

Minutes of the VSCS Board of Trustees Finance and Facilities Committee held Thursday, October 29, 2020 at 12:30 p.m. via Zoom - APPROVED

The Vermont State Colleges Board of Trustees Finance and Facilities Committee met on Thursday, October 29, 2020 via Zoom.

Committee members present: David Silverman (Vice Chair), Lynn Dickinson (12:55 p.m.), Adam Grinold, Linda Milne (2:00 p.m.), Mike Pieciak

Absent: Shawn Tester

Other Trustees present: Megan Cluver, Dylan Giambatista, Bill Lippert, Karen Luneau, James Masland, Mary Moran

Presidents: Elaine Collins, Joyce Judy, Pat Moulton, Jonathan Spiro (Interim)

Chancellor's Office Staff: Donny Bazluke, Network/Security Analyst
Kevin Conroy, Chief Information Officer
Renee Hunt, Controller
Katherine Levasseur, Director of Governmental & External Affairs
Katrina Meigs, System Director of HR & Benefits Administration
Jen Porrier, Administrative Director
Sharron Scott, Chief Financial and Operating Officer
Patty Turley, General Counsel
Sophie Zdatny, Chancellor
Yasmine Ziesler, Chief Academic Officer

From the Colleges: Nolan Atkins, Provost, Northern Vermont University
Sarah Chambers, Coordinator of Instructional Technology, Castleton University
Gisele Hodgdon, Director of Business Operations, Community College of Vermont
Laura Jakubowski, Chief Budget & Finance Officer, Castleton University
Tom Mauhs-Pugh, Provost, Castleton University
Sandra Noyes, President, VSC Staff Federation, Northern Vermont University
Maurice Ouimet, Dean of Enrollment, Castleton University
Andy Pallito, Dean of Administration, Community College of Vermont

Toby Stewart, Dean of Administration, Northern Vermont
University
Littleton Tyler, Dean of Administration, Vermont Technical
College
Beth Walsh, President, VSCUP, Northern Vermont University

From the Public: Lola Duffort, Reporter, VT Digger

1. Chair Silverman called the meeting to order at 12:47 p.m.
2. Approve minutes of August 24, 2020 and FIPSE grant

Chief Academic Officer Dr. Yasmine Ziesler informed the Committee that the FIPSE grant is system-wide and supports the VSC Strong Project, which is designed to improve Vermont high school to college continuation rates.

Trustee Grinold moved and Trustee Pieciak seconded the motion to approve the August 24, 2020 meeting minutes and the FIPSE Grant. The motion was approved unanimously.

3. Introduction: Renee Hunt, Vermont State Colleges System Controller

Chief Financial/Operating Officer Sharron Scott introduced Renee Hunt, incoming VSC System Controller in the Chancellor's Office. Ms. Hunt will be overseeing general accounting, accounts receivable, cash management, grant compliance and payroll for the Vermont State Colleges.

4. FY21 Budget Review and Approve

CFOO Scott shared that the VSC's FY21 unrestricted operating deficit, prior to the use of bridge funding and CRF is approximately \$28.4 million. After the use of the Bridge and CRF funds, the system-wide operating budget reflects revenue over expenses of approximately \$2 million. System wide revenue is down 13.1%, student discounting rose from 12% to 20% over 3 years and while gross student tuition increased by approximately \$2 million, student tuition net of discounts decreased by approximately \$7.5 million. Declining demographics and competition that is better funded and seeking our same student pool makes it a challenging environment in which to operate.

Trustee Dickinson moved and Trustee Pieciak seconded the motion to recommend to the Board the approval of Resolution 2020-022 FY2021 Vermont State Colleges System Annual Operating Budget. The motion was approved unanimously.

5. Review and approve gift for NVU

Executive Session.

