

**Vermont Select Committee on the Future of Public Higher Education**  
**Monday, November 23, 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, Stephanie Murphy, Charlotte Peyser, Michael Thomas, Candace Williams

**Minutes:**

- I. NCHEMS's progress report
- II. Review and discussion of revised draft interim report

Structure and mission

Baruth: A strong argument is made for consolidating VTC, NVU and Castleton under a single accreditation with CCV remaining separate. Another concept that stands out is the ubiquity of courses across the system and that transfer would be more seamless for students.

Prescott: CCV would remain under the leadership of the Chancellor's Office, as would the new institution. The expectation is that all credits would be transferable from one institution to another, including CCV. CCV's distinctiveness would be overwhelmed if brought into the single accreditation.

Baruth: Do you think of the Chancellor's Office as scaled down and decentralized?

Prescott: It should provide discreet services to all institutions, rather than function as an address. There's competency at the institutions that may deliver capacity better than the Chancellor's Office, like NVU Online.

Jones: It also liaises with state government agencies, which can't be borne by the individual campuses.

Buxton (in chat): Do you (we?) think that by achieving greater scale by unifying CU, NVU, and VTC - the "Vermont State University" will be more nimble and responsive to courses/offerings/services for adult learners ( ... more like CCV is now)?

Daley (in chat): Sarah, from a possible new single faculty governance standpoint, it would be more nimble. Changes would come through one governing body instead of three. I would not say it will always be easy, but likely more streamlined.

Buxton: We should state that the unification of all four institutions was considered but not recommended.

Bouchey (in the chat): As an example/follow-up to Sarah's point, some readers may have questions about why we're not recommending aligning VTC to ccv, as opposed to the other four-year institutions. this is a great discussion!

Mayotte (in chat): Than, this would reduce redundancy and eliminate administrative FTEs, correct?

James: Could you discuss the complexities of maintaining separate identities in this scenario?

Prescott: The VTC culture is different than NVU or Castleton, we suspect, but it's unclear if VTC could go it alone in the longterm. The cultural issues that make get in the way can be overcome by: common collective bargaining unit, in VTC's Task Force forward thinking, workforce connections.

Buxton (in the chat): I also urge us to characterize this as "unification", calling attention to the many strengths of the entities that would ultimately be shared by all, vs. "consolidation" which seems to suggest this action's singular aim is to reduce redundancies.

Jones: There are parts of VTC's enterprises that would help with the ubiquity this proposal is striving for. Culture variances are impacted most by leadership, which has the right tools. Not doing so would risk the economic bottom line and the need to distribute education across the state equitably.

Mayotte: Have there been any calculations done on the lowering of FTEs on the administration and faculty/staff sides.

Prescott: We have completed the administrative assessment and the data to do some the faculty/staff calculations is in the pipeline.

Daley: Any technical school has a significant amount of equipment costs that other institutions may not. NVU's faculty numbers have gone down significantly in recent years but eliminating programs doesn't always result in cuts to faculty.

Jones: We compared VTC to peer institutions and its very expensive to run.

Baruth: Seconds Sarah's suggestion of using the word "unification." With Act 46, we attempted to forecast the savings of consolidation. Many districts consumed the savings to cover deferred maintenance. I'm hoping the analysis on the savings is there. Where does that stand?

Prescott: We have run the numbers and identified comparable institutions and consolidated systems. We have identified gaps between funding levels and expenses that characterize individual institutions and their peers. In the unified system, there was a difference in \$40

million dollars annually. You wouldn't get this immediately, so \$20 million seems like a reasonable short-term savings estimate, although it still won't be overnight. In general, the institution expense categories that are much higher than peers are administrative and academic support. These might represent opportunities, as well. Will there be savings? I don't know, there may be good reasons for addressing deferred maintenance. Building a stronger system for the same money is at least partially positive outcome, as long as the system is viable in the longterm.

