1. Call to Order
2. Roll Call and Declaration of Quorum
3. Board of Regents Chairman, Lewis J. Robinson, Esq.
4. Board of Regents interim President, Dr. Philip E. Austin
5. Approval of Minutes
6. Consent Calendar
   a) Licensure and accreditation
      i. Technology Studies (AS) - Computer Engineering Technology Option
         Middlesex Community College 1
      ii. Digital Media and Design (BA/BFA) UConn 2
   b) Terminations
      i. Animation and Video Arts (AS)
         Northwestern Connecticut Community College 15
      ii. General Science (BS)
         Central Connecticut State University 16
      iii. Computer Services (AS) with an Option in Applications
         Quinebaug Valley Community College 18
   c) Program Modifications
      i. Administrative Support (C2) to offer the program at the Danbury Center
         Naugatuck Valley Community College 19
      ii. Business Management (C2) to offer the program at the Danbury Center
         Naugatuck Valley Community College 21
      iii. Business Management (AS) to offer the program at the Danbury Center
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      iv. General Studies (AS) to offer the program at the Danbury Center
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      v. Political Science (MS) to substantially modify existing concentration in Public
         Policy and Administration to a concentration in Urban Affairs and Public Policy
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      vi. Computer Services (AS) with an Option in Technical Support to substantially
         modify the curriculum Quinebaug Valley Community College 26
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   d) Honorary Degrees – Three Rivers Community College 30
   e) University Promotion & Tenure Recommendations 32
   f) CSU Professor Recommendation – CCSU 40
   g) Interdistrict Magnet School at Three Rivers Community College 56
   h) Use of Reserves to Support the Cost of the Maguire Associates Enrollment Study 61
   i) Audit of Charter Oak State College and Connecticut Distance Learning Consortium for the Fiscal Year ended June 30, 2012 62

7. Academic & Student Affairs Committee – Dr. Merle Harris, Committee Chair
   a) Board of Regents Faculty Awards (Research, Scholarly Excellence and Teaching) 145
8. **Administration Committee, Naomi Cohen, Committee Chair**
   a) Review and Adoption of Process for Establishing Board Policy 147
   b) Review and Adoption of Human Resources Policies 154

9. **Finance Committee –Gary Holloway, Committee Chair**
   a) Use of Insurance Claim Funds and CSUS 2020 Code Compliance/Infrastructure Funds – Buley Library Phase 2 at Southern Connecticut State University 183

10. **Audit Committee – Craig Lappen, Committee Chair**
    a) Appointment of Director of Internal Audit 188
    b) Appointment of PricewaterhouseCoopers as External Auditors for the Connecticut State Universities and Community Technical Colleges 191

11. **Special Committees**
    a) Strategic Planning - Rene Lerer, Special Committee Chair
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    b) Information Technology, Nicholas Donofrio, Special Committee Chair
       *no report/no exhibit*

12. **Executive Committee – Lewis Robinson, Chair**
    *no exhibit*

13. **Executive Session**

14. **Appointment of President of Board of Regents for Higher Education**

15. **Adjourn**
ITEM
Licensure and accreditation of a program in Technology Studies leading to an Associate of Science (A.S.) degree with an Option in Computer Engineering Technology at Middlesex Community College

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education license and accredit a program in Technology Studies leading to an Associate of Science (A.S.) degree with an Option in Computer Engineering Technology for a period of time concurrent with institutional accreditation

BACKGROUND
Middlesex Community College (MXCC) has applied for licensure and accreditation of a program in Technology Studies leading to an Associate of Science (A.S.) degree with an option in Computer Engineering Technology. The College is currently accredited to award the A.S. degree in Technology Studies with no option, with an option in Engineering Technology, and with an option in Manufacturing Machine Technology. The proposed option in Computer Engineering Technology is 23 credits and requires separate accreditation. The College has requested simultaneous licensure and accreditation of the program.

Degree programs offered by public institutions in Connecticut must receive approval to operate through licensure by the Board of Regents and must receive accreditation from the Board of Regents to confer degrees (CGS 10a-34). Undergraduate options of greater than 15 credits require licensure as new programs, pursuant to the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning (10a-34-2(j)).

Staff review of the proposal has determined that the program is consistent with the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The program will be considered by the statewide Advisory Committee for Accreditation (ACA) on May 2, 2013 and will forward a recommendation to the Board of Regents. Action from the BOR-ASA is contingent upon a favorable recommendation from ACA.

01/09/13 – ConnSCU Academic Council
03/08/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
PLANNING ASSESSMENT

Conformance with institutional mission
The program is consistent with the College’s mission and fits within an existing degree program.

Need
This program is designed for transfer into a bachelor’s program in computer information technology. The number of individuals with strong credentials in computer science and computer engineering fields has consistently not met the number of available openings identified by the Connecticut Department of Labor.

Unnecessary duplication of programs
Specializations in associate’s degree programs are not uniformly tracked or consistently categorized. Full associate’s degree programs in Computer Engineering Technology are offered at Gateway Community College, Manchester Community College, and the University of Hartford. Computer Engineering programs are offered at the bachelor’s level at Central Connecticut State University, Fairfield University, Trinity College, the University of Bridgeport, the University of Connecticut, the University of Hartford, and the University of New Haven.

Cost effectiveness\(^1\)
The College anticipates revenue in the first year of $33,090 increasing to $86,034 in the second year and $112,506 in the third. This income would more than offset an initial cost of $31,323 in the first year, $60,896 in the second year, and $54,066 in the third.

These revenue and cost estimates, however, rely on enrollment projections that are more realistic than initial estimates.\(^1\) In the first year, the college expects 20 students (15 FTE) to enroll, 34 students (25.5 FTE) in the second year, and 40 students (30 FTE) in the third. Historical enrollments in the College’s Technology Studies programs, suggest these enrollment levels would be aggressive but not unachievable.

<table>
<thead>
<tr>
<th>Technology Studies Programs</th>
<th>Fall 2008</th>
<th>Fall 2009</th>
<th>Fall 2010</th>
<th>Fall 2011</th>
<th>Fall 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>TechStds:Mnfg Machine Tech (FF22)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technology Studies (FF11)</td>
<td>13</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td></td>
</tr>
<tr>
<td>Tech Stds: Eng Technology Opt. (FF12)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>16</td>
<td>17</td>
<td>21</td>
<td>37</td>
<td></td>
</tr>
</tbody>
</table>

Availability of adequate resources
The College anticipates no new full-time faculty would be necessary to launch this program. Additional costs for adjuncts would be incurred, and the College has budgeted $25,000 for equipment in the first year, $20,000 in the second, and $10,000 in the third. Program revenues are forecast to exceed expenses in the first three years. Additional information appears in the pro forma budget. That said, the College has a deficit of $440,107 in FY 12 and the deficit for FY 13 is projected at $378,459. This variance is largely a result of lower tuition and fee revenue than forecast (-$136,769) and lower state appropriations (-$296,345).

\(^1\) Enrollment projections and resulting revenue have been revised since the March 2013 staff report was issued.
QUALITY ASSESSMENT
DESCRIPTION

Purpose and Objectives
The program prepares students for transfer to institutions with bachelor’s degree programs in Computer Engineering Technology, Industrial Technology, Networking Technology, or other related fields, or for entry into computer-based industry positions. This is a hands-on, technically oriented program. The specific program objectives include:

1. Provide students with a background in the application of electric circuits, computer programming, associated software applications, computer hardware, computer networking, and engineering standards to the building, testing, operation, and maintenance of computer systems and associated software systems.
2. Provide students with the ability to apply science, engineering, and mathematical analysis in solving computer engineering technology problems.
3. Prepare students to take the industry-based certification exams.
4. Develop students’ ability to apply written, oral, and graphical communication in both technical and non-technical environments and to identify and use appropriate technical literature.
5. Develop students’ ability to learn new concepts and techniques as required for continuing professional development.

Admission
The target audience for this program includes both full and part time students with an interest in pursuing a career as a systems administrator, network administrator, software developer, programmer, systems analyst, support specialist, or a profession in other computer related areas. Successful completion of the program allows students to enter their junior year in the Computer Engineering Technology Program at Central Connecticut State University. Consultation with the Program Coordinator is strongly recommended if students wish to transfer to other related programs or other institutions.

Enrollment Projections
The College projects an enrollment of 35 (25 FTE) during its first year and anticipates an increase to 105 (72.5 FTE) students during its third year.

<table>
<thead>
<tr>
<th></th>
<th>First Term Yr 1</th>
<th>First Term Yr 2</th>
<th>First Term Yr 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FT</td>
<td>PT</td>
<td>FT</td>
</tr>
<tr>
<td>Internal Transfers</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>New Students</td>
<td>10</td>
<td>15</td>
<td>15</td>
</tr>
<tr>
<td>Continuing</td>
<td>0</td>
<td>0</td>
<td>12</td>
</tr>
<tr>
<td>Total Headcount</td>
<td>15</td>
<td>20</td>
<td>32</td>
</tr>
<tr>
<td>Total Estimated FTE per Year</td>
<td>25</td>
<td>52.5</td>
<td>72.5</td>
</tr>
</tbody>
</table>

Administration
The full-time faculty member directly involved with the proposed program is Dr. Lin Lin (also the author of this proposal). Dr. Lin holds a Ph.D. degree from the Electrical and Computer Engineering Department at the University of Connecticut. She has taught in the Information Systems and Management Information Systems program at MxCC since 2010. She also taught at MCC from 2008 to 2010. She had extensive industry engineering work experience for many years before she became a faculty member in the Connecticut Community College system.

Curriculum
The Technology Studies: Computer Engineering Technology Option A.S. degree program provides students with a background in the application of electric circuits, computer programming, associated software applications, computer hardware, computer networking, and engineering standards to the building, testing, operation, and maintenance of computer systems and associated software systems. The program also provides students with the ability to apply science, engineering, and mathematical analysis in solving computer engineering technology problems.

To accomplish above, the program requires 23 credits of program core courses and 16 credits of related courses including mathematics and physics. Students also need to take 24 credits in liberal arts to complete the degree. Students must meet the residency requirement (15 credits) and complete program requirements with a minimum GPA of 2.0 to graduate.

Required Courses

<table>
<thead>
<tr>
<th>Curricular Requirement / Course Number and Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Core Courses</strong></td>
<td>23</td>
</tr>
<tr>
<td>CSC*101 Introduction to Computers</td>
<td>3</td>
</tr>
<tr>
<td>CSC*105 Programming Logic</td>
<td>3</td>
</tr>
<tr>
<td>CSC*220 Object Oriented Programming Using Java</td>
<td>3</td>
</tr>
<tr>
<td>CST<em>141 Computer Hardware</em></td>
<td>4</td>
</tr>
<tr>
<td>CST*231 Data Communication and Networking</td>
<td>3</td>
</tr>
<tr>
<td>EGR*111 Introduction to Engineering</td>
<td>3</td>
</tr>
<tr>
<td>EGR<em>221 Introduction to Electric Circuit Analysis</em></td>
<td>4</td>
</tr>
<tr>
<td><strong>Other Related/Special Requirements</strong></td>
<td>16</td>
</tr>
<tr>
<td>PHY*121 General Physics I</td>
<td>4</td>
</tr>
<tr>
<td>PHY*122 General Physics II</td>
<td>4</td>
</tr>
<tr>
<td>MAT*168 Elementary Statistics and Probability I</td>
<td>4</td>
</tr>
<tr>
<td>MAT*254 Calculus I</td>
<td>4</td>
</tr>
<tr>
<td><strong>Core Course Prerequisites</strong></td>
<td>8</td>
</tr>
<tr>
<td>MAT* 186 Precalculus</td>
<td>4</td>
</tr>
<tr>
<td>MAT* 173 College Algebra with Technology</td>
<td>4</td>
</tr>
<tr>
<td><strong>General Education</strong></td>
<td>24</td>
</tr>
</tbody>
</table>
New Courses

CST* 141: Computer Hardware

This hands-on course covers essential skills on how to install, upgrade, repair, configure, troubleshoot, optimize, and maintain a personal computer’s hardware and peripherals. Topics include power supplies, motherboards, processors, memory, hard drives, I/O devices, and multimedia devices. This course also prepares students for the CompTIA’s 2009 A+ Essentials and A+ Practical Application Certification exams. Four hours of lecture/laboratory per week. 4 credits

EGR* 221: Introduction to Electric Circuit Analysis

This course covers basic concepts, theorems, laws, methods of analysis, and application examples in DC and AC circuits. Topics include resistance, capacitance, inductance, operational amplifiers, Ohm’s Law, Kirchhoff’s Laws, Thevenin’s and Norton’s Theorems, Nodal and loop analysis, first and second order transient circuits, steady-state analysis, and polyphase circuits. Laboratory experiments involve using simulation software and using instruments for circuit building and testing. Four hours of lecture/laboratory per week. Prerequisite: EGR*111 and MAT*254. 4 credits

Resource Support

The resources required for this program will include allocation for new laboratory equipment and new software. The need for additional adjunct faculty is anticipated. Relevant grants will be pursued. Otherwise, funding for these items will come from the college’s usual operating and capital budgets.

The new program shares many of MxCC’s existing Information Systems/Management Information Systems program curriculum, faculty, and technology resources. Much of the technology (computer labs and software) is already in place.

Faculty

Dr. Lin Lin in the IS/MIS program will be the Program Coordinator of the proposed program. She has a strong background in the Computer and Electrical Engineering field.

Three additional full-time faculty members (Assistant Prof. Hubert Godin, Prof. Donna Hylton, and Prof. Mark Busa) will teach a number of core courses. Including Dr. Lin, the four FT faculty will teach about 80% credits in the program, and the other 20% will be taught by adjunct faculty. There are several adjuncts that currently teach core courses such as Introduction to Computers and Data Communication and Networking. Additional adjunct faculty may need to be hired. All adjuncts will hold master’s degrees in their respective areas of specialization or a combination of a bachelor’s degree and professionally recognized certifications. Working professionals who bring their field experience to the coursework to create a richer learning environment for students are preferred.

Facilities and Library Resources

The program will require some additional laboratory equipment and new software. Some additional library resources will be required.
## PRO FORMA BUDGET

### PROJECTED Enrollment

<table>
<thead>
<tr>
<th></th>
<th>First Term Year 1</th>
<th>First Term Year 2</th>
<th>First Term Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full Time</td>
<td>Part Time</td>
<td>Full Time</td>
</tr>
<tr>
<td>Internal Transfers (from other programs)</td>
<td>5</td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td>New Students (first term matriculating)</td>
<td>5</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Continuing (students progressing to credential)</td>
<td>0</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Total Estimated FTE per Year</td>
<td>15</td>
<td></td>
<td>25.5</td>
</tr>
</tbody>
</table>

### PROJECTED Program Revenue

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full Time</td>
<td>Part Time</td>
<td>Full Time</td>
</tr>
<tr>
<td>Tuition* (Do not include internal transfers)</td>
<td>$18,770</td>
<td>$14,320</td>
<td>$48,802</td>
</tr>
<tr>
<td>Program-Specific Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Rev. (Annotate in text box below)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Annual Program Revenue</td>
<td>$33,090</td>
<td></td>
<td>$86,034</td>
</tr>
</tbody>
</table>

*Tuition is calculated using 2012-13 rates as follows. Full time: in-state, $1877/semester ($1799 fee + $78 Lab fee) for two semesters; Part time: in-state, 9 credits, $1432/semester ($1354 fee + $78 Lab fee) for two semesters

### PROJECTED Expenditures*

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 2</th>
<th>Year 3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Expenditure</td>
<td>Number</td>
</tr>
<tr>
<td>Administration (Chair or Coordinator)</td>
<td>3 WLU**</td>
<td>$5,941</td>
<td>6 WLU**</td>
</tr>
<tr>
<td>Faculty (Full-time, total for program)</td>
<td>re-allocation</td>
<td>$0</td>
<td>re-allocation</td>
</tr>
<tr>
<td>Faculty (Part-time, total for program)</td>
<td>6 WLU**</td>
<td>$11,882</td>
<td>12 WLU</td>
</tr>
<tr>
<td>Support Staff</td>
<td>no additional</td>
<td>$0</td>
<td>no additional</td>
</tr>
<tr>
<td>Library Resources Program</td>
<td>1,000</td>
<td>$1,000</td>
<td>$1,500</td>
</tr>
<tr>
<td>Equipment (List as needed)</td>
<td>Required new hardware &amp; software, etc</td>
<td>$10,000</td>
<td>$25,000</td>
</tr>
<tr>
<td>Other (e.g. student services)</td>
<td>Consumable supplies</td>
<td>$1,000</td>
<td>$1,250</td>
</tr>
<tr>
<td>Estimated Indirect Cost (e.g. student services, operations, maintenance)</td>
<td>calculated at $100 per FTE per year</td>
<td>$1,500</td>
<td>$2,550</td>
</tr>
<tr>
<td>Total ESTIMATED Expenditures</td>
<td>$31,323</td>
<td>$60,896</td>
<td>$54,066</td>
</tr>
</tbody>
</table>
ITEM
Licensure and accreditation of program in Digital Media and Design, leading to the Bachelor of Arts (B.A.) degree or Bachelor of Fine Arts (B.F.A.) degree at the University of Connecticut

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education license and accredit a program in Digital Media and Design, leading to the Bachelor of Arts (B.A.) degree or Bachelor of Fine Arts (B.F.A.) degree at the University of Connecticut for a period of time concurrent with institutional accreditation

BACKGROUND
The University of Connecticut (UConn) has applied for licensure and accreditation of program in Digital Media and Design leading to the Bachelor of Arts (B.A.) degree or the Bachelor of Fine Arts (B.F.A.) degree to be housed in its School of Fine Arts (SFA). The program is interdisciplinary in nature and brings together coursework from a number of departments to deliver the program. The University has a well-established and far-reaching array of undergraduate offerings.

Degree programs offered by public institutions in Connecticut must receive approval to operate through licensure by the Board of Regents and must receive accreditation from the Board of Regents to confer degrees (CGS 10a-34). Undergraduate options of greater than 15 credits require licensure as new programs, pursuant to the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning (10a-34-2(j)).

Staff review of the proposal has determined that the program is consistent with the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The program will be considered by the statewide Advisory Committee for Accreditation (ACA) on April 4, 2013 and will forward a recommendation to the Board of Regents. Action from the BOR-ASA is contingent upon a favorable recommendation from ACA.
PLANNING ASSESSMENT

Conformance with institutional mission
The program is consistent with the College’s mission and complements other undergraduate offerings of the University.

Need
The University cites statistics from the Career Builder’s Supply & Demand Portal as evidence of need, including 17,166 workers employed in the digital space (creative, business, technology, science). The Department of Labor projects 8% annual growth through 2020; 2010 median pay is $58,510. Career Builder reports 2,501 Job Postings (available positions in Connecticut) being advertised during that same time period (Career Builder also reports a higher median wage of about $75,000 annually). In spring 2013, ESPN alone had postings for 37 positions in digital median on its website.

A wide range of market statistics about growth of digital video and internet use also support the need for professionals with these credentials, including

- 1 billion Facebook users
- 604 million mobile users
- More than 42 million web pages and 9 million apps
- Youtube records 800 million users with 4 billion views per day
- Twitter has 500 million total users
- Google has 400 million registered users with 135 million active daily

Unnecessary duplication of programs
The program falls in the category of digital communication and media/multimedia (CIP 09.0702). No programs in this category exist at the bachelor’s level in the state. Several community colleges have associate’s degree programs that could serve as feeders for the program. A somewhat similar program exists at Central Connecticut State University leading to a B.A. in Graphic/Information Design (CIP code 50.0401 – a design and applied arts category) that has graduated 19-37 students a year in recent years.

Cost effectiveness
The University estimates the program will cost $1.7 million to operate ($1.3 million are for faculty). The undergraduate degree programs in Digital Media & Design will be fully supported by the so-called “Ledger 2” funds, consisting of General Fund or Student Tuition Fund monies. While future offerings in Digital Media & Design through Certificate programs may be fee-funded, the undergraduate degree program entire budget is based on Ledger 2 monies.

Availability of adequate resources
A review of proposed funding and expenses as well as the overall financial health of the University indicate that financial resources to support the program are available.
QUALITY ASSESSMENT

DESCRIPTION

Purpose and Objectives
With this new major, the University of Connecticut seeks to expand its national leadership role in the field of Digital Media and Design (DMD) through an active agenda of education, experiential learning and research. The DMD curriculum will emphasize digital media as a tool of analysis and communication, the innovative technologies that give voice to digital media for personal, creative and commercial communications, and digital design as a multi-dimensional career path in: Entertainment and Art, STEM (Science, Technology, Engineering and Mathematics), Business, and the Digital Humanities/Digital Social Sciences. By establishing the Department of Digital Media and Design (DMD) at the Storrs and Stamford Campuses, the University of Connecticut has enhanced its ability to accomplish these priorities. The DMD cutting-edge major will meet the needs of students, as well as the community of regional and national corporations who are actively seeking highly accomplished employees in the digital space.

The DMD Department’s Digital Media and Design major, while housed in the School of Fine Arts (SFA), is trans-disciplinary and draws its instructional capacity (and student body) from faculty composed of a core group in the School of Fine Arts faculty who work collaboratively with colleagues from across the university, to provide a broad education in digital media and design. The new Departments curriculum will leverage some preexisting SFA courses in theory, design, and history with newly created digital media courses. For the DMD to fully realize the potential of digital media – which is a convergence of digital art, science, technology, and business – it will be imperative that the new Department craft collaborations through curricular offerings from across the university.

Graduates with a degree in Digital Media and Design will be well positioned to continue their studies in a variety of academic disciplines, like Architecture, Biosciences, Engineering, Medical, and Pharmaceutical. Students will also be well positioned for employment in areas like Film, Television, Marketing, and Advertising.

Within the concentrations of 2D Animation, 3D Animation and Visualization, Digital Game Design, and Interactive Media every student graduating with either a BA or BFA in Digital Media and Design should be able to demonstrate a proficiency in certain skills or knowledge application within the field. These include:

1. Foundational understanding of digital and social media principles and concepts within the Creative, Business, Technology and Humanities/Social Sciences digital spaces;
2. Ability to build a basic web-site;
3. Ability to create a basic interactive experience;
4. Ability to create a basic digital game concept;
5. Ability to create complete works in both 2D and 3D animation systems;
6. Ability to develop a marketing and promotions program for digital and social media;
7. Ability to ideate original concepts within your area of concentration, communicate the principles and structures of that concept in prose and visuals through storyboarding/animatics/data presentation, execute a development plan, and produce the artifacts necessary to demonstrate the original concept.
The metrics used to analyze mastery of these expected outcomes within individual courses will be developed by the DMD and allied faculty. The methods of assessment of mastery of these learning outcomes may include achievement of individual project goals, completion of individual or group projects at a level in consonance with the expectations of a faculty member or a non-university entity for which the student(s) has (have) been working, and demonstrated knowledge by ability to create digital artifacts in real-time on tests. Finally, job placement upon graduation will be a relevant metric gauging success of our programs while being useful for program promotion and recruiting.

Administration
The Digital Media and Design (DMD) BA and BFA majors will be administered through the Department of Digital Media and Design, located within the Schools of Fine Arts and Business. The Department Head, Professor Tim Hunter, and the Digital Media Center’s Administrative Coordinator will be responsible for the academic and operational activities of the department and its majors.

Admission
Undergraduates who are admitted to UConn will be eligible to pursue the program in Digital Media and Design.

Enrollment Projections
It is anticipated that the Digital Media and Design degree program in Storrs will accept up to 60 freshman annually and, owing to supplemental admissions into the program, graduate 60 annually. It is further anticipated that almost all of these students will graduate in four years. The reason for this somewhat rapid graduation rate (when measured against national graduation rate averages, which can be up to six and even seven years for an undergraduate degree) is the intense employment demands, which make rapid graduation very desirable.

As the Stamford-based Digital Media and Design program comes online, a like number of graduates from the Stamford campus would be possible given an additional investment in faculty, facilities and program promotion.

Curriculum
Undergraduate degrees in Digital Media and Design may take one of two forms: A Bachelor of Arts (BA), or a Bachelor of Fine Arts (BFA). Both of these degrees have the same fundamental goal: to provide a foundational understanding of and facility with the spectrum of Digital Media and Design skills and applications. Their core requirements are virtually identical, the difference between the two degrees being that the BFA contains an additional requirement of familiarity with “making disciplines” across the Fine Arts, notably Art and Drama, that is not required for the BA. The BA curriculum allows for more flexibility for a student to incorporate individual concentration design, including courses offered in the College of Liberal Arts and Sciences, or the Schools of Engineering or Business.

The common core courses for both the BA and BFA are Digital Foundation, Animation Lab, Digital Anthropology, Visible Language, participation in an experiential learning Student Agency, and a Drama course, The Director in the Theater.
The common choices for Areas of Concentration for both the BA and BFA are Introduction to Web Design, Introduction to Motion Graphics, and 3D Animation

**Bachelor of Fine Arts (BFA) in Digital Media and Design – 79 credits**

<table>
<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Courses</td>
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<td>3</td>
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<tr>
<td>ART 1030</td>
<td>Drawing I</td>
<td>3</td>
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<tr>
<td>DMD 2010</td>
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<td>DMD 4015</td>
<td>Degree Exhibition (two-semesters, 1 cr. each)</td>
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<td>DMD 4025</td>
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<tr>
<td>DMD 4081</td>
<td>Internship and/or DMD 4075 Senior Project</td>
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<tr>
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<tr>
<td>DMD 1070</td>
<td>Introduction to Web Design</td>
<td>3</td>
</tr>
<tr>
<td>DMD 2200</td>
<td>Introduction to Motion Graphics</td>
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<td>DMD 2300</td>
<td>3D Animation I</td>
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<td>DMD 2500</td>
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<td>ART 2510</td>
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<td>ART 2610</td>
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<td>Related Group: 12 credits</td>
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<td>1000/2000/3000-level courses in related group outside DMD, within: Art and Art History, CLAS: Communications, Digital Humanities, Digital Social Sciences, Digital English; School of Business: Marketing and/or Accounting; Sciences; Engineering/Computer Science:</td>
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**Bachelor of Arts (BA) in Digital Media and Design – 59 credits**

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<td>Common Courses (21 credits)</td>
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<td>Digital Anthropology</td>
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<td>Visible Language</td>
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<tr>
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<td>The Director in the Theatre</td>
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<td><strong>Subtotal</strong></td>
<td><strong>37</strong></td>
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Intro to Area of Concentration, 6 Credits from

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<thead>
<tr>
<th>Number</th>
<th>Title</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td>DMD 1070</td>
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<tr>
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<td>Introduction to Motion Graphics</td>
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<tr>
<td>DMD 2500</td>
<td>Introduction to Digital Game Design</td>
<td>3</td>
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</tbody>
</table>

**RESOURCE SUPPORT**

**Faculty**
Faculty members teaching in the program hold appointments in other departments. All faculty hold terminal degrees. See appendix for departmental affiliations and degrees.

**Library and Learning Resources**
The university does not anticipate that additional library resources will be required to deliver this academic program.

**Facilities and Equipment**
The digital media program, as the name implies, is heavily dependent on technology for teaching, research and experiential learning opportunities for students. The Digital Media and Design department is spread through a few spaces across the Storrs campus.

Currently at Storrs the faculty and staff have offices in the School of Business, School of Fine Arts, and Bishop Center. There are 3 computer labs, two in the new Bishop Center space and one in the Art Building room 228. The department is building upon its server cluster for video rendering. Lastly, the students have access to a number of video and audio technologies used in a number of classes for projects and experiential learning.

A Digital Media lab also exists at the Stamford campus, housed within the School of Business’ Stamford Learning Accelerator.
**Computer Labs.** It is the eventual goal for the department to require students to come prepared with appropriate laptop technology and be able to access centrally hosted software and virtual services. While the department grows though, we have needed to outfit 3 computer labs at Storrs, as well as one in Stamford. The 3 Storrs labs combined have 35 Apple computers and 17 PC computers. All the machines are at an advanced configuration level due the extreme demands that video and animation software place on them. In addition to the lab machines themselves, the classrooms have high performance video projectors and high definition media servers for use in teaching projection design topics. One of the labs is also outfitted with a Smart board and a color laser printer. The Stamford Digital Media Lab has 19 Apple computer stations, advanced configuration levels, large format video monitor, a Smartboard and laser printer.

**Innovation Lab.** The new Storrs Bishop Center space also has a small lab for students and faculty to work on cutting edge experiential learning projects. This lab is outfitted with multiple computers, projectors, and plasma screens. It is this space that is used to house a number of the video cameras, audio components, and other items used by the agency classes and other digital projects.

**Render Farm.** 2D and 3D animation and video compositing rely heavily on high performance computers to “render” video. The creation of images from computer models can be extremely demanding on systems. Our current cluster consists of 15 Dell Server nodes, as well as aging Angstrom rendering farms that were donated from a corporate partner. We have recently added a modular expandable GPU based high performance compute system that will greatly enhance our ability to offer rendering for student projects, research, outreach, and experiential learning. In addition, our labs serve as backup nodes that can be used during off hours.

Via fiber connections, the Stamford Digital Media lab can access the Storrs based render facility for remote render needs in Stamford.

**Faculty**

**Departmental Faculty, Faculty Joint-Appointments (proposed), and Staff**

Departmental Faculty:

- Tim Hunter - Department Head and Director, Digital Media Center
- Mike Vertefeuille – Associate Department Head, Extensions Instructor: Technology Systems Integration and Development, Technology and Operations Management
- Samantha Olschan - In-Res appt.: 2D Motion Graphics, Student Agency, History of DM
- Perry Harovas - In-Res appt.: 3D Animation, DM Ideation, DM Production
- Search Underway- Assistant Professor, Game Design and Development
- Search Underway- Assistant Professor, History and Anthropology of Digital Culture
- Search Underway- Assistant Professor, Interaction Design
- Search Underway- Assistant Professor-In-Residence, Digital Graphic Design/Marketing
- Matthew Worwood: Adjunct Faculty, Game Design and Development
- Andrew Bacon: Adjunct Faculty, Web Design
- William Congdon: Adjunct Faculty, Student Agency
Staff Appointments

Stacy Webb – Digital Media Center Administrative Coordinator

Proposed Joint Appointments:
- Michael Anania - SFA, Department of Dramatic Arts: PhotoShop Design
- Roger Travis - CLAS, Department of LCL: Digital Humanities
- Anke Finger - CLAS, Department of LCL: Media Studies
- Kristine Nowack - CLAS, Department of Communication Science (Head): Computer Media and Human Computer Interaction
- James Watt - CLAS, Professor Emeritus, Department of Communication Sciences: Game Design and Construction
- Mark Hamilton - CLAS, Department of Communication Sciences: Human Communications
- Alex Wang - CLAS (Stamford Campus) - Department of Communication Sciences: Digital Marketing and Perception
- Robin Coulter - Business, Department of Marketing (Head): Marketing
- Susan Spiggle - Business, Department of Marketing: Digital Marketing and Student Agency
- Tom Peters - Engineering, Department of Computer Science: Visualization
- Aggelos Kiayias – Engineering, Department of Computer Science: Visualization
- Horea Ilias - Engineering, Department of Mechanical Engineering: Interactive Technology
- Tim Gifford – CHIP: 3D Visualization
ITEM
Termination of a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Applications at Quinebaug Valley Community College

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve at the request of the institution to terminate a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Applications at Quinebaug Valley Community College, with a phase out period until July 1, 2013

BACKGROUND
Quinebaug Valley Community College has requested to terminate a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Applications. Termination of an academic program must receive approval from the Board of Regents, following the policy for academic program approval adopted in January 2012. This resolution terminates only the Option in Applications. Other options for the degree remain in effect.

RATIONALE
This proposal for discontinuation of the Applications Option is accompanied by a proposal to modify an existing program option, which will be more relevant to the needs of employers. The Option in Applications will no longer be available after June 30, 2013.

<table>
<thead>
<tr>
<th></th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
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<tbody>
<tr>
<td>Fall enrollment*</td>
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<tr>
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* No enrollments are attributed to the option; all are attributed to the main Computer services degree.

RESOURCES
No resources are required to make this change.

04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Termination of a program in General Science leading to a Bachelor of Science (B.S.) degree at Central Connecticut State University

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve at the request of the institution to terminate a program in General Science leading to a Bachelor of Science (B.S.) degree at Central Connecticut State University, with an extended phase out period until July 1, 2018

BACKGROUND
Central Connecticut State University has requested to terminate a program in General Science leading to a Bachelor of Science (B.S.). Termination of an academic program must receive approval from the Board of Regents, following the policy for academic program approval adopted in January 2012. By regulation, a phase out period may last for only two years (10a-34-3(d)) with two additional years at the discretion of the President, although this regulation is somewhat anachronistic since the former Board of Governors for Higher Education did not require terminations to be approved at the level of the state coordinating board.

RATIONALE
The BS in General Science has three specializations: General Science (Teaching Certificate), Physical Science, and Environmental Interpretation. In all three specializations enrollments and completions are low. For the teaching certificate specialization, the absence of a middle school teacher education program in the School of Education and Professional Studies limits options for students in the General Science major. Students who major in biology, chemistry, earth science, and physics can still obtain a general science certification by completing a minor in General Science or a cross endorsement (taking the Praxis Test in General Science). Students who pursue specializations in Physical Science and Environmental Interpretation have been limited in the type of job they could obtain since this degree is too general. Students could improve their skills if they pursue a degree from one of the major science disciplines such as biology, chemistry, earth science, or physics and/or choose a minor in a major science content area.

<table>
<thead>
<tr>
<th></th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
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<tr>
<td>Fall enrollment</td>
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<td>12</td>
<td>11</td>
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<td>2</td>
<td>8</td>
<td>3</td>
<td></td>
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</table>

No other degree programs at this level are offered in the state, although several other institutions, including SCSU and UCONN offer teacher certification programs in this area.

RESOURCES
No resources are required to make this change.

