

**OCTOBER 17, 2013**

Interview questions (unedited) from Alex Collingsworth of *The Cynic*, and responses provided by D. Rosowsky, Provost and Senior Vice President

*Alex: As I understand it the move to the IBB model is an attempt to curb future budget shortfalls. Could you please give me any concrete examples of a school or college within UVM (or a department within one of those schools) repeatedly failing to enroll enough students or gather enough money in grants etc. to meet its operating costs (and thus causing a shortfall?)?*

**D. Rosowsky:** Our move to IBB is not an attempt to curb any future budget shortfalls. Rather, it is a transition in budget model to more directly link strategy with resources - at the appropriate level, namely the Colleges and Schools. Such models have been widely adopted by colleges and universities, especially public universities, and have been in-place for many years now. One of the beneficial outcomes from IBB is that Deans will be able to predict revenues and costs -- transparently and accurately -- and therefore plan a multi-year budget to support their strategic goals. I cannot give you an example of what you have requested since no school falls under the category you describe. Our enrollment trends, up and down, closely mirror what we see nationally. We are not looking for, or trying to single out departments that are failing. We are trying to empower the Colleges and Schools to develop and manage their resources strategically and efficiently -- and ultimately effectively -- as they seek to continue to elevate the quality and reputation of their academic programs, meet the needs of our students, distinguish the University of Vermont, and continue to innovate our academic offerings.

*Alex: In what ways might IBB affect students?*

**D. Rosowsky:** At its root, IBB is about academic excellence. We want to continue to enhance our academic programs and opportunities for our students. We want to continue to invest in hiring outstanding faculty and our academic infrastructure. We want to grow in strategic areas -- where student and market demand exist -- and we want to strategically invest in programs that can generate national visibility and recognition for UVM. Academic excellence attracts the best students and the best faculty to a university. IBB also enables far better cost accounting and allows us to realize greater efficiencies across the entire campus. Any savings that can be realized will be directed toward UVM's academic mission -- our core enterprise.

*Alex: Next year (FY2016) IBB will not be fully implemented but the budget will be scrutinized as if it were. It is a "hold harmless year." The formulas used in calculating the allocation of money will be adjusted in order to be more equitable. But after IBB is fully implemented in FY2016 how likely can you say it will be that faculty salaries may be cut if a certain school does not manage to cover its costs?*

**D. Rosowsky:** We are just starting a two-year process. The second year, we hope to run IBB "in parallel" to our current budget model, to watch it work. This will allow us to see what works and what doesn't, and where adjustments may be needed to ensure IBB functions as intended. We will not transition to the new model until we run it through a budget cycle. All universities that have transitioned to such a model have pointed to the importance of this "parallel model" year. When implemented there should be no surprises. To your second point, there is no situation where any faculty member will see a cut in salary if a college or school fails to meet a target. The Deans will have good and timely information about revenues, as well as exciting opportunities to innovate new programs and generate new revenues, and will be in a far better position (than they are under our current mode) to forecast *and* manage through any budget challenges they may face. IBB is not intended as a punitive budget model, but rather an empowering one.

*Alex: About 40% of the class of 2017 were/still remain undeclared so under IBB there would be a scramble to attract undeclared students to certain majors or colleges within UVM. How do you think the competition for students and credit hours between the different colleges and departments will be manifest?*

**D. Rosowsky:** Migration patterns from one college to another, or from major to another, are not expected to be affected. And competition for students is healthy -- it's good for students! Colleges and Schools will work even harder to provide outstanding, attractive, and compelling academic programs; they will work even harder to provide the academic

and student services support students need to be successful and to graduate in four years; and they will work even harder to create academic programs that ensure great job placements and great graduate school placements. All of our Colleges and Schools want the best students, want to fill their classes, and want their graduates to be successful. Students are our best indicators of what we are doing well. We stand firmly committed to remaining a comprehensive public university, but we seek to ensure excellence across our entire university. IBB keeps our focus on our highest goals: access and affordability, academic quality, preparing our graduates to be successful, and a four-year undergraduate degree.

*Alex: If IBB works and colleges end up saving money, would that saved money be likely to go towards lower tuition for students?*

**D. Rosowsky:** Anything we can do to keep our tuition competitive, we will do. We are always trying to redirect resources toward keeping our costs down. But we are also working hard (with the University of Vermont Foundation) to secure additional philanthropic funds dedicated to student support. IBB will enable the Deans to redirect resources, generate and invest new resources, or leverage resources with other Deans to meet their strategic goals – all of which center on academic opportunities for our students.

*Alex: How can you try to get students to graduate on time?*

**D. Rosowsky:** This is something I care deeply about. Our value proposition as an outstanding university must include a commitment to a four-year undergraduate degree. We are looking at this carefully right now. I believe most students are motivated to graduate in four years. As a university, we have to ensure our academic offerings (course availability and sequencing) allows this, and we must provide the advising and mentoring to impress upon our students the importance of staying on-track, reaching rather than relaxing when deciding how many courses to take each semester, remaining focused on your studies, and finishing on time.

*Alex: What else can the colleges do to try to be more entrepreneurial?*

**D. Rosowsky:** That's a great question and is at the heart of IBB. Some colleges may choose to offer market-driven Master's programs, others may choose to offer executive education programs. Some may choose to run summer institutes, others may choose to create certificate programs. Some may focus on industry partnerships, others may focus on corporate philanthropy. The list goes on and on. IBB will encourage entrepreneurial thinking, creativity, and innovation.

*(Responses to questions sent by e-mail to A. Collingsworth 10/17/13)*