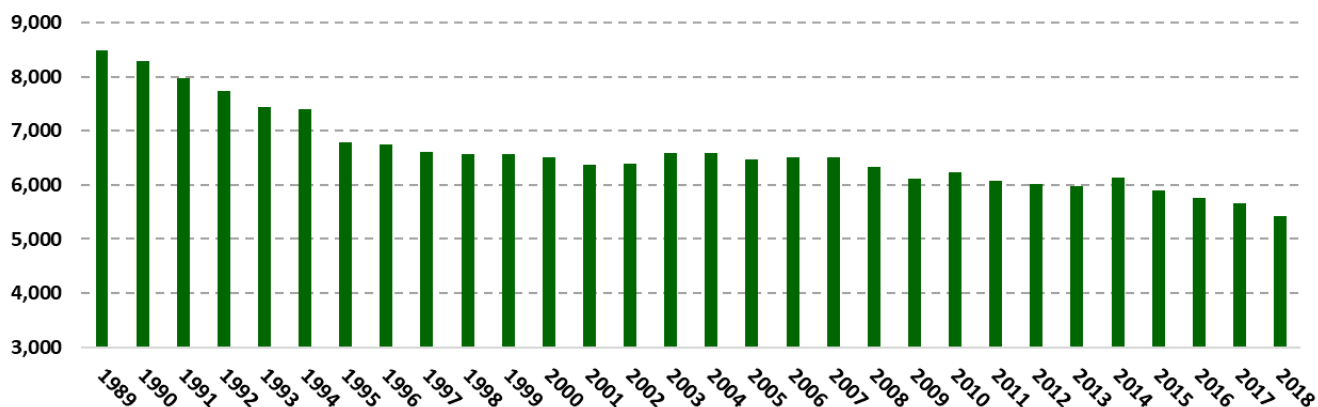
<http://edw.vermont.gov/REPORTSERVER/Pages/ReportViewer.aspx?%2fPublic%2fEnrollment+Report>



Source: Western Interstate Commission for Higher Education as reported in [VTDigger, May 5, 2019](#).

The number of births in Vermont in 2015 was the lowest since before the Civil War and that number has continued shrinking each year since then. In the late 1980s, there were approximately 8,500 births a year in Vermont, a sharp increase from the 1970s, but starting in the 1990s, births have been declining and we now have closer to 5,500 births each year. That is more than a 25% decline.

### State of Vermont Live Births by Year, 1989 to 2018



Source: Vermont Agency of Human Services

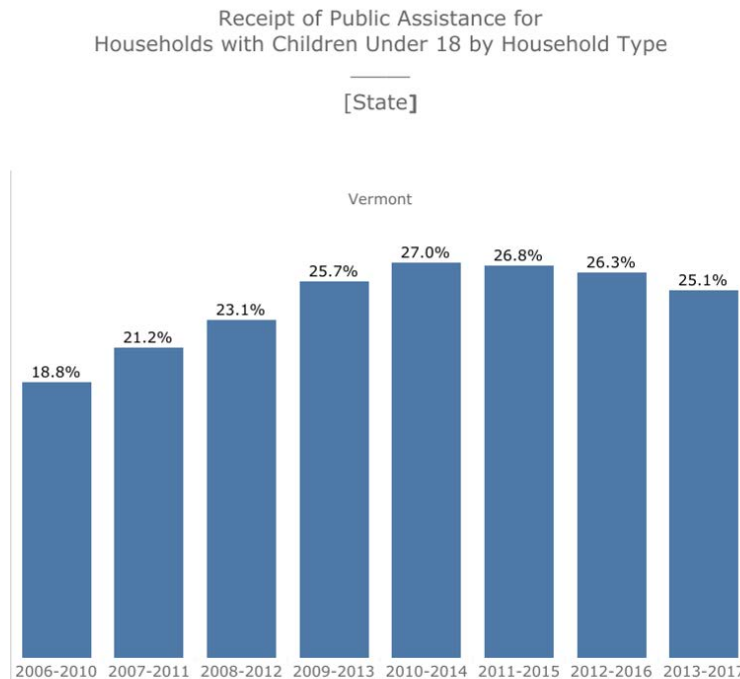
State of Vermont population projections indicate the number of 15-19 year-olds will decline by 21.8% between 2010 and 2030 and the number of 20-24 year-olds will decline by 19.9%.

The rest of northern New England and the rural Northeast face these same trends.

Carleton College Professor Nathan Grawe, in his 2017 book *Demographics and the Demand for Higher Education*, predicts beginning in 2026 that the number of college-aged students in the Northeast and Midwest will drop almost 15 percent in just five years.

In addition to demographic decline, if recent trends continue, it is likely that in the coming years, a higher proportion of Vermont's 18-year-olds will have grown up in households receiving public assistance. The U.S. Census Bureau, American Community Survey 5-year estimates shows the proportion of households with children under 18 receiving public assistance growing from 18.8% in the 2006-2010 estimate to a peak of 27% in the 2010-2014 estimate, and then tapering to only 25.1% for 2013-2017, the most recent estimate available. In addition to the increasing poverty rate, the [2019 Building Bright Futures report](#) notes the percentage of Vermont's children under 9 years old in DCF custody rose from 6.4% in 2012 to 12.9% in 2016.





Data Source: U.S. Census Bureau, American Community Survey 5-Year Estimates (Table B09010, Receipt of Supplemental Security Income (Ssi), Cash Public Assistance Income, or Food Stamps/Snap in the Past 12 Months by Household Type for Children Under 18 Years in Households.)

**Bottom line conclusion: As Vermont's access institutions with Vermonters representing over 80% of our student body, with the remainder of our traditional campus-based students primarily coming from New England and mid-Atlantic states, we must adapt to a significantly smaller traditional and potentially higher need student population.**

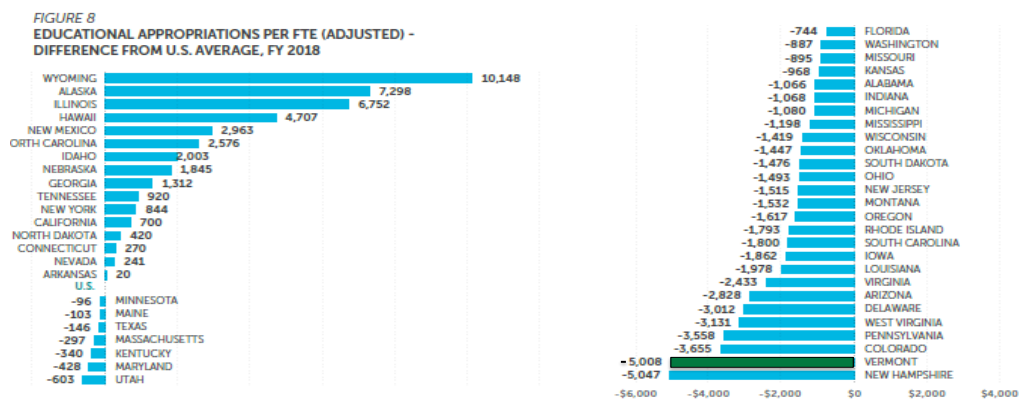
## Challenge 2: Bottom-Ranked State Support

**Vermont has seriously underfunded public higher education for decades to the detriment of its citizens and economy.**

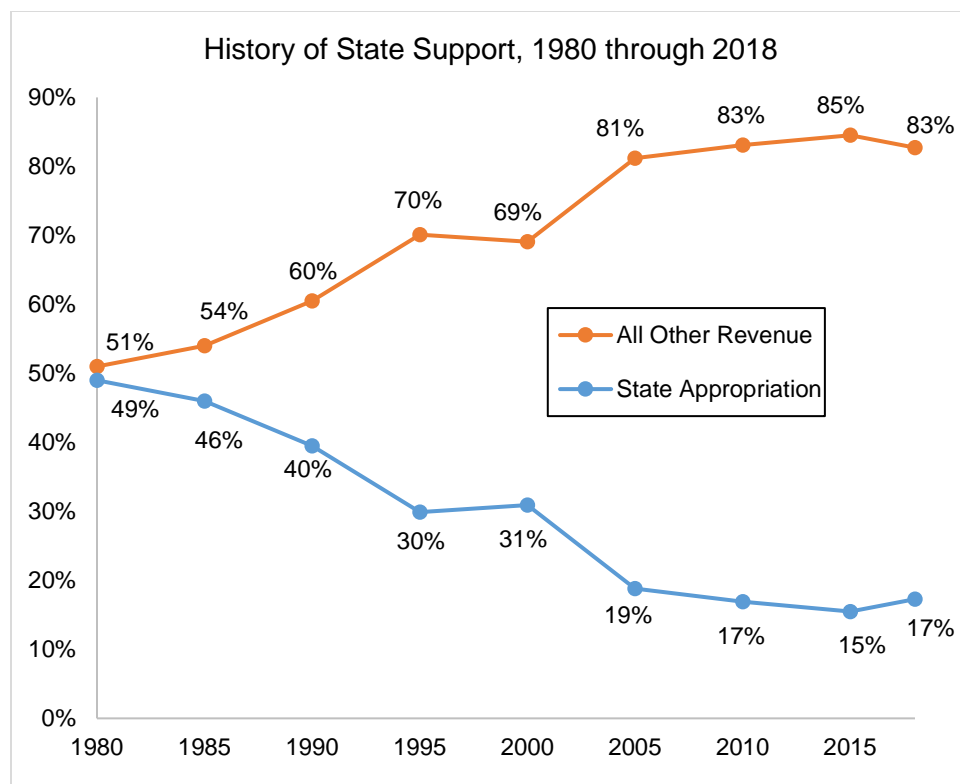
A definitional characteristic of a public college system is state funding, the fundamental purpose of which is to enable lower tuition prices. Even with recent large percentage increases to the System's base appropriation, and strong support from both the Governor and the Legislature, Vermont's State support still ranks at or near the bottom of the 50 U.S. states by any measure. In addition, the System's State funding remains just above half of what similar New England and New York public colleges receive as a percentage of overall revenues, with the exception of New Hampshire. This lack of State support has had, and continues to have, two pronounced effects on the System: very high tuition prices, and inability to invest in academic programming, innovation, and appropriate maintenance of facilities and basic infrastructure to remain competitive with other regional public colleges. Unfortunately, as evidenced by

Vermont's recent bond rating downgrade from Moody's Investors' Service, the State's own poor demographic outlook and increasing pension and retirement benefit liabilities challenge the State's ability to provide consistent, meaningful future increases to the System's base appropriation.