04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Termination of a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Applications at Quinebaug Valley Community College

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve at the request of the institution to terminate a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Applications at Quinebaug Valley Community College, with a phase out period until July 1, 2013

BACKGROUND
Quinebaug Valley Community College has requested to terminate a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Applications. Termination of an academic program must receive approval from the Board of Regents, following the policy for academic program approval adopted in January 2012. This resolution terminates only the Option in Applications. Other options for the degree remain in effect.

RATIONALE
This proposal for discontinuation of the Applications Option is accompanied by a proposal to modify an existing program option, which will be more relevant to the needs of employers. The Option in Applications will no longer be available after June 30, 2013.

<table>
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<tr>
<th>Year</th>
<th>2008-09</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
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<tr>
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<tr>
<td>Completions</td>
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* No enrollments are attributed to the option; all are attributed to the main Computer services degree.

RESOURCES
No resources are required to make this change.

04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Modification of a program in Administrative Support leading to an undergraduate certificate (C2) at Naugatuck Valley Community College to be offered at the Danbury Center

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve modification of a program in Administrative Support leading to an undergraduate certificate (C2) at Naugatuck Valley Community College to be offered at an additional location at the Danbury Center

BACKGROUND
Naugatuck Valley Community College has requested to modify its currently accredited program in Administrative Support leading to an undergraduate certificate (C2) at Naugatuck Valley Community College (NVCC) to be offered at the Danbury Center, 183 Main Street, Danbury, Connecticut.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulate that modification of accredited programs, including operation of a program at additional locations, receive Board approval (§10a-34-3(c)). Management review of the modification prospectus has determined that the program remains consistent with the standards for quality set forth in the Regulations for off-campus instruction (10a-34-23).

RATIONALE
This location has been the primary driver of enrollment for NVCC and the College will lease additional space to support planned growth. Allowing students to complete 50% or more of this program at the Danbury Center will both better serve students as well as contribute to program viability.

---

**Naugatuck Valley Community College Fall Headcount 2008-2012**

<table>
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<tr>
<th>Institution</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>1-year</th>
<th>4-year</th>
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<tbody>
<tr>
<td>Main Campus</td>
<td>6,128</td>
<td>6,336</td>
<td>6,572</td>
<td>6,560</td>
<td>6,482</td>
<td>-1.2%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Danbury Center</td>
<td>0</td>
<td>389</td>
<td>623</td>
<td>801</td>
<td>937</td>
<td>17.0%</td>
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<tr>
<td>Total</td>
<td>6,128</td>
<td>6,725</td>
<td>7,195</td>
<td>7,361</td>
<td>7,419</td>
<td>0.8%</td>
<td>21.1%</td>
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04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Modification of a program in Business Management leading to an undergraduate certificate (C2) at Naugatuck Valley Community College to be offered at the Danbury Center

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve modification of a program in Business Management leading to an undergraduate certificate (C2) at Naugatuck Valley Community College to be offered at an additional location at the Danbury Center

BACKGROUND
Naugatuck Valley Community College has requested to modify its currently accredited program in Business Management leading to an undergraduate certificate (C2) at Naugatuck Valley Community College (NVCC) to be offered at the Danbury Center, 183 Main Street, Danbury, Connecticut.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulate that modification of accredited programs, including operation of a program at additional locations, receive Board approval (§10a-34-3(c)). Management review of the modification prospectus has determined that the program remains consistent with the standards for quality set forth in the Regulations for off-campus instruction (10a-34-23).

RATIONALE
This location has been the primary driver of enrollment for NVCC and the College will lease additional space to support planned growth. Allowing students to complete 50% or more of this program at the Danbury Center will both better serve students as well as contribute to program viability.

Naugatuck Valley Community College Fall Headcount 2008-2012

<table>
<thead>
<tr>
<th>Institution</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
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<tbody>
<tr>
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<td>623</td>
<td>801</td>
<td>937</td>
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<th>2011</th>
<th>2012</th>
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<td>51</td>
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* Increase in completions likely results from conferral of certificates to students in the associate’s degree program in Business Management.

04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Modification of a program in Business Management leading to an Associate of Science (AS) degree at Naugatuck Valley Community College to be offered at the Danbury Center

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve modification of a program in Business Management leading to an Associate of Science (AS) degree at Naugatuck Valley Community College to be offered at an additional location at the Danbury Center

BACKGROUND
Naugatuck Valley Community College has requested to modify its currently accredited program in Business Management leading to an Associate of Science (AS) degree at Naugatuck Valley Community College (NVCC) to be offered at the Danbury Center, 183 Main Street, Danbury, Connecticut.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulate that modification of accredited programs, including operation of a program at additional locations, receive Board approval (§10a-34-3(c)). Management review of the modification prospectus has determined that the program remains consistent with the standards for quality set forth in the Regulations for off-campus instruction (10a-34-23).

RATIONALE
This location has been the primary driver of enrollment for NVCC and the College will lease additional space to support planned growth. Allowing students to complete 50% or more of this program at the Danbury Center will both better serve students as well as contribute to program viability.

Naugatuck Valley Community College Fall Headcount 2008-2012

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<tr>
<th>Institution</th>
<th>Fall</th>
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<td>Total</td>
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<td>6,725</td>
<td>7,195</td>
</tr>
</tbody>
</table>

<table>
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<tr>
<th>Program</th>
<th>Fall</th>
<th>Change</th>
<th></th>
</tr>
</thead>
<tbody>
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<tr>
<td>Completions</td>
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04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents

5/16/13 BOR AGENDA PACKET PAGE #22
ITEM
Modification of a program in General Studies leading to an Associate of Science (AS) degree at Naugatuck Valley Community College to be offered at the Danbury Center

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve modification of a program in General Studies leading to an Associate of Science (AS) degree at Naugatuck Valley Community College to be offered at an additional location at the Danbury Center

BACKGROUND
Naugatuck Valley Community College has requested to modify its currently accredited program in General Studies leading to an Associate of Science (AS) degree at Naugatuck Valley Community College (NVCC) to be offered at the Danbury Center, 183 Main Street, Danbury, Connecticut.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulate that modification of accredited programs, including operation of a program at additional locations, receive Board approval (§10a-34-3(c)). Management review of the modification prospectus has determined that the program remains consistent with the standards for quality set forth in the Regulations for off-campus instruction (10a-34-23).

RATIONALE
This location has been the primary driver of enrollment for NVCC and the College will lease additional space to support planned growth. Allowing students to complete 50% or more of this program at the Danbury Center will both better serve students.

**Naugatuck Valley Community College Fall Headcount 2008-2012**

<table>
<thead>
<tr>
<th>Institution</th>
<th>Fall 2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Change 1-year</th>
<th>Change 4-year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Campus</td>
<td>6,128</td>
<td>6,336</td>
<td>6,572</td>
<td>6,560</td>
<td>6,482</td>
<td>-1.2%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Danbury Center</td>
<td>0</td>
<td>389</td>
<td>623</td>
<td>801</td>
<td>937</td>
<td>17.0%</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>6,128</td>
<td>6,725</td>
<td>7,195</td>
<td>7,361</td>
<td>7,419</td>
<td>0.8%</td>
<td>21.1%</td>
</tr>
</tbody>
</table>

**Program**

| Enrollment | 1,590 | 1,901 | 2,289 | 2,447 | 2,467 | -0.8% | 55.2% |
| Completion | 86    | 107   | 146   | 187   | --    | --    | --    |

04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Modification of a program in Political Science leading to a Master of Science (M.S.) degree at Southern Connecticut State University to replace a concentration in Public Policy and Administration with a concentration in Urban Affairs and Public Policy

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve modification of a program in Political Science leading to a Master of Science (M.S.) degree at Southern Connecticut State University to replace a concentration in Public Policy and Administration with a concentration in Urban Affairs and Public Policy

BACKGROUND
Southern Connecticut State University has requested to modify its currently accredited program in Political Science leading to a Master of Science (M.S.) degree to replace a concentration in Public Policy and Administration with a concentration in Urban Affairs and Public Policy. Courses in the new concentration will have a more urban and professional focus.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulate that modification of accredited programs, including change of a program name curricular modification in excess of 12 graduate credits, receive Board approval (§10a-34-3(c)). Management review of the modification prospectus has determined that the program remains consistent with the standards for quality set forth in the Regulations.

RATIONALE
The new concentration makes use of the University’s role as an urban university through ties with various internships, residents, and city leaders. The internship program, at both the graduate and undergraduate levels, currently serves the state legislature and numerous state and local government agencies. The concentration as proposed would be an excellent base to expand internship service to students and government. Connecticut Department of Labor data indicates a projected growth of about 5 percent in the demand for people in urban public service positions between 2008 and 2018.

Program Enrollment and Completions

<table>
<thead>
<tr>
<th>Political Science (MS)</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Enrollment</td>
<td>16</td>
<td>15</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>Completions</td>
<td>4</td>
<td>7</td>
<td>9</td>
<td>--</td>
</tr>
</tbody>
</table>

Includes all concentrations

Master’s degree programs in political science are available at the University of Connecticut and Yale University; specific concentrations are not tracked at the graduate level.
Concentration curriculum

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Course Description</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Required course:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PSC 501</td>
<td>Research Methods</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Two courses chosen from:</strong></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>PSC 512</td>
<td>Public Organization and Management</td>
<td>3</td>
</tr>
<tr>
<td>PSC 519</td>
<td>U.S. Public Policy</td>
<td>3</td>
</tr>
<tr>
<td>PSC 525</td>
<td>Federal Bureaucracy</td>
<td>3</td>
</tr>
<tr>
<td>PSC 527</td>
<td>Seminar in Public Policy</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Two courses chosen from:</strong></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td>PSC 552</td>
<td>Urban Politics</td>
<td>3</td>
</tr>
<tr>
<td>PSC 555</td>
<td>City Planning</td>
<td>3</td>
</tr>
<tr>
<td>PSC 556</td>
<td>Urban Policy Analysis</td>
<td>3</td>
</tr>
<tr>
<td>PSC 557</td>
<td>Seminar in Urban Affairs</td>
<td>3</td>
</tr>
<tr>
<td>PSC 589</td>
<td>Metropolitan Government</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Capstone / Thesis</strong></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>PSC 591</td>
<td>Masters’ Thesis</td>
<td>3</td>
</tr>
<tr>
<td>PSC 600</td>
<td>Independent Study</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Concentration Total</strong></td>
<td></td>
<td><strong>18</strong></td>
</tr>
</tbody>
</table>

* Students will take PSC 591 if they choose the thesis as their capstone experience; students whose capstone is a “special project” will take PSC 600.
ITEM
Modification of a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Technical Support at Quinebaug Valley Community College to modify the curriculum and change the name of the Option to IT Support Services

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve modification of a program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Technical Support at Quinebaug Valley Community College to modify the curriculum and change the name of the Option to IT Support Services

BACKGROUND
Quinebaug Valley Community College has requested to modify its currently accredited program in Computer Services leading to an Associate of Science (A.S.) degree with an Option in Technical Support to modify the curriculum and change the name of the Option to IT Support Services. The proposal to modify this Option is accompanied by a request to terminate another Option in Applications.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulate that modification of accredited programs, including change of a program name curricular modification in excess of 15 undergraduate credits, receive Board approval (§10a-34-3(c)). Management review of the modification prospectus has determined that the program remains consistent with the standards for quality set forth in the Regulations.

RATIONALE
This proposed modification seeks to update curriculum from the existing two options in order to make the student more marketable in the current industry environment. This proposal seeks to eliminate the current software applications option with the curriculum necessary to provide the skills needed in the workplace. In addition, it is intended to help maximize enrollments in all program courses under the Computer Services major.

Program Enrollment and Completions

<table>
<thead>
<tr>
<th>Political Science (MS)</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
<th>2012-13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall Enrollment*</td>
<td>32</td>
<td>25</td>
<td>25</td>
<td>21</td>
</tr>
<tr>
<td>Completions</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>--</td>
</tr>
</tbody>
</table>

* Options are not identified in the enrollment database
## CURRICULUM

<table>
<thead>
<tr>
<th>Requirement</th>
<th>Credits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Core Courses</strong></td>
<td><strong>32</strong></td>
</tr>
<tr>
<td>BOT137 Office Word Processing Applications</td>
<td>3</td>
</tr>
<tr>
<td>CSA135 Spreadsheet Applications</td>
<td>3</td>
</tr>
<tr>
<td>CSC106 Structured Programming</td>
<td>3</td>
</tr>
<tr>
<td>CST130 Network Essentials</td>
<td>3</td>
</tr>
<tr>
<td>CST140 Introduction to Computer Hardware</td>
<td>3</td>
</tr>
<tr>
<td>CST150 Web Design and Development I</td>
<td>4</td>
</tr>
<tr>
<td>CST237 SysAdmin I – Client Server</td>
<td>3</td>
</tr>
<tr>
<td>CST265 Networking with Linux</td>
<td>4</td>
</tr>
<tr>
<td>CST270 Network Security Fundamentals</td>
<td>3</td>
</tr>
<tr>
<td>CSC295 Cooperative Education/Work Experience</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other Related/Special Requirements</th>
<th><strong>24-25</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>ENG101 Composition</td>
<td>3</td>
</tr>
<tr>
<td>ENG202 Technical Writing</td>
<td>3</td>
</tr>
<tr>
<td>COM171 Fundamentals of Human Communication OR</td>
<td>3</td>
</tr>
<tr>
<td>COM176 Business and Professional Communication</td>
<td>3</td>
</tr>
<tr>
<td>Humanities elective</td>
<td>3</td>
</tr>
<tr>
<td>MAT137 Intermediate Algebra OR higher-level Mathematics</td>
<td>3</td>
</tr>
<tr>
<td>ANT105 Introduction to Cultural Anthropology OR HSE213 Conflict Resolution</td>
<td>3</td>
</tr>
<tr>
<td>IS135 Principles of Problem Solving</td>
<td>3</td>
</tr>
<tr>
<td>Science elective</td>
<td>3-4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Elective Courses in the Field</th>
<th><strong>6-7</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer graphics elective</td>
<td>3</td>
</tr>
<tr>
<td>Technical elective</td>
<td>3-4</td>
</tr>
</tbody>
</table>

| Total                                            | **62-64** |

04/10/13 – ConnSCU Academic Council
05/03/13 – BOR-Academic and Student Affairs Committee
05/16/13 – Board of Regents
ITEM
Modification to a program in Pathobiology leading to the Master of Science (M.S.) degree to add a concentration in Veterinary Anatomic Pathology at the University of Connecticut

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED: That the Board of Regents for Higher Education approve a modification of a program in Pathology leading to the Master of Science (M.S.) degree to add a concentration in Veterinary Anatomic Pathology at the University of Connecticut

BACKGROUND
The University of Connecticut (UConn) has requested to modify its exiting program in Pathology leading to the Master of Science (M.S.) degree to add a concentration in Veterinary Anatomic Pathology. The program will continue to be housed in the College of Agriculture and Natural Resources.

The Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning stipulates that modification of accredited programs require approval by the Board of Regents (10a-34-3(c)).

Staff review of the proposal has determined that the program is consistent with the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

RATIONALE
This program modification (1) recognizes the Veterinary Anatomic Pathology curricular content as distinct from the University’s standard two-year Master’s degree programs and distinct from the two-year Master’s program in Pathobiology, (2) meets a requirement for 36 months instruction to qualify for certification by the American College of Veterinary Pathologists, and (3) satisfies the degree reporting requirements of the Graduate School.

The curriculum of this residency/graduate program will include coursework specific to the Veterinary Anatomic Pathology area of concentration and is only open to students who have obtained a doctorate in veterinary medicine, or its equivalent, and therefore is particular to the combined program. Students enrolling in this program commit to a 3-year (36-month) course of study concentrating in veterinary anatomic pathology within the Graduate curriculum. The combined program of residency training in veterinary anatomic pathology and graduate education offered by UConn’s Department of Pathobiology and Veterinary Science (PVS) is one of the oldest continuing programs of its kind in the country, established over 40 years ago.

Enrollees of this program are veterinarians who desire career development and advancement in the specialty of anatomic pathology by achieving a graduate degree (M.S. or Ph.D.) in the discipline of Pathobiology and certification in the specialty of veterinary anatomic pathology by the American College of Veterinary Pathologists (ACVP). The combined program at UConn has been designed to meet the Graduate School requirements for the Ph.D., under the Field of Study: Pathobiology, while at the same time meeting the requirements of the ACVP to qualify to sit for the annual certification examination in veterinary anatomic pathology.
Residency training programs in veterinary anatomic pathology are offered by almost all of the veterinary colleges in the United States and Canada. The combined residency/graduate program at UConn is one of only 6 programs that have been maintained by universities or research programs outside of veterinary schools; the other such programs are offered by The Johns Hopkins University School of Medicine, George Washington University School of Medicine, Harvard Medical School (through the New England Regional Primate Research Center), Wake Forest University School of Medicine, the National Institutes of Health, and the National Institute of Environmental Health Sciences.

The proposed program modification provides for a combined residency/non-thesis Masters in veterinary anatomic pathology. This institutionally recognizes the distinct learning focus of the program, its specific curricular requirements, and the student’s programmatic development as a substantive and constructive means toward earning the Ph.D., or as a means to its own end when the Ph.D. is not a viable career option, while still satisfying the requirements of the Graduate School and ACVP.

No additional financial resources, faculty, or equipment are required beyond what is already available.
ITEM
Approval of Nomination for Honorary Degree

RECOMMENDED MOTION FOR FULL BOARD
RESOLVED, That the nominee for an honorary degree for Three Rivers Community College be approved according to the guidelines in the Board policies presently in effect granting honorary degrees to honor a person for unusual and exemplary accomplishments and to advance the work and reputation of the Connecticut State Colleges and Universities.

BACKGROUND
Granting of Honorary Degrees will be conferred at commencements. Identification of recipients is under the supervision of the presidents, with approval of the Academic & Student Affairs Committee and confirmation of the Board of Regents. The candidate below has been recommended by the college president for conferral of an honorary degree at commencement.

ANALYSIS
Honorary Degree Nomination for 2013 Commencements:

<table>
<thead>
<tr>
<th>College</th>
<th>Recipient</th>
<th>Commencement Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Three Rivers Community College</td>
<td>Janet K. Lewis</td>
<td>June 1, 2013</td>
</tr>
</tbody>
</table>

Three Rivers Community College

Janet K. Lewis

Three Rivers Community College nominates Janet K. Lewis for an honorary degree to be given at the College Commencement on June 1, 2013.

Janet Lewis has served the Three Rivers Community College and their students for many years. From 1987 to 1997 Janet Lewis worked at Connecticut Atomic Power Company and is currently working in the Human Resource Division at Millstone Power Station, part of the Dominion corporation. She serves as coordinator of the Nuclear Scholarship Program with the College. Throughout her career at Dominion she has been very involved in the Scholarship and Intern Program. Ms. Lewis recognizes the quality of students, faculty and staff at Three Rivers and is impressed at how they all work together to ensure the success of the program. She states, “It is always a pleasure when Dominion employs a TRCC graduate.”
As a longtime friend of Three Rivers, Ms. Lewis has worked with James R. Sherrard, Professor of Nuclear Engineering Technology, and has been an active member of the TRCC Nuclear Advisory Board for years. She is a strong advocate for the Nuclear Intern/Coop Student Program with Dominion, from funding support to employment after graduation. Millstone and Three Rivers Community College have offered full scholarships for graduating high school students interested in a two year Nuclear Engineering Technology Degree. The Nuclear Intern/Coop Student program scholarship covers full tuition, cost of books and fees for the two-year degree. In addition, students receive a monthly stipend during the academic year and a well-paid internship at Millstone Power Station. These scholarships help align the college graduate with workforce needs, resulting in gainful employment. Ms. Lewis continues to support these educational programs allowing many of our high school student’s access to an excellent education and employment after graduation. This is a model of an educational solution to meet the varied needs of business and industry.

Ms. Lewis’ role as a leader, communicator, and team player extends into her community with work in local organizations. She was a United Way Representative, worked at a local animal rehabilitation farm, helped in food pantries, and assists a Girl Scout Troop sewing quilts for the elderly in a nearby nursing home. She also finds time to explore painting with encaustic medium (beeswax and resin), a particular passion of hers. Three Rivers CC highly recommends Janet Lewis as a recipient of their 2013 Honorary Associate’s Degree.
MEMORANDUM

Via Facsimile

TO: Dr. Philip E. Austin
    Interim President, Connecticut Board of Regents for Higher Education

FROM: Jack Miller
    President, CCSU

DATE: April 19, 2013

SUBJECT: Promotion and Tenure Recommendations (CCSU)

I am pleased to present my recommendations for instructional faculty promotion and tenure to be effective with the Academic Year 2013-14:

To Professor:
Jose del Amo, Communication
Darius Dziuda, Mathematical Sciences
Carolyn Fallahi, Psychological Science
Carlos Liard-Muriente, Economics
Vivian Martin, Journalism
Damon Mitchell, Criminology and Criminal Justice
Irena Pevac, Computer Science
Nidal Al-Masoud, Engineering
Joan Nicoll-Senft, Special Education
Kathy Pirog, Physical Education and Human Performance
Joseph Farhat, Finance

To Associate Professor:
Maria Casas, Modern Languages
Diana Cohen, Political Science
Marianne Fallon, Psychological Science
Shelly Jones, Mathematical Sciences
Eran Makover, Mathematical Sciences
Maria Mitchell, Mathematical Sciences
Rachel Schwell, Mathematical Sciences
Jason Sikorski, Psychological Science
Reginald Simons, Criminology and Criminal Justice
Robbin Smith, Political Science
The following will be granted tenure:

Diana Cohen, Political Science
Oscar Perdomo, Mathematical Sciences
Rachel Schwell, Mathematical Sciences
Jason Sikorski, Psychological Science
Reginald Simmons, Criminology and Criminal Justice
Robbin Smith, Political Science
Matthew Specter, History
Roger Vogeler, Mathematical Sciences
Betsy Dobbs-McAuliffe, Biomolecular Sciences
Eric Daniel Kirby, Manufacturing and Construction Management
Linda Reeder, Manufacturing and Construction Management
Thomas Vasko, Engineering
Haoyu Wang, Manufacturing and Construction Management
William Nelson, Special Education
Delia Sanders, Social Work
Lisa Frank, Finance
Henry Greene, Marketing
Monique Durant, Accounting
DATE: April 12, 2013

TO: Dr. Philip Austin
    Interim President, Board of Regents

FROM: Dr. Rhona C. Free
    Provost and Vice President for Academic Affairs

SUBJECT: RECOMMENDATIONS FOR PROMOTION AND TENURE

I recommend the following individuals for promotion and/or tenure for action by the Board of Regents at its May meeting. The effective date for all actions is August 26, 2013.

For Tenure:

Dr. Ann Anderberg, Education Department
Dr. Cara Bergstrom-Lynch, Sociology, Anthropology and Social Work Department
Dr. Caitlin Carenen, History Department
Ms. J. J. Cobb, Performing Arts Department
Dr. James Diller, Psychology Department
Dr. Lyndsey Lanagan-Leitzel, Psychology Department

For Professor:

Dr. Maryanne Clifford, Economics Department
Dr. Peter Drzewiecki, Environmental Earth Science Department
Dr. Carlos Escoto, Psychology Department
Dr. Margaret Letterman, Psychology Department
Dr. Denise Matthews, Communication Department
Dr. Catherine Tannahill, Education Department
Dr. John Toedt, Physical Science Department
Dr. Huan-Yu Tu, Mathematics and Computer Science Department
Dr. Christian Yankov, Mathematics and Computer Science Department

For Associate Professor:

Dr. Ann Anderberg, Education Department
Dr. Cara Bergstrom-Lynch, Sociology, Anthropology and Social Work Department
Dr. Caitlin Carenen, History Department
Ms. J. J. Cobb, Performing Arts Department
Dr. James Diller, Psychology Department
Dr. Lyndsey Lanagan-Leitzel, Psychology Department

For Librarian:

Ms. Carolyn Coates, Library Services
Ms. Hope Marie Cook, Library Services
Ms. Susan Herzog, Library Services

RCF/nrl

c: Mr. Steven Weinberger, Vice President of Human Resources, Connecticut State Colleges
   and Universities
   Dr. Elsa M. Núñez, President
April 15, 2013

Dr. Philip E. Austin, Interim President
Connecticut Board of Regents for Higher Education
39 Woodland Street
Hartford, CT 06105

Dear Dr. Austin:

The following are my recommendations for Promotion and Tenure, which will be effective August 26, 2013:

**TENURE**

Gregory Adams, Sociology  
Karen Barnett, Nursing  
Michael Bay, Communication  
Laura Bower-Phipps, Education  
Resha Cardone, World Languages & Literatures  
Sandip Dutta, Economics /Finance  
Robert Forbus, Marketing  
Craig Hlavac, Music

**PROMOTION**

**From Assistant to Associate Professor:**  
Gregory Adams, Sociology  
Michael Bay, Communication  
Laura Bower-Phipps, Education  
Resha Cardone, World Languages & Literatures  
Sandip Dutta, Economics /Finance  
Marybeth Fede, Exercise Science  
Craig Hlavac, Music  
Klay Kruczek, Mathematics  
Sobeira Latorre, World Languages & Literatures  

Jonathan Irving, Music  
Sobeira Latorre, World Languages & Literatures  
Kenneth McGill, Anthropology  
Kaia Monroe Rarick, Theatre  
Debra Risisky, Public Health  
Elizabeth Rodriguez-Keyes, Social Work  
Mathew Rothbard, Exercise Science  

Kenneth McGill, Anthropology  
Kaia Monroe Rarick, Theatre  
Jonathan O’Hara, Political Science  
David Petroski, Communication  
Tom Radice, History  
Debra Risisky, Public Health  
Mathew Rothbard, Exercise Science  
Elizabeth Rodriguez-Keyes, Social Work
Dr. Austin
April 15, 2013
Page two

**From Associate to Full Professor:**
Stephen Amerman, History
Nikolaos Chrissidis, History
Scott Ellis, English
Ruth Eren, Special Education
Nicole Henderson, English

Elliott Horch, Physics
Patricia Kahlbaugh, Psychology
Wesley O’Brien, Media Studies
Troy Rondinone, History

**Promotion to Coach I:**
Mathew Hurst, Athletics – M/W Swim

Ami Sokaitis, Athletics – Womens Basketball

**Promotion to Athletic Trainer II:**
Allison Dale, Athletics

**Promotion to Coach IV:**
Adam Cohen, Athletics – Womens Soccer
Lisa Barbaro, Athletics – Womens Softball/Volleyball

Gerard Nelson, Athletics – Womens Gymnastics
Timothy Quill, Athletics – M/W Swim

Please let me know if you have any questions.

Sincerely,

Mary A. Papazian
President

cc: S. Weinberger, ConnSCU Vice President for Human Resources
M. Kennedy, SCSU Interim Provost and Vice President for Academic Affairs
J. Bailey, SCSU Associate Vice President for Human Resources
To: Philip E. Austin  
Int. President, Board of Regents for Higher Education  
Connecticut State Colleges and Universities

From: James W. Schmotter

Date: April 5, 2013

Re: Promotion & Tenure Recommendations

I support and concur with Provost Jane Gate’s recommendations that the following faculty members receive promotion and tenure:

Promotion to Associate Professor
Jennifer Duffy
Jessica Eckstein
Melissa Fenwick*
Robin Goodrich
Senan Hayes
Truman Keys
Jeannette Lupinacci
Anthony Markert
Douglas O’Grady
Patrick Ryan

Promotion to Professor
Carina Bandhauer
Michael Chappell
Ruth Gyure
George Kain
Pamela McDaniel
Jeffrey Schlicht
David Skora

Promotion to Librarian
Genevieve Innes
Tenure
Ellen Abate
Jennifer Duffy
Melissa Fenwick*
Robin Goodrich
Katie Lever-Mazzuto
Heather Levy
Jennifer O'Brien
Douglas O'Grady
A. Ben Oumilil
Bonnie Rabe
D.L. Stephenson
Brian Stevens

c: M. Foley, P&T Committee Chair
J. Gates, Provost/VP for Academic Affairs
C. Spiridon, Assoc. VP for Human Resources

*Posthumous
MEMORANDUM

Via Facsimile

TO: Dr. Philip E. Austin  
    Interim President, Connecticut Board of Regents for Higher Education

FROM: Jack Miller  
    President, CCSU

DATE: April 10, 2013

SUBJECT: CSU Professorship Recommendation (CCSU)

I am writing to recommend to the Connecticut Board of Regents for Higher Education that Dr. Daniel Mulcahy, Professor of Teacher Education, be appointed as Connecticut State University Professor from Central Connecticut State University. Dr. Mulcahy will replace Dr. Timothy Reagan, who has retired.

Dr. Mulcahy has distinguished himself both within his respective academic discipline and in his service to students, colleagues, and the university. Below is a brief profile of Dr. Mulcahy’s accomplishments; his CV is also attached.

Daniel Mulcahy

Dr. Mulcahy joined the Central Connecticut State University faculty in 1992. He is a renowned scholar in liberal education and its relationship to practical knowledge and curriculum dimensions of educational reform policy in national and international settings. Dr. Mulcahy has sole-authored three books and co-authored one, is the editor of two books, and has an extensive publication record in journals and edited volumes. His research has also been published in some fifty articles and chapters in scholarly journals and books in Europe and North America. Currently, Dr. Mulcahy is working on the publication of two more books, while mentoring junior faculty in the School of Education and Professional Studies. He has twice been awarded Fulbright Grants.
Vita of D. G. Mulcahy

Department of Teacher Education
Central Connecticut State University
1615 Stanley Street, CT 06050

Mulcahy@ccsu.edu
Tel: (860) 832-2418

UNIVERSITY EDUCATION

1965  B.A. (Honors) University College, Cork, Ireland
1966  H.D.E. (Honors) University College, Cork, Ireland
1967  M.A. (Honors) University College, Dublin, Ireland
1968  M.Ed. University of Illinois
1970  Ph.D. (Education) University of Illinois

EMPLOYMENT

Academic appointments
Professor of Teacher Education, Central Connecticut State University, since 1992
(On sabbatical leave Spring, 2000 and Spring 2007; Acting Chair, 1993-1994)
Professor of Education, Department of Secondary Education and Educational
Professor of Education and Chair, Department of Education, University College, Cork,
Ireland, 1978-1989, a department of c. 15 faculty and 500 graduate students;
indirect responsibility for approximately 25 faculty and 750 undergraduate
students in an associated college of education; Statutory Lecturer 1974-78
Senior Lecturer in Education and Department Head, University of Limerick (formerly
National College of Physical Education), 1972-74
Assistant Professor of Education, University of New Brunswick, Canada, 1970-72

Teaching
University:
Undergraduate, honors, graduate, doctoral and continuing education courses
taught in educational foundations, curriculum, and educational policy

High school:
State certified secondary teacher (Ireland);
School subjects taught: history, languages, and geography

Administration/Leadership
Administrative and leadership experience, as head of three college departments, in
dealing with degree programs, hiring and evaluation of faculty, budget and resources,
university-school relations, research, student teaching, union affairs, and university-state
relations
Research supervision
Supervision of the dissertation research of approximately thirty M.A., M.Ed., Ed.D., and Ph.D. students, and assistance given with publication

Service
Service in internal and external institutional governance on governing boards and senate, adult and continuing education, curriculum development at school and national levels, international education, faculty development, promotions and tenure, scholarly associations, external faculty and programmatic evaluation, and a comprehensive range of university committees (e.g., CSU annual Research Grants, CSU Trustees Research Awards committee, NCATE Institutional Report writing team, DEC and departmental and School of Education and Professional Studies search committees, UPBC subcommittee on Central College) at CCSU and other universities and colleges.

