

## **Northern Vermont University Progress Update—7 August 2020**

### **Existing Challenges:**

While the Vermont State Colleges 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. These challenges include:

- Historically weak demographics – high school population and VSC enrollment down
- Bottom-ranked State support – State support equates to 18% of VSC revenue; average state support is 31.5% with New England peers.
- Accelerating pricing pressures
  - Barriers to adaptability
  - Changing student preferences and attitudes
  - Disruptive technology and delivery

### **Third Party Analysis of VSC's Fiscal Health – June 2020**

**Treasurer's report:** In early June 2020, Vermont State Treasurer Beth Pierce completed an overview of the VSCS finances. [Her report](#) noted projected deficits ranging from \$19 million to \$45 million. She recommended legislators consider the worst case in their deliberations and cautioned that the financial fall out of the pandemic could last well into 2022.

**Legislature's Joint Fiscal Office Report (JFO):** Education consultant and former University of Maine System Chancellor Jim Page was contracted by the JFO to review the VSCS's fiscal health. [Page's report](#) recommends that legislators provide \$30 million for bridge-year funding, in addition to the annual state appropriations and COVID Relief funding. Page noted another \$10 million would be needed if the colleges had to return to remote instruction. As of August 3, 2020, due to COVID-19, the VSCS institutions are addressing fall 2020 instruction in a variety of ways. NVU is welcoming students back on campus for face-to-face instruction; Castleton is welcoming student to reside on campus while using remote instruction. Vermont Technical College is moving to mostly remote instruction.

Two other key takeaways from the JCO report:

- Public uncertainty about the VSC is a problem; particularly for NVU, given the public threat of closure twice in less than a year
- VSCS currently operates as a federation of schools, not a unified system. This limits the System's ability to enact change for long-term success

### **CARES Act Funding – COVID Relief Funding (CRF) – April and July 2020**

- \$12.5 million awarded to VSCS in April 2020 (FY20). The colleges refunded students for room and board. Funding was also used to train faculty and to address infrastructure issues to facilitate move to on-line instruction.
- \$23 million awarded to VSCS in July 2020 (FY21). Funding is being used for technology and to support health and safety of students, faculty, and staff to return to campus.
- Limitations: COVID Relief funding cannot be used to cover lost revenue. The VSC's biggest expenses are salary and benefits, followed by debt service and carrying costs for

campuses. These are not COVID-related, so CRF funds cannot be used for these costs.

### **Emergency “Bridge” Funding**

Current estimates of needed bridge funding is \$30 million to \$40.3 million to assist with deficit anticipated to be up to \$46 million or more.

State lawmakers allocated \$5 million of this in the 1<sup>st</sup> Quarter Transitional Budget. They reconvene on August 25 to create the budget for the remainder of the year.

Legislative leaders assured the VSCS that they will provide funding for one year. At the same time, the timeframe to achieve many of the system-strengthening and system-transformation options identified is necessarily much longer.

### **Task Forces to Reform the VSCS—Three Committees: University, System, Legislative**

#### **NVU Strong Advisory Committee – May-June 2020**

A committee of 14 NVU stakeholders – four faculty, four students, four staff members, and four community members also reflecting alumni and community leaders – nominated by community members was formed in mid-May by Northern Vermont University. NVU invited community members, via its website, social media channels, emails, and local media, to submit comments and suggestions on how NVU should re-envision itself for the future. More than 200 suggestions were submitted by the public and all were shared with the NVU Strong Advisory Committee.

The NVU Strong Advisory Committee kept an intense schedule, meeting from May 12-June 4, typically two times a week for 90 minutes to 2 hours. The committee broke into subgroups to work in-between meetings as well. A virtual public kick-off was held via ZOOM on May 7, 2020. Information, data, materials, and other resources shared with the committee along with meeting minutes were made available on [NVU’s website](#). A virtual public update was held, via Zoom, on May 28, 2020, and members of the NVU Strong Advisory Committee presented its recommendations during a virtual public meeting, via Zoom, on June 18, 2020.

The NVU Strong Advisory Committee completed its work on June 18, 2020, providing NVU with its [recommendations report](#), which included recommendations for both NVU and the VSC System itself. The NVU Strong Advisory Committee presented a vision for Northern Vermont University – NVU’s [Learning and Working Community](#) – that is learner-centric, focuses on reducing the cost of earning a degree, and that will develop a unique niche for NVU that will help strengthen NVU for generations to come.

The committee’s recommendations were shared with the VSCS Board of Trustees and the VSCS Forward Task Force on June 18 and with the Board of Trustees’ Long Range Planning Committee on July 23, 2020. As the VSCS Forward Task Force and the Legislative Task Force deliberate on recommendations for the VSCS, NVU is working to create criteria and implementation plans for the NVU Strong Advisory Committee recommendations, including the Learning and Working Community.

### **VSCS Forward Task Force June-August 2020**

The VSCS Board of Trustees has charged this 15-member task force with reviewing ideas and developing recommendations for moving the system toward a sustainable future that provides a high-quality education for students. The task force is made up of VSCS stakeholders, including faculty, staff, and students and is working with an external facilitator. To date, the task force is exploring a variety of ideas related to Accessibility, Governance, Program Duplication, and Affordability. Information about the Task Force's work can be found on the [Vermont State Colleges System website](#). Preliminary recommendations are due to the Board of Trustees by mid-August. It is anticipated that their recommendations will be shared with the Legislative task force, the Select Committee on the Future of Public Higher Education in Vermont.

### **Select Committee on the Future of Public Higher Education in Vermont September – December 2021**

Act 120 of 2020 created the Select Committee on the Future of Public Higher Education in Vermont (Committee). The Committee will assist the State of Vermont in addressing the urgent needs of the Vermont State Colleges and develop an integrated vision and plan for a high-quality, affordable, and workforce-connected future for public higher education in the State.

The first interim report is due on or before December 20, 2020; the second interim report on or before June 15, 2021. The final report is due on or before December 15, 2021. An RFP for a consultant was published on June 30, 2020, with a set of related questions and responses published on July 13, 2020.

On July 29, 2020, Speaker of the House Mitzi Johnson and Senate Pro Tem appointed UVM Board of Trustee Brian Alpert, Vermont State Colleges System Board of Trustee Meagan Culver, and Community College of Vermont President Joyce Judy to the Steering Group of the Committee, with Judy serving as Chair of the overall Committee. Committee information is available [online](#).