



BOARD OF REGENTS FOR HIGHER EDUCATION

AGENDA – REGULAR MEETING

10:00 a.m., Thursday, June 21, 2012

Room 808C, Chapman Hall, Middlesex Community College

100 Training Hill Road, Middletown CT

Binder Page #

- 1. Call to Order**
- 2. Roll Call and Declaration of Quorum**
- 3. Board of Regents Chairman, Lewis J. Robinson, Esq.**
- 4. Board of Regents President, Dr. Robert A. Kennedy**
- 5. Glenn Marshall, Commissioner of CT Department of Labor and Ex-Officio BOR Member**
- 6. Approval of Minutes - [May 17, 2012 Regular Meeting](#)**
- 7. Consent Calendar**
 - a) New Programs

Licensure and Accreditation

 - i. Smartphone App Development leading to an undergraduate certificate (Norwalk Community College) 1
 - ii. Digital Journalism leading to an undergraduate certificate (Norwalk Community College) 2
 - iii. Film and Television Production leading to an undergraduate certificate (Norwalk Community College) 3
 - iv. Veterinary Technology leading to an Associate of Science (A.S.) degree (Middlesex Community College) 4
 - b) Program Modifications
 - i. Addition of a Professional Science Masters track in the program in Chemistry leading to a Master of Science (M.S.) degree (Southern Connecticut State University) 5
 - ii. Modification of programs in Comparative Literature, French, German, Italian, and Spanish leading to the Master of Arts (M.A.) degree and Doctor of Philosophy (Ph.D.) degree to be consolidated into a single program in Languages, Literatures and Cultures (University of Connecticut) 6
 - iii. Addition of location to offer a program in Education with Teaching Certificate leading to the Master of Arts (M.A.) degree at the Avery Point campus (University of Connecticut) 7
 - c) Terminations
 - i. Drug and Alcohol Recovery Counselor leading to an Associate of Science (A.S.) degree (Tunxis Community College) 8
 - ii. Criminal Justice: Drug and Alcohol Treatment Option leading to an Associate of Science(A.S.) degree (Tunxis Community College) 8
 - d) Reconciliation of program inventory database for public institutions with current degree and certificate program offerings 9 - 22
 - e) 2012 Connecticut Higher Education Trust (CHET) report 23 - 34
 - f) Audit Committee Charter 35 - 37
 - g) Internal Audit Charter 38 - 39

- 8. Amendment to Bylaws of the Board of Regents for Higher Education** 40
- 9. Audit Committee – Craig Lappen, Committee Chair**
- 10. Academic & Student Affairs Committee – Dr. Merle Harris, Committee Chair**
- 11. Finance & Administration Committee – Gary Holloway, Committee Chair**
- a) Information Security Policy 41-42
- b) Approval of FY 2013 Budget Allocations and Spending Plans for the Connecticut State Colleges & Universities *Attachment*
- 12. Executive Session**
- 13. Adjourn**

(Open Forum: will begin after meeting adjourns.)

ITEM

Licensure and accreditation of a program in Smartphone App Development leading to an undergraduate certificate (16 credits) at Norwalk Community College

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education license and accredit a program in Smartphone App Development, to be offered on-ground and online, leading to an undergraduate certificate at Norwalk Community College for a period of time concurrent with institutional accreditation.

BACKGROUND

Norwalk Community College is seeking licensure and accreditation of a program of Smartphone App Development leading to an undergraduate certificate. The program consists of existing courses in computer science and two courses in programming mobile devices.

The program is intended for students who wish to develop skills to program mobile devices for the rapidly expanding market in mobile device applications.

Staff review of the proposed program indicates it will meet the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board, contingent upon a favorable recommendation from the Advisory Committee on Accreditation (ACA). At its meeting on June 7, 2012, ACA unanimously recommended the program for licensure and accreditation.

5/08/12 – ConnSCU Academic Council
6/01/12 – BOR-Academic and Student Affairs Committee
6/07/12 – Advisory Committee on Accreditation
6/21/12 – Board of Regents

ITEM

Licensure and accreditation of a program in Digital Journalism leading to an undergraduate certificate (18 credits) at Norwalk Community College

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education license and accredit a program in Digital Journalism leading to an undergraduate certificate (18 credits) at Norwalk Community College for a period of time concurrent with institutional accreditation.

BACKGROUND

Norwalk Community College is seeking licensure and accreditation of a program of Digital Journalism leading to an undergraduate Certificate. The program consists primarily of existing courses in journalism, multimedia, and graphic design in digital media.

The program is intended for media professionals who need to update their skills as well for students graduating with degrees in related fields who would like to demonstrate to potential employers that they have skills in online journalism and digital media in addition to whatever else they have studied. The program will be housed in the Communication Arts Department and rely heavily on existing resources.

Staff review of the proposed program indicates it will meet the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board, contingent upon a favorable recommendation from the Advisory Committee on Accreditation (ACA). At its meeting on June 7, 2012, ACA unanimously recommended the program for licensure and accreditation.

5/08/12 – ConnSCU Academic Council
6/01/12 – BOR-Academic and Student Affairs Committee
6/07/12 – Advisory Committee on Accreditation
6/21/12 – Board of Regents

ITEM

Licensure and accreditation of a program in Film and Television Production leading to an undergraduate certificate (18 credits) at Norwalk Community College

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education license and accredit a program in Film and Television Production leading to an undergraduate certificate (18 credits) at Norwalk Community College for a period of time concurrent with institutional accreditation.

BACKGROUND

Norwalk Community College is seeking licensure and accreditation of a program of Film and Television Production leading to an undergraduate Certificate. The program is intended to train students in the most current recording, editing and broadcasting technology.

The program is designed to retrain video professionals in the region's workforce to meet the growth in film and television production positions in Fairfield County as well as to provide additional skills and education for the College's students with majors other than film and television production. The program will be housed in the Communication Arts Department and rely heavily on existing resources.

Staff review of the proposed program indicates it will meet the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board, contingent upon a favorable recommendation from the Advisory Committee on Accreditation (ACA). At its meeting on June 7, 2012, ACA unanimously recommended the program for licensure and accreditation.

5/08/12 – ConnSCU Academic Council
6/01/12 – BOR-Academic and Student Affairs Committee
6/07/12 – Advisory Committee on Accreditation
6/21/12 – Board of Regents

ITEM

Licensure and accreditation of a program in Veterinary Technology leading to an Associate of Science (A.S.) degree at Middlesex Community College

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education license and accredit a program in Veterinary Technology leading to an Associate of Science (A.S.) degree at Middlesex Community College for a period of time concurrent with institutional accreditation; and be it further

RESOLVED, That the Board of Regents for Higher Education grant a waiver to the policy on semester hour credit requirements for associates degrees (CCC-BOT Policy 3.3.3) to allow the program in Veterinary Technology leading to an Associate of Science (A.S.) degree at Middlesex Community College to require 69 credit hours.

BACKGROUND

Middlesex Community College is seeking licensure and accreditation of a program of veterinary technology leading to an Associate of Science (A.S.) degree.

The associate degree program in Veterinary Technology prepares students for immediate employment in veterinary offices, biological research facilities, stables, dairies, drug and feed manufacturing companies and in the animal production industry. The program was developed in conjunction with Pieper-Olson Veterinary Hospital, and the program will be offered in collaboration with this facility.

Staff review of the proposed program indicates it will meet the standards for planning and quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board, contingent upon a favorable recommendation from the Advisory Committee on Accreditation (ACA). At its meeting on June 7, 2012, ACA unanimously recommended the program for licensure and accreditation.

5/08/12 – ConnSCU Academic Council
6/01/12 – BOR-Academic and Student Affairs Committee
6/07/12 – Advisory Committee on Accreditation
6/21/12 – Board of Regents

ITEM

Modification of a program in Chemistry leading to Master of Science (M.S.) degree at Southern Connecticut State University to include a Professional Science Masters track

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education approve the existing program in Chemistry leading to Master of Science (M.S.) degree at Southern Connecticut State University to include a Professional Science Masters track for a period of time concurrent with institutional accreditation.

BACKGROUND

Southern Connecticut State University has requested to modify its existing program in Chemistry leading to the Master of Science (M.S.) degree to include a Professional Science Masters (PSM) track. This would be the second program that SCSU offers to follow the PSM model; the Board licensed a M.S. program in Applied Physics in December 2011. The PSM model integrates subject area learning with workplace skills and cross-training in a relevant business area; the proposed modification does not replace the existing program but rather provides an additional pathway to the M.S. in Chemistry. The change will increase the number of required credits from 30 to 36 and replace some Chemistry courses with required graduate-level courses in business/management.

Staff review of the proposed changes indicate the program will continue to meet the standards for quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning.

The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board

5/08/12 – ConnSCU Academic Council

6/01/12 – BOR-Academic and Student Affairs Committee

6/21/12 – Board of Regents

ITEM

Modification of programs in Comparative Literature, French, German, Italian, and Spanish leading to the Master of Arts (M.A.) and Doctor of Philosophy (Ph.D.) degrees at the University of Connecticut to be consolidated into a single program called Languages, Literatures and Cultures

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education approve a modification to programs in Comparative Literature, French, German, Italian, and Spanish leading to the Master of Arts (M.A.) degree at the University of Connecticut to be consolidated into a program in Languages, Literatures, and Cultures leading to the Master of Arts (M.A.) degree to be licensed and accredited for a period of time concurrent with institutional accreditation, and be it further

RESOLVED, That the Board of Regents for Higher Education approve a modification to programs in Comparative Literature, French, German, Italian, and Spanish leading to Doctor of Philosophy (Ph.D.) degree at the University of Connecticut to be consolidated into a program in Languages, Literatures, and Cultures leading to the Doctor of Philosophy (Ph.D.) degree to be licensed and accredited for a period of time concurrent with institutional accreditation.

BACKGROUND

The University of Connecticut has requested that the Department of Literatures, Cultures and Languages offer only one single field of study with the name – “Literatures, Cultures and Languages” (LCL) – at the MA and Ph.D. levels, beginning Fall 2012. Current degree programs in Comparative Literature, French, German, Italian and Spanish will be converted to five areas of concentration starting Fall 2012. Students will receive an M.A. or Ph. D with an area of concentration in French and Francophone Studies, Italian Literary and Cultural Studies, German Studies, Spanish Studies and Comparative Literary and Cultural Studies. A sixth area of concentration in Classics and Ancient Mediterranean Studies will be added to reflect an existing division of the department.

While this action represents modification of an existing program, approval of the modification will result in administrative issuance of an additional DHE number for and accredited program to run for a period of time concurrent with institutional accreditation.

Staff review of the proposed changes indicate the program will continue to meet the standards for quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning. The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board

5/08/12 – ConnSCU Academic Council

6/01/12 – BOR-Academic and Student Affairs Committee

6/21/12 – Board of Regents

ITEM

Modification of a program in Education with a Teaching Certificate leading to Master of Arts (M.A.) degree at the University of Connecticut-Stamford and Tri-Campus campuses to include offering the program at the Avery Point campus

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education approve a modification to offer an existing program in Education with a Teaching Certificate leading to Master of Arts (M.A.) degree at the University of Connecticut-Stamford and Tri-Campus locations to also be offered at the Avery Point campus for a period of time concurrent with institutional accreditation.

BACKGROUND

The University of Connecticut has requested to offer a program in Education with a Teaching Certificate leading to a Master of Arts (M.A.) degree already in operation at the Stamford and Tri-Campus campuses (DHE# 011570 and 011571). The program requires 45 graduate credits which begins with two intensive sessions during the summer then is followed by a full year of additional work, which culminates in a Master of Arts degree and the University's recommendation for certification. The program involves fieldwork, and maintains a cohort structure.

This program (referred to locally as the Teacher Certification Program for College Graduates or TCPCG) provides preparation in the following certification areas – agricultural education, biology, chemistry, earth science, English, general science, history/social studies, mathematics, physics, Special Education, and world languages.

By offering this program on the Avery Point campus, the University expects to make the program an attractive option for individuals living and working too far to commute to the Storrs campus and to increase focus on the preparation of educators for urban, diverse settings. The University of Connecticut has sufficient resources and faculty to offer this program at the Avery Point campus.

Staff review of the proposed changes indicates the program will continue to meet the standards for quality set forth in the Connecticut Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning. While this action represents modification of an existing program, approval of the modification will result in administrative issuance of an additional DHE number for and accredited program to run for a period of time concurrent with institutional accreditation.

6/01/12 – BOR-Academic and Student Affairs Committee

6/21/12 – Board of Regents

ITEM

Termination of a program in Drug and Alcohol Recovery Counselor leading to an Associate of Science (A.S.) degree at Tunxis Community College and a program in Criminal Justice with an Option in Drug and Alcohol Treatment leading to an Associate of Science (A.S.) degree

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, That the Board of Regents for Higher Education terminate at the request of the institution a program in Drug and Alcohol Recovery Counselor leading to an Associate of Science (A.S.) degree at Tunxis Community College and a program in Criminal Justice with an Option in Drug and Alcohol Treatment leading to an Associate of Science (A.S.) degree; the phase out period for the programs shall not extend beyond June 30, 2016.

BACKGROUND

Tunxis Community College is proposing discontinuing its Drug and Alcohol Recovery Counselor program after many years of successful operation, for three primary reasons:

- Career opportunities for graduates has diminished significantly in the past few years
- Low enrollment in the internship courses, which are very time intensive core courses for the program
- The cost for the college to offer these internship courses is prohibitively high at a time when budgets remain very tight.

The Regulations for Licensure and Accreditation of Institutions and Programs of Higher Learning do not require Board approval to terminate programs (10a-34-3(d)), but the Board policy for Review of Proposals and Approval of Programs in Connecticut Public Higher Education Institutions, adopted January 19, 2012, requires that program discontinuation be authorized through Board action.

The BOR Academic and Student Affairs Committee unanimously approved this recommendation be forwarded to the full Board.

5/08/12 – ConnSCU Academic Council

6/01/12 – BOR-Academic and Student Affairs Committee

6/21/12 – Board of Regents

ITEM

Reconciliation of program inventory database for public institutions with current degree and certificate program offerings

RECOMMENDED MOTION FOR FULL BOARD

WHEREAS, The Board of Regents for Higher Education has authority for licensure and accreditation of institutions and programs of higher learning pursuant to Connecticut General Statutes 10a-35a, and

WHEREAS, The former Department of Higher Education annually worked with institutions to reconcile differences between the State database of approved programs and institutional offerings, and

WHEREAS, The Office of Policy and Research has worked with public institutions in spring 2012 to review and reconcile current degree and certificate offerings with official records, be it

RESOLVED, That the Board of Regents for Higher Education take the following actions as a one-time means to reconcile programmatic offerings with state records.

[For background, please see the end of this report]

6/01/12 – BOR-Academic and Student Affairs Committee

6/21/12 – Board of Regents for Higher Education

Approve program modifications as below

DHE #	Institution	Program Name	Award	Program Modification
001630	Housatonic Community College	Liberal Arts & Sciences	AA	Add AS to existing AA
011209	Capital Community College	Fire and Emergency Medical Services:	C1	Approve modification to offer
002409	Capital Community College	Emergency Mgmt Response Management	C2	50%+ online Approve modification to offer
009750	Eastern Connecticut State University	Educational Technology	MS	50%+ online Approve modification to offer
000287	Manchester Community College	Accounting	AS	50%+ online Approve modification to offer
001917	Manchester Community College	Accounting & Business Administration	AS	50%+ online Approve modification to offer
000290	Manchester Community College	BOT: Office Support Specialist	C2	50%+ online Approve modification to offer
000299	Manchester Community College	Communication	AS	50%+ online Approve modification to offer
005617	Manchester Community College	Communication: Journalism Option	Option - A	50%+ online Approve modification to offer
008167	Manchester Community College	Computer Programming Technology	AS	50%+ online Approve modification to offer
008173	Manchester Community College	Computer Programming Technology	C2	50%+ online Approve modification to offer
002455	Manchester Community College	General Studies	AS	50%+ online Approve modification to offer
000311	Manchester Community College	Liberal Arts & Science	AA/AS	50%+ online Approve modification to offer
000317	Manchester Community College	Social Service	AS	50%+ online Approve modification to offer
001702	Middlesex Community College	Accounting	AS	50%+ online Approve modification to offer
009691	Middlesex Community College	Accounting Assistant	C2	50%+ online Approve modification to offer
009692	Middlesex Community College	Accounting Technician	C2	50%+ online Approve modification to offer

DHE #	Institution	Program Name	Award	Program Modification
002432	Middlesex Community College	Communication	AA	Approve modification to offer 50%+ online
002730	Middlesex Community College	Therapeutic Recreation	C2	Approve modification to offer 50%+ online
002454	Naugatuck Valley Community College	General Studies	AS	Approve modification to offer 50%+ online
001662	Naugatuck Valley Community College	Liberal Arts & Sciences	AA	Approve modification to offer 50%+ online
002457	Northwestern Connecticut Community College	General Studies	AS	Approve modification to offer 50%+ online
000444	Norwalk Community College	Accounting	AS	Approve modification to offer 50%+ online
009772	Norwalk Community College	Computer Programming, Visual Basic	C2	Approve modification to offer 50%+ online
007721	Norwalk Community College	General Studies	AS	Approve modification to offer 50%+ online
000456	Norwalk Community College	Legal Assistant	AS	Approve modification to offer 50%+ online
000457	Norwalk Community College	Liberal Arts & Sciences	AA	Approve modification to offer 50%+ online
010266	Norwalk Community College	Management	AS	Approve modification to offer 50%+ online
009770	Norwalk Community College	Relational Database	C1	Approve modification to offer 50%+ online
006838	Norwalk Community College	Small Business Computer Applications	C2	Approve modification to offer 50%+ online
001749	Tunxis Community College	Criminal Justice	AS	Approve modification to offer 50%+ online
002449	Tunxis Community College	General Studies	AS	Approve modification to offer 50%+ online
xxxxxx	University of Connecticut	Earth Science	BS	License and accredit
xxxxxx	University of Connecticut	General Science	BS	License and accredit
xxxxxx	University of Connecticut	Nursing Practice	GRADCERT	Combine existing graduate certificates
015140	University of Connecticut	Financial Risk Management	MS	Add locations at Stamford and Tri-Campus

