

## MEMORANDUM

**TO:**            **Committee Members**                            **Committee Liaisons**  
David Silverman, Chair                            Rick Arend, CCV Faculty  
Marc Mihaly, Vice Chair                            Ryan Dulude, CCV Staff  
Coleen Bruyette                                    Korey Kubricki, VTSU Staff  
Lynn Dickinson                                    Marybeth Lennox-Levins, VTSU Faculty  
David Durfee  
Bob Flint  
Sue Zeller

**FROM:**        Sharron Scott, Chief Financial & Operating Officer  
**DATE:**        April 9, 2026  
**RE:**            VSC Finance & Facilities Committee Meeting April 13, 2026

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The VSC Board of Trustees Finance & Facilities Committee (F&F) is scheduled to hold a meeting on Monday, April 13, 2026 at 10:00am virtually at [vsc.edu/botzoom](https://vsc.edu/botzoom).

The agenda includes receiving public comments, approving the minutes from February 16, reviewing and recommending to the full board proposed modifications to Vermont State University's endowment, and reviewing progress on the FY27 budget as well as the Workday implementation project.

Please contact the board assistant, Kayla Dewey, with any questions. She may be reached at 802.224.3021.

Cc:    CCV & VTSU Presidents

Business Affairs Council  
Vermont Department of Libraries

**Vermont State Colleges Board of Trustees  
Finance & Facilities Committee  
Live session: [vsc.edu/botzoom](https://vsc.edu/botzoom) | Stream: [vsc.edu/live](https://vsc.edu/live)  
Monday, April 13, 2026 at 10:00 a.m.**

**AGENDA**

1. Call to order
2. Public comment<sup>1</sup>
3. Approval of February 16 minutes
4. Review & Recommend Endowment Modifications for Vermont State University
5. FY2027 Second Pass Budget Update
6. Workday Update
7. Other business
8. Adjourn

**MATERIALS**

1. February 16 minutes
2. Endowment Modification Requests
3. FY2027 Second Pass Budget

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<sup>1</sup> Sign up for public comment at [vsc.edu/signup](https://vsc.edu/signup). You must be present or logged in to the live session at [vsc.edu/botzoom](https://vsc.edu/botzoom) to make a comment.

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## Meeting Minutes

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**Minutes of the VSC Board of Trustees Joint Meeting of Education, Personnel, & Student Life Committee (EPSL) and Finance & Facilities Committee (F&F) meeting held Monday, February 16, 2026 at 10:30 a.m. virtually at [vsc.edu/botzoom](https://vsc.edu/botzoom). – UNAPPROVED**

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

The VSC Board of Trustees Education, Personnel & Student Life (EPSL) and Finance & Facilities (F&F) Committees held a joint meeting on Monday, February 16, 2026 at 10:30 a.m. virtually at [vsc.edu/botzoom](https://vsc.edu/botzoom).

**Attendance**

EPSL Committee Members: Megan Cluver (Chair), Betsy Ide Bloomer (Vice Chair), Gwen Bailey-Rowe, Janette Bombardier, Shirley Jefferson, Amelia Vlahogiannis

Absent EPSL Members: Jim Masland

EPSL Liaisons: Joan Richmond-Hall (VTSU faculty), Sebastian Lury (VTSU staff), Katherine Penberthy (CCV faculty), Erin Wetherell (CCV staff)

F&F Committee Members: David Silverman (Chair), Marc Mihaly (Vice Chair, 11:28), Lynn Dickinson, David Durfee (11:15), Bob Flint, Sue Zeller (11:12)

Absent F&F Members: Coleen Bruyette,

F&F Liaisons: Rick Arend (CCV faculty, 11:10), Marybeth Lennox-Levins (VTSU faculty), Ryan Dulude (CCV staff)

Absent F&F Liaisons: (VTSU staff, vacant)

Chancellor: Elizabeth Mauch

Presidents: David Bergh, VTSU  
Joyce Judy, CCV

Other Attendees: Nolan Atkins, VTSU Provost  
Kelley Beckwith, VTSU Vice President of Student Success (11:31)  
Mary Brodsky, Dean of People and Culture  
Kayla Dewey, Executive Assistant, Board of Trustees  
Jason Kaiser, IT Support  
David Kupferman, VTSU Dean  
Candace Lewis, CCV Dean  
Sebastian Lury, VTSU Student Success Advisor  
Nicole Mace, Dean of Administration  
Michael Marceau, VTSU Professor  
Jason Mann, Essential Strategies Group

