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PRESIDENT'S COMMISSION ON CRITICAL CHOICES DRAFT REPORT

To the UVM Community:

I am pleased to share with you this Framework for Change of the President's Commission on Critical Choices. As you know, the Commission is made up of diverse and dedicated University citizens. They have worked diligently over the past ten months to analyze, understand, debate, and articulate the critical priorities and choices that are essential to shaping the future of the University of Vermont.

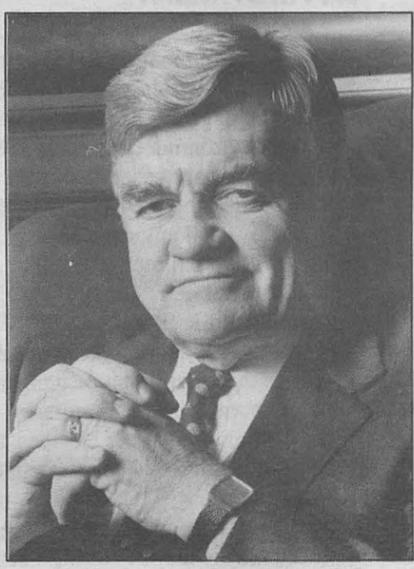
We have conducted our work openly and have used our best efforts to communicate effectively with our constituencies.

Our primary tasks were to prepare a preliminary strategic document, provide ample opportunity for the entire UVM community to reflect and comment on it, and then to rewrite and restate a final version for presentation to the Board of Trustees for their review, analysis, and approval in early March. The completion and distribution of this preliminary document to the campus is a significant step in that process. At this time we are actively seeking the reactions, ideas, and concerns of the campus at large.

To that end, we will be sponsoring a series of forums to discuss this preliminary report and solicit your comments. The times and places of those gatherings follow this message. Individual commentary is also welcome and encouraged, and should be conveyed to my office through Louise McCarren, Assistant to the President for Special Projects, or to any member of the Commission.

Let me emphasize what this document is not. It is not a budget balancing exercise. It does not evaluate specific programs. It does not recommend specific budget cuts nor recommend specific restructuring or reorganization models. Rather, it is designed to be a foundation for tactical decision-making -- boundaries, if you will, within which we will work to enhance the future prospects and vitality of the University.

It is my hope that the entire community will endorse the fundamental tenets of this preliminary framework and help us to focus and sharpen this document before we move to the tactical phase and the difficult decisions that must and will be made. Once your thoughts and recommendations have been received and reviewed, I am confident that a final report will be crafted that provides a useful



strategic context within which we will make decisions in the Vermont tradition -- namely, relying on rational analysis tempered with common sense and humanity.

I look forward to receiving your thoughts and commentary.

Sincerely,

Thomas P. Salmon
Interim President

A FRAMEWORK FOR CHANGE

INTRODUCTION

In 1814, The University of Vermont, a fledgling institution, faced a seemingly overwhelming set of problems. The War of 1812 was raging in the Champlain Valley. The U.S. Army had commandeered the one University building as a barracks. The entire administration and faculty had left--and were demanding their unpaid salaries. The Board of Trustees assembled, passed resolutions, and then adjourned, "hoping things would get better."

Through the persistence of the President, the dedication of faculty and staff, and the support of the people of Vermont, the University regained its building, and restored its community.

As we approach the Twenty-first Century, and move into this institution's third century, we must make choices, critical choices that will shape our future. Like those facing UVM in 1814, our problems and challenges are very real and we must once again work together to ensure a stable future and to build a stronger UVM.

This is also not the first time this institution has looked into the future. A 1980 UVM planning document, "A Five Year Plan," contained the following passage:

Many organizations state a belief that all choice must be well-informed and conscious. All too often institutions of higher education, given their diffuse decision structure and management style, make decisions by default, or with very limited information. The University of Vermont simply cannot endure as a high quality institution if it does not gain maximum results from every resource it uses. It is too thinly funded to accomplish the goals of being a high quality, distinctive university without ensuring that maximum benefit is gained from every activity. Hence the necessity of conscious choice.

Those words are even more relevant today than they were thirteen years ago. UVM's funding remains thin, and the challenge of maintaining quality is greater than ever.

The purpose of this report is to provide the framework in which the University must make strategic choices for how our finite resources will be invested and allocated to achieve selective and sustainable high quality

throughout the University. This report furnishes the broad setting and, in conjunction with the extensive subcommittee reports, provides the criteria to be used in the existing administrative and governance processes to develop tactical plans. What this report is not may be as important as what it is. Standing alone it does not produce a balanced budget, it does not evaluate specific programs or services, nor does it articulate the details of how the priorities will be achieved. Answers to these questions must come later. Rather, it represents a context for discussing the issues most important to us.

All programs will be examined through the lens of this framework as well as the Commission's subcommittee reports that have articulated the evaluative criteria. The budget processes will provide detailed data and information to help guide the tactical decisions which need to be made in fulfillment of our strategic priorities.

Using the boundaries of this strategic report, the President, with appropriate consultation, will craft a multi-year tactical plan for approval by the UVM Board of Trustees.

THE INSTITUTIONAL PROCESS

In October, 1991, the structure of a commission for strategic planning was established.

In January, 1992, the UVM Board of Trustees charged Interim President Thomas P. Salmon with the task of developing a strategic plan. That plan would articulate the institution's fundamental priorities and define the broad critical choices facing the University, and thereby provide the basis for the allocation of scarce resources. The Board indicated that the University must become a leaner institution of continued high quality, must become more responsive to its constituents, and must establish a sustainable balance between revenues and expenditures.

The President's Commission on Critical Choices was composed entirely of UVM citizens. It included representatives of the administration, alumni, faculty, staff, students and trustees. In his charge to the Commission, President Salmon emphasized that the strategic process must be forward

President's Commission on Critical Choices Forums

Thursday, Jan. 28, noon to 1 p.m., Carpenter Auditorium
 Monday, Feb. 1, 4 to 5 p.m., Memorial Lounge
 Thursday, Feb. 4, noon to 1 p.m., Memorial Lounge
 Monday, Feb. 8, 11 a.m. to noon, Memorial Lounge
 Tuesday, Feb. 9, 2 to 3 p.m., Carpenter Auditorium
 Wednesday, Feb. 10, 4 to 5 p.m., Carpenter Auditorium

In addition, there will be two forums especially for students: Tuesday, Jan. 26, 7 p.m., in Marsh Lounge, and Wednesday, Feb. 10, at 7 p.m. in Ira Allen Chapel.

Faculty, staff and students can also call in their comments to a voice mail box at 656-1388.

looking, must examine the vision statement of the university, must identify our fundamental principles and priorities, and must identify the critical choices facing us.

Initially the Commission worked as a group, identifying and analyzing important external and internal forces, including the changing demographic, economic, cultural, and fiscal environments. There were substantial discussions of institutional mission and values.

With this foundation in place, the Commission divided into subcommittees for strategic planning. The subcommittees were: Financial Performance; Enrollment Management; External Relationships; Human Resources; Academic Programs; Student Support Programs; Administrative, Research and Academic Support Services. Membership of these subcommittees included the Provost's Council and other members of the University community. The subcommittees were asked by President Salmon to examine in depth the central issues facing us. In particular, they were asked to clarify appropriate criteria for the evaluation of all programs, and to discuss structural and programmatic changes within the University.

The subcommittees worked throughout the summer and into the fall. Beginning on September 21, 1992, each subcommittee presented an initial draft report to the entire Commission. A summary of the reports and a request for comments was published in the *Record*. The reports were finalized using the comments and suggestions from the Commission and from members of the community.

Here we outline briefly the work undertaken by the subcommittees. An executive summary of each report is in Appendix A. For a complete context and discussion it is important to review the reports in their entirety. The order of their presentation here is the same as presented in the Charge to the Subcommittees.

The Financial Performance subcommittee examined the existing University policy of not running a deficit, and concluded the policy was sound and should be continued. The subcommittee described one situation in which a deficit might be countenanced--where a strategic plan was in place that would produce a sustainable balanced budget, and such plan would require some "up front" dollars. The subcommittee also undertook a detailed analysis of the probability of the deficit that would occur in financial aid if we continue our current policies. Finally, the subcommittee developed a high, medium, and low range for financial projections, examining the most important revenue and cost variables.

The Enrollment Management subcommittee examined issues regarding the number and mix of students, including our "central tendency," the priorities for the use of institutional financial aid, and whether our organizational structures support the most efficient and effective enrollment management program.

The External Relationships subcommittee examined four areas of critical concern: (1) accessibility of our resources; (2) consistency of our message; (3) coordination and organization of information and services; and

(4) quality of our message. The subcommittee concluded that we must become more "user friendly" and more focused on accommodating our constituencies. The subcommittee concluded the coordination and organization of information and services needs better articulation, visibility, and greater priority.

