

Vermont State Colleges System

10 Year Facilities Strategic Plan

February 7, 2022

For the benefit of Vermont



Act 74 Requirement: VSCS Facilities

*The VSC Board of Trustees shall develop and implement a **10-year strategic plan** for managing its physical assets that is fiscally sustainable, maintains reasonable net asset value, and meets the needs of Vermont learners.*

On or before March 1, 2022, the Chancellor shall present this Board approved plan to the House Committee on Corrections and Institutions and the Senate Committee on Institutions.

Act 74 of 2021

Act 74 Requirement: VSCS Facilities

VSC shall maintain its present campus locations as educational and student-support centers, recognizing that overall campus size, governance and operational structures as well as program and service offerings may change as circumstances require.

Act 74 of 2021

For the benefit of Vermont



Foundational Work

Completed Activities

Facilities Assessments for All Campus Buildings

Return on Physical Assets Studies

Space Utilization Studies by Campus Location

Facilities Planning Team Discovery

Facilities Planning Design Principles

Infusion of Diversity, Equity and Inclusion Principals

Academic, Student Experience, Administrative Teams Vision Implementation

Strategic Plan/Roadmap for Creating 10 Year Facilities Plan

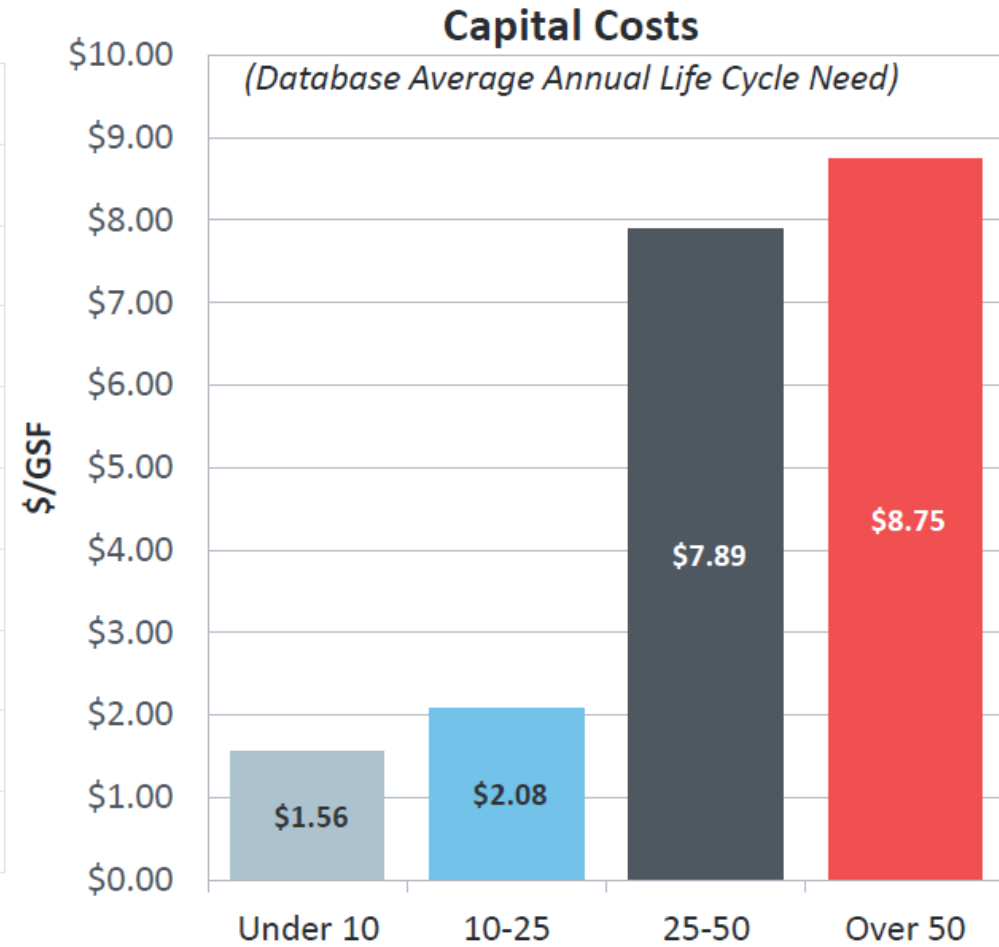
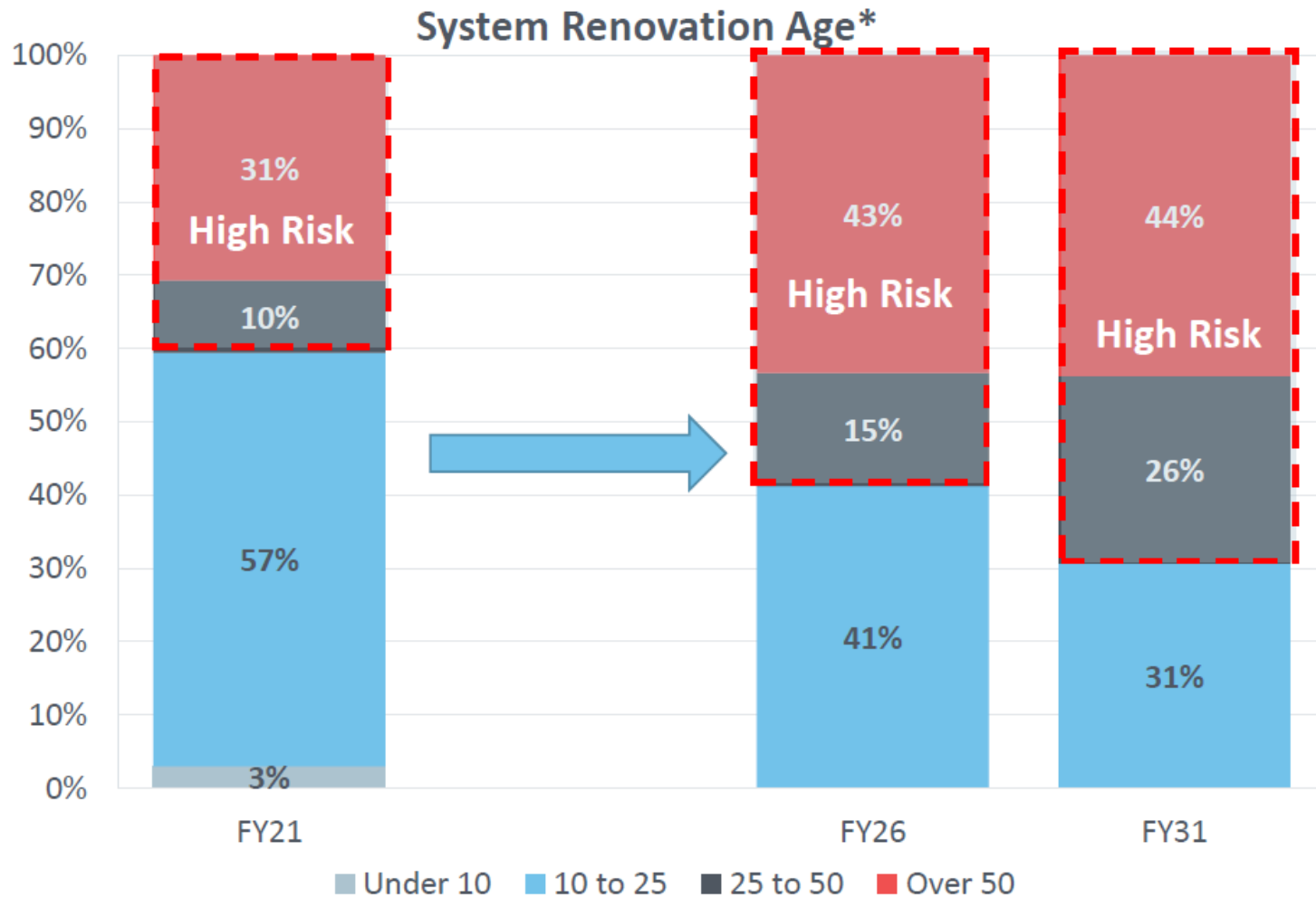
For the benefit of Vermont

