**Vermont Select Committee on the Future of Public Higher Education**

**Monday, October 19, 2020 - 3:30pm**

**Virtual Meeting via Zoom**

**Present:**

Members: Briar Alpert, Sen. Baruth, Heather Bouchey, Sarah Buxton, Megan Cluver, Daniel Daley, Suresh Garimella, Scott Giles, Steve Gordon, Rep. James, Joyce Judy, Sandy Mayotte, Devin Tingle, Jeff Weld, Sophie Zdatny

Others: Sally Johnstone, Dennis Jones, Wendy Koenig, Joyce Manchester, Michael Thomas, Candace Williams

**Minutes:**

1. Per diem arrangements

Heather Bouchey: Those whose jobs don’t include serving on this committee are eligible for per diems. Per diems must be submitted to Allison Keating at Allison.Keating@vermont.gov. It’s also necessary to call Allison at 802-828-4855 and provide your social security number (a federal requirement) to receive your payment. Per diems can be submitted individually or as a batch. If you’ve provided AOE with your information for past activities, there’s no need to provide your social security number and information again. The per diem will cover summer meetings too.

1. NCHEMS’s progress report

NCHEMS continues to do data modeling and analysis, as well as conduct interviews with a variety of stakeholders.

NCHEMS created a goals statement to ground future recommendations.

* Sen. Baruth: Meeting state needs are understood to be employer demands, economic development and financial responsibility. It underplayed the role of VSC and the creative economy. One suggestion is to include the “creative economy” to economic development and another is to describe the meaning of attracting and retaining talent.
1. Curated environmental scan data and brief discussion

See related slide deck.

Comments and discussion:

* Suresh Garimella: It would be helpful to look at completion rates for Vermont residents.
* Sarah Buxton: DOL can provide additional analysis around job projections and demand, particularly for the manufacturing industry.
* Sarah Buxton: Is there data on class size by course type (for example, trade vs. lab vs. general education, etc.)? Brian responds that it exists and they’ve completed the analysis, which can be shared with the group.
* Sandy Mayotte: What traditionally have been the barriers to reducing the number of staff FTEs? Brian responds that there are many: tenure, the way institutions work with faculty in shared governance (program changes and tenure provisions), as well as collective bargaining agreements. Can you share the data which indicates those VT students that remain in VT are leveraging their 4 year degrees? Brian: This data could be had if there was a data sharing agreement between UVM and VSC with AOE and the UI shop. We understand this can’t be provided. There’s some information that can be pulled from graduates profiles.
* Rep. James: When might we discuss the cost of college to families? Brian adds that Vermonters, as a share of their income, pay significant amounts to go to college. Aid goes to a smaller share of students than other states. More data and analysis is coming.
* Heather Bouchey: We see similar trends in k-12, in terms of demographics and class size. The state put in place a solution, Act 46, which forced k-12 governance changes. She’s not advocating the same course of action but pointing out the similarities.
* Sophie Zdatny: Can you clarify the story around Pell receiving undergraduates? Brian: The graph shows what share of undergraduates receive Pell at all institutions across the state. When this is broken down by sector, we see that nonprofits may be driving down this figure, as well as UVM. The VSC institutions hover around the national average. Scott: Are these numbers independent of residency? Brian: Yes, they are.
* Scott Giles: What are you thinking about changing delivery modalities? A previous VSC white paper dealt with the system’s capacity to provide online options. Brian: A more systematic approach to delivering education across the state could pull on a variety of technologies and delivery models that are sufficiently high quality.
* Sen. Baruth: Vermont supplies an embarrassingly low amount of state funding to the state colleges. What’s your thinking on our considerations of the state increasing funding to ensure that postsecondary education is more affordable for adults and low-income residents? Our analysis could be inclusive or exclusive of additional funding and the recommendations could change considerably. Dennis: You’re right. There’s two stage to this: 1) If that were to happen, what’s the best calculation of enrollment projections and participation rates through the pipeline? 2) What’s the probably that the legislature will do this? This will have to play out through the committee. A report based only on increased state funding does a disservice to the state and the work of the committee – we can’t hang our hats solely on this recommendation. Sen. Baruth: I agree and also feel the opposite is true. The five credential model scenarios are very helpful. If we provided the New England average funding, we could make some inferences about the necessary structural changes in a number of situations. Joyce Judy: It’s such a complicated picture. If there’s a way to lower costs, we will see an increase of enrollment but it won’t address the underlying finances of the system. Two examples from CCV -- the McClure Foundation gift of one CCV course to high school seniors doubled their participation rate. We should find agreement on what populations we serve better and the structural issues. Rep. James: I echo Sen. Baruth’s statements and plan to advocate for an increase and strategic investment. Sandy Mayotte: I would be disappointed if the report only focused on funding: it should include delivery, access and marketing of the institutions. Sarah Buxton: The committee’s charge does not include funding but does include affordability, access and viability. There are hooks to get at underfunding though. But it seems like the report should focus on big changes and I wouldn’t be opposed to a statement on funding, once the other charges are addressed in the recommendations. Sen. Baruth: I agree with Sarah and Rep. James. I meant only to put on the table that we don’t exclude the possibility of increased funding, in addition to a number of other scenarios to improve public higher education.
1. Review and discussion of Select Committee survey results

See related slide deck.