David McGough, VTSU Dean  
Katie Mobley, CCV Dean of Enrollment  
Maurice Ouimet, VP for Admissions and Enrollment (11:26)  
Greg Petrics, VTSU Professor  
Hannah Reid, VTSU AVP of Communications (11:35)  
Kathryn Santiago, Associate General Counsel  
Sharron Scott, Chief Financial and Operating Officer  
Ashley Stackowitz, VTSU Counselor  
Toby Stewart, Controller  
Brandon Stroup, VTSU Professor  
Patty Turley, General Counsel  
Littleton Tyler, VTSU AVP Finance (11:29)  
Meg Walz, IT Support  
Wilson Garland, Chief Information Officer  
Yasmine Ziesler, Special Assistant to the Chancellor

1. Call to Order

EPSL Chair Cluver called the joint meeting to order at 10:34 a.m. and asked General Counsel Patty Turley to explain the joint meeting approach. Members from both committees are present and participating in the full meeting, however when it comes to committee action items, EPSL members will vote on EPSL items, and F&F will vote on F&F items.

2. Public Comment

Dr. Brandon Stroup, co-coordinator of the criminal justice program and restorative justice degree, expressed concerns that the university had not established the restorative justice degree as planned. Dr. Stroup was asked to send additional comments in writing.

3. Education, Personnel, & Student Life Committee Agenda Action and Review Items  
a. Approval of October 27, 2025 minutes

**Trustee Bloomer moved and Trustee Bombardier seconded the motion to approve the minutes of October 27, 2025. The motion was approved unanimously.**

b. Policy 109 Timeline Update

Chair Cluver invited the liaisons to share their perspective on how the system could best support students moving across VTSU and CCV to complete their learning goals.

Professor Penberthy offered her perspective as a CCV faculty member and chair of the social sciences committee. She shared that certificates and associates degrees are designed and re-evaluated each year to make credentials easily stackable and folded into other degree programs at VSC's and other institutions. CCV's model is very flexible which allows it to adjust courses to meet students' needs and program requirements.

Professor Richmond-Hall proposed that the institutions work more closely together to develop a more intentional, holistic process of course development to ensure pathway options are clear and built with consideration for terminal degrees. She also asked that the committee consider how the

revenue model may need to be adjusted, and to consider how to maintain connection with students as more of their course work has moved online.

Chair Cluver invited Chancellor Mauch to review the proposed updates to the Policy 109 Timeline. Chancellor Mauch recommended an update to reflect an adjustment to the timeline for Policy 109 reports. That adjusted timeline would result in the institutions submitting their reports to the Chancellor by September of each year, with EPSL's review of the reports and Chancellor's recommendations taking place in October.

**Trustee Cluver moved and Trustee Bloomer seconded the motion to recommend to the board for approval the revisions to Policy 109 to reflect the updated timeline. The motion was approved unanimously.**

c. Policy 109 Reports and Recommendations

Chair Cluver invited Chancellor Mauch to present her review and recommendations. Chancellor Mauch reported that Community College of Vermont and Vermont State University submitted program data and summary reports to her office. Those submissions included enrollment trends, program viability indicators, and identification of programs recommended for closure, replacement, archiving, or consolidation.

First, she recommended that the board affirm the actions CCV has described in its report, which included:

- The Digital Media Production program be replaced by Digital Filmmaking to streamline curriculum in anticipation of a Fall 2026 start; closely monitor this enrollment.
- Archive the Web Development program (will not appear in the 2026–2027 catalog); retain any courses necessary to support CCV's Information Technology degree.

Second, at Vermont State University, she recommended that the board affirm that the Environmental Science program be consolidated to the Castleton campus. While this is still working its way through the faculty governance process at VTSU, Environmental Science was previously identified on the list of Policy 109 recommendations submitted by Provost Atkins.