Return on Physical Assets

Vermont State Colleges Compared to Peer Institutions

Age Projection Indicates Growing High-Risk Space

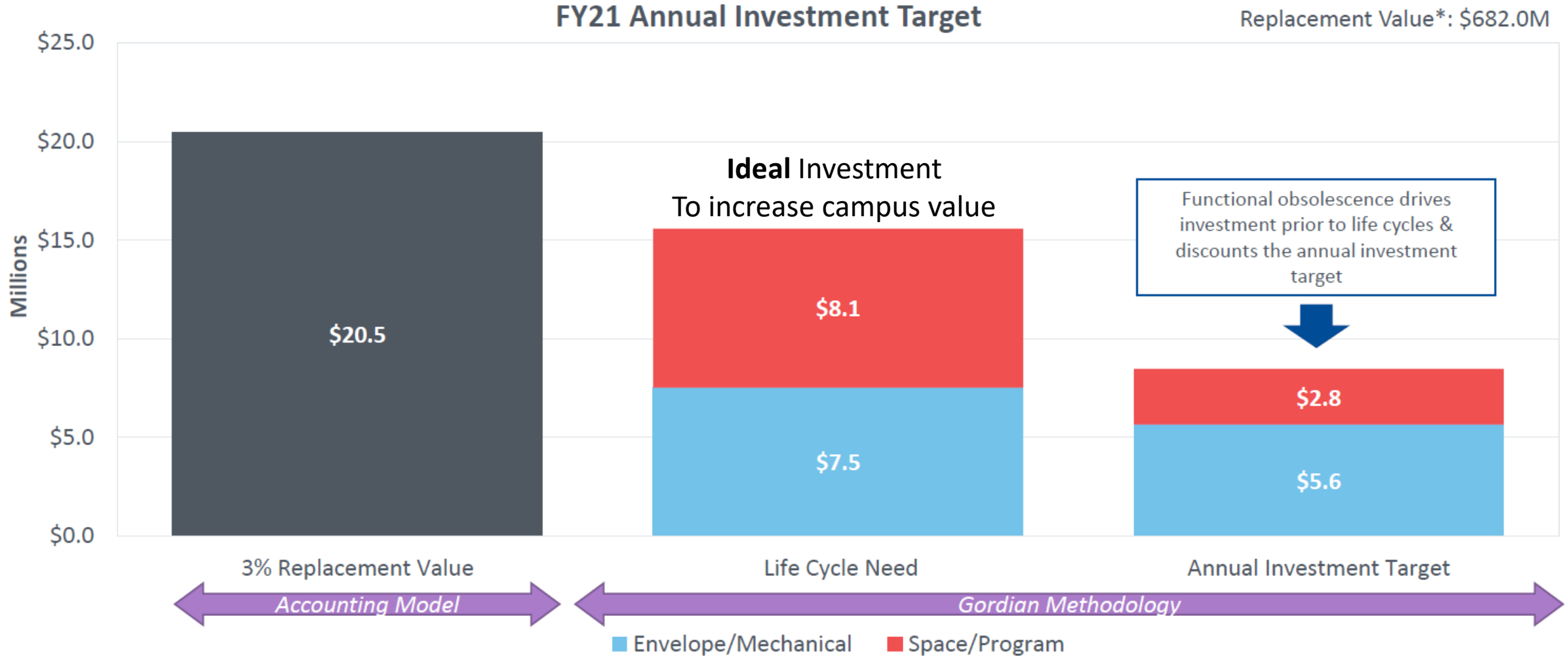
VSC profile will contain more high-risk space than peers in the next 10-years. It's projected to be 70% high-risk space by FY31 if there are no major renovations planned.



*Renovation age distribution projections assume no new construction or major renovations

Defining an Annual Investment Target

Gordian recommends an Annual Investment Target of **\$8.4M** into existing space for FY21



