



Board of Regents

AGENDA

Finance & Infrastructure Committee

Wednesday, May 5, 2021 @10:00 a.m.

Conducted Via Remote Participation

Meeting will stream live at: https://youtu.be/cWjLe_jBEpA

1. Call to Order and Declaration of Quorum
2. Approval of Previous Finance Meeting Minutes – March 10, 2021
3. **Informational Items**
 - Use of Higher Education Emergency Relief Funds (HEERF)
 - Shared Services Budget Presentation Changes
 - Refunding Results
4. **Action Items**
 - Graduate Interns Change in Policy at the CSUs
 - Manchester CC Electric Easement - Eversource

Finance & Infrastructure Committee members

Richard J. Balducci, Chair
David Blitz
Felice Gray-Kemp
David R. Jimenez
JoAnn Ryan
Ari Santiago

**BOARD OF REGENTS FOR HIGHER EDUCATION
FINANCE & INFRASTRUCTURE COMMITTEE**

**Wednesday March 10, 2021 @10:00 a.m.
Via WebEx Remote Participation**

Minutes

COMMITTEE MEMBERS PARTICIPATING

Richard J. Balducci, Chairman
David Blitz
Felice Gray-Kemp
David Jimenez
JoAnn Ryan
Ari Santiago

CSCU STAFF PARTICIPATING

Ben Barnes, Janes Gates, Alice Pritchard, Melentina Pusztay, Kerry Kelley, Pam Heleen

CALL TO ORDER

Chair Balducci called the meeting to order at 10:02 a.m. and following roll call, declared a quorum present.

APPROVAL OF FEBRUARY 16, 2021 FINANCE & INFRASTRUCTURE MINUTES

On motion of Regent Ryan, seconded by Regent Gray-Kemp, the minutes of the February 16, 2021 Finance and Infrastructure Committee meeting were unanimously approved as submitted.

Informational Items

- **Community College Merger Update**

Kerry Kelly provided an update on the Community College merger and draft financial projection for the Students First: CT Community Colleges five-year financial forecast. The CT Community Colleges has experienced enrollment declines since 2014 and the baseline expenditures have outpaced revenues. If the status quo is maintained, a \$43 million deficit is foreseen by FY26.

The projection also highlighted the impacts of PACT, Guided Pathways and advising policy initiatives and the administrative consolidation underway as part of the college merger. Students First and PACT were developed to provide fiscal stability and improve revenue by increasing enrollment at the colleges while reducing spending. This initiative replaces vacancies with lower cost positions and eliminates duplicated positions as vacancies occur. A savings of \$35M from FY18-21 has been achieved by management for attrition of non-faculty positions. Guided Pathways is in the development phase and is designed to promote student success and increase student retention by implementing the Holistic Case Management Advising Model. Fiscal stability will be achieved by FY24 through these initiatives.

There was a general discussion about the initiatives and faculty concerns. Inquiries were addressed by staff.

- **Federal Stimulus Funds Update**

CFO Barnes provided an update on the federal funding received to help meet expenses and fiscal challenges related to the COVID pandemic. CSCU received \$163 million from funds provided by the Higher Education Emergency Relief Fund (HEERF), provided directly to institutions of higher education and \$37.5 million in funding passed through the state. The stimulus bill in Congress contains additional funds for higher education and for state government. The institutions are trying to recover loss from last Fall of CARE funds.

The HEERF II new funds are available and will be distributed in March at the universities and colleges on a need based. A revenue loss of \$6.5 million is anticipated for the spring semester and can be justified by the Colleges. Discussions are currently being held with OPM regarding additional Coronavirus Relief Funds for use by the universities during spring 2021.

Action Item

- **CSCU Tuition and Fees FY2022**

CSCU has recommended freezing tuition and mandatory fees for the academic year that begins in the fall 2020. The Community Colleges propose to freeze tuition, College Services fees and extension fees at FY2020-21 levels for FY2021-22. Minor fee changes to the late drop fee is being proposed for \$50 per course with no per-term cap. The cost of each UPASS will rise from \$20 to \$40 per term for all public colleges and universities as a result of negotiations with the State Department of Transportation (DOT) and the Office of Policy and Management (OPM).