She noted a broader concern articulated in VTSU's report that the average class size at Vermont State University hovers below 14 students, which is not viable in the long term, and additional work is needed to address it. Accordingly, as part of the next cycle of Policy 109 review, Chancellor Mauch recommended that VTSU examine other potential program consolidations and recommendations, including programs that may fall outside a strict Policy 109 trigger including when enrollment does not meet thresholds when considered campus by campus.

Chair Cluver recommended that the Chancellor consider filling the vacant role of Chief Academic Officer at the Chancellor's office to support this work.

**Trustee Cluver moved and Trustee Bombardier seconded the motion to recommend to the board for approval the draft resolution accepting the Policy 109 reports and Chancellor's recommendations. The motion was approved unanimously.**

d. VTSU Program Updates

Chair Cluver invited VTSU Provost Atkins to provide the committee with an update on Agriculture and Restorative Justice programs.

Provost Atkins shared that the Center for Agricultural and Food Entrepreneurship had developed three new certificate programs which are designed to be taken fully online and should be available by the fall. He reported that VTSU was actively recruiting students for the Restorative Justice program. Interest in the program had been below targets, that they were considering adjustments to modality and marketing strategies, and he responded to inquiries.

4. Other Business

There was no other business.

5. Executive Session

**At 11:27 a.m. Chair Cluver moved and Chair Jefferson seconded the motion for the VSC EPSL and F&F Committees enter executive session, pursuant to 1 V.S.A. § 313(a)(2) to discuss real estate options, and 1 V.S.A. § 313(a)(3) to discuss employment of a public employee and 1 V.S.A. § 313(a)(6) to discuss records which are exempt from the public records act. Along with the members of the Board present at the meeting, in its discretion, the Board invited the following to attend the executive session: the VSC Chancellor, the CCV and VTSU Presidents, the VSC Chief Financial and Operating Officer, the VSC General Counsel, and Jason Mann. The Motion was approved unanimously.**

The committees exited executive session at 12:39 p.m. and took no action.

6. Finance & Facilities Committee Agenda Action & Review Items

a. Approval of November 3, 2025 minutes

**Trustee Dickinson moved and Trustee Flint seconded the motion to approve the minutes of November 3, 2025. The motion was approved unanimously.**

b. Review & Recommend Endowments

Chair Silverman invited the presidents to give a brief overview of the endowment proposals for their institutions.

President Judy shared that CCV had a surplus in audited funds from the FY25 budget and would like to preserve the surplus as an endowment as opposed to spending it as one time money. She proposes to establish a Presidential Endowment for Student Success.

President Bergh shared two requests to establish new endowments at VTSU. The David Muther Lacy Fund is funded by his family to benefit undergraduate archaeology students at VTSU, and the Tom Rutkowski Spartan Way Scholarship is funded by Professor Rutkowski and his family to support business students who contribute to the Castleton community. President Bergh also described proposed amendments to three existing endowments with approval from the donors' families to expand and clarify eligibility requirements, given the changes in campus and program structures at VTSU. These include the Churchill Family Fund Endowment, the Susan Cornelius Gallagher Scholarship in Psychology endowment, and the Cola H. Hudson Scholarship Fund.

**Trustee Dickinson moved and Trustee Zeller seconded the motion to recommend to the board for approval the three new endowments (CCV Presidential Endowment for Student Success, David Muther Lacy Fund, and Tom Rutkowski Spartan Way Scholarship) and three amended endowments (Churchill Family Fund, Susan Cornelius Gallagher Scholarship in Psychology, and Cola H. Hudgson Scholarship Fund). The motion was approved unanimously.**

c. Review & Recommend Procurement Policy 429

Chair Silverman introduced the proposed replacement of Policy 429. In June, the Vermont State Colleges will implement the first modules of Workday, including Finance and Human Capital Management, bringing significant changes to our business policies, procedures, and practices, most notably in how purchasing is handled. The proposed new purchasing policy reflects these changes and will also replace Policies 424, 425, and 427. He invited Chief Financial and Operating Officer Sharron Scott to provide a brief overview of the changes

Ms. Scott presented proposed changes to the systemwide procurement policy which will utilize purchase orders to add more central oversight to the purchasing process, and she responded to questions from the trustees.