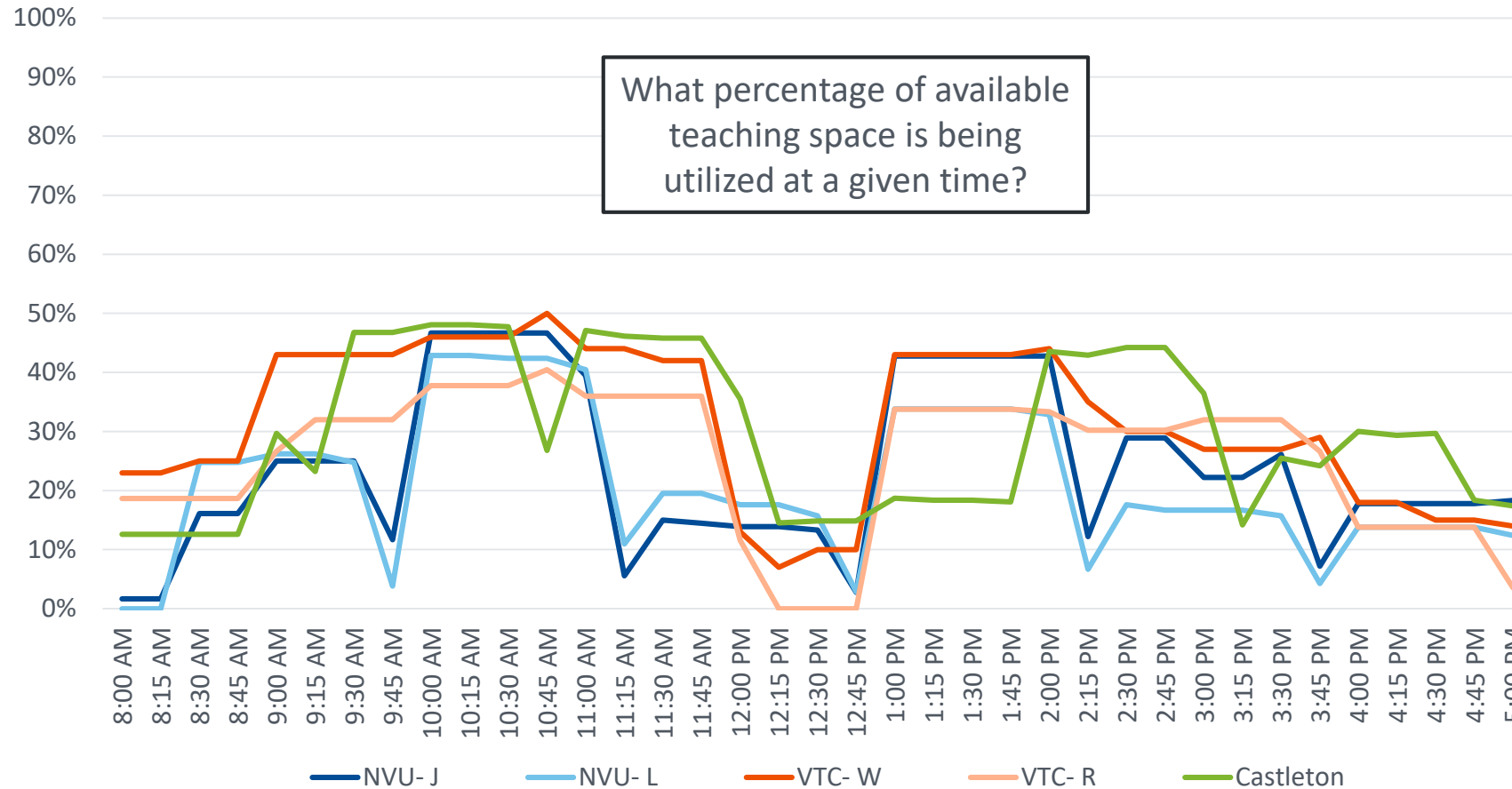
Academic Space Utilization

Evaluation across the system

Utilization Across The System

All VSC locations have a Room Utilization rate < 35%, with never fewer than 5 of 10 spaces available

