

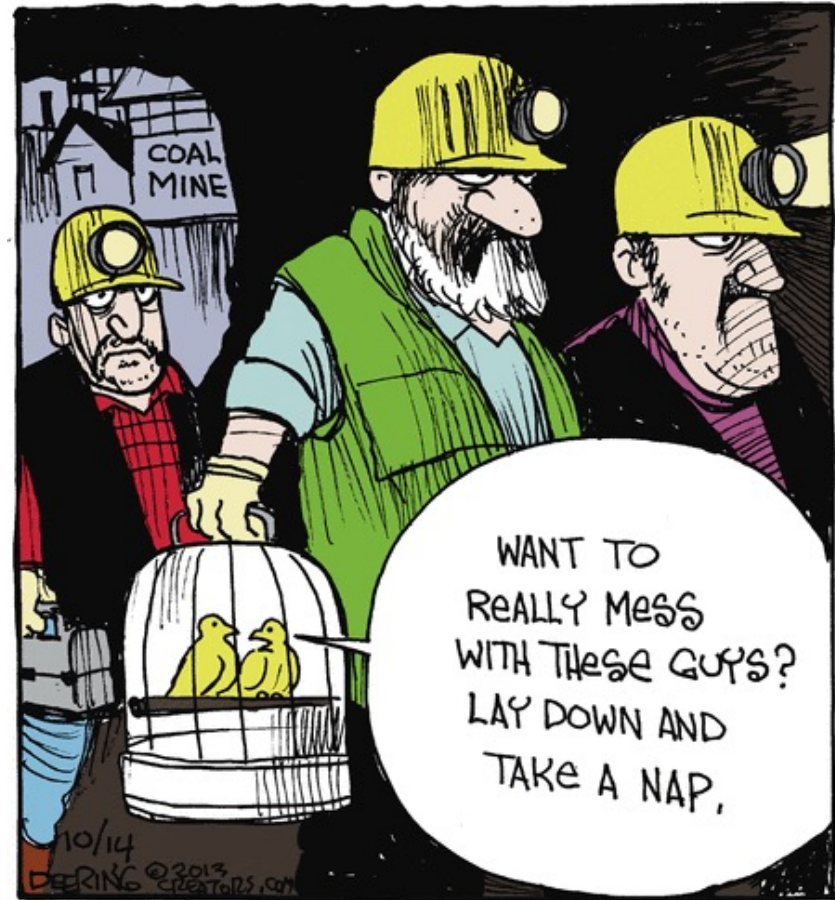
# Public Systems Consolidation as a Response to Demographic and Fiscal Challenges

SHEEO Higher Education Policy Conference

November 8, 2021 | Washington, D.C.

# Agenda

- Setting the stage
- The Vermont & New Hampshire Cases
- Summary Observations
- Discussion
- Q&A



# Headlines

Dakota Free Press

South Dakota's True Liberal Media

2021-11-02

Home Dakota About Contact Policies Business

## Five Minnesota colleges to merge as enrollment keeps wide

Paul Pioneer Press | 8:04 pm, Jan. 29, 2020

Range colleges will become one under a proposal driven by t declines being felt throughout the Minnesota State higher

STATE JOURNAL

## UW System looking at consolidation between UW branch campuses, technical colleges

Kelly Meyerhofer | Wisconsin State Journal | Feb 14, 2021

## THE CHRONICLE OF HIGHER EDUCATION More States Turn to Public-College Mergers, but Easy Fixes May Remain Elusive

By Lee Gardner | FEBRUARY 24, 2021



ALAMY

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## Vermont State Colleges chancellor to recommend closing three campuses

BY CORY

By Lola Duffort

Apr 17 2020

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Jeb Spaulding, chancellor of the Vermont State Colleges System, on the campus of University-Lyndon in Lyndonville on Sept. 12, 2019. Photo by Glenn Russell/VTDigger

The Vermont State Colleges could shutter three campuses and cut 500 employees as part of a restructuring proposal its leadership plans to bring to trustees in an effort to address the pandemic's financial fallout.

## KDKA CBS Pittsburgh Students, Faculty Rally Against

Students and faculty are calling for Pennsylvania lawmakers to im

June 28, 2021 at 3:04 am Filed Under: California University of PA, Clarion University, Edinb



A demonstrator dressed as a badger, the mascot of the Johnson campus of Northern Vermont University, and several hundred other people in more than 100 cars held a honking protest parade in downtown Montpelier last April, objecting to a plan to close the state college campuses in Johnson, Lyndon and Randolph. File photo by Glenn Russell/VTDigger

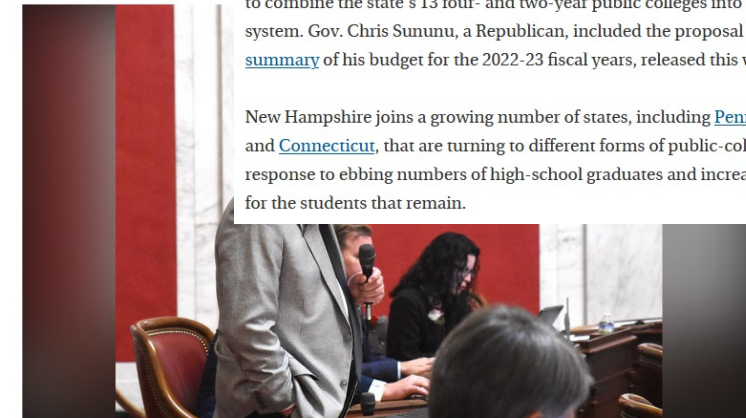
## Too many colleges for New Hampshire's higher education

by Jake Jarvis Staff Writer Apr 22, 2018

University of New Hampshire at Durham

With a single paragraph, the governor of New Hampshire announced his intention to combine the state's 13 four- and two-year public colleges into one unified system. Gov. Chris Sununu, a Republican, included the proposal in the [executive summary](#) of his budget for the 2022-23 fiscal years, released this week.