The Human Resources subcommittee examined a strategy for employee compensation, including wages, salaries and fringe benefits, and a variety of non-compensation issues, including effective human resource management. It also examined the issue of diversity, concluding that diversity must be very broadly defined to include issues of respect, economic status, gender, and cultural diversity.

The Academic Programs subcommittee coordinated the crafting of a Vision Statement for the University (see Page 3). It developed criteria to be used to evaluate academic programs, concluding that all programs must be judged on the basis of their centrality, quality, and efficiency. This subcommittee also examined issues of the first-year experience for students, the integration of disciplines, and the productivity standards for academic programs.

The Student Support Programs subcommittee defined the goal of student support services "to promote personal and environmental characteristics that are supportive of student and faculty learning and scholarship." The subcommittee examined the issues of the structure of the physical and intellectual environment; the personal growth, development, and behavior of the student; and non-credit and co-curricular instruction. Based on their analyses, the subcommittee identified the questions to be addressed in the evaluation of specific student support services.

The Administrative, Research and Academic Support Services subcommittee defined the primary function of administrative and support services "to provide an environment in which the mission of UVM can be performed with quality, economy, and safety." The subcommittee recommended the criteria to be used to determine whether a unit had appropriate resources, whether a service should be provided by a central unit, what customer service strategies should be employed; what criteria should be applied to determine what areas are the most/least critical, guidelines for assuring productivity, and the means for evaluation of a sound physical plant.

The subcommittee drafts elicited many thoughtful comments and critiques from faculty, students, and staff. The Student Government Association leadership, in particular, prepared extensive comments on the subcommittee drafts and presented their critiques at a Commission meeting.

The Student Government Association emphasized the importance of the following: student advising, faculty-student relations, maintaining high student quality, the extensive and sophisticated nature of the student activities that form an integral part of the student experience, the availability of UVM's resources to Vermont, and cultural diversity. In addition to these overall observations the student

analysis contained many specific comments and recommendations. Their analysis was provided to each subcommittee, and their comments are reflected in those reports and in this draft.

THE FRAMEWORK FOR CHANGE

This report examines the external environment, identifying those forces outside the University that will affect our ability to achieve our goals. It then looks to the internal environment of the University, articulates our vision, and identifies institutional priorities. Finally, it examines the most important of the critical choices facing us.

THE EXTERNAL ENVIRONMENT

A clear understanding of the external environment helps to define the boundaries within which we must operate. Though we have little control over this environment, we must use these forces to our best advantage.

The following are key elements from the external environment we believe will help direct and guide critical choices.

1) Demographic Shifts

Among the most profound external forces are the demographic changes in the country, and more particularly those in Vermont and the Northeast region from which 90% of our students are drawn currently. The predominant influence on our pool of undergraduate applicants is the number of high school graduates, and that number continues to decline. The number of Vermont high school graduates will reach its lowest point this year; graduates from the rest of the Northeast will drop again this year and not bottom out until fall, 1994. The number of high school graduates will begin to increase in fall, 1995, although the number of graduates in the Northeast will lag behind those in Vermont and the rest of the United States, remaining 10% behind 1988 levels until 2004. Vermont will regain its 1988 high school graduation levels in 1998.

The percentage of high school graduates going directly to college increased from 49.3% to 58.9% from 1979 to 1988; from 1988 to 1990 the rate levelled off, and since 1990 there is evidence that it may be declining. Thus, there will be significantly increased competition among institutions of higher learning for traditional-aged undergraduate students.

The U.S. population will grow more slowly over the next twelve years than it has during the last twelve. The total population in the age range of 45 or younger will not change, while the number of individuals aged 45-64 will increase by some 60%, and those aged 65 and over will grow by 20%. The fastest growing population will be those over 75 years.

The student population will also be more racially and ethnically diverse; in particular the number of Asian and Latino eighteen-year olds will rise dramatically over the next fifteen years. The U.S. Bureau of the Census estimates that by the year 2000, nearly one-third of the school- and college-age populations (5 to 24 years old) will be African, Latino, Asian, or Native American (ALANA). On an incremen-

tal basis over the next 10 years the Anglo-American school population will increase by 10,000 students, while the ALANA population will increase by 3.5 million. This, together with the consequences of a "shrinking world," underlines the need for a global perspective and progress toward providing an educational environment attractive to individuals of increasingly diverse backgrounds and geographic origins.

2) Economic Forces

A persistent recession continues in Vermont and New England. The recession erodes the ability of families to pay for higher education; the potential for students, both traditional and nontraditional, to contribute to or support their education; and the capacity of businesses to underwrite education for their employees.

A deeply troubling economic trend is the significant decline, in real terms, of UVM's annual appropriation from the state of Vermont. Vermont, a small, relatively poor state, has perpetually struggled to support UVM. To compound this problem, the federal government recently has, in an effort to make a college education more accessible, expanded eligibility for financial aid. However, the additional resources needed to fund the broadened eligibility have not been provided, thereby making our financial aid dilemma more pronounced.

Tough economic times are also times of opportunity. The demand for

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Notice of Nondiscrimination
Applicants for admission and employment, students, employees, sources of referral of applicants for admission and employment, and all unions or professional organizations holding collective bargaining or professional agreements with The University of Vermont are hereby notified that The University of Vermont does not discriminate on the basis of race, sex, sexual orientation, handicap, color, religion, age, national origin, or Vietnam Veteran status in admission or access to, or treatment or employment in, its programs and activities. In addition, it is the policy of the University that sexual harassment is unacceptable and will not be tolerated.

It is therefore the intent of the University to comply with the spirit and the letter of Titles VI and VII of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972; the Equal Pay Act of 1963; the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973; the Vermont Fair Employment Practices Act; and such other federal, state, and local nondiscrimination laws as may apply.

Inquiries or complaints concerning the University's compliance with the regulations implementing the above-referenced laws, or the affirmative action policies of the University should be made to The University of Vermont, Executive Director for Affirmative Action and Equal Opportunity, Waterman Building, Burlington, Vermont 05405, telephone (802) 656-3368; or the Office of the Vermont Attorney General, Pavilion Building, Montpelier, Vermont 05602. Inquiries or complaints concerning the University's compliance with the regulations implementing Title VI of the Civil Rights Act of 1964, 34 CFR Part 100; Title IX of the Education Amendments, 34 CFR Part 106; the Age Discrimination Act of 1975, 45 CFR Part 90; or Section 504 of the Rehabilitation Act of 1973, 34 CFR Part 104, may also be made to the Assistant Secretary for Civil Rights, United States Department of Education, Washington, DC 20202, or the Director, United States Department of Education, Office of Civil Rights, Region I, J.W. McCormack POCH, Boston, MA 02109.

Vision Statement

A View of The University of Vermont Five Years From Now

The University of Vermont is, first and foremost, an intellectual community engaged in the creation and dissemination of knowledge. The education of students is the primary mission of the University; excellence in teaching, research, and scholarship and the integration of these synergistic facets of an educational experience are the foundation of how it carries out this mission. Members of the University are fundamentally engaged in the search for truth and knowledge, in scholarship, intellectual discourse, analytical thinking, and creativity. As Vermont's only land-grant institution, UVM is a unique resource for Vermont and enjoys a special role of service to the citizens of the state, the nation and the global community.

With a more than two hundred year tradition of teaching and scholarship, UVM offers an array of challenging academic programs at both the undergraduate and graduate levels that prepare students for the 21st century. The University maintains a special balance of major academic units, each of which contains recognized centers of excellence. Furthermore, these colleges, schools and divisions cooperate in the implementation of interdisciplinary teaching and research programs to provide educational opportunities for students and faculty that make the University greater than the sum of its parts.

The University is large enough to provide a diversity of programs yet small enough by virtue not only of its size but also of its structure to have many of the benefits of a small college. Enrollments are selective and limited to ensure that each student receives quality faculty mentoring. Student engagement in the process of learning, both within and beyond traditional classroom settings, is a hallmark of education at UVM. As the state's land-grant University, UVM enjoys singular opportunities and access to all aspects of the state. The wondrous physical surroundings, the business community, social services, and the state government are all close-by and readily accessible, making the entire state a multi-dimensional setting in which students, faculty and staff may engage in unique disciplinary and interdisciplinary learning experiences.

The University comprises a diversity of individuals, ideas, viewpoints and curricula that reflects its position as an institute of higher education in the global arena. The University embraces a spirit of hospitality and pluralism in which all its diverse members are respected, valued and supported. Diversity is also fostered by the recruiting of students, faculty and staff of differing racial, cultural, ethnic, religious and economic backgrounds from the national and international community, and by promoting access to the University for both traditional and non-traditional students.