Visiting Professorships
George Read Visiting Professor, Kent State University, November, 1990

Visiting Professor, The College of Education, Iowa State University, Summer 1990

Visiting Professor, The College of Education, the University of Maine/University of Southern Maine, August, 1988

Visiting Professor, The College of Education, Central Connecticut State University, Summer School, 1988

Distinguished Visiting Professor, Eastern Illinois University, Summer School, 1987


Visiting Professor, Faculty of Education, University of New Brunswick, Summer School, 1974

Visiting Professor, Department of Educational Foundations, the University of Calgary, Summer School, 1971

MEMBERSHIP OF SCHOLARLY SOCIETIES
Past President/Member, Educational Studies Association of Ireland
Past President/Member, New England Philosophy of Education Society
Member, American Educational Studies Association
Member, Newman Association, Rome
Member, Philosophy of Education Society
RESEARCH FUNDING AND SCHOLARLY AWARDS

2010-2011  Central Connecticut State University Research Grant
2009-2010  Central Connecticut State University Research Grant
2008-2009  Central Connecticut State University Research Grant
2006-2007  Central Connecticut State University Research Grant
2005-2006  Central Connecticut State University Research Grant
2004-2005  Central Connecticut State University Research Grant
2002-2003  Central Connecticut State University Research Grant
2001-2002  Central Connecticut State University Research Grant
1998-1999  Central Connecticut State University Research Grant
1995-1996  Central Connecticut State University Research Grant
1993-1994  Central Connecticut State University Research Grant
1993      C-SPAN Teaching and Research Grant
1990-1991  Faculty Excellence Award in Teaching, Eastern Illinois University
1990-1991  Booth Library Fellowship, Eastern Illinois University
1987-1988  ERASMUS Grant of the European Union to investigate multilingual and multicultural European programs for student teachers (Project Director)
1985-1988  Three Research and Development Grants from University College, Cork for course developments in the in-service education of teachers (Project Director in each case)
1983      Fulbright research ward
1971      University of New Brunswick Research Grant
1970-1972  Two project grants from the Canada Studies Foundation supporting bilingual and multicultural curriculum projects in Atlantic Canada (Joint grants)
1967-1970  University of Illinois Fellowship, awarded annually
1967      Fulbright research award

SERVICE AND CONSULTANCY

Member, New England Association for Schools and Colleges accreditation teams (for both schools and universities), 1994-2011

Workshop Presenter on service-learning, Orange County Public Schools, Orlando, Florida, February 13, 2010

Chair, New England Association for Schools and Colleges, Evaluation Report on the Wheelock College Master of Science in Early Childhood and Elementary Teaching program offered at the College of The Bahamas, 2008


Nominee for President, the American Educational Studies Association, 1996

External Advisor on Promotions and Tenure, School of Education, East Carolina University, 1996

Advisor to the Vice-Chancellor on Faculty Promotion, the University of Hull, England, 1992-1993

Member, Board of Directors of the Consortium for Overseas Student Teaching (COST), 1989-1995

Chair, Butts Lecture Advisory Committee, American Educational Studies Association, 1990-1991

External Examiner for the M.A. degree. For the University of Hull, England, 1991

External Examiner for the Ph.D. degree. For the University of Hull, England, 1990

Member, Academic Committee for the Fourteenth Annual Conference of the Association of Teacher Education in Europe, Sweden, 1989

Elected Member, Administrative Council, The Association of Teacher Education in Europe, 1986-1989


Member, Humanities Board of Studies. For the National Council for Educational Awards, 1982-1985


Member, Panel of Assessors, Post-Graduate Diploma for teachers, Thomond College of Education. For the National Council for Educational Awards, Dublin, 1981

Chairman, Panel of Assessors, Art & Design Degree Program in Teacher Education, National College of Art and Design. For the National Council for Educational Awards, Dublin, 1980

President, Educational Studies Association of Ireland, 1980-1982

External Examiner in Education, for B.Ed. Degree. For the

Member, Irish Teachers' Registration Council, 1978-1982; 1984-1989

President, Educational Studies Association of Ireland, 1979-1981

External Examiner for Student Teaching, for the B.A. Degree. For the National Council for Educational Awards, Dublin, 1978-1981

External Examiner in Education, for M.Litt. Degree. For Trinity College, University of Dublin, 1979

Member, Advisory Panel, Canada Studies Foundation; founding member, New Brunswick Canada Studies Project; founding member, Curriculum Project Atlantic Canada, 1971-1973

LISTINGS AND HONORS

Recipient of the Connecticut Immigration and Refugee Coalition award, 2006
Recipient, Fulbright Award in 1967 and 1983

RESEARCH AND WRITINGS

Books


Articles in Academic Journals
“Praxis and Pedagogy as Related to the Arts and Humanities,” in Arts and Humanities in Higher Education, Vol 9 (3) (October 2010), 305-321.

“What should it mean to have a liberal education in the twenty-first century?” Curriculum Inquiry, Vol 39 (3) (June 2009), 465-486.


“Violence and Caring in Schools and Society.” In Educational Studies, Vol. 37, No. 3 (June 2005), 244-255, with Ronnie Casella.


"Auf der Suche nach der Europäischen Dimension im Bildungswesen," in Padagogik und Schule in Ost und West, 40 (1992), 43-52. (The article in European Journal of Teacher Education below in German translation).


Chapters in edited books and encyclopedias


"The Idea of Teacher Effectiveness and its Implications for Teacher Education," in Friedrich Buchberger and Helmut Seel, eds., *Teacher Education and the Changing 5/16/13 BOR AGENDA PACKET PAGE #48
School (Brussels/Linz: The Association of Teacher Education in Europe, 1985), pp. 36-49.


Other publications
“An Educational Studies Association in Ireland.” (Address to the Education Conference, University College, Galway, Ireland, April 8-10, 1976.) First published in the Programme of the Annual Conference of the Educational Studies Association of Ireland, University College, Cork, Ireland, March 10-12, 2005 on the occasion of the Thirtieth Anniversary Meeting.

Editorial service
Editorial Consultant, European Journal of Teacher Education
Member, Editorial Advisory Board, Aspects of Education
Member, Editorial Board/Consultant, Irish Educational Studies
Member, Review Board, Educational Theory
Current Member, Review Board, Journal of Educational Foundations
Current Member, Review Board, Irish Educational Studies
Current ms reviewer for Curriculum Inquiry
Current ms reviewer for Ethical Theory and Moral Practice
Current ms reviewer for Journal of Philosophy of Education

Book reviews
Books reviewed for: Aspects of Education; Choice; Comparative Education Review; Educational Studies; Ethical Theory and Moral Practice; Higher Education; and The Educational Forum.

Manuscript reviewer
Manuscripts reviewed for:
  Continuum
  Merrill/Prentice Hall
  Peter Lang
  Rowman and Littlefield
  Wadsworth/Thomson

Research papers
“Enlarging the Outlook on Liberal Education and the Educated Person.” Paper Presentation as part of the Symposium, ‘How has Including Women in the Educational
Realm Reconfigured Education Three Decades Later?’ at the Annual Conference of the Educational Studies Association of America, St Louis, November 2-6, 2011.


“Critical Service-Learning, Liberal Education, Civic Engagement, and the Public Schools.” Presentation at the American Educational Research Association annual meeting, New Orleans, April 8-12, 2011. (Co-authored by Wendy Doromal, Omaris Journet, and Donal E. Mulcahy.)


“Extending the Boundaries of Liberal Education.” Paper Presentation at the Annual Connecticut State University Faculty Research Conference, Central Connecticut State University, New Britain, CT, April 17, 2010.

“The Promise of Service-Learning in the Public Schools.” A Workshop Presentation at the Orange County Public Schools District Conference on Service-Learning, Orlando, Florida, Saturday, February 13, 2010.


“Response to Reflections on The Educated Person.” Paper Presentation at the annual meeting of the Educational Studies Association of Ireland, Hotel Kilkenny, Kilkenny, Ireland, April 2-4, 2009


“Situating Jane Roland Martin’s Educational Thought on the Landscape of Educational Theory.” Paper presented to the annual meeting of the Educational Studies Association of Ireland, Belfast, Northern Ireland, April 10-12, 2003. (Published)


"Professionalism within the Teaching Experience." Guest Presentation to Kappa Delta Pi Annual Initiation Meeting, Central Connecticut State University, April 25, 1996.


"International Higher Education in the European Community," Presentation in the Department of Educational Leadership, University of Connecticut, April 16, 1993. (Published)


"The Impact of European Integration on Education in the European Community." Invited paper presented under the George Read Scholar Lecture Series at Kent State University, November 9, 1990. (Published)

"Emerging Educational Policy and Practice in the European Community." Paper presented to the Fifteenth Annual European Studies Conference, The University of Nebraska, Omaha, Nebraska, October 11-13, 1990.

"Education in Europe Post 1992.11 Invited paper presented to the Department of Educational Policy Studies, the University of Illinois at Urbana-Champaign, March 16, 1990.


"The European Dimension in Irish Education." Invited paper presented to the Seminar on 'The European Dimension in Education', Palermo, Sicily, April 26-30, 1989. (Published)

"The Institutions of Higher Education in Ireland." Invited paper read to the Department of Educational Foundations, the University of Kentucky, March 6, 1989.


"Curriculum Reform and the Place of Physical Education." Invited address to the National Conference, 'Physical Education and Sport', Cork, October 5-7, 1984.

"The Idea of Teacher Effectiveness and Its Implications for Teacher Education." Invited Plenary Lecture to the Ninth Annual Conference of the Association of Teacher Education in Europe, Pedagogische Akademie des Bundes in Oberosterreich, Linz, Austria, September 3-7, 1984. (Published)


"Is the Nation at Risk from The Paideia Proposal?" Paper read at the Annual Meeting of the American Educational Studies Association, Milwaukee, Wisconsin, U.S.A., November, 3-6, 1983 (Published)

"Research and Government Policy in Irish Secondary Education." Paper read at the American Educational Research Association Annual Conference, Montreal, Quebec, Canada, April 11-16, 1983

"Research, Government Policy and Development in Irish Post-Primary Education." Paper read at the British Educational Research Association Annual Conference, St. Andrews University, Scotland, September 7-9, 1982

"General Education in the Secondary School." Inaugural Presidential Address to the Educational Studies Association of Ireland at the Seventh Annual Conference, Queens University, Belfast, April 1-3, 1982 (Published)

"Personal Influence, Discipline and Liberal Education in Cardinal Newman's Idea of a University." Paper read at the International Newman Conference, Freiburg, West Germany, August 30 - September 3, 1978. (Published)


Miscellaneous
Participation in national and local radio and t.v. broadcasts in various countries on educational topics.

Numerous (c. 70) addresses/newsletter/workshop presentations to scholarly, professional and community groups in the U.S, Canada, and European countries on a variety of aspects of education and society.

Invited lectures and seminars on educational topics presented at the following universities and colleges:
  Cambridge College
  Eastern Illinois University
  Framingham State College
  Iowa State University
  Kent State University
  Ohio State University
  Pennsylvania State University
  Central Connecticut State University
  Southern Connecticut State University
  University College, Cork
  University College, Dublin
  University College, Galway
  University of Connecticut
  University of Dublin
  University of Florida
  University of Illinois
  University of Kentucky
  University of Limerick
  University of Maine
  University of Wisconsin

October 1, 2011
ITEM
Ratification by the Board of Regents of Three Rivers Community College’s (TRCC) actions seeking and receiving approval from the State Board of Education to open an interdistrict magnet school at TRCC. Approval to act “on behalf of” TRCC in accessing grant program funds for costs of operation and transportation.

BACKGROUND
The Board of Regents, acting as the Board of Trustees for the Community-Technical Colleges may, on behalf of a Community-Technical college, apply for and accept grant funds for interdistrict magnet school program operations, costs of transportation and school building construction (CGS 10-264 (i) and (l), and 10-283 (a)(1). Amendments to CGS 10-264 (l) in 2012 allowed the Board of Trustees, now the Board of Regents, to be eligible to apply for and accept grants for interdistrict magnet school operating costs specifically on behalf of Three Rivers Community College.

The President of Three Rivers Community College in June 2012 filed an Operations and Governance Plan with the State of Connecticut Board of Education for the purpose of securing approval to open an interdistrict magnet school for the 2012-13 school year. The Commissioner of Education on August 23, 2012 approved TRCC’s operations and governance plan and, in doing so, allowed the interdistrict magnet school to open. TRCC enrolled 33 students in its interdistrict magnet school program in the fall of 2012 for the 2012-13 school year. TRCC seeks retroactive approval from the Board of Regents for establishment of the TRCC interdistrict magnet school, in order to validate the creation of the school and allow TRCC to be eligible to apply to the State for operating and transportation funds. TRCC wishes to enroll a total of 60 students for the 2013-2014 school year.

ANALYSIS
TRCC has designated their interdistrict magnet school a “middle college high school.” The model is designed to “bridge the gap between secondary and post-secondary education by immersing high schools students into the college community, as well as to provide access to college coursework for eligible students.”

Operations Plan
TRCC’s Operations Plan for their “middle college high school”, dated July 6, 2012, describes the mission, program of studies, objectives, fields of interest, State-mandated high school courses, TRCC’s vision, mission and values. The middle college will offer concentrations in engineering technology, business/finance/accounting and hospitality/food service. Enrollment stands at 33, but will grow to 300. The program includes high school juniors and seniors who will take college classes and earn their associate’s degree in three years.

The Governing Board is proposed to include: a board chair (TRCC college president holds this position); superintendents or their designees from participating school districts/towns; a representative from the Board of Regents/ConnSCU, “college representatives,” and a member of TRCC’s Regional Advisory Council. “LEARN” is to have an ex officio role. The Governing
Board will serve as the decision-making body for various aspects of the middle college, including but not limited to: graduation requirements, school year calendar, operations planning, approval for lottery process, and approving tuition rates.

The principal, teachers and support staff will be selected in accordance with Department of Education and LEARN criteria.

Funding will derive from tuition contributed by participating towns and grants from the State in accordance with state laws pertaining to interdistrict magnet schools. The budget will be established with guidance from LEARN. Middle college employee salaries will be determined by LEARN.

**Contract with LEARN**

A contract between “the BOR on behalf of Three Rivers Community College” and LEARN addresses day-to-day school management.

The following is a description of LEARN, from its web site:

“LEARN, a Regional Educational Service Center (RESC), serves 25 school districts in southeastern/shoreline Connecticut. Established in 1967 by local districts, LEARN is one of the six RESEs in the state. The purpose of each RESC is to enhance the quality of education and provide solutions to identified needs through a wide range of programs and services. LEARN currently serves twenty-five towns and communities with a student population of nearly 53,000. Through its leadership and resources and by working with schools, students, families, and other community agencies, LEARN promotes regional and statewide cooperation and provides a framework for districts to achieve their goals.

LEARN is a public, educational agency governed by a Board of Directors comprised of one elected board of education member from each district. The source of funding is local districts, state contracts and grants, federal grants, and private foundations.”

On November 8, 2012, Three Rivers Community College signed a contract with LEARN, a private contractor located in Old Lyme, Connecticut, for a term that began as of July 1, 2012 and ends on August 31, 2017. TRCC signed the contract for the Board of Regents for Higher Education on behalf of Three Rivers Community College.

Under the contract, LEARN “shall provide direct support and consultative services as fiscal agent to TRCC in the administration and operation of the Three Rivers Middle College High School, a magnet high school on TRCC’s campus.”

The following are highlights of the contract:

- The Board of Regents has overall responsibility for the inter-district magnet school;
• The Governing Board (on which the Board of Regents has one seat) is the decision-making body for budget approval, graduation requirements, school year calendar, operations planning, the lottery process and approval of tuition rates.

• LEARN has responsibility for day-to-day operation and management of the curricular and programmatic elements of the program – TRCC “approves” the overall curriculum that LEARN designs;

• TRCC is responsible for managing and paying the costs for all facilities, including utilities, telephone, IT, maintenance and campus security for the middle college;

• LEARN creates job descriptions for the middle college director and certified staff positions, manages human resources, including hiring and firing, the TRCC approves the Director and staff positions;

• LEARN manages tuition from local school districts, applies for state magnet school grants, and manages payments, financial records and audits;

• TRCC makes all college facilities and resources available to the middle college, and provides access to College tutors and mentors.

PRESIDENT’S RECOMMENDATION
That the Board of Regents for the Connecticut State Colleges and Universities ratify TRCC’s actions to seek approval from the State Board of Education to open an interdistrict magnet school and that the board approve provisions of this approval allowing the board to act on behalf of TRCC in accessing grant program funds for costs of operation and transportation.
RESOLUTION

concerning

Creation of an Interdistrict Magnet School at Three Rivers Community College

MAY 16, 2013

WHEREAS, The Board of Regents, acting as the Board of Trustees for the Community and Technical Colleges may, on behalf of a Community-technical college, apply for and accept grant funds for interdistrict magnet school program operations, costs of transportation, and school building construction (CGS 10-264 (i) and (l), and 10-283 (a)(1); and

WHEREAS, Amendments to CGS 10-264 (l) in 2012 allowed the Board of Trustees, now the Board of Regents, to be eligible to apply for and accept grants for interdistrict magnet school operating costs on behalf of Three Rivers Community College; and

WHEREAS, The President of Three Rivers Community College (TRCC) in June 2012 filed an Operations and Governance Plan with the State of Connecticut Board of Education with the purpose of securing approval to open an interdistrict magnet school for the 2012-13 school year; and

WHEREAS, The Commissioner of Education on August 23, 2012 approved TRCC’s operations and governance plan and in doing so allowed the interdistrict magnet school to open; and

WHEREAS, TRCC enrolled 33 students in its interdistrict magnet school program in the fall of 2012 for the 2012-2013 school year and wishes to enroll a total of 60 students for the 2013-2014 school year; and

WHEREAS, TRCC wishes to receive retroactive approval from the Board of Regents for establishment of the TRCC interdistrict magnet school, in order to validate the creation of the school and allow TRCC to be eligible to receive operating and transportation funds; therefore be it
RESOLVED, That the Board of Regents for the Connecticut State Colleges and Universities ratifies TRCC’s actions seeking and receiving approval from the State Board of Education to open an interdistrict magnet school with up to 60 students for the 2013-2014 school year, and may act “on behalf of” TRCC in accessing grant program funds for costs of operation and transportation.

A Certified True Copy:

_________________________________
Phillip E. Austin
Acting President
ITEM
Use of Current Fund Balances

RECOMMENDED MOTION FOR FULL BOARD
Approve and ratify the use of current fund balance up to the amount of $1,020,000 ($735,000 for the community colleges, $285,000 for the state universities) to help underwrite the cost of the agreement between Maguire Associates, Inc. and the Connecticut Board of Regents for Higher Education.

BACKGROUND
On September 6th, 2012, the Board of Regents entered into an agreement with Maguire Associates, Inc. to provide consulting services in retention planning, student support services, recruitment and funding policies. Deliverables for this agreement include: enrollment pattern and projection analysis, market research based on surveys and focus groups, review and recommendations regarding tuition and financial aid leveraging, marketing assessment consulting, recruitment and organizational structure consulting and student success and services for special populations. The total amount of the agreement is $1.2 million, of which $91,150 has been paid to date from state university and community college operating funds. The term of this agreement began on September 20, 2012 and will expire twenty-four (24) months after that date.

Under PA 11-48, the act which modified the governance structure for the Connecticut State Universities, the Connecticut Community Technical Colleges and Charter Oak State College, the Board of Regents is authorized to serve in the same capacity as the former Boards of Trustees as the governing body for each constituent unit. In the absence of any change or consolidation of policies under the new structure, the Board of Regents follows the policies in place for each of the constituent units.

The current fund balance guidelines for the state universities requires that, “any use of current fund or plant fund balances must be approved by the Chancellor and, if the amount to be used is $250,000 or greater, by the Board of Trustees.” Although the community college guidelines do not require board approval for the use of fund balances, the recommendation above includes the community college share to be paid from reserves in this action. The recommendation to use fund balances recognizes that this is a significant one-time only cost that cannot be absorbed within current budget resources. The distribution of cost to each reserve is based on having each institution and the system office bear an equal share of the total expense of the contract.
ITEM

Approval of the Charter Oak State College Audit for the fiscal year ending June 30, 2012

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents hereby approves the audit of Charter Oak State College for the fiscal year ending June 30 2012.

BACKGROUND

The Charter Oak State College (COSC) FY2012 audit, including the Connecticut Distance Learning Consortium (CTDLC), represents the first independent audit of the institution. The audit provides an overview of the financial position and activities of the college and CTDLC for the fiscal year ending June 30, 2012 with comparative information for the fiscal year ending June 30, 2011. Statements for FY 2011 are unaudited.

The audit for COSC contains two findings: The college needs to reevaluate its general ledger procedures so that one general ledger will capture and accurately summarize its financial data in a timely fashion in accord with GAAP and various reporting requirements. The college concurs with the finding, stating that it plans to extend the use of its current financial reporting system to address all transactions.

The second finding concerns the college’s compliance with federal regulations regarding old outstanding checks, stating that the college needs to evaluate its outstanding check list to determine whether any funds should be returned to the federal government. The college concurs with the finding. The college will request from the state Treasurer’s Office a more frequent update on outstanding financial aid refund checks in order to comply with the federal requirements.

ANALYSIS

Charter Oak State College

Charter Oak State College had $5,357,292 in total assets, total liabilities of $1,954,714, and total net assets of $3,402,578 at the end of fiscal year 2012. Of this amount, $922,504 is classified as unrestricted net assets, a $626,157 decrease from FY 2011.

Total operating revenues from student tuition and fees, grants and contracts, and other college activities (net of scholarship allowances) were $7,773,256, a 3.6% decrease over the previous fiscal year. Operating expenses were $11,297,370 a 1 % decrease over the previous fiscal year, resulting in an operating loss of $3,524,114 during the year ended June 30, 2012. Net non-operating revenues and other changes were $2,701,894, 13% from the previous year, reflecting in large part, a 15% decrease in the state appropriation. Every dollar lost in State funding costs the College $1.40 to absorb the fringe benefits retirement (employer social security and
retirement contributions), Medicare, Worker’s Compensation, Unemployment Insurance, and medical and dental costs.

Cash and cash equivalents were $2,575,966 at the end of June 30, 2012. Cash was down from $3,378,410 or 23.8% from June 30, 2011. This is due to the drop in planned course enrollment in FY 2012.

Connecticut Distance Learning Consortium

The CT Distance Learning Consortium had $689,962 in total assets, liabilities of $304,787, and a total net asset balance of $385,175. Of this amount, $87,510 is classified as unrestricted net assets, a $221,987 decrease from FY 2011.

Total operating revenues from fees, grants, and contracts were $1,598,130, a 6% decrease over the previous fiscal year. Operating expenses were $3,417,145, a .3% increase over the previous fiscal year, resulting in an operating loss of $1,819,015 during the year ended June 30, 2012. Net non-operating revenues and other changes were $1,232,547 down 37% from the previous year.

Cash and cash equivalents were $332,617 at the end of June 30, 2012. Cash was down from $1,008,042 or by $675,425 from June 30, 2011.
To the Board of Regents for Higher Education  
State of Connecticut

Management of Charter Oak State College (a component unit of the State of Connecticut) ("the College") is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit of the financial statements of the College as of and for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the College's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College’s internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control that we consider to be material weaknesses or significant deficiencies, as defined above. However, we noted certain matters relating to the internal control environment of the College and have included those comments and recommendations within this report.

This communication is intended solely for the information and use of management, To the Board of Regents for Higher Education, and others within the College and is not intended to be, and should not be, used by anyone other than these specified parties.

O’Connor and Drew, P.C.
Certified Public Accountants

Braintree, Massachusetts
April 22, 2013
CHARTER OAK STATE COLLEGE

Management Letter

June 30, 2012

CONTENTS

Management Report 1
Comments 2-3
Conclusion 4
Financial Management System

The College uses two financial management systems to capture the activity of the College. Jenzabar is utilized for transactions involving student activities while disbursements and capital asset transactions are posted to CT Core. Information from both financial management systems is downloaded to a manual spreadsheet in order to sort and classify this information properly in the preparation of its financial statements.

Criteria: One accurate general ledger system is necessary to capture and summarize all of the financial activity within an accounting entity in a timely fashion.

Effect of Condition: This system used by the College was cumbersome, time-consuming and did not facilitate an efficient audit trail.

Recommendation: The College needs to reevaluate its general ledger procedures so that one general ledger will capture and accurately summarize its financial data in a timely fashion in accordance with generally accepted accounting principles and the various reporting requirements of the College.

Management’s Response: Management agrees with this recommendation. The College will create a transition plan in FY 14 to move all of our financial information to Jenzabar (the College's SIS). This will involve the purchase of new software modules, training, and work flow analysis. In addition, we would need to get approval from the Comptroller's Office to write checks and provide data to CORE. Planning is expected to be completed by February, 2014.

Federal Financial Aid

The College’s cash account is with the Treasurer’s Office of the State of Connecticut. Since each disbursement made by the College is immediately subtracted from the College’s available cash balance, the College does not receive a frequent list of outstanding checks.

Students can receive financial aid for not only their tuition and fees, but also their living expenses. The College issues checks to students when their financial aid exceeds tuition and fees. Federal regulations require Colleges to return funds back to the Federal government when a check containing Federal financial aid is outstanding longer than 240 days. The College is not in compliance with the timeframe of returning funds back to the Federal government because the College receives the list of outstanding checks once per year from the Treasurer’s Office.

Criteria: According to 34 C.F.R. Section 668.164(h)(ii):

No later than the 240 day period described in paragraph (h)(2) of this section, the institution must cease any additional disbursement attempts and immediately return those funds.
Effect of Condition: The College may not be in compliance with Federal regulations regarding old outstanding checks.

Recommendation: The College needs to evaluate its outstanding check list to determine whether any funds should be returned to the Federal government.

Management's response: Management agrees with this management comment. We will request from the Treasurer's Office a more frequent update on outstanding financial aid refund checks in order to comply with the federal requirements. The ability of check writing through the comprehensive use of Jenzabar as our financial management system will also solve this issue. The former may be the more immediate solution to the outstanding check issue.
CONCLUSION

We would like to thank all of the management and staff who assisted during the course of our fieldwork. The staff was very helpful and exhibited a genuine effort and pride in their work. If we can be of any assistance in the implementation of any of the above-mentioned recommendations, please do not hesitate to call our office.
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

FINANCIAL STATEMENTS AND
MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2012


**CHA**

**RTER OAK STATE COLLEGE**

(*a Component unit of the State of Connecticut*)

Financial Statements and Management’s Discussion and Analysis

**June 30, 2012**

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<td>35-36</td>
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</tbody>
</table>
INDEPENDENT AUDITORS’ REPORT

To the Connecticut State Colleges & Universities
Board of Regents for Higher Education
Hartford, Connecticut

We have audited the accompanying statements of net assets of Charter Oak State College (a component unit of the State of Connecticut (the "College") as of June 30, 2012, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the College's management. Our responsibility is to express an opinion on these financial statements based on our audits. We have also audited the statements of net assets of Charter Oak State College Foundation, Inc., (the "Foundation") as of June 30, 2012, and the related statements of revenues, expenses, and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Because we were not engaged as auditors until after June 30, 2011, we did not perform audit procedures related to the Statement of Net Assets as of June 30, 2011, and we have not satisfied ourselves by means of other auditing procedures about beginning balances of the Statement of Net Assets. Also, in accordance with the terms of our engagement, we have not applied audit procedures necessary to satisfy ourselves about the classifications and amounts comprising the Statement of Net Assets at June 30, 2011. The amount of accounts receivable and accrued payroll and related benefits, and other significant aspects of the Statement of Net Assets at June 30, 2011, including classifications and amounts, materially affect the determination of the results of operations and cash flows for the year ended June 30, 2012.

Because of the significance of the matter discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the results of operations and cash flows for the year ended June 30, 2012, or on the consistency of application of accounting principles with the preceding year.
In our opinion, the accompanying Statement of Net Assets referred to in the first paragraph presents fairly, in all material respects, the financial position of Charter Oak State College as of June 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated April 22, 2013, on our consideration of Charter Oak State College's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 3 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

O'Connor and Drew, P.C.
Certified Public Accountants
Braintree, Massachusetts

April 22, 2013
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

Management's Discussion and Analysis - Continued

The following discussion and analysis provides an overview of the financial position and activities of Charter Oak State College (the “College”) for the fiscal year ended June 30, 2012, along with comparative information for the fiscal year ended June 30, 2011 (unaudited). This discussion has been prepared by and is the responsibility of Charter Oak management, and should be read in conjunction with the financial statements and footnote disclosures which follow this section. The discussion immediately following reflects Charter Oak State College as it existed during fiscal year 2012. Organizational and governance changes which were enacted by the state legislature effective July 1, 2012 are incorporated in the analysis.

Charter Oak State College is now one of 17 public institutions governed by the Board of Regents. Prior to FY 12, the 4 state universities, 12 community colleges, and Charter Oak State College were governed by separate Boards. In 2011, the governor and the legislature desired a higher education system that would be organized by one board and have one system office. This arrangement was desired to decrease administrative costs to operate and savings could be used to support additional faculty and student services. Prior to FY 12, the state universities and the community colleges each had a central office; Charter Oak did not. This change became effective July 1, 2012.

In addition to cost savings from creating a single system office, the reorganization also resulted in more consistent practices by all 17 institutions. One of those changes was for Charter Oak to have an independent audit done for the first time in FY 12. The state universities and the community colleges routinely had independent audits completed each year. Charter Oak financial statement comparisons to FY 11 are to summaries that are not independently audited.

Aside from higher education reorganization, the state was able to secure an agreement with the state unions to reduce state government costs by freezing wages for two years. Changes were also made to health insurance; contributions to the health retirement fund; and retirement age eligibility. In exchange for freezing wages in FY 12 & FY 13 and changing other benefits, the state and the unions agreed to a no layoff agreement for four years through FY 15 for all employees hired prior to July 1, 2011.

Prior to the reorganization, Charter Oak State College was governed by the Board for State Academic Awards (BSAA) from 1973 to November 30, 2011. In 1998, the BSAA created the CT Distance Learning Consortium (“CTDLC”) as an independent operation with a different mission than the College. The College’s role was to serve the residents of CT and outside of CT with a variety of credit aggregation mechanisms to assist adults to complete their college degrees. The CTDLC in contrast was created to provide services and support to help educational institutions and other learning focused organizations in and out of CT to meet the ever increasing demands of developing and delivering effective technology enhanced learning
opportunities for students in higher education, K-12 and adult education, and in the workplace to promote workforce training and development.

The reorganization also collapsed two distinct state appropriations; one for Charter Oak and one for the CTDLC into one appropriation described as Charter Oak State College. The single appropriation clouds the mission of the college and the distinct focus of the CTDLC. While the State provides one appropriation, the agency continues to budget and record expenses separately. Distinct financial statements are presented for the College and the CTDLC. The state appropriation is divided based on historical funding percentages and revenues and expenditures are recorded appropriately for each entity.

Charter Oak State College, which is the state’s online college, was authorized by Section 28, 10a-143 (c) of the CT general statutes. It offers 4 General Studies degrees: Associate of Arts, Associate of Science, Bachelor of Arts, and Bachelor of Science and can offer Master’s Degrees. The college’s first Master’s Degree is awaiting approval by the Board of Regents. Sixteen concentrations are available exclusively using Charter Oak online courses from transfer credits, examination, or prior learning evaluation. An additional 28 concentrations can be achieved using courses from other institutions and eleven certificates programs are also offered.

In 2012, 3,183 students, a 23% increase over 2011, were enrolled in degree programs compared to 2,594 in fiscal year 2011 and 26,246 credit hour course registrations compared to 28,178 in 2011, a 6.8% decline.

Three semesters of courses are offered annually by the College; fall, spring, and summer. The fall and spring semesters offer courses in three time formats: 15 weeks, two eight-week, and three five-week offerings. In the summer, two eight-week and two five-week offerings are available. Students are accepted in a program three times a year in the fall, spring, or summer.
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis - Continued

Financial Highlights – All Comparisons to FY 2011 are to Unaudited Financial Summaries

Charter Oak State College had $5,357,292 in total assets, total liabilities of $1,954,714, and total net assets of $3,402,578 at the end of fiscal year 2012. Of this amount, $922,504 is classified as unrestricted net assets, a $626,157 decrease from FY 2011.

Total operating revenues from student tuition and fees, grants and contracts, and other college activities (net of scholarship allowances) were $7,773,256, a 3.6% decrease over the previous fiscal year. Operating expenses were $11,297,370 a 1% decrease over the previous fiscal year, resulting in an operating loss of $3,524,114 during the year ended June 30, 2012. Net non-operating revenues and other changes were $2,701,894, down 13% from the previous year, reflecting in large part, a 15% decrease in the State appropriation. Every dollar lost in State funding costs the College $1.40 to absorb the fringe benefits and retirement (employer social security and retirement contributions), Medicare, Worker's Compensation, Unemployment Insurance, and medical and dental costs.

Cash and cash equivalents were $2,575,966 at the end of June 30, 2012. Cash was down from $3,378,410 or 23.8% from June 30, 2011. This is primarily due to the drop in planned course enrollment in FY 2012.

Overview of the Financial Statements

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board Statement No. 35, Basic Financial Statements – and Management’s Discussion and Analysis – for Public Colleges and Universities (GASB 35), as amended by GASB Statements No. 37, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments: Omnibus, an amendment of GASB Statements No. 21 and No. 34, (GASB 37): No. 38, Certain Financial Statement Note Disclosures (GASB 38) and No. 39, Determining Whether Certain Organizations are Component Units – an amendment of GASB statement No. 14 (GASB 39). GASB 35 extended the state and local government financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments (GASB 34) to include public colleges and universities. As required by GASB 34 and 35, a comparative analysis of fiscal year 2012 financial data with fiscal year 2011 (unaudited) is also presented. The College also complies with GASB 51, Accounting and Financial Reporting for Intangible Assets which provides guidance on the accounting and reporting of intangible assets including computer software. The capitalization threshold for intangible assets is one thousand dollars.
Overview of the Financial Statements - Continued

Charter Oak State College reports as a special-purpose government engaged only in business-type activities, with much of the cost of providing service recovered through tuition and fees charged to students and other external users in exchange for services. Required financial statements include the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows. A review of these financial statements can provide information regarding both short-term profitability and liquidity, as well as long-term financial viability and financing, helping to answer the important question of whether the financial condition continues to support the achievement of its operating objectives and mission.

Included in Charter Oak’s financial statements as a component unit is the College’s Foundation. As required by GASB 39, component unit information relative to the Foundation is discretely presented, and is based on separately prepared financial statements. Because the Foundation is a private, not-for-profit corporation rather than a government agency, the Foundation reports using different generally accepted accounting principles (GAAP) than do government agencies. The primary authority for the promulgation of GAAP for private corporations is the Financial Accounting Standards Board (FASB), which has promulgated Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-profit Organizations, as well as other standards, applicable to the college Foundation. While the College’s financial statements include the Foundation, no attempt has been made to reformat or compare incomparable FASB standards applied by the Foundation with GASB standard applied by the college, nor have the Foundation financial statement footnotes, disclosures or other detailed information included in the separate Foundation statements, been re-stated herein. Unless otherwise specifically stated, the management discussion, notes and disclosures in the College’s statements refer to the College as the primary institution and not to the Foundation.

The Statement of Net Assets presents the overall financial position of the College at the end of fiscal year 2012 compared with fiscal year 2011, and includes all assets and liabilities, including capital assets net of depreciation. The difference between total assets and total liabilities, or net assets, is one indicator of the current financial condition. Over time, increases or decreases in net assets may serve as an indicator of whether the financial health of the College is improving or deteriorating, although other factors including enrollment and condition of physical facilities must also be considered. The Statement of Net Assets classifies assets and liabilities as current and non-current. In general, current liabilities are those that will be paid within one year of the date of the statement of net assets. Current assets are those that are available to satisfy current liabilities. Comparisons of current assets to current liabilities can provide an indication of the College’s ability to meet its obligations in the short term.
Overview of the Financial Statements - Continued

Net asset balances represent resources available to support future operations. Net assets classified as Invested in Capital Assets provide an indication of the State’s and the College’s investment in long-lived assets such as land, buildings, technology infrastructure, machinery and moveable equipment, necessary to support the educational mission on a long-term basis. Restricted-Expendable net assets provide an indication of non-exchange resources available for specific purposes based on donor or legal restrictions, including unexpended capital (bond fund), appropriations, scholarship donations, and other non-capital gifts. Unrestricted Net Assets provide an indication of the one-time financial reserves available to supplement current-year revenues or to provide resources for designated program expansions or capital investment, and as such, can provide an indication of the financial health and flexibility of the College as well as its ability to weather short-term financial difficulties.