New Hampshire joins a growing number of states, including [Pennsylvania](#), [Maine](#), and [Connecticut](#), that are turning to different forms of public-college mergers in response to ebbing numbers of high-school graduates and increased competition for the students that remain.



Sen. Ed Gaunch, shown here in a file photo, says the state has too many colleges for its population and the size of its budget. Staff photo by Rusty Marks

# Themes of Proposed Consolidations

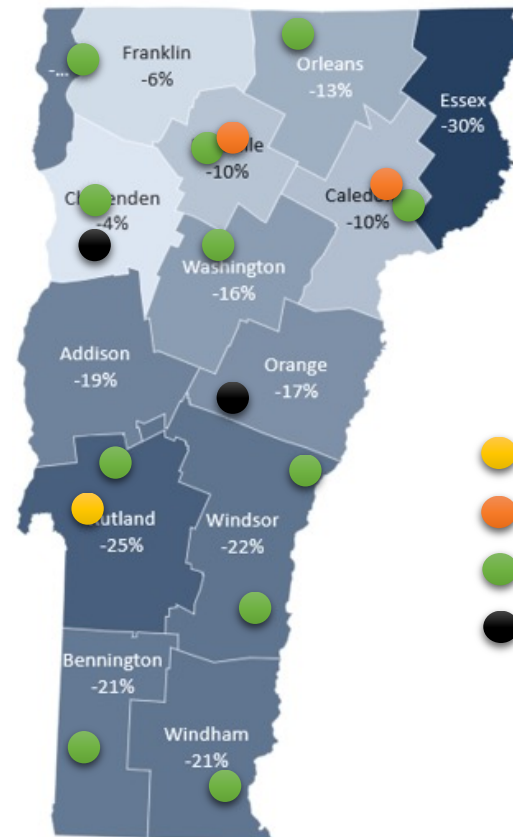
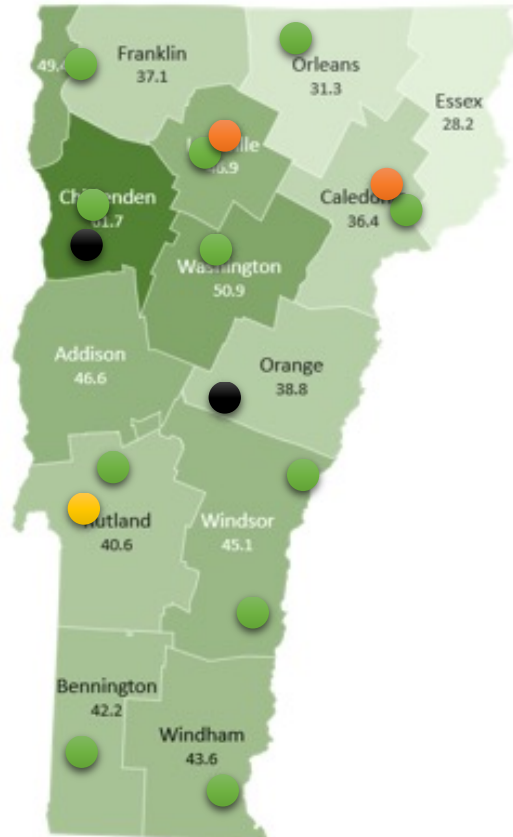
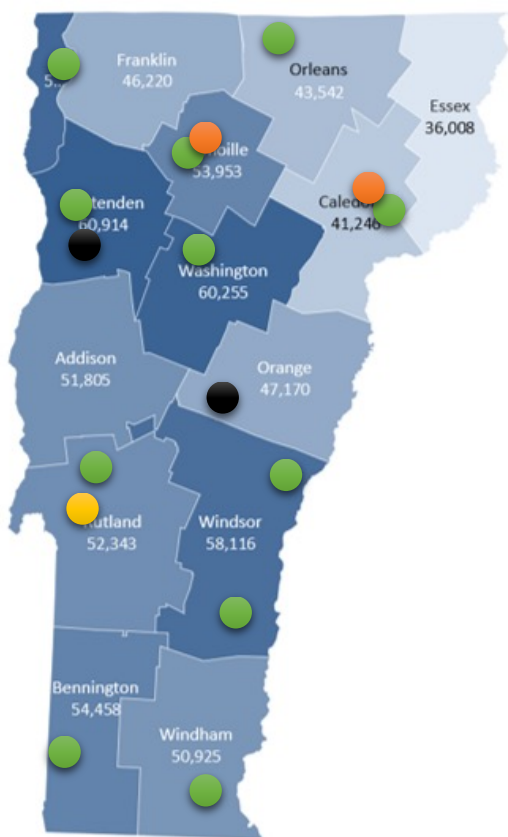
- Heavy reliance on tuition revenue
- Unfavorable demographic conditions
- Institutions involved serve critical constituencies
- Deference to institutional autonomy contributes to external intervention
- Pressure from new providers

# Vermont State College Campus Locations

Per Capita Income, 2018

Educational Attainment, Associate's+, 2014-18

Projected Population Change 2010-30



- Castleton University
- Northern Vermont University
- Community College of Vermont
- Vermont Technical College (VTC operates additional locations throughout the state that focus primarily on nursing programs.)