For decades, chancellors, trustees, faculty members, students, and individual legislators have implored Vermont governors and the Legislature to reverse the State's trend of disinvestment in its public higher education system. But inadequate funding has continued, with predictable results: The 1989 Vermont Higher Education Study Commission reported that Vermont ranked 3<sup>rd</sup> in the nation in spending on higher education as a percentage of personal income. The most recent State Higher Education Executive Officers report (FY 2018) shows Vermont now ranks 49<sup>th</sup> in the country in state funding per FTE student.



Source: State Higher Education Executive Officers, State Higher Education Funding Report, 2018



Source: VSCS

In Fall 2018, we requested that the State commit to a multi-year plan to increase funding for the VSCS to the average of its New England public college peers, or approximately 30%. This would have required an infusion of \$25 million this coming year to the current base appropriation of \$28 million. Our proposal included transitional \$5 million dollar increases annually until the New England average was reached. This level of funding would not only provide the System with positive operating results, but would support current campus footprints, the ability to innovate, provide appropriate student supports, and ameliorate tuition rates. Although not what we requested, the Governor proposed a \$3 million, 11% increase in State support for FY 2020. The Legislature settled on a \$2.5 million, 9% increase. While this increase is most appreciated and a tangible sign of support from the Governor and Legislature, it does not change the overall dynamics outlined in this paper.

Expectations for further meaningful increases of State financial support must be tempered. Even our most ardent supporters in the State House have warned significant increases in the coming years are unlikely. The General Fund is increasingly stressed to support an array of chronically underfunded programs and services. Available capital dollars for buildings and facilities are actually shrinking. The economy, and expected downturn in state revenues in FY 2021, is likely to increase pressure on the state budget and make appropriation increases more challenging.

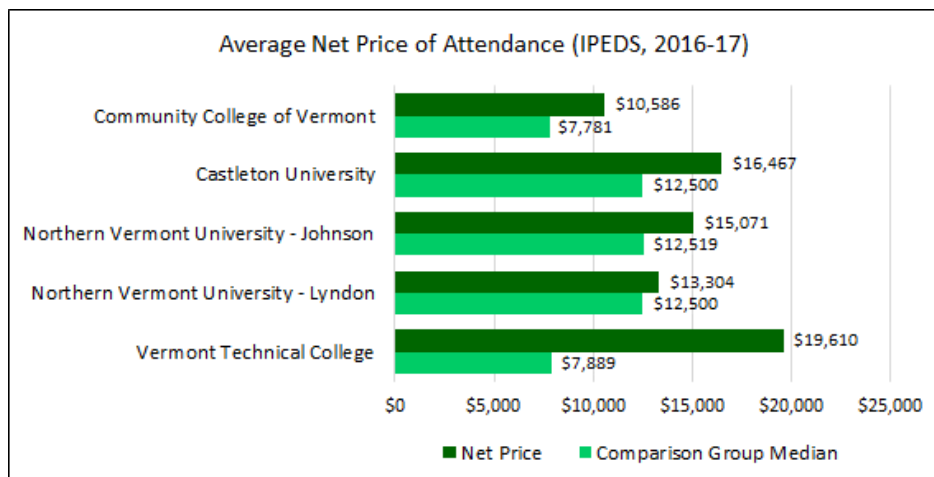
**Bottom line conclusion: Despite all our efforts and modest recent successes, pinning the System's future on consistent and meaningful increases in State funding would be imprudent.**

### Challenge 3: Accelerating Pricing Pressure and New Competitors

**Our prices, historically an advantage as public access institutions, are becoming a significant competitive disadvantage in the new era of declining traditional student populations and associated tuition discounting by other institutions. Competing institutions are discounting their higher "sticker prices" to levels that are often less than VSCS published tuition prices and often below our own discounted prices. In addition, new innovative providers are competing hard for non-traditional students.**

Weak demographics and very low State support drive a third challenge: the System's high tuition and increasing inability to compete on price. Declining numbers of high school graduates regionally mean that colleges compete more aggressively both to keep their students in-state, and to recruit out-of-state students. In addition to providing higher levels of support for their public colleges, several states, most notably New York and Rhode Island, offer free college programs, resulting in more students staying in their home states. Online education also continues to expand rapidly, providing a low-cost alternative to traditional residential or in-person college programs. The largest online programs, of which Southern New Hampshire University (SNHU) is the most local example, enroll approximately 120,000 students and offer very low tuition prices.

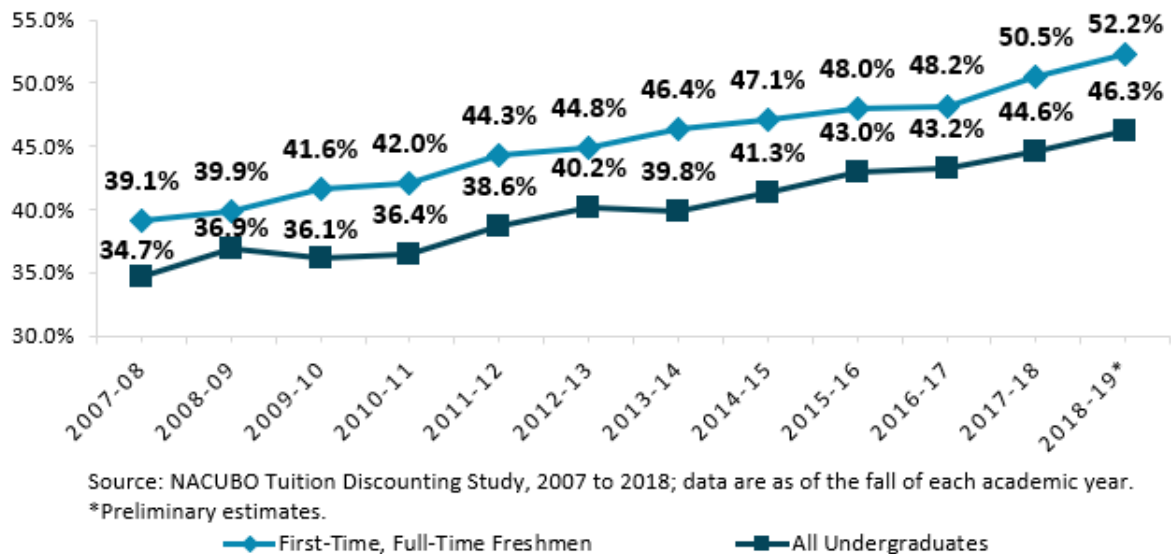
The College Board in 2018 proclaimed that Vermont has the highest tuition for public colleges in the nation, a dubious point of distinction.



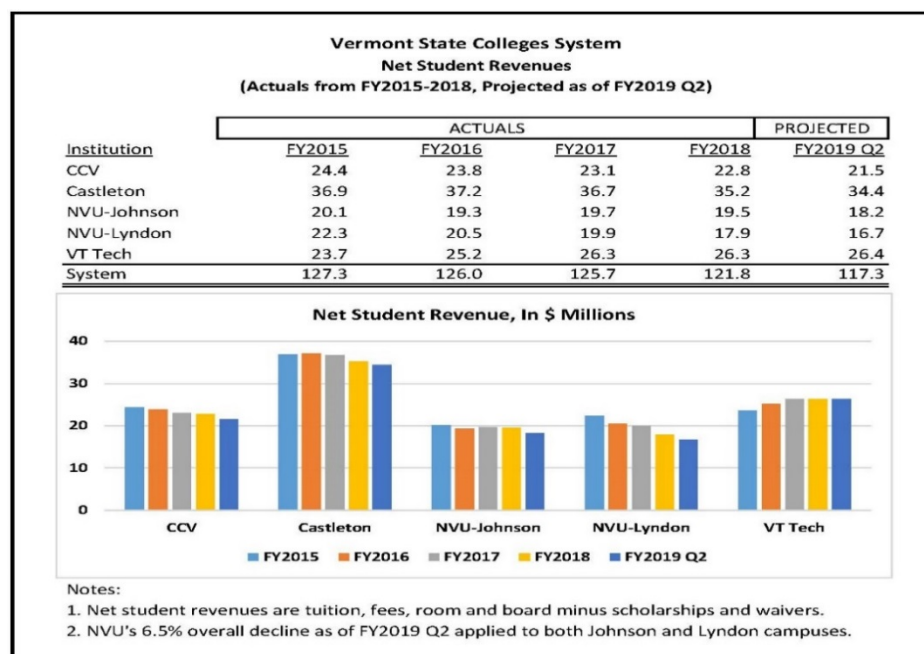
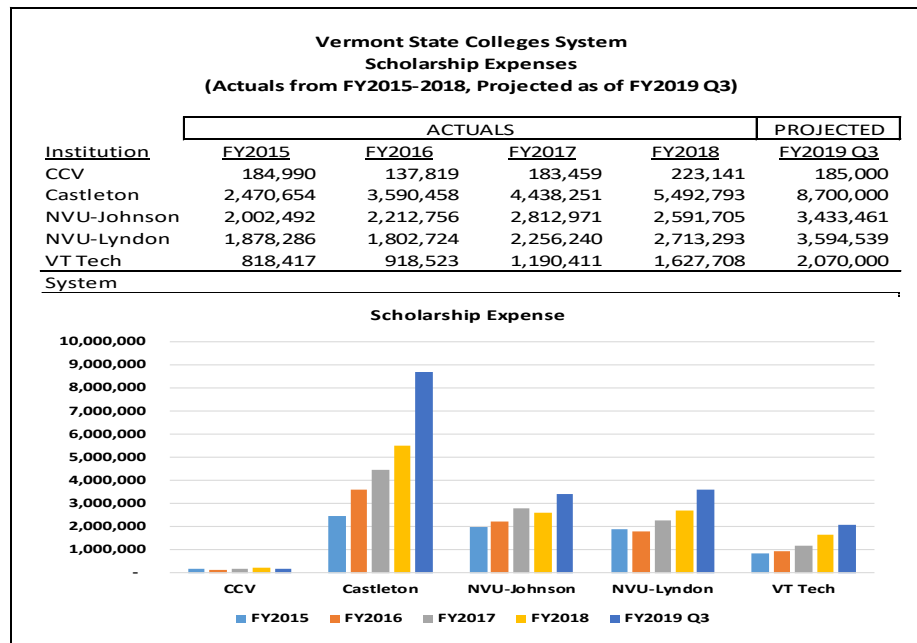
Source: IPEDS, 2018

The amount of discounting (scholarship assistance, including non-need based and out-of-state) has escalated very significantly, putting downward pressure on net student revenues.