The Statement of Revenues, Expenses and Changes in Net Assets (SRECNA), like the Statement of Net Assets, is prepared using the economic resources measurement focus, which includes both financial resources and capital resources. As required by GASB 35, both statements also utilize the full accrual basis of accounting, similar to that used by corporations and private colleges and universities, which recognizes revenues when goods or services are provided, and expenses when goods or services are consumed, regardless of when the related inflows and outflows of cash occur. The SRECNA provides information regarding whether the College is receiving sufficient revenues each year to cover the costs incurred in providing its educational and other services to students and the public.

The SRECNA classifies revenues and expenses into operating and non-operating. Operating revenues – those which are generated as a result of the College’s educational and public service activities – do not include State appropriations. Therefore, the college and virtually all public colleges and universities that rely on government appropriations as a major source of (non-operating) revenue, will show an operating loss on the Statement of Revenues, Expenses and Changes in Net Assets.

GASB 34 and 35 require that revenues be reported net of discounts and allowances. Therefore, for financial reporting purposes, student tuition, fee and other revenues are reduced by the value of student financial aid and tuition and fee waivers used to pay off these charges. Similarly, student financial aid and waiver expenses are reduced to the extent used to pay off tuition and fee charges. The resulting net revenues reflect only the revenues to be actually paid by and on behalf of the students, and the resulting net financial aid/waiver expense reflects only the amount of financial aid actually paid to students, above any amounts used to satisfy tuition and fee charges. The SRECNA shows both the gross and contra, or reduction, tuition and fee revenue amounts.
Overview of the Financial Statements - Continued

Governments including public colleges and universities are required under GASB 34 and 35, to record depreciation expense for all capital assets. The SRECNA records a portion of the initial capital outlay each year as depreciation expense, over the expected useful life of the asset. This differs from budgetary practices, which record all capital outlays as expenditure against the current year appropriation or budget.

The Statement of Cash Flows presents information related to cash inflows and outflows summarized into the categories of operating, non-capital financing, capital financing, and investing activities. State appropriations, which are considered to be cash equivalents, are also included in this statement. The Statement of Cash Flows utilizes the direct method, providing information regarding where cash and cash equivalents came from and what they were used for during the year and the net change in cash and equivalents during the year. This statement provides information regarding the college’s ability to meet short-term financial obligations, its ability to generate future cash flows, and its liquidity, solvency and financial flexibility. It can also help users assess the reasons for differences between changes in net assets and the associated cash receipts and payments.
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis - Continued

Overview of the Financial Statements - Continued

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>% Change Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>$2,939,269</td>
<td>$3,755,601</td>
<td>-22%</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>2,418,023</td>
<td>2,482,132</td>
<td>-3%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$5,357,292</td>
<td>$6,237,733</td>
<td>-14%</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>$1,461,486</td>
<td>1,545,450</td>
<td>-5%</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>493,228</td>
<td>467,485</td>
<td>6%</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>1,954,714</td>
<td>2,012,935</td>
<td>-3%</td>
</tr>
<tr>
<td><strong>Net Assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>2,418,023</td>
<td>2,482,132</td>
<td>-3%</td>
</tr>
<tr>
<td>Restricted - nonexpendable</td>
<td>62,051</td>
<td>194,005</td>
<td>-68%</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>922,504</td>
<td>1,548,661</td>
<td>-40%</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>3,402,578</td>
<td>4,224,798</td>
<td>-19%</td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td>$5,357,292</td>
<td>$6,237,733</td>
<td>-14%</td>
</tr>
</tbody>
</table>

Total assets were $5,357,292 at the end of the 2012 fiscal year, down from $6,237,733 or 14% at the end of the 2011 fiscal year.

Current assets include cash and equivalents of $2,575,966, compared to $3,378,410 or 24% less than in fiscal year 2011. Current assets also include student tuition and fee receivables of $596,095, net of $247,123 in doubtful accounts. Other current assets include prepaid expenses for memberships and subscriptions of $14,331 compared to $9,184 in fiscal year 2011. Total current assets decreased to $816,332 or 21.7%, down from $3,755,601 in fiscal year 2011.

Other assets (net), increased 111% to $172,698 from $81,808 in fiscal year 2011 for primarily software purchases. Investment in plant and equipment decreased slightly by 1% to $4,071,987 in fiscal year 2012 from $4,130,517 in fiscal year 2011. Investment in plant and equipment, net of accumulated depreciation decreased to $2,245,325 or 7% from $2,400,418 in fiscal year 2011. Total noncurrent assets were 3% less than fiscal year 2011, which represents $2,418,023 compared to $2,482,132 in fiscal year 2011.
Overview of the Financial Statements - Continued

<table>
<thead>
<tr>
<th>Description</th>
<th>2012</th>
<th>2011</th>
<th>% Change Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Student tuition and fees</td>
<td>$7,559,097</td>
<td>$7,637,329</td>
<td>-1%</td>
</tr>
<tr>
<td>Less: scholarship discounts and allowances</td>
<td>(1,622,505)</td>
<td>(1,505,876)</td>
<td>8%</td>
</tr>
<tr>
<td>Net tuition and fees</td>
<td>5,936,592</td>
<td>6,131,453</td>
<td>-3%</td>
</tr>
<tr>
<td>Federal grants</td>
<td>1,553,219</td>
<td>1,468,882</td>
<td>6%</td>
</tr>
<tr>
<td>Additional operating revenues</td>
<td>283,445</td>
<td>460,496</td>
<td>-38%</td>
</tr>
<tr>
<td>Total Operating Revenues</td>
<td>7,773,256</td>
<td>8,060,831</td>
<td>-4%</td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>11,297,370</td>
<td>11,364,988</td>
<td>-1%</td>
</tr>
<tr>
<td>Operating loss</td>
<td>(3,524,114)</td>
<td>(3,304,157)</td>
<td>7%</td>
</tr>
<tr>
<td>Non-Operating Revenues (Expenses):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State appropriations</td>
<td>2,614,869</td>
<td>3,063,451</td>
<td>-15%</td>
</tr>
<tr>
<td>Other non-operating revenues (expenses), net</td>
<td>87,025</td>
<td>45,104</td>
<td>95%</td>
</tr>
<tr>
<td>Net non-operating revenues</td>
<td>2,701,894</td>
<td>3,108,555</td>
<td>-13%</td>
</tr>
<tr>
<td>Net Decrease in Net Assets</td>
<td>(822,220)</td>
<td>(195,602)</td>
<td>-320%</td>
</tr>
<tr>
<td>Net Assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Assets - Beginning of Year</td>
<td>4,224,798</td>
<td>4,420,400</td>
<td>-4%</td>
</tr>
<tr>
<td>Net Assets - End of Year</td>
<td>$3,402,578</td>
<td>$4,224,798</td>
<td>-19%</td>
</tr>
</tbody>
</table>

Total operating revenues for fiscal year 2012 were down 4% compared to fiscal year 2011. The change was from $8,060,831 in previous fiscal year to $7,773,256 in fiscal year 2012. The 3% decline of net tuition was due to the application of state waivers to tuition for the first time and an increase of students utilizing financial aid. In addition to the change in net tuition, state and local as well as nongovernmental contracts were 59% and 43% lower than fiscal year 2011. Auxiliary revenues primarily represent the activity of the college’s Testing Center. The federal grants increased 6%; attributed to more financial aid to students.
Overview of the Financial Statements - Continued

Total operating expenses decreased 1% in fiscal year 2012 compared to fiscal year 2011. The change was from $11,364,988 in the previous fiscal year to $11,297,370 in fiscal year 2012. While the decrease in expenses is small the distribution of expenses are very different. Personnel service and fringe benefits were 16% higher increasing from $7,607,058 in fiscal year 2011 to $9,045,102. The College transitioned all faculty to payroll in fiscal year 2012 with an average of 27% in fringes. Also for fiscal year 2012, the College had to pay an extra or 27th payroll that only happens once every 10 years. The professional services line decreased 89% from $1,328,857 in fiscal year 2011 to $140,788 in fiscal year 2012 reflecting the shift of faculty to employee status.

The remaining major change in the operating expenses was the 265% increase in bad debt in fiscal year 2012. This changed from $61,183 to $223,052 in fiscal year 2012. This was due primarily to an alignment to student loan limits set by the federal government that created higher disbursement values to students. In 2011 the College did not routinely allocate the full value of a student loan. Students had to request approval to the full limit. This practice was cancelled to comply with federal loan requirements. Since students that do not earn their entire financial aid award have to have funds returned to the federal government, a higher level of funds had to be returned to the government. The college is in the process of trying to collect these funds from students.

The College recorded an operating loss of $3,524,114. This is a 7% increase in fiscal year 2012 compared to $3,304,157 in the previous year. Due to the GASB 35 requirements, the State general fund and related benefits are classified as non operating revenues. The net non-operating revenues were $2,701,894 in fiscal year 12 down 11% from $3,108,555 the previous year. The largest dollar change was a decrease of $448,582 in the State appropriation, which resulted in higher fringe benefit costs on the operating budget expense. The State appropriation does include the fringe benefits paid directly by the State.

Net assets decreased from $4,224,798 at the beginning of fiscal year 2012 to $3,402,578.
Overview of the Financial Statements - Continued

The functional classification of expenses is as follows:

![Bar Chart]

The statement of cash flows utilizes the direct method and outlines cash receipts and payment summaries for fiscal year 2012. Receipts are from tuition and fees, sales and services, State appropriation, interest and dividends, and other receipts. Outflows are for salaries and wages and payments to vendors for goods and services. Net cash applied to operating activities is $2,474,034. Net cash provided by financing activities is $1,666,384. Net cash provided by investing activities is $5,206.

Cash and cash equivalents at the beginning of fiscal year 2012 were $3,378,410 and the value at the end of the year was $2,575,966. The end of the year value is 24% less than fiscal year 2011.
Factors Impacting Future Results

Online colleges are facing stiffer competition as “brick and mortar” colleges and universities add online programs to their offerings. More programs focused on adults are also more prevalent. Fiscal year 2012 was a difficult year for some private online institutions and enrollments declined up to 24%. Charter Oak also had a decrease in course enrollment of 6.8% which was a significantly different course enrollment year than the historic yearly increases of 14% or more.

Attracting and retaining students; new and unique program offerings; administrative effectiveness; and expanded service opportunities will strengthen the operation and sustainability of the College. Attracting students and new and unique program offerings are critical to drawing new students to the College.

In fiscal year 2012, the College expended considerable energy on the development of two new programs. The Health Information Management program was developed based on market research and industry representatives to supply formal training and certification for this growing field. The program curriculum was developed and all but one of the approval processes was completed in fiscal year 2012. The final approval from the New England Association of Schools and Colleges was received in fiscal 2013 and the program will launch in the spring of the same fiscal year. The other significance of this program is that it will be the first major offered by the College. In the past concentrations were exclusively offered.

In addition to this new program, the College’s first master’s degree program in Organizational Effectiveness was presented to the Board of Regents for approval in fiscal year 2012. While this program has yet to be approved, action on the submission is expected in fiscal year 2013.

While new programs are being developed, the College continually reviews its marketing and admissions activities and processes in order to adapt the current processes/activities. More regular “personal follow-up” with inquiries and applicants are now in place. Another major change for the College was the change in the fee structure for entering students. In the past students would pay an annual matriculation fee in excess of $1,000 upon entry to the College. This fee has been reduced to $165 each semester for state resident students in fiscal year 2012. While course enrollments have not increased in fiscal year 2012, matriculated increased by 23% over the previous year. These activities are expected to continue to increase admitted students and course enrollments.
Factors Impacting Future Results - Continued

Retaining students is also a more vigilant activity of the College. Students that do not return each semester for coursework are contacted in several ways by College staff to facilitate the return of the student to their program of study. Mechanisms have been created that allow the staff to identify non returning students prior to the close of the next registration cycle in order to assist the students with their return. This approach has also added to the knowledge of why students do not return in the subsequent semester.

Administrative effectiveness is also critical to react to trends with more productive approaches. The bad debts of students, which are mostly related to returns of Title IV aid increased tremendously in fiscal year 2012. Based on this trend, the College changed its disbursement process from once a semester to two times a semester. This change reduced the spring returns of federal aid in half during the spring semester of fiscal year 2012 and this change is expected to lower the amount of bad debt going forward. In addition to this change, faculty are more proactive in reporting lack of student engagement in courses to the Registrar’s Office. This change has also reduced the number of disbursements to students that are not engaged in their courses.

Administrative efforts to impact the funding model of the College is critical. Compared to the Community Colleges and the CSU’s, the college state appropriation supports only 17% of personnel costs compared to a 35% average of the other Board of Regent’s (BOR) institutions. No support for instructional costs is provided. This funding level requires that 80% of the college’s operating expenses go to support personnel. This is compared to a 69% of other BOR constituent units. Management’s influence on the BOR funding model is necessary to enhance sustainability.

Since tuition represents 64% of operating revenue compared to an average of 42% for the Community Colleges and CSU’s, management must also broaden the revenue stream through additional opportunities through vehicles like continuing education programs.

Pursuit of energy management savings activities and a continuous review of the use of technology to support the services of the College are also ongoing activities.
Factors Impacting Future Results - Continued

The reductions in the State appropriation have also increased the activities of the administration to identify other funding streams to support the College. This focus has led to a number of discussions with various potential partners to expand programs and services more quickly and with fewer resources. These include credit and non credit courses for new targeted audiences; new certificates; new approaches and expansion of credit assessment; and more discussions on grant or contractual partnerships. The recent reorganization of public higher education in CT is also expected to create new opportunities for the College working in collaboration with the other 16 colleges in the Board of Regents. All of these activities are expected to increase the services that are offered to the residents of the State of Connecticut and national audiences. The combination of all of these strategies is expected to yield positive results for the institution in fiscal year 2013 and beyond.

Requests for Information

This financial report is designed to provide a general overview of the College’s finances. Questions concerning any of the information provided in this report should be addressed to Clifford Williams, Chief Financial & Administrative Officer, Charter Oak State College, 85 Alumni Road, Newington, CT 06111.
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

Statements of Net Assets

June 30, 2012
CHARTER OAK STATE COLLEGE  
(a component unit of the State of Connecticut)  

Statements of Net Assets  

June 30, 2012  

**Assets**  

<table>
<thead>
<tr>
<th></th>
<th>(Audited)</th>
<th>(Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Primary</td>
<td>Component</td>
</tr>
<tr>
<td></td>
<td>Government</td>
<td>Unit</td>
</tr>
<tr>
<td><strong>College</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Cash held by State Treasurer</td>
<td>2,575,966</td>
<td></td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>348,972</td>
<td></td>
</tr>
<tr>
<td>Investments</td>
<td></td>
<td>1,346,955</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>14,331</td>
<td>625</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>2,939,269</td>
<td>1,423,731</td>
</tr>
<tr>
<td><strong>Non-Current Asset:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>2,418,023</td>
<td></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>$ 5,357,292</td>
<td>$ 1,423,731</td>
</tr>
</tbody>
</table>

**Liabilities and Net Assets**  

|                                | (Audited) | (Audited) |
|                                | Primary   | Component |
|                                | Government| Unit      |
| **College**                    |           |           |
| Current Liabilities:           |           |           |
| Accounts payable               | $ 80,191  | $ 7,500   |
| Accrued payroll                | 332,278   |           |
| Accrued employee compensated absences | 394,380 |           |
| Unearned tuition revenues      | 654,637   |           |
| **Total Current Liabilities**  | 1,461,486 | 7,500     |
| **Non-Current Liabilities:**  |           |           |
| Accrued employee compensated absences | 493,228 |           |
| **Total Liabilities**          | 1,954,714 | 7,500     |
| **Net Assets:**                |           |           |
| Invested in capital assets, net of related debt | 2,418,023 |           |
| Restricted-nonexpendable       |           | 1,022,768 |
| Restricted-expendable          | 62,051    | 339,057   |
| Unrestricted                   | 922,504   | 54,406    |
| **Total Net Assets**           | 3,402,578 | 1,416,231 |
| **Total Liabilities and Net Assets** | $ 5,357,292 | $ 1,423,731 |

See accompanying notes to the financial statements.
# CHARTER OAK STATE COLLEGE

(a component unit of the State of Connecticut)

**Statements of Revenues, Expenses and Changes in Net Assets**

For the Years Ended June 30, 2012

<table>
<thead>
<tr>
<th>(Unaudited)</th>
<th>(Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>Component</td>
</tr>
<tr>
<td>Government</td>
<td>Unit</td>
</tr>
<tr>
<td><strong>College</strong></td>
<td><strong>Foundation</strong></td>
</tr>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
</tr>
<tr>
<td>Tuition and fees</td>
<td>$ 7,559,097</td>
</tr>
<tr>
<td>Less: scholarships and fellowships</td>
<td>1,622,505</td>
</tr>
<tr>
<td>Net tuition and fees</td>
<td>5,936,592</td>
</tr>
<tr>
<td>Federal grants and contracts</td>
<td>1,553,219</td>
</tr>
<tr>
<td>State grants and contracts</td>
<td>50,354</td>
</tr>
<tr>
<td>Private grants and contracts</td>
<td>88,160</td>
</tr>
<tr>
<td>Auxiliary enterprises</td>
<td>129,559</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>15,572</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>7,773,256</td>
</tr>
<tr>
<td><strong>Operating Expenses:</strong></td>
<td></td>
</tr>
<tr>
<td>Educational and general:</td>
<td></td>
</tr>
<tr>
<td>Instruction</td>
<td>4,095,514</td>
</tr>
<tr>
<td>Scholarships and fellowships</td>
<td>238,701</td>
</tr>
<tr>
<td>Academic support</td>
<td>1,566,131</td>
</tr>
<tr>
<td>Student services</td>
<td>2,218,397</td>
</tr>
<tr>
<td>Institutional support</td>
<td>2,650,074</td>
</tr>
<tr>
<td>Operation and maintenance of plant</td>
<td>167,734</td>
</tr>
<tr>
<td>Depreciation</td>
<td>360,819</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>11,297,370</td>
</tr>
<tr>
<td><strong>Net Operating Income (Loss)</strong></td>
<td>(3,524,114)</td>
</tr>
<tr>
<td><strong>Non-Operating Revenues (Expenses):</strong></td>
<td></td>
</tr>
<tr>
<td>State appropriations</td>
<td>2,614,869</td>
</tr>
<tr>
<td>Contributions</td>
<td>24,500</td>
</tr>
<tr>
<td>Other</td>
<td>58,356</td>
</tr>
<tr>
<td>Loss on disposal of capital assets</td>
<td>(1,037)</td>
</tr>
<tr>
<td>Investment income</td>
<td>520</td>
</tr>
<tr>
<td><strong>Net Non-Operating Revenues (Expenses)</strong></td>
<td>2,701,894</td>
</tr>
<tr>
<td><strong>Total Decrease in Net Assets</strong></td>
<td>(822,220)</td>
</tr>
<tr>
<td>Net Assets, at Beginning of Year</td>
<td>4,224,798</td>
</tr>
<tr>
<td>Net Assets, at End of Year</td>
<td>$ 3,402,578</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
CHARTER OAK STATE COLLEGE
(a component unit of the State of Connecticut)

Statements of Cash Flows

For the Years Ended June 30, 2012

(Unaudited)
Primary
Government

College

Cash Flows from Operating Activities:
Tuition and fees $ 5,905,558
Grants and contracts 1,691,733
Payments to employees (8,521,937)
Payments to suppliers and vendors (1,455,618)
Payments to students (238,701)
Auxiliary enterprises receipts 129,359
Other operating receipts 15,672
Net Cash Applied to Operating Activities (2,474,034)

Cash Flows from Non-Capital Financing Activities:
State appropriations 1,881,201
Contributions 24,500
Other 58,336
Net Cash Provided by Non-Capital Financing Activities 1,964,037

Cash Flows from Capital Financing Activity:
Purchases of capital assets (297,653)

Cash Flows from Investing Activity
Interest on investments 5,206

Net Decrease in Cash and Equivalents (802,444)
Cash and Equivalents, Beginning of Year 3,378,410
Cash and Equivalents, End of Year $ 2,575,966

Reconciliation of Net Operating Loss to Net Cash Applied to Operating Activities:
Net operating loss $ (3,524,114)
Adjustments to reconcile net operating loss to net cash applied to operating activities:
Depreciation 360,819
Accounts receivable recovery 185,866
Fringe benefits provided by the state 735,608
Changes in assets and liabilities:
Accounts receivable (166,905)
Prepaid expenses and other current assets (5,147)
Accounts payable 15,374
Accrued payroll (253,369)
Accrued employee compensation and benefits 43,903
Unearned tuition revenues 135,871
Net Cash Applied to Operating Activities (2,474,034)

Non-Cash Transaction:
Fringe benefits provided by the state
$ 733,668

See accompanying notes to the financial statements.
CHARTER OAK STATE COLLEGE  
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements

June 30, 2012

Note 1 - Summary of Significant Accounting Policies

Organization
Charter Oak State College (the "College") is a state-supported comprehensive college that offers a quality education leading to associate and bachelor's degrees in the arts and sciences as well as professional certificate programs. The College is located in New Britain, Connecticut and provides instruction and training in a variety of liberal arts, sciences and business fields of study. The College is accredited by the New England Association of Schools and Colleges.

On June 13, 2011, the Legislation placing Connecticut Distance Learning Consortium and Charter Oak State College under the Board of Regents for Higher Education was enacted, consolidating its governing authority within a single authority including the Connecticut State University System and the Community-Technical College System.

Basis of Presentation and Accounting
The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB).

GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units ("GASB 39") requires a legally separate, tax-exempt, affiliated entity to be considered a component unit of the College and presented discretely in the College’s financial statements.

The Charter Oak State College Foundation, Inc. (the “Foundation”), was formed to render financial assistance and support to the educational programs and development of the College and meets the requirements of a component unit of the College. The Foundation is legally separate from the College, and the College is not financially accountable for the Foundation. The Foundation has been included because of the nature and significance of its relationship with the College. Complete financial statements can be obtained from the Foundation’s administrative office in New Britain, Connecticut.
Note 1 - **Summary of Significant Accounting Policies - Continued**

**Basis of Presentation and Accounting - Continued**

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The accompanying statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues primarily include charges to students or others who enroll or directly benefit from services that are provided by a particular function. Items not meeting the definition of program revenues are instead reported as general revenues.

The College has determined that it functions as a business-type activity as defined by GASB. The effect of inter-fund activity has been eliminated from these financial statements. The basic financial statements and required supplementary information for general purpose governments consist of management’s discussion and analysis, basic financial statements including the College’s discretely presented component unit and required supplementary information. The College presents statements of net assets, revenues, expenses, and changes in net assets and cash flows on a combined college-wide basis.

The College's policy for defining operating activities in the statement of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for services and for the purchase of goods and services. Certain other transactions are reported as non-operating activities in accordance with GASB Statement No. 35. These non-operating activities include the College's operating and capital appropriations from the State of Connecticut, net investment income and interest expense.

The College’s financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements. Governments are also required to follow applicable pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 that do no conflict with or contradict GASB pronouncements. Although the College has the option to apply FASB pronouncements issued after that date to its business-type activities, it has chosen not to do so.
CHARTER OAK STATE COLLEGE  
(a Component Unit of the State of Connecticut)  

Notes to the Financial Statements - Continued  
June 30, 2012  

Note 1 - Summary of Significant Accounting Policies - Continued  

Net Assets  
Resources are classified for accounting purposes into the following four net asset categories:  

Invested in capital assets, net of related debt: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets.  

Restricted - nonexpendable: Net assets subject to externally imposed conditions that the College must maintain them in perpetuity.  

Restricted - expendable: Net assets whose use is subject to externally imposed conditions that can be fulfilled by the actions of the College or by the passage of time.  

Unrestricted: All other categories of net assets. Unrestricted net assets may be designated by actions of the College's Board of Regents.  

The College has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.  

Cash and Equivalents  
Cash and cash equivalents consist of cash held by the state treasurer in a Short-Term Investment fund ("STIF"), state general fund and capital appropriations, and petty cash. The STIF, stated at market value, is held on behalf of the College by the State Treasurer and has original maturities of three months or less. Interest income is recognized on the accrual basis. The largest inflow of cash related to non-capital financing is State appropriations, including general fund appropriations for salaries and other items. The College does not receive cash from the State in support of the general fund appropriation. The appropriation is treated as a cash equivalent for accounting and reporting purposes, and is included in the cash flow statement. Fringe benefit payments are made by the State Comptroller on behalf of the College, and information regarding the associated fringe benefit expense is provided to the College with each biweekly payroll. This is treated as a cash equivalent on the statement of cash flows.
Note 1 - **Summary of Significant Accounting Policies - Continued**

**Allowance for Doubtful Accounts**
Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks, and current economic conditions.

**Capital Assets**
Real estate assets, including improvements, are generally stated at cost. Furnishings, equipment and collection items are stated at cost at date of acquisition or, in the case of gifts, at fair value at date of donation. In accordance with the state's capitalization policy, only those items with a unit cost of more than $1,000 are capitalized. Library materials are no longer capitalized and amortized. College capital assets, with the exception of land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives, which range from 5 to 40 years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

The College does not have collections of historical treasures, works of art or other items that are inexhaustible by their nature and are of immeasurable intrinsic value, thus not requiring capitalization or depreciation in accordance with GASB guidelines.

With the introduction of GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets ("GASB51") in 2012 all identifiable intangible assets, not specifically excluded, are included as intangible assets in the College statement, in accordance with the College policy regarding capitalization.

**Fringe Benefits**
The College participates in the state's Fringe Benefit programs, including health insurance, unemployment, pension and workers' compensation benefits. Health insurance, unemployment and pension costs are billed through a fringe benefit rate charged to the College. Workers' compensation costs are assessed separately based on the College's actual experience.
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 1 - Summary of Significant Accounting Policies - Continued

Compensated Absences
Employees earn the right to be compensated during absences for vacation leave and sick leave. Accrued vacation is the amount earned by all eligible employees through June 30, 2012. The accrued sick leave balance represents 25% of amounts earned by those employees with ten or more years of State service as of June 30, 2012. Upon termination of employment, these employees are entitled to receive payment for this accrued balance.

Unearned Tuition Revenues
Deposits and advance payments received for tuition and fees related to certain summer programs and tuition received for the following academic year are recorded as the related services are provided.

Student Fees
Student tuition and fees are presented net of scholarships and fellowships applied to students’ accounts. Certain other scholarships are paid directly to, or refunded to, the student and are generally reflected as expenses. The revenue for a summer session is split between the two fiscal years, with appropriate amounts being recognized in the accounting period in which they are earned or incurred and become measurable.

Tax Status
The College is an agency of the State of Connecticut and is therefore generally exempt from income taxes under Section 115 of the Internal Revenue Code.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.
Note 1 - **Summary of Significant Accounting Policies - Continued**

**New Governmental Accounting Pronouncements**

GASB Statement 60, *Accounting and Financial Reporting for Service Concession Arrangements*, effective for periods beginning after December 15, 2011, establishes accounting requirements for arrangements between a transferor and operator in which (a) the transferor conveys to the operator the right and related obligation to provide services through the use of infrastructure or other public asset in exchange for significant consideration and (b) the operator collects and is compensated by fees from third parties. This statement applies only to arrangements meeting specific criteria determining whether a transferor retains control over the public asset. Management does not believe the College currently has any material Service Concession Arrangements.


GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for periods beginning after December 15, 2011, incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions, and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee of Accounting Procedure. Management of the College does not expect implementation to affect the financial statements.
CHARTER OAK STATE COLLEGE  
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 1 - Summary of Significant Accounting Policies - Continued

New Governmental Accounting Pronouncements - Continued
GASB Statement 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, effective for periods beginning after December 15, 2011, provides financial reporting guidance. Deferred outflows are the consumption of net assets and deferred inflows are the acquisition of net assets, applicable to future reporting periods. Net position is identified by Concepts Statement No. 4 as the residual of all other elements presented in a statement of financial position and requires the incorporation of deferred outflows and inflows into the required components of the residual measure and renaming that measure, known as net assets, as net position. Management is in the process of reviewing this statement and its potential affect upon their financial reporting but does not expect any material impact.

GASBS 65, Items Previously Reported as Assets and Liabilities, effective for periods beginning after December 15, 2012, establishes accounting and financial reporting standards for the reclassification of certain assets and liabilities in accordance with GASBS 63. Management expects this statement to have no effect on the financial statements.

GASBS 66, Technical Corrections -2012 – an amendment of GASB Statements 10 and 62, effective for periods beginning after December 15, 2012 resolves conflicts between recently issued and earlier GASB statements as well as modifying guidance related to accounting for certain operating leases. Management is in the process of reviewing this statement and its potential affect upon their financial reporting but does not expect any material impact.

Note 2 - Cash and Equivalents

Cash is invested in the State of Connecticut Treasurer’s STIF, a combined investment pool of high quality, short-term money market instruments. All temporary surplus cash is invested in the STIF. The College may add or withdraw monies on a daily basis with interest earned from date of deposit to date of withdrawal. The primary investment objectives of the STIF are the preservation of principal and the provision of liquidity to meet the College daily cash flow requirements.
Note 2 - **Cash and Equivalents - Continued**

The STIF is managed by investment managers in accordance with the investment guidelines established by the State Treasurer. These guidelines prohibit investment in derivative securities other than floating rate securities which vary in the same direction as individual short-term money market indices, and limit the ability to enter into reverse repurchase agreements in amounts not to exceed 5.0% of the STIF’s net assets at the time of execution.

The College has assessed the Credit Risk, Custodial Credit Risk, the Concentration of Credit Risk, and the Interest Rate Risk of its Cash and Cash Equivalents as follows:

*Credit Risk* – Credit risk is the risk that an investor will lose money because of the default of the security issuer or investment counterparty. The College is only invested in the State of Connecticut Treasurer’s STIF, which is a combined investment pool of high quality, short-term money market instruments. Management believes there is essentially no risk to these types of investments.

*Concentration of Credit Risk* – Concentration of credit risk is assumed to arise when the amount of investments with one issuer exceeds 5 percent or more of the total value of investments. All of the College’s total cash and cash equivalents are invested in the STIF or consist of State general fund and capital bond fund appropriations allocated to the College which are backed by cash held by the state as of June 30, 2012.

Note 3 - **Accounts Receivable**

The accounts receivable balance is comprised of the following at June 30, 2012:

<table>
<thead>
<tr>
<th>Account Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student accounts receivable</td>
<td>$596,095</td>
</tr>
<tr>
<td>Less: allowance for doubtful accounts</td>
<td>(247,123)</td>
</tr>
<tr>
<td></td>
<td>$348,972</td>
</tr>
</tbody>
</table>
Note 4 - Investments

Foundation
Investments of Charter Oak State College Foundation, Inc. are stated at fair value and consist of the following at June 30, 2012:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Cost</th>
<th>Market Value</th>
<th>Unrealized Gain (Loss)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vanguard Emerging Markets Stock Index Fund</td>
<td>$10,194</td>
<td>$15,879</td>
<td>$5,685</td>
</tr>
<tr>
<td>Vanguard Total International Stock Index Fund</td>
<td>$203,717</td>
<td>$191,052</td>
<td>(12,665)</td>
</tr>
<tr>
<td>Vanguard Strategic Equity Index Fund</td>
<td>$41,380</td>
<td>$47,867</td>
<td>6,487</td>
</tr>
<tr>
<td>Vanguard Intermediate Term Investment Index Fund</td>
<td>$165,064</td>
<td>$162,055</td>
<td>(3,009)</td>
</tr>
<tr>
<td>Vanguard Short Term Investment Index Fund</td>
<td>$73,745</td>
<td>$74,664</td>
<td>919</td>
</tr>
<tr>
<td>Vanguard Total Bond Market Index Fund</td>
<td>$265,885</td>
<td>$271,133</td>
<td>5,248</td>
</tr>
<tr>
<td>Vanguard Growth Index Fund</td>
<td>$95,603</td>
<td>$112,455</td>
<td>16,852</td>
</tr>
<tr>
<td>Vanguard Total Stock Market Index Fund</td>
<td>$274,694</td>
<td>$315,069</td>
<td>40,375</td>
</tr>
<tr>
<td>Vanguard Windsor II Fund</td>
<td>$95,938</td>
<td>$109,453</td>
<td>13,515</td>
</tr>
<tr>
<td>Vanguard Explorer Fund</td>
<td>$40,866</td>
<td>$47,328</td>
<td>6,462</td>
</tr>
</tbody>
</table>

$1,267,086  $1,346,955  $79,869

The following schedule summarizes the investment return and its classification in the statements of revenues, expenses, and changes in net assets for the years ended June 30, 2012:

Interest and dividends $32,595
Net unrealized and realized gains (losses) (8,845)

Total $23,750
CHARTER OAK STATE COLLEGE  
(a Component Unit of the State of Connecticut) 

Notes to the Financial Statements - Continued 

June 30, 2012 

Note 5 - **Capital Assets** 

Capital asset activity for the year ended June 30, 2012 is as follows: 

<table>
<thead>
<tr>
<th>Estimated lives (in years)</th>
<th>(Unaudited) Beginning Balance</th>
<th>Additions</th>
<th>Retirements</th>
<th>Reclassifications</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital assets, not depreciated:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$15,000</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$15,000</td>
</tr>
<tr>
<td>Capital assets, depreciated:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>10-40</td>
<td>2,401,440</td>
<td>-</td>
<td>-</td>
<td>2,401,440</td>
</tr>
<tr>
<td>Furnishings and equipment (including the cost of capital leases)</td>
<td>6</td>
<td>1,714,076</td>
<td>154,743</td>
<td>(213,272)</td>
<td>1,655,547</td>
</tr>
<tr>
<td>Software</td>
<td>5</td>
<td>284,776</td>
<td>142,910</td>
<td>-</td>
<td>427,686</td>
</tr>
<tr>
<td>Total depreciated capital assets</td>
<td>4,400,292</td>
<td>297,653</td>
<td>(213,272)</td>
<td>-</td>
<td>4,484,673</td>
</tr>
<tr>
<td>Total capital assets</td>
<td>4,415,292</td>
<td>297,653</td>
<td>(213,272)</td>
<td>-</td>
<td>4,499,673</td>
</tr>
<tr>
<td>Less: accumulated depreciation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>768,098</td>
<td>82,475</td>
<td>-</td>
<td>-</td>
<td>850,573</td>
</tr>
<tr>
<td>Furnishings and equipment</td>
<td>962,000</td>
<td>226,324</td>
<td>(212,235)</td>
<td>-</td>
<td>976,089</td>
</tr>
<tr>
<td>Software</td>
<td>202,968</td>
<td>52,020</td>
<td>-</td>
<td>-</td>
<td>254,988</td>
</tr>
<tr>
<td>Total accumulated depreciation</td>
<td>1,933,066</td>
<td>360,819</td>
<td>(212,235)</td>
<td>-</td>
<td>2,081,650</td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>$2,482,226</td>
<td>$(63,166)</td>
<td>$(1,037)</td>
<td>$</td>
<td>$2,418,023</td>
</tr>
</tbody>
</table>

Note 6 - **Long-Term Liabilities** 

Long-term liabilities at June 30, 2012 consist of: 

<table>
<thead>
<tr>
<th>(Unaudited) Beginning Balance</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance</th>
<th>Current Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other long-term liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vacation</td>
<td>$659,084</td>
<td>$-</td>
<td>$-</td>
<td>$659,084</td>
</tr>
<tr>
<td>Sick</td>
<td>143,811</td>
<td>84,713</td>
<td>$</td>
<td>228,524</td>
</tr>
<tr>
<td>Total long-term liabilities</td>
<td>$802,895</td>
<td>$84,713</td>
<td>$</td>
<td>$887,608</td>
</tr>
</tbody>
</table>
CHARTER OAK STATE COLLEGE  
(a Component Unit of the State of Connecticut)  

Notes to the Financial Statements - Continued  

June 30, 2012  

Note 6 - **Long-Term Liabilities - Continued**  

*Leases*  
The College leases various equipment under operating lease agreements. The following summarizes future minimum payments under non-cancelable leases subsequent to the year ended June 30, 2012:  

<table>
<thead>
<tr>
<th>Years Ending June 30</th>
<th>Operating Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$ 61,020</td>
</tr>
<tr>
<td>2014</td>
<td>20,912</td>
</tr>
<tr>
<td>2015</td>
<td>7,104</td>
</tr>
</tbody>
</table>

$ 89,036  

Rent expense for operating leases was $57,856 for the year ended June 30, 2012.  

