



Board of Regents

AGENDA - REGULAR MEETING

Finance & Infrastructure Committee

Wednesday, December 2, 2020 @10:00 a.m.

Conducted Via Remote Participation

Meeting will stream live at: https://youtu.be/r3_VnaVxdLI

1. Call to Order and Declaration of Quorum
2. Approval of Previous Meeting Minutes – October 7, 2020
3. **Discussion Items**
 - FY21 Budget Update
4. **Action Items**
 - a) CSCU FY22/FY23 Biennium Operating Fund Baseline and Capital Requests
 - b) Increase authority to use Community College System Reserves for PACT through Spring 2021
 - c) Tuition Benefit Renewal -- Bright Horizons / CCSU
 - d) DC-CAP Scholarship Program approval -- ECSU
 - e) NEBHE Rate Expansion to NY, NJ
 - f) Reallocation of Charter Oak State College to Care and Custody of 185 Main Street - floors 1 and 2, CCSU to COSC
 - g) Reallocation of the College Office to Care and Custody of 185 Main Street - floors 3 and 4 to CCCC
 - h) Change in Care and Custody of 55 Manafort Drive, COSC to CCSU

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

Wednesday, October 7, 2020 @10:00 a.m.

Via WebEx Remote Participation

<https://youtu.be/IBlCwFbEEAQ>

Minutes

COMMITTEE MEMBERS and REGENTS PARTICIPATING

Richard J. Balducci, Chair

David Blitz

Felice Gray-Kemp

David R. Jimenez

JoAnn Ryan

Matt Fleury

Aviva Budd

Colena Sesanker

CSCU STAFF PARTICIPATING

Mark E. Ojakian, CSCU President; Ben Barnes, Chief Financial Officer; Jane Gates, SVP & Provost, Academic & Student Affairs; Alice Pritchard, Chief of Staff/Chief of Operations; Andrew Kripp, VP Human Resources & Labor Relations; Ernestine Y. Weaver, Counsel; Melentina Pusztay, Director of Budget & Planning; Kerry Kelley, Interim CFO for the CT State Community College; Pam Heleen, Asst. Secretary of the Board of Regents

CALL TO ORDER

Chair Balducci called the meeting to order at 10:04 a.m. and following roll call, declared a quorum present.

APPROVAL OF JULY 21, 2020 MINUTES

On motion of Regent Jimenez, seconded by Regent Ryan, the minutes of the July 21, 2020 Finance and Infrastructure Committee meeting were unanimously approved as submitted.

Action Items

- **CSCU Revised FY2021 Spending Plan**

President Ojakian commented on the reduced enrollment and occupancy as well as the increased cost to the colleges and universities driven by the COVID19 pandemic. In response to the Regents' directive with respect to actions the Board would consider to address budget issues, all options are on the table to reduce the anticipated deficit. A letter was sent to the Governor and legislature asking for bridge funding and seeking their partnership in addressing the financial issues. Leadership also communicated with the leaders of the Collective Bargaining unions to open discussions to identify solutions to help rectify the financial problems. The scheduled raises will remain intact as part of the collective bargaining agreement. The possibility of furlough days may be an option for discussion. Thanks were extended to the Finance Committee and to the Board for their continued support of the System's operation during this unprecedented time.

CFO Barnes provided an overview of the FY2021 budget revisions and outlined the \$69M budget deficit. The schools reduced the deficit from the original \$90M. The revised spending plan was developed in order to mitigate the financial losses of the system in FY2021 while ensuring that the system can continue to serve students and sustain efforts to improve student success and secure financial sustainability. Revenues to the colleges and universities have dropped below the levels expected in the original spending plan as a result of revenue shortfall from lower enrollment at the colleges and lower residence hall occupancy at the universities both due to COVID. These operating deficits will reduce reserves in both the colleges and universities. Charter Oak State College has experienced enrollment growth and is not affected by revenue loss. An overview was provided on the revised FY21 Revenue and Expenditures. The spending plan revisions include using \$12.2M of CC HEERF funds to offset FY21 revenue losses. Through the CARES Act, the CSU's have \$3.1 million FY20 (Coronavirus Relief Fund (CRF) expenses still to be reimbursed, and \$8.5 million in FY21 CRF Expenses to be reimbursed by OPM. The administration learned this morning that the universities were reimbursed \$8.5 million by OPM.

The revised spending plan also includes provisions related to Students First and CSCC. The filling of vacant positions at CSCC have slowed while still advancing the most critical work on enrollment management, Guided Pathways, and academic alignment across colleges. The implementation of shared services has also resumed. Additional necessary revisions will include details of across-the-board cuts at the universities and colleges; enrollment and occupancy shortfalls prompt the need for spending reductions to limit use of reserves; and technical revisions and spending cuts identified by the CC Regions and universities.

A general discussion ensued among the Board members regarding the budget, revisions, expenses and difficult decisions that lie ahead.

On motion of Regent Jimenez, seconded by Regent Ryan, the CSCU Revised FY2021 Spending Plan was voted unanimously.

- **Gateway Community College – Acceptance of Gifts (General Motors Corporation)**

General Motors Corporation generously donated six (6) vehicles to Gateway Community College for use in the college's automotive program. The donated cars will provide the students with laboratory and experiential instruction.

On motion of Regent Jimenez, seconded by Regent Balducci, the Gateway Community College – Acceptance of Gifts (General Motors Corporation) was voted unanimously.

Adjournment

There being no further business, on motion of Regent Jimenez, seconded by Regent Ryan, the meeting adjourned at 11:51 a.m.

DISCUSSION ITEM

FY 2021 CSCU Budget Update

New Federal Funding

On November 17 CCSU was notified by OPM that we would be awarded an additional \$20 million in Coronavirus Relief Funds (CRF). In addition, the federal government has changed their guidance for this category of funds and can now reimburse states or public higher education systems for refunds issued to resident students for residence hall closures prompted by COVID-related public health orders. This new revenue potentially will allow the system to limit its losses in the current year to \$30 million.

Budget Actions and CRF Allocations: Impact on CSCU Deficit, FY 2021 (\$millions)			
	Community Colleges	State Universities	Total
FY 2021 budget deficit as of 6/20	(14.95)	(33.00)	(47.96)
Change in Deficit from October Budget revisions	(1.49)	(19.33)	(20.82)
Additional savings from 10/15 Budget Amendment	-	8.00	8.00
Savings from original CRF allocations	1.94	8.54	10.48
Estimated Savings from additional \$20 m in CRF	3.54	4.70	8.24
Recommended use of CC Reserves for PACT	(3.00)		
Deficit Today	(13.96)	(31.08)	(42.05)
Actions impacting FY 2020			
Apply CRF to FY 2020 Housing/M meal refunds		11.76	
Projected Reserves as of 6/30/21	\$ 18.14	\$ 119.19	\$ 128.57

While this new federal assistance is certainly welcome, there will remain a significant deficit in both the community colleges and the universities. This in turn will reduce our combined reserves to \$140 million, down from \$180 million. It remains critical that CSCU maintain robust reserves for the following purposes:

- Provide budget support during downturns impacting enrollment or state support. We are projecting the use of nearly \$40 million for this purpose this year.
- Ensuring adequate cash in the operating fund. Reserves serve to strengthen the system's cash position, ensuring our ability to meet obligations in a timely way in the future.
- Providing a source of funds for Board-approved one-time activities, such as capital expenditures, start-up or transition costs for new initiatives, or funds to assist struggling institutions. The recommended funding for PACT in the spring is an example of this.

In the current environment, it is especially important that the Board preserve reserves to meet budget needs of the system over the next several years, as described below.