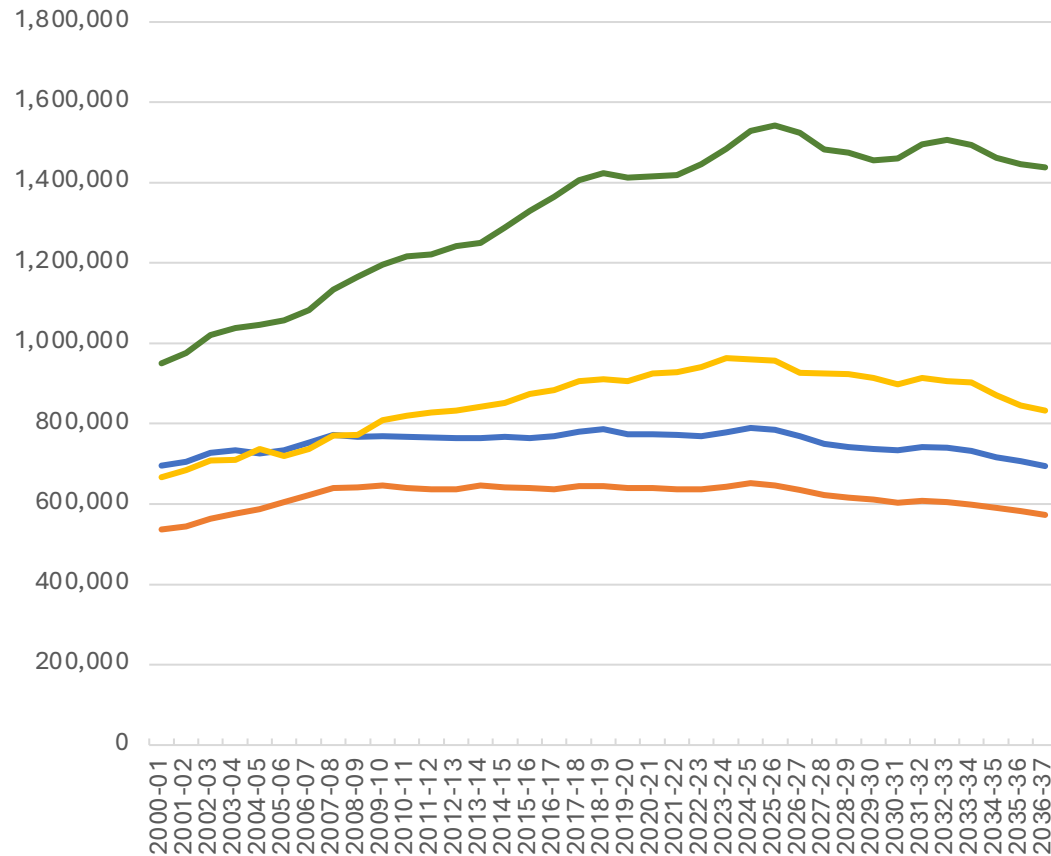
# CCSNH SUPPORTS NH RESIDENTS, COMMUNITIES AND NH'S REGIONAL LABOR MARKETS

- *CCSNH colleges provide local opportunities* for learners in every region of NH
- *CCSNH colleges provide responsive programming and delivery strategies.* Educational and career pathways include:
  - Associate (2-year) degrees
  - Short-term, stackable offerings/certificates
  - Customized training to meet specific labor market needs
  - Apprenticeship programs in “earn/learn” partnerships with employers
  - Pathways from high schools/CTEs
  - Transfer pathways to 4-year institutions
- *CCSNH is agile* to meet needs as they emerge