**FIGURE 1: AVERAGE INSTITUTIONAL TUITION DISCOUNT RATE  
BY STUDENT CATEGORY**



The VSCS used to have a meaningful pricing advantage over private colleges, but the combination of low State support, consistent (if modest) tuition and fee increases, and dramatic price cutting by competitors means it is increasingly common to hear from Vermont families that it is less expensive for their children to go to college out of state, at private or public institutions, than to go to their own public colleges. Out-of-staters are increasingly balking about paying non-resident tuition. Here at home, the University of Vermont is tuition free for all accepted Pell-eligible students.

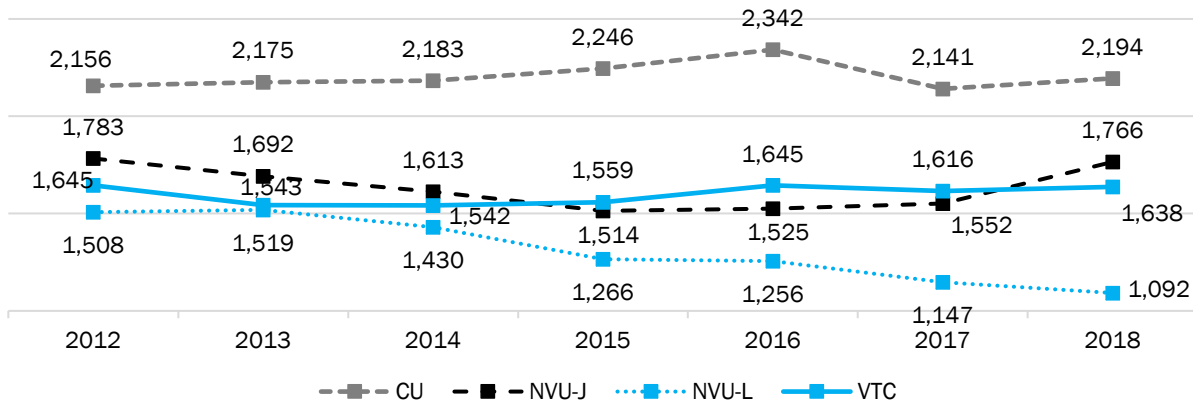


Source: VSCS

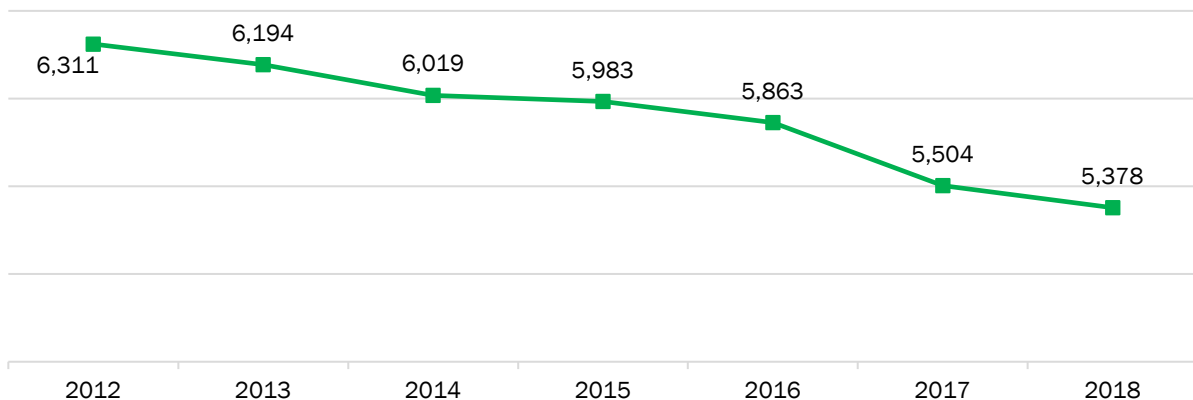
At the same time, the number of institutions serving non-traditional and post-traditional students in different ways and at lower prices has grown. There were 1,000 more degree-granting colleges and universities in 2015 than there were in 1996 (McGee, Breakpoint, 2015). Online enrollment at Southern New Hampshire University grew from 8,600 degree-seeking students in 2008 to more than 122,000 in 2018. Straighterline, a company founded in 2009, offers students a \$99/month course subscription option, with guaranteed credit pathways to

accredited degree programs, and served more than 25,000 students last year. Moody's Investors Service states that this trend of growth and investment in online education will lead to intensified competition and changing key players ([Moody's Investor's Service "U.S. higher education outlook remains negative on low tuition growth," December 18.](#)).

### Fall Headcount Enrollment - CU, NVU-J, NVU-L, VTC

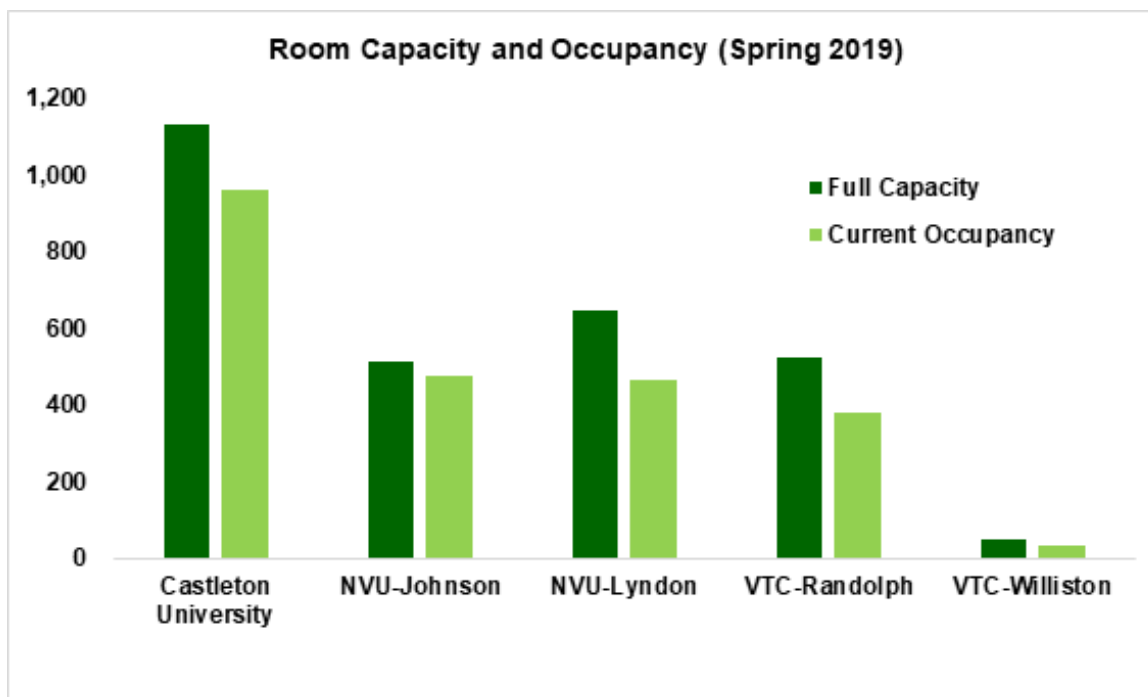


### Fall Headcount Enrollment - CCV



Source: VSCS

The 40% of Vermont high school graduates not immediately going on to college and other post-traditional populations do need postsecondary education, but they are less likely to be looking for a four year residential experience. They simply cannot afford it. Bricks and mortar will play a less important role in the future. In the 2018-19 academic year, there were approximately 540 empty beds throughout the Vermont State Colleges System, representing about a 20 percent vacancy rate.



Source: VSCS

Employers are investing in talent development strategies to attract young employees with a job-first pathway to a college degree. A recent [Kaplan University Partners-Quest Research](#) study indicates that a major shift is underway whereby a substantial number of students, including many of the most talented, will go straight to work for employers that offer a good job along with a college degree. That study predicts that as many as one-third of all traditional students in the next decade will choose to go to a job to earn their degree, instead of going to college to get a job ([Busteed, Forbes, 2019](#)). The recently announced partnership between Global Foundries and Vermont Technical College is one close-to-home example of this evolving model. Global Foundries will hire students right out of high school at \$18-20 per hour and pay for 34 credits of college education delivered by Vermont Technical College.

**Bottom line conclusion: The days when our colleges could rely on increasing enrollment, tuition, and fees are over. New technologies and competitors will continue to split up the declining customer base of traditional college students. Increasingly, the delivery of education beyond high school for all learners, inclusive of post-traditional students, will involve bringing education to the people, not bringing people to the institution.**

#### Challenge 4: Barriers to Adaptability

**Our campus cultures, mature union contracts, and aging physical infrastructure do not lend themselves to rapid adaptation.**



The System's physical and personnel infrastructure is increasingly ill-suited to respond to accelerating pricing pressure and the attendant demands for rapid innovation in response. The System's four institutions own 145 buildings comprising 2.34 million square feet of space on over 1,350 acres of land, and the average building is almost 50 years old. The buildings and land are also concentrated on five major campuses in mostly rural parts of Vermont, making piecemeal property sales difficult. VSCS employees are organized into six labor unions, in addition to non-union employees. It is important to note that almost any initiative or change that affects "working conditions" broadly defined is subject to collective bargaining by State statute. We value the strong relationships the System has with all personnel, including its unions, and respect higher education's culture of tenure and shared governance in ensuring educational quality. The System, bargaining unit partners, and shared governance entities will all need to work together even more closely to innovate successfully in this rapidly-changing environment.