James (in chat): Would like to add my support to Sen. Baruth's note of caution about focusing too strongly in the report about specific dollar amounts that might be saved, particularly if those are ballpark estimates based on similar postsecondary institutions in other states. It seems our goal is a strong, efficient, transformed institution that meets state goals and is financially stable — a wise investment of taxpayer dollars within our appropriated dollars.

That may or may not = "savings" or reduced expenditures, especially to a specific benchmark included in the report.

Mayotte: These efficiencies are exciting, maybe they should be described as opportunities for new directions, rather than savings.

Buxton: It's appropriate to present recommendations that help the reader learn what goal it supports.

Buxton (in chat): If we still have time before moving on, can we discuss if there should be attention paid to in-person vs. remote learning between the proposed 2 institutions?

Prescott: The benefits of online learning is not widely agreed upon among faculty and staff in the system. But we're sympathetic to some students who are struggling to manage as well as they might have in-person. There should be sufficient, accessible support services for students throughout their entire academic pathway.

Jones: The reality of delivering ubiquitous programming includes a combination of in-person and technology-enabled options. How do you effectively use technology with plenty of high-touch interaction built in that support student success? That means departments of faculty that are distributed across multiple sites.

Buxton (in chat): So it sounds like it's possible that the unified institution may have many more students enrolled who don't actually live on campus. For example, if I live in Mendon and take 80% of courses online (mix of courses from the new entity and CCV) -- and travel to VTC 1x week for a lab, I can still pursue that degree/opportunity. Whereas, the former model, my degree at VTC might have required me to live very close or on the campus to complete the degree.

Giles (in chat): Scale offers potential benefits to faculty (larger department/intellectual community) and to students (more frequent availability of required but lower enrollment courses that may be available once a year at a campus but 4 times a year in the system).

Alpert: Appreciates figure 5-7 that get at unmet demand. Is it our role to steer VSC to better match the needs of the state? How should that play out in the new system?

Jones: There are fields that the state is underinvested in. But you can put a program in place that students don't show up for.

Zdatny: VTC responds to employer needs by creating new programs and employers can offer incentives but it's still a challenge to attract students, especially if they include subjects that students struggle with like math and engineering.

Daley (in chat): Well said Sophie. A large majority of students come to our institutions because they are attracted to a particular program and hope ultimately they will be able to find a rewarding career in that area.

Bouchev: We've been doing work on career pathways and educating students beginning in middle school. If we were able to simplify the options through the unification, it could make those transitions easier.

Mayotte: Let's not lose sight of certificate programs for lifelong learners who need to retool after a few years.

Weld: We need to make sure "unification" is a genuine statement. We could be creating confusion in the marketplace with potentially confusing rebranding. We need to keep our customers in mind. It's less about institution unification and more about programmatic unification, it seems to me.

Gordon: Program cost has to be competitive to attract students. It would be helpful to move the savings information into an earlier section of the report. The word "consolidation" reflects change and reduction of expenses. "Unification" doesn't sound like change. A lot of people do want to drive toward consolidation and cost savings.

Daley (in chat): To Jeff's point, NVU was a relative success. We were given a 5-year window to unify and we made tremendous strides in just two years. We are on target to balance our budget, and actually ended this past fiscal year with a small surplus. It takes time to make these changes, and the progress was slow, but positive.

### Resource allocation

Daley: There are specific figures cited. Where did they come from as a starting point?

Prescott: We looked at the report the Chancellor's Office made to its board. We worked from that and tried to assess, based on our savings analysis, and strike an appealing balance.

Baruth: I'm glad that Select Committee will make this statement, acknowledging the other priorities of the state.

Jones: We must be clear that money from the legislature won't buy more of the same. The system has to come out the other side looking much different and responding the students' and state's needs. The system's contribution are the efficiencies and savings.

James: Could you talk about the role of the work study program at VSAC?