Continuing COVID Risks for Spring

In the short run, recent increases in COVID19 transmission in Connecticut are adding to uncertainty around CSCU revenues. The revised budget for FY2021 assumes that enrollment and occupancy of residence halls will shrink slightly from the low levels in the fall, based on historical averages. There is a significant possibility – perhaps a likelihood – that the strength of the pandemic will change student choices and lead to fewer enrollments and room occupancies. Or, there remains the possibility that public health authorities may require closures or use restrictions during the spring that will compel payment of refunds or otherwise reduce revenue.

In the Community Colleges, we could see a further drop-off in enrollment, particularly if there are further closures of public K-12 schools or other businesses that result in logistical or financial obstacles to enrollment and success. After nearly a year of pandemic, student willingness for remote learning may fade.

The Universities have already begun to field inquiries from students seeking to break housing commitments for the spring, as students enroll for classes that remain predominantly on-line or hybrid. The Universities in total must collect over \$30 million in housing and meal fees this spring, or else their deficits will grow further. A week of mandated closure of residence halls would reduce revenue by nearly \$2 million.

Budgeted Housing and Meal Revenue Outstanding, Spring 2021					
(\$millions)					
	Housing	Food		Value per	
	Revenue	Revenue	Spring Total	week	
CCSU	3.81	2.53	6.34	0.40	
ECSU	8.09	2.64	10.73	0.67	
SCSU	5.22	3.22	8.44	0.53	
WCSU	3.32	1.77	5.09	0.32	
Total	\$ 20.45	\$ 10.16	\$ 30.61	\$ 1.91	

Longer Term Risks and Biennial Budget Outlook

In addition to risks this spring, CSCU faces a number of longer term risks related to our recovery from COVID. Elsewhere on this agenda, the Board is considering the CSCU budget submissions to the state budget office, including a baseline projection through the upcoming biennium. This projection shows deficits totaling \$74 million and \$87 million in the two upcoming years, assuming that enrollment and housing occupancy will return to pre-pandemic levels over two years.

The significant deficits that are projected, even as we assume enrollment recovery, are a reminder that the CSCU system faces underlying financial challenges that we must continue to confront even as we address the immediate needs to respond to the pandemic. For instance, the current services projection assume that no raises will be awarded to any of the employees of CSCU. Note that the collective bargaining raises given out this year cost the system over \$20 million, accounting for half of the deficit even after applying federal aid and imposing spending reductions across CSCU. If we are required to pay similar raises next year and the year after, we would face deficits across CSCU exceeding \$100 million.

The projection provided to OPM also assumes that there will be no tuition and fee increases for FY 2022. Since a 1% hike in tuition and fees would produce about \$5 million across CSCU, it would be impossible to close these deficits through tuition hikes alone because the increases would be prohibitively large.

The projections include small increases in state aid based on the current practice for determining block grant amounts. We have requested that the state increase these grants to cover the deficit in each year of the biennium, but it will be very difficult for the state to make such a change given the spending cap and the revenue shortfalls that the pandemic has produced.

While we intended to be a conservative in making assumptions about our enrollment recovery from COVID19, it remains unknown whether the pandemic will leave lasting changes to student preferences and behavior which will delay this recovery.

In the Community Colleges one would expect, based on history, that enrollment would grow strongly during an economic recovery as dislocated workers and value-conscious students arrived at our doors. However, it would take an extraordinary surge of more than 20% in enrollment to produce enough revenue to eliminate the projected deficit next year. It is difficult to imagine robust enrollment growth occurring so quickly, particularly if uncertainty about COVID19 continues into the summer and fall of 2021.

The Universities face similar questions about their housing programs and enrollment as we emerge from the pandemic and its associated recession. These questions may temporarily mask the underlying enrollment and cost issues faced by the Universities, which have struggled to maintain balanced budgets. The last two years saw enrollment drops prompting difficult

budget decisions. As a result, it will be difficult to deal with further enrollment or housing drops over the next several years without turning to reserves.

Implementation of Budget Revisions

The system also faces some risks this coming spring on the spending side of their budgets, as they have been charged with finding reductions to meet \$4.7 million in cuts to Part-time lecturers adopted at the November meeting of the Board of Regents, including \$2 million for the CSUs and \$2.7 million for the colleges. Both the Colleges and the Universities have been given flexibility to identify savings outside the originally identified budget lines in order to avoid harming students, including graduate assistants. However, declining enrollment across CSCU should allow for these reductions. Any alternatives will be identified during the mid-year budget review, along with other new COVID-related spending requirements.

One issue that has been raised in regards to the cuts is that reductions to adjunct or Part Time Faculty budgets will necessarily harm our lowest-paid employees and disrupt class schedules for students. In fact, the data show that the vast majority of faculty – including 64% of full time University Faculty -- also are paid for part-time teaching at one of the universities, colleges, or Charter Oak. The vast majority of these additional assignments are at their home university. Furthermore, more than one quarter of all those paid for part time teaching at the universities are full time faculty. This strongly suggests that there is capacity to cover more sections with full time faculty within their contractual workload than is currently the case, producing savings in adjunct budgets. This data is summarized below.

CSCU Faculty, FY 2020		PART TIME				% of FT Faculty
Faculty Category	Count	CSU - PT	CCC - PT	COSC - PT	TOTAL - PT	Teaching PT at CSCU
CCC FT Faculty	810	26	636	17	679	84%
CSU FT Faculty	1,401	863	23	14	900	64%
NOT FT	5,896	2,352	3,562	232	6,146	n/a
Grand Total	8,107	3,241	4,221	263	7,725	n/a
Share of PT Faculty Assignments held by FT CSCU Faculty		27%	16%	12%	20%	

Hiring Freeze

On September 18, the CSCU President imposed a hiring freeze to reduce spending in response to revenue drops experienced that month. A process was established for certain exceptions to be authorized, with appropriate approvals required to ensure compliance. The table at right shows the number of exceptions approved through October. Most of this activity (298 out of 381) were part time student workers or adjunct faculty.

Hiring Freeze Exceptions: Sept & October, 2020

by Exception:	Full-time	Part-time	Total
Adjunct		115	115
Budgeted	4		4
Good Faith Offers	14	4	18
Health and Safety	5	2	7
Students, Fed		90	90
Students, local		83	83
Transfers	2		2
UA / EA		62	62
Total	25	356	381

Mid-Year Spending Plan Review Schedule

Campuses are providing mid-year reports on January 29, in order to have better information about enrollment and residence hall occupancy at the universities. The colleges will still have ongoing registration activity as of that date, but some preliminary information about spring enrollment can inform the projections.

This in turn will allow the System office to prepare the reports and analysis for the Finance Committee on February 12 in advance of a meeting to be scheduled in the days before the February 18 of the full Board of Regents.

by Campus:

ACC		2	2
CCC		12	12
CSCU	2	50	52
ECSU	2	29	31
GCC		7	7
HCC		7	7
MCC		18	18
MxCC	1	21	22
NCCC	1	5	6
NKCC		59	59
NVCC	1	20	21
QVCC		15	15
SCSU	14	31	45
TRCC		22	22
TxCC	1	8	9
WCSU	1	50	51
SO	2		2
Total	25	356	381

ITEM

CSCU – FY22/FY23 Biennium Baseline Operating Budget and Capital Budget

BACKGROUND

The Board of Regents under its statutory authority reviews and approves the consolidated CSCU Biennium budget submittal to the Secretary of the Office of Policy and Management (OPM).

Per OPM's instructions, CSCU projected the FY22/FY23 operating budget based on FY21 revised budget using assumptions for enrollment, tuition and fees, personnel cost and other operating expenses.