The University has a strong sense of community, characterized by integrity, honesty and mutual respect. Within this community individuality, independence, and involvement in all aspects of University life and governance are encouraged. The sense of community and involvement is lifelong and creates opportunities for alumnae, alumni and emeriti to remain active in University affairs. The students, faculty and staff are bound together by an evident social conscience which reflects a joint responsibility between the state and the University to promote a common well-being.

Intellectual growth and independence, artistic and other forms of creativity, health and well-being, social commitment, and understanding and appreciation for our environment are all fostered. Graduates of The University of Vermont are prepared by the rigors of their academic programs, by their understanding of global issues, and by their involvement in the community to contribute as leaders to the betterment of society. Education at the University is designed to instill a spirit of intellectual inquiry that will stay with graduates throughout their lives, insuring that they will never cease learning.

**Strategic principles based on the draft vision statement
begin on Page 5.**

higher education should increase as people refocus their careers and the economy is restructured. Most businesses will require fewer and better-educated employees, and advanced degrees will be increasingly necessary for access to many technical jobs. As our economy continues to shift from reliance on manufacturing toward information and service, there will be growth in the professional specialties; technical and related support activities; and executive, administrative, and management fields.

3) Technological Change

The technological revolution in communications continues to move at an astounding pace. The change in communications technology will have a profound effect on the way we work, teach, live, and particularly on the way we process information.

4) Regulatory Oversight

The last decade has been marked by unprecedented criticism of institutions of higher education. A result is that many of our activities, including research, recruiting, financial aid, accounting practices, and academic programs are more closely reviewed than ever before. Responding to these initiatives tends to increase our operating costs and in some cases reduces administrative and programmatic flexibility.

5) Nature of Extramural Funding

Funding agencies will increasingly target the disciplines or issues they will support. The National Institutes of Health, for example, have targeted molecular medicine, biotechnology, structural biology, the environment, neuroscience, children's health, and disease prevention and control. Governments at all levels, from local to national, will devote significant new resources to environmental protection, planning, and clean-up efforts. Other areas targeted at both the national and local levels will be health-care reform and services to children and families (e.g. school readiness).

Such developments represent unusual opportunities for a University such as ours. Whatever the nature of the extramural funding, we must identify special opportunities and support the infrastructure that allows UVM to remain competitive for those funds.

INTERNAL ENVIRONMENT

An understanding of our internal environment is essential to make critical choices. The primary forces in our internal environment are the financial situation we face and the number and mix of our students.

1) Financial Issues

The boundaries created by our financial situation present significant challenges for all our institutional choices. Over the next three fiscal years (from July 1, 1993 through June 30, 1996), we will have to take action to address budgetary shortfalls of considerable magnitude.

Under assumptions developed as part of the planning process, there is a projected deficit of \$3.7 million in FY 94, \$7.6 million in FY 95, and \$12.1 million in FY 96, potentially amounting to a cumulative three-year deficit of \$23.4 million. To put this in context, our 1992 total current operating budget is \$256 million, our general fund budget is \$139 million. Without

corrective action, future fiscal years will witness even greater deficits. The assumptions used in making the financial projections are contained in the executive summary of the Financial Performance subcommittee report.

This Commission has concluded that the assumptions underlying these projections and the probabilities assigned to the deficit are realistic. A more complete analysis is found in the full Financial Performance Subcommittee report.

Our financial situation is particularly limited by stagnant or declining revenue sources. Currently 86% of our general fund budget comes from tuition and the general appropriation from the State of Vermont (66% from tuition; 20% state appropriation). Out-of-state tuition cannot increase significantly if we are to stay competitive. In-state tuition is now at its statutory maximum percentage (40%) of out-of-state tuition. The State of Vermont has in recent years experienced serious financial constraints and our appropriation has decreased in real terms.

2) Undergraduate Student Number and Mix

An important component of our internal environment is the goals we have set for student enrollment in our undergraduate programs. The current enrollment target or "central tendency" for undergraduates, which reflects both institutional financial needs and the carrying capacity of our physical plant, is 7,850 undergraduate students. This has become both our operational ceiling and our financial floor. We cannot expand beyond this number of students because of physical constraints in classrooms, teaching laboratories, athletic facilities, residence halls, and libraries. We cannot fall below that number without significantly reducing revenue and increasing the current deficit in the near term. Our short-run variable costs are low in proportion to our short-run fixed costs, including our contractual obligations to faculty and staff and our commitments to current students.

The in-state/out-of-state ratio in our student body has, as is clearly demonstrated from the table in the executive summary of the Financial Performance report, a significant effect on our financial situation. Each 1% shift changes tuition revenues by \$450,000. Traditionally we have first accepted all qualified undergraduate Vermont students--those students who by virtue of their class standing, grades, standardized test scores, activities, and other appropriate factors, have demonstrated their ability to succeed. After accepting these students, the remaining places have been made available to out-of-state students. This policy has historically been important in fulfilling our mission of access for Vermont students. We also must be prepared to provide educational opportunities for graduate and non-degree students consistent with demographic changes.

THE UNIVERSITY OF VERMONT'S CURRENT STRENGTHS

The task of maintaining and enhancing quality in an atmosphere of fiscal constraint and intense competition for students will require innovation, sacrifice, patience, cooperation, and effective leadership. Despite the daunting nature of our task, we are fortunate to begin from a position of relative strength. A few examples of our strengths include:

- A long history of high academic quality.
- A strong identity as Vermont's only public university and one of New England's oldest and finest institutions of higher education.
- A moderate size, coupled with a diverse mix of colleges, schools, and disciplines, both undergraduate and graduate.
- An unsurpassed location. Lake Champlain and the Green Mountains offer exceptional opportunities for recreation and for research.
- A faculty with a national reputation for excellence, a strong commitment to active scholarship, a clear focus on teaching as central to our mission of individual student learning, and high performance expectations.

•Strong research programs, including significant multi-disciplinary programs, that have successfully attracted extramural funding.

•A student body that combines a commitment to the formal rigors of academic work with active involvement in out-of-classroom life on the campus, in the community, and in Vermont's environment.

•A skilled, competent, and dedicated staff.

•Strong support from Vermonters.

•Strong support from alumni, parents, the business community and, increasingly, among state legislators and the leadership of the executive branch.

This is certainly not an all-inclusive list, but is suggestive of strengths on which we can build.

VISION

Our efforts must be built on a vision for the University. This vision forms the foundation for our future strategies. See Vision Statement on Page 3.

PRIORITIES AND CRITICAL CHOICES

To become a leaner institution of higher quality we must establish priorities consistent with our vision and aligned with the realities of our internal and external environments. Establishing our priorities will allow us to focus on the essentials.

The Commission concluded that there are three dominant institutional priorities:

1) A High Quality Education For All University Students

First and foremost, we are an intellectual community engaged in the creation and dissemination of knowledge. All of our students--graduate, undergraduate and non-degree--must receive the very best academic education. The efforts of faculty and staff must be focused on, and responsive to, our students to ensure that each student has the best possible integrated

learning experiences.

2) Excellent and Diverse Faculty, Students, and Staff

In order to provide all students with a high-quality education, it is critical that our faculty, students, and staff be both diverse and excellent. Our faculty must be excellent in their varied roles as teachers, advisors, scholars, and researchers. It is imperative that our students are engaged by vibrant and knowledgeable teachers who are current and active in their disciplines. Our staff must be skilled practitioners. Working together, staff and faculty must focus on service to students and to each other in carrying out the mission of the University.

We must also embrace, encourage, and celebrate diversity of ideas, cultures, and beliefs in an atmosphere of open and civil discourse throughout the University.

3) A New Understanding with the State of Vermont

We must establish a renewed relationship with the state of Vermont and its people, based on our role as the state's University and only land-grant institution. Our long tradition of commitment to Vermont through the education of its citizens and service to its communities must be maintained.

The new understanding will require a restatement of the interrelationship between the state and the University of Vermont.

IMMEDIATE CONCERNS

In addition to these three priorities, the Commission also concluded that there are two immediate concerns that must be addressed in order to realize our vision.

1) There Must be a Broadly Defined and Revitalized Approach To Enrollment Management and Marketing

Our ability to recruit and retain a high quality, diverse student body is central to our future success. To accomplish this we must have an aggressive, integrated approach to all aspects of enrollment management and marketing, including admissions, registration, financial aid, public relations, and development.

2) We Must Establish a Sustainable Financial Base

We must bring expenditures into balance with our revenues. We must establish a sustainable financial and resource base through efficient and effective institutional management. Growth in general fund supported activities will occur only through reallocation and substitution.

CRITICAL CHOICES

These priorities present us with critical choices. Our choices must be well informed and keyed to our vision of the future.

