



April 27, 2023

Sophie Zdatny  
Chancellor  
Vermont State Colleges System  
PO Box 7  
Montpelier, VT 05601

Dear Chancellor Zdatny:

I write to inform you that at its meeting on April 20, 2023 the New England Commission of Higher Education considered the report submitted by the Vermont State Colleges System and took the following action:

that the report submitted by the Vermont State Colleges System be accepted;

that the System be asked to submit a report by June 1, 2023 about its continued progress to consolidate Castleton University, Northern Vermont University, and Vermont Technical College into Vermont State University (VTSU);

that the June 2023 report include updates about the System's continued progress with the two matters specified for attention in each of the prior two reports, specifically:

- 1) enrollment and budget projections for Vermont State University and progress toward eliminating the System's structural deficit and achieving the anticipated \$25 million in structural savings;
- 2) development of a hybrid operational model for VTSU;

that the update on enrollment, budget, and deficit reduction include information about plans to fund initiatives included in the Campus Master Plan that is under development as well as the System's plans to incorporate the impact of its modified digital library plan into its deficit-reduction projections;

that the update on the development of a hybrid operational model for VTSU give particular attention to the System's success in assuring that key functions and operations will be ready for implementation in July 2023, specifically:

- 1) new scheduling options for courses;
- 2) expansion of the F2F+ modality;

- 3) implementation of student and faculty/staff portals;
- 4) planning and implementation for the digital library;

that the June 2023 report also provide updates about progress to accomplish the following items:

- 1) implementing the leadership structure for VTSU, including the transition of staff in functional areas and the status of the presidential search;
- 2) establishing a unified faculty governance structure with anticipated timelines for implementation;
- 3) transferring specialized accreditations to VTSU;
- 4) completing the Unified University Handbook, website, and catalog;
- 5) securing Title IV approval for VTSU;

that representatives of the System and VTSU be asked to attend the Commission's June retreat when the Commission will review the System's report and, as noted in our letter of June 17, 2022, make a determination about whether the plans to ensure Vermont State University meets the *Standards for Accreditation* have been successfully implemented;

that a decision about the timing for the focused evaluation currently scheduled for Fall 2023 be made following the Commission's review of the System's progress report at its June retreat.

The Commission gives the following reasons for its actions.

The report submitted by the Vermont State Colleges System (VSCS) was accepted because it was responsive to the request made by the Commission in its letter of June 17, 2022.

The Commission thanks VSCS for submitting a comprehensive, candid report that documents the accomplishments achieved to date on the consolidation of Castleton University, Northern Vermont University, and Vermont Technical College into Vermont State University and also outlines where work remains in progress.

The Commission is pleased to learn from the report that, due to a "sharp increase" in out-of-state enrollment and "steady" in-state enrollment, the deficit for FY2023 is expected to be considerably lower than anticipated: \$15.5 million instead of \$22.2 million. This will enable the System to use less of the state-appropriated "bridge" funding during the current fiscal year and carry those funds to FY2024. We understand that projections for VTSU's "first-pass" FY2024 budget are based on an expected 10% decline in new student enrollment and anticipate a deficit of \$17.2 million, to be addressed through the use of current-year and prior-year bridge funding. We acknowledge the work of the VTSU leadership team to "streamline administrative functions and consolidate administrative positions" to achieve efficiencies and also note the System's commitment to increase enrollment marketing strategies and to improve student retention through a new student advising model. The Commission appreciates that there will be "additional iterations" of both the budget and enrollment projections over the next two months.