No increases to tuition and general fees is also being proposed for the State Universities undergraduate and graduate students. The on-line learning fees were waived during the pandemic. Minor lab and equipment fee changes are proposed for the universities.

A second year tuition freeze is recommended for Charter Oak State College. The tuition freeze reflects a system-wide focus on access and affordability and will strengthen Charter Oak's competitive position with other on-line institutions.

On motion of Regent Gray-Kemp, seconded by Regent Santiago, the CSCU FY2022 Tuition and Fees recommendation was unanimously approved.

Adjournment

There being no further business, on motion of Regent Santiago, seconded by Regent Gray-Kemp, the meeting adjourned at 11:25 a.m.

ITEM**Use of Higher Education Relief Funds (HEERF)****REPORT**

As you are aware, CSCU institutions have been awarded HEERF funds under three separate rounds of federal relief and stimulus in response to COVID. All three have been fully enacted, but the third and largest round has not yet been allocated to individual institutions by the US Department of Education. That action is expected any day.

Each round of HEERF funds includes a portion that must be spent on student financial assistance, while the remaining may be spent under separate rules as “institutional” funding. This institutional funding includes new initiatives to respond to the pandemic as well as lost revenue and housing refunds in the cases of the universities, which had to close dormitories last year.

Attached is a table summarizing these components and existing and proposed uses of those funds. Several general observations include:

- Charter Oak State College has only been awarded student assistance funds.
- The Universities are on track to fully expend their institutional funds on lost revenue, including housing refunds.
- Western expects to fully depleted their institutional funds with lost revenue through FY2021, while the other universities and the colleges are able to hold some funding to offset lost revenue in the coming year, if necessary.
- The Colleges are also able to set aside funds for system and campus initiatives to assist students with challenges related to the pandemic.

A committee consisting of the three Regional Presidents along with President Levinson of CSCC, is working now to make recommendations to Dr. Gates regarding use of these funds generally, and in specific for campus and system initiatives. These recommendations are expected on May 18.

Nine workgroups met over the last several weeks to develop proposals in areas including IT, Professional Development, Mental Health, Enrollment Management, Banner, Building Systems, Student Accounts Receivable, Workforce programs, and Guided Pathways. These groups have submitted more than \$50 million worth of initiatives which are under review now.

With respect to the student set-aside funds, approximately \$96 million is left for distribution to students over the coming two years. This is significantly higher than the amount the system annually spends on institutional aid and waivers, \$78 million this year. The \$53 million distributed to students so far was in the form of direct payments to students, but none of the universities nor the community colleges have determined the exact timing or method of distributing these funds.

05/05/21 Finance and Infrastructure Committee

05/20/21 Board of Regents

CSCU Higher Education Emergency Relief Funds

4/29/2021

	Community Colleges		CCSU		ECSU		SCSU		WCSU		COSC		TOTAL
	Student	Inst.	Student	Inst.	Student	Inst.	Student	Inst.	Student	Inst.	Student	Inst.	
Total Funding (estimated)	85,859,850	122,929,222	22,028,644	27,899,207	10,611,535	13,238,161	20,285,454	25,489,898	10,511,742	13,404,316	783,368	n/a	353,041,395
Already spent/in process													0
Student Grants in FY 2020	14,246,341		3,689,583		1,689,835		3,098,877		1,837,678				24,562,314
Student Grants in FY 2021	14,246,438		4,616,731		2,743,891		5,291,291	15,978	2,434,793		284,861		29,633,983
Housing refunds, FY 2020				3,688,899		1,689,835		3,098,877		2,351,968			10,829,579
Housing refunds, FY 2021				815,608		527,027		1,096,207					2,438,842
FY 20 Covid Expenses		868,266											868,266
Lost Revenue FY 20 & 21		38,000,000		10,375,070		4,843,490		11,383,550		11,052,348			75,654,458
Total	28,492,779	38,868,266	8,306,314	14,879,577	4,433,726	7,060,352	8,390,168	15,594,612	4,272,471	13,404,316	284,861		143,987,441
Planned / Under Consideration													
Student Financial Asst. FY 22 and FY 23	57,367,071		13,722,330		6,177,809		11,895,286		6,255,348		498,507		95,916,351
Lost Revenue in FY 22 and FY 23		33,000,000		13,019,630		6,177,809		9,895,286					62,092,725
System and Campus Initiatives		41,060,956											41,060,956
Contingency		10,000,000											10,000,000
Total	57,367,071	84,060,956	13,722,330	13,019,630	6,177,809	6,177,809	11,895,286	9,895,286	6,255,348	-	498,507	-	209,070,031
Grand Total	85,859,850	122,929,222	22,028,644	27,899,207	10,611,535	13,238,161	20,285,454	25,489,898	10,527,819	13,404,316	783,368	n/a	353,057,473