Approve changes in program names as below:

DHE #	Institution	Program Name	Award	Name Change
011778	Asnuntuck Community College	Child Development Associate Preparation	C1	Child Development Associate Credential
016779	Asnuntuck Community College	Technology Studies: Electro-Mechanical Maintenance Option	Option - A	Technology Studies: Electro-Mechanical Maintenance Technology Option
011585	Capital Community College	Emergency Management Response	C1	Emergency Medical Technician: Emergency Management Response
015175	Capital Community College	Entrepreneurship	C2	Management: Entrepreneurship
006035	Capital Community College	Network Administrator Assistant	C2	Computer and Information Systems: Network Administrator Assistant
006039	Capital Community College	Network Administrator Assistant	Option - A	Computer and Information Systems: Network Administrator Assistant Option
006040	Capital Community College	Web Publishing	Option - A	Computer and Information Systems: Web Publishing Option
006050	Capital Community College	Web Publishing	C2	Computer and Information Systems: Web Publishing
007110	Capital Community College	Web Publishing - On Line	Option - A	Computer and Information Systems: Web Publishing, Online
008153	Gateway Community College	Substance Abuse Counselor	C2	Drug and Alcohol Recovery Counselor
016965	Housatonic Community College	Machine Tools I	C2	Machine Technology, Level I
xxxxxx	Housatonic Community College	Machine Tools II	C2	Machine Technology, Level II
002638	Manchester Community College	Desktop Publishing	C2	Electronic Publishing
002754	Manchester Community College	Manufacturing Engineering Science	AS	Manufacturing Engineering Technology
015354	Manchester Community College	Technology Studies: Technology & Engineering Education Option	Option - A	Technology Studies: Technology Education Option
007642	Naugatuck Valley Community College	Business Administration	AS	Business Management
001300	Naugatuck Valley Community College	Electrical Engineering Technology	AS	Electronic Engineering Technology
001890	Naugatuck Valley Community College	Foodservice Management	AS	Hospitality Management - Foodservice Management
002617	Naugatuck Valley Community College	Hotel Management	AS	Hospitality Management - Hotel Management

DHE #	Institution	Program Name	Award	Name Change
016964	Naugatuck Valley Community College	Machine Tools I	C2	Machine Technology, Level I
xxxxxx	Naugatuck Valley Community College	Machine Tools II	C2	Machine Technology, Level II
001650	Naugatuck Valley Community College	Management	C2	Business Management
012951	Northwestern Connecticut Community College	Technology Studies: Industrial Diagnostics	Option - A	Technology Studies: Industrial Technology
007784	Norwalk Community College	BOT: Health Office Information Specialist	C2	Health Office Information Specialist
010157	Norwalk Community College	Child Development Associate Preparation	C1	Child Development Associate Credential
002565	Norwalk Community College	Hotel/Restaurant Management	AS	Hotel/Motel Management
010266	Norwalk Community College	Management	AS	Management (Career)
010599	Quinebaug Valley Community College	Computer Services: Networking	Option - A	Computer Services: Technical Support
016966	Quinebaug Valley Community College	Machine Tools I	C2	Machine Technology, Level I
xxxxxx	Quinebaug Valley Community College	Machine Tools II	C2	Machine Technology, Level II
000602	Southern Connecticut State University	Bilingual Education	MS	Bilingual, Multicultural Education/TESOL
001753	Three Rivers Community College	Accounting	AS	Accounting (Career)
001757	Three Rivers Community College	Business Administration	AS	Business Administration (Transfer)
015338	Three Rivers Community College	Business Administration: Management Option	Option - A	Business Administration Management
001759	Three Rivers Community College	Marketing	AS	Marketing (Career)
001759	Three Rivers Community College	Marketing	AS	Marketing (Transfer)
015309	Three Rivers Community College	Sustainable Landscape Ecology and Conservation	C2	Sustainable Landscape Ecology and Conservation Technician

Approve program terminations made at the request of the institutions with a phase out period not to extend beyond June 30, 2014;
Board of Regents staff shall terminate the following programs after institutions inform them that the phase out period is completed:

DHE Number	Institution	Program Name	Award	Action
001672	Capital Community College	BOT: Computer Applications Specialist	Option - A	Phase Out
002467	Capital Community College	BOT: Computer Applications Specialist	C2	Phase Out
006021	Capital Community College	BOT: Computer Applications Specialist, Accelerated	C2	Phase Out
006023	Capital Community College	Computer Programming Accelerated	C2	Phase Out
002905	Capital Community College	Engineering Science	C2	Phase Out
014558	Capital Community College	Health Career Pathways	C2	Phase Out
008149	Capital Community College	BOT: Health Claims Processing	C2	Phase Out
003005	Capital Community College	Diagnostic Medical Sonography	C2	Phase Out
009338	Capital Community College	Network Administrator - On Line	Option - A	Phase Out
006036	Capital Community College	Studio Art - Printmaking	C2	Phase Out
006048	Capital Community College	Wastewater	C2	Phase Out
002637	Gateway Community College	BOT: Word Processing	C2	Phase Out
005633	Gateway Community College	BOT: Word Processing	Option - A	Phase Out
003072	Naugatuck Valley Community College	BOT: Clerical	C2	Phase Out
001645	Naugatuck Valley Community College	BOT: Executive Option	Option - A	Phase Out
007625	Naugatuck Valley Community College	BOT: Health Claims Processing	C2	Phase Out
001644	Naugatuck Valley Community College	BOT: Legal Option	Option - A	Phase Out
007626	Naugatuck Valley Community College	BOT: Medical Insurance Specialist	C2	Phase Out
001647	Naugatuck Valley Community College	BOT: Medical Option	Option - A	Phase Out
002943	Naugatuck Valley Community College	BOT: Secretarial	C2	Phase Out
002800	Naugatuck Valley Community College	BOT: Word Processing	C2	Phase Out
007644	Naugatuck Valley Community College	Business Office Technology	AS	Phase Out
000447	Norwalk Community College	BOT: Business Office Technology	C2	Phase Out
002495	Norwalk Community College	BOT: Office Administration	C2	Phase Out
002495	Norwalk Community College	BOT: Office Administration	C2	Phase Out
002495	Norwalk Community College	BOT: Office Administration	C2	Phase Out
015198	Quinebaug Valley Community College	Construction Technology	C2	Phase Out
015207	Quinebaug Valley Community College	Technology Studies: Construction Technology Option	Option - A	Phase Out

Approve program terminations at the request effective immediately for the following discontinued or inactive programs:

DHE Number	Institution	Program Name	Award	Action
004265	Asnuntuck Community College	Banking	AS	Terminate
005908	Asnuntuck Community College	Wastewater	C2	Terminate
005909	Asnuntuck Community College	Wastewater, Advanced	C2	Terminate
002415	Capital Community College	Art (Studio)	C2	Terminate
004266	Capital Community College	Banking	AS	Terminate
002858	Capital Community College	Computer Aided Drafting (CAD)	C2	Terminate
002857	Capital Community College	Computer Aided Manufacturing (CAM)	C2	Terminate
006024	Capital Community College	Computer Technology	C3	Terminate
006025	Capital Community College	Computerized Business Operations, Basic	C2	Terminate
006026	Capital Community College	Electrical	C2	Terminate
002394	Capital Community College	General Engineering Technology	AS	Terminate
003063	Capital Community College	Industrial Electronics Technology	C2	Terminate
015176	Capital Community College	Integrator Technician Cabling	C2	Terminate
015177	Capital Community College	Integrator Technician Networking	C2	Terminate
003064	Capital Community College	Labor Studies	C2	Terminate
006043	Capital Community College	Liberal Arts & Sciences: Music Option	Option - A	Terminate
006030	Capital Community College	Local Area Network Operations	C2	Terminate
008151	Capital Community College	Machine Technology, Level I	C1	Terminate
008152	Capital Community College	Machine Technology, Level II	C2	Terminate
002584	Capital Community College	Management of Substance Abuse Treatment Facilities	C2	Terminate
006051	Capital Community College	Marketing	C2	Terminate
006032	Capital Community College	Microcomputer Maintenance, Basic	C2	Terminate
006033	Capital Community College	Microcomputers	C2	Terminate
006034	Capital Community College	Microcomputers, Accelerated	C2	Terminate
015178	Capital Community College	Microcomputing	C2	Terminate
006019	Capital Community College	Technology Studies: Electrical Option	Option - A	Terminate
015363	Capital Community College	Technology Studies: Integrator Technician Cabling Option	Option - A	Terminate

DHE Number	Institution	Program Name	Award	Action
015364	Capital Community College	Technology Studies: Integrator Technician Networking Option	Option - A	Terminate
008150	Capital Community College	Technology Studies: Machine Technology Option	Option - A	Terminate
015366	Capital Community College	Technology Studies: Technology and Engineering Education Option	Option - A	Terminate
006020	Capital Community College	Technology Studies: Wastewater Option	Option - A	Terminate
006049	Capital Community College	Wastewater, Advanced	C2	Terminate
004598	Eastern Connecticut State University	Administrative PK-12 (Reading & Language Arts Consultant)	GR TEACH CER	Terminate
014728	Eastern Connecticut State University	Early Childhood Cross-endorsement Alternate Route to Certification	UG TEACH CER	Terminate
004299	Eastern Connecticut State University	Middle Grades 4-8	UG TEACH CER	Terminate
010617	Gateway Community College	AC-DELCO Technical Service Education	C3	Terminate
010482	Gateway Community College	Automotive Technology (T-TEN)	AAS	Terminate
004267	Gateway Community College	Banking	AS	Terminate
002860	Gateway Community College	Biotechnology	C3	Terminate
015306	Gateway Community College	Child Development Associate Preparation	C1	Terminate
002879	Gateway Community College	Diagnostic Medical Sonography	C2	Terminate
015390	Gateway Community College	Early Childhood Education	C2	Terminate
005381	Gateway Community College	Electronic Publishing	C1	Terminate
015385	Gateway Community College	Technology Studies: Computer-Aided Design Option	Option - A	Terminate
006065	Gateway Community College	Technology Studies: Electrical Option	Option - A	Terminate
015386	Gateway Community College	Technology Studies: Electronic Technology Option	Option - A	Terminate
015387	Gateway Community College	Technology Studies: Engineering Technology Option	Option - A	Terminate
015388	Gateway Community College	Technology Studies: Technology and Engineering Education Option	Option - A	Terminate
006066	Gateway Community College	Technology Studies: Wastewater Option	Option - A	Terminate
005385	Gateway Community College	Wastewater Management	C2	Terminate
005388	Gateway Community College	Wastewater Management, Advanced	C2	Terminate
004269	Manchester Community College	Banking	AS	Terminate
003073	Manchester Community College	BOT: Records Management	C2	Terminate
008206	Manchester Community College	Computer Operating Systems Technology	C2	Terminate

DHE Number	Institution	Program Name	Award	Action
000297	Manchester Community College	Educational Associate	AS	Terminate
000298	Manchester Community College	Educational Associate	C3	Terminate
006078	Manchester Community College	Electrical	C2	Terminate
008156	Manchester Community College	Machine Technology, Level I	C1	Terminate
008157	Manchester Community College	Machine Technology, Level II	C2	Terminate
003027	Manchester Community College	Management of Substance Abuse Treatment Facilities	C2	Terminate
009674	Manchester Community College	Professional Cook	C1	Terminate
006081	Manchester Community College	Technology Studies: Electrical	Option - A	Terminate
008155	Manchester Community College	Technology Studies: Machine Technology	Option - A	Terminate
006079	Manchester Community College	Wastewater	C2	Terminate
006080	Manchester Community College	Wastewater, Advanced	C2	Terminate
002798	Middlesex Community College	Hazardous Material/First Responder Operational	C1	Terminate
005399	Middlesex Community College	Hazardous Waste Site Worker	C1	Terminate
014063	Middlesex Community College	Integrator Technician A+	C1	Terminate
014064	Middlesex Community College	Integrator Technician Cabling	C1	Terminate
014065	Middlesex Community College	Integrator Technician Networking	C1	Terminate
006068	Middlesex Community College	Technology Studies: Electrical Option	Option - A	Terminate
014060	Middlesex Community College	Technology Studies: Integrator Technician A+ Option	Option - A	Terminate
014061	Middlesex Community College	Technology Studies: Integrator Technician Cabling Option	Option - A	Terminate
014062	Middlesex Community College	Technology Studies: Integrator Technician Networking Option	Option - A	Terminate
015194	Middlesex Community College	Technology Studies: Technology and Engineering Education Option	Option - A	Terminate
006070	Middlesex Community College	Wastewater	C2	Terminate
006071	Middlesex Community College	Wastewater, Advanced	C2	Terminate
002685	Naugatuck Valley Community College	Architectural Technology	C3	Terminate
001908	Naugatuck Valley Community College	Business Admin: Production Management Option	Option - A	Terminate
015369	Naugatuck Valley Community College	Child Development Associate	C1	Terminate
001306	Naugatuck Valley Community College	Computer Aided Drafting/Design Technology	C2	Terminate
001852	Naugatuck Valley Community College	Human Services	C3	Terminate

DHE Number	Institution	Program Name	Award	Action
001652	Naugatuck Valley Community College	Marketing	C2	Terminate
001641	Naugatuck Valley Community College	Production Management	C2	Terminate
015380	Naugatuck Valley Community College	Technology Studies: Electronic Technology Option	Option - A	Terminate
007661	Naugatuck Valley Community College	Technology Studies: Wastewater Option	Option - A	Terminate
015180	Naugatuck Valley Community College	Veterinary Assistant	C2	Terminate
003029	Northwestern Connecticut Community College	American Sign Language Studies	C2	Terminate
009745	Northwestern Connecticut Community College	Computer Aided Design	C1	Terminate
009744	Northwestern Connecticut Community College	Electrical	C2	Terminate
002891	Northwestern Connecticut Community College	Electrical Technology	C2	Terminate
012950	Northwestern Connecticut Community College	Industrial Diagnostics	C1	Terminate
015331	Northwestern Connecticut Community College	Technology Studies: Electrical Option	Option - A	Terminate
015333	Northwestern Connecticut Community College	Technology Studies: Technology and Engineering Education Option	Option - A	Terminate
015334	Northwestern Connecticut Community College	Technology Studies: Wastewater Education Option	Option - A	Terminate
015426	Northwestern Connecticut Community College	Therapeutic Recreation, Online	AS	Terminate
012457	Northwestern Connecticut Community College	Video Production	C1	Terminate
015321	Norwalk Community College	Advanced Wastewater	C2	Terminate
004274	Norwalk Community College	Banking	AS	Terminate
004274	Norwalk Community College	Banking	AS	Terminate
002485	Norwalk Community College	Business Software	C2	Terminate
007781	Norwalk Community College	Construction Technology	C2	Terminate
015318	Norwalk Community College	Electrical	C2	Terminate
014911	Norwalk Community College	Health Career Pathways	C2	Terminate
000465	Norwalk Community College	Information Systems	AS	Terminate

DHE Number	Institution	Program Name	Award	Action
000465	Norwalk Community College	Information Systems	AS	Terminate
015319	Norwalk Community College	Production and Inventory Management	C2	Terminate
015317	Norwalk Community College	Technology Studies: Electrical Option	Option - A	Terminate
015315	Norwalk Community College	Technology Studies: Engineering Technology Option	Option - A	Terminate
015316	Norwalk Community College	Technology Studies: Technology and Engineering Education	Option - A	Terminate
015320	Norwalk Community College	Wastewater	C2	Terminate
004275	Quinebaug Valley Community College	Banking	AS	Terminate
001775	Quinebaug Valley Community College	Business Office Technology, Administrative Assistant: Office Management Option	Option - A	Terminate
015212	Quinebaug Valley Community College	Fine Arts: Graphic Design Option	Option - A	Terminate
015214	Quinebaug Valley Community College	Fine Arts: Studio Art Option	Option - A	Terminate
006813	Quinebaug Valley Community College	Technology Studies: Electrical Option	Option - A	Terminate
015210	Quinebaug Valley Community College	Technology Studies: Technology and Engineering Education Option	Option - A	Terminate
006821	Quinebaug Valley Community College	Wastewater	C2	Terminate
006822	Quinebaug Valley Community College	Wastewater, Advanced	C2	Terminate
000753	Three Rivers Community College	Chemical Engineering Technology	AS	Terminate
008981	Three Rivers Community College	Early Childhood Education/Special Education	C2	Terminate
015342	Three Rivers Community College	General Engineering Technology: Technical Sales Option	Option - A	Terminate
015343	Three Rivers Community College	General Engineering Technology: Technical Writing Option	Option - A	Terminate
009721	Three Rivers Community College	Hospitality Management: Tourism Management	Option - A	Terminate
000757	Three Rivers Community College	Industrial Drafting Technology	C3	Terminate
000755	Three Rivers Community College	Industrial Electronics Technology	C3	Terminate
002480	Three Rivers Community College	Social Service Aide	C2	Terminate
007605	Tunxis Community College	BOT: Executive Option	Option - A	Terminate

The following non-substantive changes will be made pursuant to regulations 10a-34-2(k) and 10a-34-3(b) and are reported to the Academic and Student Affairs Committee per Board policy:

New Certificate Programs and Degree Options Qualifying as Non-Substantive Changes

DHE Number	Institution	Program Name	Award	Status Change	Certificate Level Change
	Charter Oak State College	Connecticut Director's Credential	C1	Offered	
	Gateway Community College	Human Services: Career Option	Option - A	Offered	
	Gateway Community College	Human Services: Continued Study Option	Option - A	Offered	
	Gateway Community College	Professional Baker	C2	Offered	
	Gateway Community College	Railroad Engineering Technology: Signaling and Communications Option	Option - A	Offered	
	Naugatuck Valley Community College	Automotive Technician: Automotive Technician Management Option	Option - A	Offered	
	Naugatuck Valley Community College	Aviation Science: Aviation Science Management Option	Option - A	Offered	
	Naugatuck Valley Community College	Eng Tech: Telecommunications Option	Option - A	Offered	
	Norwalk Community College	Management (Career): Marketing Option	AS	Offered	
	Quinebaug Valley Community College	Computer Services: Technical Support	C2	Offered	
	Three Rivers Community College	Accounting Core	C2	Offered	
	Three Rivers Community College	Business Information Systems Core	C2	Offered	
	Three Rivers Community College	Business Management Core	C2	Offered	
	Three Rivers Community College	Marketing Core	C2	Offered	

Adjustments to Certificates Qualifying as Nonsubstantive Changes

DHE Number	Institution	Program Name	Award	Status Change	Certificate Level Change
008147	Asnuntuck Community College	Machine Technology, Level I	C1		C2
006028	Capital Community College	Health Science	C2		C3
014631	Central Connecticut State University	Professional Counseling	OCP		Advanced OCP
010607	Central Connecticut State University	Reading and Language Arts	OCP		Advanced OCP
014633	Central Connecticut State University	Superintendent of Schools	OCP		Advanced OCP
005383	Gateway Community College	Teacher Assistant	C2		C3
010691	Gateway Community College	Web Design	C1		C2
009714	Housatonic Community College	Child Development Associate Preparation	C2		C1
009673	Manchester Community College	Professional Baker	C1		C2

BACKGROUND

The State of Connecticut requires that programs of higher education be licensed by the State Board of Education or the Board of Regents for Higher Education in order to operate and accredited by the State Board of Education or the Board of Regents for Higher Education in order to confer degrees (CGS 10a-34-35a). The Office of Financial and Academic Affairs for Higher Education maintains this list of approved programs; it serves as the basis for official reporting to the federal government for a variety of purposes, including but not limited to statistical reporting, Title IV compliance, and veterans benefits.