Across the country as well as within our System, there is much discussion of innovation. We must continue the hard, incremental work we already know how to do: innovation in our teaching practices, innovation in design and delivery of our degree programs, innovation in the ways we engage, advise, and support our students.

However, the trends are clear that incremental improvement will not be sufficient. To fulfill our mission, we must be able to develop, deliver, and validate postsecondary education in units, timeframes, and locations not currently aligned with our academic cycles, processes, or infrastructure. We must achieve significant flexibility and integration with external partnership networks and not just across academic divisions within our individual institutions or System. We must serve student populations we are not yet, or not yet robustly, serving, and whom we may not yet know how to serve well, and we must do so with rapidly evolving technology.

Our ability to maintain and improve our physical infrastructure is questionable and our risks of systems failures are increasing. The total system-wide deferred maintenance level for the last several years has hovered at approximately \$55 million. Our major campuses are aging, all about the same vintage, and our fundraising and borrowing capacity to renovate or replace infrastructure is very limited. At some point it is likely that we will have multiple major – and potentially concurrent -- infrastructure (boilers, HVAC, etc.) failures. The conditions at some of our residential campuses is already a negative factor for student recruitment.

<b>Campus</b>	<b>Year Founded</b>	<b>Campus Acres</b>	<b>No. of Buildings</b>	<b>Square Footage</b>	<b>Deferred Maintenance</b>
<b>Castleton University</b>	1787	165.0	31	676,904	\$11,944,950
Spartan Arena		1.0	1	42,256	
<b>Vermont Technical College</b>					10,463,022
Randolph Center	1866	75.0	30	439,256	
VTC Farmstead		525.0	6	30,403	
Williston		12.0	7	66,000	
<b>NVU- Lyndon</b>	1911	200.0	27	496,010	8,972,147
<b>NVU- Johnson</b>	1828	380.0	39	440,079	22,376,600
<b>Community College of Vermont</b>	1970				450,000
CCV St. Albans		2.5	1	9,900	
CCV Upper Valley		2.0	1	15,000	
CCV Montpelier		8.3	1	34,000	
CCV Winooski		1.5	1	65,000	
<b>Totals</b>		<b>1,372.3</b>	<b>145</b>	<b>2,314,808</b>	<b>\$54,206,719</b>

Source: VSCS

**Bottom line conclusion: The future of the VSCS requires overcoming barriers that impede a significant degree of institutional adaptation in a short timeframe.**

### Challenge 5: Changing Student Attitudes and Preferences

**The value and return on investment for a college degree is being questioned, resulting in significantly different enrollment patterns.**

A number of generational changes are impacting the higher education industry, including students and parents questioning the value of college and wishing to avoid student loans, employers providing training and increasingly not requiring a college degree, and a preference among younger people for urban or suburban locations.

“Confidence in higher education in the US has decreased significantly since 2015, more than any other U.S. institution that Gallup measures.” ([Marken, “A crisis of confidence in higher education,” Gallup 2019](#)).

One third of Americans no longer believe a four-year degree prepares graduates to succeed in a job ([Pew Research Center, 2017, The State of American Jobs](#)). Increasingly, companies are rethinking whether a degree is mandatory in the employee selection process. Many large companies in the tech sector are no longer requiring applicants to have a college degree.

Members of Generation Z have observed the massive amounts of student debt accumulated by the generations before them—particularly by Millennials, who will find themselves struggling to pay off their student loans for many years to come. As a result, members of Generation Z are carefully evaluating whether or not a traditional college path is really for them—and in many cases, college isn’t making the cut. ([Busteed, Forbes, 2019/Chronicle of Higher Education, 2018](#)).

The “College for All” mantra that for decades has dominated the advice from guidance counselors to politicians is increasingly being called into question. Evidence suggests that in recent decades too many Vermont high school graduates have been encouraged to enroll in four year programs. 2018 [Data from the Vermont Student Assistance Corporation](#) indicates that while Vermont is below the New England and National averages when it comes to our high school graduates continuing on to college, when it comes to the percentage going onto four year schools, Vermont significantly outpaces New England and the nation (VT 53%, NE 47%, nation 37%) and, at the same time sends a much, much smaller, percentage of high school students on to two year institutions (VT 7%, NE 15%, nation 29%).

At best, only half of the students who start at our four year residential colleges ever actually graduate, a stubborn fact that despite our efforts, contributes to student and public doubt about the value of a degree.

#### **Six Year Graduation Rate of Full-Time First Time Cohort, Fall 2011-18**

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
<b>CU</b>	50%	41%	51%	49%	52%	48%	54%	55%
<b>NVU – J</b>		33%	33%	37%	36%	35%	35%	29%
								39%
<b>NVU – L</b>	33%	31%	35%	37%	37%	38%	43%	
<b>VTC</b>	47%	50%	48%	55%	48%	48%	52%	51%

Higher education should be about more than getting a job. It is a societal good. But our customers are speaking. They have more and more accessible choices to pursue education beyond high school. Further, forward thinking employers are able to instill in their employees elements such as critical thinking, collaborative skills, and cultural understanding as well (Busteed, Forbes, 2019), which have, up to now, been the traditional responsibility of higher education.

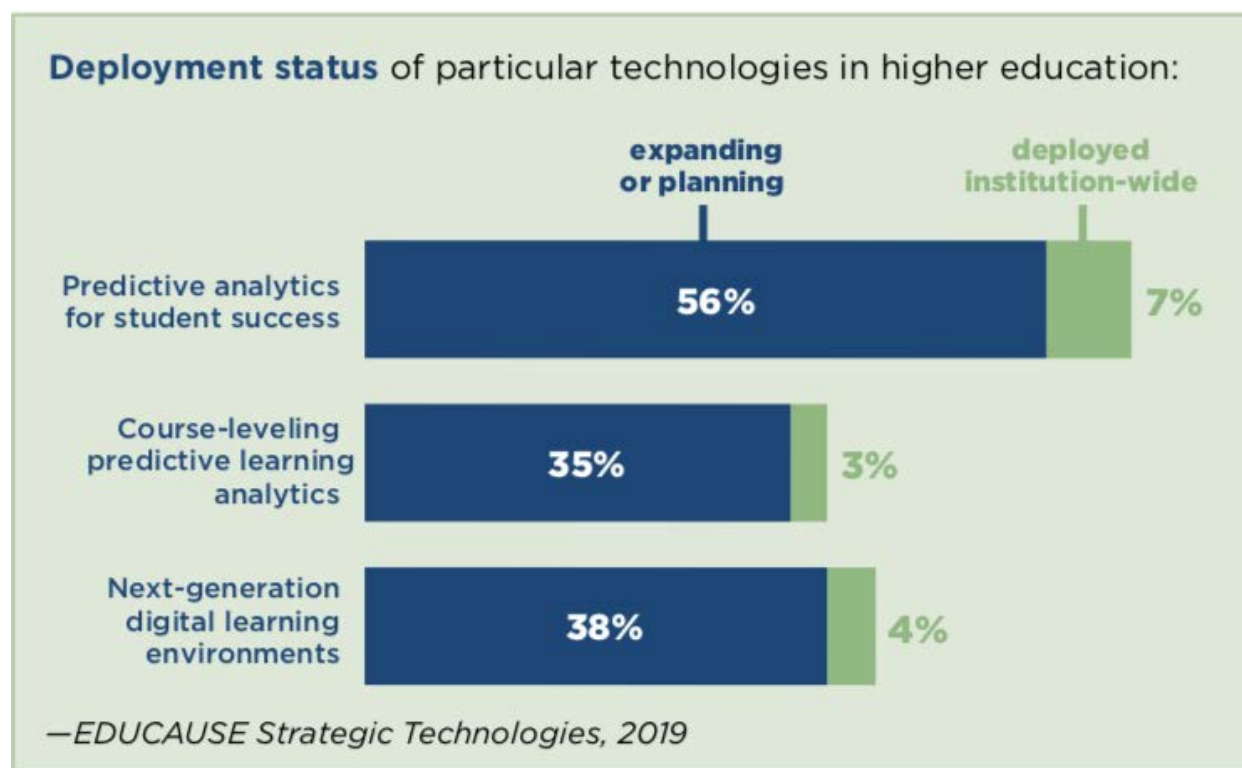
There are many good paying jobs that do not require a four-year degree ([Georgetown Center for Education and Workforce, 2017](#); [McClure Foundation, Pathways to Promising Careers](#)). As more apprenticeships and professional certificates leading to good paying jobs are developed, it seems reasonable to assume that students who in the past would have gone to a four-year college will chose an alternative route. Certainly, the majority of the 40% of high school students not going onto college do need some type of education post high school, but it is likely most of them will not pursue a traditional four-year program.

**Bottom line conclusion: To maintain our mission for the benefit of Vermont and good service to our students, we must provide education in a variety of credentialed segments students can successfully complete at relevant moments over a lifetime of learning.**

### Challenge 6: Pace of Technological Change and Disruption

From data analytics and artificial intelligence tools to increasingly sophisticated virtual reality interfaces, the pace and scope of technological change is or will soon be disrupting entire industries, including higher education. The challenges for us are twofold: we risk near-obsolescence if we do not keep pace with our higher education competitors and, at the same time, the costs of doing so will exacerbate an already growing divide between “have” and “have not” institutions.