Comments/Discussion:

* Suresh Garimella: We should consider the role of work to education pathways, in which employers are more engaged in the participation and financial aspects of the equation.
* Sen. Baruth: There’s broad agreement that students should not bear the revenue but revenue should come from efficiencies.
* Sandy Mayotte: I’m concerned when I hear suggestions of increasing the tax base or reconsidering the priorities of the state, so I really focus on efficiencies and increasing participation. Sen. Baruth: Our approach has been to decrease funding and ask for more efficiencies, which has led to this situation in part. The question of where the money would come from could be the recent tax bill whose beneficiaries have not specified wholly yet.
* Sarah Buxton: Does operations efficiencies include braiding the higher education system (UVM and VSC) together? Sen. Baruth: There was some opposition to including UVM in the Select Committee’s charge. There have been many discussion of these ideas. President Sullivan had offer to consider consolidating back office operations for savings opportunities. Sarah Buxton: There’s also challenges related to aligning with adult CTE and potential efficiencies there. Suresh Garimella: There’s a report that examined the possibility of uniting the systems in some way, which found doing so would be costly in the short run and there are fewer opportunities for consolidating systems than one would think. Joyce Judy: There’s some parallels between higher education and healthcare. There may be some things we can learn from UVM Health Network, which was not a merger but a partnership.
* Briar Alpert: It’s incumbent on the committee to come up with a baseline solution that doesn’t require increased funding in order to create a feeling of preference to doing more. Doing more could include a one-time investment or a long-time investment. These options should be compared to the baseline. And it’s up to the committee to articulate the value of incremental funding changes. Could we quantify the elasticity of demand, for example?
* Scott Giles (in the chat): There was ambiguity in the wording of the survey price and revenue were conflated so revenue could increase with enrollment growth, adults, retention. (Later in the chat) Funding can be thought of in two ways--sustained funding required to provide the VSC the ability to plan and strategic investments that might be time bound but allow critical capabilities to be developed or efficiencies to be implemented. We should consider both.
* Rep. James (in the chat): A 2015 report recommended performance-based state funding: $2000 to each public college (UVM and VSC) for every bachelor’s degree and $1500 for every associate’s degree conferred upon a low-income or first-gen Vermonter. Total cost of proposal was at that time $3 million. So that would be one type of increased state funding that would be targeted toward a strategic outcome. Dan Daley (in chat): That’s an admirable plan and maybe worth discussing, but there are many factors that go into degree completion and this idea could pit school against school. Rep. James (in chat): That would not be good! Just came across this report and wanted to toss out that broader idea of strategic state investment as opposed to base funding, but perhaps too complicated to add to the mix. Dan Daley (in chat): A system-wide incentive program might be practical assuming there is no degree duplication across campuses or there is some regionalization involved.
* Jeff Weld: Sandy mentioning marketing but also, when thinking about the funding construct, the committee could help shape the value proposition of higher education for the variety of stakeholders.
* Sarah Buxton: Another potential addition to financial levers could include revenues from private parties, such as businesses, or federal dollars. This comes into play with apprenticeship programs and tax credits to incentivize partnerships and partnerships.
1. Overview of stakeholder engagement plan

We got the sense that stakeholder engagement should be moved up in this process, both receiving feedback from select committee members individually and other individual voices across the state. We’ve stepped up our plan to have these conversations soon and more widely. NEBHE will assist with virtual focus groups.

Dan Daley: It’s really critical to reach out to faculty and staff to get their input, early and often. Brian: We’re convening union leadership and moderators of faculty assemblies in the first phase of focus groups.

1. Public comments and questions
	1. Members of the public, please share comments and questions at higheredcommittee@leg.state.vt.us
	2. *Please be advised that with few exceptions, any submitted documents are open to the public*

Beth Walsh:

* Success doesn’t always look like completion at the VSCs.
* Agrees that funding should be improved to reduce likelihood of future struggles and improve Vermont societally and economically.
* Focusing only on non-degree certificates would pull Vermonters out of the state and not draw them in.

Respectfully submitted,

Candace Williams

New England Board of Higher Education