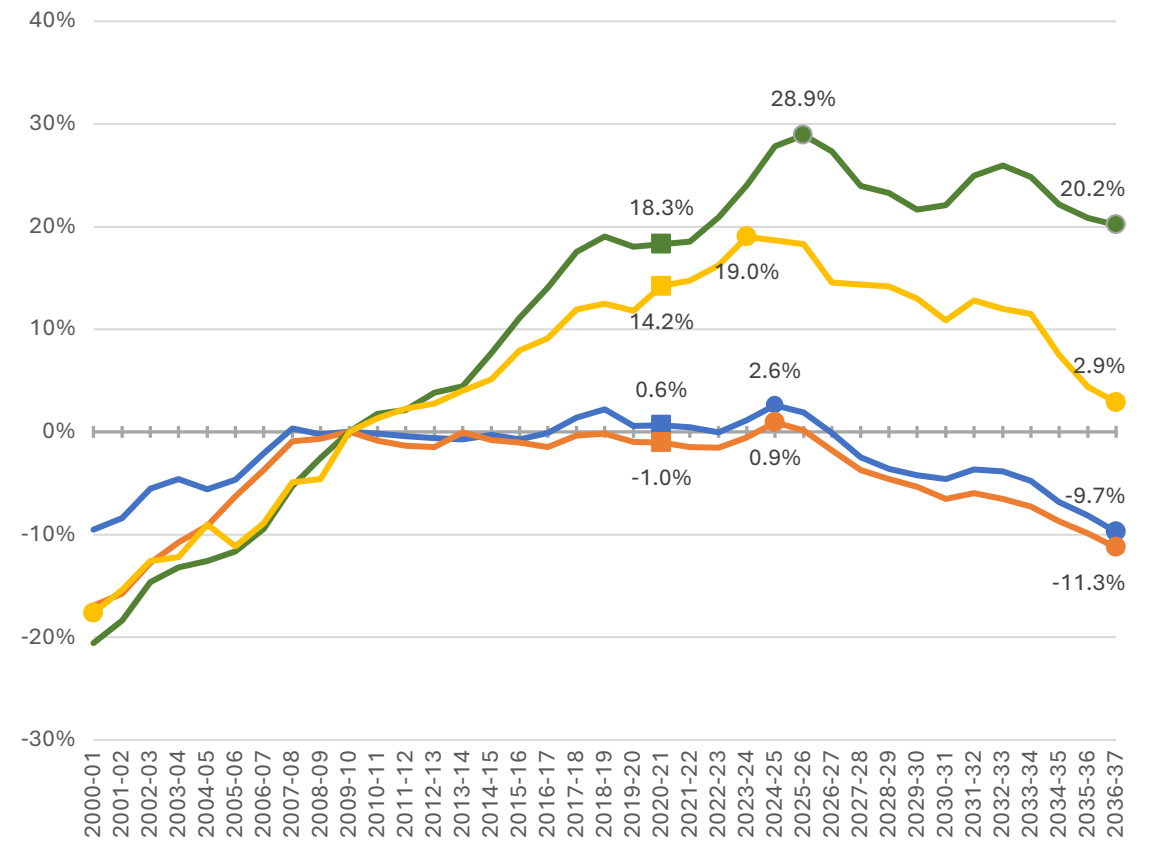


# High School Graduates by Region (Actuals through 2020)

Actual and Projected High School Graduates



Cumulative Percent Change (Relative to 2010)