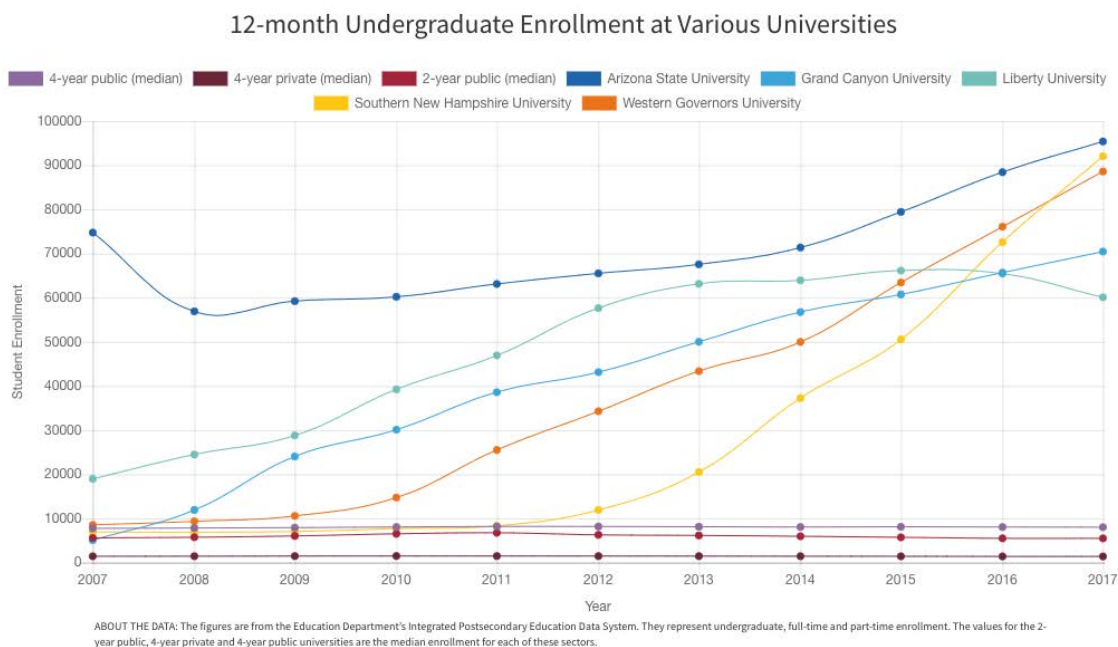
As during the Industrial Revolution, those enterprises which did not or could not adapt and deploy such technologies as steam engines and telegraph communication were soon eclipsed by those that did, albeit in a timeframe that spanned a century, not a decade or less.



We are fortunate to be able to leverage our system structure to implement high-quality technologies, including in just the past few years our Slate CRM platform for admissions, identity management, Zoom videoconferencing, Canvas learning management system, and in the coming year, a predictive analytics advising platform. However, all of these tools require us to improve our own skills and practices to

make best use of them. A failure to do so would result in our competitors seeing more robust admissions and retention rates than ours.

Indeed, as the [Chronicle of Higher Education reported in February, 2019](#) on the rise of the mega-university, non-profit institutions including Southern New Hampshire University, Western Governors University, and Arizona State University have rapidly grown their online education programs (these three institutions alone currently serve nearly 300,000 students and are planning further significant growth) and now have the power of scale to further innovate in ways that will continue to lower cost, increase flexibility, and achieve outcomes equal or better than those of traditional face-to-face institutions.



Infographic Source: [The Rise of the Mega-University. Chronicle of Higher Education, February 18, 2019.](#)

Outside of higher education, many of these same core information technologies, together with their industrial applications, are transforming the work environments our graduates will enter. Additive manufacturing, blockchain technology, virtual reality, and artificial intelligence applications in everything from cancer diagnosis to legal services and cybersecurity will define the work available to, and the entry-level skills required of, our graduates. It is imperative we find ways to introduce our students to these technologies as part of their undergraduate learning, but the resources we have to outfit our institutions with such technologies are virtually nil.

**66%** of students agree or strongly agree that the **technological skills** they develop in their courses now will adequately prepare them for their careers.

—2018 Student Study



(Source: [Educause Horizon Report: 2019 Higher Education Edition](#))

**Bottom line conclusion: Adoption and deployment of new technologies is an essential ingredient to our future and we must place a priority on these investments, both in terms of budgets and in full adoption by faculty, staff, and students.**

## The System's Response to These Challenges

In 2015, the Board of Trustees adopted Six Priorities to support the mission of the Vermont State Colleges System. Much has been accomplished in the past several years.

**Strategy 1: Increase the continuation rate of high school students on to postsecondary education.**

The VSCS spearheaded the creation of Advance Vermont, a statewide partnership of leaders from business, education, government, non-profits, and philanthropy with a unified goal to increase educational attainment in Vermont for the benefit of our citizens, communities and economy. This past year, VSCS mathematics faculty have worked in partnership with VSAC and the Agency of Education to develop EMC<sup>2</sup>, a college math readiness course that will be piloted in three high schools this fall. All VSCS institutions now provide dual enrollment and early college opportunities, which national evidence shows to be effective in increasing college-going among underrepresented student populations. Our system emphasizes access to these opportunities, particularly for first-generation and low-income students.

**Strategy 2: Improve the retention and graduation rates at our colleges.**

In September 2017 the Chancellor and Board endorsed ***Start to Finish***, an initiative to align and advance efforts across the system to increase academic success and retention in the first year, on-time completion of a VSCS degree or other credential of value, and progression within the System to further learning. Among these efforts, the System has focused the 2018 and

2019 academic retreats on national best practices for increasing student success and momentum. In 2018, the Council of Presidents approved a project to implement a new generation of digital tools and predictive analytics to achieve gains in student retention. For Fall 2019 we are implementing Canvas, a user-friendly learning management system, and in 2020 we will be implementing a new advising platform that leverages real-time data on students' assignment grades from Canvas.

### Strategy 3: Be recognized as an attractive destination for Vermont high school graduates.

Visibility and marketing efforts by the colleges and Chancellor's Office have been ramped up. In 2018, the system implemented a new statewide jobs and internships posting site to increase visibility of VSCS students to employers and vice versa. Advocacy among statewide opinion leaders and legislators continues via our fourth annual Hall of Fame and second annual Student Research Symposium events.

### Strategy 4: Serve well more working age Vermonters.

The System is currently recognized as a go-to partner for statewide workforce development efforts, including Talent Pipeline Management, career and technical education connections, and healthcare workforce. State and national funders are supporting VSCS faculty innovation of competency-based pathways designed to recognize and accelerate learning pathways. Our colleges are innovating with new degree and professional certificate programs, and expanding the use of online and telepresence modalities of instruction. We are experimenting with scheduling the delivery of programs and courses in condensed seven week semesters.

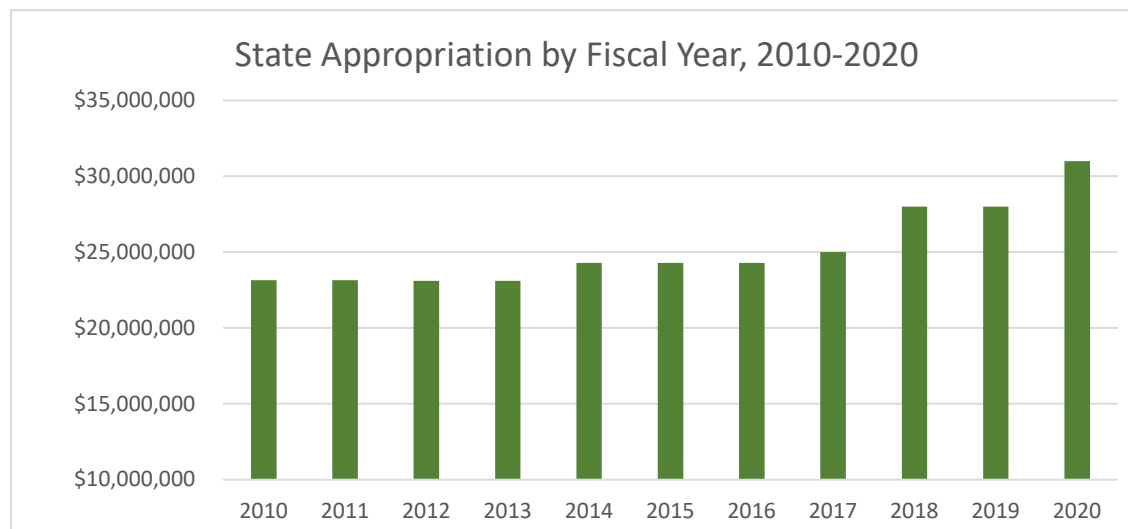
### Strategy 5: Operate as a more integrated system to expand student opportunities and achieve operational efficiencies.

Operational integration has occurred with such significant accomplishments as the unification of Northern Vermont University; strengthened IT governance and implementation of single, hosted solutions such as identity management; consolidation of accounting, accounts payable, and grants compliance functions; and the current payroll and benefits (*UltiPro*) software implementation. These steps are providing more academic and co-curricular opportunities for students, higher-quality technologies, and savings from our non-student-facing operations that allow us to reinvest precious resources elsewhere.

### Strategy 6: Increase state financial support and other supplemental revenues.

While our appropriations history illustrates nearly stagnant State support, and our state funding rank remains at 49th or 50th annually (SHEEO), the State has increased our base appropriation by 25% between FY16 through FY20. This is due to the support of key legislative leaders who represent our colleges' districts, especially Caledonia and Rutland. The support of the current Governor has also been essential to the success of recent funding increases. The VSCS has

changed the narrative in the State House about the connection between our colleges and the future workforce, the college continuation rate, and out-migration.



Source: VSCS

Unfortunately, recent appropriation increases have not gone far enough to support our annual cost increases, or to make up for decades of underfunding. As a result, we continue to squeeze operating budgets and reduce personnel. There are over 200 fewer people working for the VSCS than five years ago. Salaries and benefits declined from \$125.3 million in FY 2014 to \$121.9 million in FY 2018.

At a more granular level, as we review the functional categories of expenditures across the System in recent years, while total expenditures have decreased only 4.8%, our student enrollment has decreased more substantially, as measured by both headcount (down 11.4%) and FTE (down 15.4%). During this time, we have seen increased expenditures in areas such as student services and physical plant, significant decreases in areas such as institutional support (down nearly 20%, or \$9 million), which includes senior administration expenses, and relatively modest decreases (down 2.4% or \$1.4 million) in expenditures on instruction. These changes reflect the complex, dynamic environment we operate in and the opportunities and challenges facing our institutions every day.