To maintain the integrity of this list of approved programs, the former Department of Higher Education conducted an annual review and reconciliation of this database with institutions of higher learning. Over time, this process became less and less effective at reconciling offerings.

In spring 2012, the Board of Regents Office of Policy and Research worked with all 17 ConnSCU institutions and the University of Connecticut to conduct a thorough review of current offerings and the information in the database. This review resulted in identification of several hundred discrepancies, including scores of inactive programs, inconsistencies in program names or award levels, and classification of program content.

Excluding four actions required for programs at the University of Connecticut, the total set of actions includes:

- 32 program modifications, most to conduct the program online 50% or more
- 37 program name changes
- 28 program terminations with a phase out period of up to two years
- 128 immediate program terminations

All terminations were requested by institutions, primarily because the programs had been inactive or were believed to already be terminated. In addition, the review resulted in:

- 23 non substantive changes (reported above)
- 43 typographical corrections (not reported above)
- 323 revisions to Classification of Instructional Program (CIP) codes (not reported above)

In total, 598 unduplicated programs out of 1,408 programs (excluding programs recently approved by the Board), or 42% of all ConnSCU program were adjusted in this reconciliation. It is expected that Board actions taken to reconcile the program inventory in June 2012 will allow for a clean and accurate list of programs for all ConnSCU institutions to be published and to enable meaningful examination of data about programs. This level of reconciliation should not be required in the future if the program inventory is sufficiently maintained.

6/01/12 – BOR-Academic and Student Affairs Committee

6/21/12 – Board of Regents

ITEM

2012 Annual Report of the Connecticut Higher Education Trust (CHET)

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents for Higher Education endorses the 2012 annual report of the Connecticut Higher Education Trust (CHET) for the submission to the Education and Finance, Revenue and Bonding Committees of the Connecticut General Assembly

BACKGROUND

Section 3-22e(b) of the Connecticut General Statutes requires the Office of Treasurer and the Board of Regents for Higher Education to submit jointly an annual report to the Education and Finance, Revenue and Bonding Committees of the General Assembly. Attached is the report submitted to the Board of Regents for review and endorsement.

The Connecticut Higher Education Trust (CHET) was established under Public Act 97-224 to allow families to save for college in a state-sponsored program (529 College Savings Program) under which earnings are exempt from federal and state income taxes when used to pay for qualified higher education expenses. In addition, Connecticut provides state tax deductions on annual CHET contributions up to \$5,000 for eligible single filers and \$10,000 for joint filers.

In 2010, the Treasurer entered into a management agreement with TIAA-CREF Tuition Financing Inc. (TFI) to continue offering the CHET direct plan for a contract period ending in March 2015. On August 31, 2010, the Treasurer entered into a management agreement with The Hartford to offer an advisor sold plan for a contract period ending August 20, 2017. That plan was launched in October 2010. To differentiate the plans, they were re-branded CHET Direct and CHET Advisor.

The number of Connecticut families saving through CHET continues to grow with 103,926 program accounts and \$1.55 billion in assets in CHET Direct as of December 30, 2011 (up from June 30, 2011 report of 103,083 accounts and \$1.27 billion in assets). The CHET Advisor Plan was implemented in October, 2010, and, as of December 30, 2011, reported 5,077 accounts and total assets of \$60,053,553 (up from June 30, 2011 report of 2,616 accounts and total assets of \$ 31.1 million). The 2012 Annual report notes that program administrative and management fees remain competitively ranked in the bottom quartile of fees charged by providers in the 529 industry and are currently the lowest in the program's history.



Annual Evaluation of the
CONNECTICUT HIGHER EDUCATION TRUST

For the Period Ending June 30, 2011

Submitted to:

Committees on Education and Finance, Revenue and Bonding
of the Connecticut General Assembly

June 2012

Statutory Requirements

This *Annual Evaluation of the Connecticut Higher Education Trust* (“CHET” or “Trust”) is jointly submitted by the Connecticut State Treasurer’s Office and the Board of Governors of Higher Education to the Committees on Education and Finance, Revenue and Bonding of the Connecticut General Assembly, pursuant to Section §3-22e(b) of the Connecticut General Statutes.

Pursuant to Section §3-22k of the general statutes, the annual audited financial statements for CHET are included in the Annual Report of the Treasurer, which is transmitted to the Governor and members of the General Assembly on December 31st of each year. The audited financial statements are also transmitted to the CHET Advisory Committee pursuant to Section §3-22e of the General Statutes.

The members of the CHET Advisory Committee as of the 2011 annual meeting, held on December 8, 2011, were:

<i>Denise L. Nappier</i>	<i>State Treasurer</i>
<i>Andrea Stillman</i>	<i>Senate Chair, Education Committee</i>
<i>Andrew M. Fleischmann</i>	<i>House Chair, Education Committee</i>
<i>Antionietta “Toni” Boucher</i>	<i>Senate Ranking Member, Education Committee</i>
<i>Marilyn Giuliano</i>	<i>House Ranking Member, Education Committee</i>
<i>Eileen M. Daily</i>	<i>Senate Chair, Finance, Revenue and Bonding Committee</i>
<i>Patricia M. Widlitz</i>	<i>House Chair, Finance, Revenue and Bonding Committee</i>
<i>Andrew Roraback</i>	<i>Senate Ranking Member, Finance, Revenue and Bonding Committee</i>
<i>Sean J. Williams</i>	<i>House Ranking Member, Finance, Revenue and Bonding Committee</i>
<i>Benjamin Barnes</i>	<i>Secretary, Office of Policy and Management</i>
<i>Dr. Robert Kennedy</i>	<i>President, Connecticut Board of Regents for Higher Education</i>
<i>James Blake</i>	<i>Executive Vice President for Finance and Administration, Southern Connecticut State University</i>
<i>Margaret Wolf</i>	<i>Director of Financial Aid, Capital Community College</i>
<i>Julie L. Dolan</i>	<i>Vice President of Finance and Treasurer, Fairfield University</i>
<i>Julie Savino</i>	<i>Executive Director of Financial Assistance, Sacred Heart University</i>

Background and Program Management

CHET is a qualified state tuition program pursuant to Section 529 of the Internal Revenue Code. Connecticut's authorizing statute was unanimously approved by the Connecticut General Assembly in Public Act No. 97-224 (the "Act"), signed into law by Governor John Rowland in July 1997, and the program began operating on January 1, 1998. While the Trust is considered an instrumentality of the State, the assets of the Trust do not constitute property of the State and the Trust is not construed to be a department, institution or agency of the State.

The Act designates the State Treasurer as the Trustee of CHET. The assets of CHET are privately managed by professional money managers under the supervision of the State Treasurer.

In December 1999, Treasurer Denise L. Nappier contracted with TIAA-CREF Tuition Financing Inc. ("TFI") as program manager for CHET. TFI offers a wide range of products to the general public, including its core constituents in the academic, research, medical and cultural fields, and is recognized as a premier pension system provider in the United States. Ranked as one of *Fortune* magazine's 100 largest U.S. companies, TFI manages total combined assets of approximately \$464 billion (as of December 30, 2011).

In 2009, Treasurer Nappier issued a request for proposals for management of both the current direct-sold program, as well as for a new advisor-sold program. In 2010, the Treasurer entered into a management agreement with TFI to continue offering the CHET direct-sold plan for a contract period ending in March 2015. On August 31, 2010, Treasurer Nappier entered into a management agreement with The Hartford Financial Services Group, Inc. to offer an advisor-sold plan for a contract period ending August 20, 2017. That plan was launched in October 2010. To differentiate the plans, they were re-branded as "CHET Direct" and "CHET Advisor."

Regulatory Environment during 2011

The Securities and Exchange Commission ("SEC") and the Municipal Securities Rulemaking Board ("MSRB") provided continuing guidance and new rulings governing the disclosure of program information, including investment options and performance, as well as fees and other program features. This enhanced oversight has brought 529 plans into closer alignment with investment securities guidelines. New rulings that relate to broker-administered plans have also significantly affected 529 plan marketing and communication practices, including increased media advertising disclosure requirements and provisions. One new stipulation requires that 529 disclosure and marketing materials adequately inform consumers about potential state tax benefits for investments made in plans administered within their home state.

The National Association of State Treasurers ("NAST") expanded its collaborative work with the College Savings Plan Network ("CSPN") to address regulatory, media and consumer concerns relating to adequacy of disclosures and program comparability. The Connecticut Treasurer's Office and TFI have been actively engaged in national planning efforts regarding program administration and marketing practices and standards, and actively monitor new industry trends. CHET has implemented all of the new CSPN disclosure principles and participates in the new CSPN college savings website, www.collegesavings.org which provides comparative information on all state qualified and prepaid 529 college savings programs.

CHET DIRECT

As of December 30, 2011, CHET Direct had 103,926 program accounts with \$1.55 billion in assets. This compares to 96,479 accounts and \$1.44 billion in assets on December 31, 2010. Both the number of accounts and assets increased almost 8% despite account redemptions, as account owners withdrew funds for their beneficiaries' college tuition payments. Since inception, \$491 million has been withdrawn for 17,369 beneficiaries.

Investment Options

Upon renewal of the CHET Direct contract with TFI, new investment options were added and fees reduced. CHET Direct now has eleven (11) investment options (date of inception of each option is noted below). For more detailed descriptions, including underlying mutual fund investments, please visit www.aboutchet.com.

- Moderate Managed Allocation Option (6 Age bands) was the only investment option when CHET was initially launched. This option was changed from ten age bands to six age bands in 2005.
- High Equity Option (2001)
- Principal Plus Interest Option (2001)
- Equity Index Option (Renamed in 2011; created in 2006 and formerly called the 100% Equity Index Option)
- Active Fixed-Income Option (Renamed in 2011; created in 2006 and formerly called the 100% Fixed-Income Option)
- Aggressive Managed Allocation Option (6 Age bands) (2007)
- Social Choice Option (2007)
- Money Market Option (2008)
- Conservative Managed Allocation Option (6 Age bands) (2011)
- Active Equity Option (2011)
- Index Fixed-Income Option (2011)

Asset allocation changes have been made on a periodic basis in order to broaden the investment options for the underlying assets. These adjustments have taken the form of new or replacement underlying mutual funds or inclusion of new asset classes, based on an improved risk-reward analysis and projected performance improvement for all categories. A total of twenty-two institutional mutual funds (from TFI, Thornburg, GE, DFA, T. Rowe Price and Artio fund families) underlie the investment options. The Principal Plus Interest Option is invested through a funding agreement with TIAA-CREF Life Insurance Company.

CHET Direct's administrative and program management fees are competitively ranked in the bottom quartile of fees charged by providers in the 529 industry, and are currently the lowest in the program's history. Current total asset-based fees range from 0.32% to 0.95%, depending upon which option is selected. The Principal Plus Interest Option is not assessed a program management fee. With the 2010 contract renewal, effective November 2010, the fee structure changed from a flat fee (unitary pricing for all Options) to a non-unitary structure which is in line with industry standard. The new fee structure includes a breakdown of program management fees, state administrative fees, and underlying mutual fund fees. The base program management

fee was reduced from 0.20% to 0.18% in June 2011 when total assets under management exceeded \$1.5 billion. Since inception, fee reductions have been negotiated by the Treasury five times, from 1.55% to the current fee level of 0.18% on the average daily net assets of the Trust, plus the cost of underlying fund expenses. An additional program management fee reduction will occur when assets under management reach \$2 billion.

In addition there is a state fee of 0.01% of the average daily net assets of the Trust annually to pay for expenses related to oversight of the Trust (included in the fees above). This was instituted July 1, 2005.

Program Improvements and Changes

Direct and Mass Marketing

The Connecticut Treasurer's Office works closely with TFI to enhance its annual marketing program to strengthen public awareness of the CHET Direct program features and to increase understanding of the importance of saving for a college education. The Treasury and TFI are committed to promoting the benefits of saving for college early to families of all backgrounds and cultures throughout Connecticut. During 2011, multi-channel direct and mass marketing campaigns, along with several major grass-roots promotional programs reaching out to low- to moderate-income Connecticut residents, were used to obtain the greatest reach. Seasonal timing of campaigns generally focused around tax time (February/March), graduation (June), back-to-school, College Savings Month (August/September), and year-end/gift giving (November/December). The multi-channel marketing strategy included print advertising, direct mail, e-mail, banner advertising and search engine marketing to target prospective account owners. Television, radio, outdoor billboards, and bus ads were utilized during spring tax-time and year-end gift-giving seasons, emphasizing the state tax deduction and importance of developing a college savings strategy, as well as promoting general brand awareness of CHET Direct.

Marketing to existing account owners continued to be an important component of the overall strategy. Existing account owners were encouraged to re-contribute, automate their contributions with systematic investing using direct deposit, and to roll over funds from other college savings plans. The primary communication channels used to target account owners included direct mail, e-mail and quarterly statement messaging and inserts.

Throughout 2011, as interested individuals responded to direct mail, on-line communications, or interacted with a CHET representative at local events, TFI utilized an integrated inquirer follow-up strategy to capture interest and communicate directly to interested parties. The program tracks inquiries with the ultimate goal of helping that individual open an account. These potential investors received either an email or direct mail reminder after 30 days and again after 60 days if they had not yet taken action and opened an account.

Web-Based Marketing and Account Activity

In 2011, CHET Direct launched a completely redesigned website, which enhanced navigation to make it easier for users to learn about CHET, find investment options and performance information, and open accounts on-line. Key additions to the new site included an on-line scheduling tool where interested individuals can set up an in-person or phone consultation with a CHET representative, and a new downloadable smart phone mobile application for CHET's College Savings Planner tool.

On-line enrollment continued to grow during 2011, accounting for 70% of new account openings (vs. 67.8% in 2010). CHET Direct has realized a significant shift toward on-line activity over the past few years and has been increasingly successful in attracting and converting new prospects into account owners via this marketing medium. The ability to send on-line withdrawals directly to a college or university was also implemented in 2011, which was an important improvement for account owners who can now pay a school directly, without the added step of having the funds sent to them or the student first, to pay college tuition bills.

Web-based advertising continued to be an important marketing medium for CHET Direct. TFI ran a series of banner ads throughout 2011 using on-line advertising aggregators such as Google, Yahoo, AdBlade and more. CHET realized positive results from on-line banner advertising, generating over 500 new accounts and achieving a solid conversion rate with low cost of acquisition, making it a cost-effective advertising tactic for CHET.

CHET Direct has also worked with the College Savings Plan Network, a national membership organization for state 529 plan providers, and Savingforcollege.com to promote awareness of the program through new interactive college savings comparative informational databases that are available online.

Major Promotions

Dream Big Competition

In May 2011, CHET Direct and the Connecticut Treasurer's Office kicked off the CHET Dream Big! Competition, a drawing and essay contest for students in grades kindergarten through five. The parents or legal guardians of the eighty-six county winners each received \$250 deposited into a CHET Direct account, and forty-three Merit winners each received \$50 deposited into a CHET Direct account. Additionally, \$50 towards school supplies was given to the top ten teachers whose students submitted the most entries. The contest inspired students to imagine how a college education would help them to change the world for the better, while it motivated parents to think about how to save for college education to support their children's dreams.