The key assumptions used for projection the FY22/FY23 operating budget includes the following:

	<u>FY22</u>	<u>FY23</u>	<u>Origin</u>
Key Assumptions:			
Enrollment (Colleges/Universities/Charter Oak)	4% / 2% / 2%	4% / 2% / 2%	CSCU
Tuition & Fees increase (Colleges/Universities/Charter C	0.0%	2% / 0% / 0%	CSCU
Housing	-1.5%	3.5%	CSCU
Food services	-1.5%	3.6%	CSCU
Inflation rate	0.0%	0.0%	OPM
Personnel Costs			
Personnel Services Increases	0.0%	0.0%	OPM
Fringe Benefits	5.0%	5.0%	CSCU

Attachment A presents a summary of FY22/FY23 biennium budget created under the above assumptions. Note, at the end of FY21, all collective bargaining agreements for wage provisions are scheduled to expire. The guidance received for the submittal includes no wage increases however, OPM will adjust for wage increases for employees on the General Fund roster if required, pending on bargaining unit negotiations. The expectation was that the biennium General Fund appropriation request will be equal to current year General Fund appropriation including technical adjustments. Based on current funding, the total State Appropriations includes annualization of partial year funding in FY22, the 27th payroll coming up in FY23 and technical adjustments for operating costs of new facilities coming online during biennium; \$3.5 million in FY22 and \$7.4million in FY23.

\$ millions	<u>FY22 Request</u>	<u>FY23 Request</u>
State Appropriations	311.2	326.6
Fringe Benefits Paid by State	294.9	313.9
State Appropriations for Developmental Education	8.9	8.9
State Appropriations for Outcomes-Based Funding	1.2	1.2
Institute for Municipal and Regional Policy	0.4	0.4
Workers' Compensation Claims	3.3	3.3
Operating Fund Fringe Benefits Paid by State	36.6	36.6
Total Baseline Budget Request	<u>656.4</u>	<u>690.7</u>

Not included in the above are the additional technical budget requests for funding beyond the General Fund Allocation are CSCC initiatives to implement Governor's Workforce Council Strategy for Guided Pathways Advising and Debt Free College Program Pursuant to PA 19-117, as follows:

\$ millions	FY22 Request	FY23 Request
Guided Pathways Advising	2.8	8.0
Debt Free College Program (PA 19-117)	16.8	29.9
	19.6	37.9

FY22/FY23 biennium budget was based on FY21 revised spending plan with approved reductions and identified assumptions for projecting the next two years operating budget. The breakdown of revenue, expenditures and projected losses for CSCU constituent units are detailed on Attachment A and summarized below.

CONNECTICUT STATE COLLEGES & UNIVERSITIES

FY22/FY23 Biennium Submittal - Baseline Operating Budget

\$ millions

Account Name	Rev Budget FY21	Baseline Operating Budget	
		FY22	FY23
Total Revenue	1,222.4	1,263.7	1,311.1
Expenditures:			
Personal Services	598.3	599.6	619.0
Fringe Benefits	408.9	430.1	465.5
Total Personal Services & Fringe Benefits	1,007.2	1,029.8	1,084.5
Other Expenses	266.4	277.9	283.1
Transfers	9.5	30.2	30.2
Total Expenditures/transfers	1,283.1	1,337.8	1,397.8
Net Change	(60.8)	(74.1)	(86.8)

Budget Options CSCU request to cover projected deficits for FY22/FY23 based on current services budget is outlined on Attachment B.

CAPITAL BUDGET REQUEST

Under this Biennium Capital Request, we are asking the State to support requirements totaling \$166.2 million and \$219.6 million for FY22 and FY23, respectively (\$385.9 million total fund request).

The primary requirements for the System in this capital request are to continue our programs of Code Compliance and Infrastructure Improvements in order to maintain our sizeable investment in state assets. The near term priorities of the system are not to increase capacity, but rather modify use of existing facilities or replace and upgrade those that cannot be modified, when possible. Notable exceptions that will increase instructional space and promote student needs are; Eastern's Sport Center, Central's Stem Building (Phase 1), Gateway's Automotive Program and Southern's Police Facility. Major modifications and space improvements include; Naugatuck's Kinney Hall renovations, Asnuntuck phase 1 improvements, and renovations and additions to Western's Berkshire Hall for a new Entrepreneurial Innovation Center. All project funding requests are consistent with each institutions most current Master Plan.

Other than an annual general bond fund request of Code Compliance/Infrastructure Improvement funds for Auxiliary Service facilities, this funding request excludes all other Auxiliary Service requests that are funded through CHEFA revenue bonds.

In addition, as part of the CSCU Code Compliance/Infrastructure Improvement Program, we continue to request modest sums in each year to continue to enhance safety features of our buildings in accordance with the recommendations of our safety experts.

Details presented on Attachment C and Attachment D

RECOMMENDATION

Approve the FY22/FY23 Biennium Baseline Operating Fund and Capital Requests as presented.

12/2/20 Finance & Infrastructure Committee
12/17/20 Board of Regents

CONNECTICUT STATE COLLEGES & UNIVERSITIES

FY22/FY23 Biennium Submittal - Baseline Operating Budget

\$ millions

Account Name	FY21 Rev Budget	Baseline Operating Budget		FY22 vs. FY21 Rev Bud Inc (Dec)		FY23 vs. FY22 Inc (Dec)	
		FY22 Budget	FY23 Budget	Inc (Dec)		Inc (Dec)	
Revenue							
Tuition (Gross)	283.9	291.2	298.7	7.2	2.6%	7.5	2.6%
Student Fees	227.7	230.7	233.8	3.0	1.3%	3.1	1.3%
State Appropriations	304.4	311.2	326.6	6.8	2.2%	15.4	4.9%
Fringe Benefits Paid By State	284.0	294.9	313.9	10.9	3.8%	19.0	6.4%
OF Fringe Benefits Paid by State	36.6	36.6	36.6				
State Appropriation Dev Education & Outcome	10.4	10.4	10.4				
Housing	43.0	51.1	52.9	8.2	19.0%	1.8	3.5%
Food	20.6	25.8	26.8	5.3	25.6%	0.9	3.6%
All Other Revenue	21.2	21.2	21.2				
Less: Contra Revenue	(9.4)	(9.4)	(9.7)				
Total Revenue	1,222.4	1,263.7	1,311.1	41.4	3.4%	47.3	3.7%
Personal Services	598.3	599.6	619.0	1.3	0.2%	19.4	3.2%
Fringe Benefits	408.9	430.1	465.5	21.2	5.2%	35.4	8.2%
Total Personal Services & Fringe Benefits	1,007.2	1,029.8	1,084.5	22.5	2.2%	54.8	5.3%
Other Expenses	266.4	277.9	283.1	11.5	4.3%	5.2	1.9%
Total Expenditures	1,273.6	1,307.6	1,367.6	34.0	2.7%	60.0	4.6%
Addition to (Use of) Funds Before Adjustments	(51.2)	(43.9)	(56.6)	7.4	-14.4%	(12.7)	28.9%
CSU Net Transfers	(21.8)	(30.2)	(30.2)	(8.4)	38.4%	-	0.0%
CCC Net Transfers	15.3	-	-	(15.3)			
Net Change	(60.8)	(74.1)	(86.8)	(13.3)		(12.7)	