ITEM**Shared Services Budget Presentation Changes****REPORT**

The FY 2022 Spending Plan that the administration will ask you to consider next month will be presented in a new way, with the costs for shared services in four areas allocated to the colleges. These changes reflect the significant restructuring underway among the Community Colleges.

Last year, as a transitional step, the spending plan included new separate plans for CT State Community College and for Shared Services, which were funded with revenue from the state appropriation. This year, we have expanded the Shared Services in the budget to include Finance (payroll, accounting, purchasing and accounts payable,) Human Resources, Information Technology, and Enrollment Management. In addition, we have allocated the costs of each of these services to each campus.

Unfortunately, these changes come in a year when the community colleges face a potential net reduction in state aid of \$17 million under the budget proposed by the Governor as a result of the proposed elimination of \$20 million of supplemental fringe benefit support. The Appropriations Committee budget released last week was much more favorable, although it included use of federal and surplus funds that were not addressed in the Governor's proposal. It is expected that the final state aid package will be larger than the Governor's proposal, but given the timing of the legislative session this may not be known until just before committee action in early June.

These new method of allocating the expenses for shared services for campuses to include in their proposed spending plans rather than taking the money off the top as part of the distribution model will result in an increase in the amount of state funding that is provided to each campus through the distribution model. This increase is reduced because of the state aid cut, and is offset by a requirement to pay the allocated costs for the shared services that the campuses receive.

More than 250 staff who were previously budgeted within campus budgets have been moved into the shared services budget, lowering campus costs by over \$32 million. 89 employees previously included in the System Office and costing \$17.4 million have been moved into Shared Services. These \$49.5 million in savings are offset by \$51 million in cost allocation for the Shared Services. The difference reflects a small number of new positions, as well as minor adjustments in cost allocations to the Universities.

In order to ensure that the colleges will be able to maximize fringe reimbursement from the state, we have elected to limit our cost-allocation for Shared Services to PS and Fringe. The other, non-personnel expenses are planned to be budgeted in the CSCC and System Office budgets.

These cost shifts from campuses are the result of a series of processes over the last year. Each of these efforts – in HR, Payroll, Purchasing and Enrollment Management – included ongoing consultation with campus leadership and resolution of contractual or human resources issues

with the individual employees involved in the changes underway now. Budgets for IT and Accounting were moved from the System Office.

The shifted costs shown above do not include the savings from a number of employees who retired from the affected areas during the last year. Further savings and improved performance are expected from management of each shared service.

The draft Shared Services allocation that was provided to campuses to reflect in their budget proposals is attached. Also attached is a draft table showing the various organizational features of each service area.

05/05/21 Finance and Infrastructure Committee

05/20/21 Board of Regents

EMSA**Human Resources****Finance****IT****History & Future of Shared Service**

How have these Services been performed historically?	Primarily by campus staff, except management	Primarily by campus Staff, except some services in Labor Relations	Primarily by campus staff, except Accounting	Primarily by System Office Staff, except Desktop & Mobile Computing
Will shared service exist once CT State is operational?	No. This is a transitional arrangement	Yes	Yes	Yes