The successful competition culminated with an awards ceremony at Rentschler Field in May, attended by over 500 people including the winners, their families and teachers. The competition garnered 2,200 entries from ninety-one of Connecticut's cities and towns (representing all eight counties), including many schools in underserved districts such as Bridgeport, Waterbury, Hartford and New Haven. The Dream Big! ceremony recognized the winning children, who had the opportunity to meet the Deputy State Treasurer and have their photos taken for their local newspaper. Parents and teachers were reminded of the importance of going to college and starting to save early for a college education.

Summer Reading Program

In June 2011, CHET Direct and the Connecticut Treasurer's Office partnered with the Connecticut State Library ("CSL") to present the Summer Reading Promotion called "Destination College Savings." CHET Direct reached out to the CSL to support its summer reading initiatives by providing a financial incentive to encourage more children to participate in the CSL summer reading program. Participation in the annual CSL conference in early May 2011 helped generate excitement around the program. Parents or legal guardians entered their children to win one of four grand prizes, a \$1,000 CHET account. Two smaller drawings were held during the campaign to maintain momentum of the program, with eight \$50 Barnes & Noble gift cards awarded to winners. Partnering with the CSL has proven to be a good way to help

keep families thinking about saving for college with CHET during a traditionally slow account enrollment period.

Book Bag Donation Program

In August 2011, CHET Direct donated 1,500 school book bags filled with school supplies to the Department of Children and Families (“DCF”). CHET also worked with the Department of Economic and Community Development (“DECD”), which donated an additional 50 backpacks filled by DECD employees to give away. The donation event occurred in August before the start of school, and was attended by representatives from DCF, DECD and the Connecticut Treasurer’s Office.

Educational and Cultural Community Outreach and Events

TFI employs Connecticut-based outreach personnel, including a bilingual field consultant, to educate Connecticut residents, employers and community organizations about the benefits of CHET Direct. The outreach strategy aims to promote the message that saving for college through CHET is available to families of all income levels, as well as to differentiate CHET from competing 529 plans or other savings vehicles such as Custodial or Coverdell accounts. During 2011, TFI outreach focused on sponsoring and attending a series of individual and small group events to reach as many potential investors as possible. Events targeting low- to-moderate-income communities were scheduled throughout the year to ensure that the CHET message was reaching Connecticut’s under-served populations. For example, CHET Direct sponsored a series of Bridgeport Bluefish and New Britain Rock Cats baseball games, providing tickets to target organizations to attend the games as a group, booths to answer questions about CHET, running radio ads and CHET signage at games to raise awareness. In addition, CHET undertook specific outreach and marketing to the Latino community including attendance at events such as the Latinas in Power Symposium, Telemundo La Feria de la Familia, Latino Expo and more. In-person meetings were offered and encouraged to both low- to-moderate-income families, as well as to Latino families, in both English and Spanish, to provide the extra level of support and service needed to ensure individuals understood CHET and how CHET could help them save for college.

CHET Direct also partnered with other community-based organizations and agencies specializing in promoting financial literacy and economic empowerment, including the annual Money Conference for Women, the Fairfield County Women’s Expo, college financial planning nights at local high schools, company benefit fairs and more.

Employer Outreach

CHET Direct employer outreach included continued contact with several of Connecticut’s employers such as Yale University, the Communication Workers of America, AT&T, and the City of New Britain. CHET Direct continued to expand its outreach with TFI participants through its internal wholesaling activities. During the latter part of 2011, a robust, integrated employer marketing strategy was initiated, with a suite of materials under development for deployment in 2012, including a new webinar to offer to employees, human resources contact materials, employee emails, posters, table tents, etc. to help facilitate communication within companies, all explaining the value and benefits of CHET and how to enroll and set up payroll deduction. As of the end of 2011, 546 employers offered CHET Direct payroll deduction opportunities to their employees, with 1,286 employees participating. This compares with 514 employers offering CHET Direct payroll deduction in 2010.

CHET ADVISOR

The CHET Advisor Plan was established on October 1, 2010, with The Hartford Financial Services Group, Inc. ("HFSG") serving as program manager. As of December 30, 2011, CHET Advisor had 5,077 program accounts with \$60,053,553 in assets. Marketing is focused on educating financial advisors who then work with their clients to open CHET Advisor accounts.

Program Offerings

While CHET Advisor offers similar investment options to CHET Direct, the structure of an advisor-sold plan is different by its nature. This plan offers three different share classes (A, C, and E), and has different fee structures for each share class, depending on the share class sales charge (fee). Share classes are structured to include compensation for the financial advisor.

Share classes and fee structure are as follows:

There are three share classes offered through CHET Advisor: A, C and E.

Class A: Under the Class A fee structure, there is an up-front sales charge of up to 5.5%, which is reduced as the total value of all Savings plan accounts of the account owner grows above certain levels. In addition, there are ongoing asset-based fees equal to an annual charge of approximately 1.11% to 1.57% of the total value of each account, depending on investment options selected.

Class C: Under the Class C fee structure, there is no up-front sales charge. However, withdrawal of any contribution that has been in the account for twelve months or less will be charged a contingent deferred sales charge equal to 1% of the amount withdrawn. In addition, there are ongoing asset-based fees equal to an annual charge of approximately 1.86% to 2.32% of the total value of each account, depending on investment options selected.

Class E: This class is available only to certain groups associated with Hartford Life Insurance Company¹ (the parent company of HFSG). Under the Class E fee structure, there is no up-front or contingent deferred sales charge. There are ongoing asset-based fees each year of approximately 0.86% to 1.32% of the total value of each account, depending on investment options selected.

Under all CHET Advisor asset classes, there is an additional state fee of 0.02% to pay for expenses related to the oversight of the Trust.

¹ Those groups associated with Hartford Life that are eligible for the Class E fee structure include: current or retired officers, directors, trustees and employees and their families of The Hartford Financial Services Group, Inc. and its affiliates; employees of Wellington Management and their families; selling broker-dealers and their employees and sales representatives and their families, who have a sales agreement with Hartford Life and Hartford Security Distribution Company ("HSD") to sell the program; and individuals purchasing an account through a registered investment advisor who has a sales agreement with Hartford Life and HSD to sell the program. "Family" includes the account owner's spouse or legal equivalent recognized under state law and any children under the age of 21.

Investment Options

For more detailed descriptions, including underlying mutual fund investments, please visit www.CHETAdvisor.com.

1 Age-Based Option – 5 bands

- CHET Advisor Age-Based 0-8, 9-13, 14-15, 16-17 & 18+ Portfolios

5 Static Portfolio Options

- Aggressive Growth
- Growth
- Balanced
- Conservative
- Checks & Balances Portfolios

12 Individual Portfolio Option

- Small Company
- Growth Opportunities
- International Opportunities
- Capital Appreciation
- MidCap
- Global Research
- Value
- Dividend & Growth
- Inflation Plus
- Total Return Bond
- Money Market 529 Portfolios

Update on The Hartford Financial Services Group, Inc.

The Hartford Financial Services Group, Inc. announced on March 21, 2012 that it would focus on its property and casualty, group benefits and mutual funds businesses, each of which has a competitive market position, strong capital-generating abilities and lower sensitivity to capital markets. The Hartford believes that sharper focus positions it to deliver superior performance and greater shareholder value.

As a result, the Company is placing its Individual Annuity business into runoff and is pursuing sales or other strategic alternatives for Individual Life, Woodbury Financial Services and Retirement Plans. The announcement is the result of management and the Board of Directors' evaluation of the company's strategy and business portfolio conducted over the past several quarters which concluded in March.

CHET Advisor is sold, serviced, and overseen by a team within The Hartford Mutual Funds Division, which has been identified as a core component of The Hartford going forward.

Hartford Mutual Fund Updates

The Hartford is expanding its relationship with Wellington Management to accelerate growth in its mutual fund business. The Hartford Mutual Funds' Board of Directors has conducted a fund-by-fund review of this transition. Once completed, Wellington Management will serve as the sole sub-adviser for The Hartford's funds, including both equity and fixed income.

A summary of the funds that are affected within CHET Advisor can be found below, along with the action taken by the Mutual Fund board, supplemental filing dates for the funds, and the effective dates of the transitions.

Fund Name	Change	Supplemental Filing	Effective Date of Wellington as Sub-Adviser
The Hartford Inflation Plus Fund The Hartford Short Duration Fund The Hartford Total Return Bond Fund	Wellington Management as Sub-Adviser	February 3, 2012 For Total Return Bond Only: December 15, 2011 (Initial 485(a) prospectus filing)	March 5, 2012
The Hartford Strategic Income Fund	Wellington Management as Sub-Adviser	February 3, 2012	April 2, 2012
The Hartford Corporate Opportunities Fund	Wellington Management as Sub-Adviser Fund Strategy Change and Name Change. Fund to be Renamed to The Hartford Unconstrained Bond Fund	February 7, 2012	April 23, 2012
The Hartford Floating Rate Fund	Wellington Management as Sub-Adviser	March 29, 2012	April 23, 2012
The Hartford Small/MidCap Equity Fund	Wellington Management as Sub-Adviser	March 29, 2012	On or about June 4, 2012

The Mutual Fund board will review the current strategy of The Hartford Money Market Fund at an upcoming board meeting. In addition, The Hartford is relocating the headquarters of its Mutual Funds business to a Radnor, Pennsylvania complex where Wellington also has an office.

ITEM

Approval of the Board of Regents Audit Committee Charter

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents hereby approves the Audit Committee Charter as described in Attachment A.

BACKGROUND

Following passage of the Sarbanes-Oxley Act of 2002, the American Institute of CPAs (AICPA) Association of College and University Business Officers (NACUBO) and similar national organizations advised governing organizations of universities and colleges to establish new standards for the oversight of financial operations. Although the provisions of Sarbanes-Oxley are not directly applicable to universities and colleges, public institutions share the same concerns as public corporations regarding issues of auditor independence, board responsibility for financial oversight, financial disclosures and accountability for financial results.

At its first meeting in January 2012, the newly formed audit committee of the Board of Regents agreed to the creation of an Audit Committee Charter. An initial draft was presented to, and reviewed by, the Committee. The Committee requested BOR staff refine the draft, using input from the independent audit firm assigned to audit the financial reports of the state universities and community technical colleges and reviewing audit charters established by comparable higher education governance organizations across the country.

The charter presented for action by the Committee today reflects the results of consultation with PricewaterhouseCoopers, the Board's independent audit firm for ConnSCU institutions (except Charter Oak State College) and a review of several charters of similar governance organizations.

ANALYSIS

Consistent with best practices, the Audit Committee Charter provides for direct control by the committee over external auditors, does not allow management to serve as voting members of the committee, clearly establishes the role and authority of the committee regarding financial matters and provides that at least one member of the committee will be a financial expert. The provisions of the charter, when fully implemented, will provide for appropriate accountability, responsibility and transparency in accord with best practices.

6/7/12 Audit Committee
6/21/12 BOR

**Board of Regents for Higher Education
Connecticut State Colleges & Universities
Audit Committee Charter**

Introduction

There is established a committee to be called the Audit Committee of the Board of Regents for Higher Education (BOR). This charter broadly defines the Committee's roles with respect to auditing, risk management and compliance.

Membership

The Audit Committee shall be appointed by the Chair of the Board of Regents. It shall be composed of not less than three members of the board of regents, who shall be independent of management. One board member shall serve as chair of the Committee. At least one board member shall have professional expertise in financial matters, including familiarity with financial management, accounting, forecasting, and reporting.

General Purpose and Scope

The Audit Committee shall be a standing committee of the Board of Regents. The Committee is charged with oversight for auditing, risk management, and compliance and ethics activities within the Connecticut State College & University System.

Committee Responsibilities

The responsibilities of the Committee are as follows:

1. Monitor the effectiveness of management's accounting policies and system of internal controls
2. Monitor the effectiveness of management's efforts to prevent, deter and detect fraud.
3. Monitor the performance of the internal audit function, including the qualifications and independence of the Board of Regents Chief Audit Officer (CAO).
4. Approve the appointment and termination of the CAO.
5. Review the internal audit charter, audit risk assessment and audit plan with the CAO.
6. Review State Auditor of Public Accounts reports
7. Conduct an annual review of policies and procedures with respect to officers' expense and the need to test these expenditures by internal auditors
8. Engage independent counsel or other advisors as necessary to carry out its duties.
9. Approve the appointment of independent, external auditors.
10. Direct the CAO to conduct audits or reviews as needed to address significant risk issues.

11. Review and accept the annual financial statements and auditors' reports.
12. Review audit findings and management's responses.
 - a. Review with the CAO and management selected significant findings during the year and management's responses, and any significant changes to the approved audit plan.
 - b. Periodically review the status of open audit findings and related issues to include assessment of progress made in resolving findings.
13. Review management's performance to implement and enforce the requirements of the state of Connecticut Code of Ethics; ensure that the proper tenor for compliance and ethics is established and reinforced.
14. Review the adequacy of policies and procedures for receiving and resolving complaints concerning potential fraud, misuse of state funds, or issues of internal controls within the provisions of state law.
15. Review and monitor institutions regarding changes in accounting and reporting requirements or regulations promulgated by the Government Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), or the state of Connecticut Office of Planning and Management.

Meetings

The Audit Committee shall meet as often as deemed necessary by the Chairman, but not less than three times a year.

Annual Review of Activities and Committee Charter

Each year, the committee will assess its activities with respect to the responsibilities outlined in this charter and take action as needed. This assessment shall include the adequacy of the charter itself. Recommendations to modify the charter shall require approval by the board.

ITEM

Approval of the BOR Internal Audit Department Charter

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents hereby approves the BOR Internal Audit Department Charter, as described in Attachment A.

BACKGROUND

An Internal Audit Department Charter sets forth the independence and authority necessary for the effective and efficient operations of an Internal Audit function. The Institute of Internal Auditors (IIA), one of the key international governing bodies tied to the profession of internal auditing, cites the existence of an Internal Audit Charter as best practice. The BOR Internal Audit Charter sets forth the objective and responsibilities of the function, while at the same time clearly establishing that management is solely responsible for the ongoing internal control environment in their respective areas of the organization.

ANALYSIS

The provisions of the BOR Internal Audit Department Charter will provide for appropriate accountability, professionalism and responsibility.

Consistent with best practices, the BOR Internal Audit Department Charter continues the practice of having a signed document to articulate the ongoing authority of the Internal Audit Department function throughout ConnSCU.

6/7/12 Audit Committee
6/21/12 Board of Regents

06/21/12 BOR AGENDA PACKET PAGE # 39

ITEM

Amendment to Bylaws of Board of Regents for Higher Education

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents hereby approves the amendment to Article III, Committees and Representatives of the Board, of the Board Bylaws calling for the establishment of an Executive Committee of the Board of Regents for Higher Education.

BACKGROUND

The bylaws for the Board of Regents which were adopted on December 20, 2012 called for three standing committees of the Board: Academic & Student Affairs, Audit, and Finance & Administration. At the May 17, 2012, meeting of the Board of Regents, Chairman Lewis J. Robinson, indicated that he would be recommending an amendment to the bylaws calling for the establishment of an Executive Committee.

Proposed Bylaws Amendment:**ARTICLE III - COMMITTEES AND REPRESENTATIVES OF THE BOARD
SECTION 1 - EXECUTIVE COMMITTEE**

The Executive Committee shall consist of the Board Chair, Vice Chair, and the chairs of all the Board's standing committees. The BOR President shall serve as an *ex officio* nonvoting member. The Chair of the Board shall chair this committee. A simple majority shall constitute a quorum. It shall meet at such times as deemed necessary by the Chair.

5/17/12 Announced by Board Chair at Board of Regents meeting
6/21/12 for approval by Board of Regents

ITEM

Resolution concerning leadership, responsibility and ongoing operational management of the information security program for the Board of Regents for Higher Education and its Institutions

RECOMMENDED MOTION FOR FULL BOARD

The Board of Regents approves the following Resolution concerning Leadership, Responsibility, and Ongoing Operational Management of the Information Security Program for the Board of Regents for Higher Education and its Institutions

WHEREAS, The Board of Regents (BOR) for the Connecticut State Colleges and Universities (ConnSCU) recognizes that unauthorized disclosure of certain personal information is prohibited by various state and federal statutes, including but not limited to: Connecticut General Statutes Section 36a-701b et seq., Family Educational Rights and Privacy Act (FERPA), Gramm-Leach-Bliley Act (GLBA), Health Insurance Portability and Accountability Act (HIPPA), and Electronic Communication Privacy ACT (ECPA), and

WHEREAS, The BOR must assure that all institutions and the Board office maintain an Information Security Program (“ISP”); and

WHEREAS, The increasing use of internet resources, mobile computing and storage devices along with the increasing sophistication and volume of malware has significantly increased the risk of confidential data being misplaced, exposed to unauthorized users, or breached by hackers; and

WHEREAS, The substantial monetary loss and reputation damage associated with security breaches require that the BOR looks for organizational and operational changes that will maximize the efficiency and effectiveness of its ISP; therefore be it

RESOLVED, That the college and university Presidents are responsible for the implementation and maintenance of an ISP at their institution; and be it further

RESOLVED, That the senior IT leaders of colleges and universities shall implement recognized security controls practiced in the industry; apprise the Presidents of all unmitigated risks in privacy and security at their respective institutions; and be it further

RESOLVED, That all senior managers whose staff use personally identifiable information in the carrying out their institutional duties shall ensure that their staff have been provided the appropriate level of data security awareness training and are in ongoing compliance with data security standards and practices; and be it further

RESOLVED, That the BOR Chief Information Officer shall oversee all investigations and responses related to unauthorized access and/or disclosure of sensitive information as well as all computer security incidents to minimize risk to BOR and its institutions; and be it further

RESOLVED, That all costs associated with mitigating security breaches shall be the responsibility of the institution or office that was responsible for on-going operational management of security controls; and be it further

RESOLVED, That each institution shall annually provide the Board of Regents a report detailing the security controls implemented at their locations with the first report be completed by September 1, 2012. The report shall describe controls in firewall management, network intrusion detection and mitigation, patch management, virus detection and mitigation, incident response management, data stewardship, training, and risk management.