The Commission further notes with favor that the unified curriculum for Vermont State University has been reviewed and approved with the result that “the majority of VTSU’s degree programs will be offered with greater flexibility of access.” The Face-to-Face Plus (F2F+) modality was successfully piloted by 26 faculty in Spring 2023; they and another 50-60 faculty members are expected to teach in that modality in Fall 2023. The Fall 2023 course schedule is expected to be completed in early April with registration (using the “rebuilt” self-service registration function) opening by April 17. Students have received financial aid packages, and “good progress” has been made toward securing authorization from the U.S. Department of Education for VTSU to award aid beginning July 1, 2023. The new student portal, which will provide access to advising, class registration, student finances, career connection, academic support, health and wellness, and graduation services, is expected to be available by May 1, and the faculty/staff portal, by July 1. A director of institutional research has been hired and is supporting the work to identify objectives, strategies, and metrics for the four strategic priorities that have been adopted. At the time the report was prepared, all senior leadership positions and “most” permanent division deans, assistant vice presidents, and directors had been filled. A faculty governance design group has developed a draft governance model that provides two alternative approaches; faculty are reviewing the draft model, and a vote is anticipated “before the end of the academic year.” We note with favor that faculty have consolidated over 250 academic programs into “just over 100 undergraduate and about 20 graduate degree programs;” the Connections general education program has been approved; and a unified process for dual enrollment has been adopted. We understand that 22 academic programs hold specialized accreditation or are subject to specialized regulation and that all accreditors and/or regulators have been contacted about the need to transition the accreditation/approval to VTSU. “Evaluative guidelines” for reappointment, tenure, and promotion processes are expected to be finalized by the end of the Spring 2023 semester, and a “comprehensive training program” is being developed for student success advising staff. Further, good progress has been made to develop assessment plans for general education, career readiness, and post-graduation outcomes, and an “innovative student success model” with associated metrics is also under development. The Commission is also gratified to learn that an “outline” for a Unified University Handbook was completed in February and that “individual elements” of the Handbook are being developed. More than 30 academic policies have been “aligned” and will be included in VTSU’s inaugural digital catalog, anticipated for publication in May 2023. Finally, a permanent VTSU website, “with a different look and feel than the current site,” is being developed with a goal to transition content from the current website to the new format by September.

The Commission also thanks the System for its candor in discussing two recent major developments that have an impact on the consolidation: the resignation of the VTSU president and changes to its plans for a digital library. We appreciate receiving an update about the decision of the VSCS Board to accept the resignation of President Grewal effective April 14, 2023 and to appoint Michael Smith, “a well-respected and dedicated public servant,” to serve as interim President for six months. With respect to the library, we understand the initial announcement of the digital library plan generated “significant discussion and concern” and that consultations with stakeholders are currently underway to inform development of a “refined plan.”

Given the change in leadership and the fact that several tasks remain to be accomplished before July 1, 2023 when Vermont State University is expected to “launch and welcome its first students,” the Commission asks that the System submit a report by June 1, 2023 that provides an update on continued progress with the consolidation to demonstrate the System’s “demonstrable record of success in implementing the results of its planning” (2.5). We ask that particular attention be given to the matters enumerated on pages 1-2 of this letter, including information about revised enrollment, budget, and structural deficit projections and steps taken to assure that key elements of VTSU’s hybrid operational model will be ready for implementation on July 1, 2023.

With respect to revised budget and structural deficit projections, the Commission understands that a “master plan of prioritized capital projects and investments” is being developed, and we therefore seek information about the System’s plans to fund the initiatives to be included in that plan. We also note from the System’s report that the anticipated savings from implementation of the digital library were to be \$500,000 annually, a key component of the deficit-reduction plan. The System’s intention to modify its plans for the digital library initiative will likely have an impact on those projected savings and therefore on the deficit-reduction plan. As that impact was not discussed in the current report, we ask that information be provided in the June 2023 report.

The Commission looks forward to reviewing VSCS’s report at its June 2023 retreat, at which time we will, as noted in our letter of as noted in our letter of June 17, 2022, make a determination about whether the plans to ensure Vermont State University meets the *Standards for Accreditation* have been successfully implemented. To enable the Commission to have the most up-to-date information about the consolidation, we ask that you and the recently appointed interim president of Vermont State University meet with the Commission during the retreat from 12:45 pm – 1:30 pm on Thursday, June 15. Further details about the meeting will be sent in a later communication.

Finally, at its June retreat, the Commission will make a decision about the timing for the focused evaluation currently scheduled for Fall 2023. Based on information received at the retreat, the Commission may retain the Fall 2023 date for the evaluation or may reschedule it to a later semester.

The Commission expressed appreciation for the report submitted by the Vermont State Colleges System and hopes that its preparation has contributed to educational improvement. It appreciates your cooperation with the effort to provide public assurance of the quality of higher education.

You are encouraged to share this letter with all of your constituencies. Consistent with Commission policy, we will inform the chair of the governing board of the System of this action by sending a copy of this letter to Eileen Dickinson in a few days. You are free to release information about the report and the Commission’s action to others, in accordance with the enclosed policy on Public Disclosure of Information about Affiliated Institutions.

If you have any questions about the Commission’s action, please contact Lawrence M. Schall, President of the Commission.

Sincerely,

A handwritten signature in black ink, appearing to read "Russell Carey", with a stylized flourish at the end.

Russell Carey  
RC/sjp

cc: Eileen Dickinson  
Parwinder Grewal

Enclosure: Public Disclosure of Information about Affiliated Institutions