1) High Quality Academic Programs

We cannot endure as a high quality institution if we do not gain maximum results from every resource. All academic programs must be central, high quality, and efficient. We must identify our centers of excellence and build on our strengths. Resources must be allocated or reallocated to strengthen programs that are central to

our vision, are of high quality, and are efficient. Programs that do not meet these criteria will be reduced, reconfigured, or eliminated. Even well-run programs may be reduced if they are not central. The report from the subcommittee on Academic Programs outlines in detail the criteria and rationale for the evaluation of programs.

2) Student Quality

We must make every effort to maintain and improve student quality. We must allocate resources to enhance the quality of the applicant pool, increase the proportion of accepted students who enroll, and increase retention. We may need to be smaller to sustain our quality, and may be required to adjust our expense level to reflect a smaller student body.

3) Administrative and Support Services

The primary function of administrative and support services is to provide an environment in which we can perform our duties with quality, economy, and safety. We must recognize and meet the needs of our internal and external customers and assure that those with the responsibility to provide high quality service have the authority to do so. All administrative functions must be central to our vision and must not have redundancies or inefficiencies; and some services may be eliminated, reorganized, or consolidated.

Our organizational structures must be evaluated with regard to how well and how effectively they support the educational mission of the University. The full report from the Administrative, Research and Academic Support Services subcommittee contains the criteria proposed for evaluating administrative support services.

4) Student Support Services

Student support services must assist, enhance, and enrich the academic experience of students. Their goal is to promote personal and environmental characteristics that are supportive of student and faculty learning and scholarship. Student support services must achieve this goal through structuring the physical and intellectual environment in which students live and learn; and by encouraging personal growth, development, initiative, and involvement.

5) Human Resources

The University work force must be excellent and diverse, and may be smaller in future years. These prospects sharpen the need for more effective and efficient human resources management. To ensure quality, staff and faculty must have information, training, and educational or research opportunities that will enable them to work more productively, manage more effectively, and advance professionally. Career paths within the University should be expanded. More clearly defined and sound human resource management practices must be demanded in every organizational unit.

The total compensation package must be competitive with the appropriate marketplace. Compensation policies such as yearly wage and salary adjustments must be equitably and fairly administered, and employees

must be rewarded on the basis of merit. Accomplishments must be recognized and celebrated, and each individual respected and valued.

6) State Support for Vermont Students

It is imperative that the appropriation from the state of Vermont be sufficient to allow us to fulfill our commitment to Vermont students without jeopardizing our financial integrity.

7) Financial Aid

We must immediately find significant new resources or reallocate current resources to financial aid. Fund raising activities may require a re-orientation toward student support. The primary use of financial aid resources currently is, and will continue to be, to support students with financial need. The highest priority use of institutional financial aid resources should be to minimize any deleterious changes in the relative financial aid availability for our continuing students using the general criteria and definitions that prevailed at the time of entry. A second priority must be to utilize discretionary financial aid resources to improve the yield and retention of needy students who embody the highest institutional priorities: those who are academically talented, are Vermont residents, or are from diverse backgrounds.

We must examine the possibility of using new funds to attract and retain academically talented students through merit based scholarship.

SUMMARY

Planning at UVM must be a continuing effort across all academic and administrative units. This report represents a starting point rather than a conclusion. The days of bold expansion are behind us. The process of sharpening our focus, building on our strengths, and placing this institution in a more advantageous and stable position is critically important work. We must commit to ongoing strategic planning, quality enhancement, and sound management during the years to come. UVM is an institution for the ages; the problems we face today will be resolved, and this University will emerge as a stronger, more clearly focused University.

Strategic Principles Based on the Draft Vision Statement

These principles are based directly on the Vision Statement (Page 3) and the Committee's interpretation of its implications. They are listed in the order in which they appear in the Vision Statement, not in order of priority.

1. *The University of Vermont is, first and foremost, an intellectual community engaged in the creation and dissemination of knowledge.*

The University must assert or reassert that its primary function is the creation and dissemination of knowledge. This should be the fundamental image it projects to both the internal and external community, including prospective students. The term "intellectual community" should not signal an "ivory tower" mentality, but rather a sense that all of the University's faculty, students and staff are working together for the creation and dissemination of knowledge and for the education of students. This principle also does not mean we should eschew other attractive facets of the University (such as our location) in our marketing efforts, but rather that such facets should not become the primary selling point.

2. *The education of students is the primary mission of the University; excellence in teaching, research, and scholarship and the integration of these synergistic facets of an educational experience are the foundation of how it carries out this mission.*

The primacy of students is one of the fundamental themes of the Vision Statement — the term "student" intentionally encompasses undergraduates and graduates, traditional and non-traditional, etc. Teaching and research/scholarship are the two primary facets of the University's educational mission; they are inexorably linked and must complement each other. (The integration of teaching and research/scholarship is discussed in a following section of the Academic Programs Committee Report.) Excellence in both of these facets is a fundamental goal. The combination of excellent teaching and excellent research should be the foundation of our niche. Implicit in this strategic principle is that in order to achieve and maintain excellence, the University must provide appropriate support (including support for facilities such as the Library), encouragement, and reward for both research and teaching.

3. *Service to the state is an important facet of the University's mission that reflects a joint responsibility between the state and the University to promote a common well-being.*

This strategic principle calls for a renewed, very positive relation between the University and the state based on open communication, mutual respect and trust. There should be an

understanding between the University and the citizens, government and business community of Vermont of their respective strengths and limitations, and how each is a vital resource to the other. (In the discussions with the PCCC, this principle was compared in tone to a marriage or partnering vow.) This communication with the state would, in particular, include a mutual understanding of resources, governance, and mission, including the University's land-grant mission. Based on this understanding, the University would encourage activities, in keeping with its mission, that would be of particular benefit to the people of Vermont. The term "service" was intended to refer primarily to the faculty handbook notion of the term, however this relationship should encompass the service to the state provided by UVM's teaching and research as well. Finally, as noted at this and other points in the Vision Statement, the University should not ignore in its teaching, research or service efforts that it is part of a global community of people, values, perspectives and ideas.

4. *Academic programs at both the undergraduate and graduate levels prepare students for the complex world of the 21st century.*

UVM is not comprehensive in the technical sense of the term. The array of programs is primarily at the undergraduate level, and should continue to be so. UVM should continue to offer selective masters and doctoral programs. The President's Commission Draft Vision Statement contained the assertion that doctoral programs should be centered in the sciences and complement one another; it would be more consistent with the Academic Programs Committee report that doctoral programs simply be evaluated by the criteria developed by the Committee (quality, centrality and efficiency). Curricula should be continually monitored to ensure that they are forward looking (in the sense of this strategic principle). Beyond these specific expansions of this strategic principle there was a diversity of opinions on the Academic Programs Committee as to what would best constitute a preparation for the complex or unpredictable world of the 21st century (e.g., a solid intellectual foundation of the fundamentals of critical analytical thought, a common core as described in the PCCC Draft Vision Statement, a common liberal (or liberal arts, or liberal arts and science) core, a foundation in technology, etc.). The distillation of the Academic Programs Committee's recommendations in this regard appears in other sections of this report, particularly in the section on Student Experience.

5. *Each of the major academic units will contain recognized centers of excellence.*

This principle enjoins each College, School and Division to sustain or develop its own centers of excellence within its own mission — those that do not would be subject to significant reallocation or reorganization. Moreover, this process within major academic units should already be in place or begin immediately. This principle has the effect of allowing for multiple niches within a decentralized

structure. Care and leadership must therefore be exercised at the higher administrative levels to ensure that such niches have some degree of harmony across the institution. (A number of respondents to the Draft Niche Statement were emphatic that niches should be built on existing centers of excellence, and that "defining" a new niche was a gamble of scarce resources, particularly without a thorough internal and external environmental scan.) The explicit number of major academic units was intentionally omitted, since this could conceivably be different from the current number of ten at the end of the projected five year time span. This point of the Vision Statement is one place where future versions should evolve and become more specific.

6. *The colleges, schools and divisions cooperate in the implementation of interdisciplinary teaching and research programs to provide educational opportunities for students and faculty that make the University greater than the sum of its parts. Interdisciplinary programs may span more than one major academic unit, and will be recognized for their excellence.*

Select interdisciplinary programs and interdisciplinary (or "thematic") niches should also be fostered. As with the "disciplinary" centers of excellence, these again must be based on excellence. This strategic principle also implies that barriers to interdisciplinary programs, including unnecessary obstacles to cross-disciplinary study or research, should be eliminated. Interdisciplinary centers of excellence should not be given priority over disciplinary ones (although it would seem that quality interdisciplinary programs would most naturally exist or evolve with strong interfaces with disciplinary centers of excellence).