BACKGROUND

Information security management is not just a legal obligation. It also reflects the Board of Regent's commitment to the ethical collection, use, sharing, protection and retention of personal information.

In February, Chairman Robinson and President Kennedy commissioned the Internal Audit Department to conduct an investigation of the security breaches which occurred at Central Connecticut State University and Housatonic Community College. The investigation revealed inconsistent policies and understanding surrounding authority, responsibility and accountability for information security oversight, ongoing assurance, risk assessment and mitigation.

The proposed resolution draws from the recommendations presented in the investigation report and a review of best practices of the industry.

ANALYSIS

The recent series of security breaches highlighted the vulnerability and risks associated with information security at Board of Regents of Higher Education and its institutions.

Consistent with best practices, the resolution clearly establishes the roles and authorities of the Board, presidents and senior managers regarding information security matters and provides that the implementation of information security standards be reviewed, updated, or enhanced on an annual basis. The resolution, when fully implemented, will provide for appropriate accountability, responsibility and transparency.

6/7/12 Audit Committee

6/13/12 Finance and Administration Committee

6/21/12 BOR

ITEM

Approval of FY 2013 budget allocations and spending plans for the Connecticut State Colleges & Universities.

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents hereby approves the FY 2013 budget allocations and spending plans for the Connecticut State Colleges & Universities as described in attachments A(1 & 2).

BACKGROUND

The Board of Regents, under Public Act 11-48, has the authority to approve the allocation of state appropriations received as separate block grants for the state universities and community technical colleges. State appropriations to Charter Oak State College are approved by the Connecticut General Assembly as are direct appropriations to the Board of Regents.

The Board of Regents is authorized also to approve the annual spending plans submitted by institutions within the state university and community technical colleges.

ANALYSIS

The state of Connecticut is continuing its recovery from the economic downturn of the last few years, although state tax revenues still remain below projections. The good news, perhaps, is that the final FY 2013 budget for the Connecticut State College & University system is down only slightly from FY 2012 final budget allotments. While student enrollments remain relatively flat, the tuition rate and fee increases approved for system institutions by the Board last January will create new revenue to help institutions address critical needs.

During the latter part of April and early May, BOR leadership met with each university and college president to review budget requirements and issues. These conferences revealed several concerns that mirror findings of the system's financial overview BOR staff shared with the Board at its April 30th meeting. Enrollments are projected to be flat. More personal services costs are being shifted from general fund to institutional operating funds, placing greater pressure on tuition. There has been a fairly dramatic rise in the number of students requiring financial aid. All of these factors present special fiscal challenges to the system in FY 2013.

The fiscal year 2013 state general fund appropriations to the ConnSCU system total to \$288,121,422, a decrease of 0.8% below the final appropriation amount for FY 2012. The state appropriations are distributed as follows:

Connecticut State Universities	\$141,194,660
Connecticut Community & Technical Colleges	\$143,196,097
Charter Oak State College	\$ 2,456,083
Board of Regents	<u>\$ 1,274,581</u>
Total	\$288,121,421

The budget allocation recommendations presented today do not depart from prior budget allocation methodologies. During this calendar year, as the Board develops its strategic plan, the system will engage in a review of existing budget allocation processes leading to the formation of new models that will be guided by the board's strategic goals, support institutional missions, offer greater flexibility and transparency, and create incentives and an accountability structure to help move the system forward. The budget allocation recommendations provide funding for the new state-supported initiative in manufacturing technology education, maintenance and operations costs for new facilities, and for the support of current enrollments.

Attachment A(1) provides a summary of revenues for each institution by source. The first column labeled state appropriations shows the recommended distribution of the block grant appropriations to each of the state universities and community technical colleges. Also included in this first column are the state funds for the Charter Oak State College, which are appropriated directly by the General Assembly. Within the amount for the Board of Regents is the separate appropriation of \$1,274,581 shown above which funds the staff associated with responsibilities transferred from the old Department of Higher Education. The balance of resources for the Board of Regents includes portions of the block grant appropriations to the state universities and the community technical colleges. Column two shows the estimated fringe benefits for general fund supported positions within the state universities, Charter Oak State College and the Board of Regents. The spending plans for these units include the estimate of fringe benefits for general fund as well as operating fund supported positions. Fringe Benefits for positions supported by the general fund within the community technical colleges are paid directly by the state and the spending plans for CTC institutions have not included these amounts in prior years.

Attachment A(2) provides a summary of expenses for each institution by account. Also shown are transfers to and from reserves for one-time expenses (column 7) and internal transfers of tuition revenues with the community technical colleges to meet institutional and system wide expenses (column 8).

Specific recommendations are as follows:

- Maintain the allocation models currently used for the state universities and community technical colleges. Fiscal year 2013 state appropriations for the Connecticut State Universities declined by \$850,339 from FY 2012 funding, or 0.6%. Fiscal year 2013 state appropriations for the Community Technical Colleges were reduced by \$1.3 million from FY 2012 final appropriations, or 0.9%. The reductions are reflected in the adjusted appropriations for each institution.
- Establish community technical college tuition revenue targets for FY 2013 based on an assumption of flat enrollment with the exception of Gateway and Manchester which are projecting increases. This means that any tuition revenues generated by enrollment growth in the next fiscal year can be retained by the colleges and assist in meeting current costs.

- Add funding for the maintenance and operation of new facilities at Tunxis CC, Gateway CC and Norwalk CC from the state appropriations specifically provided for this purpose in the state's FY 2013 budget. The total amount of new state funding is \$2,656,562, and distributed as follows:

Gateway CC	\$1,908,705
Tunxis CC	\$ 392,170
Norwalk CC	<u>\$ 355,687</u>
TOTAL	\$2,656,562

- Provide additional funding for the community & technical colleges that are offering programs under the state's Manufacturing Technology Center initiative beginning in FY 2013. The Manufacturing Technology Centers in the community/technical colleges are supported by the state to give students the education and skills needed to succeed in manufacturing while meeting the specific human resource needs of state manufacturers. The state has provided \$20 million for the construction and equipping of three centers, covering start up in FY 13 and possible future expansion as warranted. The institutions include Housatonic Community College, Naugatuck Valley Community College, and Quinebaug Valley Community College. The FY2013 amount recommended for this purpose at each of these institutions is \$274,211. Asnuntuck Community College received \$790,500 in prior years' state appropriations. These dollars are continued in the FY2013 recommendations.
- Reduce funding for the Board of Regents System office (including system-wide budget expenses that support the institutions) to reflect consolidation efforts. The Board of Regents budget consists of portions of block grants for the state universities and community colleges, in addition to a small state general fund appropriation that had been used to support the former Department of Higher Education.
- Contained within the board materials is a year to year (FY 2012 to FY 2013) comparison of system office funding based on original budgets. As this table shows, system office costs have been reduced by more than \$5 million since last year. Most of these funds will be redistributed to ConnSCU institutions to support new faculty positions and selected support positions under a plan that will be addressed by the Board in a separate action.
- Allow for limited use of reserves for one-time only costs, subject to approval by the system office as provided by current policy and procedure.
- Disallow use of reserves to support ongoing operating costs or launching new programs. During FY 2012, the community technical colleges had been authorized to use \$14.2 million in unrestricted reserves to meet ongoing costs and costs associated with the additional (27th) payroll. This has reduced the unrestricted reserve from \$39.2 million as of the end of fiscal year 2011 to a projected \$25.1 million for FY 2012. Several colleges had indicated a desire to use reserves based on the recent loss of state funding support. However, permitting continued use of reserves for operating costs is an unsustainable

financial model during a period of fiscal uncertainty and will compromise efforts to restructure allocation processes going forward. In accordance with existing policy, the BOR system office staff will work with each college to develop multi-year financial plans to address issues.

6/13/12 Finance & Administration Committee
6/21/12 Board of Regents

**Connecticut State Colleges & Universities
Board of Regents for Higher Education
FY2012-13 Operating Budget**

ATTACHMENT A (1)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	General Fund		Operating Funds					
Revenues	State	Fringe	Tuition	Extension	General Fee	Auxiliary	Other	Total
State Universities								
Central Connecticut State University	40,371,937	24,436,346	47,744,236	9,554,252	38,668,610	23,432,924	8,689,478	192,897,783
Eastern Connecticut State University	26,021,923	12,768,842	22,545,156	3,316,329	20,446,046	26,993,582	2,631,844	114,723,722
Southern Connecticut State University	38,942,051	24,379,610	48,238,996	10,477,706	39,524,723	27,524,364	6,026,590	195,114,040
Western Connecticut State University	25,577,079	13,649,912	27,360,764	4,226,907	21,409,281	17,349,123	4,164,091	113,737,157
State University Total	130,912,990	75,234,710	145,889,152	27,575,194	120,048,660	95,299,993	21,512,003	616,472,702
Community Technical Colleges								
Asnuntuck Community College	5,639,427	-	4,417,687	1,150,000		135,000	2,447,058	13,789,172
Capital Community College	10,270,794	-	12,090,047	1,944,685		300,000	11,681,609	36,287,135
Gateway Community College	15,525,172	-	21,433,450	3,136,373		220,608	13,669,512	53,985,115
Housatonic Community College	10,569,761	-	15,925,455	1,661,676		475,319	12,109,731	40,741,942
Manchester Community College	16,843,116	-	20,107,202	3,713,483		85,000	12,400,493	53,149,294
Middlesex Community College	6,931,575	-	7,921,040	1,617,689		268,350	3,544,903	20,283,557
Naugatuck Community College	16,140,209	-	19,885,382	2,817,634		-	11,643,214	50,486,439
Northwestern Community College	6,090,383	-	4,265,466	141,000		-	2,968,800	13,465,649
Norwalk Community College	14,399,097	-	18,186,586	3,235,332		691,000	8,000,000	44,512,015
Quinebaug Valley Community College	5,495,761	-	5,304,633	1,133,480			3,772,280	15,706,154
Three Rivers Community College	10,507,191	-	13,312,197	1,364,000		310,000	8,360,787	33,854,175
Tunxis Community College	10,300,849	-	12,452,983	2,317,740		315,000	5,569,862	30,956,434
Community Technical College Total	128,713,335	-	155,302,128	24,233,092	-	2,800,277	96,168,249	407,217,081
Charter Oak State College	2,456,083	892,660	7,158,590	-	1,117,829	-	2,103,805	13,728,967
Board of Regents								-
System Office	7,988,640	867,895	-	-	-	-	24,995	8,881,530
Systemwide Support	18,050,374	735,528	1,944,833	-	-	-	-	20,730,735
BOR Total	26,039,014	1,603,423	1,944,833	-	-	-	24,995	29,612,265
TOTAL Revenue	<u>288,121,422</u>	<u>77,730,793</u>	<u>310,294,703</u>	<u>51,808,286</u>	<u>121,166,489</u>	<u>98,100,270</u>	<u>119,809,052</u>	<u>1,067,031,015</u>

Note: Fringe benefit amounts are shown for state universities, Charter Oak State College and the portion of the Board of Regents budget funded from the state university block grant. Fringe benefits for general fund positions at the community technical colleges are paid directly by the state and are therefore not shown. In addition, the spending plans for all units except for the community technical colleges are developed on the basis of receiving the fringe benefit amounts for general fund positions.

Note: The tuition amounts shown for the community technical colleges include transfers for system and other college support which are detailed on the expenses table (Attachment A2)

**Connecticut State Colleges & Universities
Board of Regents for Higher Education
FY2012-13 Operating Budget**

ATTACHMENT A (2)	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Expenses	Personal Services	Other Expenses	Library & Equipment	Debt Service	Financial Aid	Spending Plan Total	Transfers (from)/to Reserves	Tuition Fund Internal Transfers	Total
State Universities									
Central Connecticut State University	127,025,918	39,055,136	4,345,000	9,269,126	10,510,589	190,205,769	2,692,014		192,897,783
Eastern Connecticut State University	75,672,559	24,086,775	1,602,052	7,999,027	4,530,050	113,890,463	833,259		114,723,722
Southern Connecticut State University	130,685,537	39,998,062	3,302,016	12,119,192	9,863,030	195,967,837	(853,797)		195,114,040
Western Connecticut State University	75,981,020	24,480,144	1,598,749	7,353,339	5,157,829	114,571,081	(833,924)		113,737,157
State University Total	409,365,034	127,620,117	10,847,817	36,740,684	30,061,498	614,635,150	1,837,552	-	616,472,702
Community Technical Colleges									
Asnuntuck Community College	8,855,606	2,094,687	8,000		3,048,371	14,006,664		(217,492)	13,789,172
Capital Community College	20,181,457	5,790,666	257,662		12,600,443	38,830,228		(2,543,093)	36,287,135
Gateway Community College	32,394,329	6,589,694	78,463		16,364,995	55,427,481		(1,442,366)	53,985,115
Housatonic Community College	20,439,685	5,309,636	45,617		14,791,686	40,586,624		155,318	40,741,942
Manchester Community College	32,028,073	4,192,144	370,334		13,503,891	50,094,442		3,054,852	53,149,294
Middlesex Community College	11,957,940	3,229,318	22,500		4,704,300	19,914,058		369,499	20,283,557
Naugatuck Community College	31,177,698	5,686,276	-		12,922,347	49,786,321		700,118	50,486,439
Northwestern Community College	9,509,931	1,283,761	47,100		2,833,736	13,674,528		(208,879)	13,465,649
Norwalk Community College	25,378,699	9,185,195	130,764		8,991,765	43,686,423		825,592	44,512,015
Quinebaug Valley Community College	9,994,339	1,903,582	-		4,183,002	16,080,923		(374,769)	15,706,154
Three Rivers Community College	20,381,580	3,285,308	156,719		9,928,162	33,751,769		102,406	33,854,175
Tunxis Community College	20,051,189	3,245,818	-		7,072,335	30,369,342		587,092	30,956,434
Community Technical College Total	242,350,526	51,796,085	1,117,159	-	110,945,033	406,208,803	-	1,008,278	407,217,081
Charter Oak State College	10,978,596	2,808,347	158,165	-	121,893	14,067,001	(338,034)	-	13,728,967
Board of Regents									
System Office	7,950,479	1,296,051	-	-	-	9,246,530	-	(365,000)	8,881,530
Systemwide Support	15,253,459	6,710,316	457,000	-	-	22,420,775	(1,046,762)	(643,278)	20,730,735
BOR Total	23,203,938	8,006,367	457,000	-	-	31,667,305	(1,046,762)	(1,008,278)	29,612,265
TOTAL Expenses	685,898,094	190,230,916	12,580,141	36,740,684	141,128,424	1,066,578,259	452,756	-	1,067,031,015

Connecticut Community Colleges
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Category	Manchester			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
				\$	%	\$	%
Revenue							
State Appropriation	18,755,208	17,299,508	16,643,116	(1,455,700)	-7.6%	(456,392)	-2.6%
Fringe Benefits Paid By State				-	n.a.	-	n.a.
Tuition & Fees	18,883,295	19,234,433	19,617,099	371,138	2.0%	382,666	2.0%
Continuing Education	3,158,009	3,386,864	3,713,483	230,855	7.3%	326,619	9.6%
Grants	10,084,079	12,024,338	12,400,493	1,940,259	19.2%	376,155	3.1%
Other Revenue	640,573	591,756	575,103	(48,817)	-7.6%	(16,653)	-2.8%
Total Revenue	51,499,184	52,538,899	53,149,294	1,037,735	2.0%	612,395	1.2%
Expenses							
Personal Services (inc. fringe)	30,301,128	32,675,866	32,028,073	2,374,738	7.6%	(647,793)	-2.0%
PS (inc. Fringe) for New Facilities				-	n.a.	-	n.a.
Financial Aid	12,059,919	13,197,028	13,503,891	1,137,109	9.4%	306,883	2.3%
Other	5,742,038	4,861,832	4,192,144	(880,206)	-15.3%	(669,688)	-13.6%
Library & Equipment	338,651	261,795	370,334	(77,056)	-22.7%	108,539	41.5%
Manufacturing Centers				-	n.a.	-	n.a.
New Facilities				-	n.a.	-	n.a.
Capital Outlay				-	n.a.	-	n.a.
Debt Service				-	n.a.	-	n.a.
Other Expenses	18,140,808	18,320,655	18,066,369	179,847	1.0%	(254,286)	-1.4%
Total Expenses	48,441,936	50,996,521	50,094,442	2,554,585	5.3%	(902,079)	-1.8%
Net Transfers	3,357,231	2,867,488	3,054,852	(669,743)	-19.9%	367,364	13.7%
Budget Surplus(Deficit)	(300,003)	(1,147,110)	-	(847,107)		1,147,110	
Full Time Positions							
Faculty	108	107	108	(1)	-0.9%	1	0.9%
Staff	184	179	154	(5)	-2.7%	(25)	-13.9%
Average FTE Student							
Total Full Time & Part Time	4,600	4,481	4,481	(139)	-3.0%	-	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	6,587	7,325	7,180	738	11.2%	(145)	-2.0%
Total Expenses	10,531	11,432	11,228	901	8.6%	(202)	-1.8%