At 1:23 pm Trustee Silverman moved that the VSCS Finance and Facilities Committee enter executive session pursuant to 1 V.S.A. § 313(a)(1)(F) for the purpose of receiving confidential attorney client communications made for the purpose of providing professional legal services; and 1 V.S.A. § 313(a)(1)(A) to discuss a proposed contract to which the VSC may be a party. The motion stated that because premature general public knowledge of these discussions would place the VSCS at a substantial disadvantage it was appropriate for the Committee to enter executive session. Along with the members of the Board present at the meeting, the Board invited the Chancellor, the President and the Dean of Administration of Northern Vermont University, the VSCS Chief Financial and Operating Officer, and the VSCS General Counsel to attend. Trustee Dickinson seconded the motion and it passed unanimously.

The Committee exited executive session at 1:44pm.

Trustee Dickinson moved and Trustee Pieciak seconded the motion to recommend to the Board the approval of Resolution 2020-023. The motion was approved unanimously.

6. FY2020 Fund Balance Review

The committee deferred this agenda item to the next meeting.

7. FY2020 Fund Balance Analysis Review

The Committee deferred this agenda item to the next meeting.

8. Enrollment Update

CFOO Scott described student revenue as the primary driver of revenue for the Vermont State Colleges. Ms. Scott illustrated the negative overall impact that a smaller incoming class can have on overall institutional enrollment in future years.

Castleton University President Jonathan Spiro shared that enrollment did decline overall especially among first year students due to a number of factors: COVID-19, the recession, a distaste for online learning. CU plans to do customized outreach to attempt to bring students back and President Spiro welcomes the marketing opportunity of a fiscal restructuring of the VSCS. President Spiro noted that CU would be returning to approximately 30% face-to-face

instruction in Spring 2021, which he hopes will boost both enrollment and residential hall numbers.

Northern Vermont University President Elaine Collins shared that NVU plans to continue with a mix of in person, remote and hybrid classes in Spring 2021. NVU has delayed the start of classes until February and is seeking to provide an adequate ratio of each modality of course offerings: in person, hybrid and remote. President Collins is looking forward to being able to get students back to campus and in person, resuming conferences and events on the campus, as the experiences at NVU are one of the most important draws to the school.

Vermont Technical College President Pat Moulton shared that VT Tech will continue its current mode of delivery in Spring 2021 – *i.e.* remote instruction with rotating, on campus lab participation. President Moulton voiced concern that students will not want to return in the spring. VT Tech is still dealing with the perception of possible campus closures and the consequent negative impact. Faculty is energized by the opportunities presented for remote delivery and VT Tech continues its transformation process through office consolidation and property divestiture.

Community College President Joyce Judy shared that CCV's spring semester will be identical to its fall semester with classes being offered in 5 modalities: online, synchronous online, flex, accelerated and hybrid. Each instructor is required to complete a one credit course on remote instruction which has been very beneficial for CCV's success in online instruction. Additionally, each class is small and takes attendance, which encourages a high level of engagement.

9. FY22 Budget Update

CFOO Scott shared that while transformation work is ongoing at the VSCS, there is still a significant budget gap for FY22 as had been expected. The estimated potential deficit is between \$42 million and \$47 million. She noted that the VSCS has taken strides in recent months to streamline operations, as described at both the EPSL and LRPC Committee meetings held earlier in the day. Work with legislative leaders on the next portion of the bridge funding has begun and exploration into possible use of CRF money beyond December 30th is in the works.

Chancellor Zdatny shared that discussions about the system wide initiatives being worked on from the Chancellor's Office were discussed in the earlier LRPC Committee meeting. These can be found on page seven [here](#).

10. Investment Subcommittee

The Committee deferred this agenda item to the next meeting.

11. Other Business

There was no other business.

12. Public Comment

VT Digger Reporter Lola Duffort asked for a timeline for the budget development for FY22. CFOO Scott answered that the process has already begun and the first pass will be brought to the Board in January and the final pass will be brought to the Board in June of 2021. Ms. Scott clarified that this year was an unusual year and a transitional budget for FY21 was previously approved in June 2020.

13. Adjourn

Vice Chair Silverman adjourned the meeting at 3:06p.m.