Overview of Shared Service

Scope of Current Services	<ul style="list-style-type: none"> • Admissions • Advising • Financial Aid • Registration 	<ul style="list-style-type: none"> • Diversity & Inclusion • HR Strategy • Labor Relations • Recruitment & Talent • Compensation, Benefits & HR Administration 	<ul style="list-style-type: none"> • Accounting • Purchasing/Accounts Payable • Payroll 	<ul style="list-style-type: none"> • Business • Communications • Information Security • Infrastructure • Teaching & Learning
Scope of Future Additional Services	Same	Same	<ul style="list-style-type: none"> • Fixed Assets • A/R • Travel & Reimbursement 	<ul style="list-style-type: none"> • Desktop & Mobile Computing
Number of Employees providing service in FY 22	219	40	53	57
Cost in FY 22	\$27.7 million	\$5.6 million	\$8.4 million	\$9.0 million
Funding Mechanism for FY 22	Charge backs based on FTE students	Charge backs based on employee headcount	Charge backs based on FTE students & employee headcount	Charge backs based on FTE students

Form & Elements of Shared Service Agreement

Form of the Shared Service Agreements	Written Service Level Agreements	Written Service Level Agreements	Governed by Steering Committee of Stakeholders	Service Level Agreements (SLA) are in development
• Outlines Duties & Responsibilities of Service Provider	Yes	Yes	Yes	To be defined for each shared service SLA
• Outlines Duties & Responsibilities of College	Yes	Yes	Yes	To be defined for each shared service SLA
• Outlines Fiscal Responsibilities	Yes	Yes	Yes	To be defined for each shared service SLA

How Shared Service is Accountable to Institution

• Measures Performance	Process to develop key performance indicators and provide annual evaluation	Process to conduct continuous improvement feedback survey	Developing key performance indicators by function	To be defined for each shared service SLA
• Periodic Reviews	Annual performance assessment by students and stakeholders	Quarterly review with CEOs & Regional Presidents	Bi-monthly reviews with college CFOs; quarterly reviews with Regional Presidents	To be defined for each shared service SLA
• Mandated Response Times	Yes	Yes	Yes dependent on function	To be defined for each shared service SLA
• Dispute Resolution Provisions	Yes, escalation provisions	Yes	Yes, escalation provisions	To be defined for each shared service SLA

Shared Services Allocation for FY 22 instructions.xlsx

ALLOCATION #1	ALLOCATION #2	ALLOCATION #3	ALLOCATION #4		Purchasing	Accounting	Payroll	Human Resources	IT	EMSA	EMSA/GP	Shared Services	
FTE Students, Fall 20 excludes COSC	Emp. Headcount, 3/21 includes COSC	Hold-harmless GP Phase I only	FTE Students with phase-in for EMSA		ALLOCATION #1	ALLOCATION #1	ALLOCATION #2	ALLOCATION #2	ALLOCATION #1	ALLOCATION #4	ALLOCATION #3	Total	
					CSCU Total Cost	4,975,008	1,948,697	2,264,163	6,072,944	11,143,427	25,542,901	2,167,870	54,115,011
					# of employees	31	12	15	36	55	204	16	369
					CSU Share								
					PS	159,596	237,834	-	160,583	1,213,352	na	na	1,771,364
					Fringe	143,278	112,456	-	138,506	896,042	na	na	1,290,282
					Total	302,874	350,290	-	299,088	2,109,394	na	na	3,061,646
					CC Allocation								
					CC Total	4,672,134	1,598,408	2,264,163	5,773,856	9,034,033	25,542,901	2,167,870	51,053,364
0.03301	0.04581	0.00000	0.04033	Asnuntuck	154,209	52,757	103,713	264,479	298,178	1,030,182	-	1,903,519	
0.06229	0.07237	0.00000	0.09460	Capital	291,032	99,566	163,857	417,853	562,739	2,416,420	-	3,951,467	
0.15024	0.14160	0.00000	0.11114	Gateway	701,939	240,144	320,610	817,591	1,357,269	2,838,808	-	6,276,362	
0.09639	0.08408	0.62437	0.10987	Housatonic	450,335	154,066	190,377	485,482	870,768	2,806,507	1,353,543	6,311,079	
0.11339	0.11086	0.00000	0.09062	Manchester	529,782	181,246	250,995	640,064	1,024,386	2,314,810	-	4,941,283	
0.05571	0.06003	0.19145	0.06762	Middlesex	260,270	89,042	135,916	346,600	503,259	1,727,136	415,030	3,477,254	
0.13934	0.14286	0.00000	0.14196	Naugatuck Valley	651,025	222,726	323,452	824,837	1,258,822	3,626,143	-	6,907,004	
0.03254	0.03409	0.18419	0.03863	Northwestern CT	152,040	52,015	77,193	196,850	293,984	986,718	399,297	2,158,096	
0.11411	0.09789	0.00000	0.09117	Norwalk	533,160	182,402	221,633	565,188	1,030,918	2,328,746	-	4,862,048	
0.03055	0.03117	0.00000	0.04962	Quinebaug Valley	142,756	48,839	70,563	179,942	276,032	1,267,329	-	1,985,460	
0.08249	0.08032	0.00000	0.08293	Three Rivers	385,420	131,858	181,853	463,744	745,247	2,118,347	-	4,026,468	
0.08993	0.07593	0.00000	0.08150	Tunxis	420,165	143,745	171,908	438,383	812,431	2,081,755	-	4,068,387	
					check CC total	4,672,134	1,598,408	2,212,070	5,641,013	9,034,033	25,542,901	2,167,870	50,868,428
0	0.02301	0.00000		Charter Oak	-	-	52,093	132,843	-	-		184,937	
					Grand Total SS Charges	4,975,008	1,948,697	2,264,163	6,072,944	11,143,427	25,542,901	2,167,870	54,115,011
					PS	2,660,513	1,156,249	1,150,918	3,306,184	6,428,229	13,803,791	1,142,178	29,648,062
					Fringe	2,314,495	792,448	1,113,245	2,766,761	4,715,198	11,739,110	1,025,692	24,466,949