Fall 2021 VSC Room Utilization by Location



VSC Average:
8AM-5PM

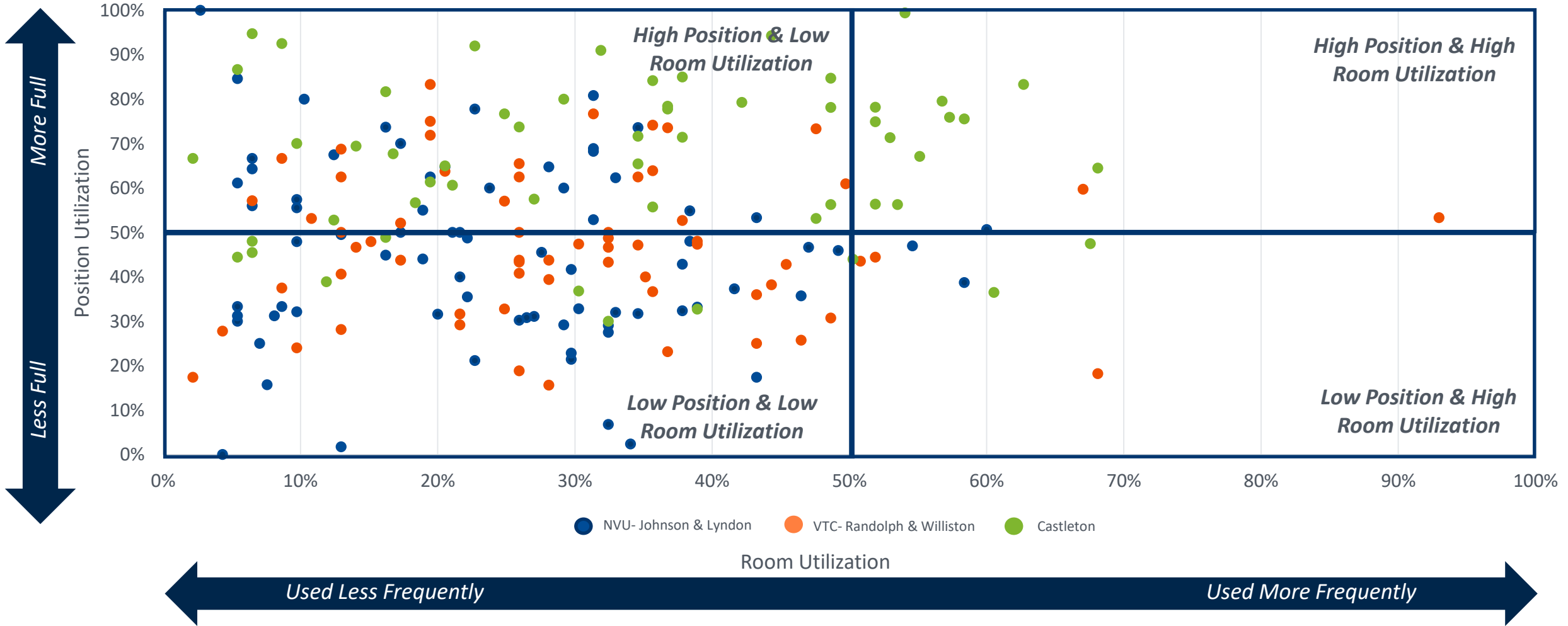
26%

Average by Location

NVU-Johnson: 24%
NVU-Lyndon: 21%
VTC-Williston: 32%
VTC-Randolph: 26%
Castleton: 30%

Utilization Strengths and Weaknesses Exist System Wide

Fall 2021 Average Position and Room Utilization by Location



Facilities Investment

Capital Expenditures

“Balancing an approved budget is an important [and] noteworthy achievement.

***Yet a balanced budget is not necessarily a sign that all is financially well.** A budget may underfund depreciation, for example. This strategy can be useful to bridge a short-term budget gap, but chronic underfunding leads to an inevitable and sometimes unrecoverable increase in deferred maintenance, an issue now requiring VSCS attention.*

*Also, a budget that just breaks even may not have included investment funds to update programs, improve classroom technologies, etc. **Any institution that foregoes investing puts itself at a significant competitive disadvantage.**”*

Report to the Vermont Legislative Joint Fiscal Office
Concerning Vermont State Colleges System Funding for FY2020 and FY2021
James H. Page, June 8, 2020 p. 11