Category	Northwestern			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
				\$	%	\$	%
Revenue							
State Appropriation	6,672,216	6,280,661	6,090,383	(411,555)	-6.2%	(170,278)	-2.7%
Fringe Benefits Paid By State				-	n.a.	-	n.a.
Tuition & Fees	3,813,642	4,050,429	3,855,216	236,787	6.2%	(195,213)	-4.8%
Continuing Education	568,175	302,000	361,200	(284,175)	-48.5%	59,200	19.6%
Grants	2,527,375	2,840,420	2,968,800	313,045	12.4%	128,380	4.5%
Other Revenue	130,450	115,300	190,050	(15,150)	-11.6%	74,750	84.6%
Total Revenue	13,729,858	13,588,810	13,485,649	(161,048)	-1.2%	(103,161)	-0.8%
Expenses							
Personal Services (inc. fringe)	9,623,505	9,697,717	9,509,931	74,212	0.8%	(187,786)	-1.9%
PS (inc. Fringe) for New Facilities				-	n.a.	-	n.a.
Financial Aid	2,497,480	2,642,523	2,833,736	345,043	13.8%	(8,787)	-0.3%
Other	2,062,612	1,507,836	1,283,761	(554,776)	-26.9%	(224,075)	-14.9%
Library & Equipment	18,883	143,681	47,100	124,778	660.8%	(96,561)	-67.2%
Manufacturing Centers				-	n.a.	-	n.a.
New Facilities				-	n.a.	-	n.a.
Capital Outlay				-	n.a.	-	n.a.
Debt Service				-	n.a.	-	n.a.
Other Expenses	4,576,975	4,494,020	4,184,597	(84,955)	-1.9%	(329,423)	-7.3%
Total Expenses	14,202,480	14,191,737	13,674,528	(10,743)	-0.1%	(517,208)	-3.6%
Net Transfers	(233,622)	(475,196)	(208,879)	(241,576)	-103.4%	266,319	56.0%
Budget Surplus(Deficit)	(239,000)	(147,729)	-	91,271		147,729	
Full Time Positions							
Faculty	34	30	32	(4)	-11.8%	2	6.7%
Staff	70	70	68	-	0.0%	(3)	-3.6%
Average FTE Student							
Total Full Time & Part Time	913	857	857	(56)	-6.1%	-	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	10,541	11,316	11,067	(775)	-7.4%	219	2.0%
Total Expenses	15,556	16,560	15,956	(1,004)	-6.5%	604	3.8%

Category	Naugatuck Valley			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
				\$	%	\$	%
Revenue							
State Appropriation	18,082,183	16,562,081	16,140,209	(1,500,122)	-8.3%	(441,852)	-2.7%
Fringe Benefits Paid By State				-	n.a.	-	n.a.
Tuition & Fees	18,353,688	19,229,523	19,423,564	875,835	4.8%	194,041	1.0%
Continuing Education	3,168,654	2,660,849	2,747,634	(507,805)	-16.0%	86,785	3.3%
Grants	8,285,856	10,788,162	11,643,214	2,522,304	30.5%	855,052	7.9%
Other Revenue	500,887	977,580	531,818	476,693	95.2%	(445,762)	-45.6%
Total Revenue	48,371,270	50,238,175	50,486,439	1,866,905	3.9%	248,264	0.5%
Expenses							
Personal Services (inc. fringe)	30,635,332	33,445,531	31,177,698	2,810,199	9.2%	(2,267,833)	-6.8%
PS (inc. Fringe) for New Facilities				-	n.a.	-	n.a.
Financial Aid	10,773,585	12,106,359	12,922,347	1,332,774	12.4%	815,988	6.7%
Other	5,484,276	4,936,192	5,062,006	(548,084)	-10.0%	123,814	2.5%
Library & Equipment	80,000	80,000	-	-	0.0%	(80,000)	n.a.
Manufacturing Centers			274,211	-	n.a.	274,211	#DIV/0!
New Facilities			-	-	n.a.	-	n.a.
Capital Outlay			350,059	-	n.a.	350,059	#DIV/0!
Debt Service			-	-	n.a.	-	n.a.
Other Expenses	16,337,881	17,124,551	16,608,623	786,690	4.8%	1,484,072	8.7%
Total Expenses	46,973,193	50,570,082	49,786,321	3,596,889	7.7%	(783,761)	-1.5%
Net Transfers	1,429,924	329,809	700,116	(1,100,115)	-76.9%	370,309	112.3%
Budget Surplus(Deficit)	(31,847)	(661,716)	-	(629,669)		661,716	
Full Time Positions							
Faculty	106	108	111	-	0.0%	3	2.8%
Staff	171	171	176	-	0.0%	5	3.0%
Average FTE Student							
Total Full Time & Part Time	4,374	4,429	4,429	55	1.3%	-	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	7,004	7,551	7,039	548	7.8%	(512)	-6.8%
Total Expenses	10,739	11,418	11,241	679	6.3%	(177)	-1.5%

Category	Gateway			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
				\$	%	\$	%
Revenue							
State Appropriation	15,498,828	14,044,008	15,525,172	(1,454,820)	-9.4%	1,481,164	10.5%
Fringe Benefits Paid By State				-	n.a.	-	n.a.
Tuition & Fees	17,565,433	18,495,213	21,026,476	929,780	5.3%	2,531,263	13.7%
Continuing Education	2,554,937	2,549,485	3,114,173	(5,452)	-0.2%	564,688	22.1%
Grants	11,368,936	13,908,458	13,669,512	2,539,522	22.3%	(238,946)	-1.7%
Other Revenue	585,535	558,519	649,782	(27,016)	-4.6%	91,263	16.3%
Total Revenue	47,573,669	49,555,683	53,985,115	1,982,014	4.2%	4,429,432	8.9%
Expenses							
Personal Services (inc. fringe)	29,349,311	31,318,086	30,485,624	1,969,675	6.7%	(833,362)	-2.7%
PS (inc. Fringe) for New Facilities			1,908,705	-	n.a.	1,908,705	#DIV/0!
Financial Aid	13,333,465	15,542,266	16,364,995	2,208,801	16.6%	822,729	5.3%
Other	4,648,389	4,077,578	4,571,568	(568,611)	-12.2%	493,990	12.1%
Library & Equipment	78,462	78,462	78,463	-	0.0%	1	0.0%
Manufacturing Centers			2,016,126	-	n.a.	2,016,126	#DIV/0!
New Facilities			-	-	n.a.	-	n.a.
Capital Outlay			-	-	n.a.	-	n.a.
Debt Service			-	-	n.a.	-	n.a.
Other Expenses	18,056,316	19,698,306	23,033,152	(1,639,990)	-9.1%	3,334,846	16.9%
Total Expenses	47,407,627	51,017,262	55,427,481	(3,609,665)	-7.6%	4,410,189	8.6%
Net Transfers	166,402	(403,245)	(1,442,366)	(569,647)	-342.3%	(1,039,121)	257.7%
Budget Surplus(Deficit)	(360)	(1,058,364)	-	(1,058,004)		1,058,364	
Full Time Positions							
Faculty	108	108	108	-	0.0%	-	0.0%
Staff	130	130	131	-	0.0%	(1)	-0.4%
Average FTE Student							
Total Full Time & Part Time	4,196	4,161	4,161	(35)	-0.8%	-	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	6,995	7,527	7,327	(532)	-7.6%	200	2.7%
Total Expenses	11,298	12,261	13,321	(963)	-8.5%	(1,060)	-8.0%

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Category	Norwalk			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
				\$	%	\$	%
Revenue							
State Appropriation	15,752,941	14,441,841	14,399,097	(1,311,300)	-8.3%	(42,544)	-0.3%
Fringe Benefits Paid By State							
Tuition & Fees	18,381,097	18,249,000	18,135,838	(132,097)	-0.7%	(113,364)	-0.6%
Continuing Education	3,438,132	3,140,000	3,235,332	(298,132)	-8.7%	95,332	3.0%
Grants	7,987,837	11,398,015	8,000,000	3,898,178	48.1%	(3,386,015)	-29.7%
Other Revenue	719,989	701,000	741,950	(18,989)	-2.6%	40,950	5.8%
Total Revenue	45,979,996	47,917,656	44,512,015	1,937,660	4.2%	(3,405,641)	-7.1%
Expenses							
Personal Services (inc. fringe)	27,611,703	30,103,375	25,023,012	2,491,672	9.0%	(5,080,363)	-16.9%
PS (inc. Fringe) for New Facilities			355,687			355,687	
Financial Aid	10,245,119	11,711,004	8,991,765	1,465,885	14.3%	(2,719,239)	-23.2%
Other	6,435,255	6,236,782	6,857,045	(198,493)	-3.1%	2,620,263	42.0%
Library & Equipment	177,000	85,000	130,764	(92,000)	-52.0%	45,764	53.8%
Manufacturing Centers				0		0	
New Facilities			326,150	0		326,150	
Capital Outlay				0		0	
Debt Service				0	#DIV/0!	0	#DIV/0!
Other Expenses	16,857,374	18,032,766	18,307,724	1,175,362	7.0%	274,956	1.5%
Total Expenses	44,489,077	46,136,141	43,686,423	3,667,064	8.2%	(4,449,718)	-9.2%
Net Transfers	1,510,919	753,712	825,592	(757,207)	-50.1%	71,880	9.5%
Budget Surplus(Deficit)	-	(972,197)	-	(972,197)		972,197	
Full Time Positions							
Faculty	97	97	99	0	0.0%	2	2.5%
Staff	139	137	132	(2)	-1.4%	(5)	-3.9%
Average FTE Student							
Total Full Time & Part Time	4,022	3,991	3,991	(31)	-0.8%	0	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	6,865	7,543	6,270	678	9.9%	(1,273)	-20.3%
Total Expenses	11,056	12,061	10,946	1,005	9.1%	(1,115)	-10.2%

Category	Housatonic			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
				\$	%	\$	%
Revenue							
State Appropriation	11,983,415	10,848,711	10,569,761	(1,138,704)	-9.5%	(276,950)	-2.6%
Fringe Benefits Paid By State							
Tuition & Fees	15,625,233	15,804,776	15,925,455	179,543	1.1%	120,679	0.8%
Continuing Education	1,400,650	1,434,257	1,552,676	33,607	2.4%	118,419	8.3%
Grants	9,854,786	14,323,178	12,109,731	4,668,392	48.4%	(2,213,447)	-15.5%
Other Revenue	373,301	580,967	584,319	187,666	50.3%	23,352	4.2%
Total Revenue	39,037,385	42,969,869	40,741,942	3,932,504	10.1%	(2,227,947)	-5.2%
Expenses							
Personal Services (inc. fringe)	20,647,155	21,933,357	20,439,685	1,286,202	6.2%	(1,493,672)	-8.8%
PS (inc. Fringe) for New Facilities						0	
Financial Aid	12,036,176	15,278,855	14,791,686	3,242,679	26.9%	(487,169)	-3.2%
Other	6,431,266	6,923,512	5,035,425	492,246	7.7%	(1,888,087)	-27.3%
Library & Equipment	58,400	61,856	45,817	3,456	5.9%	(16,239)	-26.3%
Manufacturing Centers			274,211	0		274,211	
New Facilities				0		0	
Capital Outlay				0		0	
Debt Service				0	#DIV/0!	0	#DIV/0!
Other Expenses	18,525,842	22,264,223	20,146,939	3,738,381	20.2%	(2,117,284)	-9.5%
Total Expenses	39,172,997	44,197,580	40,586,624	5,024,583	12.8%	(3,610,956)	-8.2%
Net Transfers	1,014,388	2,806	155,318	(1,011,582)	-99.7%	152,512	5435.2%
Budget Surplus(Deficit)	(1,150,000)	(1,230,497)	-	(80,497)		1,230,497	
Full Time Positions							
Faculty	72	72	72	0	0.0%	0	0.0%
Staff	126	123	126	(3)	-2.4%	3	2.6%
Average FTE Student							
Total Full Time & Part Time	3,602	3,477	3,477	(125)	-3.5%	0	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	5,732	6,308	5,879	576	10.0%	(430)	-7.3%
Total Expenses	10,875	12,711	11,673	1,836	16.9%	(1,039)	-8.9%

Category	Tunxis			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
				\$	%	\$	%
Revenue							
State Appropriation	11,193,742	10,185,590	10,300,849	(1,008,152)	-9.0%	115,259	1.1%
Fringe Benefits Paid By State							
Tuition & Fees	11,971,548	12,147,241	12,308,956	175,693	1.5%	161,717	1.3%
Continuing Education	2,299,000	2,349,474	2,317,740	50,474	2.2%	(31,734)	-1.4%
Grants	5,148,016	6,722,793	5,569,862	1,578,777	30.6%	(1,152,931)	-17.1%
Other Revenue	424,700	454,475	459,025	29,775	7.0%	4,550	1.0%
Total Revenue	31,035,008	31,859,573	30,956,434	824,567	2.7%	(903,139)	-2.8%
Expenses							
Personal Services (inc. fringe)	19,988,880	20,625,255	19,659,019	636,575	3.2%	(966,236)	-4.7%
PS (inc. Fringe) for New Facilities			392,170			392,170	
Financial Aid	6,728,734	7,876,879	7,072,335	1,149,945	17.1%	(806,344)	-10.2%
Other	3,317,228	3,177,305	2,601,958	(139,923)	-4.2%	(575,349)	-18.1%
Library & Equipment	97,500	97,500	-	0	0.0%	(97,500)	-100.0%
Manufacturing Centers				0		0	
New Facilities			350,316	0		350,316	
Capital Outlay			293,546	0		293,546	
Debt Service				0	#DIV/0!	0	#DIV/0!
Other Expenses	10,143,462	11,153,484	10,318,153	1,010,022	10.0%	(835,331)	-7.5%
Total Expenses	30,132,142	31,778,739	30,369,342	1,646,597	5.5%	(1,409,397)	-4.4%
Net Transfers	902,864	346,543	587,092	(556,321)	-61.6%	240,549	69.4%
Budget Surplus(Deficit)	-	(265,709)	-	(265,709)		285,709	
Full Time Positions							
Faculty	65	65	65	0	0.0%	0	0.0%
Staff	119	115	121	(4)	-3.4%	6	5.2%
Average FTE Student							
Total Full Time & Part Time	2,783	2,731	2,731	(32)	-1.2%	0	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	7,234	7,552	7,198	318	4.4%	(354)	-4.9%
Total Expenses	10,906	11,636	11,120	731	6.7%	(516)	-4.6%

Category	Three Rivers			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
				\$	%	\$	%
Revenue							
State Appropriation	11,953,561	10,785,052	10,507,191	(1,168,509)	-9.8%	(277,861)	-2.6%
Fringe Benefits Paid By State							
Tuition & Fees	11,939,782	12,638,887	12,954,397	699,085	5.9%	315,530	2.5%
Continuing Education	1,461,400	1,482,911	1,364,000	1,511	0.1%	(118,911)	-8.0%
Grants	5,987,953	8,257,234	8,360,787	2,269,281	37.9%	103,553	1.3%
Other Revenue	631,250	658,400	667,800	27,150	4.3%	9,400	1.4%
Total Revenue	31,993,946	33,822,464	33,854,175	1,828,518	5.7%	31,711	0.1%
Expenses							
Personal Services (inc. fringe)	20,227,254	20,096,766	20,381,580	(130,488)	-0.6%	284,814	1.4%
PS (inc. Fringe) for New Facilities						0	
Financial Aid	7,959,573	9,736,890	9,928,162	1,777,317	22.3%	191,272	2.0%
Other	3,230,744	6,533,530	105,518	3,302,786	102.2%	(6,428,014)	-98.4%
Library & Equipment	100,000	100,000	3,336,511	0	0.0%	3,236,511	3236.5%
Manufacturing Centers				0		0	
New Facilities				0		0	
Capital Outlay				0		0	
Debt Service				0	#DIV/0!	0	#DIV/0!
Other Expenses	11,290,317	16,370,420	13,370,189	5,080,103	45.0%	(3,000,231)	-18.3%
Total Expenses	31,517,571	36,467,186	33,751,769	4,949,615	15.7%	(2,715,417)	-7.4%
Net Transfers	476,374	(267,500)	102,408	(743,874)	-156.2%	369,908	-138.3%
Budget Surplus(Deficit)	1	(2,377,222)	-	(2,377,223)		2,377,222	
Full Time Positions							
Faculty	67	66	66	(1)	-1.5%	0	0.0%
Staff	101	100	101	(1)	-1.0%	1	1.0%
Average FTE Student							
Total Full Time & Part Time	2,960	2,947	2,947	(13)	-0.4%	0	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	6,834	8,819	6,918	(14)	-0.2%	97	1.4%
Total Expenses	10,648	12,374	11,453	1,727	16.2%	(921)	-8.0%

Connecticut Community Colleges
FY2011 - 2013 Operating Budget
Summary Financial Data