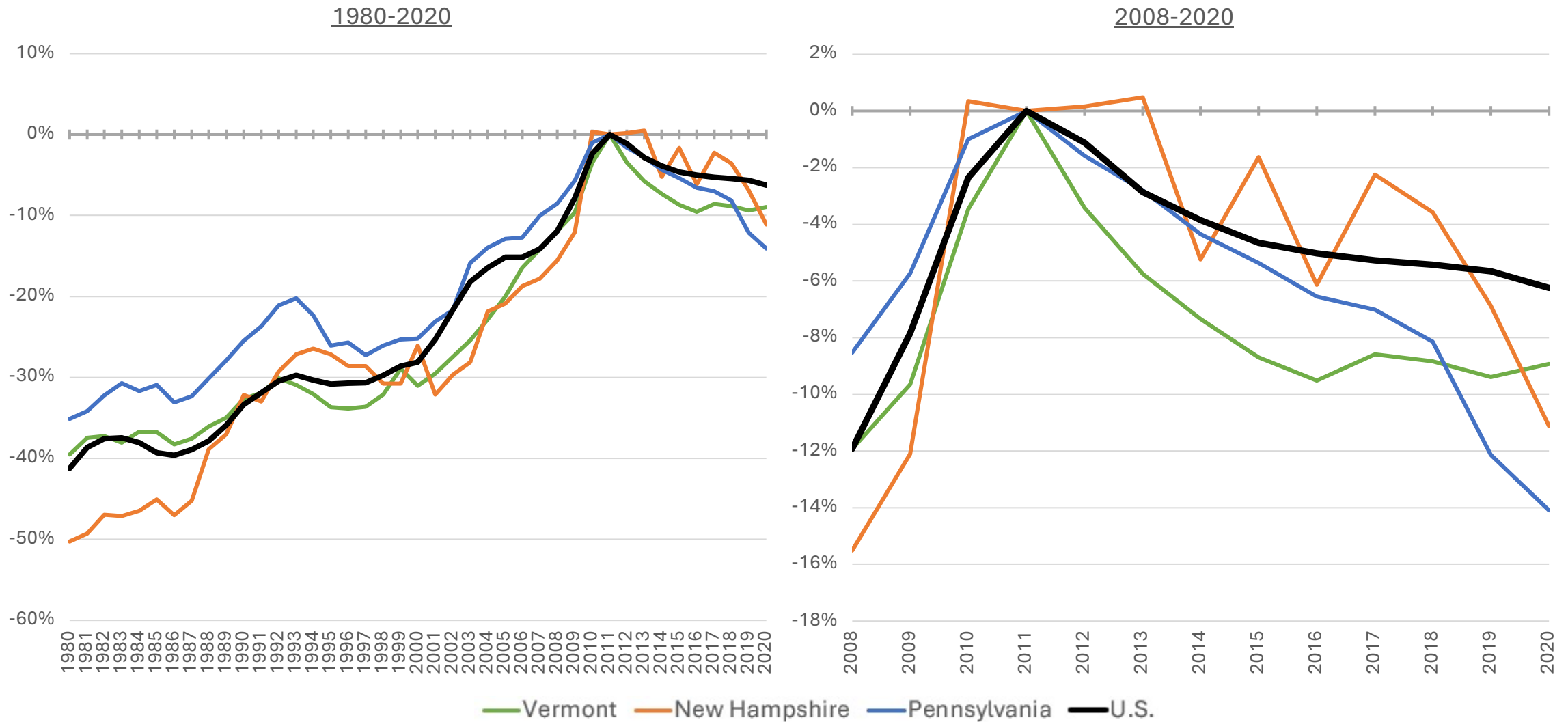


— Midwest — Northeast — South — West

Source: WICHE

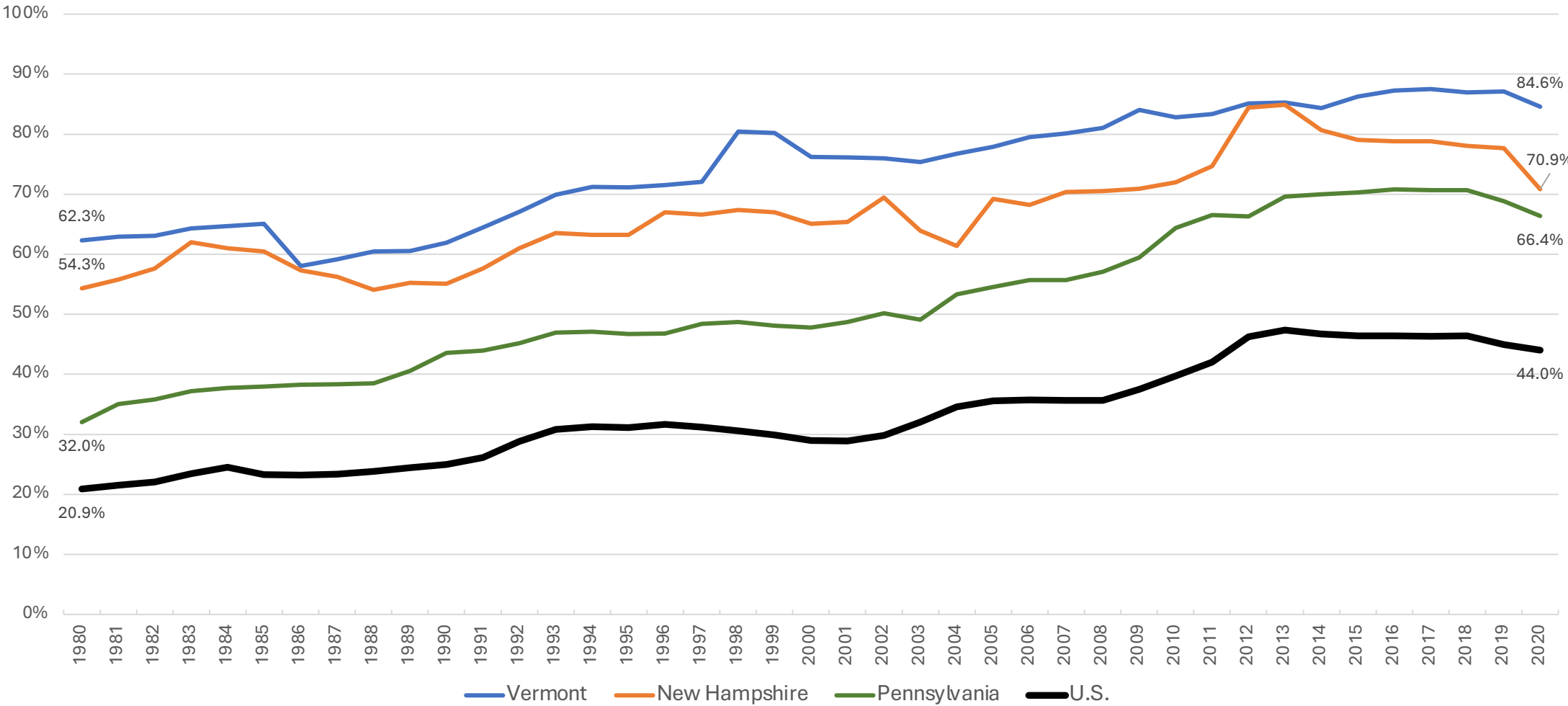


# Cumulative Percent Change in FTE