At current spending levels, \$7M short annually

Tradeoffs excluding cash infusion

Quality Factors

Shorten Replacement Cycle

Purchase Higher Quality Products

Design for Longevity

Implement Preventative Maintenance

Utilization Factors

Decrease square footage

Decrease equipment volume

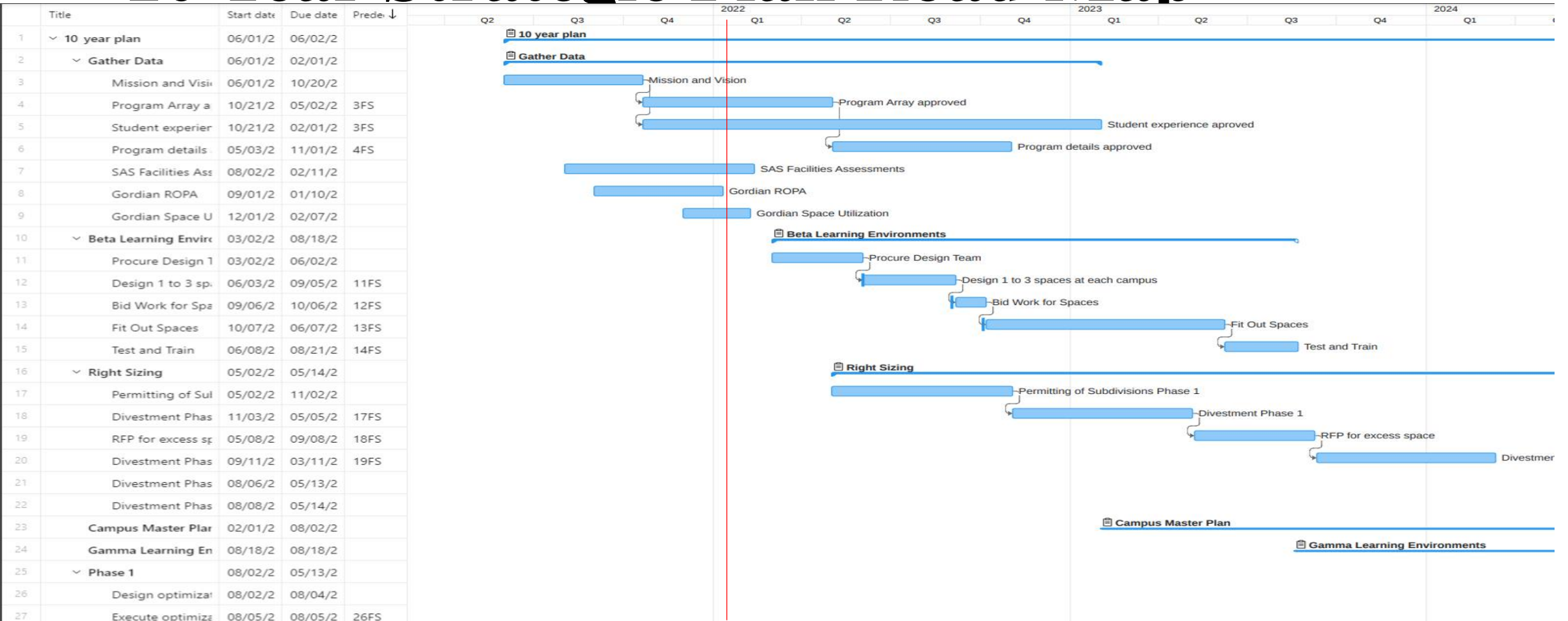
Lease Space to other entities

Share Assets across System

Take Aways

- Excess Capacity
- Over Taxed Financial Resources
- Overall Conditions are Deteriorating
- Rate of Deterioration is also Accelerating
- Our Learning Environment is Inconsistent with a Hybrid University
- We Must Maintain our Unique Campus Locations

10 Year Strategic Plan Road Map



For the benefit of Vermont

Building Usage Principles

- The campus facility plan will be **grounded in data and financial analysis** that supports **financial sustainability** and **meets the academic, student life, and co-curricular needs** of the institution
- The facility master plan will **lower the total cost of ownership** of our facilities and/or **increase revenue potential**. This may include repurposing, selling, leasing, razing, or partnering with organizations
- Academic, student life, and co-curricular spaces will be designed to **enhance the experience of learners**
- Our buildings and spaces will be **accessible and inclusive** to all learners

Maintenance & Renovation Principles

- Campus facilities plan will **identify projects that reduce our deferred maintenance** and shift our daily operations from **reactionary to more preventative**. Budgetary saving will amplify by incorporating both strategies
- **Consistent systems** will be installed to allow for **better data** when budgets are allocated
- Seize the opportunity to **increase accessibility when implementing renovation**

Energy Consumption Principles

- An **Energy Management Plan** will set future goals and measures results
- A **Utilities Master Plan** that ensures systems are **upgraded prior to failure** and are driven by technological advances that bring efficiencies
- **Engage Efficiency Vermont** in a way that uses their industry knowledge to guide us in energy reduction steps as well as proper asset investment which provide better return on investment
- **Utilize the utility data** assembled by Gordian along with the detailed site assessments provided by SAS **to guide project selection**

Next Steps

- **10 Year Strategic Plan** review, comment and approval by the VSCS Board of Trustees
- **Present** approved 10 Year Strategic to the House Committee on Corrections and Institutions and Senate Committee on Institutions
- **Continue to execute this plan**