**Trustee Silverman moved and Trustee Zeller seconded the motion to recommend to the board for approval the revised procurement policy. The motion was approved unanimously.**

d. Review Second Quarter System-wide Operating Performance

Chair Silverman introduced the topic by sharing that the System picture is overall positive, projecting a \$1.1 million favorable net variance relative to the fiscal year budget. He invited CFOO Scott to walk the committee through the details.

Ms. Scott reviewed the details, which include VTSU mitigating revenue shortfalls through expense reductions and CCV exceeding tuition projections. VTSU revenues were reported down \$7.1 million, primarily from enrollment and residential participation though that shortfall was fully offset through bridge funding, expense reductions across personnel, scholarships, and operations. She also reported that CCV was exceeding tuition and fee revenue and projecting a surplus despite some cost pressures.

e. FY2027 First Pass Budget

Chair Silverman turned to the initial pass of the FY27 budget. He thanked the presidents and leadership teams at Vermont State University and the Community College of Vermont for the significant work on their budgets under challenging conditions. Chair Silverman invited CFOO Scott to walk the committee through the assumptions, drivers, and projected range of outcomes in more detail. Ms. Scott described the early budget as reflecting continued progress in the system transformation, while also acknowledging the persistent structural pressures and uncertainty facing public higher education nationally and in Vermont. Ms. Scott shared the overview of current budget forecast estimates using ranges and led a brief discussion on the budget process.

f. Review and Discuss VTSU winter safety protocols

Chair Silverman asked President Bergh to share information regarding VTSU winter safety protocols, following concerns voiced at a previous Board meeting.

President Bergh described that at most campuses, snow removal and winter maintenance is a responsibility coordinated between Public Safety, Campus Operations, and the Office of Environmental Safety. The Williston campus utilizes an external vendor which responds to requests from campus operations. President Bergh encouraged campus community members to report problems as they occur, while noting that it has been a particularly high maintenance winter season.

7. Adjourn

Chair Silverman adjourned the joint committee meeting at 1:25 p.m.

UNAPPROVED

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Endowment Modification Requests

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April 6, 2026

Elizabeth Mauch, Chancellor  
Vermont State Colleges System  
PO Box 7  
Montpelier, VT 05601

Dear Chancellor Mauch,

I am pleased to share the amended terms for the following endowments at Vermont State University:

- Bill and Susan Blair Future Teacher/Educator Endowment
- Edgerton Education Endowment
- Mary Negron Student Emergency Fund

The Bill and Susan Blair Future Teacher/Educator Endowment, established in 2016 by William and Susan Blair, was created to support rising juniors and seniors at the Lyndon campus majoring in education, with preference for out-of-state students from New Jersey, Delaware, Maryland, or West Virginia.

In February 2026, the donors revised the fund to better reflect current academic offerings and their intent to support out-of-state students. The amended terms remove the education major requirement and expand eligibility to students in any field of study at the Lyndon campus. The fund will be restyled as the Bill and Susan Blair Scholarship Endowment, with preference given to prior recipients, students in teacher education programs, and students from the states noted above. Vermont residents may be considered if no qualified out-of-state candidates are available.

The Edgerton Education Endowment, established in 2003 by Jan Eastman in honor of Phyllis Edgerton Eastman '49 and Marjorie Bowman Edgerton '27, was created to support education majors at the Lyndon campus.

In February 2026, the donor expanded the fund to support education majors across all Vermont State University campuses. The amended terms provide scholarship support to full-time students enrolled in education programs system-wide, with preference given to students from Vermont's Northeast Kingdom.

The Mary Negron Student Emergency Fund, established in 2007 by Albert and Mary Negron, provides financial assistance to students facing unexpected hardships.



In February 2026, the donors restyled the fund as the Negrón Family Student Emergency Fund and expanded eligibility to support all Vermont State University students. The fund will continue to provide emergency assistance at the university's discretion.

We are pleased to present these amendments to the VSC Board of Trustees for their approval.

Sincerely,

A handwritten signature in black ink, appearing to read "David Bergh".