CONNECTICUT STATE UNIVERSITIES

FY22/FY23 Biennium Submittal - Baseline Operating Budget

\$ millions

Account Name	FY21 Rev Budget	Baseline Operating Budget		FY22 vs. FY21 Rev Bud Inc (Dec)		FY23 vs. FY22 Inc (Dec)	
		FY22 Budget	FY23 Budget				
Revenue							
Tuition (Gross)	167.7	170.5	173.4	2.8	1.7%	2.9	1.7%
Student Fees	177.7	178.7	179.7	1.0	0.6%	1.0	0.6%
State Appropriations	152.2	158.0	167.6	5.8	3.8%	9.6	6.1%
Fringe Benefits Paid By State	146.1	149.2	155.4	3.1	2.1%	6.2	4.2%
State Appropriation Dev Education	1.9	1.9	1.9				
Housing	43.0	51.1	52.9	8.2	19.0%	1.8	3.5%
Food	20.6	25.8	26.8	5.3	25.6%	0.9	3.6%
All Other Revenue	17.9	17.9	17.9				
Less: Contra Revenue	(7.1)	(7.1)	(7.4)				
Total Revenue	719.9	746.0	768.2	26.1	3.6%	22.2	3.0%
Personal Services	337.2	338.1	350.1	0.9	0.3%	12.0	3.5%
Fringe Benefits	225.9	237.7	258.4	11.9	5.3%	20.6	8.7%
Total Personal Services & Fringe Benefits	563.1	575.9	608.5	12.8	2.3%	32.6	5.7%
Other Expenses	179.3	187.2	191.8	7.9	4.4%	4.6	2.5%
Total Expenditures	742.4	763.1	800.3	20.7	2.8%	37.2	4.9%
Addition to (Use of) Funds Before Adjustments	(22.5)	(17.1)	(32.1)	5.4	-24.0%	(15.0)	87.9%
CSU Transfers Per Policies							
Debt Service CHEFA Transfer	(20.7)	(20.7)	(20.7)	-	0.0%	-	0.0%
Debt Service Residence Halls	(5.9)	(5.9)	(5.9)				
Debt Service Parking Garage	(3.6)	(3.6)	(3.6)				
CSU Designated Transfers	-	-	-				
CSU Use of (Set Aside to) Reserves/Foundation	0.2	-	-				
CARES Act Funding	8.1	-	-				
Total CSU Transfers	(21.8)	(30.2)	(30.2)	(8.4)	38.4%	-	0.0%
Net Change	(44.3)	(47.3)	(62.3)	(3.0)		(15.0)	

CONNECTICUT COMMUNITY COLLEGES

FY22/FY23 Biennium Submittal - Baseline Operating Budget

\$ millions

Account Name	FY21 Rev Budget	Baseline Operating Budget		FY22 vs. FY21 Rev Bud Inc (Dec)		FY23 vs. FY22 Inc (Dec)	
		FY22 Budget	FY23 Budget				
Revenue							
Tuition (Gross)	105.7	110.0	114.4	4.2	4.0%	4.4	4.0%
Student Fees	49.5	51.5	53.5	2.0	4.0%	2.1	4.0%
State Appropriations	148.5	149.6	155.1	1.0	0.7%	5.6	3.7%
Fringe Benefits Paid By State	134.3	142.0	154.3	7.6	5.7%	12.4	8.7%
OF Fringe Benefits Paid by State	36.6	36.6	36.6				
State Appropriation Dev Education & Outcome	8.5	8.5	8.5				
All Other Revenue	2.6	2.6	2.6				
Total Revenue	483.4	498.3	522.8	14.9	3.1%	24.4	4.9%
Personal Services	252.0	252.4	259.6	0.4	0.2%	7.2	2.8%
Fringe Benefits	176.5	185.6	199.8	9.0	5.1%	14.2	7.7%
Total Personal Services & Fringe Benefits	428.5	438.0	459.4	9.5	2.2%	21.4	4.9%
Other Expenses	83.7	87.3	87.9	3.6	4.3%	0.6	0.7%
Total Expenditures	512.2	525.2	547.2	13.1	2.5%	22.0	4.2%
Addition to (Use of) Funds Before Adjustments	(28.7)	(26.9)	(24.4)	1.8	-6.4%	2.4	-9.1%
CCC Transfers Per Policies							
Transfer in	23.8	22.8	22.8	(1.0)	-4.3%	-	NA
Transfer out	(22.8)	(22.8)	(22.8)			-	0.0%
CARES Act Funding	14.2	-	-			-	NA
CCC Net Transfers	15.3	-	-	(15.3)	-100.0%	-	NA
Net Change	(16.4)	(26.9)	(24.4)	(10.4)		2.4	

CHARTER OAK STATE COLLEGE

FY22/FY23 Biennium Submittal - Baseline Operating Budget

\$ millions

Account Name	FY21 Rev Budget	Baseline Operating Budget		FY22 vs. FY21 Rev Bud Inc (Dec)		FY23 vs. FY22 Inc (Dec)	
		FY22 Budget	FY23 Budget	Inc (Dec)		Inc (Dec)	
Revenue							
Tuition (Gross)	10.5	10.7	10.9	0.2	2.0%	0.2	2.0%
Student Fees	0.5	0.6	0.6	0.0	2.0%	0.0	2.0%
State Appropriations	3.3	3.3	3.4	0.0	0.2%	0.1	3.8%
Fringe Benefits Paid By State	3.2	3.4	3.7	0.2	5.2%	0.3	9.0%
All Other Revenue	0.7	0.7	0.7				
Total Revenue	18.2	18.6	19.3	0.4	2.2%	0.7	3.5%
Personal Services	8.7	8.7	8.9	(0.0)	-0.3%	0.2	2.7%
Fringe Benefits	6.2	6.4	7.0	0.3	4.7%	0.5	7.9%
Total Personal Services & Fringe Benefits	14.9	15.1	15.9	0.3	1.8%	0.7	4.9%
Other Expenses	3.4	3.4	3.4	0.0	0.5%	0.0	0.5%
Total Expenditures	18.3	18.5	19.3	0.3	1.6%	0.8	4.1%
Net Change	(0.0)	0.1	(0.0)	0.1		(0.1)	

BOARD OF REGENTS**FY22/FY23 Biennium Submittal - Baseline Operating Budget**

\$ millions

Account Name	FY21 Rev Budget	Baseline Operating Budget		FY22 vs. FY21 Rev Bud Inc (Dec)		FY23 vs. FY22 Inc (Dec)	
		FY22 Budget	FY23 Budget	Inc (Dec)		Inc (Dec)	
Revenue							
State Appropriations	0.4	0.4	0.4	0.0	1.2%	0.0	3.8%
Fringe Benefits Paid By State	0.4	0.4	0.4	0.0	6.3%	0.0	9.0%
Total Revenue	0.8	0.8	0.8	0.0	3.6%	0.1	6.3%
Personal Services	0.4	0.4	0.4	0.0	1.2%	0.0	3.8%
Fringe Benefits	0.4	0.4	0.4	0.0	6.3%	0.0	9.0%
Total Personal Services & Fringe Benefits	0.8	0.8	0.8	0.0	3.6%	0.1	6.3%
Other Expenses	-	-	-				
Total Expenditures	0.8	0.8	0.8	0.0	3.6%	0.1	6.3%
Net Change	-	-	-	-		-	

Budget Options:

CSCU request to cover projected deficits for FY2022 and FY2023 based on current services budget.

Connecticut State Colleges and Universities request additional funds to cover anticipated deficits due to COVID-19 pandemic that caused a significant gap in revenue due to lower enrollment and increase in pay for all union employees per 2017 SEBAC agreement. Based on recent projections, in FY2022 and in FY2023 deficits are as follows:

		FY22 Deficit	FY23 Deficit
State Universities		\$ (47,300,532)	\$ (62,338,766)
Community Colleges		(26,877,121)	(24,437,067)
Charter Oak State College Shortfall		-	(3,401)
Total Request		\$ (74,177,653)	\$ (86,779,234)

The additional funds are required to fund current services and operations at Connecticut State Colleges and Universities. The global pandemic created a fiscal crisis in Higher Education and our Connecticut State Colleges and Universities are experiencing this acutely. In the current year budget, our CSCU institutions have deeply cut costs, implemented a hiring freeze, and have been tasked by the Board of Regents to review academic and student support programs, to identify more back-office savings, and to review staffing levels at all our institutions and the system office. Unfortunately, the scale of these solutions will not be able to compensate for our prospective deficits in the coming biennium.

Raising tuition and fees is not a viable option now as CSCU strives to maintain affordability while attracting more students to restore our enrollment levels. The deficits are so great that normal inflationary increases would barely reduce deficits, while increases that might begin to meaningfully mitigate our deficits would be punitive to our beleaguered students and their families. Moreover, reserve levels for both the colleges and universities are very low and would not be able to absorb deficits of the scale anticipated for more than a few months in the case of the colleges, or a year or two in the case of the universities.