7. *The University will maintain a diversity of programs yet strive to provide many of the benefits of a small college.*

A careful examination of which "benefits of a small college" should be pursued should be undertaken within the context of realistic, sustainable financial resources and faculty/staff work loads and reward structures — this is discussed in much greater detail in the Student Experience section of this report. The expression "diversity of programs" is somewhat nebulous, although it could be given more precision by registering where UVM lies in the Carnegie Classification and monitoring how it has and will evolve. In looser terms, UVM should maintain, by virtue of its curriculum, its status as a university, and programmatic diversity should be a consideration for either the addition or the elimination of a program.

8. *Enrollments will be selective and limited to maintain quality.*

This strategic principle (which refers primarily to undergraduate enrollments) reflects the recommendations of the Enrollment Management Committee and numerous respondents to the Draft Niche Statement. It should be noted that the issue of quality of the undergraduate student body is more complex than just an admissions

problem, and that restricting enrollments will not, per se, ensure quality. UVM needs to generate a pool of quality applicants (generate demand), attract them to come (i.e., increase our yield ratio), and retain them once they are here. Each of these stages is influenced by a broad spectrum of academic and support units across campus. Since it is vital that the graduates UVM produces are of the highest quality, careful assessments must be made of whether incoming students have the potential for success at UVM, even if their backgrounds are weaker than in past years (i.e., whether they appear to be of lower quality, whereas they are simply less prepared). There must therefore be a careful balance, within UVM's limited resources, between recruiting efforts (including support for activities that increase demand) and appropriate remediation and retention mechanisms. UVM should also support means for attracting students of exceptional caliber (e.g., the Vermont Scholars Program). Mechanisms for attracting and retaining students are discussed in the Student Experience section of this report.

9. *Students will receive quality mentoring and quality teaching which engage them in the process of learning.*

Means for achieving this goal are discussed in detail in the Student Experience section of this report. It should briefly be noted that students should experience a diversity of quality teaching methods and educational experiences. The expression "engaging students in the process of learning" might serve well as a regular self-examination question for faculty and staff directing any type of curricular or co-curricular activity. In particular, classroom settings, even in large lectures, can still actively engage the students in learning, and can be of profound stimulation and benefit. Care should be taken to insure that large lectures are of high quality, and that students have the opportunity of some personalized experiences.

10. *UVM derives unique benefits from its location, including singular access to all aspects of the state.*

UVM's geographic location provides it with its most obvious unique feature. (To quote Geology Professor Rolfe Stanley: "A great deal more can be taught (hands-on) in field settings at the University of Vermont than at the University of Kansas.") The combination of the physical location and beauty of Vermont with the size and accessibility of the state should be used to the benefit of both our educational methods and our marketing strategies. This strategic principle should be taken in harmony with Principle #3, so that the synergy and mutual benefit between the state and the University are enhanced.

11. *The University embraces a spirit of hospitality and pluralism in which all its diverse members feel respected, valued, supported and safe. The University will recruit, retain and support students, faculty and staff of differing racial, cultural, ethnic, religious and economic backgrounds from the national and international community.*

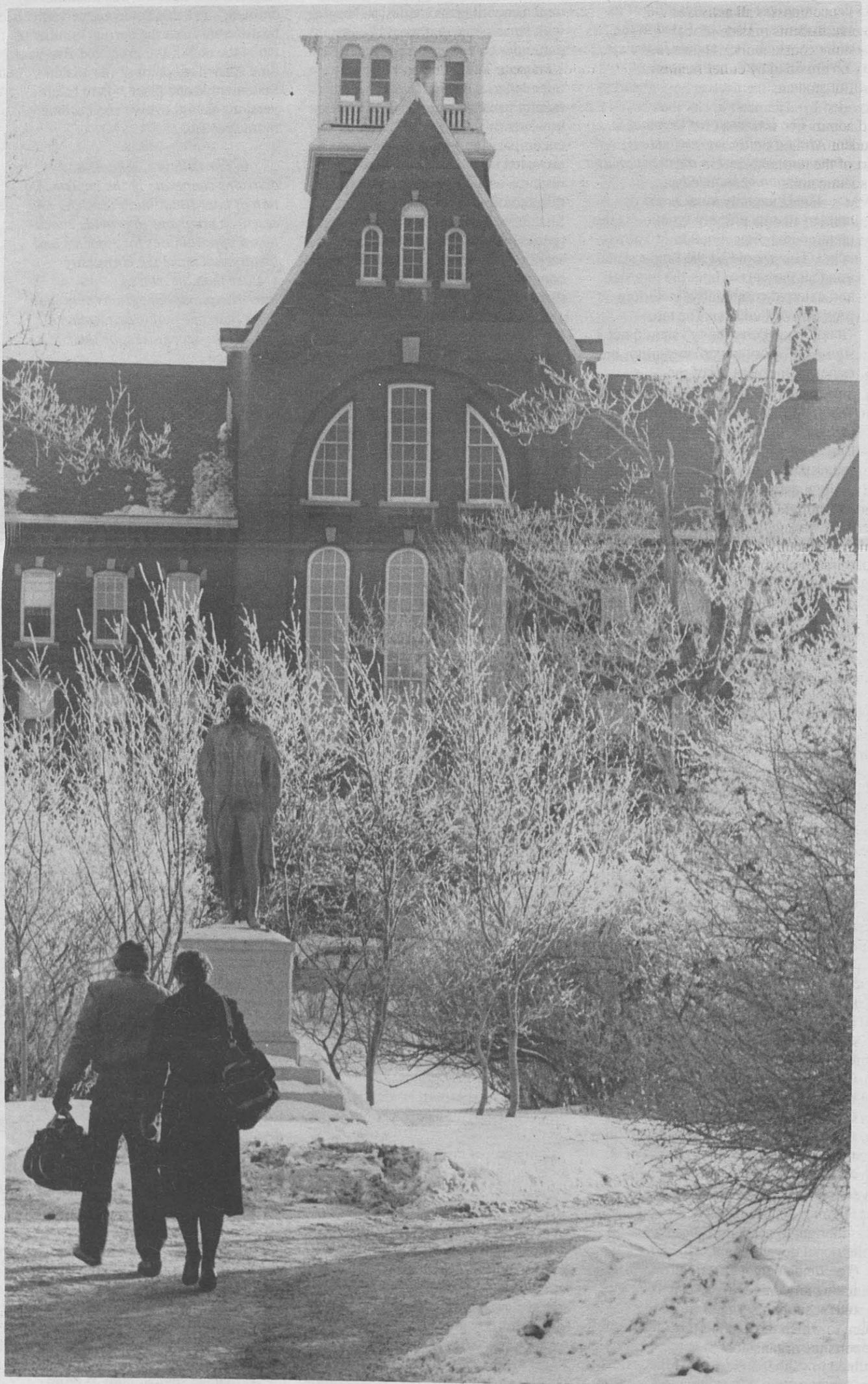
This strategic principle is in harmony with the recommendations of the Human Resources Committee. Since this is the only place in the Vision Statement where human resources are explicitly mentioned, it is worth reiterating (from Principle #1) that UVM's staff and faculty members should be valued and supported for their integral roles in carrying out the University's mission. The second sentence of this strategic principle requires considerable elaboration, beyond the scope of this Committee, before tactical plans can be derived from it.

12. Education at the University will be accessible for both traditional and non-traditional students.

This principle complements Strategic Principle #3. It should be noted that "access" to courses and programs at UVM always means "access to qualified students," hence there is no conflict between "access" and "selective enrollments." Moreover, since Principle #3 deals primarily with the non-teaching aspects of UVM's service mission, there is no conflict between "access" and "mutual responsibility." This principle implies that non-traditional students will have access to UVM through Continuing Education, but will also have access to courses, degree programs, advising, support services, etc. through the University's regular "day" structures. Moreover, the interface between Continuing Education and degree programs, with their concomitant support structures, should appear seamless to non-traditional students. Accessibility for non-traditional students also includes maintaining appropriate support structures for physically challenged and learning disabled students.

13. UVM will foster a strong sense of community and involvement in the university, including involvement by alumnae, alumni, and emeriti.

This principle complements Strategic Principles #7 and #11. A sense of community at UVM was felt to be missing by a number of the graduates surveyed by Fred Curran, and as such, detracted from their experience at UVM. The existence of a strong sense of community, involvement, and ownership could enhance our market advantage (in addition to its other benefits). The sense of community should not be limited to the student body — cooperation and communication among units for the betterment of the whole University rather than hostile competition for limited resources is vital. Fundamental to the creation or improvement of a campus-wide sense of community is the need for better communication of the myriad of things happening at UVM. Ideas such as improved campus communication (electronic and other networks, campus calendar, etc.), more holistic coordination of faculty and staff on student issues, and improved faculty contacts with students in out-of-classroom settings were discussed as means of enhancing UVM's sense of community; other ideas appear in the section on Student Experience. The term "emeriti" is intended to include emeriti staff as well as faculty, so this strategic principle applies to the full extended UVM family.



