

Impact of IBB May 6, 2021

During the course of our reorganization discussions, concerns about IBB have emerged as a recurring theme. The concerns center on the role IBB may have played in discouraging interdisciplinary activity and causing decisions to be driven by budgetary imperatives rather than strategic priorities, and the extent to which the College of Arts and Sciences is subsidizing other colleges and schools. Since conversations about IBB and the academic reorganization have become intertwined, it may be useful to revisit the ongoing effort in place with which we have evaluated IBB on multiple occasions since its inception.

When IBB was implemented, the most prominently expressed concerns about the model were:

- *IBB will adversely affect the quality of the undergraduate experience.*
- *Interdisciplinarity will decline in IBB.*
- *As a result of its cost, research activity will decline in IBB.*
- *As a result of its cost, graduate education will decline in IBB.*
- *IBB will weaken the Teacher-Scholar model.*

In November of 2016, the Provost charged a working group¹ with developing a concise set of metrics to help us understand whether, and how well, IBB was working. The consensus of the group was that there are too many internal and external factors at play to demonstrate cause and effect between the model and any potential metric. While the group concluded that they could not credit (or discredit) IBB directly with any measure of institutional performance, it was reasonable to consider whether the institution had made progress since its implementation, and whether the negative outcomes some predicted during the transition (see above) have been realized.

The working group identified “Indicators of Success” to monitor prominent IBB concerns.

Concern: *IBB will adversely affect the quality of the undergraduate experience.*

Indicators: Undergraduate acceptance and yield rates
First to second-year retention rate
Four-year graduation rate
Course section size mix

Concern: *Interdisciplinarity will decline in IBB.*

Indicators: Number of new cross-department/cross-college programs
Number of cross-department/cross-college extramural funding proposals

Concern: *As a result of its cost, research activity will decline in IBB.*

Indicators: Number of extramural funding proposals submitted

¹ Membership: Breck Bowden, Luis Garcia, Jane Kolodinsky, Polly Parsons, Don Ross, Jim Vigoreaux, and Beth Wisner. Staff to the Working Group: Kerry Castano, Alberto Citarella, and Alex Yin.

Extramural funding received

Concern: *As a result of its cost, graduate education will decline in IBB.*

Indicators: Number of new graduate programs
Graduate degrees awarded by year

Concern: *IBB will weaken the Teacher-Scholar model.*

Indicators: T-TT/NTT faculty mix
Number of extramural funding proposals submitted
Extramural funding received

The table on page four demonstrates that the predicted negative outcomes did not materialize, and that the institution has made progress since the implementation of the new budget model in 2016.

The above indicators also speak to two of the concerns that have emerged during the recent reorganization discussions.

The perception that IBB discourages collaboration and interdisciplinary activity.

Interdisciplinarity remains a core value of the University of Vermont. It thrived in the old budget model when collaboration was purely voluntary and direct returns to participants did not exist, and it continues to thrive in the new model. IBB created incentives – financial and otherwise – to encourage and support innovative, high-quality interdisciplinary and cross-unit programs.

The perception that decisions are driven by budgetary imperatives rather than strategic priorities.

This is not an either-or proposition: resources and priorities inform each other. That said, if the budget was the primary driver of deans' decisions, we would likely have seen substantial shifts in class sizes and decreases in our most expensive undertakings including graduate education and research. This did not occur. Colleges and schools have developed strategic plans that lead with quality and excellence, identify priorities, and guide financial decisions in support of those priorities. Budgetary realities, however, cannot be ignored, independent of budget models.

On the claim of the extent to which *the College of Arts and Sciences is subsidizing other units to its own detriment*, it is important to understand how the university budget works. The total university budget is over \$700 million and is comprised of a variety of sources including tuition, grants, private giving, state appropriations and other sources. Therefore, any analysis of the university's budget flows cannot be based solely on the distribution of \$260 million of net tuition. The vast majority of College of Arts and Sciences (CAS) revenues are from net tuition while other units generate much larger proportions of their revenue from other sources, such as sponsored research. This has been the case since long before IBB was instituted. The fundamental difference between IBB and the previous budget model is that under IBB, revenues flow directly to the academic units, which then contribute from that revenue to support the cost of central services impacting the whole university, such as human resource services, library services, and research and IT services. Under the previous budget model, all revenue first flowed centrally to the university, which then decided how much to allocate to each academic unit in

any given year. In CAS, the majority of its revenue is from tuition; in contrast, LCOM receives the majority of its revenue from grants.

CAS has a growing structural deficit because the inflationary growth of its direct expenses has outpaced the growth in its revenues. As a result of the increasing gap between CAS revenue and CAS expenses, the university has provided special additional allocations to CAS over the last 10 years (FY12-FY21) in the amount of \$78.6 million. These investments included capital projects, new faculty start-up, facility renovations for new faculty, and continuing budget supplements including \$2 million a year since FY18 during which time the dean has attempted to engage college faculty in finding ways to bring their budget into balance.

There also has been a great deal of discussion about the recent comprehensive campaign with questions about how those dollars have been used to support the college. In fact, nearly \$52 million from the recent fundraising campaign was directed to support CAS students, chairs and professorships, facilities and program support. These fundraising dollars have allowed the college to reallocate general funds to other needs that were not supported in the campaign.