David Bergh, Ed.D.  
President

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Second Pass FY2027 Budget

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## FY2027 SECOND PASS SYSTEM-WIDE OPERATING BUDGET

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### Executive Summary

The **FY2027 Second-Pass system-wide operating budget** reflects measurable progress relative to the **Pass 1 materials reviewed with the Finance & Facilities Committee on February 16**, while recognizing that a material gap remains. Since Pass 1, the projected system-wide operating deficit has improved by **\$2.6 million (30%)**, declining from **\$8.67 million to \$6.07 million**. This improvement is driven primarily by **\$3.8 million in expense reductions**, which more than offset a **\$1.2 million decline in projected revenues** based on updated enrollment and operational assumptions.

Taken together, Pass 2 reflects a narrower range of outcomes, clearer identification of structural actions already taken, and a more disciplined baseline from which management will advance the budget to proposal.

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### Revenue Outlook

Total system revenues declined by **\$1.2 million (-0.7%)**, from **\$170.6 million to \$169.4 million**, from pass 1 to pass 2, reflecting conservative refinement of core assumptions rather than new programmatic changes.

- **Tuition and Fees** declined by **\$1.3 million**, driven primarily by updated enrollment projections at **Vermont State University**, partially offset by a modest increase at **Community College of Vermont**.
- **Room and Board** revenues increased by **\$217,000**, reflecting improved occupancy assumptions at VTSU residential campuses.
- **State Appropriations** remain effectively flat, increasing by a nominal **\$4,000**, consistent with enacted budget levels.
- **Sales and Services** declined modestly, while **Other Revenue** increased slightly, with no material impact on the overall revenue outlook.

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### Expense Actions and Structural Changes

Total system expenses decreased by **\$3.8 million (-2.1%)**, from **\$179.3 million to \$175.5 million**, representing the strongest driver of improvement between Pass 1 and Pass 2.

- **Salaries and Benefits** declined by **\$1.5 million system-wide**. Importantly, this net change reflects a **structural reorganization**, not position elimination alone, driven primarily by the **centralization of Human Resources functions into Shared Services**.
    - Salary reductions at CCV and VTSU were offset by a corresponding increase in Shared Services, with allocation charges adjusted proportionally.
  - **Services, Supplies, and Travel** experienced the largest absolute reduction (**\$1.98 million**), driven overwhelmingly by spending controls and operational efficiencies at VTSU.
  - **Utilities** declined modestly due to energy management initiatives, while **Scholarships** increased slightly, maintaining institutional commitment to student affordability.
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### Entity-Level Perspective

At the institution level, **both operating units show deficit improvement in Pass 2**, consistent with system-wide actions:

- **Community College of Vermont** reduced total expenses and improved its projected deficit by nearly **50%**, while maintaining modest tuition growth assumptions.
  - **Vermont State University** reduced total expenses by **\$3.0 million**, with notable progress in discretionary spending categories, improving its projected deficit by **\$1.7 million**.
  - **Shared Services** absorbed centralized HR functions and remains balanced through established cost-allocation methodologies.
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### Net Student Revenue

Net Student Revenue—defined as **Tuition plus Room & Board, net of Scholarships**—declined by **\$1.17 million (-1.2%)** system-wide from pass 1 to pass 2. While CCV posted a modest increase, the overall decline reflects continued demographic headwinds affecting traditional enrollment-driven revenue and remains a key risk area to be monitored as enrollment data matures in the coming weeks and months.

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### Path to Pass 3 of the FY27 Budget

While the **second-pass FY2027 budget reflects meaningful progress** relative to the **Pass 1 materials shared with the Finance & Facilities Committee on February 16**, a projected **\$6.1 million system-wide operating deficit** remains. Compared to Pass 1, the range of outcomes has

narrowed, and the overall trajectory improved as a result of expense reductions and updated planning assumptions incorporated in this iteration.

As the budget advances to **Pass 3**, management will continue to focus on further closing of the gap through a combination of additional efficiency measures and revenue refinement, including:

- Ongoing review of position vacancies and hiring plans
- Assessment of further operational consolidation opportunities
- Evaluation of academic program contributions and resource allocation
- Continued monitoring of summer and fall enrollment indicators

Based on currently available information, the **estimated FY2027 system-wide deficit is expected to fall within a range of \$3.0 million to \$6.1 million**, with a **central tendency between \$4 million and \$5 million**, subject to refinement as enrollment and operational assumptions are finalized.