EXECUTIVE SUMMARIES OF SUBCOMMITTEE REPORTS

STUDENT SUPPORT SERVICES

The generic activity referred to as student support services (hereafter SSS) encompasses all activities that involve students outside of their direct academic course work. These services may be provided by either faculty, staff, or students themselves. Some are provided by organizations located in and administered by the Division of Student Affairs; others are provided as part of the normal operations of academic units. While many of UVM's student support services are available to all students, both graduate and undergraduate, the latter seem to be the heaviest percapita users. A list of formal and informal organizational structures that provide these services is provided in Appendix I of this report.

Given the priority placed on high quality education at UVM, high quality student support services are essential for the long run health of the institution. There is, however, no agreement as to the appropriate scope of these services. There is a wide range of opinion as to 1) the degree to which the university must deal with the "whole student" both in and out of the formal academic setting, 2) the degree to which the faculty should focus on the broad issues of student life, 3) the degree to which the university, through SSS, should act in loco parentis on and off campus, and 4) the degree to which SSS should be proactive, striving to foster attitudes and behaviors that are viewed as particularly meritorious.

The positions of individual members of the subcommittee spanned the entire spectrum. There is unanimity within the group on three things: 1) the need for some form of SSS to insure the effective functioning of the university, 2) the general organizational goals of that function, and 3) questions that needed to be addressed in evaluating the desirability of any individual SSS activity. There was, and continues to be, little or no agreement as to the desirable level of those services.

The Subcommittee was in agreement that student support services must be structured so as to promote personal and environmental characteristics that are supportive of student and faculty learning and scholarship through 1) structuring the physical and intellectual environment in which they live and work, 2) encouraging personal growth and development and discouraging disruptive and destructive personal behavior, and 3) ensuring that students have access to non-credit instruction and learning opportunities in areas that are important to academic success and professional development.

The fundamental criterion for evaluating any university expenditure on student support services must be the extent to which the expenditure supports the organizational goals outlined in the beginning of this report. Altering the allocation of resources must proceed by examining the impact

of those changes on these goals. While this is an extremely difficult task, we believe that it will be made easier by framing the problem in terms of the questions and issues listed in the following section. On balance the answers to these questions will lead to conclusions ranging from 1) offering full services supported by general university funds to 2) not offering the service at any level to 3) offering limited service that may or may not involve a user fee.

LISTING OF STUDENT SUPPORT SERVICES

- I. Division of Student Affairs.
 - A. Athletic Department.
 - B. The Learning Cooperative.
 - C. The Center for Service Learning.
 - D. Counseling and Testing Center.
 - E. Office of Financial Aid.
 - F. Center for Career Development.
 - G. Office of International Educational Services.
 - H. Orientation and Parent Relations.
 - I. Office of Multicultural Affairs.
 - J. Department of Residential Life.
 - K. Department of Student Activities.
 - L. Student Health Center.
 - M. Office of Specialized Student Services.
- II. Individual Colleges, Schools, and Departments.
 - A. Deans of Students.
 - B. Academic advising/program coordination.
 - C. Career advising.
 - D. Noncredit instruction.

ADMINISTRATION AND SUPPORT SERVICES

The primary function of the Administrative and Support Services is to provide an environment in which the mission of UVM can be performed with quality, economy and safety. Our report recommends:

1. Increased efforts to determine client requirements and satisfaction in the development, provision and review of administrative and support functions.
2. A consolidated enrollment management system through a single, academically-aligned reporting structure.
3. An open administrative style in which issues and problems are communicated to the university community and the rationale for administrative and budgetary decisions explained.
4. Management training should be required of administration and support area supervisors and for academic administrators at Department level or above.
5. Staff and faculty should have voting representation on the Board of Trustees.
6. The functions, staffing, operation and budgets of units of the Administrative and Support Services should be subject to regular external review.
7. Central administration and its budgetary mechanisms must be designed to ensure the primacy of the academic mission.
8. The provision of support services "in-house" versus outside contract should be evaluated, and periodically reevaluated, using the criteria described in the full report.
9. Co-ordinated, and regularly updated, plans to ensure that teaching and research facilities are consistent with the provision of a high quality education and the conduct of excellent research. The proportion of indirect cost recovery on research grants, consistent with plant and equipment renewal, must be used to enhance research competitiveness and not redirected to solve other budget problems.

The other sections of the report respond to questions posed to the subcommittee concerning the criteria or questions to be employed when evaluating: resource allocation, centralization versus decentralization of services, customer service strategies, centrality to mission, structures to enhance productivity, evaluation of physical plant.

ACADEMIC PROGRAMS

The subcommittee on Academic Programs was charged by President Salmon to make recommendations regarding the following issues. Details regarding the charge are appended.

1. Integration within research teaching and outreach, and across disciplines.
2. Academic experience of first-year students.
3. Student faculty relationships.
4. Core curriculum.
5. Evaluative criteria.
6. Niche.
7. Productivity.

Issues 2, 3, and 4 were collapsed into a single one entitled the first-year experience. Use of the term niche proved troublesome and led to the generation of a vision statement with strategic principles.

The individual responses to the charge are summarized below and are appended.

The Academic Programs subcommittee met each week through the summer and fall, completing its deliberations on December 16, 1992. Committee meetings were attended on occasion by individuals not on the Committee. They were attended regularly by Residential Life Director Jill Tarule who contributed to the Report on integration.

The Academic Programs subcommittee was concerned that none of the subcommittees was charged specifically to examine the role of graduate education and scholarship at the University. Though the essential role of scholarship is advanced in the reports of several of the subcommittees, the Academic Programs committee also provides a brief report specifically on this issue.

Summary of Academic Programs Subcommittee Individual Reports

1. Niche.

This charge was at the same time the most difficult and yet the most energizing. Much time was spent defining the term. It became clear early on that the present planning mechanism and subcommittee structures were not well-suited to redefining the shape of the University *vis a vis* even broad statements regarding where emphasis should be placed (e.g. environment in its broadest context, as presented in the subcommittee's charge).

An early draft of a niche statement was submitted to the academic community. This generated a broad and thoughtful response that provided critical direction to the report. The statement now is presented as a vision statement in the form of a future view of the University. This statement defines the University first and foremost as an intellectual community engaged in the creation and dissemination of knowledge. Other key elements include the commitment to excellence;

the importance of balance between liberal arts and professional offerings; cooperation in interdisciplinary centers of excellence; quality academic interactions; accessibility; self-learning and problem-solving by engagement; diversity of programs, cultures and educational experiences; core values; creation of leaders; balance of individual and collective decision-making; and the importance of lifetime learning. The Vision Statement is accompanied by an analysis of rationale for each of the key statements made.

2. Evaluative Criteria.

The subcommittee developed a set of three criteria: Quality, Centrality and Efficiency. These criteria differ from those developed by the previous Planning Committee only in that they have been regrouped and efforts have been made to explain and simplify. The integration of these criterion is discussed in terms, for example, of defining the need to strengthen weak programs that are absolutely essential to institutional well-being. The rationale, goals and implications for each criterion are presented. Quality is analyzed in terms of reputation, resources (e.g. faculty) analysis of product (e.g. student experience; where graduates go) and methods to assess. Centrality is defined from the points of view of integration with vision, mission and campus programs; diversity of people and programs; and service. Efficiency is defined in terms of fiscal balance, demand and productivity.

3. First-Year Experience.

The first-year experience is defined as beginning when the student decides to attend UVM. Though the focus is on the first year, the importance of integrating this experience with what follows in succeeding years is discussed. The problem was framed on the basis of the surveys provided by OIS and PCCC deliberations, particularly student input. The issues addressed are: quality for the price, poor advising, large classes, course close-outs, course loads and the quality of teaching. The subcommittee further discussed the issues of perceived lack of commitment to undergraduate education, lack of vertical integration, failure to market our academic strengths, and failure to integrate.

The report recommends changes in structure that will bring all aspects of student life into an integrated experience. Effort must be focused on academic advising and collective curricular development and a statement by the academic leadership of its importance. The importance of honors programs is developed. Special attention is paid to restructuring Orientation and Convocation, the establishment of a common learning environment, reorganized introductory courses and special programs based on merit. The 1980 Coor 5-year plan is recalled as having made similar recommendations.

4. Integration.

The problem is described in three dimensions; 1) relative isolation of disciplines; 2) absence of a definition and reward structure for a teacher/scholar who can provide leadership in a transformed curriculum; 3) defining roles too narrowly. Responses to the problem are framed in terms of the subcommittee's "View" statement with particular reference to a balance of academic units in the context of centers of excellence and interdisciplinary teaching and research. Integration is defined within the evaluative criteria report (below) in terms of strong programs of research, teaching and outreach. Finally, the need for both vertical and horizontal integration is developed. The "breadth" vs "depth" dichotomy is analyzed from the point of view of connecting disciplines referencing the education literature.