The Board of Regents has been fully committed to solving its budget woes through reforms, particularly consolidation of the community colleges and implementation of shared services throughout CSCU, since it adopted the Students First plan in 2017. Unfortunately, this time period has coincided with the job security protections included in the 2017 SEBAC concessions agreement, making it difficult to restructure quickly. The progress we have made has had to rely on attrition, staff reassignments, and gradualism. Our progress has also been slowed because of the complexity of navigating the accreditation standards of NECHE, our accreditor, and the need to address concerns about the process from members of our community.

This request for additional, recurring support through the General Fund block grant, would enable CSCU to continue its reform efforts leading to community college consolidation by Fall 2023, without simultaneously having to curtail offerings, locations and services to students. In the absence of such additional support, CSCU will be required to undertake major restructuring during 2021, including potentially declaring fiscal exigency, noticing and laying off staff, and resizing our expenses to best meet the needs of students within our diminished revenues. This will inevitably limit our ability to enhance student success through initiatives such as Guided Pathways, debt-free college, and expansion of vocational programming such as manufacturing and allied health.

CSCU FY 2022 - FY 2023
October 13, 2020

Attachment C

Project Title (a)	Universities & Colleges	Priority	Total Estimated Project Cost	Previously Authorized Funds	REVISED FY22-FY23 BIENNIIUM REQUEST		Biennium Request Total
					FY 2022	FY 2023	
College & University Program Funding							
	Colleges/Charter Oak/System Office	1	\$ 40,303,710		\$ 19,903,067	\$ 20,400,643	\$ 40,303,710
Code Compliance/Infrastructure Improvements					\$ 1,378,434	\$ 1,412,895	\$ 2,791,329
Asnuntuck Community College					\$ 1,276,509	\$ 1,308,421	\$ 2,584,930
Capital Community College					\$ 1,453,796	\$ 1,490,141	\$ 2,943,938
Gateway Community College					\$ 1,704,578	\$ 1,747,192	\$ 3,451,770
Housatonic Community College					\$ 1,937,830	\$ 1,986,276	\$ 3,924,105
Manchester Community College					\$ 1,813,159	\$ 1,858,488	\$ 3,671,647
Middlesex Community College					\$ 3,041,031	\$ 3,117,057	\$ 6,158,088
Naugatuck Valley Community College					\$ 1,089,659	\$ 1,116,901	\$ 2,206,560
Northwestern Community College					\$ 2,251,840	\$ 2,308,136	\$ 4,559,976
Norwalk Community College					\$ 1,030,795	\$ 1,056,565	\$ 2,087,360
Quinebaug Community College					\$ 1,258,989	\$ 1,290,463	\$ 2,549,452
Three Rivers Community College					\$ 1,358,701	\$ 1,392,668	\$ 2,751,369
Tunxis Community College					\$ 74,333	\$ 76,192	\$ 150,525
Charter Oak					\$ 233,412	\$ 239,248	\$ 472,660
System Offices							
Code Compliance/Infrastructure Improvements	Universities	2	\$ 45,462,093		\$ 22,450,416	\$ 23,011,677	\$ 45,462,093
Central Connecticut State University					\$ 7,300,393	\$ 7,482,903	\$ 14,783,296
Eastern Connecticut State University					\$ 3,317,508	\$ 3,400,445	\$ 6,717,953
Southern Connecticut State University					\$ 6,332,129	\$ 6,490,432	\$ 12,822,561
Western Connecticut State University					\$ 5,500,387	\$ 5,637,897	\$ 11,138,283
Telecommunications Infrastructure Upgrade	System	3	\$ 24,050,000		\$ 15,050,000	\$ 9,000,000	\$ 24,050,000
Wireless Upgrade					\$ 3,000,000		\$ 3,000,000
ISE Upgrade					\$ 150,000		\$ 150,000
VDI Infrastructure					\$ 1,000,000		\$ 1,000,000
Server/Storage Infrastructure					\$ 450,000		\$ 450,000
Backup Infrastructure/Cloud Storage					\$ 200,000		\$ 200,000
Campus Switching Upgrade					\$ 8,000,000	\$ 8,000,000	\$ 16,000,000
Data Center Switching Upgrade					\$ 1,000,000	\$ 1,000,000	\$ 2,000,000
Voice Upgrade					\$ 875,000		
Protective Enclave/PAW Infrastructure					\$ 250,000		
VPN, Firewall Management Devices					\$ 125,000		
Projected aNnual Budget (projects TBD)							\$ -
New & Replacement Equipment Program	Colleges/Charter Oak/System Office	4	\$ 21,465,000		\$ 10,600,000	10,865,000	\$ 21,465,000
Charter Oak					\$ 600,000	615,000	\$ 1,215,000
Community Colleges					\$ 10,000,000	10,250,000	\$ 20,250,000
New & Replacement Equipment Program	Universities	5	\$ 24,300,000		\$ 12,000,000	12,300,000	\$ 24,300,000
Security Improvements Program	Colleges/Charter Oak/System Office	6	\$ 5,000,000		\$ 2,500,000	\$ 2,500,000	\$ 5,000,000
Advanced Manufacturing Program	Colleges	7	\$ 6,075,000		\$ 3,000,000	3,075,000	\$ 6,075,000
Property Acquisition Program	System	8	\$ 3,000,000			\$ 3,000,000	\$ -
College & University Infrastructure Improvement Programs							\$ 3,000,000
Subtotals			\$ 169,655,803	\$ -	\$ 85,503,483	\$ 84,152,320	\$ 169,655,803
College Capital Project Funding							
Kinney Hall Renovations	Naugatuck	1	\$ 63,941,757	\$ 6,000,000		\$ 57,941,757	\$ 57,941,757
One College Office	New Britian	2	\$ 2,900,000		\$ 2,900,000		\$ 2,900,000
Gateway Autiomotive Program	Gateway	3	\$ 5,549,250			\$ 5,549,250	\$ 5,549,250
Renovations, Improvement - Phase 1	Asnuntuck	4	\$ 37,155,809	\$ 3,800,000		\$ 33,355,809	\$ 33,355,809
Campus ADA Improvements	Naugatuck	5	\$ 10,000,000	\$ 5,000,000	\$ 5,000,000		\$ 5,000,000
New Maintenance and Office Building	Quinebaug	8	\$ 4,188,080	\$ 476,088	\$ 3,711,992		\$ 3,711,992
Capital Central Plant & Infrastructure Improvements	Capital	9	\$ 19,240,897		\$ 19,240,897		\$ 19,240,897
Campus Window & Roof Replacement	Northwestern	10	\$ 2,000,000		\$ 2,000,000		\$ 2,000,000
Campus Wide Facility Improvements	Norwalk	11	\$ 4,500,000		\$ 4,500,000		\$ 4,500,000
College Capital Improvement Program Subtotals			\$ 149,475,793	\$ 15,276,088	\$ 37,352,889	\$ 96,846,816	\$ 134,199,705