<b>Vermont State Colleges System</b>				
	FY2026	FY2026	FY2027	FY2027
	Budget	Forecast	Budget 1.0	Budget 2.0
<b>REVENUES</b>				
Tuition and Fees	95,423	90,871	90,093	88,779
State Appropriation	54,256	59,251	55,846	55,850
Room and Board	18,813	17,131	17,021	17,238
Sales and Services	5,479	5,446	5,619	5,489
Gifts	1,140	1,006	1,034	1,034
Other Revenue	1,084	2,472	1,013	1,038
<b>TOTAL REVENUES</b>	<b>176,195</b>	<b>176,177</b>	<b>170,626</b>	<b>169,427</b>
<b>EXPENSES</b>				
Salaries and Benefits	105,964	103,736	106,539	105,012
Retiree Medical Expenses	6,825	6,825	7,071	7,071
Services, Supplies, Travel	42,108	45,164	41,155	39,175
Scholarships	9,438	8,293	8,348	8,422
Utilities	7,746	7,476	7,701	7,558
Other Expenses	3,387	3,387	3,162	3,162
Debt Service	7,727	7,727	7,772	7,772
Shared Services	-	102	(1)	(1)
Other Transfers	(4,091)	(4,745)	(4,533)	(4,758)
<i>Other Transfers-one time</i>	-	-	-	-
Strategic Initiatives (3%)	1,011	1,011	1,041	1,041
Economic Stabilization (2%)	1,011	1,011	1,041	1,041
<b>TOTAL EXPENSES</b>	<b>181,126</b>	<b>179,987</b>	<b>179,295</b>	<b>175,496</b>
<b>NET REVENUES/(DEFICIT)</b>	<b>(4,931)</b>	<b>(3,810)</b>	<b>(8,670)</b>	<b>(6,069)</b>

	Community College of Vermont				Vermont State University			
	FY2026	FY2026	FY2027	FY2027	FY2026	FY2026	FY2027	FY2027
	Budget	Forecast	Budget 1.0	Budget 2.0	Budget	Forecast	Budget 1.0	Budget 2.0
<b>REVENUES</b>								
Tuition and Fees	22,187	22,789	21,544	21,626	73,236	68,082	68,549	67,153
State Appropriation	10,191	10,191	10,497	10,488	33,921	33,921	34,847	34,814
Room and Board	-	-	-	-	18,813	17,131	17,021	17,238
Sales and Services	3	2	1	1	5,476	5,444	5,618	5,488
Gifts	80	80	80	80	1,060	926	954	954
Other Revenue	430	430	446	448	654	550	567	590
<b>TOTAL REVENUES</b>	<b>32,891</b>	<b>33,492</b>	<b>32,568</b>	<b>32,642</b>	<b>133,160</b>	<b>126,054</b>	<b>127,556</b>	<b>126,237</b>
<b>EXPENSES</b>								
Salaries and Benefits	22,863	22,762	23,978	22,517	75,252	73,289	74,423	72,159
Retiree Medical Expenses	-	-	-	-	-	-	-	-
Services, Supplies, Travel	5,000	5,350	5,053	4,949	29,182	28,117	27,904	25,933
Scholarships	192	192	198	192	9,244	8,101	8,150	8,230
Utilities	364	364	375	375	7,372	7,102	7,315	7,172
Other Expenses	-	-	-	-	-	-	-	-
Debt Service	1,663	1,663	1,663	1,663	6,064	6,064	6,109	6,109
Shared Services	4,297	4,297	4,447	4,986	10,193	10,193	10,550	12,258
Other Transfers	(1,489)	(1,389)	(1,302)	(1,106)	785	31	(69)	(490)
<i>Other Transfers-one time</i>	-	-	-	-	-	(1,900)	-	-
Strategic Initiatives (3%)	-	-	-	-	-	-	-	-
Economic Stabilization (2%)	-	-	-	-	-	-	-	-
<b>TOTAL EXPENSES</b>	<b>32,890</b>	<b>33,239</b>	<b>34,412</b>	<b>33,577</b>	<b>138,092</b>	<b>130,997</b>	<b>134,382</b>	<b>131,371</b>
<b>NET REVENUES/(DEFICIT)</b>	<b>1</b>	<b>253</b>	<b>(1,844)</b>	<b>(935)</b>	<b>(4,932)</b>	<b>(4,943)</b>	<b>(6,826)</b>	<b>(5,134)</b>