Central to the report is a redefinition of scholarship based on Boyer as a rich mixture of discovery, integration, application and teaching, which in their turn must be integrated. Finally, a set of 12 implications of integration is developed to serve as a framework for tactical planning.

5. Productivity.

Productivity is analyzed from the point of view of its essentiality to fiscal stability and reputation. Framework is provided by an analysis of revenue streams. The reality that financial viability will influence academic policy is put forward.

The importance of productivity goals and targets is highlighted, acknowledging the interrelationships between teaching, scholarship and service. The challenge is the development of those goals and targets. The principles for doing so are described including: recognition of discipline specificity; the importance of rewarding efficiency and quality; the importance of a diversity of approaches to productivity; the use of large scale strategic targets to allow flexibility within units; establishing productivity targets as a range and with the flexibility necessary to respond to the external environment; productivity/expectations must not in all circumstances be uniform within units; the need for greater stability in planning and resource deployment.

Finally, the Report presents a group of strategic action recommendations with goals. These include: 1) revisiting the 1979-80 enrollment management simulation studies; 2) analysis of the economics of graduate education; 3) development of multiyear budget planning horizons; 4) review and revisions of reward structures to match productivity expectations; and development and evaluation of review standards accordingly.

6. Essential Role of Scholarship.

The Academic Programs subcommittee expanded its charge to make a specific statement regarding graduate education and scholarship. This statement is derived principally from two sources: the previous Planning Commission; and the July 30, 1986,

Report of the Commission on Graduate Study and Research. In these are principles and recommendations with regard to the essential role of the faculty; evaluation of scholarship; strategic planning; rewarding excellence; graduate program development; support of graduate students and fellows; role of the central Administration; resource allocation; multidisciplinary programs; administrative structure; undergraduate involvement in research; teaching loads; incentives; participative decision-making; and support services.

PRESIDENT'S COMMISSION ON CRITICAL CHOICES DRAFT REPORT

FINANCIAL PERFORMANCE

The Subcommittee on Financial Performance of the President's Commission on Critical Choices was asked to prepare projections detailing the likely overall shortfall in the University's budget and the kind of deficits that can be expected resulting from current financial aid practices.

The Subcommittee on Financial Performance put forth budgetary projections based on a probability range for a number of key assumptions. The mean values of these variables were projected as follows:

Tuition, which comprises 66% of our general fund, will rise no more than the rate of inflation, or 4%, each year.

The percent of in-state students for each FY will be:

- 94 - 45%
- 95 - 45%
- 96 - 47%

Total enrollment is projected at 7,750 ('94), 7,700 ('95), 7,650 ('96).

In-state tuition will remain at the statutory limit of 40% of our out-of-state tuition rate for each year.

The appropriation from the state of Vermont, currently \$26 million (excluding capital contributions) will be changed as follows:

- 3.3% '94
- +2.0% '95
- +2.0% '96

Revenues from other sources, such as indirect costs recovered from research and unrestricted funds from development will not increase faster than inflation.

Total salary pool increase of 1.0% in FY 94, 2.0% in FY 95, 2.0% in FY 96.

Health care benefits increases are projected to be 12% ('94), 12% ('95), 10% ('96).

To continue to fund Financial Aid under our current policies will require additional expenditures above already planned amounts of approximately \$3.3 million in FY 94, \$5.2 million in FY 95, \$7.9 million in FY 96.

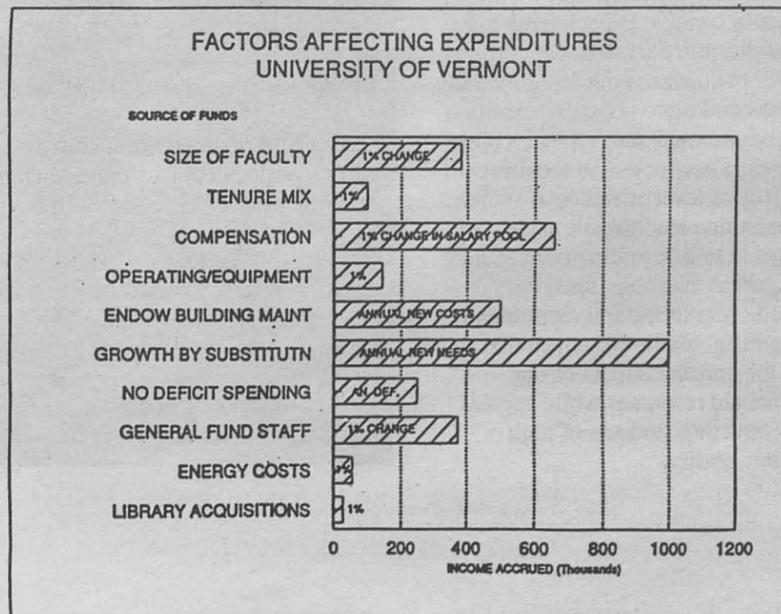
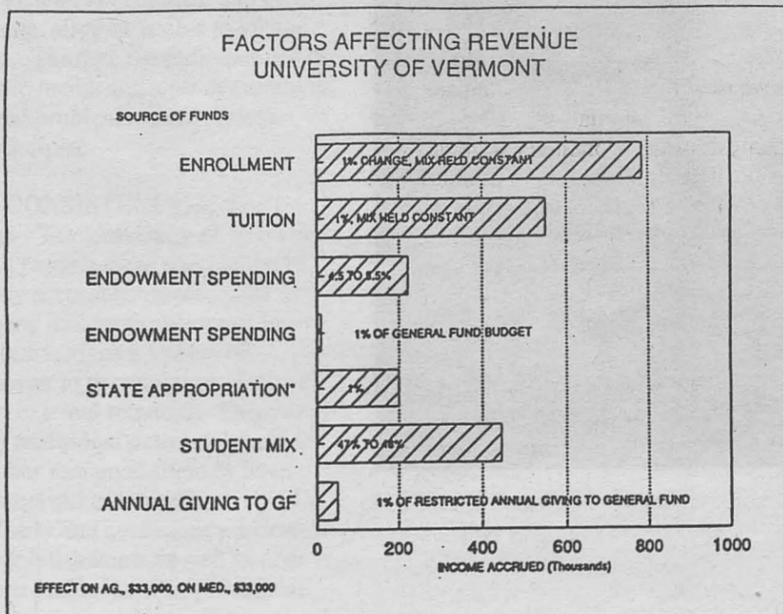
SENSITIVITY ANALYSIS OF GENERAL FUND REVENUES AND EXPENSES

REVENUE	Estimated Effect on General Fund
UNDERGRADUATE ENROLLMENT	
1% change in total undergrad enrollment; mix % held constant	± \$785,000
TUITION	
1% change in rate (both in-state and out-of-state); net of aid	± \$550,000
ENDOWMENT SPENDING	
change in spending rate by 1% (e.g., 4.5% to 5.5%)	± \$222,000
STATE APPROPRIATION	
1% change in State Appropriation	± \$200,000
	Effect on Ag Services \$33,000
	Effect on Coll. of Med. \$33,000
STUDENT MIX	
1% change in the mix (e.g. 47% to 48%)	± \$445,000
USE OF RESTRICTED ANNUAL GIVING TO RELIEVE GENERAL FUNDS	
1% of annual giving	± \$50,000
EXPENSE	
GENERAL FUND FACULTY AND STAFF	
Approximate impact of 1% change in total G/F faculty FTE or 1% change in total G/F staff FTE (inc. benefits)	± \$380,000
TENURE MIX	
Change in % tenured by 1%	± \$100,000
COMPENSATION	
1% change in total salary pool	± \$656,000
OPERATING/EQUIPMENT	
1% change in departmental operation & equipment budgets	± \$143,000
LIBRARY ACQUISITIONS	
1% change of budget	± \$28,000
ENERGY COSTS	
1% change in total gas, oil, electric costs	± \$55,000
OTHER SAVINGS OPPORTUNITIES	
ENDOW NEW FACILITY OPERATING COSTS	
estimated annual additional new (continuing) costs	\$500,000
POLICY OF GROWTH BY SUBSTITUTION ONLY	
estimated annual new (continuing) "needs"	\$1,000,000
UNANTICIPATED DEFICITS	
estimated annual cost of unanticipated deficits	\$250,000