Category	Middlesex			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
				\$	%	\$	%
Revenue							
State Appropriation	7,780,787	7,103,570	6,931,575	(677,217)	-8.7%	(171,995)	-2.4%
Fringe Benefits Paid By State							
Tuition & Fees	7,580,619	7,411,191	7,691,040	(169,428)	-2.0%	479,849	6.5%
Continuing Education	1,661,580	1,381,118	1,617,689	(300,462)	-18.1%	256,571	18.9%
Grants	3,381,249	4,254,716	3,544,903	893,467	28.8%	(709,813)	-16.7%
Other Revenue	309,150	286,008	298,350	(43,144)	-14.0%	32,344	12.2%
Total Revenue	20,673,385	20,396,601	20,283,557	(276,784)	-1.3%	(113,044)	-0.8%
Expenses							
Personal Services (inc. fringe)	12,305,040	11,994,862	11,957,940	(310,178)	-2.5%	(36,922)	-0.3%
PS (inc. Fringe) for New Facilities							
Financial Aid	4,262,201	5,133,331	4,704,300	871,130	20.4%	(429,031)	-8.4%
Other	3,503,553	4,004,658	3,229,318	501,105	14.3%	(775,340)	-19.4%
Library & Equipment	178,724	32,500	22,500	(146,224)	-81.8%	(10,000)	-30.8%
Manufacturing Centers							
New Facilities							
Capital Outlay							
Debt Service							
Other Expenses	7,944,478	9,170,489	7,956,118	1,228,011	15.4%	(1,214,371)	-13.2%
Total Expenses	20,249,518	21,165,351	19,914,058	915,833	4.5%	(1,251,293)	-5.9%
Net Transfers	418,532	20,865	389,499	(397,667)	-95.0%	348,634	1870.9%
Budget Surplus(Deficit)	5,335	(789,815)	-	(794,950)		789,815	
Full Time Positions							
Faculty	43	43	43	0	0.0%	0	0.0%
Staff	73	72	74	(1)	-1.4%	2	2.8%
Average FTE Student							
Total Full Time & Part Time	1,713	1,669	1,669	(44)	-2.6%	0	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	7,183	7,187	7,165	4	0.0%	(22)	-0.3%
Total Expenses	11,821	12,681	11,932	860	7.3%	(750)	-6.3%

Capital			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
			\$	%	\$	%
11,611,491	10,541,779	10,270,794	(1,069,712)	-9.2%	(270,985)	-2.6%
10,996,503	11,359,610	11,800,047	363,107	3.3%	440,437	3.9%
1,700,000	1,900,000	1,944,685	200,000	11.8%	44,685	2.4%
9,645,556	12,856,528	11,681,609	3,210,972	33.3%	(1,174,919)	-9.1%
392,578	304,000	590,000	(88,576)	-22.6%	286,000	94.1%
34,346,128	36,961,917	36,287,135	2,615,791	7.6%	(674,782)	-1.6%
20,045,288	21,097,823	20,161,457	1,052,635	5.3%	(916,486)	-4.3%
11,451,583	13,319,407	12,600,443	1,867,824	16.3%	(718,964)	-5.4%
4,332,922	6,256,732	5,790,866	1,923,810	44.4%	(466,066)	-7.4%
89,435	65,935	257,662	(23,500)	-28.3%	191,727	290.8%
			0	0	0	0
			0	0	0	0
			0	0	0	0
			0	0	0	0
15,873,940	19,642,074	18,648,771	3,768,134	23.7%	(993,303)	-5.1%
35,919,228	40,739,967	36,830,228	4,820,769	13.4%	(1,909,769)	-4.7%
(1,573,102)	(3,119,660)	(2,543,093)	(1,546,556)	-98.3%	576,567	-18.5%
-	(658,420)	-	(656,420)		658,420	
63	64	65	1	1.6%	1	1.5%
105	104	104	(1)	-1.0%	(0)	-0.5%
2,533	2,471	2,471	(62)	-2.4%	0	0.0%
7,914	8,538	8,167	625	7.9%	(371)	-4.5%
14,181	16,487	15,714	2,307	16.3%	(773)	-4.9%

Category	Quinebaug Valley			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
				\$	%	\$	%
Revenue							
State Appropriation	6,210,080	5,652,097	5,495,761	(557,983)	-9.0%	(156,336)	-2.8%
Fringe Benefits Paid By State							
Tuition & Fees	5,094,961	5,242,551	5,121,888	147,590	2.9%	(120,663)	-2.3%
Continuing Education	879,095	918,685	1,133,480	37,570	4.3%	216,815	23.7%
Grants	3,305,257	5,041,569	3,772,280	1,736,312	52.5%	(1,269,289)	-25.2%
Other Revenue	148,250	178,350	182,745	32,100	21.9%	4,396	2.5%
Total Revenue	15,635,623	17,031,232	15,706,154	1,395,609	8.9%	(1,325,078)	-7.8%
Expenses							
Personal Services (inc. fringe)	9,953,246	10,507,455	9,994,339	554,209	5.6%	(513,116)	-4.9%
PS (inc. Fringe) for New Facilities							
Financial Aid	4,062,754	4,971,958	4,163,002	909,204	22.4%	(788,956)	-15.9%
Other	1,759,877	2,165,683	1,629,371	405,606	23.1%	(536,312)	-24.8%
Library & Equipment	70,500	70,500	-	0	0.0%	(70,500)	-100.0%
Manufacturing Centers							
New Facilities							
Capital Outlay							
Debt Service	0	-	-	0	#DIV/0!	0	#DIV/0!
Other Expenses	5,893,131	7,208,141	6,086,584	1,315,010	22.3%	(1,121,557)	-15.8%
Total Expenses	15,846,377	17,715,596	16,080,923	1,869,219	11.8%	(1,834,673)	-9.2%
Net Transfers	149,819	(231,587)	(374,769)	(361,408)	-254.6%	(143,162)	61.8%
Budget Surplus(Deficit)	(360,573)	(452,777)	-	(92,204)		452,777	
Full Time Positions							
Faculty	32	32	32	0	0.0%	0	0.0%
Staff	60	60	64	0	0.0%	4	6.1%
Average FTE Student							
Total Full Time & Part Time	1,260	1,141	1,141	(119)	-9.4%	0	0.0%
Spending per FTE Student							
Personal Services (inc. fringe)	7,899	9,209	8,759	1,310	16.8%	(450)	-5.1%
Total Expenses	12,576	15,526	14,094	2,950	23.5%	(1,433)	-10.2%

Asnuntuck			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
FY11	FY12 Proj.	FY13 Budget	+/- %		+/- %	
			\$	%	\$	%
5,968,249	5,789,051	5,639,427	(179,198)	-3.0%	(149,624)	-2.6%
4,438,145	4,345,920	4,417,687	(92,225)	-2.1%	71,767	1.7%
1,000,000	1,077,000	1,150,000	77,000	7.7%	73,000	6.8%
2,451,561	2,670,834	2,447,056	419,273	17.1%	(423,776)	-14.8%
120,000	140,000	135,000	20,000	16.7%	(5,000)	-3.6%
13,977,955	14,222,805	13,789,172	244,850	1.8%	(433,633)	-3.0%
8,841,490	9,607,472	8,855,606	766,982	6.7%	(751,866)	-7.6%
3,080,981	3,434,676	3,048,371	353,695	11.5%	0	
2,210,564	2,052,945	2,094,887	(157,619)	-7.1%	(386,305)	-11.2%
156,493	14,000	8,000	(142,493)	-91.1%	41,742	2.0%
			0		(6,000)	-42.9%
			0		0	
			0		0	
0	-		0	#DIV/0!	0	#DIV/0!
5,448,038	5,501,621	5,151,058	53,583	1.0%	(350,563)	-6.4%
14,289,528	15,109,093	14,006,664	819,565	5.7%	(1,102,429)	-7.3%
(301,536)	(462,824)	(217,492)	(161,086)	-53.4%	245,132	-53.0%
(10,037)	(423,664)	-	(413,627)		423,664	
25	25	27	0	0.0%	2	7.4%
55	59	59	4	7.3%	0	0.6%
1,032	962	962	(70)	-8.6%	0	0.0%
6,567	9,987	9,205	1,420	16.6%	(782)	-8.5%
13,846	15,706	14,560	1,859	13.4%	(1,146)	-7.9%

Connecticut State Universities
FY2011 - 2013 Operating Budget
Summary Financial Data

Category	CCSU			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
Revenue							
State Appropriation	46,486,725	40,423,362	40,371,937	(6,063,363)	-13.0%	(51,425)	-0.1%
Fringe Benefits Paid By State	25,989,882	23,563,446	24,436,346	(2,426,436)	-9.3%	872,900	3.7%
Tuition & Fees	82,958,441	83,902,281	86,412,846	943,820	1.1%	2,510,585	3.0%
Extension Fee (Gross)	8,950,947	9,304,758	9,554,252	353,811	4.0%	249,494	2.7%
Auxiliary	20,792,013	20,538,798	21,211,924	(253,215)	-1.2%	673,128	3.3%
Other Revenue	11,218,683	10,578,465	10,910,478	(840,218)	-5.7%	332,013	3.1%
Total Revenue	196,396,691	188,311,090	192,897,783	(8,085,601)	-4.1%	4,586,693	2.4%
Expenses							
Personal Services (incl. fringe)	121,332,821	126,276,338	127,025,918	4,943,517	4.1%	749,580	0.6%
Financial Aid	9,781,335	10,144,857	10,510,569	363,522	3.7%	365,732	3.8%
Library & Equipment	8,770,018	5,032,000	4,345,000	(3,738,016)	-42.8%	(887,000)	-13.7%
Debt Service	9,000,336	9,029,347	9,289,126	29,011	0.3%	239,779	2.7%
Other Expenses	64,777,237	62,245,050	83,179,851	(2,532,187)	-3.9%	934,801	1.5%
Total Expenses	188,110,058	188,521,388	190,205,769	2,411,330	1.3%	1,684,381	0.9%
Net Transfers	(9,736,485)	210,298	(2,692,014)	9,946,783	-102.2%	(2,902,312)	-1380.1%
Budget Surplus(Deficit)	550,148	-	-	(550,148)	-100.0%	-	n.a.
Full Time Positions							
Faculty	441	443	443	2	0.5%	-	0.0%
Staff	533	527	532	(6)	-1.1%	5	0.9%
Average FTE Student							
Total Full Time & Part Time	9,469	9,364	9,364	(105)	-1.1%	-	0.0%
Spending per FTE Student							
Personal Services (incl. fringe)	12,814	13,485	13,565	672	5.2%	80	0.6%
Total Expenses	19,655	20,133	20,312	478	2.4%	180	0.9%

Category	ECSU			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
Revenue							
State Appropriation	26,773,880	26,055,756	26,021,923	(2,717,904)	-9.4%	(33,833)	-0.1%
Fringe Benefits Paid By State	13,580,860	12,312,721	12,788,842	(1,267,939)	-9.3%	458,121	3.7%
Tuition & Fees	41,813,188	41,826,310	42,991,202	213,122	0.5%	1,164,892	2.8%
Extension Fee (Gross)	3,414,686	3,446,281	3,316,329	(33,575)	-1.0%	(131,932)	-3.8%
Auxiliary	23,905,515	23,964,498	25,792,932	58,983	0.2%	1,828,434	7.8%
Other Revenue	3,957,579	3,727,822	3,832,494	(229,957)	-5.8%	104,872	2.8%
Total Revenue	115,245,288	111,335,168	114,723,722	(3,910,120)	-3.4%	3,388,554	3.0%
Expenses							
Personal Services (incl. fringe)	71,843,039	74,676,280	75,672,559	2,833,241	3.9%	996,279	1.3%
Financial Aid	4,497,608	4,372,264	4,530,050	(125,342)	-2.8%	157,786	3.6%
Library & Equipment	1,543,465	1,334,365	1,602,052	(209,100)	-13.5%	267,687	20.1%
Debt Service	7,757,678	7,835,019	7,999,027	77,343	1.0%	164,008	2.1%
Other Expenses	35,066,725	37,081,310	38,217,904	1,994,585	5.7%	1,156,594	3.1%
Total Expenses	106,909,764	111,737,590	113,890,463	4,827,826	4.5%	2,152,873	1.9%
Net Transfers	(8,314,860)	492,911	(833,259)	6,807,571	-107.8%	(1,328,170)	-269.0%
Budget Surplus(Deficit)	2,020,864	90,469	-	(1,930,375)	-95.5%	(90,469)	-100.0%
Full Time Positions							
Faculty	208	199	203	(9)	-4.3%	4	2.0%
Staff	397	387	401	(10)	-2.5%	14	3.6%
Average FTE Student							
Total Full Time & Part Time	4,664	4,640	4,590	(24)	-0.5%	(50)	-1.1%
Spending per FTE Student							
Personal Services (incl. fringe)	15,404	16,094	16,486	690	4.5%	392	2.4%
Total Expenses	22,922	24,081	24,813	1,159	5.1%	731	3.0%

Category	SCSU			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
Revenue							
State Appropriation	44,747,993	39,012,107	38,942,051	(5,735,886)	-12.8%	(70,056)	-0.2%
Fringe Benefits Paid By State	25,929,786	23,508,738	24,379,610	(2,421,048)	-9.3%	870,872	3.7%
Tuition & Fees	84,388,468	84,013,008	87,763,719	(375,460)	-0.4%	3,750,711	4.5%
Extension Fee (Gross)	10,007,968	11,377,367	10,477,708	1,369,401	13.7%	(899,861)	-7.9%
Auxiliary	24,152,224	24,374,786	25,301,401	222,562	0.9%	926,815	3.8%
Other Revenue	7,895,289	7,345,909	8,249,553	(349,380)	-4.5%	903,644	12.3%
Total Revenue	196,921,726	189,631,915	195,114,040	(7,289,811)	-3.7%	5,482,125	2.9%
Expenses							
Personal Services (incl. fringe)	128,395,179	129,961,999	130,685,537	3,566,820	2.8%	723,538	0.6%
Financial Aid	9,852,607	9,899,048	9,863,030	46,441	0.5%	(36,018)	-0.4%
Library & Equipment	4,448,527	3,202,017	3,302,016	(1,246,510)	-28.0%	99,999	3.1%
Debt Service	13,404,001	11,774,492	12,119,192	(1,629,509)	-12.2%	344,700	2.9%
Other Expenses	63,188,462	62,991,929	65,282,300	(194,533)	-0.3%	2,290,371	3.6%
Total Expenses	189,581,641	192,953,928	195,967,837	3,372,287	1.8%	3,013,909	1.6%
Net Transfers	(4,114,082)	3,829,368	853,797	7,943,450	-193.1%	(2,975,571)	-77.7%
Budget Surplus(Deficit)	3,226,003	507,355	-	(2,718,648)	-84.3%	(507,355)	-100.0%
Full Time Positions							
Faculty	456	428	433	(28)	-6.1%	5	1.2%
Staff	540	524	574	(16)	-3.0%	50	9.5%
Average FTE Student							
Total Full Time & Part Time	9,229	9,018	8,972	(211)	-2.3%	(46)	-0.5%
Spending per FTE Student							
Personal Services (incl. fringe)	13,695	14,411	14,568	716	5.2%	155	1.1%
Total Expenses	20,542	21,397	21,842	855	4.2%	446	2.1%

Category	WCSU			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
Revenue							
State Appropriation	29,538,501	25,586,863	25,577,079	(3,951,638)	-13.4%	(9,784)	0.0%
Fringe Benefits Paid By State	14,517,690	13,162,318	13,649,912	(1,355,372)	-9.3%	487,594	3.7%
Tuition & Fees	46,965,987	46,556,743	48,770,045	(409,244)	-0.9%	2,213,302	4.8%
Extension Fee (Gross)	3,756,828	4,105,821	4,226,907	348,793	9.3%	121,286	3.0%
Auxiliary	15,890,476	15,464,807	16,073,398	(425,689)	-2.7%	808,591	3.9%
Other Revenue	5,076,050	5,369,714	5,439,816	293,664	5.8%	70,102	1.3%
Total Revenue	115,745,532	110,246,066	113,737,157	(5,499,466)	-4.8%	3,491,091	3.2%
Expenses							
Personal Services (incl. fringe)	71,574,828	74,015,238	75,981,020	2,440,610	3.4%	1,965,782	2.7%
Financial Aid	5,369,848	5,149,941	5,157,829	(219,907)	-4.1%	7,888	0.2%
Library & Equipment	2,075,589	1,618,774	1,598,749	(456,815)	-22.0%	(20,025)	-1.2%
Debt Service	7,259,873	7,049,981	7,353,339	(209,892)	-2.9%	303,358	4.3%
Other Expenses	39,388,578	37,838,585	38,590,061	(1,531,993)	-3.9%	753,476	2.0%
Total Expenses	110,943,208	111,851,823	114,571,081	908,617	0.8%	2,719,258	2.4%
Net Transfers	(3,251,708)	1,605,757	833,924	4,857,465	-149.4%	(771,833)	-48.1%
Budget Surplus(Deficit)	1,550,818	-	-	(1,550,818)	-100.0%	-	n.a.
Full Time Positions							
Faculty	229	229	232	0	0.0%	3	1.3%
Staff	378	373	379	(5)	-1.3%	6	1.6%
Average FTE Student							
Total Full Time & Part Time	5,272	5,110	5,106	(162)	-3.1%	(4)	-0.1%
Spending per FTE Student							
Personal Services (incl. fringe)	13,576	14,484	14,881	908	6.7%	396	2.7%
Total Expenses	21,044	21,889	22,439	845	4.0%	550	2.5%

Charter Oak
FY2011 - 2013 Operating Budget
Summary Financial Data

Category	Charter Oak State College			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
Revenue							
State Appropriation	2,175,989	1,881,201	1,866,623	(294,788)	-13.5%	(14,578)	-0.8%
Fringe Benefits Paid By State	807,356	733,668	715,822	(73,688)	-9.1%	(17,846)	-2.4%
Tuition & Fees	6,126,718	6,600,783	7,158,590	474,065	7.7%	557,807	8.5%
Other	2,181,791	1,302,254	1,488,311	(879,537)	-40.3%	186,057	14.3%
Total Revenue	11,291,854	10,517,906	11,229,346	(773,948)	-6.9%	711,440	6.8%
Expenses							
Personal Services (incl. fringe)	7,272,770	9,212,715	9,222,589	1,939,945	26.7%	9,874	0.1%
Financial Aid	116,012	99,737	121,893	(16,275)	-14.0%	22,156	22.2%
Library & Equipment	-	-	77,500	-	n.a.	77,500	n.a.
Other Expenses	3,407,212	1,955,619	2,256,714	(1,451,593)	-42.6%	301,095	15.4%
Total Expenses	10,679,982	11,168,334	11,479,303	488,352	4.6%	310,969	2.8%
Net Transfers	-	-	249,957	-	n.a.	249,957	n.a.
Budget Surplus(Deficit)	611,872	(650,428)	-	(1,262,300)	-206.3%	650,428	100.0%
Full-Time Positions							
Faculty	-	-	-	-	n.a.	-	n.a.
Staff	57	58	59	1	1.8%	1	1.7%
Average FTE Student							
Total Full Time & Part Time	1,083	863	959	(220)	-20.3%	96	10.0%
Spending per FTE Student							
Personal Services (incl. fringe)	6,715	10,675	9,617	3,960	59.0%	(1,058)	-11.0%
Total Expenses	9,861	12,941	11,970	3,080	31.2%	(971)	-8.1%

Category	CT Distance Learning Consortium			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
	667,278	594,064	589,460	(73,214)	-11.0%	(4,604)	-0.8%
	259,054	207,922	176,838	(51,132)	-19.7%	(31,084)	-14.9%
	-	-	-	-	-	-	-
	1,715,618	1,439,116	1,733,323	(276,502)	-16.1%	294,207	20.4%
	2,641,950	2,241,102	2,499,621	(400,848)	-15.2%	258,519	11.5%
	-	-	-	-	-	-	-
	1,692,399	1,748,342	1,756,007	55,943	3.3%	7,665	0.4%
	-	-	-	-	-	-	-
	-	13,000	80,665	13,000	n.a.	67,665	520.5%
	977,892	659,184	831,691	(318,708)	-32.6%	172,507	26.2%
	2,670,291	2,407,526	2,587,698	(262,765)	-9.8%	180,172	7.5%
	-	-	88,077	-	n.a.	88,077	n.a.
	(28,341)	(166,424)	-	(138,083)	-487.2%	166,424	-100.0%
	-	-	-	-	-	-	-
	17	17	17	-	n.a.	-	-
	-	-	-	-	0.0%	-	0.0%
	-	-	-	-	n.a.	-	n.a.
	n.a.	n.a.	n.a.	-	n.a.	-	n.a.
	n.a.	n.a.	n.a.	-	n.a.	-	n.a.