	Shared Services				Chancellor's Office			
	FY2026 Budget	FY2026 Forecast	FY2027 Budget 1.0	FY2027 Budget 2.0	FY2026 Budget	FY2026 Forecast	FY2027 Budget 1.0	FY2027 Budget 2.0
<b>REVENUES</b>								
Tuition and Fees	-	-	-	-	-	-	-	-
State Appropriation	6,825	6,825	7,071	7,071	3,319	8,314	3,431	3,477
Room and Board	-	-	-	-	-	-	-	-
Sales and Services	-	-	-	-	-	-	-	-
Gifts	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	1,492	-	-
<b>TOTAL REVENUES</b>	<b>6,825</b>	<b>6,825</b>	<b>7,071</b>	<b>7,071</b>	<b>3,319</b>	<b>9,806</b>	<b>3,431</b>	<b>3,477</b>
<b>EXPENSES</b>								
Salaries and Benefits	6,932	6,768	7,175	9,327	917	917	963	1,009
Retiree Medical Expenses	6,825	6,825	7,071	7,071	-	-	-	-
Services, Supplies, Travel	7,548	7,548	7,812	7,907	378	4,149	386	386
Scholarships	-	-	-	-	2	-	-	-
Utilities	10	10	11	11	-	-	-	-
Other Expenses	-	-	-	-	3,387	3,387	3,162	3,162
Debt Service	-	-	-	-	-	-	-	-
Shared Services	(14,490)	(14,388)	(14,998)	(17,245)	-	-	-	-
Other Transfers	-	-	-	-	(3,387)	(3,387)	(3,162)	(3,162)
<i>Other Transfers-one time</i>	-	-	-	-	-	1,900	-	-
Strategic Initiatives (3%)	-	-	-	-	1,011	1,011	1,041	1,041
Economic Stabilization (2%)	-	-	-	-	1,011	1,011	1,041	1,041
<b>TOTAL EXPENSES</b>	<b>6,825</b>	<b>6,763</b>	<b>7,071</b>	<b>7,071</b>	<b>3,319</b>	<b>8,988</b>	<b>3,431</b>	<b>3,477</b>
<b>NET REVENUES/(DEFICIT)</b>	<b>-</b>	<b>62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>818</b>	<b>-</b>	<b>-</b>

## Community College of Vermont

### FY27 Budget, Pass 2.0

**CCV's FY27 Pass 2.0 Budget projects a deficit of \$935k, an improvement from the Pass 1.0 budget deficit of \$1.8m. This improvement is largely due to adjustments to compensation to reflect projected staffing levels and anticipated ongoing grant support for CCV's corrections education program.**

CCV's Corrections Education program was established thanks to a Congressionally Directed Spending allocation obtained by Senator Sanders. These funds were used to hire staff to oversee the program and support student participation, as well as tuition vouchers for courses. The CDS grant is set to expire in September of 2026. Our Pass 1 budget anticipated incorporating a portion of existing grant-funded positions into our base budget so that we could continue the program. However, we are now anticipating continued funding through a separate source, which will allow us to continue funding the staff outside of our base budget. We anticipate bringing more detailed information about the new grant to the Board in May.

CCV is a very lean organization. The College continuously calibrates its staffing and facility footprint to respond to changes in student enrollment. This spring, CCV will move out of brick-and-mortar buildings in Springfield and Morrisville and will provide access through both remote services and in-person outreach. This is a strategic decision based on changing student preferences that will enable us to better serve students and communities. These changes will bring approximately \$100k in annual savings to the College. There will be no reduction in staffing because of this change, and we are not anticipating a reduction in students or enrollment.