Note 7 - **Restricted Net Assets**  
The College is the recipient of funds that are subject to various external constraints upon their use, either as to purpose or time.  

Restricted - expendable net assets consist of income to be used for grants and research, as well as funds to be used for capital projects.  

The Foundation’s restricted - expendable net assets consist of funds, whose income is mainly used for various scholarships, grants and other general purposes.  

Note 8 - **Contingencies**  
In the opinion of management, no litigation is now pending or threatened which would materially affect the College’s financial position.
Note 8 -  **Contingencies - Continued**

The College receives significant financial assistance from Federal and state agencies in the form of grants. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. The College must repay any disallowed expenditures resulting from such audits. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the College.

Note 9 -  **Operating Expenses**

The College’s operating expenses, on a natural classification basis, are comprised of the following at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation and benefits</td>
<td>$9,045,102</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>1,652,748</td>
</tr>
<tr>
<td>Depreciation</td>
<td>360,819</td>
</tr>
<tr>
<td>Scholarships and fellowships</td>
<td>238,701</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$11,297,370</strong></td>
</tr>
</tbody>
</table>

Note 10 -  **Retirement and Other Post Employment Benefits**

*Retirement*

**Plan Description**

All regular full-time employees participate in one of two retirement plans. The State of Connecticut is statutorily responsible for the pension benefits of College employees who participate in the State Employees' Retirement System ("SERS"). SERS is the administrator of a single employer defined benefit public employee retirement system ("PERS"). The plan provides retirement, disability, death benefits and annual cost of living adjustments to plan members and their beneficiaries. Plan benefits, cost of living adjustments, contribution requirements of plan members and the State and other plan provisions are described in the General Statutes. The plan does not issue stand-alone financial reports. Information on the plan is currently publicly available in the State of Connecticut’s Comprehensive Annual Financial Report prepared by the Office of the State Comptroller.
Note 10 - **Retirement and Other Post Employment Benefits - Continued**

**Retirement - Continued**

**Plan Description - Continued**

Employees hired before July 1, 1984 participate in the old (Tier I) Plan, which includes employee contributions; other employees may participate in the Tier II or Tier IIA Plans. As of June 30, 2012, approximately thirty-one percent (31%) of the College workforce was covered under the Tier II or Tier IIA Plans. The College makes contributions on behalf of the employees not covered by State funds through a fringe benefit charge assessed by the State of Connecticut.

Alternatively, employees may choose to participate in the Alternate Retirement Plan which is managed by ING. Under this arrangement, the College and the plan participants purchase individual investments managed by ING.

**Funding Policy**

The contribution requirements of plan members and the State are established and maybe amended by the State legislature.

Tier I Plan B regular and Hazardous Duty members are required to contribute 2% and 4% of their annual salary up to the Social Security Taxable Wage Base plus 5% above that level. Tier I Plan C members are required to contribute 5% of their annual salary. Tier IIA Plan regular and Hazardous Duty members are required to contribute 2% and 5% of their annual salaries, respectively. The State is required to contribute at an actuarially determined rate, which may be reduced by an act of the State legislature. Administrative costs of the plan are funded by the State.

**Annual Pension Cost, Net Pension Obligation and Related Information (Unaudited)**

Because of the cost-sharing arrangements the College has with other State departments and agencies, one actuarial valuation is performed for the State of Connecticut. As a result, the following information is not separately available for the College. Additionally, the information for fiscal year 2012 is not available as of the issue date of the College’s financial statements and, therefore, the following information is as of June 30, 2011.
CHARTER OAK STATE COLLEGE
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 10 - Retirement and Other Post Employment Benefits - Continued

Retirement - Continued

Annual Pension Cost, Net Pension Obligation and Related Information (Unaudited) - Continued

The liability for the pension plan will be recorded by the State of Connecticut, which has communicated to the College that the College should not record a liability associated with the pension plan.

The State’s annual pension cost and net pension obligation for SERS as of June 30, 2011 are as follows (in thousands):

Annual required contribution $944,077
Interest on net pension obligation 232,919
Adjustment to annual required contribution (177,735)
Annual pension cost 999,261
Contributions made 825,801
Increase in net pension obligation 173,460
Net pension obligation, beginning of year 2,740,231

Net pension obligation, end of year $2,913,691

Three year trend information (in thousands):

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual Pension Cost (APC)</th>
<th>Percentage of APC Contributed</th>
<th>Net Pension Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$810,776</td>
<td>86.3%</td>
<td>$2,508,005</td>
</tr>
<tr>
<td>2010</td>
<td>952,753</td>
<td>75.6%</td>
<td>2,740,231</td>
</tr>
<tr>
<td>2011</td>
<td>999,261</td>
<td>82.6%</td>
<td>2,913,691</td>
</tr>
</tbody>
</table>
Note 10 - **Retirement and Other Post Employment Benefits - Continued**

**Retirement - Continued**

Annual Pension Cost, Net Pension Obligation and Related Information (Unaudited) - Continued

The following actuarial information related to the calculation of the annual required contribution for SERS is for all State of Connecticut employees:

- **Actuarial valuation date**: June 30, 2010
- **Actuarial cost method**: Projected unit credit
- **Amortization method**: Level percent of pay, closed
- **Remaining amortization period**: 21 years
- **Asset valuation method**: 5 year smoothed market

**Actuarial assumptions**

- **Investment rate of return**: 8.25%
- **Projected salary increases (includes inflation of 4%)**: 4.0% - 20.0%
- **Cost of living adjustments**: 2.7% - 3.6%

**Required Supplementary Information (in millions):**

<table>
<thead>
<tr>
<th>Actuarial Valuation Date</th>
<th>(a) Actuarial Value of Assets</th>
<th>(b) Actuarial Accrued Liability (AAL)</th>
<th>(b-a) Unfunded AAL (UAAL)</th>
<th>(a/b) Funded Ratio</th>
<th>(c) Covered Payroll</th>
<th>(b-a/c) UAAL as a Percentage of Covered Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/05</td>
<td>$ 8,517.7</td>
<td>$ 15,987.5</td>
<td>$ 7,469.8</td>
<td>53.3%</td>
<td>$ 2,980.1</td>
<td>250.7%</td>
</tr>
<tr>
<td>6/30/06</td>
<td>8,951.4</td>
<td>16,830.3</td>
<td>7,878.9</td>
<td>53.2%</td>
<td>3,107.9</td>
<td>253.5%</td>
</tr>
<tr>
<td>6/30/07</td>
<td>9,585.1</td>
<td>17,888.1</td>
<td>8,303.0</td>
<td>53.6%</td>
<td>3,310.4</td>
<td>250.8%</td>
</tr>
<tr>
<td>6/30/08</td>
<td>9,990.2</td>
<td>19,243.4</td>
<td>9,253.2</td>
<td>51.9%</td>
<td>3,497.4</td>
<td>264.6%</td>
</tr>
<tr>
<td>6/30/09 *</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6/30/10</td>
<td>9,349.6</td>
<td>21,054.2</td>
<td>11,704.6</td>
<td>44.4%</td>
<td>3,295.7</td>
<td>355.1%</td>
</tr>
<tr>
<td>6/30/11 *</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*An actuarial valuation was not performed for the fiscal years ended June 30, 2009 and 2011.*
CHARTER OAK STATE COLLEGE  
(a Component Unit of the State of Connecticut)  

Notes to the Financial Statements - Continued  

June 30, 2012  

Note 10 - **Retirement and Other Post Employment Benefits - Continued**  

*Retirement - Continued*  

**Other Post-Employment Benefits**  
The State of Connecticut provides post-retirement health care and life insurance benefits to eligible College employees, in accordance with Sections 5-257(d) and 5-259(a) of the Connecticut General Statutes. When employees retire, the State pays up to 100% of their health care insurance premium cost (including the cost of dependent coverage). This benefit is available to retirees of the State Employees’ Retirement System and participants in the Connecticut Alternate Retirement Program who meet certain age and service criteria. 

The State also pays 100% of the premium cost for a portion of the employee’s life insurance continued after retirement. The amount of life insurance continued at no cost to the retiree is determined in a formula based on the number of years of State service that the retiree had at the time of retirement. The State finances the cost of post-retirement health care and life insurance benefits. 

During fiscal year 2008, the College adopted GASB No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions* ("GASB 45"). However, as the State of Connecticut is legally responsible for any post-employment benefits, the standard had no impact on the College’s financial statements. The liability for post-employment benefits will be recorded by the State of Connecticut, which has communicated to the College that the College should not record a liability associated with the post-employment benefits for its employees or retired employees. 

For the State of Connecticut liability and disclosures associated with GASB 45 please see the State of Connecticut's Comprehensive Annual Financial Report prepared by the Office of the State Comptroller at the following website address:  
http://www.osc.state.ct.us/reports/.  

Note 11 - **Pass-Through Grants**  
The College distributed approximately $5,348,000 as of June 30, 2012 for student loans through the U.S. Department of Education Federal Direct Lending Program. These distributions and related funding sources are not included as expenses and revenues nor as cash disbursements and cash receipts in the accompanying financial statements.
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with Government Auditing Standards

To the Connecticut State Colleges & Universities
Board of Regents for Higher Education
Hartford, Connecticut

We have audited the financial statements of Charter Oak State College (the "College") as of and
for the years ended June 30, 2012 and have issued our report thereon dated April 22, 2013. We
conducted our audit in accordance with auditing standards generally accepted in the United
States of America and the standards applicable to financial audits contained in Government
Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Charter Oak State College is responsible for establishing and maintaining
effective internal control over financial reporting. In planning and performing our audit, we
considered the College's internal control over financial reporting as a basis for designing our
auditing procedures for the purpose of expressing our opinion on the financial statements, but not
for the purpose of expressing an opinion on the effectiveness of the College's internal control
over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the
College's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow
management or employees, in the normal course of performing their assigned functions, to
prevent or detect and correct misstatements on a timely basis. A material weakness is a
deficiency, or combination of deficiencies in internal control, such that there is a reasonable
possibility that a material misstatement of the College's financial statements will not be
prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose
described in the first paragraph of this section and was not designed to identify all deficiencies in
internal control over financial reporting that might be deficiencies, significant deficiencies or
material weaknesses. We did not identify any deficiencies in internal control over financial
reporting that we consider to be material weaknesses, as defined above.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of the College in a separate letter dated April 22, 2013.

This report is intended solely for the information and use of the Board of Regents and management of Charter Oak State College and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

O’Connor and Drew, P.C.

Certified Public Accountants
Braintree, Massachusetts

April 22, 2013
CONNECTICUT DISTANCE LEARNING CONSORTIUM

(a Component Unit of the State of Connecticut)

FINANCIAL STATEMENTS AND MANAGEMENT’S DISCUSSION AND ANALYSIS

JUNE 30, 2012
CONNECCTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Financial Statements and
Management’s Discussion and Analysis

June 30, 2012

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Independent Auditors’ Report
Management’s Discussion and Analysis (Unaudited)
Financial Statements:
- Statements of Net Assets
- Statements of Revenues, Expenses and Changes in Net Assets
- Statements of Cash Flows
- Notes to the Financial Statements
Additional Report:
Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards

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INDEPENDENT AUDITORS’ REPORT

To the Connecticut State Colleges & Universities
Board of Regents for Higher Education
Hartford, Connecticut

We have audited the accompanying statements of net assets of the Connecticut Distance Learning Consortium (a component unit of the State of Connecticut ("CTDLC")) as of June 30, 2012, and the related statements of revenues, expenses and changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of CTDLC’s management. Our responsibility is to express an opinion on these financial statements based on our audits.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Because we were not engaged as auditors until after June 30, 2011, we did not perform audit procedures related to the Statement of Net Assets as of June 30, 2011, and we have not satisfied ourselves by means of other auditing procedures about beginning balances of the Statement of Net Assets. Also, in accordance with the terms of our engagement, we have not applied audit procedures necessary to satisfy ourselves about the classifications and amounts comprising the Statement of Net Assets at June 30, 2011. The amount of accounts receivable and accrued payroll and related benefits, and other significant aspects of the Statement of Net Assets at June 30, 2011, including classifications and amounts, materially affect the determination of the results of operations and cash flows for the year ended June 30, 2012.

Because of the significance of the matter discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the results of operations and cash flows for the year ended June 30, 2012, or on the consistency of application of accounting principles with the preceding year.
In our opinion, the accompanying Statement of Net Assets referred to in the first paragraph presents fairly, in all material respects, the financial position of the Connecticut Distance Learning Consortium as of June 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated April 22, 2013, on our consideration of the Connecticut Distance Learning Consortium's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audits.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 11 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

O'Connor and Drew, P.C.

Certified Public Accountants
Braintree, Massachusetts

April 22, 2013
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis

The CT Distance Learning Consortium ("CTDLC") (the "consortium") was created by the former Board for State Academic Awards in 1999 to provide services and support to help educational institutions and other learning focused organizations in and out of CT meet ever increasing demands of developing and delivering effective technology enhanced learning opportunities for students in higher education, K-12, adult education, and in the workplace to promote workforce training and development.

CTDLC offers the following services to assist educators, state agencies, and employers to meet increasing demands of developing and delivering effective technology-enhanced learning opportunities:

- Learning Systems Hosting
- Instructional Design
- Technical Support (support center services and web and software development to support learning services)
- Online Tutoring Services
- K-12 and Adult education services
- Strategic Consulting
- Consortium priced LMS software pricing
- Grants & Partnerships

Financial Highlights - All Comparisons to FY 2011 are to Unaudited Financial Summaries

The CT Distance Learning Consortium had $689,962 in total assets, liabilities of $304,787, and a total net asset balance of $385,175. Of this amount, $87,510 is classified as unrestricted net assets, a $221,987 decrease from FY 2011.

Total operating revenues from fees, grants, and contracts were $1,598,130, a 6% decrease over the previous fiscal year. Operating expenses were $3,417,145, a .3% increase over the previous fiscal year, resulting in an operating loss of $1,819,015 during the year ended June 30, 2012. Net non-operating revenues and other changes were $1,232,547 down 37% from the previous year.

Cash and cash equivalents were $332,617 at the end of June 30, 2012. Cash was down from $1,008,042 or by $675,425 from June 30, 2011.
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)  

Management’s Discussion and Analysis - Continued  

Overview of the Financial Statements  

This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board Statement No. 35, Basic Financial Statements, as amended by GASB Statements No. 37, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments; Omnibus, an amendment of GASB Statements No. 21 and No. 34, (GASB 37): No. 38, Certain Financial Statement Note Disclosures (GASB 38) and No. 39, Determining Whether Certain Organizations are Component Units – an amendment of GASB statement No. 14 (GASB 39). GASB 35 extended the state and local government financial reporting requirements of GASB Statement No. 34, Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments (GASB 34) to include public colleges and universities. As required by GASB 34 and 35, a comparative analysis of fiscal year 2012 financial data with fiscal year 2011 is also presented. The Consortium also complies with GASB 51, Accounting and Financial Reporting for Intangible Assets which provides guidance on the accounting and reporting of intangible assets including computer software. The capitalization threshold for intangible assets is one thousand dollars.

CT Distance Learning Consortium reports as a special-purpose government engaged only in business-type activities. Required financial statements include the Statement of Net Assets, the Statement of Revenues, Expenses and Changes in Net Assets, and the Statement of Cash Flows. A review of these financial statements can provide information regarding both short-term profitability and liquidity, as well as long-term financial viability and financing, helping to answer the important question of whether the financial condition continues to support the achievement of its operating objectives and mission.

The Statement of Net Assets presents the overall financial position of CT Distance Learning Consortium at the end of fiscal year 2012 compared with fiscal year 2011, and includes all assets and liabilities, including capital assets net of depreciation. The difference between total assets and total liabilities, or net assets, is one indicator of the current financial condition. Over time, increases or decreases in net assets may serve as an indicator of whether the financial health of the consortium is improving or deteriorating, although other factors including enrollment and condition of physical facilities must also be considered. The Statement of Net Assets classifies assets and liabilities as current and non-current. In general, current liabilities are those that will be paid within one year of the date of the statement of net assets. Current assets are those that are available to satisfy current liabilities. Comparisons of current assets to current liabilities can provide an indication of the consortium’s ability to meet its obligations in the short term.
CONNECCTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)  

Management’s Discussion and Analysis - Continued  

Overview of the Financial Statements - Continued  

Net asset balances represent resources available to support future operations. Net assets classified as Invested in Capital Assets, Net of Related Debt provide an indication of the State’s and the consortium’s investment in long-lived assets such as land, buildings, technology infrastructure, machinery and moveable equipment, necessary to support the educational mission on a long-term basis. Restricted-Expendable net assets provide an indication of non-exchange resources available for specific purposes based on donor or legal restrictions, including unexpended capital (bond fund), appropriations, scholarship donations, and other non-capital gifts. Unrestricted Net Assets provide an indication of the one-time financial reserves available to supplement current-year revenues or to provide resources for designated program expansions or capital investment, and as such, can provide an indication of the financial health and flexibility of the consortium as well as its ability to weather short-term financial difficulties.

The Statement of Revenues, Expenses and Changes in Net Assets (“SRECNA”), like the Statement of Net Assets, is prepared using the economic resources measurement focus, which includes both financial resources and capital resources. As required by GASB 35, both statements also utilize the full accrual basis of accounting, which recognizes revenues when goods or services are provided, and expenses when goods or services are consumed, regardless of when the related inflows and outflows of cash occur. The SRECNA provides information regarding whether the consortium is receiving sufficient revenues each year to cover the costs incurred in providing its educational and other services to students and the public.

The SRECNA classifies revenues and expenses into operating and non-operating. Operating revenues – those which are generated as a result of the consortium’s educational and public service activities – do not include State appropriations. Therefore, the consortium will show an operating loss on the Statement of Revenues, Expenses and Changes in Net Assets.

The Statement of Cash Flows presents information related to cash inflows and outflows summarized into the categories of operating, non-capital financing, and capital financing, and investing activities. State appropriations, which are considered to be cash equivalents, are also included in this statement. These State appropriations include the general fund appropriation.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis - Continued

Overview of the Financial Statements - Continued

Condensed Financial Information
June 30, 2012 and 2011

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>% Change Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets</td>
<td>$455,861</td>
<td>$1,120,541</td>
<td>-59%</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>234,101</td>
<td>233,351</td>
<td>0%</td>
</tr>
<tr>
<td>Total Assets</td>
<td>689,962</td>
<td>1,353,892</td>
<td>-49%</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>185,785</td>
<td>286,607</td>
<td>-35%</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>119,002</td>
<td>95,642</td>
<td>24%</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>304,787</td>
<td>382,249</td>
<td>-20%</td>
</tr>
<tr>
<td><strong>Net Assets:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>234,101</td>
<td>233,351</td>
<td>0%</td>
</tr>
<tr>
<td>Restricted - expendable</td>
<td>63,564</td>
<td>428,795</td>
<td>-85%</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>87,510</td>
<td>309,497</td>
<td>-72%</td>
</tr>
<tr>
<td>Total Net Assets</td>
<td>385,175</td>
<td>971,643</td>
<td>-60%</td>
</tr>
<tr>
<td>Total Liabilities and Net Assets</td>
<td>$689,962</td>
<td>$1,353,892</td>
<td>-49%</td>
</tr>
</tbody>
</table>

Total assets decreased 49% from fiscal year 2011 from $1,353,892 to $689,962 in fiscal year 2012.

Current assets are composed of $332,617 in cash and cash equivalents that are in deposit with the State’s STIF account through the State Treasurer’s Office. This amount has declined 59% due to the use of cash to support the fiscal year 2012 budget. The $98,155 in receivables represents the amount due from other private educational institutions for contracted services. There are also $25,089 in receivables that are due from other State educational agencies that elect to purchase LMS licenses from CTDLC as part of a consortium agreement to reduce the costs of participating educational institutions. There are times when the annual license cost is due to the software provider before the consortium institution pays for the license.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis - Continued

Overview of the Financial Statements - Continued

Noncurrent assets consist of other assets (net) are software used by the CTDLC to operate a data center that supports over 42,000 students throughout the State and nationally to access and utilize electronic learning or learning support programs. The investment in plant and equipment primarily represents the value of the data center equipment. The investment in plant and equipment, net of related debt of $234,101 consists of replacing equipment or improvements made to the data center as well as improvements to the leased space in Newington where the staff is located. The investments, net of related debt increased by 3% compared to fiscal year 2011. This investment in equipment has been declining for several years due to the absence of State bond money through the Capital Equipment Fund allocation as the direct result of the State’s fiscal constraints. The absence of at least a half a million dollars every two years for equipment replacement has placed more burdens on the operating funds to replace equipment and resulted in longer than recommended life cycles and additional maintenance expense for equipment.

Liabilities are represented by accounts payables from the end of the previous fiscal year and accrued salaries and benefits from the expense accrued at June 30, 2012. Current year accrued compensated absences for the earned vacation and sick time is $89,874.

Noncurrent liabilities are exclusively the total of the value of vacation and sick leave on the books for staff that is over a year old.

Net assets have decreased 60% from fiscal year 2011 from $971,643 to $385,175. Aside from the minor change on invested in capital assets, there was an 85% or $365,231 decrease in restricted net assets in fiscal year 2012, $63,564, compared to $428,795 in fiscal year 2011. The reason for this decrease was the accumulation of pass through dollars for software licensing fees paid by consortium members that were not paid to the software supplier until fiscal year 2012. The unrestricted net assets decreased due to the use of cash to support the fiscal year 2012 budget.
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)  

Management’s Discussion and Analysis - Continued

Overview of the Financial Statements - Continued

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>% Change Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal grants and contracts</td>
<td>$433,547</td>
<td>$482,295</td>
<td>-10%</td>
</tr>
<tr>
<td>Nongovernmental grants and contracts</td>
<td>78,900</td>
<td>78,900</td>
<td>0%</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>1,085,683</td>
<td>1,129,329</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>Total Operating Revenues</strong></td>
<td>1,598,130</td>
<td>1,690,524</td>
<td>-6%</td>
</tr>
</tbody>
</table>

**Operating Expenses**  
3,417,145  
3,406,152  
0%

Operating loss  
(1,819,015)  
(1,715,152)  
6%

**Non-operating Revenues (Expenses):**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>% Change Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>State appropriations</td>
<td>795,650</td>
<td>986,279</td>
<td>-19%</td>
</tr>
<tr>
<td>Other non-operating revenue</td>
<td>436,701</td>
<td>983,706</td>
<td>-56%</td>
</tr>
<tr>
<td>Other</td>
<td>196</td>
<td>(9,590)</td>
<td>-98%</td>
</tr>
<tr>
<td><strong>Total non-operating revenues</strong></td>
<td>1,232,547</td>
<td>1,960,395</td>
<td>-37%</td>
</tr>
</tbody>
</table>

Increase (decrease) in net assets  
(586,468)  
244,767  
-340%

**Net Assets:**

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2011</th>
<th>% Change Current Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Assets - Beginning of Year</td>
<td>971,643</td>
<td>726,876</td>
<td>33%</td>
</tr>
<tr>
<td>Net Assets - End of Year</td>
<td>$385,175</td>
<td>$971,643</td>
<td>-60%</td>
</tr>
</tbody>
</table>

Total operating revenues decreased by 6% in fiscal year 2012 or $92,394 changing from $1,690,524 in fiscal year 2011 to $1,598,130 in fiscal year 2012. While federal and private grants and contracts decreased 9% or $48,748 from $561,195 in fiscal year 2011 to $512,447, other operating revenues decreased 4% or $43,646 from $1,129,329 in fiscal year 2011 to $1,085,683. The latter is more significant since State contracts are less frequent due to the ongoing fiscal crisis and federal grants are more competitive. Continued growth in the other operating revenues will be necessary as the other sources of income decline.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Management's Discussion and Analysis - Continued

Overview of the Financial Statements - Continued

Operating expenses increased $10,993 from $3,406,152 in fiscal year 2011 to $3,417,145. While most operating expenses were relatively flat or mostly decreased, the largest increase was for personnel service and fringe benefits. That change represented a 2% increase or $45,675, which changed from $1,960,819 in fiscal year 2011 to $2,006,494 in fiscal year 2012. While no new employees were added, the change represents increases in the operating payroll due to the 27th payroll that is paid to State employees every 10 years. In addition to the $91,319 loss in State support, the fringe benefit rate of 35% of personnel costs normally supported by State funds were shifted to the operating fund as well.

The CTDLC recorded an operating loss of $1,819,015 compared to $1,715,628 in the previous year. This small change in loss was achieved by aggressively managing other operating supplies and expenses. The non operating revenues were $1,232,547 in fiscal year 2012 down 37% from $1,960,395 the previous year. The largest dollar change was a reduction of $547,005 or 56% in pass through receipts for software licenses paid by consortial members.

Net assets decreased from $971,643 at the beginning of fiscal year 2012 to $385,175 at the end of the year.

The functional classification of expenses is as follows:

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CONNECTION DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis - Continued

Overview of the Financial Statements - Continued

The student services expense is related to the contracts that the CTDLC has with other institutions of higher education. This amount is related to the Etutoring, Virtual High School, FIPPSE, and Davis funded programs offered to external institutions.

The statement of cash flows utilizes the direct method and outlines cash receipts and payment summaries for fiscal year 2012. Receipts are from fees for services, State appropriation, and grants and other receipts. Outflows are for salaries and wages and payments to vendors for goods and services. Net cash applied to operating activities is $1,469,865. Net cash provided by financing activities is $793,985 Net cash provided by investing activities is $455.

Cash and cash equivalents at the beginning of fiscal year 2012 were $1,008,042 and the value at the end of the year was $332,617. The end of the year value is 67% less than fiscal year 2011.

Factors Impacting Future Results

Since the CTDLC was created in 1999, the composition of revenue has radically changed. In the beginning most of revenue was generated by work with public and private institutions hosting learning management systems and supporting these institutions with the preparation of their online courses for delivery on the hosted system. This approach reduced the infrastructure costs of these participating institutions to expand their instructional reach through distance learning. Over time, educational institutions have created the infrastructure to deliver online courses.

The success of the organization will be the result of a number of factors; they include: reducing and streamlining infrastructure costs; continue the transition to more of a consulting service model; aggressively seeking partnerships with public and private organizations around student support and grant opportunities; expansion of K-12 and adult education services; and continuous environmental scanning for new opportunities. It has become clear that State support can no longer be considered predictable and the availability of State bonding money to support equipment replacement in the data center has been nonexistent for the last three years.

In terms of reducing and streamlining infrastructure, the CTDLC continually looks at cost savings options to reduce the number of servers required by focusing on virtualization when possible and also seeks out software that will allow the data center to work more efficiently. As their role as a hosting site has decreased, ongoing evaluation has taken place to size the data center in terms of the services that are offered to its clients.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Management’s Discussion and Analysis - Continued

Factors Impacting Future Results - Continued

The transition to a consulting service model has had success over the last several years. More opportunities have been created to engage in web based employee training for State and private organizations. Additional opportunities have occurred to work with State and private organizations on grant opportunities and discussions of partnerships. The service desk services have also steadily increased to include areas like financial aid support. Instructional design services have also increasingly been sold to organizations looking to develop training or instructional programs for their personnel.

Student support activities have tremendously expanded with the sale of an Etutoring platform that was created by CTDLC. This software that allows for consortium institutions to share tutoring resources among the group has reduced the costs of educational institutions to provide academic support to their students. The uniqueness of this product continues to attract more institutions into the mix and there is interest from potential international clients as well.

Elearning work in the K-12 space, while in operation for several years, is in the program review process. Alternate strategies to deliver this program and the development of new marketing strategies are in progress to increase participation with reduced costs in the future. The benefit of this work will not be known until the next fiscal year.

The staff of the CTDLC continually scans the environment for new opportunities for the organization. Involvement in State, educational, grant, and other consultant projects continuously places representatives of the organization in new situations where their services may be applied to different needs. Attendance at several national conferences each year also assists in the identification of sales opportunities, trends and new needs of the education and learning technology sectors. The Advisory Committee of the CTDLC which is represented by educational and training partners also provide insight into new developments.

Requests for Information

This financial report is designed to provide a general overview of the College’s finances. Questions concerning any of the information provided in this report should be addressed to Clifford Williams, Chief Financial & Administrative Officer, Connecticut Distance Learning Consortium, 85 Alumni Road, Newington, CT 06111.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Statements of Net Assets

June 30, 2012
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a component unit of the State of Connecticut)  

Statement of Net Assets  

June 30, 2012  

<table>
<thead>
<tr>
<th>Assets</th>
<th>(Audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets:</td>
<td></td>
</tr>
<tr>
<td>Cash held by State Treasurer</td>
<td>$332,617</td>
</tr>
<tr>
<td>Accounts receivable - state agencies</td>
<td>25,089</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>98,155</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>455,861</strong></td>
</tr>
<tr>
<td>Non-Current Asset:</td>
<td></td>
</tr>
<tr>
<td>Capital assets, net</td>
<td>234,101</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$689,962</strong></td>
</tr>
</tbody>
</table>

| Liabilities and Net Assets | |
| Current Liabilities: | |
| Accounts payable | $4,610 |
| Accrued payroll | 91,301 |
| Accrued employee compensated absences | 89,874 |
| **Total Current Liabilities** | **185,785** |
| Non-Current Liabilities: | |
| Accrued employee compensated absences | 119,002 |
| **Total Liabilities** | **304,787** |
| Net Assets: | |
| Invested in capital assets, net of related debt | 234,101 |
| Restricted-expendable | 63,564 |
| Unrestricted | 87,510 |
| **Total Net Assets** | **385,175** |
| **Total Liabilities and Net Assets** | **$689,962** |

*See accompanying notes to the financial statements.*
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a component unit of the State of Connecticut)

Statements of Revenues, Expenses and Changes in Net Assets

For the Year Ended June 30, 2012

(Unaudited)

Operating Revenues:

Fees $ 1,085,683
Federal grants and contracts 433,547
Private grants and contracts 78,900

Total Operating Revenues 1,598,130

Operating Expenses:

Educational and general:
Instruction 178,852
Student services 411,066
Institutional support 2,650,730
Operation and maintenance of plant 103,093
Depreciation 73,404

Total Operating Expenses 3,417,145

Net Operating Income (Loss) (1,819,015)

Non-Operating Revenues (Expenses):

Other non-operating revenue 436,701
State appropriations 795,650
Loss on disposal of capital assets (259)
Investment income 455

Net Non-Operating Revenues (Expenses) 1,232,547

Decrease in Net Assets (586,468)

State of Connecticut Treasure’s 971,643

Net Assets, at End of Year $ 385,175

See accompanying notes to the financial statements.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a component unit of the State of Connecticut)

Statement of Cash Flows

For the Year Ended June 30, 2012 (Unaudited)

Cash Flows from Operating Activities:
Collection of fees $ 1,074,938
Grants and contracts 512,447
Payments to employees (1,881,450)
Payments to suppliers and vendors (1,338,167)
Net Cash Applied to Operating Activities (1,632,232)

Cash Flows from Non-Capital Financing Activities:
Other 436,701
State appropriations 594,064
Net Cash Provided by Non-Capital Financing Activities 1,030,765

Cash Flows from Capital Financing Activity:
Purchases of capital assets (74,413)

Cash Flows from Investing Activity:
Interest 455

Net Decrease in Cash and Equivalents (675,425)
Cash and Equivalents, Beginning of Year 1,008,042
Cash and Equivalents, End of Year $ 332,617

Reconciliation of Net Operating Loss to Net Cash
Applied to Operating Activities:
Net operating loss $ (1,819,015)
Adjustments to reconcile net operating loss to net cash
applied to operating activities:
Depreciation 73,404
Fringe benefits provided by the state 201,586
Changes in assets and liabilities:
Accounts receivable (4,006)
Accounts receivable - state agencies (6,739)
Accounts payable (921)
Accrued payroll (97,350)
Accrued employee compensation and benefits 20,809
Net Cash Applied to Operating Activities $ (1,632,232)

Non-Cash Transaction:
Fringe benefits provided by the state $ 201,586

See accompanying notes to the financial statements.
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements

June 30, 2012

Note 1 - Summary of Significant Accounting Policies

Organization
Connecticut Distance Learning Consortium ("CTDLC") is a state-supported organization created in 1999 to provide services and support to help educational institutions and other learning focused organizations, in and out of the State of Connecticut, to meet the ever increasing demands of developing and delivering effective technology enhanced learning opportunities for students in higher education, K-12, adult education, and in the workplace to promote workforce training and development.