Enrollment in Public Institutions (Relative to 2010), U.S. and Selected States





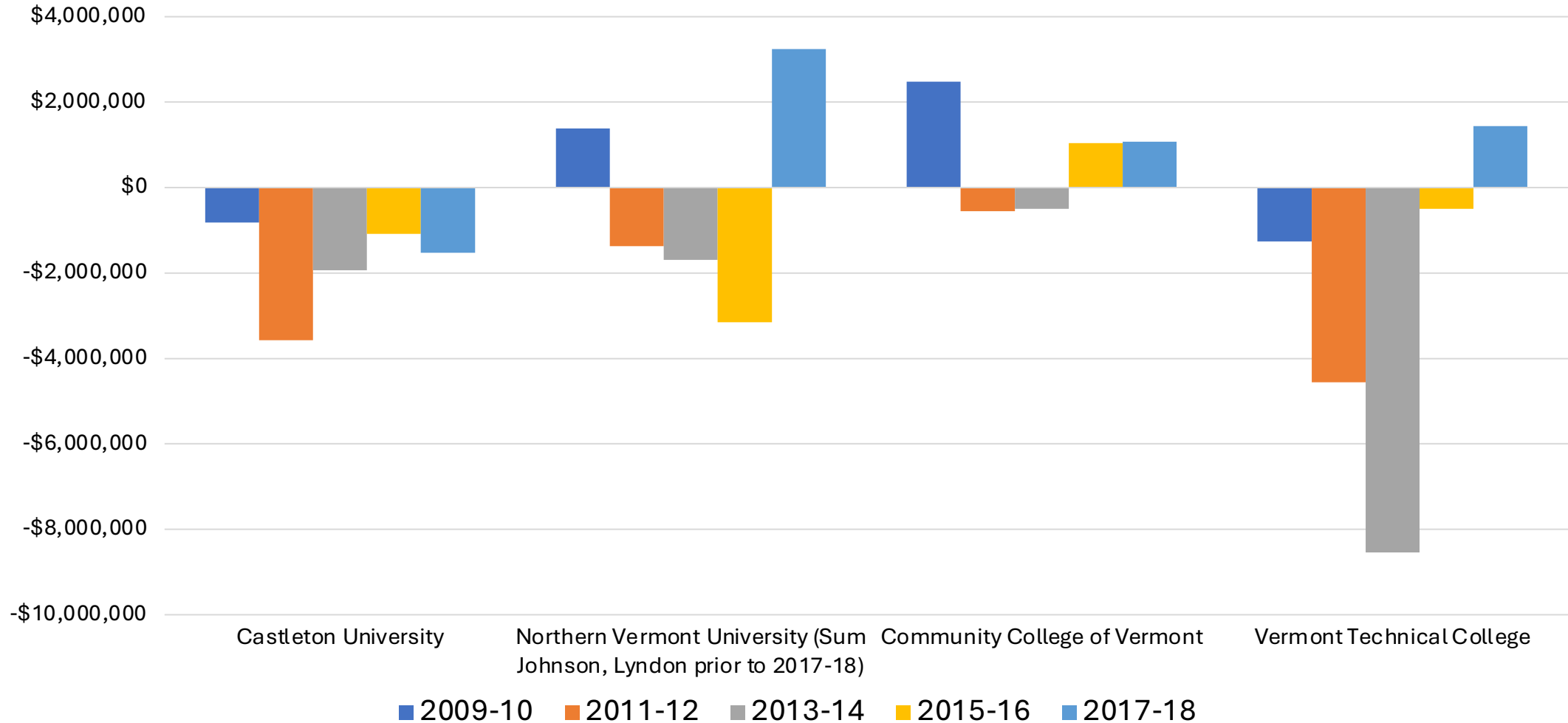
# Student Share of Total Education Revenue