CSCU FY 2022 - FY 2023
October 13, 2020

Attachment C

Project Title (a)	Universities & Colleges	Priority	Total Estimated Project Cost	Previously Authorized Funds	REVISED FY22-FY23 BIENNIUM REQUEST		Biennium Request Total
					FY 2022	FY 2023	
University Capital Project Funding							
Auxiliary Service Projects	Universities	1	\$ 15,150,000		\$ 7,500,000	\$ 7,650,000	\$ 15,150,000
Moore Field House Mechanical/Electrical Renovations	Southern	2	\$ 9,038,571		\$ 1,571,933	\$ 7,466,637	\$ 9,038,571
Lyman Hall & Earl Hall Mechanical/Electrical & Facade Renovations	Southern	3	\$ 3,324,006		\$ 3,324,006		\$ 3,324,006
Campus-Wide Infrastructure Improvements	Western	4	\$ 5,000,000		\$ 5,000,000		\$ 5,000,000
Campus-Wide Infrastructure Improvements	Central	5	\$ 7,500,000		\$ 7,500,000		\$ 7,500,000
Sports Center	Eastern	6	\$ 9,897,411		\$ 9,897,411		\$ 9,897,411
Plant Improvements - Phase 1	Eastern	7	\$ 12,166,301		\$ 3,570,000	\$ 8,596,301	\$ 12,166,301
University Energy Efficiency Program	Universities	8	\$ 5,000,000		\$ 5,000,000		\$ 5,000,000
Berkshire Hall Innovation Center - Phase 2	Western	9	\$ 6,866,800			\$ 6,866,800	\$ 6,866,800
University Police Facility-Wintergreen Avenue	Southern	10	\$ 1,271,987			\$ 1,271,987	\$ 1,271,987
Stem Bulding - Phase 1	Central	11	\$ 6,813,171			\$ 6,813,171	\$ 6,813,171
University Capital Improvement Program Subtotals			\$ 82,028,247		\$ 43,363,351	\$ 38,664,896	\$ 82,028,247
College & University Capital Improvement Program Totals			\$ 401,159,843	\$ 15,276,088	\$ 166,219,723	\$ 219,664,032	\$ 385,883,755

Connecticut State Colleges and Universities FY 2022 – FY 2023 Biennium Capital Budget

Program Funding Requests

Code Compliance/Infrastructure Improvements Program

- **Connecticut State Community Colleges, Charter Oak State College & System Office**
FY 22 - \$19,903,067 & FY 23 \$20,400,643
 - **Priority #1**
 - **Authorization Language:** Funding request for Ongoing program
 - **Justification:** Annual facility reinvestment funding for the Community College, Charter Oak College & System Office deferred maintenance, academic enhancement, energy conservation and facility improvement program
 - **Program:** Physical Plant
 - **Prior State Authorizations:** Ongoing program

- **Connecticut State Universities (FY 22 - \$22,450,416 & FY 23 - \$23,011,677)**
 - **Priority #2**
 - **Authorization Language:** Funding request for Ongoing program
 - **Justification:** Annual facility reinvestment funding for the University deferred maintenance, academic enhancement, energy conservation and facility improvement program
 - **Program:** Physical Plant
 - **Prior State Authorizations:** Ongoing program

In recent years sufficient funding for this program has not been authorized that minimizes opportunities to complete necessary system-wide facility improvements. In addition, major capital project funding and all other CSCU bond funded programs have obtained limited funds that places greater pressure on this program to complete more work with less funds. Resulting from recent funding levels the CSCU facilities are developing significant improvement backlogs.

This budget is developed and updated from, but not limited to, historic institutional requests, benchmarking against other higher ed. institutions, physical site evaluations and prior studies. In combination, these efforts enable the development of a system-wide long term Code Compliance/Infrastructure improvement program. Earmarked funding for individual projects and programs is established for academic enhancements, life safety improvements, facility needs, energy conservation, studies and other facility based evaluations and improvements. Annual budget and distribution of funds to each college and university are factored from a prorated basis of total square feet and average campus age. The funding distribution model accurately represents appropriate budget

thresholds for minor academic enhancements and facility improvements that promote a systematic multi-faceted approach of maintaining high academic and facility standards while decreasing long term spending projections.

Examples of projects funded through this program are modifications and restoration of interior and exterior academic and support facilities, including the upgrading of building envelopes; replacement of aging building systems, including fire, safety and security systems, utility systems and mechanical systems; and exterior grounds improvements including parking lot and road resurfacing, repair or installation of stairs, ramps, plaza decks, sidewalks, parking areas, landscaping, signage, exterior lighting, site utilities and outdoor athletic and recreation facilities. The program also provides for the implementation of energy conservation measures, hazard risk mitigation and changes necessary to bring facilities into compliance with state and federal fire, health, safety and accessible access codes and regulations. Also addressed are improvements to academic and support spaces in existing facilities that enhance academic performance.

- **Connecticut State College & University Infrastructure Technology & Telecommunications Upgrades FY 22 - \$15,050,000 & FY 23 - \$9,000,000**
 - **Priority #3**
 - **Authorization Language:** Funding request for Ongoing program
 - **Justification:** Annual facility reinvestment funding for the University differed maintenance program
 - **Program:** System-Wide Infrastructure Technology Upgrades
 - **Prior State Authorizations:** Ongoing program

This program is an ongoing effort that will deploy technology enhancements to the seventeen institutions and System Office. System-wide technology improvements from this program will be deployed from the System Office level. Major examples of projects include both software and hardware initiatives. Important system-wide projects within this request include:

1. **Campus Switching Upgrade:** The CSCU completed the implementation of a standardized network for the community college system in 2018, these switches, which reside at the edge of the network and connect employees and student's computers to the network and internet will be at end of life in 2023. In order to replace several thousand switch, the capital expense will need to begin in FY 22. Failure to replace these systems will result in a major security risk for the community college system.
2. **Wireless:** The wireless system was installed in 2018 and is a major component of student life. This system will be at end of life in 2022 and requires replacement to meet student educational and recreational needs in FY 21.

3. Voice Upgrade: The next version of our Cisco operation software will make a number of phone obsolete, requiring replacement to meet security requirements.
 4. VDI Infrastructure: The pandemic has required the move to virtual environment to improve agility and meet educational requirements for future remote learning.
- **College, Charter Oak and System Office New and Replacement Equipment Program**
FY 22 - \$10,600,000 & FY 23 - \$10,865,000
 - **Priority #4**
 - **Authorization Language:** Funding request for Ongoing program
 - **Justification:** Annual reinvestment funding for the Community Colleges, Charter Oak State College & System Office for new and replacement equipment
 - **Program:** Coordination of Higher Education
 - **Prior State Authorizations:** Ongoing Program
 - **University New and Replacement Equipment Program**
FY 22 - \$12,000,000 & FY 23 - \$12,300,000
 - **Priority #5**
 - **Authorization Language:** Funding request for Ongoing program
 - **Justification:** Annual reinvestment funding for the Universities new and replacement equipment
 - **Program:** Coordination of Higher Education
 - **Prior State Authorizations:** Ongoing program

This program provides funds for the purchase of new and replacement equipment for the 12 Community Colleges, 4 Universities, Charter Oak and the System Office. The equipment will support instruction, student services and administrative functions including classroom technology, telecommunications, educational enhancements, general office, computer (both academic and administrative), physical plant, media services, laboratory equipment and System initiatives.

- **College, Charter Oak State College and System Office Security Improvement Program**
FY 22 - \$2,500,000 & FY 23 - \$2,500,000
 - **Priority #6**
 - **Authorization Language:** Community College, Charter Oak State College and System Office Security Improvement Program
 - **Justification:** Community College, Charter Oak and System Office Security Improvement Program that will increase the active and passive level of security at each campus
 - **Program:** Safety and Security Program
 - **Prior State Authorizations:** Ongoing program

The System Office previously completed a comprehensive security analysis of the 12 Community Colleges. The study highlighted both passive and active opportunities to raise the level of security at each campus. Opportunities highlighted early warning systems, deterrents and quick response enablers. This funding will allow for the design and implementation of many safety and security measures at each Community College campus, Charter Oak and the System Office. The implementation results will allow for a higher level of safety and security at each campus. Examples of safety and security measures that would be provided include, lighting, surveillance cameras, license plate identification systems, vehicle deterrent systems, security enforcement equipment, security related transportation, fencing, electronic and mechanical door hardware, and ballistic resistant glass. This funding supports a multi-year security improvement program.