ITEM**Graduate Intern Program – Suspension of Limit on the number of Graduate Internships****BACKGROUND**

The Graduate Intern program at the Universities is governed by Board Resolution 09-65, attached. That resolution limits the number of Graduate Interns to one for each 500 full-time equivalent students. Because of the pandemic-driven enrollment drop in the fall of 2020, this limit will reduce the number of Graduate Internships in the coming fall.

RECOMMENDATION

Central Connecticut State University has requested that the Board support a suspension of this cap during the 2021-22 and 2022-23 academic years so that these important programs can continue to honor commitments to returning students and new graduate students, as reflected in the attached resolution.

05/05/21 Finance and Infrastructure Committee

05/20/21 Board of Regents

RESOLUTION
concerning
GRADUATE INTERNS
in the
CONNECTICUT STATE UNIVERSITY SYSTEM
May 20, 2021

- WHEREAS, Board Resolution 09-65 establishes a Graduate Internship program among the Connecticut State Universities, and
- WHEREAS, The purpose of the Graduate Internship is to provide an intense, two-year, on-the-job training and development experience for graduate students in a variety of disciplines who are exploring careers in fields related to student services in higher education, and
- WHEREAS, Pursuant to Resolution 09-65, Graduate Interns enrolled at one of the four universities of the Connecticut State University System as full-time graduate students shall be required to pay full-time tuition, a University General Fee sufficient to defray the cost of student accident insurance, and the cost of student sickness insurance (if not waived by the student in accordance with Board policy), but the balance of the University General Fee as well as all other fees imposed by the Board is waived. The resolution also provides that Graduate Interns enrolled as part-time graduate students shall receive a waiver of part-time tuition and all fees including summer session and winter session Extension fees up to a total maximum of 18 credit hours, provided the interns are enrolled in courses required for completion of their degree program, and
- WHEREAS, Each University is authorized to pay stipends to Graduate Interns enrolled as matriculated graduate students, not to exceed \$15,000 for the academic year (nine months), and not to exceed \$5,000 for summer sessions (three months); said stipends will be appropriately prorated for part-time assignments, and
- WHEREAS, Board Resolution 09-65 authorizes each University one Graduate Intern for each 500 full-time equivalent students or major fraction thereof, and
- WHEREAS, As a result of the enrollment changes triggered by the pandemic, the number of Graduate Interns allowed under the policy will drop steeply for the fall of 2021 and may preclude renewing existing Graduate Interns who normally would be allowed to continue in the program, now therefor be it
- RESOLVED, That for the 2021-22 and 2022-23 academic years the limitation on the number of Graduate Interns be suspended while enrollment recovers from the pandemic.