CCV's course cancellation policy uses a transparent process for adding and cancelling course sections before a semester starts. This carefully managed process allows the college to maintain a class-size average consistent with our budget projections. Decisions to run or cancel classes are based on several factors, including enrollment in the course section, core course and program requirements for students, alternatives available to students, and the college's overall enrollment. This process allows CCV to manage part-time faculty costs as enrollment fluctuates. We are continuing to evaluate budgetary assumptions in this area so we can more accurately predict instructional costs as part of Pass 3.

CCV serves more than 10,000 students each year at locations across Vermont. As a key access point to the VSC system, we believe we should be taking all measures necessary to increase the affordability of Vermont's only community college. However, in the absence of increased state support, the College is modeling a variety of options to close the deficit, including the potential for an up to \$10/credit tuition increase, which the Board of Trustees authorized in December. If we need to increase tuition to close our budget gap for next year, we will include that assumption in Pass 3.

## **Pass 2 Assumptions**

- No increase in tuition rates or student fees
- 3% increase in staff salaries
- 3% increase in shared services budget
- 9.3% increase in health insurance rates
- Continuity of existing grant funding

## VERMONT STATE UNIVERSITY FY 2026 SECOND PASS BUDGET

### **Overview and Key Assumptions**

The FY2027 second pass budget reflects a continued effort to align institutional resources with current enrollment realities and cost pressures, while advancing structural adjustments to improve long-term financial sustainability. The model assumes a 1.9% decline in enrollment, based on our Institutional Research team's projections, which incorporate current admissions funnel data and an analysis of returning student persistence rates. The budget includes a 3.5% increase in tuition, room, and board rates as approved by the Board of Trustees at its November 2025 meeting, as well as a 3% increase in appropriation revenue. Expense assumptions also reflect contractually negotiated wage increases and a projected increase in medical insurance costs, contributing to overall cost growth. The budget also reflects the conclusion of a one-year contract with Kingdom County Productions; though this change is net neutral, reducing both revenue and expense by \$1.7 million. Inflationary impacts remain significant, with expense growth outpacing associated revenue increases.

### **Revenue Considerations**

Total projected revenue for FY2027 is \$122.0 million following planned adjustments. While rate increases contribute positively, this gain is offset by anticipated enrollment decline. Additional revenue initiatives include approximately \$300,000 from new facility leases and \$250,000 in other incremental sources. These efforts help stabilize revenue but do not fully offset structural pressures driven by enrollment trends and inflation.

### **Expense Management and Actions**

Expense reductions remain the primary mechanism for offsetting the projected deficit. The second pass incorporates \$3.6 million in planned savings through a combination of strategic and operational actions. These include administrative restructuring, workforce management strategies aligned with planned retirements, a 0% cost-of-living adjustment for non-bargaining employees, and reductions in additional assignments. Further savings are achieved through targeted operational efficiencies and careful management of vacant positions.

### **Summary**

After incorporating these measures, the adjusted FY2027 budget projects a deficit of approximately \$5.1 million.

## **Shared Services & Chancellor's Office**

### **FY27 Budget, Pass 2.0**

**FY27 Shared Services Pass 2 totals \$17.45 million, reflecting a \$2.247 million increase from Pass 1 due to the consolidation of Human Resources into Shared Services and its corresponding removal from the CCV and Vermont State University budgets.**

**The FY27 Chancellor's Office Pass 2 budget totals \$3.477 million, representing a \$46,000 increase from Pass 1 driven by personnel adjustments such as the addition of a Chief Academic Officer as requested by the Board of Trustees**

Excluding the transfer of Human Resources into Shared Services, the increase in the FY27 Shared Services budget is driven primarily by employee-related costs and system-wide infrastructure expenses. Personnel costs reflect negotiated wage increases for shared services staff as well as growth in retiree medical expenses. Wages and benefits are projected to increase 3.5% year over year, while retiree medical costs are expected to rise approximately 3.6%, consistent with the negotiated rate increase for the retiree medical plan.

Non-personnel expenses—including supplies, services, equipment, and travel—are also projected to increase 3.5% year over year, driven almost entirely by negotiated increases in information technology spending. These investments support core system-wide infrastructure, including internet connectivity, computing technology, and enterprise information systems that underpin operations across the Vermont State Colleges system.

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