Source: SHEEO SHEF

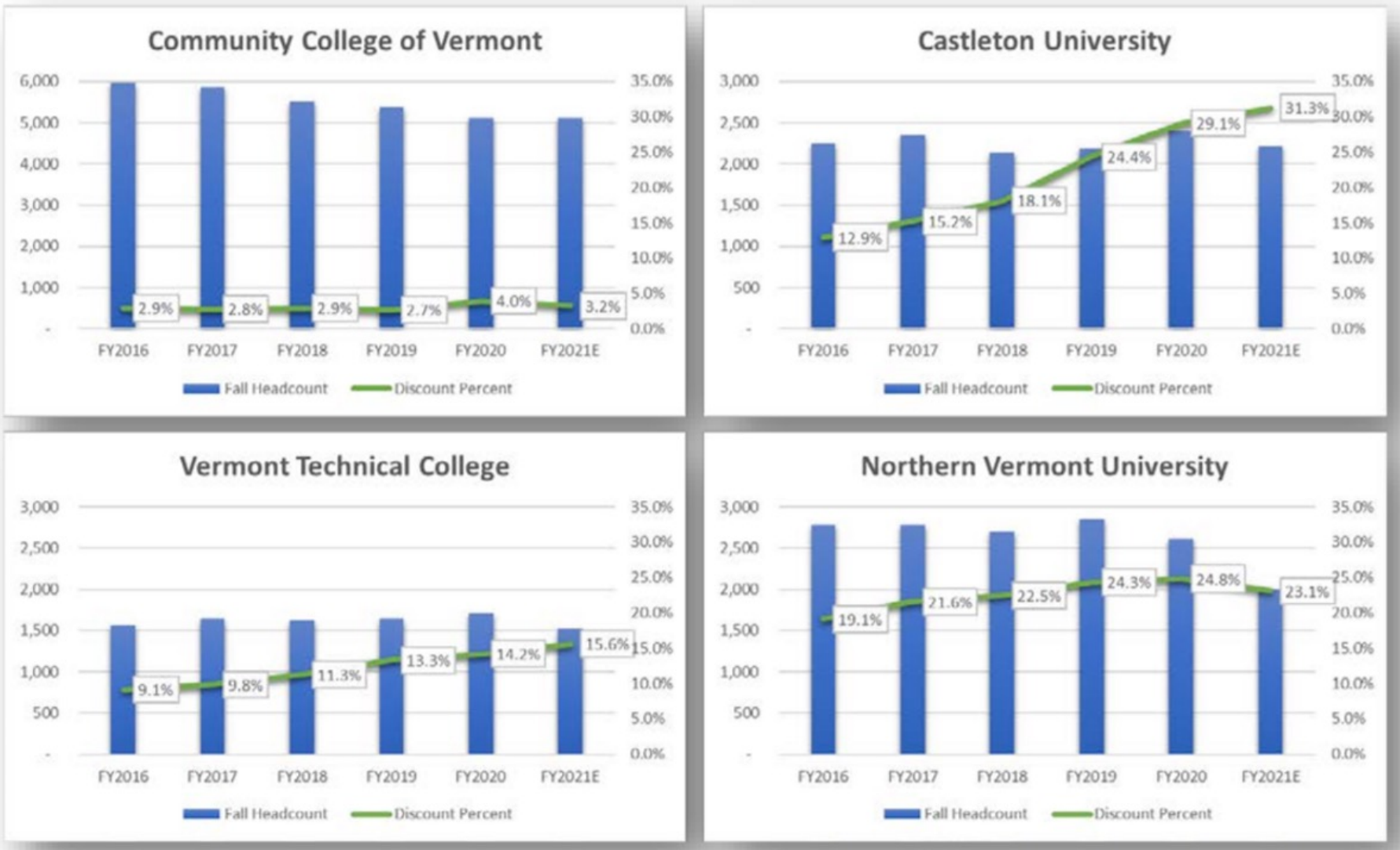


# Revenue Minus Expenditures, Vermont State College Institutions



Source: NCES IPEDS

# Institutional Headcount and Discount Rate at VSC Institutions

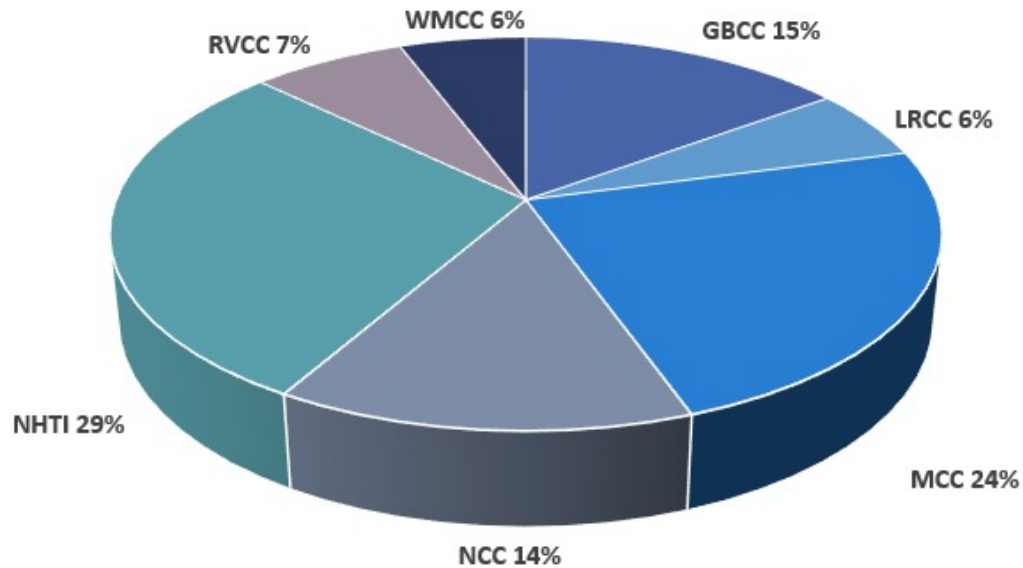


# Vermont

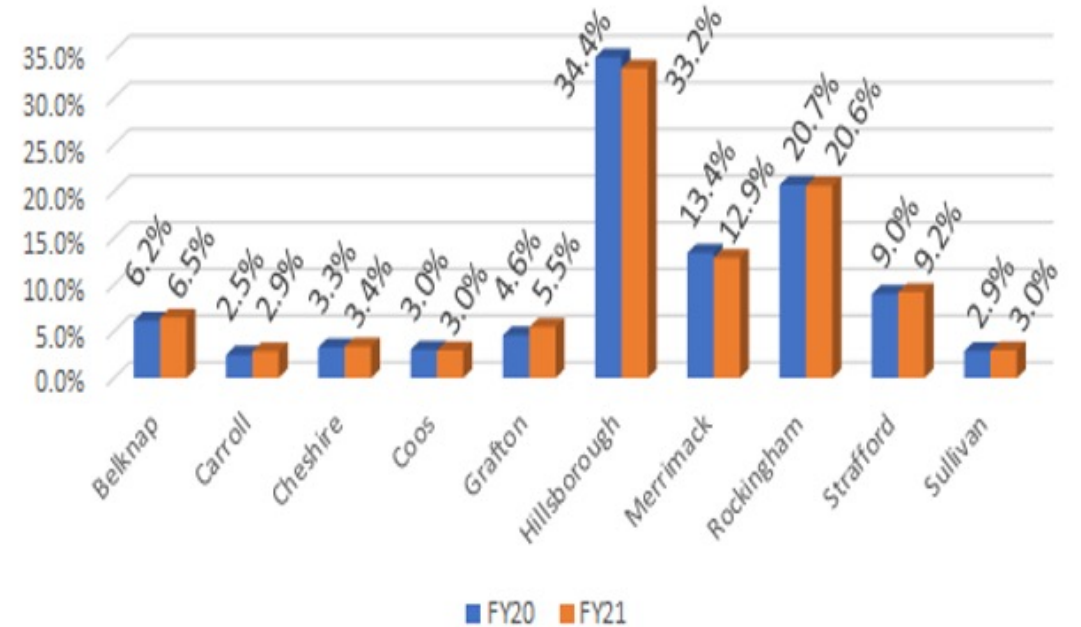
1. Proposal to close NVU and the Randolph campus of VTC (Spring 2020)
2. Public outcry leads to legislation creating the Select Committee on the Future of Public Higher Education in Vermont. NCHEMS hired as consultant to conduct analyses, facilitate and prepare reports. (NEBHE assisted)
3. Deliberate, data-informed process culminates in report endorsed by all Select Committee members (April 2021) (<https://www.vsc.edu/transformation/>)
4. Report recommendations
  - a. Consolidate three VSCS institutions; maintain CCV as separate
  - b. Maintain existing sites with shared academic delivery of programs and resources, including student services
  - c. Administrative consolidations
  - d. State funding to support these transformations over multiple years
  - e. Others: affordability, board development, economic development
  - f. Implementation steps for all parties
5. Select Committee report cued up a transformation plan adopted by VSC board and leadership