Category	Charter Oak & CTDLC			FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	FY11	FY12	FY13	+/-		+/-	
	Actual	Proj.	Budget	\$	%	\$	%
	2,843,267	2,475,265	2,456,083	(368,002)	-12.9%	(19,182)	-0.8%
	1,066,410	941,590	892,660	(124,820)	-11.7%	(48,930)	-5.2%
	6,126,718	6,600,783	7,158,590	474,065	7.7%	557,807	8.5%
	3,897,409	2,741,370	3,221,634	(1,156,039)	-29.7%	480,264	17.5%
	13,933,804	12,759,008	13,728,967	(1,174,796)	-8.4%	969,959	7.6%
	-	-	-	-	-	-	-
	8,965,169	10,961,057	10,978,596	1,995,888	22.3%	17,539	0.2%
	116,012	99,737	121,893	(16,275)	-14.0%	22,156	22.2%
	-	13,000	158,165	13,000	#DIV/0!	145,165	1116.7%
	4,385,104	2,614,803	3,088,405	(1,770,301)	-40.4%	473,602	18.1%
	13,350,273	13,575,860	14,067,001	225,587	1.7%	491,141	3.6%
	-	-	338,034	-	n.a.	338,034	n.a.
	583,531	(816,852)	-	(1,400,383)	-240.0%	816,852	100.0%
	-	-	-	-	-	-	-
	74	75	76	(1)	-1.4%	(1)	-1.3%
	1,083	863	959	(220)	-20.3%	96	10.0%
	-	-	-	-	-	-	-
	8,278	12,701	11,488	(4,423)	-53.4%	1,253	10.9%
	12,327	15,731	14,668	(3,404)	-27.6%	1,063	7.2%

Connecticut State Universities and Community Colleges
FY2011 - 2013 Operating Budget
Summary Financial Data

Category	FY11				FY12 Proj				FY13 Budget				FY12 Proj vs FY11 Actual		FY13 Bud vs FY12 Proj.	
	CSU	CTC	COSC	Total	CSU	CTC	COSC	Total	CSU	CTC	COSC	Total	+/-		+/-	
				CSU & CTC & COSC				CSU & CTC & COSC				CSU & CTC & COSC	\$	%	\$	%
Revenue																
State Appropriation	149,548,879	141,462,881	2,843,287	293,852,827	131,078,088	129,531,729	2,475,265	263,085,082	130,912,990	128,713,335	2,456,083	262,082,408	(30,767,745)	-10.5%	(1,002,674)	-0.4%
Fringe Benefits Paid By State	80,018,018	0	1,086,410	81,084,428	72,547,223	0	941,590	73,488,813	75,234,710	0	892,660	76,127,370	(7,695,615)	-9.4%	2,638,557	3.6%
Tuition & Fees	255,928,084	144,803,946	6,128,716	406,656,746	256,298,322	148,208,754	6,600,783	411,107,859	265,937,832	152,477,463	7,158,590	425,573,885	4,451,111	1.1%	14,466,026	3.5%
Continuing Education	26,130,427	23,325,632	0	49,456,059	28,236,007	22,560,623	0	50,796,630	27,575,194	24,252,092	0	51,827,286	1,340,571	2.7%	1,030,650	2.0%
Grants	0	79,486,463	0	79,486,463	0	105,274,245	0	105,274,245	0	96,168,249	0	96,168,249	25,787,782	32.4%	(9,105,996)	-8.6%
Auxiliary	84,740,228	0	0	84,740,228	84,342,889	0	0	84,342,889	88,379,655	0	0	88,379,655	(397,339)	-0.5%	4,036,766	4.6%
Other Revenue	27,947,601	4,974,681	3,897,409	36,819,671	27,021,710	5,506,353	2,741,370	35,269,433	28,432,341	5,605,942	3,221,634	37,259,917	(1,550,238)	-4.2%	1,900,484	5.6%
Total Revenue	624,309,237	363,853,383	13,933,804	1,032,096,424	599,524,239	411,081,704	12,759,008	1,023,364,951	616,472,722	407,217,081	13,728,967	1,037,418,770	(8,731,473)	-0.8%	14,053,819	1.4%
Expenses																
Personal Services (inc. fringe)	391,145,667	239,529,132	8,995,169	639,639,968	404,929,855	253,104,565	10,961,057	668,995,477	409,365,034	239,693,964	10,978,596	660,037,594	29,355,509	4.6%	(8,957,883)	-1.3%
PS (inc. Fringe) for New Facilities	0	0	0	0	0	0	0	0	0	2,656,562	0	2,656,562	-	-	2,656,562	-
Financial Aid	29,501,398	98,491,670	116,012	128,108,978	29,566,110	115,152,978	99,737	144,818,823	30,061,496	110,946,033	121,693	141,128,424	16,709,645	13.0%	(3,690,399)	-2.5%
Other	118,638,123	49,156,724	4,269,092	172,063,939	123,692,769	52,736,565	2,502,066	178,931,400	127,620,117	44,453,463	2,808,347	174,881,927	6,867,461	4.0%	(4,049,473)	-2.3%
Library & Equipment	16,837,597	1,444,246	0	18,281,843	11,187,156	1,091,209	13,000	12,291,365	10,847,617	4,296,951	158,165	15,302,633	(5,990,480)	-32.6%	3,011,568	24.5%
Manufacturing Centers	0	0	0	0	0	0	0	0	0	822,633	0	822,633	-	-	822,633	-
New Facilities	0	0	0	0	0	0	0	0	0	2,696,592	0	2,696,592	-	-	2,696,592	-
Capital Outlay	0	0	0	0	0	0	0	0	0	643,605	0	643,605	-	-	643,605	-
Debt Service	37,421,886	0	0	37,421,886	35,688,839	0	0	35,688,839	36,740,684	0	0	36,740,684	(1,733,047)	-4.6%	1,051,845	2.9%
Other Expenses	202,999,002	149,062,542	4,385,104	355,876,646	200,134,674	168,980,750	2,614,803	371,730,427	205,270,116	163,858,277	3,088,405	372,216,798	15,853,779	4.5%	486,371	0.1%
Total Expenses	593,544,669	388,621,674	13,350,273	995,516,616	605,064,729	422,085,315	13,575,860	1,040,725,904	614,635,150	406,208,803	14,067,001	1,034,910,954	45,209,288	4.5%	(6,814,950)	-0.6%
Net Transfers	23,416,935	7,318,193	583,531	31,318,659	(6,138,334)	(818,591)	(816,852)	(7,773,777)	1,837,552	1,008,278	(338,034)	2,507,796	-	0.0%	-	0.0%
Budget Surplus(Deficit)	7,347,633	(2,086,484)	-	5,261,149	597,844	(10,185,020)	-	(9,587,176)	-	-	-	-	-	0.0%	-	0.0%
Full Time Positions																
Faculty	2,252	822	-	3,074	2,196	817	-	3,013	2,264	828	-	3,092	(61)	-2.0%	79	2.6%
Staff	1,848	1,333	74	3,255	1,811	1,320	75	3,206	1,866	1,310	76	3,272	(49)	-1.5%	66	2.0%
Average FTE Student																
Total Full Time & Part Time	28,634	33,968	1,083	63,685	28,132	33,297	863	62,292	28,032	33,297	959	62,286	(1,393)	-2.2%	(4)	0.0%
Spending per FTE Student																
Personal Services (inc. fringe)	13,660	7,052	8,278	28,990	14,364	7,801	12,701	34,866	14,603	7,278	11,448	33,330	5,707	19.7%	(1,367)	-3.9%
Total Expenses	20,729	11,441	12,327	44,497	21,508	12,676	15,731	49,915	21,926	12,200	14,668	48,794	5,419	12.2%	(1,121)	-2.2%

**Board of Regents for Higher Education
FY 2012 Budget in Comparison to FY 2013 Budget**

FY2011-12 Budget						FY2012-13 Budget						Difference (FY 2012 to FY 2013)					
H/C	PS	Fringe	OE	Total		H/C	PS	Fringe	OE	Total		FT Staff	PS \$	Fringe \$	OE \$	Total \$	Total %
System Office	86	8,876,554	1,571,263	1,252,964	10,398,086	63	7,145,426	902,906	1,021,223	7,794,974	23	23	1,731,128	668,357	231,741	2,603,112	25.0%
Systemwide	111	14,232,522	1,517,024	11,701,913	27,451,459	110	14,258,945	987,166	9,300,609	24,546,720	1	1	(26,423)	529,858	2,401,304	2,904,739	10.6%
Total	197	23,109,076	3,088,287	12,954,877	37,849,545	173	21,404,371	1,890,072	10,321,832	32,341,694	24	24	1,704,705	1,198,215	2,633,045	5,507,851	14.6%

Note: This budget comparison does not include accounts which are managed in the system office but fund operations at the campus level

Connecticut Community Colleges

Unrestricted Net Assets projected to June 30, 2012

PROJECTION based on FY2012 approved operating budget

	<u>Contingency Reserves</u>	<u>Designated Reserves</u>	<u>Undesignated Reserves</u>	<u>Total Reserves</u>
<i>Asnuntuck</i>	520,661	402,115		922,776
<i>Capital</i>	1,056,958	803,775		1,860,733
<i>Gateway</i>	530,503	45,229		575,733
<i>Housatonic</i>	1,319,479	5,470,879		6,790,359
<i>Manchester</i>	355,453	332,678		688,132
<i>Middlesex</i>	689,759	497,890		1,187,650
<i>Naugatuck</i>	(544,781)	150,848		(393,933)
<i>Northwestern CT</i>	31,994	102,990		134,984
<i>Norwalk</i>	556,653	168,170		724,823
<i>Quinebaug Valley</i>	552,020	1,696,226		2,248,247
<i>Three Rivers</i>	646,727	354,430		1,001,157
<i>Tunxis</i>	(1,096,812)	32,993		(1,063,819)
<i>System Office</i>	575,903	978,918	8,847,931	10,402,752
CCC Total	5,194,518	11,037,143	8,847,931	25,079,592

**Connecticut State Universities
Unrestricted Net Assets
Projected FY 2011-12**

	Contingency Funds Reserves	Designated Reserves	Undesignated Reserves	Total Reserves
Central Connecticut State University	\$8,643,009	\$41,214,303	\$2,922,572	\$52,779,884
Eastern Connecticut State University	3,230,102	\$366,077	-	3,596,179
Southern Connecticut State University	7,541,565	\$17,217,233	-	24,758,798
Western Connecticut State University	5,233,170	\$18,540,844	568,350	24,342,364
System Office	7,303,530	\$6,330,135	2,694,084	16,327,749
				-
Total	\$31,951,376	\$83,668,592	\$6,185,006	\$121,804,974

Connecticut Community Colleges
FY09 - FY13 BUDGETED TUITION TRANSFERS

	MA	NV	GW	NK	HO	TR	TX	CP	MX	QV	AS	NW
FY09 Transfer												
FY09 Transfer to / from Other Colleges	1,990,392	359,656	(786,166)	704,686	363,744	235,330	241,432	(1,714,222)	(75,398)	(360,447)	(555,477)	(403,531)
FY10 Transfer												
FY10 Transfer to / from Other Colleges	2,519,681	362,421	(290,367)	720,866	11,845	(242,543)	387,784	(1,937,340)	(115,268)	(384,788)	(504,749)	(527,539)
FY11 Transfer												
FY11 Transfer to / from Other Colleges	2,462,575	517,617	(694,508)	659,914	320,636	(138,686)	319,653	(2,214,298)	25,046	(147,061)	(589,025)	(521,863)
FY12 Transfer												
FY12 Transfer to / from Other Colleges	2,833,806	440,639	(362,803)	949,912	13,914	(222,460)	403,505	(3,106,971)	69,238	(188,738)	(430,180)	(399,861)
FY13 Transfers												
FY13 Transfer to / from Other Colleges	2,666,832	287,640	(1,872,052)	448,013	(158,680)	(174,719)	326,285	(2,838,991)	200,962	(507,303)	(341,873)	(332,876)

ITEM

Plan to Redirect Consolidation Savings Back to the Campuses of the Connecticut State Colleges and Universities

RECOMMENDED MOTION FOR FULL BOARD

RESOLVED, that the Board of Regents for Higher Education hereby approves the following plan to redirect consolidation savings back to the campuses of the Connecticut State Colleges and Universities and directs BOR President Robert A. Kennedy to provide updates to the Board of Regents on the status of the implementation of the plan to redirect savings in accordance with the guidelines outlined therein.

BACKGROUND

Because of the higher education consolidation which merged the Boards of Trustees for the Community College System, the State University System and Charter Oak State College into the newly-formed Board of Regents for Higher Education, significant central office administrative savings have been realized. As discussed when the consolidation was originally proposed, these savings, at or above \$4.3 million, will be redirected to the campuses for the sole purpose of hiring faculty and direct student support services (counselors, advisors). This funding equates to roughly 40-45 positions across the organization. More specifically, it is critical that these positions help expand and grow workforce development areas key to the state's growth, as well as already-identified areas of expertise on our campuses.

ANALYSIS

The information below outlines the number of proposed positions that will be funded at each institution, as well as the process by which campus Presidents will be able to access this funding. For the state universities, the funding represents salary and fringe benefits equating to the rank of Assistant Professor. For the community colleges, this funding represents salary and fringe benefits equating to the rank of Instructor.

In addition to the positions outlined below, a limited amount of funding is available for additional positions for those campuses which are able to successfully propose and implement a partnership or collaborative effort between community colleges and state universities. Such a proposal should be developed in writing and sent to Dr. Kennedy for review.

To access the funding necessary to staff the positions below, Presidents are each asked to develop a proposal for submission to Steve Weinberger containing the following elements:

For Faculty Positions

- Targeted hiring range.
- Specific academic discipline or sub-discipline.
- A description, which can be general or specific, of courses to be taught.
- Research or scholarship expectations, if any.
- Your rationale for proceeding with this particular hire, taking into consideration the tripartite missions of (1) your institution, (2) the constituent unit of which your institution is a member, and (3) the newly-consolidated organization.
- Any other information you deem relevant to the consideration of your proposal.

For Direct Student Support Services Positions

- Targeted hiring range.
- Proposed position title and description of essential duties.
- Required and desired qualifications of candidates.
- An organizational chart reflecting the inclusion of the position.
- Your rationale for proceeding with this particular hire, taking into consideration the tripartite missions of (1) your institution, (2) the constituent unit of which your institution is a member, and (3) the newly-consolidated organization.
- Any other information you deem relevant to the consideration of your proposal.

State Universities

CCSU- 6 **These positions will fund the CCSU engineering/related programs

WCSU- 3

SCSU- 4

ECSU- 3

TOTAL: 16

Community College Engineering Program (part of CCSU's proposal)

**These positions will be funded for a faculty member in the mechanical engineering and/or advanced manufacturing engineering programs, which will collaborate closely with and help students feeding into CCSU's engineering program. The following community colleges will receive one position each for this purpose: Asnuntuck, Housatonic, Naugatuck Valley, Quinebaug Valley, Manchester, Norwalk, and Tunxis.

TOTAL: 7

Community Colleges

Each Community College will receive one position for faculty and/or direct student support service positions.

TOTAL: 12

Additional Positions Held-Back

Dr. Kennedy is proposing holding back funding for anywhere between 5-10 additional positions. This funding will be available to those campuses which are able to successfully propose and implement a partnership or collaborative effort between community colleges and state universities.

TOTAL: 5-10

**Total New Faculty/Direct Student Support Service Positions
40-45**

6/21/12 Board of Regents