- **College Advanced Manufacturing/Emerging Technology Center Program**
FY 22 - \$3,000,000 & FY 23 - \$3,075,000
 - **Priority #7**
 - **Authorization Language:** Annual Advanced Manufacturing and Emerging Technology program funding
 - **Justification:** Annual program funding that responds to state workforce educational and instructional needs
 - **Program:** Coordination of Higher Education
 - **Prior State Authorizations:** Ongoing program

The future development of advanced manufacturing employment in Connecticut is contingent, in large measure, on the collective ability of the CSCU to develop viable, fluid technology programming and produce literally thousands of graduates annually able to transition successfully to career employment opportunities in the private sector. Without question, Connecticut is in a position to both stabilize and expand its current manufacturing employment based on approximately 160,000 women and men. Reshoring has become a reality, local major industry are in major growth modalities, and emerging technologies are beginning to take root and will require more investment and renewed commitment by State Government and higher education. Prior state funding has initiated and/or supported Advanced Manufacturing programs at 6 of the Community Colleges in addition to 2 off campus instructional centers.

- **Land and Property Acquisition Program – System-Wide Initiative**
FY 23 - \$3,000,000
 - **Priority #8**
 - **Authorization Language:** Land acquisition program funding
 - **Justification:** Annual land acquisition program funding

- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** Ongoing program for Universities and new program for Colleges

This program provides an available fund source for the acquisition of strategic properties that meet current and future system-wide academic and facility needs. Land and buildings considered for purchase are located either adjacent or strategic to institutions. It is important that these funds be available to purchase logistically important properties as they become available for acquisition or else they may be sold to private entities and the opportunity for their acquisition made improbable.

Community College Capital Funding Requests

- **Naugatuck Community College – Renovate Kinney Hall**
FY 23 - \$57,941,757 (Construction)
 - **Priority #1**
 - **Authorization Language:** Educational enhancements and code compliance improvements
 - **Justification:** Construction funding for renovation of an academic classroom/office building for academic enhancements, support space, code compliance, asbestos abatement and energy improvements
 - **Program:** Coordination of Higher Education
 - **Prior State Authorizations:** FY20 - \$6,000,000 PA 20-1 Sec 2(J)(4)

Naugatuck's Facilities Master Plan completed in 2016 identifies major campus needs for academic improvements and facility enhancements. The 72,000 square foot Kinney Hall was constructed as an academic classroom building in 1977. Only minor academic and facility improvements have occurred to this facility since it opened. Required improvements include, but not limited to, restructuring classroom and support space to meet current academic and college demands, code compliance that include ADA and life safety, asbestos abatement, energy conservation and a new roof. Due to environmental concerns with replacing the roof system a temporary roof has been installed on this building until the entire roof deck can be removed, building interior opened to the exterior elements and facility unoccupied during the abatement/roof deck removal and reinstallation process. Resulting from limited life of the temporary roof system this is a priority project.

- **One College Office**

FY 22 - \$2,900,000 (Design & Construction)

- **Priority #2**
- **Authorization Language:** System Consolidation
- **Justification:** Preconstruction services and Construction
- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** None

The CSCU's regional college educational accrediting board, The New England Association of Schools and Colleges, Inc. (NEASC), requires the One College have a physical separation from the Board of Regents office as part of the CSCU Students First consolidation. This request funds design and construction services establishing a One College office of 20,000 s.f. for approximately 50 employees located at 185 Main St., New Britain. This facility, currently known as Central's Information Technology Business Development Building (ITBD), no longer suites Central's needs. The ITBD Building is already in process of being repurposed for Charter Oak State Colleges new home and will become a colocation for both offices.

- **Gateway Community College, High Tech Automotive Training Center**

FY 23 - \$5,549,250 (Property Acquisition and Design), FY 25 - \$30,755,838 (Construction)

- **Priority #3**
- **Authorization Language:** Replacement of an antiquated facility
- **Justification:** Property acquisition & preconstruction services for a new facility
- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** None

Gateway's Automotive Training Center remains located in Gateway's antiquated North Haven Campus that was previously retired as a high school. The automotive program is Gateway's only educational program that did not relocate to the colleges downtown New Haven Campus when it opened in 2012.

As part of both classroom and laboratory work most of the vehicles donated for this program and analyzed are new vehicles obtained through partnerships with major auto manufactures. Each partnership requires its' own laboratory and equipment to support individual manufacturers. Each laboratory is considered "High Tech" to support the educational environments latest production vehicle demands for both internal combustion gasoline and electric vehicles. There are additional automotive manufactures, tire industry representatives and diesel program partnership interest that remain prohibitive until acceptable additional laboratory space is available. Education in Robotics and Artificial Intelligence is an important course of automotive study for students entering the

workforce. Gateway's Railroad Technology program in this facility is a final important component of this plan. This program is conducted through both classroom and hands on laboratory educational experiences.

This funding request supports the acquisition of property and design services of up to a 50,000 s.f. facility to better enable a high-tech robust program. Funding for construction will occur in a future biennium.

- **Asnuntuck Community College – Phase 1 Campus Renovations**

FY 23 - \$33,355,809 (Construction)

- **Priority #4**
- **Authorization Language:** Educational enhancements and code compliance improvements
- **Justification:** Construction funding for educational, facility, code compliance and energy improvements
- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** FY2017- \$3,800,000 PA 15-1 Sec 21(n)(5)

Asnuntuck Community College was a former middle school, constructed in 1966, that transitioned to a community college in 1997. Although some investment has occurred with improving the campus much of the facility remains consistent to when the facility was a middle school. The Facilities Master Plan completed in 2017 identifies a 2 phased opportunity to realign the campus physical state to meet current and projected academic and space needs. For phase 1, major project attributes include relocating the library into the current underutilized gymnasium space in addition to create a second level in the gym space to accommodate an increased need of science lab space. The old library will become office and student services space as well as the antiquated auditorium would be refurbished. Design for this project was authorized in FY 2017.

- **Naugatuck Community College ADA Compliance Project**

FY 22 - \$5,000,000 (Design & Construction)

- **Priority #5**
- **Authorization Language:** ADA compliance project
- **Justification:** Construction funding for ADA compliance
- **Program:** Accessibility
- **Prior State Authorizations:** FY2019- \$5,000,000 PA 17-2 Sec 397(h)(45)

In 2014 the Community Colleges were mandated by the Federal Office of Civil Rights to perform "self-audits" of their facilities and programs regarding compliance with the Americans with Disabilities Act. Subsequently a consultant was retained to further detail the non-compliance issues and overall costs to rectify non-compliance. To date a

plan of action for corrective measures has been submitted to the Office of Civil Rights and minor improvements have been completed from available deferred maintenance funds. Non-compliance may place some types of Federal funding to the college at risk. This project will be completed in two phases. Phase 1 funding is authorized for FY 19 for design and construction services and is not allocated at the time of the biennium submission. This request will fund phase 2 construction and miscellaneous improvements.

- **Quinebaug Valley Community College - New Maintenance Garage**
FY 22 - \$3,711,992 (Construction)
 - **Priority #8**
 - **Authorization Language:** Replacement of antiquated facilities
 - **Justification:** Construction funding to replace the old maintenance garage and modular office building
 - **Program:** Physical Plant
 - **Prior State Authorizations:** FY2018- \$476,088 PA 17-2 Sec 378(i)(6)

This college has significantly grown over the past twenty-years. Since their existing maintenance facility was constructed in the early 90's the campus has grown by more than 75,000 square feet. Additionally, Quinebaug houses part of the faculty offices in a modular trailer that has exceeded its' useful life. The project calls for the demolition of the antiquated maintenance facility and temporary offices and construction of a new facility that houses both occupancies. Preconstruction services were authorized under FY 2019.