TOTAL ANNUAL PROJECTED SHORTFALLS

	Low (\$million)	Medium (\$million)	High (\$million)
FY 94			
Revenues	\$141.0	\$143.2	\$145.4
Expenditures	\$146.5	\$146.9	\$147.4
Shortfall	(\$5.5)	(\$3.7)	(\$2.0)
Financial Aid Components of Shortfall:			
In-State	(\$0.5)	(\$0.5)	(\$0.5)
Out-of-State	(\$0.6)	(\$0.5)	(\$0.4)
	(\$1.1)	(\$1.0)	(\$0.9)
FY 95			
Revenues	\$144.7	\$147.8	\$150.9
Expenditures	\$154.6	\$155.4	\$156.4
Shortfall	(\$9.9)	(\$7.6)	(\$5.5)
Financial Aid Components of Shortfall:			
In-State	(\$2.2)	(\$2.0)	(\$1.9)
Out-of-State	(\$3.8)	(\$3.4)	(\$3.1)
	(\$6.0)	(\$5.4)	(\$5.0)
FY 96			
Revenues	\$145.9	\$150.0	\$154.1
Expenditures	\$162.6	\$162.1	\$163.7
Shortfall	(\$14.7)	(\$12.1)	(\$9.6)
Financial Aid Components of Shortfall:			
In-State	(\$5.1)	(\$4.7)	(\$4.3)
Out-of-State	(\$4.3)	\$3.8	(\$3.4)
	(\$9.4)	(\$8.5)	(\$7.7)

The financial aid component of the shortfall is calculated by a different method and shown in a different fashion than the analysis of financial aid parameters elsewhere in this report, so it is not possible to directly compare the results. These results are essentially consistent however.



ENROLLMENT MANAGEMENT

Enrollment policies and practices at the University were reviewed from several perspectives by the Enrollment Management subcommittee. A product of that review is a list of critical policy questions which the University must consciously address, without delay.

For the most pressing, most fundamental questions, the subcommittee prepared specific recommendations. Crucial among these is the need to define and create a comprehensive enrollment management system that would address the planning and management of institutional enrollment in all credit granting instruction, be it undergraduate, graduate or continuing educational. The system demands aggressive, centralized leadership that is characterized by not only responsibility but also authority and accountability. The system should reflect the holistic educational mission of the University and be as concerned with retention issues as it is with admissions. It is too easy to oversimplify enrollment management concerns as being merely admissions issues that basically are resolved if we have a large enough applicant pool. One of the first issues to be addressed would be to redefine and objectively assess the joint Central Tendency Enrollment figure(s) for undergraduate, graduate, and continuing education. Additionally, an understanding must be reached regarding the desired mix of students in terms of in-state vs. out-of-state, undergraduate vs. graduate vs. continuing education, traditional vs. non-traditional, male vs. female, and geographic, social economic and cultural diversity.

Of equal importance is the need to broaden the role of, and expand the amount of, financial aid for the University. We cannot compromise our commitments to either a needs blind admissions policy or to the academic quality of the institution. The primary focus of financial aid should continue to be to help families meet the costs of higher education. However, for a high tuition public institution such as the University of Vermont, the yield and retention of admitted students are at least partially a function of financial aid availability. And given our institutional dependence on tuition based income, it is thus absolutely imperative that we find ways to creatively build our financial aid resources. Furthermore, we must be equally creative in packaging our limited discretionary financial aid resources to advance our institutional priorities and our competitive position in the educational marketplace. If at all possible, any potential erosion of the effective level of financial support for continuing students, through changes in tuition pricing or average financial aid available, must be avoided. Marketing and recruitment strategies should be employed that make the greatest impact of our financial aid resources while aggressively targeting students of high academic ability.



HUMAN RESOURCES

In its charge, the subcommittee was directed to review the strategic issues of employee compensation and diversity. It chose to address, in addition, a number of human resource questions not involving those issues.

The subcommittee recognized six principles that should govern the development of a compensation strategy: (1) a broadened definition of compensation to include fringe benefits; (2) a policy that is consistent, equitable and legally administered; (3) access to training and education for staff that allows them to enhance their productivity and pursue career paths within the institution; (4) a reexamination of the staff classification system; (5) a compensation package that is sensitive to the appropriate contexts, allowing the recruitment and retention of quality personnel; and (6) merit should be the major factor in determining salary and wage adjustments for faculty and staff.

The subcommittee responded to the report of the CID Working Party on Multicultural Diversity, as charged. Our recommendation is that the definition of diversity needs to be broadened significantly, adding issues of economic and gender diversity to the continuing and vital concern with multicultural diversity. The subcommittee concluded that UVM needs "a carefully constructed long-term plan for enhancing all aspects of diversity on this campus, featuring clear institutional priorities and attainable and realistic goals."

The discussion of 'non-compensation' issues broadly focussed in the areas of structure and communication, and human resource management. In both areas, there is a tension between the current decentralized practices at UVM and the need for consistent, equitable and humane treatment of employees. The subcommittee endorsed the recommendations of the Task Force on Human Resource Issues, stressing the need for improvements in supervisory training and better integration of human resource management functions.

EXTERNAL RELATIONSHIPS

We recommend strengthening external relations at the University of Vermont because (1) It is consistent with our mission and charter;

(2) It is in our intellectual self-interest to strengthen both the perception of the outreach we do, as well as to sharpen the focus of outreach practice. By more systematically and comprehensively managing our external relations, we will add to our knowledge base; and (3) Appropriately managed, strengthened external relations will further enhance our resource base.

Four areas of critical concern dominate our recommendations:

I. **ACCESSIBILITY** of our resources.

II. **CONSISTENCY** of the message.

III. **COORDINATION and ORGANIZATION** of information and services, and

IV. **QUALITY** of the product.

Each of these are described below. However, at this point in our history, public perception of University external relations is as important as our actual conduct. Often we find that perceptions held by our audiences are incomplete or inaccurate, a phenomena that must be addressed. A second observation is that limited organizational restructuring will vastly improve the external relations product; thus our emphasis is upon making visible what works now, *fine tuning administrative activity, coordination and enhanced participant reward and recognition.*

I. **ACCESSIBILITY** of our resources - "User friendly" and "one stop shopping" are often employed cliches. However, they reflect serious concerns for contemporary University of Vermont outreach activity. These concerns range from parking, common signage, the registration process, the University calendar, cross-campus electronic communication, 800 numbers, and after-hour and weekend access to information. The University must make itself more accessible and accommodating to its constituencies.

By capitalizing on a well established culture of friendliness and building upon existing resources, we should seek cooperation with the student association, the city, the Chamber of Commerce, and other groups as well to centralize and give immediate, all-hour access to visitor services. Through the judicious use of electronic media and a bit of creativity, perceived problems of access will surely dissipate.

II. **CONSISTENCY** of the message - The University of Vermont does not enjoy a clear articulation of our many accomplishments. Just as we have many audiences, we have, in recent years, given a variety of messages as to the nature of what we value in external relations. There are areas of traditional outreach where we have either remained silent or have been perceived as being inactive. We must clearly and consistently articulate our accomplishments as well as new directions and areas of improvement.

Despite needs for clarity and enhancement, external relations are relations we have maintained well for two centuries.

Outreach should be added to the list of things we do well. The need for this message, e.g. we celebrate our external relations, is internal as well as external. Consistency of the outreach message may be facilitated by designing an administrative position with coordinating responsibilities (a vice-president for external relations) but must also include examination of communication among units with off-campus responsibilities to better orchestrate activities.

III. **COORDINATION and ORGANIZATION** of information and services - While the consistency of the message can be addressed through organizational activities which stress orchestration of related units, the actual information and service conducted needs better articulation, visibility and prioritization. Enumeration of the activities of over 100 externally oriented units (see Forcier Task Force Report on Outreach and Services, June, 1991), illustrates clearly the range of activity engaged here. Selecting those messages geared to audiences of highest priority, "what we do" can be more efficiently and effectively pursued. The key to coordination in this area lies in addressing the haphazard way in which we are currently organized. Similarly, the expectations for both faculty and staff, beyond being "good neighbors", are not well defined; rewards for service activities are scarce and ill defined.

IV. **QUALITY** of the product - Despite a long history of pride in our on-campus teaching program and pride in the graduates of that program, little sustained attention has been paid to either the nature of our external relations over time or the product delivered. A concern for quality includes both evaluation of the vehicle (communication, public relations and the media employed) and the product itself (information and services we relate externally). We must enhance the University's basic role as being a place to find useful information; better manage our external relations to tap state, federal and foundation resources to improve our basic teaching and research, interdisciplinary work and applications to our immediate environment and develop better skills and capacities in serving as a portal to major local, state and federal information bases. A better articulation of what we do now (from soil tests to providing census information) can benefit us in the long run.

We endorse the recommendations made in the 1991 Planning Committee on Outreach and Service and present those in our full report to illustrate specific and appropriate actions in the light of our call for Outreach **ACCESSIBILITY, CONSISTENCY, COORDINATION and ORGANIZATION**, and finally, enhanced **QUALITY**.



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