A True Copy:

Dr Alice Pritchard, Secretary
CT Board of Regents for Higher Education



Connecticut State University System

39 Woodland Street • Hartford, CT 06105-2337 • 860-493-0000 • www.ctstateu.edu

BR#09-65

RESOLUTION

concerning

GRADUATE INTERNS

in the

CONNECTICUT STATE UNIVERSITY SYSTEM

October 8, 2009

- WHEREAS, The purpose of the Graduate Internship is to provide an intense, two-year, on-the-job training and development experience for graduate students in a variety of disciplines who are exploring careers in fields related to student services in higher education, therefore be it
- RESOLVED, That Board resolution 92-115 be rescinded, and be it further
- RESOLVED, That Graduate Interns enrolled at one of the four universities of the Connecticut State University System as full-time graduate students shall be required to pay full-time tuition, a University General Fee sufficient to defray the cost of student accident insurance, and the cost of student sickness insurance (if not waived by the student in accordance with Board policy), but the balance of the University General Fee as well as all other fees imposed by the Board shall be waived, and be it further
- RESOLVED, That Graduate Interns enrolled at a university of the Connecticut State University System as part-time graduate students shall receive a waiver of part-time tuition and all fees including summer session and winter session Extension fees up to a total maximum of 18 credit hours, provided the interns are enrolled in courses required for completion of their degree program, and be it further
- RESOLVED, That each campus of the Connecticut State University system be authorized to pay Graduate Interns enrolled as matriculated graduate students stipends not to exceed \$15,000 for the academic year (nine months), and a stipend not to exceed \$5,000 for summer sessions (three months); said stipends will be appropriately prorated for part-time assignments, and be it further
- RESOLVED, That each campus of the Connecticut State University system be authorized one such intern for each 500 full-time equivalent students or major fraction thereof, and be it further
- RESOLVED, That any Graduate Intern appointed prior to October 8, 2009, may complete their period of internship under the conditions herein specified effective for the Fall Semester of 2009.

A Certified True Copy:

David D. Carter, Chancellor

ITEM

Eversource Underground Electric Easement at Manchester Community College

BACKGROUND

Public utilities serving neighboring regions to our campuses periodically bisect land under custody and control of the Board of Regents. The Board has the authority to grant easements to a public utility at such locations. Eversource is requesting an underground electric easement at Manchester Community College.

ANALYSIS

The northeast corner of Manchester Community College is configured around Bidwell Street (town road), Interstate-384 and Ramey Road (northeast college entrance). A public utility easement to Eversource from the town currently exists along Bidwell Street. A second Eversource easement approximately 250' wide runs onto the northeast corner of the college site and continues into the adjacent I-384 site. The two easements are at an acute angle to each other. Eversource has requested a 2,620 square foot underground electric easement of 20' wide and approximately 130' feet long. The requested easement will allow Eversource to connect the two current easements and install a proposed underground electric cable in a more direct route than currently exists. Survey map is attached for reference.

The Ramey Road easement location is currently grass and an asphalt paved bike path. Function and aesthetics on the college site will not be affected. Eversource will restore all modified site areas to a like-new condition when complete.

PRESIDENT'S RECOMMENDATION

Grant approval for an underground electric easement to Eversource at the northeast corner of Manchester Community College's campus.

5/5/21 Finance and Infrastructure Committee

5/20/21 Board of Regents



RESOLUTION

concerning

EVERSOURCE EASEMENT
AT
MANCHESTER COMMUNITY COLLEGE
May 20, 2021

- WHEREAS, Eversource has an existing electric easement at the northeast corner of Manchester Community College's campus near the Ramey Road entrance; and
- WHEREAS, Eversource has a separate existing public utility easement along Bidwell Street in the Town of Manchester; and
- WHEREAS, Eversource plans to run a new electric underground cable across both easements; and
- WHEREAS, Eversource has requested a new 2,620 square foot, 20' by approximately 130', to connect the two existing easements which will provide a more direct utility route, and
- WHEREAS, The new easement will not affect campus function or aesthetics; therefore be it
- RESOLVED, The Board of Regents grants approval to Eversource for an underground electric easement at the northeast corner of Manchester Community College's campus.

A True Copy:

Dr. Alice Pritchard, Secretary
CT Board of Regents for Higher Education