Functional Expense Classification				
Summary of 5-Year Changes (FY2018 vs. FY2013)				
	FY2018	FY2013	5-Yr Chg (\$)	5-Yr Chg (%)
Instruction	56,708,525	58,112,105	(1,403,580)	-2.4%
Research	43,806	39,554	4,252	10.7%
Public Service	10,079,874	10,538,004	(458,130)	-4.3%
Academic Support	20,464,012	22,637,181	(2,173,169)	-9.6%
Student Services	39,368,958	30,514,111	8,854,847	29.0%
Institutional Support	36,771,677	45,798,431	(9,026,754)	-19.7%
Physical Plant	6,069,746	5,000,441	1,069,305	21.4%
Student Financial Support	5,836,702	8,607,584	(2,770,882)	-32.2%
Depreciation	9,842,720	13,238,072	(3,395,352)	-25.6%
<b>Total</b>	<b>185,186,020</b>	<b>194,485,483</b>	<b>(9,299,463)</b>	<b>-4.8%</b>
Headcount Enrollment	11,442	12,911	(1,469)	-11.4%
FTE Enrollment	8,197	9,685	(1,488)	-15.4%

**Bottom line imperative: While the steps we have taken towards our strategic priorities are significant and have been helpful, they are not yet enough to ensure the viability and “thrive-ability” of VSCS member institutions as a whole.**

**With a clear view of the complexities, continued rigorous focus on our strategic priorities, and wise leveraging of our key strengths, we can, and will, secure our future and our mission. But we must act.**

### What’s Next?

The Board of Trustees Long Range Planning Committee and Chancellor will seek input on and will refine this document in the coming weeks, as it also seeks input on potential strategic and responsive actions. Next steps will include sharing this document with VSCS constituencies and engaging in constructive dialogue, with the goal of refining the document and, more importantly, elevating our collective understanding of the inexorable forces upon us. The VSCS community at large, Long Range Planning Committee, and Trustees will identify, consider, and act on a range of specific actions to ensure the Vermont State Colleges System will be strong and secure in its ability to serve Vermont students for the benefit of Vermont for decades to come.

To get the conversation started, the Chancellor poses the following questions:

1. What forces and trends are missing in this white paper? What do you agree with? What seems off the mark?
2. How can we transform our operations as a responsive, relevant, and thriving system of unique and dynamic institutions without significant new resources?

3. How do we transform our operations to reduce the cost of delivery across the system to support the VSCS's long-term sustainability, ability to innovate, and for greater affordability for students?
4. How will we align our physical infrastructure to ensure vibrant student living and learning experiences within limited resources?
5. How can we transform our approach to programs and delivery models that support quicker degree and credential completion?
6. How can we prioritize our efforts to focus more on pathways into programs that align with Vermont's high-wage, high-growth occupations?
7. What new strategic alliances among our colleges would support a transformation of student access, expanded opportunities, and financial sustainability?
8. How do we operate as a more strategic partner with statewide entities and networks?

Item 3:  
Memo: Summary of Input on White Paper

To: Long Range Planning Committee

From: Jeb Spaulding, Chancellor

Date: August 23, 2019

Re: A summary of feedback regarding the “Serving Vermont’s Students by Securing the Future of the Vermont State Colleges System” white paper

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This memo summarizes the process and input taken to date by the Long Range Planning Committee (LRPC) as part of the “Serving Vermont’s Students by Securing the Future of the Vermont State Colleges System” initiative. A separate document will list all the thoughts and ideas received to date.

At its May 29<sup>th</sup> meeting, the LRPC received a presentation from the Chancellor about a proposed committee workplan to educate the Vermont State Colleges System (VSCS) community at large about the urgent challenges facing higher education institutions generally and the VSCS in particular, and to then identify a range of specific actions Trustees could take to secure its future for the benefit of Vermont. The Chancellor’s intent is to bring any agreed-upon LRPC recommendations requiring approval by the Board of Trustees to the December Board meeting for consideration and possible action.

On June 19<sup>th</sup>, Chancellor Spaulding presented the LRPC with the first draft of a white paper outlining six critical challenges. The Committee accepted the draft and approved an outreach schedule for June, July and August to solicit feedback on the paper and to begin to gather ideas for solutions. This outreach by LRPC members and the Chancellor included on-campus meetings with Presidents and their leadership teams, two system-wide Zoom meetings, and a roundtable with Vermont thought leaders:

- July 15: Northern Vermont University President Elaine Collins and leadership team
- July 24: First system-wide Zoom meeting
- July 29: Vermont Technical College President Pat Moulton and leadership team
- August 5: Castleton University President Karen Scolforo and leadership team
- August 15: Community College of Vermont President Joyce Judy and leadership team
- August 15: Second system-wide Zoom meeting
- August 20: Meeting with bargaining unit leaders
- August 22: Informal Roundtable, Vermont thought leaders

## Summary of Input

Input gathered at each outreach session was combined with thoughts and ideas shared via email to the [securethefuture@vsc.edu](mailto:securethefuture@vsc.edu) email address, comments to media outlets responding to articles about the project, and from small group conversations with members of VSCS faculty and staff. What follows is a summary of this input. It is not meant to be exhaustive, but to capture recurring themes and ideas.

### *Consensus*

Throughout the initial eight input sessions the LRPC engaged with a wide variety of VSCS stakeholders in which three broad themes consistently emerged:

1. The VSCS has unique strengths and its role is critical for Vermont: Faculty, staff and administrators emphasized the system's strengths and the critical role it plays in Vermont are recognized in the white paper. When the Board articulates challenges faced by the system, it should also articulate how significant VSCS institutions are for students, for communities, and for the Vermont economy. Trustees were cautioned to preserve what is currently working well at every level: "changes shouldn't come at the expense of our strengths."
2. The challenges we face are real: Comments also reflected firm consensus that the white paper accurately and comprehensively captured the challenges facing the VSCS..
3. There is a pressing need for action: Recurring comments like "we can't keep nibbling around the edges" reveal a frustration with the status quo and a desire for bold action to confront our challenges. In fact, every input session moved quickly to discussions of potential solutions to the challenges we face.

### *Suggestions for change in academic programming:*

A strong consensus emerged about the need to address program duplication and redundancy across the system:

- There could be a "more effective process for modeling universal cost tracking" related to program delivery.

- Programs could be weighed against each other for cost of delivery, enrollment and academic overlap.
- To reduce costs, should the system have a process to choose where a program will be delivered?
- Could degree programs be shared across more than one college to increase the availability of courses for students?
- Easier transfer pathways for students might boost enrollment in four-year programs.
- “It seems like an entrepreneurial spirit encouraged at the colleges puts us in competition with each other.”

Many suggested new academic program delivery methods should be tried in order to meet the needs of working-age students. Three-year degrees, more stackable credentials, and expanded online course offerings were all put forward as means to support more Vermonters who need or want to complete their education. More robust degree completion opportunities and better use of prior learning assessment programs system-wide could bolster Vermont’s attainment rate and increase enrollment.

Each session included suggestions to focus on Vermont workforce needs, the needs of students who have not gone on to post-secondary education after high school, and the needs of students who have completed some college but not a degree or credential. An effort to increase the number of associate degree programs, apprenticeships, certificates and training might better meet employers’ needs and provide students with relevant, affordable opportunities to advance their education and careers.

Many suggested VSCS colleges should find ways to better compete in the online marketplace. Several participants suggested our online courses focus on personalized learning and high-quality instruction. Others suggested that each college find a content area niche to offer online. Should only one entity in the system devote necessary resources to build robust and marketable online programs? Supplemental support for faculty adoption of Canvas would be helpful, as would ongoing support for instructional design. Limited resources and the lack of mandate for adoption of technologies are impediments. Scarcity may restrict the ability of colleges to “transition to online or low residency programs” while maintaining quality.

Given scarce resources for innovation, there is a need for prioritization: “The most important change [in any plan the Board proposes] will be what we say ‘no’ to versus what we say ‘yes’ to.

*Suggestions for structural changes:*

The VSCS should analyze the use of, need for, and viability of its current physical footprint, the toll of excessive deferred maintenance, and lost enrollment opportunities due to outdated infrastructure. The latter “is daunting for our budgets.” Inability to invest in facilities impacts admissions: “it’s tough to market this campus to students.” Reducing a college’s physical footprint would allow for more focused infrastructure investments. Suggestions included consolidating multiple campuses into one or fewer. In the same vein, “could our colleges be sharing spaces more?” For example, could colleges eventually share space in a place like Bennington where they are all delivering – or hoping to deliver -- programs? Commenters wondered if the system or individual colleges have assessed dorm vacancy rates and explored alternative uses that might generate revenue. Some of these opportunities may be tied to Vermont’s tourism economy or to the need for housing, especially for Vermont’s aging population.

With lessons learned and outcomes emerging from NVU unification, are there further consolidations that make sense within the system? For example, a closer academic alignment between Vermont Tech and CCV might bring more focus to “career education” delivered across the state. Alternatively, we should be mindful of our brand legacies: “‘Vermont Tech’ sounds like a two-year school, but it is a four year school.”

Shared services at the system level should be increased to save on resources, but we should always account for actual cost-savings and changes to customer service. Can we increase shared resources? The Chancellor’s office should either grow to provide more centralized functions and shared services or, possibly, its functions should be dispersed to the colleges. In a substantially more centralized system, there would not be a need for very senior leaders at each college. Should the system also look at structural centralization, such as the benefit of becoming one, single accredited institution, or a closer network of colleges like the SUNY system? In any plan, governance structures should be considered to better support individual colleges – not just the system -- in areas like cost reductions and development. “It is important to have alumni on the Board to offer these perspectives.”

*New approaches to marketing and branding:*

Many believe new approaches to marketing could have a positive impact on enrollment. As a start, one participant suggested polling guidance counselors – in addition to the Agency of Education, principals and superintendents -- to get their take on how the VSCS can better serve traditional college-going students, as well as the 40% of high school graduates who are not continuing on to college. VSCS alumni might be tapped to help recruit more students. Overall, more aggressive marketing efforts to regions with more high school graduates, or internationally,

would be helpful. We should consider students from nearby Canada who want a foothold in the States. “We should market better to VSAC and high school guidance counselors.”