The CAS deficit has to be addressed regardless of what budgeting model the university uses. Given this context, the claim that CAS subsidizes the rest of the university is incorrect and is based on an incomplete understanding of the university budget.

IBB 1.0 Evaluation - University-wide Indicators of Success

Indicator	Pre-IBB Baseline FY13	IBB Model Design FY14	IBB Parallel Year FY15	IBB Year 1 FY16	IBB Year 2 FY17	IBB Year 3 FY18	IBB Year 4 FY19	IBB Year 5 FY20
Undergraduate Admit Rate	76.7%	77.6%	73.4%	70.8%	68.9%	67.2%	67.6%	67.3%

The decline in the undergraduate admissions rate is a positive indicator, reflecting the increased quality of our applicant pool.

Undergraduate Yield Rate	14.2%	14.4%	13.0%	13.4%	16.1%	17.9%	17.6%	20.4%
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The increase in our undergraduate yield rate is a positive indicator, reflecting our ability to better attract qualified applicants.

First-to-Second Year Retention	85.5%	86.8%	85.9%	86.4%	86.2%	86.6%	86.9%	85.3%
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The first-to-second year retention rate has remained reasonably steady for the last decade; our goal is a retention rate of 90%.

Four-Year Graduation Rate	64.4%	64.3%	63.6%	69.5%	67.1%	TBD	TBD	TBD
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The IBB era four-year graduation rates are higher than the reasonably steady rates from FY13 to FY15; the rates for FY18 and beyond are not yet available.

Graduate Degrees Awarded	560	439	473	502	493	503	722	586
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The number of graduate degrees awarded has generally trended upward since IBB was implemented.

Number of New Graduate Programs	2	2	4	2	2	9	1	2
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The growth in the number of graduate programs remains steady; the notable increase in FY18 reflects a commitment to graduate education.

Number of Extramural Funding Proposals Submitted	1,168	1,151	1,234	1,179	1,147	1,235	1,163	1,302
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Many factors influence the submission of proposals; these numbers reflect a continuing commitment to research.

Number of Extramural Funding Awards	699	614	673	598	716	624	631	678
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Many factors influence external funding awards; these numbers reflect a continuing commitment to research.

Extramural Funding Received	\$ 106,186,887	\$ 128,095,848	\$ 132,775,625	\$ 137,982,916	\$ 123,176,671	\$ 135,952,589	\$ 144,300,455	\$ 181,672,425
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Many factors influence the amount of external funding received; these numbers reflect a continuing commitment to research.

Number of Cross-Department Extramural Proposals	427	416	428	383	344	403	321	361
	37% of total	36% of total	35% of total	32% of total	30% of total	33% of total	28% of total	28% of total

Many factors influence the submission of cross-department (within the same college) proposals; these numbers reflect a continuing commitment to interdisciplinary activity in the context of the highly variable external funding environment.

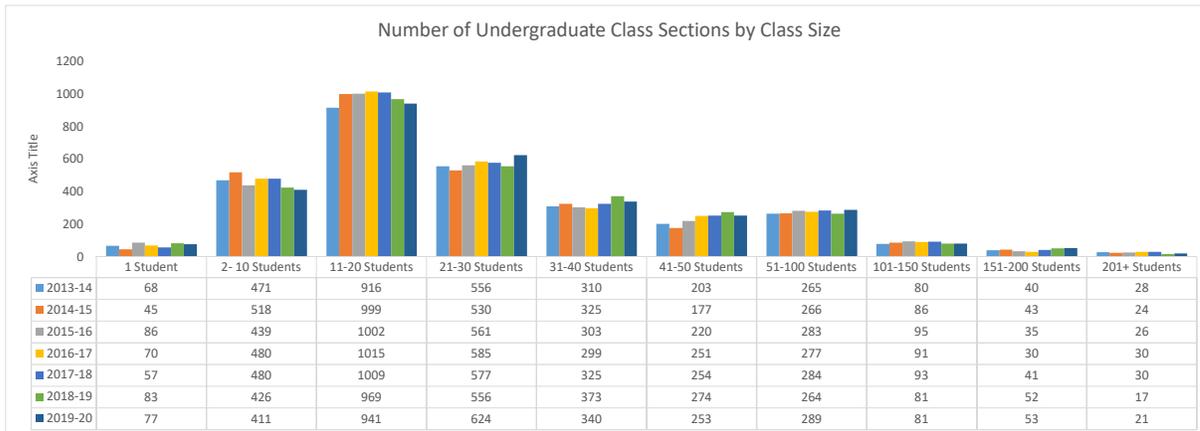
Number of Cross-College Extramural Proposals	163	176	178	160	145	173	191	218
	14% of total	15% of total	14% of total	14% of total	13% of total	14% of total	16% of total	17% of total

Many factors influence the submission of cross-college proposals; these numbers reflect a continuing commitment to interdisciplinary activity in the context of the highly variable external funding environment.

% T-TT Faculty of FT Instructional Faculty (Headcount - No LCOM)	76%	76%	76%	73%	71%	70%	69%	69%
% T-TT Faculty of Instructional Faculty (Headcount - No LCOM)	62%	62%	61%	57%	58%	55%	55%	54%

There has been a decline in the percentage of T-TT FT instructional faculty; but UVM's position is still favorable in the context of a national mix that is closer to 30% T-TT and 70% NTT (including all instructional faculty, FT and PT).

Course Section Size Mix



The class size mix has remained reasonably stable.