On June 13, 2011, the Legislation placing CTDLC and Charter Oak State College under the Board of Regents for Higher Education was enacted, consolidating its governing authority within a single authority including the Connecticut State University System and the Community-Technical College System.

Basis of Presentation and Accounting
The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board (GASB).

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The accompanying statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Fee revenues primarily include charges to educational institutions. Items not meeting the definition of fee revenue are reported as non-operating revenues.

CTDLC has determined that it functions as a business-type activity as defined by GASB. The effect of inter-fund activity has been eliminated from these financial statements. The basic financial statements and required supplementary information for general purpose governments consist of management’s discussion and analysis and basic financial statements.
Note 1 - **Summary of Significant Accounting Policies - Continued**

*Basis of Presentation and Accounting - Continued*

CTDLC presents statements of net assets, revenues, expenses, and changes in net assets and cash flows. CTDLC's policy for defining operating activities in the statement of revenues, expenses and changes in net assets are those that generally result from exchange transactions such as payments received for services and for the purchase of goods and services. Certain other transactions are reported as non-operating activities in accordance with GASB Statement No. 35. These non-operating activities include CTDLC's operating and capital appropriations from the State of Connecticut, net investment income and interest expense.

CTDLC's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board is responsible for establishing GAAP for state and local governments through its pronouncements. Governments are also required to follow applicable pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 that do no conflict with or contradict GASB pronouncements. Although CTDLC has the option to apply FASB pronouncements issued after that date to its business-type activities, it has chosen not to do so.

**Net Assets**

Resources are classified for accounting purposes into the following four net asset categories:

- **Invested in capital assets, net of related debt:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets.

- **Restricted - nonexpendable:** Net assets subject to externally imposed conditions that CTDLC must maintain them in perpetuity.

- **Restricted - expendable:** Net assets whose use is subject to externally imposed conditions that can be fulfilled by the actions of CTDLC or by the passage of time.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 1 - Summary of Significant Accounting Policies - Continued

Net Assets - Continued

Unrestricted: All other categories of net assets. Unrestricted net assets may be designated by actions of CTDLC's Board of Regents.

CTDLC has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

Cash and Equivalents
Cash and cash equivalents consist of cash held by the state treasurer in a Short-Term Investment fund ("STIF"), state general fund and capital appropriations, and petty cash. The STIF, stated at market value, is held on behalf of CTDLC by the State Treasurer and has original maturities of three months or less. Interest income is recognized on the accrual basis. The largest inflow of cash related to non-capital financing is State appropriations, including general fund appropriations for salaries and other items. CTDLC does not receive cash from the State in support of the general fund appropriation. The appropriation is treated as a cash equivalent for accounting and reporting purposes, and is included in the cash flow statement. Fringe benefit payments are made by the State Comptroller on behalf of CTDLC, and information regarding the associated fringe benefit expense is provided to CTDLC with each biweekly payroll. This is treated as a cash equivalent on the statement of cash flows.

Allowance for Doubtful Accounts
Provisions for losses on receivables are determined on the basis of loss experience, known and inherent risks, and current economic conditions. As of June 30, 2012, management has concluded an allowance for doubtful accounts is not required.

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CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 1 - Summary of Significant Accounting Policies - Continued

Capital Assets
Real estate assets, including improvements, are generally stated at cost. Furnishings, equipment and collection items are stated at cost at date of acquisition or, in the case of gifts, at fair value at date of donation. In accordance with the state's capitalization policy, only those items with a unit cost of more than $1,000 are capitalized. CTDLC capital assets, with the exception of land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives, which range from 5 to 40 years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

CTDLC does not have collections of historical treasures, works of art or other items that are inexhaustible by their nature and are of immeasurable intrinsic value, thus not requiring capitalization or depreciation in accordance with GASB guidelines.

In accordance with GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets, all identifiable intangible assets, not specifically excluded, are included as intangible assets in CTDLC statement, in accordance with CTDLC policy regarding capitalization.

Fringe Benefits
CTDLC participates in the state's Fringe Benefit programs, including health insurance, unemployment, pension and workers' compensation benefits. Health insurance, unemployment and pension costs are billed through a fringe benefit rate charged to CTDLC. Workers' compensation costs are assessed separately based on CTDLC's actual experience.

Compensated Absences
Employees earn the right to be compensated during absences for vacation leave and sick leave. Accrued vacation is the amount earned by all eligible employees through June 30, 2012. The accrued sick leave balance represents 25% of amounts earned by those employees with ten or more years of State service as of June 30, 2012. Upon termination of employment, these employees are entitled to receive payment for this accrued balance.
Note 1 - Summary of Significant Accounting Policies - Continued

Fees
The revenue is recognized in the accounting period in which they are earned or incurred and become measurable.

Tax Status
CTDLC is an agency of the State of Connecticut and is therefore generally exempt from income taxes under Section 115 of the Internal Revenue Code.

Use of Estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

New Governmental Accounting Pronouncements
GASB Statement 60, Accounting and Financial Reporting for Service Concession Arrangements, effective for periods beginning after December 15, 2011, establishes accounting requirements for arrangements between a transferor and operator in which (a) the transferor conveys to the operator the right and related obligation to provide services through the use of infrastructure or other public asset in exchange for significant consideration and (b) the operator collects and is compensated by fees from third parties. This statement applies only to arrangements meeting specific criteria determining whether a transferor retains control over the public asset. Management does not believe CTDLC currently has any material Service Concession Arrangements.

GASB Statement 61, The Financial Reporting Entity: Omnibus an Amendment of GASB Statements 14 and 34, effective for periods beginning after June 15, 2012, modifies certain requirements for inclusion of component units in the financial reporting entity. Management of CTDLC does not expect implementation to affect the financial statements.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 1 - **Summary of Significant Accounting Policies - Continued**

*New Governmental Accounting Pronouncements - Continued*

GASB 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, effective for periods beginning after December 15, 2011, incorporates into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee of Accounting Procedure. Management of CTDLC does not expect implementation to affect the financial statements.

GASB Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, effective for periods beginning after December 15, 2011, provides financial reporting guidance. Deferred outflows are the consumption of net assets and deferred inflows are the acquisition of net assets, applicable to future reporting periods. Net position is identified by Concepts Statement No. 4 as the residual of all other elements presented in a statement of financial position and requires the incorporation of deferred outflows and inflows into the required components of the residual measure and renaming that measure, known as net assets, as net position. Management is in the process of reviewing this statement and its potential affect upon their financial reporting but does not expect any material impact.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 1 - Summary of Significant Accounting Policies - Continued

New Governmental Accounting Pronouncements - Continued
GASBS 65, Items Previously Reported as Assets and Liabilities, effective for periods beginning after December 15, 2012, establishes accounting and financial reporting standards for the reclassification of certain assets and liabilities in accordance with GASBS 63. Management expects this statement to have no affect on the financial statements.

GASBS 66, Technical Corrections 2012 – an amendment of GASB Statements 10 and 62, effective for periods beginning after December 15, 2012 resolves conflicts between recently issued and earlier GASB statements as well as modifying guidance related to accounting for certain operating leases. Management is in the process of reviewing this statement and its potential affect upon their financial reporting but does not expect any material impact.

Note 2 - Cash and Equivalents

Cash is invested in the State of Connecticut Treasurer’s STIF, a combined investment pool of high quality, short-term money market instruments. All temporary surplus cash is invested in the STIF. CTDLC may add or withdraw monies on a daily basis with interest earned from date of deposit to date of withdrawal. The primary investment objectives of the STIF are the preservation of principal and the provision of liquidity to meet CTDLC daily cash flow requirements.

The STIF is managed by investment managers in accordance with the investment guidelines established by the State Treasurer. These guidelines prohibit investment in derivative securities other than floating rate securities which vary in the same direction as individual short-term money market indices, and limit the ability to enter into reverse repurchase agreements in amounts not to exceed 5.0% of the STIF’s net assets at the time of execution.
Note 2 - **Cash and Equivalents - Continued**

CTDLC has assessed the Credit Risk, Custodial Credit Risk, the Concentration of Credit Risk, and the Interest Rate Risk of its Cash and Cash Equivalents as follows:

**Credit Risk** – Credit risk is the risk that an investor will lose money because of the default of the security issuer or investment counterparty. CTDLC is only invested in the State of Connecticut Treasurer’s STIF, which is a combined investment poll of high quality, short-term money market instruments. Management believes there is essentially no risk to these types of investments.

**Concentration of Credit Risk** – Concentration of credit risk is assumed to arise when the amount of investments with one issuer exceeds 5 percent or more of the total value of investments. All of CTDLC’s total cash and cash equivalents are invested in the STIF or consist of State general fund and capital bond fund appropriations allocated to CTDLC which are backed by cash held by the state as of June 30, 2012.

Note 3 - **Accounts receivable – State Agencies**

The balance represents funds due to CTDLC for services performed in the normal course of business from other State agencies.
Note 4 - **Capital Assets**

Capital asset activity for the year ended June 30, 2012 is as follows:

<table>
<thead>
<tr>
<th>Estimated Lives (in years)</th>
<th>(Unaudited) Beginning Balance</th>
<th>Additions</th>
<th>Retirements</th>
<th>Reclassifications</th>
<th>Ending Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings and improvements</td>
<td>10-40</td>
<td>$36,709</td>
<td>$ -</td>
<td>$ -</td>
<td>$36,709</td>
</tr>
<tr>
<td>Furnishings and equipment (including the cost of capital leases)</td>
<td>6</td>
<td>$428,520</td>
<td>$38,686</td>
<td>(53,318)</td>
<td>413,888</td>
</tr>
<tr>
<td>Software</td>
<td>5</td>
<td>$71,194</td>
<td>$35,727</td>
<td>-</td>
<td>106,921</td>
</tr>
<tr>
<td>Total depreciated capital assets</td>
<td></td>
<td>$536,423</td>
<td>$74,413</td>
<td>(53,318)</td>
<td>557,518</td>
</tr>
<tr>
<td>Less: accumulated depreciation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and improvements</td>
<td>11,830</td>
<td>$3,817</td>
<td>-</td>
<td>-</td>
<td>15,647</td>
</tr>
<tr>
<td>Furnishings and equipment</td>
<td>240,500</td>
<td>$56,582</td>
<td>(53,059)</td>
<td>-</td>
<td>244,023</td>
</tr>
<tr>
<td>Software</td>
<td>50,742</td>
<td>$13,005</td>
<td>-</td>
<td>-</td>
<td>63,747</td>
</tr>
<tr>
<td>Total accumulated depreciation</td>
<td>303,072</td>
<td>$73,404</td>
<td>(53,059)</td>
<td>-</td>
<td>323,417</td>
</tr>
<tr>
<td>Capital assets, net</td>
<td></td>
<td>$233,351</td>
<td>$1,009</td>
<td>(259)</td>
<td>$234,101</td>
</tr>
</tbody>
</table>

Note 5 - **Long-Term Liabilities**

Long-term liabilities at June 30, 2012 consist of:

<table>
<thead>
<tr>
<th>(Unaudited) Beginning Balance</th>
<th>Additions</th>
<th>Reductions</th>
<th>Ending Balance</th>
<th>Current Portion</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other long-term liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vacation</td>
<td>$163,523</td>
<td>$18,093</td>
<td>-</td>
<td>$181,616</td>
</tr>
<tr>
<td>Sick</td>
<td>24,544</td>
<td>$2,716</td>
<td>-</td>
<td>27,260</td>
</tr>
<tr>
<td>Total long-term liabilities</td>
<td>$188,067</td>
<td>$20,809</td>
<td></td>
<td>$208,876</td>
</tr>
</tbody>
</table>
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)  

Notes to the Financial Statements - Continued  

June 30, 2012  

Note 5 - Long-Term Liabilities - Continued  

Leases  
CTDLC leases various equipment under operating lease agreements. The following summarizes future minimum payments under non-cancelable leases subsequent to the year ended June 30, 2012:  

<table>
<thead>
<tr>
<th>Years Ending June 30:</th>
<th>Operating Leases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>$23,218</td>
</tr>
<tr>
<td>2014</td>
<td>3,164</td>
</tr>
<tr>
<td></td>
<td>$26,382</td>
</tr>
</tbody>
</table>

Rent expense for operating leases was $43,272 for the year ended June 30, 2012.  

Note 6 - Restricted Net Assets  

CTDLC is the recipient of funds that are subject to various external constraints upon their use, either as to purpose or time. Restricted - expendable net assets consist of income to be used for grants and research, as well as funds to be used for capital projects.  

Note 7 - Contingencies  

In the opinion of management, no litigation is now pending or threatened which would materially affect CTDLC’s financial position. CTDLC receives significant financial assistance from Federal and state agencies in the form of grants. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. CTDLC must repay any disallowed expenditures resulting from such audits. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of CTDLC.
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut) 

Notes to the Financial Statements - Continued 

June 30, 2012 

Note 8 - Operating Expenses 

CTDLC’s operating expenses, on a natural classification basis, are comprised of the following at June 30, 2012:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation and benefits</td>
<td>$2,006,494</td>
</tr>
<tr>
<td>Supplies and services</td>
<td>1,337,247</td>
</tr>
<tr>
<td>Depreciation</td>
<td>73,404</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,417,145</strong></td>
</tr>
</tbody>
</table>

Note 9 - Retirement and Other Post Employment Benefits 

Retirement 

Plan Description 
All regular full-time employees participate in one of two retirement plans. The State of Connecticut is statutorily responsible for the pension benefits of CTDLC employees who participate in the State Employees’ Retirement System (“SERS”). SERS is the administrator of a single employer defined benefit public employee retirement system (“PERS”). The plan provides retirement, disability, death benefits and annual cost of living adjustments to plan members and their beneficiaries. Plan benefits, cost of living adjustments, contribution requirements of plan members and the State and other plan provisions are described in the General Statutes. The plan does not issue stand-alone financial reports. Information on the plan is currently publicly available in the State of Connecticut’s Comprehensive Annual Financial Report prepared by the Office of the State Comptroller.

Employees hired before July 1, 1984 participate in the old (Tier 1) Plan, which includes employee contributions; other employees may participate in the Tier II or Tier IIA Plans. As of June 30, 2012, approximately thirty-one percent (31%) of CTDLC workforce was covered under the Tier II or Tier IIA Plans. CTDLC makes contributions on behalf of the employees through a fringe benefit charge assessed by the State of Connecticut.
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)  

Notes to the Financial Statements - Continued  

June 30, 2012  

Note 9 - **Retirement and Other Post Employment Benefits**  

*Retirement - Continued*  

**Plan Description - Continued**  

Alternatively, employees may choose to participate in the Alternate Retirement Plan which is managed by ING. Under this arrangement, CTDLC and the plan participants purchase individual investments managed by ING.  

**Funding Policy**  

The contribution requirements of plan members and the State are established and maybe amended by the State legislature.  

Tier I Plan B regular and Hazardous Duty members are required to contribute 2% and 4% of their annual salary up to the Social Security Taxable Wage Base plus 5% above that level. Tier I Plan C members are required to contribute 5% of their annual salary. Tier IIA Plan regular and Hazardous Duty members are required to contribute 2% and 5% of their annual salaries, respectively. The State is required to contribute at an actuarially determined rate, which may be reduced by an act of the State legislature. Administrative costs of the plan are funded by the State.  

**Annual Pension Cost, Net Pension Obligation and Related Information (Unaudited)**  

Because of the cost-sharing arrangements CTDLC has with other State departments and agencies, one actuarial valuation is performed for the State of Connecticut. As a result, the following information is not separately available for CTDLC. Additionally, the information for fiscal year 2012 is not available as of the issue date of CTDLC’s financial statements and, therefore, the following information is as of June 30, 2011.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 9 - Retirement and Other Post Employment Benefits - Continued

Retirement - Continued

Annual Pension Cost, Net Pension Obligation and Related Information (Unaudited) - Continued

The liability for the pension plan will be recorded by the State of Connecticut, which has communicated to CTDLC that CTDLC should not record a liability associated with the pension plan.

The State’s annual pension cost and net pension obligation for SERS as of June 30, 2011 are as follows (in thousands):

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual required contribution</td>
<td>$ 944,077</td>
</tr>
<tr>
<td>Interest on net pension obligation</td>
<td>232,919</td>
</tr>
<tr>
<td>Adjustment to annual required contribution</td>
<td>(177,735)</td>
</tr>
<tr>
<td>Annual pension cost</td>
<td>999,261</td>
</tr>
<tr>
<td>Contributions made</td>
<td>825,801</td>
</tr>
<tr>
<td>Increase in net pension obligation</td>
<td>173,460</td>
</tr>
<tr>
<td>Net pension obligation, beginning of year</td>
<td>2,740,231</td>
</tr>
<tr>
<td>Net pension obligation, end of year</td>
<td>$ 2,913,691</td>
</tr>
</tbody>
</table>

Three year trend information (in thousands):

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual Pension Cost (APC)</th>
<th>Percentage of APC Contributed</th>
<th>Net Pension Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$ 810,776</td>
<td>86.3%</td>
<td>$ 2,508,005</td>
</tr>
<tr>
<td>2010</td>
<td>952,753</td>
<td>75.6%</td>
<td>2,740,231</td>
</tr>
<tr>
<td>2011</td>
<td>999,261</td>
<td>82.6%</td>
<td>2,913,691</td>
</tr>
</tbody>
</table>
CONNECTICUT DISTANCE LEARNING CONSORTIUM  
(a Component Unit of the State of Connecticut)  

Notes to the Financial Statements - Continued  

June 30, 2012  

Note 9 - Retirement and Other Post Employment Benefits - Continued  

Retirement - Continued  

Annual Pension Cost, Net Pension Obligation and Related Information (Unaudited) - Continued  
The following actuarial information related to the calculation of the annual required contribution for SERS is for all State of Connecticut employees:  

<table>
<thead>
<tr>
<th>Actuarial valuation date</th>
<th>June 30, 2010</th>
<th>Actuarial cost method</th>
<th>Projected unit credit</th>
<th>Amortization method</th>
<th>Level percent of pay, closed</th>
<th>Remaining amortization period</th>
<th>21 years</th>
<th>Asset valuation method</th>
<th>5 year smoothed market</th>
<th>Actuarial assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment rate of return</td>
<td>8.25%</td>
<td>4.0% - 20.0%</td>
<td></td>
<td>2.7% - 3.6%</td>
<td>Projected salary increases (includes inflation of 4%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of living adjustments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Required Supplementary Information (in millions):  

<table>
<thead>
<tr>
<th>Actuarial Valuation Date</th>
<th>(a) Actuarial Value of Assets</th>
<th>(b)</th>
<th>(b-a)</th>
<th>(b-a/c)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actuarial Accrued Liability (AAL)</td>
<td>Unfunded AAL (UAAL)</td>
<td>Funded Ratio</td>
<td>UAAL as a Percentage of Covered Payroll</td>
</tr>
<tr>
<td>6/30/05</td>
<td>$ 8,517.7</td>
<td>$ 15,987.5</td>
<td>$ 7,469.8</td>
<td>53.3%</td>
</tr>
<tr>
<td>6/30/06</td>
<td>8,951.4</td>
<td>16,830.3</td>
<td>7,878.9</td>
<td>53.2%</td>
</tr>
<tr>
<td>6/30/07</td>
<td>9,585.1</td>
<td>17,888.1</td>
<td>8,303.0</td>
<td>53.6%</td>
</tr>
<tr>
<td>6/30/08</td>
<td>9,990.2</td>
<td>19,243.4</td>
<td>9,253.2</td>
<td>51.9%</td>
</tr>
<tr>
<td>6/30/09 *</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6/30/10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>6/30/11 *</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

*An actuarial valuation was not performed for the fiscal years ended June 30, 2009 and 2011.
CONNECTICUT DISTANCE LEARNING CONSORTIUM
(a Component Unit of the State of Connecticut)

Notes to the Financial Statements - Continued

June 30, 2012

Note 9 - **Retirement and Other Post Employment Benefits - Continued**

**Retirement - Continued**

**Other Post-Employment Benefits**
The State of Connecticut provides post-retirement health care and life insurance benefits to eligible CTDLC employees, in accordance with Sections 5-257(d) and 5-259(a) of the Connecticut General Statutes. When employees retire, the State pays up to 100% of their health care insurance premium cost (including the cost of dependent coverage). This benefit is available to retirees of the State Employees’ Retirement System and participants in the Connecticut Alternate Retirement Program who meet certain age and service criteria.

The State also pays 100% of the premium cost for a portion of the employee’s life insurance continued after retirement. The amount of life insurance continued at no cost to the retiree is determined in a formula based on the number of years of State service that the retiree had at the time of retirement. The State finances the cost of post-retirement health care and life insurance benefits.

During fiscal year 2008, CTDLC adopted GASB No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other than Pensions* ("GASB 45"). However, as the State of Connecticut is legally responsible for any post-employment benefits, the standard had no impact on CTDLC’s financial statements. The liability for post-employment benefits will be recorded by the State of Connecticut, which has communicated to CTDLC that CTDLC should not record a liability associated with the post-employment benefits for its employees or retired employees.

For the State of Connecticut liability and disclosures associated with GASB 45 please see the State of Connecticut's Comprehensive Annual Financial Report prepared by the Office of the State Comptroller at the following website address:
http://www.osc.state.ct.us/reports/.
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Connecticut State Colleges & Universities
Board of Regents for Higher Education
Hartford, Connecticut

We have audited the financial statements of Connecticut Distance Learning Consortium (a component unit of the State of Connecticut) ("CTDLC") as of and for the years ended June 30, 2012 and have issued our report thereon dated April 22, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of Connecticut Distance Learning Consortium is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered CTDLC's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CTDLC's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of CTDLC's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of CTDLC's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.
Compliance and Other Matters

As part of obtaining reasonable assurance about whether CTDLC’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Regents and management of Connecticut Distance Learning Consortium and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

O'Connell and Drew, P.C.

Certified Public Accountants
Braintree, Massachusetts

April 22, 2013
ITEM
Board of Regents Teaching Awards, Board of Regents Research Awards, and Board of Regents Scholarly Excellence Awards

RECOMMENDED MOTION FOR FULL BOARD
WHEREAS The Connecticut State University Trustees Research Awards were established by CSU Board Resolution #06-06 to recognize faculty who are doing research/creative activities of exceptional promise subsequently named the Norton Mezvinsky Trustees’ Research Awards by CSU Board Resolution #09-72, and

WHEREAS The Connecticut State University Trustees Teaching Awards were established to recognize junior faculty who are engaged in teaching practice and collegial interactions resulting in the educational improvement of university programs by CSU Board Resolution #07-09, and

WHEREAS An ad hoc committee of senior campus administrators and faculty members identified by the Faculty Advisory Committee reviewed these awards in April 2013 and made recommendations about the future of the awards, be it

RESOLVED That the Norton Mezvinsky Trustees’ Research Awards be renamed Board of Regents Research Awards, and that five awards continue to be granted annually among the state universities: one award of $1,000 to a faculty member from each of the state universities and a single award of $1,000 to the individual who best exemplifies high-quality research/creative achievement, and be it further

RESOLVED That Board of Regents Scholarly Excellence Awards be established to recognize faculty at the community colleges who conduct similar work befitting the community college mission, and that thirteen awards be granted annually among the community colleges: one award of $1,000 to a faculty member from each of the community colleges and a single award of $1,000 to the individual who best exemplifies high-quality scholarly excellence, and be it further

RESOLVED That the Connecticut State University Trustees Teaching Awards be renamed Board of Regents Teaching Awards, and that the awards be extended to the community colleges so that eighteen awards be granted annually: one award of $1,000 to a faculty member from each of the state universities and community colleges and a single award of $1,000 to the individual who best exemplifies high quality teaching among the state universities and a single award of $1,000 to the individual who best exemplifies high quality teaching among the community colleges, and be it further

RESOLVED That the President of the Board of Regents is authorized to develop guidelines to implement this policy, and be it further

RESOLVED That the President of the Board of Regents develop a proposal for a teaching award to recognize adjunct faculty that would be able to be awarded in the spring of 2014.
BACKGROUND
The former Board of Trustees for the Connecticut State Universities established research and teaching awards to recognize excellence among full-time faculty in these areas. The Connecticut State University Trustees Research Awards were established by CSU Board Resolution #06-06 to recognize faculty who are doing research/creative activities of exceptional promise subsequently named the Norton Mezvinsky Trustees’ Research Awards by CSU Board Resolution #09-72. The Connecticut State University Trustees Teaching Awards were established to recognize junior faculty who are engaged in teaching practice and collegial interactions resulting in the educational improvement of university programs by CSU Board Resolution #07-09.

The Board of Regents acting as the CSU Board of Trustees pursuant to CGS 10a-88 conferred these awards in May 2012. The Academic and Student Affairs Committee requested that these awards be studied to determine how they could be extended to include the other institutions governed by the Board. In April 2013 an ad hoc committee of senior campus administrators and faculty members identified by the Faculty Advisory Committee reviewed these awards, and made the following recommendations:

1. The current Research Award that is given at the four CSU campuses should remain as is.
2. However, we believe it should be renamed the Board of Regents Research Award.
3. A parallel award called the Scholarly Excellence Award should be established for the community colleges so that similar work befitting the community college mission could be recognized. The monetary amount should be the same as that of the Research Award.
4. The Board of Regents Teaching Award, utilizing the same criteria for selection, should be expanded to include community college faculty. We agreed that this award would still be for those at the Assistant or Associate Professor rank.
5. Over the next year, we would encourage the Board to develop a teaching award to recognize adjunct faculty that would be able to be awarded in the spring of 2014. The thought is that there would be one, perhaps two, awards systemwide, not one per college.
6. Individual institutions should continue to recognize faculty excellence in teaching or research in the ways appropriate to each campus.
7. Finally, at some point in time, the Board may want to expand the number of awards given if there is an inclination to raise the money privately to support them.

Members of the Ad Hoc Committee
Cathryn Addy, President, Tunxis Community College (co-chair)
James Schmotter, President, Western Connecticut State University*
Mark Kosinski, Academic Dean, Gateway Community College
Carl Lovitt, Provost, Central Connecticut State University
Terry Cassidy, Associate Professor of English, Tunxis Community College
Elizabeth Cowles, Professor of Biology, Eastern Connecticut State University
Bonnie Edelen, Associate Professor of Nursing, Capital Community College
Kathy Martin-Troy, Professor of Biomolecular Sciences, Central Connecticut State University*
* Unable to attend meeting.

05/03/2013 – Academic & Student Affairs Committee
05/16/13 – Board of Regents
ITEM

The Board of Regents for Higher Education establishes a policy and procedure for creating, revising and rescinding policies for the Connecticut State Colleges and Universities.

RECOMMENDED MOTION FOR THE FULL BOARD

WHEREAS, In accordance with Section 10a-6(a)(1) the Board of Regents for Higher Education acting as the Board of Governors, shall establish state-wide policy and guidelines for Connecticut’s system of public higher education; and

WHEREAS, In accordance with Connecticut General Statute Section 10a-72(b)(1) subject to the statewide policy and guidelines, the Board of Regents acting as the Board of Trustees of the Regional Community -Technical Colleges shall make rules for the governance of the Regional Community-Technical colleges and determine the general policies of those institutions; and

WHEREAS, In accordance with Section 10a-89(a)(3) of the Connecticut General Statute subject to the statewide policy and guidelines, the Board of Regents acting as the Board of Trustees for the Connecticut State University System shall establish policies for the University System and for the individual institutions under its jurisdiction; and

WHEREAS, The Board of Regents has administered the policies of the Boards of Trustees for the Connecticut State University System and for the Regional Community-Technical Colleges, but seeks to reconsider some of those policies, and to create and establish policies of its own action, and has created a process to enable it to do so; so be it

RESOLVED, That the Board of Regents approves and adopts the Policy on Process for Establishing Board Policy.

BACKGROUND

Prior to the creation of the Board of Regents of Higher Education, the Board of Trustees for the State University System and the Board of Trustees for the Regional Community – Technical Colleges established policies for the institutions under their jurisdiction. These policies remain in effect. However, upon the creation of the Board of Regents and the structural and organization changes effected thereby, it has been recognized that these existing policies
should be reviewed and potentially revised to create a unified system, when possible, and new policies may need to be considered. Often the policies created under the separate Boards are inconsistent and often the policies serve different purposes. The Administration Committee proposed undertaking the task of harmonizing the policies. However, prior to commencing that work, to ensure that any revisions to current policies or that any newly developed policy were properly considered, the Committee on Administration developed a process for initiation of a policy decision and the examination of a proposed policy prior to its approval and adoption. This process is set forth in the proposed Policy on Process for Establishing BOR Policy.

**POLICY ON PROCESS FOR ESTABLISHING BOARD POLICY**

**I. POLICY STATEMENT**
The Board of Regents for Higher Education ("BOR") is committed to open and transparent communication of the policies that govern its actions. It is the intention of the BOR to create policies that are well-defined, understandable and consistent with its mission.

**II. PURPOSE**
The purpose of this policy is to establish a formal process to create, approve, rescind, and revise policies and procedures that inform students, staff and faculty of the Connecticut State University System, the Connecticut Community Colleges and Charter Oak State College as well as to establish the governing authority of the BOR.

**III. DEFINITIONS**
*ConnSCU:* The collective of the following institutions: Charter Oak State College, Asnuntuck Community College, Capital Community College, Gateway Community College, Housatonic Community College, Manchester Community College, Middlesex Community College, Naugatuck Valley Community College, Northwestern Connecticut Community College, Norwalk Community College, Quinebaug Valley Community College, Three Rivers Community College, Tunxis Community College, Central Connecticut State University, Eastern Connecticut State University, Southern Connecticut State University, and Western Connecticut State University.

*Constituent unit:* The categorization of the institution as community college, state university, the University of Connecticut or Charter Oak State College.

*Guidelines:* Guidelines establish a protocol to manage a particular policy or procedure as it relates to a particular activity.
Policy: A BOR policy is an official statement of the governing principles that guide and inform the decisions and actions of the BOR and institutions under its purview. Policies have broad application for the collective of state colleges and universities. Certain policies may extend to the University of Connecticut when applicable and consistent with State statutes establishing the authority of the BOR for Higher Education. Policies are developed to promote operational efficiencies, to enhance the BOR mission and values, to promote academic excellence, to address student needs, to manage institutional dynamics, to reduce institutional risks, and to ensure compliance with applicable laws and regulations. In developing a BOR policy, consideration should be given to the implications for implementation to ensure that the intent of the policy is achievable, cost effective, and produces the desired outcomes.

Procedure: A procedure describes the steps needed to implement or manage a policy, and operate consistent with policy. A procedure describes a process that must be followed to achieve the desired outcomes. A procedure is not a policy.

IV. PROCEDURES
A. General Requirements: All BOR policies will be developed and reviewed in accordance with the following requirements:
1. BOR policies shall be:
   • Applicable to ConnSCU institutions (policies may apply to the University of Connecticut, but only as delineated by State statutes)
   • Consistent with applicable laws and regulations
   • Be approved by the full Board of Regents
2. Connecticut Community College Board of Trustees policies, Connecticut State University Board of Trustees and Charter Oak State College policies will remain in effect until amended or rescinded by the BOR and shall govern the constituent unit for which it was written.
3. Each BOR policy will be reviewed and updated from time to time as appropriate.
4. Any new policy as well as any revision of an existing policy may be required whenever there is a change(s) in:
   • the organization;
   • relevant laws, regulations, or case law;
   • available resources, personnel, and facilities; or
   • circumstances that may necessitate restructuring or reformulation of an existing policy or procedure.

B. Development, Approval, or Rescission
1. Development
A policy proposal may be presented to an executive staff member, a Vice President or a standing or special committee of the BOR. All policy proposals shall benefit from a
collaborative focus with board committees working in partnership with staff members who are tasked with researching, vetting, and providing guidance, where applicable, to create or modify board policy. A policy proposal shall include a staff summary describing the information considered in developing the proposal and also a proposed resolution for adoption by the BOR committee. If recommended, the BOR Committee will submit the proposed policy or procedure for official consideration and approval to the full Board of Regents for Higher Education.

2. Approval

Upon receipt of an approved policy the Board Secretary will:

- Post the document on the BOR website.
- Send an e-mail to all ConnSCU informing them of the policy and the date on which it will take effect.
- Notify all Regents.

3. Modification and Rescission

Proposals to rescind or modify a policy shall be approved by the Board.

V. RESPONSIBILITY

A. Policy shall be approved by vote of the board. The BOR may not delegate its policy making authority to committee. Only the BOR may adopt policy.