# Geographic Distribution of CCSNH Enrollment

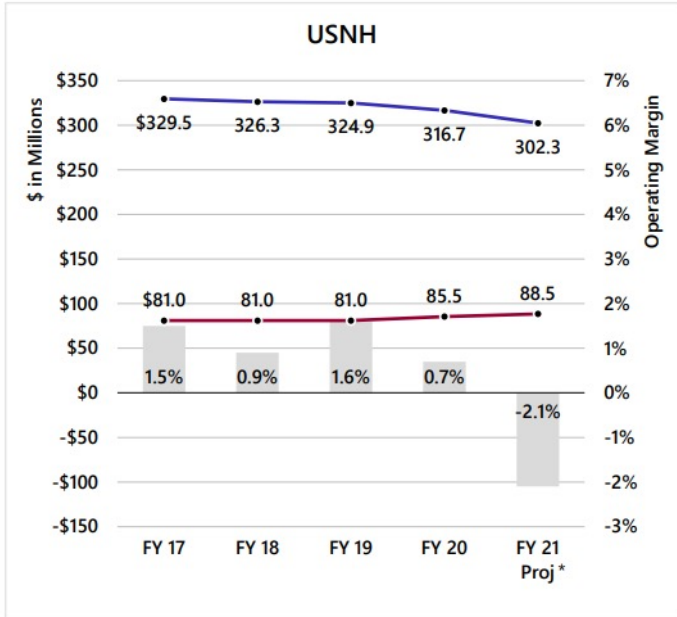
**Enrollment by College FY20**  
(does not include Running Start or non-credit)



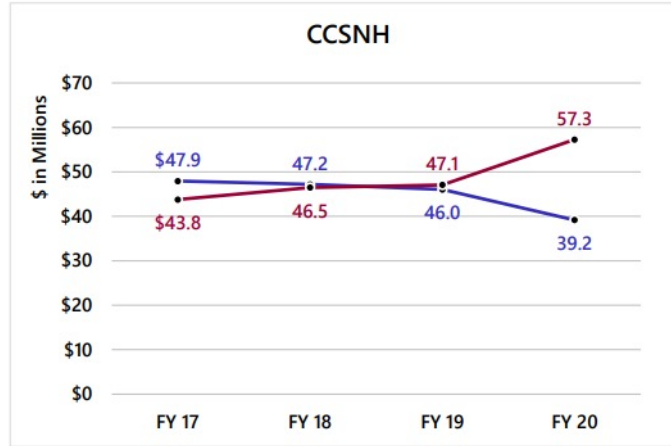
**Percentage of Enrollment by County**



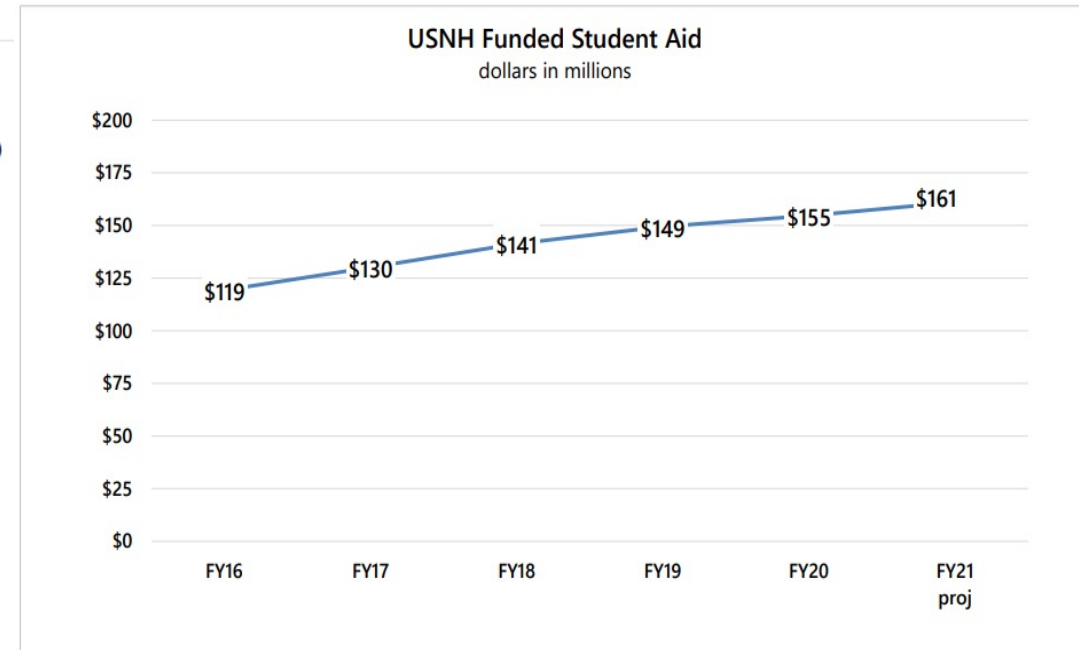
# Fiscal Headwinds in New Hampshire



\* FY 21 projected operating margin excludes one-time COVID related costs.



— Net Tuition & Fees (\$) — State Appropriation (\$)



Source: USNH Presentation to the House Education Subcommittee on Postsecondary Education, March 17, 2021

# New Hampshire

- Governor proposed merging USNH and CCSNH in his budget proposal during the 2021 session
- Intent was to reduce duplication and save money immediately, improve student mobility
- Proposal generated many questions and was not included in the final budget passed by the legislature
- Questions
  - Maintaining focus on CCSNH's workforce mission
  - Presence throughout the state
  - Reconciling different cost structures and collective bargaining agreements
- NCHEMS drafted a paper on lessons from prior system mergers in AK, MN, CT (<https://nchems.org/projects/study-systems-consolidation/>)

# Summary

- Short-term costs
- Mergers vs. Consolidations
  - Costs of closure
  - Mergers of systems  $\neq$  mergers of institutions
  - Functions vs. institutions
- Pursuing consolidation
  - Clear objectives focused on constituents (students, employers, community) and rationale
  - Recognition of distinct missions
  - Cultural features—branding and symbols, history, approaches to governance, etc.
  - Funding requirements to institutionalize new arrangements
  - Transparency, voice, and data/evidence
  - Bold and decisive board actions to create conditions and criteria for success
- Solutions must fit the context



# Discussion

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