Prescott: This idea deserves a full airing. There are concerns over the structure and its implementation, etc. It starts with the affordability standard and the way we can measure affordable, high quality investments. It includes a level of work that doesn't detract from the students' commitments and that would further embed learning and success.

Jones: As we think about using resources and aligning them with goals, we've heard the importance of earn and learn opportunities. This work study program takes some of the ideas of the federal program, removes some limitations and adds a few requirements. It links work more meaningfully to the academic experience. WA has a similar program. It's one way to get private sector funding into the system.

Buxton (in chat): I worry about adding another work-based learning model to our menu at this point in VT. We are still struggling to build more robust paid internships (also with credit) and registered apprenticeships. This needs to be flushed out more before it's endorsed by the committee.

Giles (in chat): This would be complex but could be an opportunity to re-engage the business community (Vt. Business Roundtable).

Jones: A consolidation of work-based learning programs may make sense.

Mayotte: While we want interns, if we're going to invest resources in the student, I want them for a longer period of time than 2-3 months.

Buxton (in chat): That's very much what we are hearing from employers too.

Especially with internships (vs apprenticeships which require a minimum of 2000 hrs of work)

Garimella: What is said in the executive summary will be very important. It gets confusing to describe recurring and one time costs. It'll be useful to keep them separate as much as possible.

Garimella: Clarify. You can't earn credit and be paid.

Jones: You can find a way around that.

Jones: We will also clarify how recurring and one time costs will play out over multiple budget sessions.

### Administrative Coordination

Mayotte: You had me at hello with this section.

Giles: You'd want to set up an MSO. I don't think selling the services to others will happen in the short-term. It's a laudable goal but I don't know it's achievable.

Jones: It's not a short term step but doing that set of functions requires real expertise. How you create a

Giles (in chat): There may be lessons to be learned from the Green Mountain Higher Education Consortium (Middlebury, Champlain, St. Mike's), <https://gmhec.org/>.

Gordon: Have you seen it work?

Jones: Private sector organizations have put together consortia that work. Public sector tend to create an operations department within a system/organization. There's a lot to be said for the operation and the optics of it.

Buxton: It feels a little too far for the size of the state and system. When you have to call a vendor rather than a co-worker, or build relationships with HR, it seems like that should be part of day-to-day interactions. What would collaboration with UVM look like, as opposed to collaboration with all organizations?

Jones: Some examples:

- Research management, where UVM has deep connections and capacity
- Food services contracts but UVM gets better deals than VSC

Buxton: What would risk management look like? I support one or two items on this list but I'm wondering about the low hanging fruit like procurement, contracts and areas where scale matters.

Jones: There are examples where on campus support is necessary. CT is doing lots of back office operation at the CSCU office level. They're finding good ways to centralize some things and maintain presences on site for others.

Buxton: The approach to business relationships should have a customized approach and be a part of leadership.

Cluver: I would be concerned about outsourcing to other institutions earlier on but in terms of providing a standard set of services, it has been demonstrated to provide cost savings and a shift away from compliance issues. The way Dennis has described it is as redefining roles and

responsibilities that has benefits. It could be compared to OK's A&M campuses, which has improved services and reduced costs.

### III. Next Steps

Proposed topics for next week:

- Comparison to other systems' labor costs (Cluver)
- (Maybe not for next week but in general) Equity issues: students who struggle with online learning, broadband, racial/social opportunity gaps, etc.
  - Daley agrees. The importance of residential campuses.
- Topics on which there is not broad agreement from the high-level focus group findings (Mayotte)
- The question of the shared responsibility model for affordability (Gordon)

### IV. Public comments and questions

- a. Members of the public, please share comments and questions at [highercommittee@leg.state.vt.us](mailto:highercommittee@leg.state.vt.us)
- b. *Please be advised that with few exceptions, any submitted documents are open to the public*

Respectfully submitted,

Candace Williams  
New England Board of Higher Education