B. The President of the BOR or his/her designee is responsible for ensuring that all policies are current, compliant with the law, and consistent with other applicable standards.

C. Each Vice president will be responsible for:
   1. Reviewing and updating the policies and procedures as needed.
   2. Ensuring that his/her staff and colleagues are made aware of all applicable policies.

VI. APPROVAL and EFFECTIVE DATE

Effective Date will be upon passage unless otherwise directed by Board or law.
POLICY ON PROCESS
FOR ESTABLISHING BOARD POLICY
April 26, 2013

I. POLICY STATEMENT

The Board of Regents for Higher Education (“BOR”) is committed to open and transparent communication of the policies that govern its actions. It is the intention of the BOR to create policies that are well-defined, understandable and consistent with its mission.

II. PURPOSE

The purpose of this policy is to establish a formal process to create, approve, rescind, and revise policies and procedures that inform students, staff and faculty of the Connecticut State University System, the Connecticut Community Colleges and Charter Oak State College as well as to establish the governing authority of the BOR.

III. DEFINITIONS

ConnSCU: The collective of the following institutions: Charter Oak State College, Asnuntuck Community College, Capital Community College, Gateway Community College, Housatonic Community College, Manchester Community College, Middlesex Community College, Naugatuck Valley Community College, Northwestern Connecticut Community College, Norwalk Community College, Quinebaug Valley Community College, Three Rivers Community College, Tunxis Community College, Central Connecticut State University, Eastern Connecticut State University, Southern Connecticut State University, and Western Connecticut State University.

Constituent unit: The categorization of the institution as community college, state university, the University of Connecticut or Charter Oak State College.

Guidelines: Guidelines establish a protocol to manage a particular policy or procedure as it relates to a particular activity.

Policy: A BOR policy is an official statement of the governing principles that guide and inform the decisions and actions of the BOR and institutions under its purview. Policies have broad application for the collective of state colleges and universities. Certain policies may extend to the University of Connecticut when applicable and consistent with State statutes establishing the authority of the BOR for Higher Education. Policies are developed to promote operational efficiencies, to enhance the BOR mission and
values, to promote academic excellence, to address student needs, to manage institutional dynamics, to reduce institutional risks, and to ensure compliance with applicable laws and regulations. In developing a BOR policy, consideration should be given to the implications for implementation to ensure that the intent of the policy is achievable, cost effective, and produces the desired outcomes.

Procedure: A procedure describes the steps needed to implement or manage a policy, and operate consistent with policy. A procedure describes a process that must be followed to achieve the desired outcomes. A procedure is not a policy.

IV. PROCEDURES

A. General Requirements: All BOR policies will be developed and reviewed in accordance with the following requirements:

1. BOR policies shall be:
   - Applicable to ConnSCU institutions (policies may apply to the University of Connecticut, but only as delineated by State statutes)
   - Consistent with applicable laws and regulations
   - Be approved by the full Board of Regents

2. Connecticut Community College Board of Trustees policies, Connecticut State University Board of Trustees and Charter Oak State College policies will remain in effect until amended or rescinded by the BOR and shall govern the constituent unit for which it was written.

3. Each BOR policy will be reviewed and updated from time to time as appropriate.

4. Any new policy as well as any revision of an existing policy may be required whenever there is a change(s) in:
   - the organization;
   - relevant laws, regulations, or case law;
   - available resources, personnel, and facilities; or
   - circumstances that may necessitate restructuring or reformulation of an existing policy or procedure.

B. Development, Approval, or Rescission

1. Development
   A policy proposal may be presented to an executive staff member, a Vice President or a standing or special committee of the BOR. All policy proposals
shall benefit from a collaborative focus with board committees working in partnership with staff members who are tasked with researching, vetting, and providing guidance, where applicable, to create or modify board policy. A policy proposal shall include a staff summary describing the information considered in developing the proposal and also a proposed resolution for adoption by the BOR committee. If recommended, the BOR Committee will submit the proposed policy or procedure for official consideration and approval to the full Board of Regents for Higher Education.

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- Post the document on the BOR website.
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V. RESPONSIBILITY

A. Policy shall be approved by vote of the board. The BOR may not delegate its policy making authority to committee. Only the BOR may adopt policy.

B. The President of the BOR or his/her designee is responsible for ensuring that all policies are current, compliant with the law, and consistent with other applicable standards.

C. Each Vice president will be responsible for:

1. Reviewing and updating the policies and procedures as needed.

2. Ensuring that his/her staff and colleagues are made aware of all applicable policies.


VI. APPROVAL and EFFECTIVE DATE

Effective Date will be upon passage unless otherwise directed by Board or law.
ITEM

The Board of Regents for Higher Education establishes and adopts Human Resources policies that are applicable to all Management and Confidential Professional Personnel for the System Office, the Connecticut State University System, the Regional Community – Technical Colleges and Charter Oak State College.

RECOMMENDED MOTION FOR THE FULL BOARD

WHEREAS, Pursuant to Section 10a-1 of the Connecticut General Statutes, the Board of Regents is the governing body for the Connecticut State University System, the Regional Community – Technical Colleges and Charter Oak State College; and

WHEREAS, Pursuant to Section 10a-20 of the Connecticut General Statutes, the selection, appointment, assignment of duties, amount of compensation, sick leave, vacation leave, leaves of absence, termination of service, rank and status of the individual members of the staff of the system of higher education shall be under the sole jurisdiction of their respective boards; and

WHEREAS, In accordance with Section 10a-1b(b) of the Connecticut General Statutes, the Board of Regents shall establish terms and conditions of employment for its staff; and

WHEREAS, In accordance with Connecticut General Statutes Section 10a-72(a), the Board of Regents acting as the Board of Trustees of the Regional Community-Technical Colleges shall fix compensation, establish the terms and conditions of employment; and

WHEREAS, In accordance with Section 10a-89(a) of the Connecticut General Statutes, the Board of Regents acting as the Board of Trustees for the Connecticut State University System shall establish the terms and conditions of employment; and

WHEREAS, In accordance with Section 10a-143(e) of the Connecticut General Statutes, the Board of Regents acting as the Board for State Academic Awards may determine the terms and conditions of employment; and

WHEREAS, Despite administering the policies of the three separate boards, there are inconsistencies in terms and conditions of employment which lead to inefficiencies and potentially disharmonious results; and
WHEREAS, The Board of Regents sought to harmonize the terms and conditions of employment for the Management and Confidential Professional Employees of the Connecticut State University System, the Regional Community – Technical Colleges and Charter Oak State College by creating a superseding Board of Regents policy so that there would be only one articulation of the terms and conditions of employment; and

WHEREAS, The Committee on Administration recommends the adoption “Human Resources Policies for Management and Confidential Professional Employees of the Board of Regents for Higher Education, version 1.0” dated April 26, 2013 proposing terms and conditions of employment; so be it

RESOLVED, That the Board of Regents adopts “Human Resources Policies for Management and Confidential Professional Employees of the Board of Regents for Higher Education, version 1.0” dated April 26, 2013 effective immediately.

BACKGROUND

Prior to the creation of the Board of Regents of Higher Education, the Board of Trustees for the State University System and the Board of Trustees for the Regional Community – Technical College and the Board for State Academic Awards each had established policies for the institutions under their jurisdiction. However, the creation of the Board of Regents resulted in structural and organization changes which emphasized the inconsistencies in the terms and conditions of employment for management and confidential professional personnel who were now working under the Board’s umbrella jurisdiction. It was recognized that those policies would need to reviewed and revised to create one seamless policy to address all Management and Confidential Professional Staff under the Board’s jurisdiction.

The following policies were previously reviewed by the Executive Staff of the BOR, circulated for comment to all Management and Confidential Professional Employees, including all Presidents, who would be governed by these policies and to the Administration Committee.
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Article 1 – Purpose and Disclaimer

1.1 Purpose
These policies are promulgated by the Board of Regents for Higher Education (the Board) established under Connecticut General Statute section 10a-1a and set forth the terms and conditions of employment for Management and Confidential Employees under the Board of Regent’s jurisdiction. These policies supersede and cancel all prior practices and agreements, whether written or oral unless expressly stated to the contrary herein.

1.2 Disclaimer
Nothing contained herein shall constitute a contract of employment and the Board reserves the right to alter, amend, revise or repeal these policies from time to time in whole or in part. Nothing contained in these policies constitutes a promise or guarantee of continuing employment or of benefits or policies described herein will not be modified in the future. This booklet simply describes current benefits and policies, subject to change from time to time.

1.3 Interpretation, Application and Modification of Human Resource Policies
Disputes concerning the meaning of these policies shall be reduced to writing and submitted to the Board’s Vice-President for Human Resources. He/she will convene a meeting to hear the dispute and give the parties an opportunity to present information and respond to questions. The Vice-President for Human Resources will make a written recommendation on the disposition of the complaint to the President of the Board within thirty (30) calendar days of receipt of the dispute. The President of the Board shall either accept or reject the written recommendation. If he/she rejects the written recommendation then the issue is remanded back to the Vice-President for Human Resources for further review and he/she must submit a different written recommendation within thirty (30) calendar days.

If the President accepts the written recommendation from the Vice-President for Human Resources it shall be final and binding. Said recommendation shall be forwarded by regular mail to the Complainant.

Periodically, these policies are revised or modified. Employees may make suggestions for alterations to these policies to their respective Human Resource Director.
Article 2 – Definitions

2.1 Professional Personnel
The term “professional personnel” includes all unclassified personnel, excluding those who are covered by a collective bargaining agreement. These employees, or personnel, are referred to as Management or Confidential Professional Personnel.

2.2 State Universities
The words “state universities” refer to the Connecticut State Universities described under Connecticut General Statutes 10a-1(2) and include Central Connecticut State University, Eastern Connecticut State University, Southern Connecticut State University, Western Connecticut State University and the Connecticut State University Research Foundation.

2.3 Community Colleges
The words “community colleges” refer to the regional community-technical colleges described under Connecticut General Statutes 10a-1(3) and include Asnuntuck Community College, Capital Community College, Gateway Community College, Housatonic Community College, Manchester Community College, Middlesex Community College, Naugatuck Valley Community College, Northwestern Connecticut Community College, Norwalk Community College, Quinebaug Valley Community College, Three Rivers Community College and Tunxis Community College.

2.4 Charter Oak
The words Charter Oak refer to Charter Oak State College established under Connecticut General Statutes 10a-143(c) and the Connecticut Distance Learning Consortium.

2.5 Institution
Institution refers to the community colleges, state universities and Charter Oak.

2.5 College & University Personnel
The term “college & university” personnel excludes personnel in the system office and refers to persons assigned to the CSU, CCC or Charter Oak.

2.6 President
The term "President" refers to the president for the Board of Regents or any of the presidents assigned to the State Universities, Community Colleges, or Charter Oak.

2.7 System Office
The term “System Office” means the organizational unit comprising the staff of the Board of Regents for Higher Education and employed by the President under Connecticut General Statutes 10a-1b(b).
2.8 The System
The system refers to the System Office along with all of the institutions.

2.9 Management and Confidential Professional Employees
The term “Management and Confidential Professional Employees” includes the Presidents, Vice-Presidents, Chief Officers, Executive Deans, Associate and Assistant Vice-Presidents, Provosts, Deans, President’s Executive Assistant, Directors and Assistant Directors of Human Resources and such other persons as may be designated by the President of the Board of Regents or a President of a constituent unit.

The term “Confidential Professional Employee” includes those employees under these policies not designated as management.

2.10 Full-Time/Part-Time
As used herein “full-time” means a position or an employee in said position whose regularly assigned hours of work are at least 40 hours per week. “Part-time” employees or positions are those that are less than full-time.

2.11 Non-temporary Employee/Appointment
A non-temporary is any individual whose appointment is without term and may be terminated pursuant to Article 8.

2.12 Temporary Employee/Appointment
A temporary employee is any individual whose appointment is limited in duration, grant-funded, or whose letter of appointment indicates that employment ends on a specified date. A temporary appointment may also be terminated pursuant to Article 8.

2.13 Employer
As used herein the employer shall mean the Board, the Presidents or their designee as appropriate.
Article 3 – Professional Responsibilities

3.1 Non-discrimination, Affirmative Action & Sexual Harassment

It is the legal, intellectual and moral responsibility, but more importantly, the policy of the leadership of the Board of Regents to advance social justice and equity by exercising affirmative action to remove all discriminatory barriers to equal employment opportunity and upward mobility. Accordingly, the System will, with conviction and effort, undertake positively to overcome the present effects of past practices, policies or barriers to equal employment opportunity, and to achieve the full and fair participation of all protected groups found to be underutilized in the workforce or adversely impacted by system policies and practices.

Similarly, it is the policy of the System that sexual harassment is prohibited. This policy is a strong statement of our institutional commitment to have a community in which individuals can work and learn in an environment which fosters dignity and mutual respect, and it reaffirms the System’s commitment to fair and equal treatment for all.

All employees are expected to discharge their affirmative action responsibilities, in word and deed, consistent with the System’s objective of establishing and implementing affirmative action and equal employment opportunity.

Complaints alleging discrimination and sexual harassment will be investigated according to the complaint procedures adopted at each of the constituent units or at the system office. Complaints must be filed with the individual responsible for affirmative action at the appropriate location and in accordance with the procedures located in the respective affirmative action plan.

3.2 President of the Board of Regents

The position President of the Board of Regents is established under Connecticut General Statutes 10a-1b and is the chief executive officer for the Board of Regents. The President of the Board of Regents has the authority to implement the policies, directives and rules of the Board and any additional responsibilities as the Board may prescribe. The President of the Board of Regents is responsible for the operation of the System and supervises the work of the staff in the System Office. The work of the System Office includes, but is not limited to: academic affairs, student affairs, budgeting, financial management, legal services, communications, public policy, personnel matters (including affirmative action and collective bargaining), institutional research, telecommunications, facilities planning and construction, innovation and outreach, and information technology.

The President of the Board of Regents shall keep the Board fully informed on all aspects of the System. He or she prepares the agenda for Board meetings, provides adequate notice of meetings as required by state statute and Board policy, and maintains records of the Board’s actions. The President of the Board of Regents or his/her designee acts for the
Board and represents the Board and the institutions to other units of state government and to the community and citizens at large.

In the absence of a Board policy, the President of the Board of Regents determines appropriate action and need for policy. The President of the Board of Regents or his/her designee is empowered to issue administrative directives and to call for reports as may be needed. The President of the Board of Regents may direct transfers of funds among the System (in accordance with state appropriation rules and regulations), whenever such transfers in the President of the Board of Regents’ judgment provide the best management and operation of the System.

The Presidents of the constituent units report to the President of the Board of Regents and are responsible for the effective management of their institutions.

The President of the Board of Regents or his/her designee may define categories of students to insure appropriate designation for purposes of fee payment and uniform enrollment reporting.

When applicable, the President of the Board of Regents or his/her designee may establish and/or manage compensation classification systems for employees whenever he/she determines said classifications provide for the best management and operation of the System and are in accordance with collective bargaining policies and procedures.

This section should not be construed to limit other duties and responsibilities of the President described in section 10a-1b of the Connecticut General Statutes.

3.3 Presidents of the Institutions
Each President of an institution is the Chief Executive Officer of the college or university to which he/she has appointed by the Board of Regents, and report to the President of the Board of Regents. In the capacity of Chief Executive Officer, the Presidents are responsible for meeting stated missions, serving as the executive management of the college/university, and promoting the development and effectiveness within approved Board policy. In addition, the Presidents are responsible for the welfare of all students and employees at their college/university.

3.4 The Management and Confidential Professional Staff of the System Office
The professional staff of the System Office shall be the President of the Board of Regents and the Management and Confidential Professional staff to the President of the Board of Regents. The duties and responsibilities of the President of the Board of Regents shall be as assigned by the Board. The duties and responsibilities of professional staff shall be assigned by the President of the Board of Regents or his/her designee.

3.5 The Management and Confidential Professional Staff of the Constituent Units
Each institution shall have a President and such other Management or Confidential Professional employees as are required by that institution’s president. Duties and responsibilities of the institution’s President shall be assigned by the President of the Board of Regents and/or by the Board, except that such duties assigned by the President of the Board of Regents shall not negate duties and responsibilities assigned by the Board. Duties and responsibilities borne by institution Management and Confidential Professional employees shall be as assigned by the institution’s President or his/her designee in conformance with the compensation classification established by the President of the Board of Regents.

3.6 Special Responsibility of Presidents and the President of the Board of Regents
The management and operation of the System depend on the leadership and oversight exercised by the Presidents. When the President of the Board of Regents is to be absent from the office and inaccessible for a period of more than a day, except for an absence which occurs because of a state holiday, then he or she shall inform the Board Chairman of the planned absence, as well as who has been assigned the responsibility for the management of the System Office. When an institution’s President is to be absent from the office and inaccessible for a period of more than a day, except for an absence which occurs because of a state holiday, then he or she shall inform the President of the Board of Regents, as well as who has been assigned the responsibility for the management of the college or university.

3.7 Reporting Attendance
Management and Confidential Professional employees are required to report their work attendance in the manner as prescribed by the President of the Board of Regents or his/her designee or by the appropriate president or his/her designee, as appropriate.

3.8 Address and Telephone Number
Management and Confidential Professional employees have specialized skills and knowledge essential to the operation of the System. For this reason it is essential to be able to contact such persons in case of emergencies or other unusual circumstances.

All Management and Confidential Professional employees shall file home addresses, telephone numbers (including cell phone numbers) and emergency contact information with their respective President, as appropriate. Whenever an address or a telephone number is changed, the new address or telephone number must be reported immediately to the employee’s President (or designee).

3.9 Code of Ethics
All state officials and employees, including all Management and Confidential Professional employees of the System, must comply with the State Code of Ethics. The Code is intended to prevent one from using his/her position or authority for personal financial benefit.

3.9.1 Financial Disclosure
Certain public servants (all personnel who exercise policy-making, regulatory or contractual authority) in the Legislative and Executive Branches of State Government and the State’s Quasi-Public agencies must file statements of financial interest (interests held during the previous year) annually with the Office of Governmental Accountability by May 1.

Additionally, any “necessary expense” payments received in the capacity of a state employee if lodging and/or out-of-state travel is included, unless provided by the Federal Government or another state government must be disclosed to the Office of Governmental Accountability (Office of State Ethics) within thirty (30) days of the trip.

3.9.2 Questions about the Ethics Code
Anyone subject to the Code may request the Office of State Ethics advice (advisory opinion) as to how the Code applies to a situation. The Office’s staff also provides informal advisory letters when the question posed is unambiguous or has been previously addressed by a previous opinion. Finally, staff are available to discuss application of the Code to a particular issue on a confidential basis.

Questions about the above information or requests for more information about the Ethics Law or Code of Ethics, may be addressed to:
Office of State Ethics
18-20 Trinity Street
Hartford, CT 06106-1660

Main Phone Number: 860-263-2400

The full guide for Public Officials & State Employees may be viewed at: http://www.ct.gov/ethics

3.9.3 Political Activity and Employment
Political activity of state employees is governed by the Federal Hatch Act and Connecticut General Statutes. To avoid conflicts with the law, employees who are considering running for public office must notify their human resources office prior to initiating a campaign to determine if the state or federal laws apply and to determine whether an accommodation will be needed or possible.
Article 4 – Professional Development

4.1 Professional Development

The Board recognizes that professionals must have the opportunity to keep abreast of developments in their fields, to sharpen their skills and to increase their knowledge. The various types of leaves are provided in Article 6.

Employees may be granted reimbursement for course work, seminars and conferences, provided this request is made and approved by the President of the Board of Regents or his/her designee in advance of the scheduling anticipated participation and that participation in the seminar, conference or other skill development training, increases an employee’s value to the Board by improving professional skills.

4.2 Travel

Travel is an important ingredient in the development of professional skills. The Board requires the President of the Board of Regents to set reimbursement standards and rates for Management and Confidential Professional Employees that shall be consistent with state travel policy and shall not be less than the most favorable granted to any employee of the Board of Regents who is covered under a prevailing collective bargaining agreement.
Article 5 – Appointments

5.1 President of the Board of Regents
The President of the Board of Regents is appointed by the Board of Regents and shall serve at the pleasure of the Board. Temporary appointments as defined in Section 2.12, end on the date specified. Non-temporary appointments may be terminated by the Board pursuant to Article 8.

5.2 University Presidents
University Presidents are appointed by the Board. Temporary appointments, as defined in Section 2.12, end on the date specified. Non-temporary appointments are without term and may be terminated by the Board pursuant to Article 8.

5.3 College Presidents
College Presidents are appointed by the Board. Temporary appointments, as defined in Section 2.12, end on the date specified. Non-temporary appointments are for a term of one year or less and expire June 30 of each year. Non-temporary appointments are subject to annual renewal.

5.4 Management and Confidential Professional Employees assigned to the System Office.
Management and Confidential Professional Employees in the System Office are appointed by the President of the Board of Regents. Temporary appointments, as defined in Section 2.12, end on the date specified. Non-temporary appointments may be terminated pursuant to Article 8.

5.5 Institution Management and Confidential Professional Employees
Institution Management and Confidential Professional Employees are appointed by the President of the College or University. Temporary appointments, as defined in Section 2.12, end on the date specified. Non-temporary appointments may be terminated pursuant to Article 8.

5.6 Faculty Appointed as Management or Confidential Professional Employees
When Faculty or ten-month employees are appointed to a Management or Confidential Professional Employee position at a time other than the beginning of the academic year, they shall be paid a lump sum for any prior service completed.

5.7 Acting or Interim Appointments
When a Management or Confidential Professional position becomes vacant because of resignation, retirement, illness, sabbatical leave or any other cause the respective President may appoint a qualified individual to fill the position on an Acting or Interim basis. A person who is an employee of the Board and who accepts an acting, or interim, appointment may receive a non-temporary appointment to the position in which such a person is serving in an acting capacity, provided such non-temporary appointment is made accordance with
existing Board and human resource policies, as well as all affirmative action rules and procedures governing the ConnSCU system. Accepting an acting or interim appointment does not impact the employee’s non-temporary appointment.

5.8 Temporary Appointment to Management or Confidential Professional Position from a Bargaining Unit
When a member of a bargaining unit is temporarily appointed to a Management or Confidential Professional position, his/her salary shall be expressed as what he/she would receive had they remained in their bargaining unit position plus any additional biweekly amount received for the period served in the Management or Confidential position in conformance with the Compensation and Classification Policy. Faculty, however who do enter into a temporary Management or Confidential Professional position will receive vacation and sick time accruals until the end of the appointment. At the end of the appointment the vacation time will be paid out to the Faculty employee should he/she have any remaining balance.

5.9 Consultants and Temporary Workers
The Presidents are authorized to employ consultants and other temporary workers, provided such employment does not violate an existing collective bargaining agreement or other state regulation and provided the funds are within the budgetary provisions approved by the Board.

5.10 Faculty and Administrative Bargaining Unit Ranks
Application of this provision is subject to collective bargaining agreements, as may be amended from time to time. As part of an employment package, a prospective employee may only be offered academic department status following appropriate faculty consultation procedures. Employees shall not seek assignment of faculty rank, promotion from a former faculty rank or assignment to administrative rank, while under the aegis of these policies.

5.11 Emeritus Status
When a President believes it is appropriate, emeritus status may be conferred upon Managers and Confidential Professional employees. Ordinarily, emeritus status will be conferred only upon persons who have ten (10) years or more of service to the Board of Regents (or one of the Board of Regents’ colleges or universities), or its predecessor organization who are 55 years of age or older, and who have retired from service to the State of Connecticut. The employee must have distinguished service, accomplishments and length of service which provide evidence of advancing the mission of the Board of Regents. Such recognition shall be deemed to be an honor of the highest order and shall not be conferred as a matter of due course, but rather reserved for those whose service is most exemplary. The following privileges are provided for emeriti: use of the emeriti title, library privileges, course privileges as provided in Article 6.14, desk space if available, inclusion on the distribution list for all publications issued by the College or University to which the employee was assigned immediately before retirement.
Article 6 – Evaluation, Personnel Files, Compensation and Benefits

6.1 Evaluation of the President of the Board of Regents
The President of the Board of Regents shall be evaluated in conformance with Board policy.

6.2 Evaluation of the College and University Presidents
The College and University Presidents shall be evaluated by the President of the Board of Regents in conformance with Board policy.

6.3 Evaluation of Management and Confidential Professional Employees
The President(s) shall evaluate those employees who report directly to the Office of the President. Designees of the President(s) shall evaluate the performance of Management and Confidential Professional employees who report to them. Such evaluations shall take place annually, except that more frequent evaluations may occur at the discretion of the evaluator. Evaluations will be based upon objectives established for the period since the last evaluation and upon the individual’s accomplishments and areas for development during that period of time. The evaluation schedule and instrument shall be determined by the President of the Board of Regents.

Each employee shall be shown the original evaluation and shall sign and date such evaluation indicating that the document has been reviewed. Employees may append statements to evaluations within a ten-day period following their signature on the evaluation.

6.4 Personnel Files
Personnel files shall be maintained in accordance with all applicable laws and regulations. Personnel files shall be located in the Human Resources Office in a secure location. These files shall include, but not be limited to, the application for employment and supporting documentation, recommendations, evaluations, disciplinary actions, payroll and benefits-related forms and correspondence reasonably related to an employee’s personal status. These files shall be maintained under the direction of the Human Resource Director.

Each employee file shall contain a log of every instance of access to that file except by the President, Human Resource Director or the staff charged with Human Resources responsibilities.

Employees shall have access to their personnel file at the mutual convenience of the Human Resource Office staff and the employee. Nothing may be added, removed or altered in a personnel file by the employee except upon the written agreement of the Human Resource Director or his/her designee.

Upon an employee’s request, a copy of any document(s) within the file shall be given to the employee within a reasonable period of time.
Employees wishing to contest the accuracy, completeness or relevancy of documents in the personnel file shall submit a request for addition, deletion or correction, in writing to the Human Resource Director. The dated request shall provide detailed reasons for the proposed change. The decision in the matter by the Human Resource Director shall be final, binding and issued within thirty (30) days of the initial written request. Contents of the Chief Human Resource Officer’s file may only be changed upon the agreement of the President.

An employee’s file may be opened to an outside party pursuant to and in accordance with the Freedom of Information Act and other relevant laws. An affected employee shall be promptly notified of any such request.

6.5 Salary Ranges

Each Management and Confidential Professional title is assigned to a salary range. The assignment of new titles to ranges and the reassignment of existing titles to new ranges shall be pursuant to the Classification and Compensation Policy.

A. Salary Adjustment Policy

The Board recognizes the dedication and professional accomplishments of the Management and Confidential Professional employees and is committed to compensating such persons fairly. Salary adjustments shall be administered in accordance with the Classification and Compensation policies.

B. Salary Adjustments for Management and Confidential Professional Employees

Salary adjustments for Management and Confidential Professional Employees shall be pursuant to Board policy. All salaries fall within ranges established by the Board. The effective date for annual salary adjustments shall be the beginning of the pay period which includes July 1. No one employed less than six (6) months in such a position shall be eligible for consideration of such a salary increase. Anyone who will not be employed in a Management or Confidential Professional position as of the September 1, for any reason shall not be eligible for the salary adjustment.

Salary adjustments for Management and Confidential Professional Employees shall not exceed but may match the average salary increases given to bargaining units. Subject to the approval of the Board, a President may adjust a salary of Management and Confidential Professional Employees due to change in function or other substantiated reason.

C. Reporting Salary Adjustments

All salary adjustments for Management and Confidential Professional Employees within the System Office shall be reported to and approved by the Board on a form prescribed by the President of the Board of Regents.
6.10 ARP Disability Plan
Management and Confidential Professional Employees who are members of the Alternate Retirement Plan (ARP) shall be covered at no expense by a group disability plan.

6.11 Group Life Insurance
Employees shall continue to be eligible to participate in the state’s group life insurance plan pursuant to Connecticut General Statutes.

6.12 Overpayment Recovery
When the System Office or an institution determines that an employee has been overpaid, the human resources office shall give reasonable notice to the employee of the fact and reasons therefore. Overpayments or other unauthorized payments may be involuntarily recovered by payroll deduction. Such biweekly recovery deduction(s) shall not exceed the amount of the overpayment(s). The deduction shall begin promptly provided:

- The individual employee has not agreed, in the opinion of the Human Resource Director, to an alternative reasonable payment schedule;
- There is no pending litigation related to the issue; and
- The recovery rate shall not exceed five (5) percent of the employee’s gross biweekly salary.

6.13 Course Privileges
Subject to the approval of the College or University offering the instruction, a full-time non-temporary System Office employee hired under these policies or their spouse and unmarried dependents under the age of 25 may take courses only at either the Community Colleges or the State Universities on a space available basis without payment of tuition. Upon making an election of either university or college, System Office employees may not change their election.

Full-time non-temporary Community College employees or their spouses and unmarried dependents may take courses only at any of the colleges. Full-time non-temporary State University employees or their spouses and unmarried dependents may take courses only at any of the state universities. System Office employees hired prior to the adoption of this policy shall be allowed course privileges in accord with the policy that was previously in effect for their respective employer.

If attending a state university the following fees may be waived: State University Fee or General University Fee for full-time students and Extension Fee and Registration Fee. If attending a community college the following fees may be waived: application fee, program enrollment fee, college services fee and student activity fee. Course privileges may be granted provided that participation in courses does not interfere with the employee’s professional obligations. Course privileges do not include waivers for credit extension course work. This benefit shall also be available to the above-mentioned spouse and dependents surviving a deceased employee (death having occurred on or after July 1, 1990, during the employee’s active service) who had accumulated ten (10) years of State service.
Full-time Charter Oak employees may take one free course per calendar year at Charter Oak State College.

6.14 Moving Expenses
The President(s) are authorized to offer reimbursement for out-of-state moving expenses for prospective employees when, in their judgment, such offer would be in the best interests of the Board of Regents. Such offers must be in writing and conform to current Board Policy.

6.15 Consulting
Management and Confidential Professional employees may be compensated for performance of research, consulting or similar activities which are beyond the scope of their normal duties provided:
- Notification and approval has been granted by the direct supervisor and the Human Resource Director.
- That no conflict of interest results, and that such activities can be accomplished on personal time in such a way as not to conflict with normal duties; and
- That payment is made directly to the employee.

6.16 Teaching
Management personnel may teach courses within the Board of Regents so long as the course does not interfere with their normal duties and that compensation for such course is in accordance with collective bargaining rates for the affected institution. Internal or external teaching assignments may be undertaken only with prior approval of the appropriate President.
Article 7 – Vacations, Holidays, Compensatory Time Off and Leaves of Absence

7.1 Vacation
Vacation days do not accrue in any month in which an employee is on leave of absence without pay for an aggregate of more than five (5) working days during that month. Full-time employees employed on a 10-month basis are entitled to a total of 18.33 working days of vacation per calendar year accrued at the rate of 1.833 days per calendar month of service. Full-time employees employed on a 12-month basis are entitled to a total of 22 vacation days each calendar year accrued at the rate of 1.833 days per calendar month of service.

Part-time employees who work twenty (20) or more hours per week and are eligible for benefits shall receive vacation, sick and personal leave on a pro rata basis. Proration of benefits shall be measured by the length of the part-time employee’s work week, divided by the length of the work week for full-time employees.

Charter Oak employees may accumulate vacation days with pay from year to year to a maximum of 60 such days (480 hours). All other employees may accumulate vacation days with pay from year to year to a maximum of 120 such days (960 hours). The Human Resources Office will notify an employee before he/she reaches the maximum limit and for employees who are at the limit will adjust the balance to remove the overage to such employee’s record once a year in January or at the time of separation from State service.

Employees are required to use a minimum of twelve (12) days of vacation per calendar year. Forfeiting required vacation leave time to carry over vacation leave time must be approved by the Chief Human Resource Officer.

Upon separation from State service, an employee shall be compensated for unused vacation days (to a maximum 120 days) at the daily rate of pay at the time of separation. In the event of death, the compensation shall be paid to the employee’s estate.

7.2 Personal Leave
In addition to annual vacation, each full-time employee shall be granted up to three (3) days of personal leave with pay in each calendar year. Such leave shall be for the purpose of carrying out important personal matters, including the observance of religious holidays, and shall not be deducted from vacation or sick leave credits. Except in emergencies, employees who desire to use personal leave are expected to give reasonable advance notification to their immediate supervisors.

If at any time a part-time Management or Confidential Professional employee is changed to full-time status, they shall receive the remainder of the personal leave time given a full-time employee for the year. Any individual commencing employment in the first four months of the calendar year is eligible for three (3) personal days; in the second four months, two (2)
days; and in the last four months no days.

Personal leave days not taken within the calendar year may not be carried over to the next year.

7.3 Sick Leave
Full-time employees shall accrue sick leave with pay at the rate of one and one-quarter (1.25) working days per completed calendar month of continuous full-time service commencing with the date of initial employment. No such leave will accrue for any calendar month in which an employee is on leave of absence without pay an aggregate of more than five (5) working days. Part-time employees shall accrue sick leave monthly on a pro-rated basis.

There shall be unlimited accumulation of sick leave. Upon retirement, however, an employee shall be compensated for one-quarter (.25) of the accumulated sick leave up to a maximum of 60 full days. Payment for accumulated sick leave shall not be included in computing retirement income. Upon the death of an employee who completed 10 years of satisfactory state service, the employee’s estate shall receive the sick leave compensation which would have been provided to the employee had he/she retired on the date of the employee’s death.

7.4 Purposes of Sick Leave, Medical Certificate
Earned sick leave is granted for the following reasons:

- Temporary incapacitation for duty;
- Avoidance of the exposure of others to contagious diseases;
- Dental, medical or eye examination or treatment which cannot be scheduled outside of working hours;
- In the event of death in the immediate family when as much as five (5) working days’ leave with pay shall be granted (immediate family means husband, wife, father, mother, sister, brother, child or any other person who is domiciled in the employee’s household);
- If critical illness or severe illness or severe injury in the immediate family creates an emergency which requires the attendance or aid of the employee, when up to five (5) working days’ leave with pay shall be granted;
- In the event of the death of a non-immediate family member or friend the President may also authorize the use of sick leave not exceed in the aggregate a total of five (5) working days’ leave per calendar year, to fulfill the obligations of traveling to, attending and returning from funerals.
- Up to three (3) days paid leave will be provided to a parent at the time of birth, adoption, or taking custody of a child.