We need to continue to promote our value to the Legislature. “Make a stronger argument for state funding.”

Early College and Dual Enrollment programs are opportunities and should be marketed more and expanded to ensure full and equitable access for all students. Similarly, the value of a two-year degree and other credentials should be marketed.

### *Revisions to the White Paper*

As a result of input the Committee received over the summer, the Chancellor’s Office has made several revisions to the white paper.

Vision statement revision. The list of elements in the vision for the future of the VSCS has been re-ordered and revised to reflect the priorities articulated at the input sessions.

Strengths of the system. In each meeting, college leaders reminded the Committee that the white paper should emphasize the strengths of their institutions and the System, especially in light of the clear risks posed by external challenges and outlined starkly in the white paper. Strengths have been highlighted more clearly in this revised draft of the white paper.

Recognition of growing poverty in Vermont. If declining numbers of traditional-aged college students in Vermont will impact our enrollment, it is important to acknowledge that those Vermonters who do come in our doors will have fewer resources. The number of 18 year-olds who live in households that qualify for public assistance peaked in 2014 at 27% and only tapered to 25% in 2017; these facts are detailed in the latest draft.

Role of bargaining units in the system. Language in the initial draft of the white paper raised concerns that the Board might intend to undermine union contracts or tenure. The Board and the Chancellor reassured participants that this language was not meant to undermine either, but to recognize these may impact our ability to innovate rapidly. This language was clarified in the current version.

Financial transparency. A chart has been added to the white paper illustrating systemwide functional expenses over the last five years.



### **Conclusion.**

I am continually impressed by the thoughtfulness and passion of the faculty, staff, and administrators at all levels of the VSCS. The input summarized here reflects creative, careful thinking and concern for the future. The revised white paper remains very similar to the June 26 draft, with several changes that reflect input we received this summer. I am sure this input will be essential to the LRPC's work on action steps needed to Secure the Future.

Jeb

## Item 4:

List: Input received during *Secure the Future* outreach

## **Suggestions for Securing the Future**

1. Rebrand the colleges as destinations for students who are keen to study environmental science, ecology, etc. or want to participate in competitive outdoor sports.
2. Promote Johnson and Lyndon as skiing and mountain biking colleges. Compete in these sports at the highest levels. Offer academic programs that take advantage of the natural resources surrounding each campus. Develop degree programs that connect to the outdoors. Recruit nationwide.
3. Consolidate the campuses by having just one campus at Castleton. Make Green Mountain College part of the Castleton campus. Take over its environmental programs. In short, demographics tell us that Johnson and Lyndon (and probably VTC) cannot do business as usual. Either dramatically change their identity or consolidate.
4. Don't consolidate the Castleton and Green Mountain College campuses because you would lose commuter or part time students.
5. Shift to offering 50% of all courses in technical or trade education.
6. Offer fewer degree programs and create more certificate programs.
7. Look at the situation from the perspective of a whole system instead of individual colleges.
8. Pursue marketing initiatives as an entire system instead of devoting several administrative positions at each college to individual initiatives.
9. Add a machinist degree or technical program to better meet the manufacturing workforce needs of the state.
10. Offer apprenticeships or partnerships with manufacturers in Vermont such as GW Plastics or LEDdynamics.
11. Conduct research on the effects of eliminating competing programs at the different colleges in order to provide new certificate or degree programs.
12. Conduct market research about which programs are unique to each college and draw statewide enrollment.
13. Look at underutilized housing across the system and see if there is a way that VSC could partner with local businesses to provide affordable housing alternatives for their employees. This could be a win-win for both the colleges and local businesses, as affordable housing is a key barrier to full time employment.

14. VSC could offer housing on campuses in the summertime to promote Vermont tourism.
15. Have a discussion about Z degrees and the VSC OER librarian in the context of the white paper project.
16. Send out surveys about OER to the faculty and ask if they have any other support needs.
17. Rebrand VTC as Vermont State University at ..... to make it more attractive to out of state students.
18. Consider how to strategize and operationalize teaching courses online and consider which courses may or may not be appropriate for online instruction.
19. There is great technical support provided to professors teaching online courses at NVU, which has contributed to the success of its online courses.
20. Clearly delineate the academic degree programs and the continuing education and technical training programs to encourage students to see the colleges as degree-granting institutions first and foremost.
21. The system needs a more effective process for modeling universal cost tracking and budgeting.
22. Colleges can be entrepreneurial, but it would be better if they did so within the confines of things being done at the system level.
23. Consider whether in-state tuition for all would make sense for boosting enrollment. The colleges could try this on programs that don't have a large percentage of out-of-staters, such as VTC engineering.
24. Consider the role of cost in college choice. Are Vermonters making primarily price-based selections when they decide where to go to school?
25. Can you provide lower tuition rates without a substantial effect on quality?
26. VSC needs to have a consistent message about the role of the Legislature and advocate the importance of program portfolios to the state workforce.
27. In the area of early college, VTC may be vulnerable to a perception problem if it seems like any high schooler can participate in its programs during their junior and senior years.
28. It may be worth considering whether or not VSC can survive without a tenure system.

29. Investigate the cost and benefit of moving to year-round operation at some of the colleges.
30. Recruit for technical programs outside of Vermont in cities with growing high school populations.
31. Since there is a central office, eliminating on campus “big leaders” could be a way to achieve structural savings without taking money from academic programs.
32. Consider how to engender more public support for a larger legislative role in funding the VSC.
33. Make VSC early college and dual enrollment available to privately educated Vermonters, not just public school students.
34. The board could consider reframing its views on unions and tenure to see unions as less of a barrier to successful contract negotiations.
35. The Prior Learning Assessment could be used more to partner with local businesses to provide their employees with post-secondary learning opportunities.
36. How can recruitment be increased in the face of a shrinking high school population and the closure of some of the smaller colleges?
37. The VSC could provide “open classes” where students can go through a course at their own pace with an assigned faculty member to support them. As an example, Western Governor’s University offers programs like these.
38. Streamline accounting processes and policies across the system would be more effective.
39. Utilize VSC alumni as part of the recruitment process.
40. Consider adding weekend and evening courses to appeal to working families or students who may not be comfortable taking an online class.
41. If the state’s population is getting smaller, growing smaller as an institution might actually make sense. Having a plan to downsize with grace might be beneficial, such as reducing low enrollment programs.
42. Make more aggressive marketing efforts both nationally and internationally. Is there a specific marketing effort to recruit military members or international students?

43. The title of the white paper is about serving VT students, so why do we have out-of-state tuition? Out of state students always pay room and board. There is a huge allure to Vermont. If you're going to a technical college, they're half the price of VTC. But if they're just a little more, we can draw students with our ski hills, etc. You could discount this rate over time to get in- and out-of-state tuition equal.
44. By 2045, white folks will be minority population. What can we do to better serve underrepresented populations? If people knew about what Vermont and VTC offers, we could draw from other areas. People want to get away from places that are not inclusive.
45. Improve diversity, equity and inclusion efforts on campuses to make students feel welcome.
46. We should bring together guidance counselors to get their thoughts on the 40% non-continuers. They are not necessarily looking for a 4 year program. They need different modalities and credentials. What is the philosophy of the guidance community?? Is a 4 year degree best for every student?
47. It seems to me that this is about creating a new system, a multi-generational strategic system. The White Paper does an excellent job of identifying the threats. Have we identified the opportunities? I don't think we've looked at strengths of each college, the OC and the board to understand what can be better coordinated and integrated.
48. Language should be carefully used. We want system to thrive, but we need to understand that people have lost their jobs and programs have been cancelled. "Thriving" might rub the wrong way.
49. It seems like an entrepreneurial spirit encouraged at the colleges puts us in competition with each other. We need to see the data that shows why duplicate — or competitive — programs are approved.
50. We'll have more non-trad students; there is probably a big disparity in the backgrounds of these students and what they're looking for, for example, an engineering student vs. liberal arts student. With such a small population in Vermont— how can we customize the appropriate approach for each of the programs?
51. Going to year-round instruction to help students complete their programs earlier in 3 years. Four year degrees are too long for some.
52. Our campuses have underutilized resources and facilities. Could the colleges be sharing campus spaces more? For example, the VSCS at Castleton or Bennington? Break down the walls to eliminate transfer problems. Can students float among the colleges?
53. Colleges within the system should seek to NOT develop duplicate programs.

54. We should consider a strong marketing campaign from the VSCS about the value of a two-year degree. What can we do to market better to VSAC and to guidance counselors? What can the OC or Legislature do to support this outreach to middle school students?
55. There's going to be a recession. Do we have plans for that? What will we as a system do to capture people who are dislocated from the economy then?
56. I wonder how people view the system since it has different legacy brands. Maybe we should be one system with locations in different places?
57. Continue to make a strong argument for state funding.
58. Should we list UVM as a threat in the white paper? When people see the UVM campus, they wonder why we complain about public institutions not getting enough money. They don't see the "have nots."
59. VSAC portability is indefensible. It should be on the list even though we've talked about it forever.
60. Incentivize the people who "go beyond." Contract sets a base, but people go beyond. Could we incentivize that? A lot of opportunities with online/hybrid/telepresence. This requires a lot of work and faculty to buy in. You're on your own to do online. Identify and invest in these areas to get more involvement from faculty.
61. Have conversations with AOE, Superintendents and School Boards Association about how we might better meet the needs of public school students.
62. Can we spread the OC out again, or could the OC use an empty space on a campus, instead of a lease payment?
63. Take a hard look at legacy items, and what we're maintaining, that are not contributing to our mission. We need to make better plans for exit strategies from the projects funded by grants once the funding is done.
64. You need to look at the governance structure. Don't make assumptions about what's right. I recognize the efforts gone into legislative efforts. The same people who are advocating for our state appropriation are the same people who are setting tuition. There is value and perceived value. Controlling costs with tuition increases is in conflict with the mission. It is important that we have alums on the board with this perspective.