Medical certificates are required before sick leave will be granted for the following reasons:

- Any period of absence of more than five (5) consecutive working days;
- When absence recurs frequently or habitually (as determined by the Human Resource Director); or to
- Adjust vacation leave to sick leave in the event that employee becomes ill while on vacation. Occasionally, the Human Resource Director may require a second medical certificate from a physician of his/her choosing selected from a list of state-approved medical providers.

7.5 Sick Leave Bank

There shall be a Sick Leave Bank established for use by full-time Management and Confidential Professional employees who have been employed at least one year, exhausted their own sick leave and who have a catastrophic and extended illness. Each employee shall make a mandatory contribution of four (4) sick leave days during their first year of service. (For current employees who have not previously made the mandatory contribution, upon adoption of these policies four (4) sick leave days will be taken immediately from their sick leave accruals).

The Sick Leave Bank shall be administered by a Sick Leave Bank Committee whose membership will be made up of volunteers from the Council on Employee Relations and will be chaired by the Vice-President of Human Resources for the Board of Regents. The Sick Leave Bank Committee shall determine the eligibility for the use of the Bank and the amount of leave to be granted. The following criteria shall be used by the Committee in administering the Bank and determining the eligibility and amount of leave:

- Adequate medical evidence of catastrophic and extended illness; and
- Prior utilization of all available sick leave, including prior sick leave patterns and usage.

The initial grant of sick leave by the Sick Leave Bank Committee to an eligible employee shall not exceed thirty (30) working days. Upon completion of the 30-workday period, the period of entitlement may be extended by the Sick Leave Bank Committee upon demonstration of need by the applicant. In normal circumstances, such grants from the Sick Leave Bank Committee shall not exceed a total of 120 consecutive workdays per occurrence. If the sick leave bank is exhausted, it shall be replenished by the contribution of up to four (4) additional sick days from each employee covered by these Policies. The Sick Leave Bank Committee shall determine the time when it becomes necessary to replenish the sick leave bank. The decisions of the Sick Leave Bank Committee, with respect to eligibility and entitlement, shall be final and binding with no appeal.

When an employee has a catastrophic and extended illness that has exhausted their sick leave, a request for use of the sick leave bank may be made to the Vice-President of Human Resources for the Board of Regents or his/her designee.
7.6 Holidays

If these holidays fall within their working year, employees shall be granted time off with pay for the following twelve (12) holidays:

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<th>Colleges</th>
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<td>New Year’s Day</td>
<td>Martin Luther King Day</td>
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<tr>
<td>Lincoln’s Birthday</td>
<td>Washington’s Birthday</td>
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<tr>
<td>Good Friday</td>
<td>Memorial Day</td>
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<tr>
<td>Independence Day</td>
<td>Labor Day</td>
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<tr>
<td>Columbus Day</td>
<td>Veterans Day</td>
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<tr>
<td>Thanksgiving Day</td>
<td>Christmas Day</td>
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<tr>
<th>Universities and Charter Oak</th>
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<tbody>
<tr>
<td>New Year’s Day</td>
<td>Martin Luther King Day</td>
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<tr>
<td>Lincoln’s Birthday (observed the Friday preceding Washington’s Birthday)</td>
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<tr>
<td>Washington’s Birthday</td>
<td>Day of Prayer</td>
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<tr>
<td>Memorial Day</td>
<td>Independence Day</td>
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<tr>
<td>Labor Day</td>
<td>Columbus Day</td>
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<tr>
<td>Veterans Day (observed the Friday after Thanksgiving)</td>
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<tr>
<td>Thanksgiving Day</td>
<td>Christmas Day</td>
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</table>

If a College or Universities’ classes are in session on a scheduled holiday, a substitute day may be subsequently taken with the agreement of the President.

If these holidays fall within their working year, System Office employees shall be granted time off with pay for the following ten (10) holidays:

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<tr>
<th>New Year’s Day</th>
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<tr>
<td>Washington’s Birthday</td>
<td>Day of Prayer</td>
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<td>Memorial Day</td>
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<td>Labor Day</td>
<td>Columbus Day</td>
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<td>Thanksgiving Day</td>
<td>Christmas Day</td>
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System Office employees shall also be granted two (2) floating holidays. The first floating holiday shall be taken on either Lincoln’s Birthday or the Friday preceding Washington’s Birthday while the second floating holiday shall be taken on either Veterans Day or the Friday after Thanksgiving.

If any of these holidays fall on a Saturday or Sunday, employees shall be excused from work in accordance with state practice.
7.7 Inclement Weather
Whenever the Governor of Connecticut or the Governor’s designee excuses state employees from work, the President of the Board of Regents or designee may grant time off to Management and Confidential Professional employees. A President may also close his/her institution due to inclement weather or emergency if he/she deems that appropriate and excuse management and confidential personnel.

7.8 Compensatory Time
The Board recognizes that Management and Confidential Professional positions are demanding and often require work beyond that normally expected of other employees. Compensatory time off will be based upon the individual’s FLSA status (below the salary range of Assistant Director, grade 36) as determined by the Human Resource Director.

- Travel-related functions (e.g. conferences, seminars, etc.) do not qualify for compensatory time.
- Personnel who are required to perform extended service beyond the normal workweek to complete a special project, participate at a university function on a weekend (e.g. orientations, graduation, conference, etc.) or meet specific deadlines due to unusually heavy, peak-period workload, may claim compensatory time provided they have written pre-approval from their supervisor and the Human Resource Director.
- In other circumstances, compensatory time for work on a legal holiday, a Saturday or Sunday may be granted at the discretion of the President or designee as appropriate, provided they have received written pre-approval from the President or designee.
- Use of compensatory time is subject to supervisory approval which shall not be unreasonably withheld.

Such compensatory time earned must be taken by December 31st of the year earned. Compensatory time will not be used as the basis for additional compensation. Employees may not aggregate more than 15 days (120 hours) of compensatory time. With written approval from the President or designee an employee may aggregate more than 15 days, but in no case shall the aggregate exceed 20 days (160 hours).

7.9 Sabbatical Leave
Sabbaticals are granted to increase an employee’s value to the System by improving professional skills and thereby enriching the employer. Sabbatical leaves shall be granted for planned travel, study, formal education, research, writing or other experience of professional value. Such leave shall be available as a matter of privilege rather than a right and shall be granted to an eligible employee only in those cases where the criteria set forth below are met.

Upon completion of six (6) years’ full-time service, an employee may be considered for sabbatical leave. After a sabbatical, a person does not again become eligible until the
The completion of an additional six (6) years’ of full-time service. The number of sabbatic leaves available each year is limited and depends upon the availability of funds. Leaves are granted without regard to seniority or to the number of years a person has been eligible for a sabbatical. Proposals for such leaves must be submitted to a President or the Board, as appropriate. The proposal must include:

1. A full description of the activity to be undertaken;
2. A detailed explanation of how this activity will improve professional skills and is mutually beneficial to the institution/Board of Regents and the individual;
3. The time period for which the leave is requested; and
4. A description of the individual’s role, his/her prior service to the institution/Board of Regents, and other contributions to the System.

The President or the Board, as appropriate, will evaluate the request for sabbatic leave based on the following criteria:

1. The merits of the project to the System;
2. The merits of the project to the professional development of the individual;
3. The feasibility of completing the project within the timeframe stated in the proposal; and
4. How the leave would impact the functioning of the unit.

Leaves approved by the President or the Board shall be reported to the Board.

Payment for employees on sabbatic leave shall be at the rate of full pay for leaves of six (6) months or less or half pay for leaves of more than six (6) months, but not to exceed twelve (12) months. An employee on sabbatical shall continue to accrue sick leave, vacation leave and retirement credit. An employee on a half-pay sabbatical shall be credited with one full-year service (but not salary) for purposes of retirement.

Management or Confidential Professional Personnel on sabbatic leave are permitted to receive additional compensation in the form of fellowships, government grants, and honoraria for purposes related to the leave, and part-time employment directly related to the project at an institution where they are in residence for the purpose of study and research, or other educational purpose, in addition to the partial salary from the constituent unit, provided that the total compensation from all sources does not exceed full salary. The leave may not be used to accept paid employment during the period of the leave except as provided above. Upon completion of the sabbatical leave and within three (3) months of returning from the leave, the employee will submit a written report to the President or the Board that details the professional activities and accomplishments attained in pursuit of the objectives set forth in the original proposal report (a dissertation may be substituted if completed while on the sabbatical leave). Employees accepting and completing sabbatic leave are expected to return to on-site work for one (1) year following expiration of the leave unless specifically exempted from this provision in writing by the President or Board.

7.10 Leaves Without Pay
A President, as appropriate, may grant an employee an unpaid leave of absence for periods lasting up to one (1) calendar year. Unpaid leaves of absence may be extended for up to no more than one (1) additional year at the discretion of the President. During an unpaid leave, an employee may exercise the option of continuing all benefits normally provided by the state by paying all the required premiums for such benefits. While on unpaid leave, an individual shall remain an employee of the Board; however, the period of any such leave...
shall not be considered a period of service for purposes of salary and fringe benefit calculation, retirement, seniority or eligibility for sabbatical leave. Any family or medical leave taken pursuant to Article 7.14 shall count toward the one-year limit.

7.11 Short-Term Military Leave

Short-term military leave shall be granted in accordance with state and federal statutes.

7.12 Court Leave

An employee who serves on a jury or is subpoenaed to testify to matters which arose out of the course of state employment, shall be entitled to receive full pay and benefits for the duration of such duty in return for relinquishing to the state all fees received for such court

7.13 Leave With Pay

In extraordinary circumstances, the President of the Board of Regents, with the approval of the Board may grant leave with pay for not more than six (6) months if it is in the best interest of the System. Such leave should serve the operational needs of the System and would be granted solely for that purpose. During said leave, the individual on leave will be assigned projects or tasks that the President of the Board of Regents deems beneficial to the System or its institutions. Such leaves may also be granted at the universities and colleges on the recommendation of the President and with the written approval of the President of the Board of Regents and the Board. Leaves approved by the President of the Board shall be reported to the Board of Regents.

7.14 Family and Medical Leave

In addition to any other paid benefits or leaves, upon written request and with proper medical documentation, an eligible employee shall be granted:

Federal FMLA: Up to 12 weeks of unpaid leave in a twelve-month period for the birth, care or adoption a child; placement of a child for foster care; care for an immediate family member with a serious health condition; or to take a medical leave when the employee is unable to work due to a serious health condition. Employees may elect or the System may require that the employee utilize their accrued leave for this time.

For the purpose of this section, “serious health condition” is defined as an illness, injury, impairment, or physical or mental condition that involves: (1) any period of incapacity or treatment related to in-patient care in a hospital, hospice or residential care facility; or (2) continuing treatment by a health care provider.

State Family/Medical Leave: Up to 24 weeks of unpaid leave within a two-year period for the birth, care or adoption of a child; care for an immediate family member with a serious illness; or to take a medical leave when the employee is unable to work due to a serious illness. The state entitlement begins after the employee has exhausted their applicable sick leave accruals. The employee is allowed to use their personal leave and vacation accruals, however, this will not extend the 24-week period. Where possible, leave time granted under this provision will run concurrently with the federal FMLA entitlement.

For the purpose of this section, “serious illness” means an illness, injury, impairment, or physical or mental condition that involves: (1) in-patient care in a hospital, hospice or residential care facility; or (2) continuing treatment or continuing supervision by a health care provider.
The federal and state leaves both define an immediate family member as a spouse, child or parent of such employee.

The state shall pay for the continuation of health insurance benefits for the employee during any leave of absence taken pursuant to this section. In order to continue any other health insurance coverage during the leave, the employee shall contribute that portion of the premium the employee would have been required to contribute had they remained an active employee during the leave period.

The period of such leave shall count towards the one-year limit described in Article 7.10.

7.15 Return to System Employment
A person who terminates employment for reasons other than retirement and who returns to the employment of the System within one (1) year of the date of such resignation or termination shall be credited with the number of unused days of sick leave that were available to them on the last work day. Unused personal leave shall be reinstated to the employee if they return within the same calendar year. No credit will be given for vacation days.

7.16 Leave Privileges for Transferred Employees
Employees of the state who are transferred into or within the System shall carry with them all accrued sick, vacation, and personal leave previously earned elsewhere in the service of the state or the Board.

7.17 Separation Because of Incapacity
When a Management or Confidential staff member has become physically or mentally incapable of or unfit for the efficient performance of duties of his/her position, the President may recommend to the Board of Regents that the person be separated from state service in good standing, after the staff member has exhausted the sick leave or other leave to which he/she is entitled. The Vice President for Human Resources may require that the management or confidential employee receive a physical or mental examination by a competent medical professional.
Article 8 – Non-continuation, Discipline, Reprimand, Suspension and Termination

8.1 Non-continuation
Presidents may be non-continued only by an action of the Board. Other management and confidential professional employees may be non-continued in their current positions without cause or explanation, at the option, of the President of the Board, for System Office employees; or Presidents, for College and University employees. Employees below the rank of President, hired on or after January 1, 2013 shall receive three (3) months’ notice. Permanent employees hired prior to January 1, 2013 shall have the greater of three months’ notice or the notice provisions covered by the policy that was previously in effect for their respective employer (e.g. BOR/DHE, CCC, CSU or Charter Oak). The Board retains the authority to offer payment of salary in lieu of service or notice.

8.2 Discipline for Cause
No employee shall be disciplined except for cause. Discipline is defined as reprimand, suspension or termination. Discipline does not include counseling.

Cause includes, but is not limited to: conviction of a crime; offensive, indecent or abusive conduct toward students, the public, superiors or co-workers; use of fraudulent credentials in seeking of appointment, continuation of appointment or promotion; poor performance; theft; willful neglect or misuse of state funds, property, equipment, material or supplies, including state-owned vehicles; violation of law, state regulation or policy of the Board of Regents for Higher Education; intoxication while on duty; neglect of duty; insubordination; engagement in an activity detrimental to the State or the Board of Regents for Higher Education; and disloyalty to the United States or to the State of Connecticut.

8.3 Reprimand
All reprimands shall be placed in the employee’s personnel file and a copy shall be sent to the employee. Written reprimands may be removed from an employee’s personnel file on the one year anniversary of the date of its issuance unless, during that one year period there is additional discipline issued to the employee. It shall be the employee’s responsibility to request removal of a reprimand after its expiration date has passed. Reprimands may only be removed by mutual agreement of the President, Chief Human Resource Officer and the employee.

8.4 Suspension
A President may suspend an employee with pay if the employee constitutes a threat of harm to him or herself or others pending investigation of conduct for which discipline may be appropriate.

A President may suspend an employee without pay for cause as specified in section 8.2. In any given action, the affected employee shall have the right to know and respond to the
reasons for suspension without pay prior to the imposition of the penalty.

8.5 Appeals of Discipline (not applicable to those non-continued based on 8.1)
To discipline an employee (per 8.2) the following steps shall be followed:

a. Before any disciplinary action is taken a meeting shall be arranged with the employee and the designee of the employer to discuss the situation. The employee shall have the opportunity to present relevant information. Upon the agreement of both parties discussion may be continued to a mutually agreed time.

b. After the employer has issued discipline the employee may request a formal hearing by presenting said request not later than five (5) days after the receipt of the disciplinary notice. Said hearing shall be scheduled within thirty (30) days following a timely request by the employee.

c. A hearing for non-Presidential Staff shall be held before the Vice-President for Human Resources or his/her designee. The hearing shall not be governed by formal rules or procedures. The Vice-President for Human Resources or his/her designee shall make a good faith effort to be fair and impartial while eliciting relevant information on the matter in question. If the discipline that is being contested was imposed by the Vice-President for Human Resources then the President of the Board of Regents may appoint a different hearing officer of his/her choosing.

d. Hearings for Presidential Staff shall be held by a committee of three appointed by the Chairman of the Board of Regents or his/her designee. Such hearings shall not be governed by formal rules or procedures. The committee appointed by the Chairman of the Board or his/her designee shall make a good faith effort to be fair and impartial while eliciting relevant information on the matter in question.

e. In either a Presidential or non-Presidential hearing the hearings officers have ten (10) days from the conclusion of the hearing to notify the employee of his/her final and binding decision. Said decision(s) shall be without appeal.

f. Failure by an employee to adhere to the deadlines specified herein shall be deemed a waiver of the opportunity for a hearing on the matter.

8.6 Abandonment

Failure to perform assigned duties for five (5) consecutive working days without prior approval of the President of the Board of the Regents (for system office personnel); or the President (for college and university personnel) is abandonment of one’s appointment/position. The employee who has abandoned his/her position will then be separated from State service and be deemed to have resigned not in good standing.

8.7 Layoff
In the event of a reduction in the ranks of Management and/or Confidential Professional employees resulting from retrenchment, reorganization or fiscal exigency, the notice provisions for non-continuation in 8.1 shall apply.
ITEM

Use of insurance claim funds and CSUS 2020 Code Compliance/Infrastructure Improvement funds for Buley Library Phase 2 at Southern Connecticut State University.

BACKGROUND

Construction of Buley Library Phase 1 (a 134,000 square foot addition to the Buley Library) was completed in 2008.

Phase 2 of the project will renovate existing library space. Available project funds total $25,772,585. Construction bids received in late February 2013 exceeded project funds by $3,507,105.64. Southern Connecticut State University wishes to fund the shortfall in part with insurance settlement funds received in 2008 as a result of a 2006 flood in the Buley Library and in part with CSUS 2020 Code Compliance/Infrastructure Improvement funds.

ANALYSIS

Phase 1 of the Buley Library project commenced in 2004 and was completed in 2008. The project added 134,000 square feet of new space to the library and was intended to include major interior and exterior renovations to the existing 109,000 square feet of library space (Phase 2). Due to significant project delays and cost overruns, contracts for construction and design services were terminated after the completion of Phase 1 in 2008. At the time of contract termination, the only component of Phase 2 that was completed was demolition of the interior of the existing Buley Library. In 2012, a portion of remaining project funds was used to remove the library’s exterior masonry skin, as originally planned, due to the compromised structural integrity of the masonry skin and the presence of asbestos in the masonry wall cavity. At the conclusion of the 2012 work, $9,386,000 remained from original bond funds.

In FY 2011-12, Southern asked the legislature for approval to realign CSUS 2020 funds in order to complete Phase 2 renovations to existing library space which was essentially an empty shell. In FY 2011 – 2012 the legislature approved reallocating $16,386,585 of Southern’s CSUS 2020 funding to the Buley Library project: $11,482,000 was reallocated from Southern’s FY09 450-Vehicle Parking Garage and $4,904,585 was reallocated from Southern’s FY09 and FY10 Code Compliance/Infrastructure Improvements program.

This $16,386,585, combined with the remaining $9,386,000 bond funds, comprise the current project fund amount of $25,772,585.

Phase 2, designed in 2012, was advertised for bid in January 2013. The scope of work includes a new building envelope, an “atrium” link that connects the upper levels of Buley to the new addition, and renovations to the lower and main entrance levels. Renovations to the second, third and fourth floors cannot be accomplished with existing funding and will be addressed at a later date.

The low bid as submitted was $6.8 million over budget. Several trade packages were rebid, resulting in $3,378,000 in savings. The total Phase 2 project cost was reduced to $29,279,690.64, with bids to be held through May 20, 2013. Total Phase 2 funding is $25,772,585. The funding shortfall is $3,507,105.64.
Several funding opportunities have been identified as supplemental funding sources for the Phase 2 funding shortfall, as follows:

1. $312,000    Buley phase 1 equipment (from the Equip TI 7517 $2,430,000)
2. $1,061,326.01 Buley phase 1 Telecom (from the Tele TI 7571, $1,620,000)
3. $98,832.56 From the uncommitted CSUS 2020 code compliance Jennings Hall funds
4. $75,544.45 From the uncommitted CSUS 2020 code compliance Earl Hall funds
5. $347,000 Uncommitted CSUS 2020 code compliance re Business School funds
6. $995,000 Buley insurance proceeds
7. $430,000 CSUS 2020 FY 2013 code compliance funds
8. $98,855 School of Business (CSUS 2020 share of equipment and telcom)
9. $88,547.62 To be absorbed by other line items, with permission of Dept. of Construction Services

$3,507,105.64 Funds to address shortfall

Items 1 and 2 do not require further approval because they are current Buley Library project funds, carried over from Phase 1.

Items 3, 4, 5, 7 and 8 may be reallocated to the Buley Library project with Board approval pursuant to CSUS 2020 laws and policies.

Item 6, which also requires Board of Regents approval, is a portion of an insurance settlement in the original amount of $6,034,463.35 received by the campus in 2008. The settlement compensated Southern for damage to Buley’s lower level caused by a water main break that occurred in 2006. Approximately half of the settlement funds have been committed to book and paper restoration and lower level demolition. Board approval is sought to apply $995,000 of the remaining $3,541,369.30 insurance proceeds towards the shortfall.

The insurance funds are part of the reserves retained by Southern Connecticut State University. In accordance with policy, any use of current fund or plant fund balances must be approved by the president and, if the amount to be used is $250,000 or greater, by the board.¹

PRESIDENT’S RECOMMENDATION

Approve Southern Connecticut State University’s request to apply no more than $995,000 in insurance proceeds to the Buley Library renovations (Phase 2) and approve the use of $1,050,232.01 in CSUS 2020 code compliance/infrastructure funds for the Library.

¹ This references the policy that had been in effect for the Connecticut State Universities as of the date of the change in governance structure which remains in effect.
RESOLUTION

Concerning

THE USE OF INSURANCE PROCEEDS AND CSUS 2020 FUNDS

BY

SOUTHERN CONNECTICUT STATE UNIVERSITY FOR RENOVATIONS AT

BULEY LIBRARY

May 14, 2013

WHEREAS, Construction bids for renovations to the Buley Library at Southern Connecticut State University have exceeded available funds by approximately $3.5 million; and

WHEREAS, In 2008 Southern received $6,034,463.35 to settle an insurance claim for damages caused by a flood at the Buley Library; and

WHEREAS, Approximately half of the insurance settlement funds remain uncommitted; and

WHEREAS, Southern requests approval to apply $995,000 of the insurance settlement funds from the 2006 Buley flood towards Library renovation costs; and

WHEREAS, Board policy provides that the use of current fund or plant fund balances must be approved by the president and, if the amount to be used is $250,000 or greater, by the board; and

WHEREAS, Southern requests approval to reallocate up to $1,050,232.01 in CSUS 2020 code compliance/infrastructure improvement funds to the Buley Library renovation; and

WHEREAS, CSUS 2020 laws requires a formal approving vote of the board of trustees for revisions to CSUS 2020 projects; now, therefore, be it

RESOLVED, That Southern Connecticut State University is authorized to reallocate up to $1,050,232.01 of CSUS 2020 Code Compliance/Infrastructure Improvement funds to the Buley Library renovation project, and to use up to $995,000 in insurance proceeds for the Buley Library renovation project.
# Buley Library Funding Summary

## Bond Commission Authorizations (phase 1 & phase 2)

<table>
<thead>
<tr>
<th>Allocated Funds</th>
<th>Act -Section</th>
<th>Date of Original SBC Approval</th>
<th>Status of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>$33,228,000</td>
<td>SA 02-1, Sec. 17(f)(2)</td>
<td>June 25, 2004</td>
<td>Expended in Phase 1 of project</td>
</tr>
<tr>
<td>$22,258,467</td>
<td>PA 04-3, Sec. 2(c)(4)(A)</td>
<td>June 25, 2004</td>
<td>Partially expended in Phase 2 of project</td>
</tr>
<tr>
<td>$150,000</td>
<td>98-9, Sec. 2(e)(1)</td>
<td>March, 26, 1999</td>
<td>Predesign Study - expended</td>
</tr>
<tr>
<td>$3,020,000</td>
<td>99-242, Sec. 2(l)(4)(A)</td>
<td>September 29, 2000</td>
<td>Design - expended</td>
</tr>
<tr>
<td>$2,588,888</td>
<td>01-2, Sec.17(g)(3)</td>
<td>September 27, 2002</td>
<td>Supplemental Design – expended</td>
</tr>
<tr>
<td>$1,411,882</td>
<td>SA 01-2 17(g)(3)</td>
<td>April 26, 2013</td>
<td>Supplemental Phase 2 Construction Funds</td>
</tr>
<tr>
<td>$1,091,533</td>
<td>PA 04-3 2(c)(4)(A)</td>
<td>April 26, 2013</td>
<td>Supplemental Phase 2 Construction Funds</td>
</tr>
</tbody>
</table>

$63,748,770 – total allocated funding

## CSUS 2020 Funding (phase 2 funding allocated in FY 2012)

- $14,340,584 – CSUS 2020 FY 2009
- $ 2,046,000 – CSUS 2020 FY 2011
- $16,386,584 – Total CSUS 2020 phase 2 construction funds

**$3,500,000 Supplemental phase 2 funding**

- $312,000 Buley phase 1 equipment – bond funds
- $1,061,326.01 Buley phase 1 telecom – bond funds
- $ 98,832.56 CSUS 2020 FY 2009
- $ 75,544.45 CSUS 2020 FY 2009 funds
- $ 347,000 CSUS 2020 FY 2009 uncommitted new Business School construction funds
- $ 995,000 Buley Claim funds
- $ 430,000 CSUS 2020 FY 2013 code compliance funds
- $ 98,855 CSUS 2020 FY 2009 uncommitted new Business School equipment & telecom funds
- $3,418,558.02 Supplemental phase 2 funding
• Phase 2 construction shortfall of $3,507,105.64. Phase 2 supplemental funding of $3,418,558.02. Department of Construction Services to rebalance construction budget line items to identify $88,547.62

Total Funding (phase 1, phase 2 & supplemental funding)
$63,748,770 – Bond Commission Authorizations
$16,386,584 – CSUS 2020 funding allocated in FY 2012
$3,418,558.02 – Phase 2 supplemental funding
$83,553,912.02 – total project funding
RESOLUTION

appointing

KAREN E. STONE

DIRECTOR
INTERNAL AUDIT
BOARD OF REGENTS FOR HIGHER EDUCATION

May 16, 2013

WHEREAS, Through the incumbent's retirement, a vacancy was created in the position of Director of Internal Audit for the Board or Regents,

WHEREAS, The Chairman of the Board of Regents appointed a Search Committee to recruit and identify qualified candidates to serve as Director of Internal Audit,

WHEREAS, Through an open, competitive process, the Search Committee identified Karen E. Stone (CV attached) for appointment as Director of Internal Audit,

WHEREAS, The Search Committee’s recommendation was presented to and endorsed by the Audit Committee of the Board of Regents,

RESOLVED, That effective May 16, 2013, Karen E. Stone is hereby appointed to the position of Director of Internal Audit in accordance with applicable Human Resources Policies for Management and Confidential Professional Personnel.

A Certified True Copy:

____________________________
Erin A. Fitzgerald, Secretary
Board of Regents for Higher Education
KAREN E. STONE, CISA, CRISC

PROFILE:
A high energy professional with five years of experience as the Deputy General Auditor over an Information Technology (IT) Audit group. A career progression that led from Senior Information Systems Auditor to Information Systems Audit Manager to Deputy General Auditor to Executive Director – IT Audit. Extensive experience in the Banking, Insurance, Higher Education, and Retail industries as an IT Auditor performing and managing general controls, application, technical, and new system reviews through effective communication, planning, directing, and control.

CERTIFICATIONS:
Certified Information Systems Auditor (CISA) – 1992, Certified in Risk and Information Systems Control (CRISC) – 2010

MEMBERSHIPS:
ISACA Greater Hartford Chapter Board Member – 1996 to 2010, 2012
President of ISACA Greater Hartford Chapter – 2001 and 2002

SPECIAL SKILLS:
Lotus Notes, Microsoft Word, Microsoft Excel, Microsoft PowerPoint, Microsoft Outlook.

EXPERIENCE:
03/09 to Present
CONNECTICUT STATE COLLEGES AND UNIVERSITIES (ConnSCU) Hartford, CT
Associate Director – Internal IT Auditor
Responsible for starting up the IT Audit function, defining the IT Audit universe, performing Internal Audit IT risk assessments, and performing IT audits at the System Office, four universities, and community colleges to ensure adequate system controls and compliance with policies, standards, procedures, and regulatory requirements.

- Developed and implemented an Internal Audit Risk Assessment approach for IT and operational audits.
- Developed and implemented a risk-based, IT audit workpaper approach.
- Participated on special projects in a consultative capacity.
- Wrote and issued audit reports to management and the Board.

08/07 to 04/08
CARLIN, CHARRON & ROSEN, LLP Glastonbury, CT
Executive Director – IT Audit
Responsible for seeking out IT business opportunities at new and existing clients. Worked to define client needs and expectations for services rendered and executed letters of engagement with clients. Supervised professionals on client assignments to coordinate audit work. Trained staff in IT audit procedures and workpaper preparation.

- Developed and implemented an IT audit workpaper approach for the company.
- Performed IT audits for clients.

04/96 to 05/07
WEBSTER FINANCIAL CORPORATION Waterbury, CT
Deputy General Auditor – IT Audit
Actively participated in the planning of audit work to be performed by IT auditors in the IT and operational environments to ensure adequate system controls, compliance with bank policies, standards, and procedures, and compliance with regulatory requirements. Hands-on manager who started up the IT Audit function. Supervised nine Webster staff and seven consultants.

- Developed and implemented the Webster Audit System (WAS) using Lotus Notes software, which is used to perform all audits and track system development projects.
- Identified risk and strategies to control or minimize risk.
- Developed the annual audit plan and managed audits to completion.
- Participated and assisted the General Auditor in development and execution of Internal Audit’s strategic plans and initiatives.
- Wrote and issued audit reports to management and the Board.
• Prepared Audit Committee reports.
• Represented Internal Audit on significant projects and high risk initiatives as directed by the General Auditor.
• Supervised IT and operational audit managers and staff.
• Served as liaison with independent auditors and regulatory examiners.
• Obtained IDEA software to perform data extracts for audit testing purposes.
• Assisted IT in identifying key controls to meet Sarbanes-Oxley requirements.

12/94 to 04/96
FLEET FINANCIAL GROUP
Hartford, CT
Senior Information Systems Auditor – Audit Officer
Planned and performed audits in the IT environment to ensure adequate system controls, compliance with bank policies, standards, and procedures. Participated in the audit planning process. Introduced new EDP audit techniques to the Internal Audit Department. Provided system support and training to staff members.

07/92 to 12/94
THE TJX COMPANIES, INC.
Framingham, MA
Senior EDP Auditor
Planned and performed audits within the data processing environment to ensure adequate control of systems. Supervised staff auditors and other senior auditors in audit procedures.

• Performed the first audit on the migration of a mainframe system to an AS/400 system.
• Developed an integrated audit approach.
• Provided technical training to other EDP auditors.

07/91 to 02/92
UNION TRUST CO.
Shelton, CT
Senior EDP Examiner
Planned and performed audits within the data processing environment to ensure adequate system controls, compliance with bank policies, standards, and procedures, and compliance with regulatory requirements. Participated in the audit planning process.

07/89 to 01/91
AMES DEPARTMENT STORES, INC.
Rocky Hill, CT
EDP Auditor
Planned and performed audits within the data processing environment to ensure adequate system controls. Used EASYTRIEVE PLUS as an information retrieval and data management system. Participated in the audit planning process.

11/87 to 06/89
THE PHOENIX
Hartford, CT
EDP Auditor
Planned and performed audits within the data processing environment to ensure adequate system controls. Assisted the Manager-EDP Audit in developing procedures for auditing computer systems, control standards and guidelines for systems, and using the computer as a vehicle to improve the audit process. Participated in the audit planning process. Trained staff auditors in EDP audit procedures.

• Directed financial auditors in the first integrated audits of DP Operations.
• Developed and implemented formal procedures to perform application system reviews.
• Instrumental, through an audit recommendation, in the implementation of a formal system development methodology.

EDUCATION:
University of New Haven, B.S. in Management Science – Summa Cum Laude
Southern Connecticut State University – A.S. in Elementary Education

REFERENCES:
Furnished upon request.
ITEM


RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents hereby approves the appointment of PricewaterhouseCoopers to perform audits of the Connecticut State Universities and the Connecticut Community Colleges for fiscal year ending June 30, 2013.

BACKGROUND

One of the responsibilities of the Audit Committee under its Charter (adopted June 7, 2012), is to approve the appointment of independent, external auditors.

PricewaterhouseCoopers (PwC) has served as the independent audit firm for the State Universities for the last several years and remains under contract with the System through March 31, 2016. Under a separate contractual agreement, PwC also served as the independent audit firm for the Community Colleges for the audit period ending June 30, 2012. The contract with the Community Colleges terminated with the completion of that audit.

Through its services to the Connecticut State Colleges & Universities, PwC has gained a deep understanding of the organizations’ structure, processes and systems, which has been invaluable to the Board of Regents during a time of transition. PwC has a reputation as a leader in higher education audit services, understands and communicates effectively changes in financial reporting requirements and regulatory matters and has been responsive to the system’s needs.

The recommendation is to continue with PricewaterhouseCoopers by combining the separate audits under a single contractual agreement to cover both the State Universities and Community Colleges. Because the price quoted by PwC for Charter Oak State College was not as competitive as was hoped, it is not recommended that the agreement include Charter Oak State College. Charter Oak State College will either seek a different solution, or elect to continue with the firm that prepared its FY12 audit. That decision will be brought back for action by the Audit Committee in June.

PwC has agreed to sustain the 30% discount negotiated under the 2010 agreement with the State Universities and to maintain the 2012 Community College rate for audits of fiscal years 2013 and 2014. The estimated audit cost for FY 2013 is $588,690, an increase of 1.7% over amounts paid in FY 2012.