65. What about having a board of twenty with five people appointed as VTC reps? Or, each college could have an advisory board.
66. We need to address infrastructure and vacancy rate. It is tough to market this campus to students.
67. We need to analyze what we need for infrastructure. What do you do with empty dorms in the middle of your campus? What's the appropriate pricing model?
68. The title of the white paper should be flipped. We're trying to sustain a system for its' own purpose. We need to focus on the system in order to be here for the long term.
69. If we just focus on one thing, we could say we'll focus on teaching. If you offer good things for students, your business will follow.
70. You can offer more flexible pathways to degree completion for working Vermonters.
71. The VSC should better leverage federal opportunities to leverage degree attainment and retention.
72. Share additional services across the system. Look at SUNY. Efficiencies sometimes mean job losses. We should use our funding better. We talk a lot about not being all things to all people. Small programs and small services aren't possible anymore. For example, the EAB presentation showed us how small the pond is in which we're competing.
73. A word of caution: changes shouldn't come at the expense of our strengths. We have so many students choosing us now. We can't assume students will keep coming here if we change the institution.
74. Reduce competitiveness between colleges in online programs.
75. Be mindful of the way we characterize unions.
76. Need to balance online/new delivery platforms with the need for bricks and mortar -- that's where VTers are employed and where out-of-state students come.
77. We need big ideas: review outcomes of NVU consolidation. Should there be further consolidation onto one campus? We need to address lack of system reserves like this.
78. We need to determine how we can best compete online, given the growth of SNHU, etc. Is it through niche programs? Type of delivery?
79. Focus on high quality and VT brand in marketing VSCS.
80. Don't wait until we're financially unsound to make big changes; it might be too late then.



81. We need to reduce our square footage.
82. Streamline central administration: either delegate processes to the colleges or strengthen the central office.
83. Optimize system efficiency so that the functional areas can thrive.
84. There is economic development potential in bringing youth to the state, even though our first focus is serving VT students.
85. Institutions should specialize: one should focus on residential and four year/masters programs with centers across the state, another should focus on workforce (CCV/VTC) and the third on robust online. Each an expert in what they do.
86. It's important we take our own steps to confront challenges because I don't see the State of Vermont operating differently, ie. K-12 spending.
87. We should identify strengths across the system, ie. academics, student-centered.
88. We need to present a counter-narrative to the media which looks at this project and thinks we're failing. We're not.
89. It's important to keep communicating about our impact on communities, culture.
90. Consider year-round programming.
91. Continue to support adoption of tech tools, i.e. Canvas.
92. We will need new resources in order to invest for growth. We can't grow fast enough in the next 5 years without more students coming up.
93. The opportunity is to focus in the classroom.
94. Where are further opportunities for savings? Workers comp?
95. Associates degrees should be embedded in all bachelor's degree programs.
96. How can we support an expansion of Early College?
97. Consider the student experience when delivering IT services. Improve service to students with better IT practices – update the portal, use more online forms, and implement a full service help desk. Invest in online tutoring services and instructional design to maximize the use of Canvas and other teaching technologies.

98. IT should be a shared service, as many outside of our organization have recommended, all with an eye toward improving customer services and efficient use of resources. A new governance model should precede the shared service. Take advantage of (share) subject matter expertise across the system. Implement asset management, transition to the cloud, and modernize the help desk function.
99. Analyze and standardize procurement across the system through centralized purchasing to avoid duplication, increase compliance and manage risk.
100. The system should become more like CCV in that it is nimble.
101. It is easier for a student to go from CCV to another college than it is to go to another institution within the VSCS; that should be addressed.
102. In the Board's plans for the future, don't saddle one college with the infrastructure or debt or the trappings of tradition of another college.
103. CCV could offer all the general education courses for the system.
104. The system should make a strong case for a preK through 14 system and open the education fund to those additional two years.
105. Address that pipeline better then we can capture the 40% who are not going on. Tenured faculty focused on their specialties, allow CCV to provide gen ed — it can work with students differently.
106. There are more opportunities to provide post-secondary opportunities in high school, beyond concurrent and dual enrollment. Early College begins to blur this line.
107. We need to think about people dipping in and out of college — how are we set up to encourage that? Colleges put up a lot of barriers for adult students.
108. Could meta-majors better help us meet people where they're at?
109. Some systems have better aligned their majors (between system colleges). Look at Florida, Texas, Georgia and Pennsylvania. Sharing faculty governance can lead to better major alliances. SUNY moved to one shared online system with seamless transfer.
110. We need to reduce students' concerns about whether their credits will transfer between our colleges.

111. Maximize the potential of APL credit by assuring it can transfer and apply to degree programs at other colleges. This is low-hanging fruit for the VSCS. SNHU and Champlain are more effective at this. That's what progressive institutions are doing.
112. I hope the board considers that we're too redundant across the system. Reduce duplication, i.e. Gen Ed — CCV could offer the online courses.
113. We're shooting ourselves in the foot by charging high tuition at the system's on-ramp (CCV). Discount our on-ramp.
114. Somehow, I'd like the paper to be clearer on costs about each colleges' financial footing.
115. Allow more funds at the colleges to flow to risk and innovation. CCV is a nimble institution but there are so many times when we could make changes more effectively if we had just a little more economic security to do so.
116. Instructional design staff member would support faculty.
117. More funds should be available to pay for program assessments so we can insure they are assessed for quality along the way. How well are we meeting our promise to students within those programs?
118. We might need to think about closing some of our schools. We can't have everything we currently have. The problem is we love them all. If one piece is keeping everything else afloat, we need to think about that.
119. Consider that people are underpaid compared to their peers. We're intrinsically motivated but please keep that in mind.
120. VSCS should offer complete online programs, starting at CCV, and ending at whatever college is appropriately suited to the program. We would offer a seamless program, ie. University of Florida system, with the same online training for all faculty.
121. We should have one VSC expert in VA benefits processing/compliance and also that we have one VSCS expert for international student support and compliance.
122. The Legislature should consider merging VSCS with UVM to maximize benefit of the Vermont brand, to ease transfers and to achieve efficiencies.
123. Rising administrative costs should be addressed in any proposal.
124. The Board should consider whether or not the campuses should be cooperating or competing.

125. How can the Board support a culture of innovation among faculty?
126. Declining levels of preparedness of incoming students needs to be addressed. Should VSCS reconsider open admissions?
127. There should be a strategic plan to increase the VSC endowment to support non-government revenue for operating costs.
128. If the VSC is going to operate as an efficient and unified system that allows students to take courses across a number of VSC institutions, as well as campuses, then serious efforts need to be made to be sure that courses are offered equivalently across the system. Today, the content of courses and the level of difficulty vary across colleges and campuses even when the courses share course numbers and titles. The current effort to identify 'equivalent courses' is insufficient and not a good use of time.
129. So many Vermont students are going to college at out of state schools- sometimes paying significantly less than they would pay at home. What can be done to keep Vermont students in state and attract out-of-state or international students to the VSCS?
130. How can central office administrative costs stay the same if more processing is moved (or moving) from campuses to that central office? It seems obvious that central office is currently understaffed given what they've taken on recently (AP, Ultipro, etc.)
131. How can we build upon our brand? In looking for ways to create access to new students, can we look for them from outside the US? Based on research and conversations with industry relationships, there may be ways to build partnerships with Canadian universities in the Sherbrooke region. (As their students would like access to US employers.)
132. Our alumni need to understand the seriousness of the situation when being asked for donations.
133. Reconsider whether the Board should advocate for an end to portability.
134. The Board, not the Central Office, needs to commit to a supporting a change of internal culture within the admin, staff, and faculty instead of simply putting out financial fires. Think long term: fiscal health will grow from faculty-supported innovation.
135. We shouldn't lower our academic standards to make more profit.

136. Let's help every VSC employee to convincingly communicate the value of college in 1-2 honest and succinct sentences. If we can't communicate our value in 1 sentence, let's re-evaluate how we plan to meet customer expectations.
137. How can the VSC be the colleges of choices for veterans?
138. The administration should turn a critical lens on its own operations and ask how it can better serve the VSCS by generating revenue, locating efficiencies and reducing its costs.
139. Remember that TRIO can't operate on an online platform. VSCS should remember that if it proposes to shift from campus-based delivery to online.
140. We should offer something of value that people can bring to the workforce and to the world. South Africa, for example, is changing their system to train leaders in solving climate change. Think ahead and position ourselves now to be where we need to be in 20 years.
141. VT State Colleges System is leaving money on the table by not leveraging incredible faculty we have. There are great people teaching in our system. We should focus on that in our marketing.
142. Tax the wealthy for free tuition to draw more people to Vermont.
143. As part of this process, we need an academic and student services plan as well as a financial plan. We need a vision of where we're going in those areas.
144. The VSCS needs to focus on more non-traditional students. If we could focus in on those areas where the economy is not serving people, i.e. LNAs. Already in the field but want to move up.
145. Vermont should stop sending \$10,000 to people to move here when we're not supporting the VSCS. We need to get people to stay here, not just to come here.
146. IT should serve academic needs more effectively.
147. We need to invest more in marketing and take advantage of the Vermont brand and lifestyle.
148. There should be a development director at the OC.
149. There should be a marketing director at the OC to coordinate marketing across the system.

150. Use space on the Randolph campus to house the Chancellor's office.
151. Consider whether there is a future to the farm at VT Tech – there are fewer students participating in those programs and it's in tough shape. Maybe the land could be sold to finance investments elsewhere.
152. Why not have student loan forgiveness for students who commit to staying in VT after graduation?
153. VSCS should partner with the state to fill workforce gaps, like state police.
154. We need to focus more on out-of-state students because of demographics. Support VTers' education by bringing in out-of-state students.
155. We really need to look at having non-duplication of resources. How can we work smarter by looking at duplication?
156. Having a (Senator) Sanders Institute at one of the state colleges. We should leverage his popularity with young people to get students to come here.
157. There should be a coordinated effort to build the endowment.
158. Consider what Rhode Island is doing: offering free tuition in years three and four. This is an incentive toward completion.