- **Capital Community College – Central Plant & Infrastructure Improvements**
FY 22 - \$19,240,897 (Design & Construction)
 - **Priority #9**
 - **Authorization Language:** Infrastructure improvements
 - **Justification:** Design and construction funding for campus building envelope improvements.
 - **Program:** Physical Plant
 - **Prior State Authorizations:** None

Capital Community College occupies the old G. Fox department store building on Main Street in Hartford. The facility originally constructed in 1917 with additions in 1938 and 1962 is a 12 story facility on Main St., art deco in style and is listed on the National Historic Register. In 2002, after completion of fully renovating the building for the college, Capital occupied the building. There are a number of significant modifications that are required to support this facility and programs that are costlier than the Minor

Capital Improvement program funds allow. Projects and approximate funding requirements consist of;

- Replacement of 9 air Handler units - \$1.3M estimated cost.
 - Discontinue costly city steam and chilled water connection and install high efficiency cooling and heating central plant - \$8M estimated cost.
 - Food service modifications/renovations - \$2.8M.
 - Upgrade elevators that inadequately move high quantities of students with “smart controls” to significantly improve elevator efficiency - \$1.2M.
 - Upgrade building HVAC control systems and provide fire alarm upgrades - \$1.8M.
 - Exterior masonry repointing and exterior window painting/recaulking - \$1.8M.
 - New electronic security door hardware across the campus - \$1.8M.
 - Campus wide Blue Light improvements -\$500,000.
- **Northwestern Community College – Roof and Window Replacements**
FY 22 - \$2,000,000 (Design & Construction)
 - **Priority #10**
 - **Authorization Language:** Infrastructure improvements
 - **Justification:** Design and construction funding for campus roof and window improvements.
 - **Program:** Physical Plant
 - **Prior State Authorizations:** None

Northwestern Community College consists of a variety of buildings that date back as far as 1860. The facilities range from wood framed residential structures; English, Goulet and Duffy Houses, that are now administrative facilities to Founders Hall that was a turn of the century masonry structure manufacturing facility that now functions as classroom and administrative space. Although these facilities have been well maintained by the college there are a number of significant improvements that are required to support the campus facilities and are costlier than Minor Capital Improvement program funds allow. Windows in the former residences were replaced years ago and no longer properly operate. At Founders Hall state roof tiles have seen their useful life and are beginning to break off the roof. Even with the roof maintained, this poses a significant safety risk to pedestrians around the building perimeter.

- **Norwalk Community College Facility Improvements**
FY 22 - \$4,500,000 (Design & Construction)
 - **Priority #11**
 - **Authorization Language:** Educational, facility and site improvements
 - **Justification:** Design and Construction funding for miscellaneous interior and site improvements

- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** None

Many interior building components have achieved their useful life and are need of replacement. Much of this project entails building toilet room renovations, flooring and ceiling replacements, parking lot resurfacing, exterior security surveillance systems, exterior emergency lockdown door hardware and building minor building structural improvements. Prior deferred maintenance funding levels has been insufficient to complete this work.

University Capital Funding Requests

- **Universities – Alterations/Improvements to Auxiliary Service Facilities**
FY 22 - \$7,500,000 & FY 23 - \$7,650,000
 - **Priority #1**
 - **Authorization Language:** Funding request for Ongoing program
 - **Justification:** Annual facility reinvestment funding for the University differed maintenance program
 - **Program:** Physical Plant
 - **Prior State Authorizations:** Ongoing program

This program is a continuation of the legislative commitment to provide annual funding from general obligation bonds to finance capital projects impacting residential and other auxiliary service facilities at the four Connecticut State Universities. This funding recognizes the burden placed on students enrolled in the Connecticut State University System who pay fees to service debt for the design and construction of new auxiliary service facilities, as well as renovations and repairs to existing structures, including residence halls, student centers, dining hall facilities and student parking areas. This important program remained unfunded under the last biennium.

- **Southern Connecticut State University – Moore Field House Mechanical/Electrical Improvements**
FY 22 - \$1,571,933 & FY 23 - \$7,466,637
 - **Priority #2**
 - **Authorization Language:** Infrastructure improvements
 - **Justification:** Design and construction funding to replace antiquated building infrastructure
 - **Program:** Physical Plant
 - **Prior State Authorizations:** None

Moore Field House was constructed in 1976 and has 141,563 gross square feet. Major components of the mechanical and electrical systems are beyond their useful life and are in need of replacement. This project was originally funded under the CSCU 2020 program and was cancelled with funds reallocated to complete Buley Library. Prior deferred maintenance funding levels have not been sufficient to complete the work. This funding will fund preconstruction as well as construction phase services.

- **Southern Connecticut State University – Lyman Center for the Performing Arts Mechanical/Electrical Improvements**

FY 22 - \$3,324,006

- **Priority #3**
- **Authorization Language:** Infrastructure improvements
- **Justification:** Design and construction funding to replace antiquated building infrastructure
- **Program:** Physical Plant
- **Prior State Authorizations:** None

The 50,415 gross square foot Lyman Center for the Performing Arts was constructed in 1967 and underwent major renovations in 1993. This facility is Southern's only major performance theater. Components of the mechanical and electrical systems are beyond their useful life and are need of replacement with some of the electrical improvements needing to occur for safety purposes. The project was originally funded under the CSCU 2020 program and was cancelled with funds reallocated to complete Buley Library. Prior deferred maintenance funding levels have not been sufficient to complete the work. This funding will fund preconstruction as well as construction phase services.

- **Western Connecticut State University – Campus-Wide Infrastructure & Campus Improvement Program**

FY 22 - \$5,000,000

- **Priority #4**
- **Authorization Language:** Infrastructure improvements
- **Justification:** Design and construction funding to replace antiquated infrastructure and provide general campus improvements
- **Program:** Physical Plant
- **Prior State Authorizations:** None

Over the past several years Western has been in process of deteriorating at levels faster than available bond funds allow repairs, replacements and improvements. Funding within this request provides a dedicated funding source to complete prioritized work and restore the campus to a positive path. This work is currently significant in nature.

Prior deferred maintenance funding levels have not been sufficient to complete the work. Delayed funding will begin to further age out to projects, increase project scope and significantly drive up improvement costs to difficult catch up levels. Major examples that funding is currently expected to address are listed below:

- Midtown Campus – Science Lab renovations
- Midtown Campus – Honors House renovations
- Midtown Campus- Power Plant Boiler replacement
- Midtown Campus – Parking Garage restoration
- Campus Wide – Classroom Improvements
- West Side Campus - O'Neil Sports Center HVAC improvements
- West Side Campus - Athletic Center and practice field improvements

- **Central Connecticut State University – Campus-Wide Infrastructure & Campus Improvement Program**

FY 22 - \$7,500,000

- **Priority #5**
- **Authorization Language:** Infrastructure improvements
- **Justification:** Design and construction funding to replace antiquated infrastructure and provide general campus improvements
- **Program:** Physical Plant
- **Prior State Authorizations:** None

Over the past several years Central has been in process of deteriorating at levels faster than available bond funds allow repairs, replacements and improvements. Funding within this request provides a dedicated funding source to complete the work and restore the campus to a positive path. This work is currently considered significant in nature. Prior deferred maintenance funding levels have not been sufficient to complete the work. Delayed funding will begin to further age out to projects, increase project scope and significantly drive up improvement costs to difficult catch up levels. Major examples that funding is currently expected to address are listed below:

- Maloney Hall windows/ventilation and associated improvements
- Maria Sanford Mathematic Department renovations
- Kaiser Gym HVAC improvements
- Energy Center generator and switchgear upgrade
- Maria Sanford Hall and Copernicus Hall roof replacement projects
- Burritt Library window and wall caulking
- Copernicus Hall fume hood energy controls
- Welte Hall and Copernicus Hall electric service upgrades
- Campus-wide fire alarm panel upgrades.
- Admissions Building renovations and improvements
- Miscellaneous Parking Lot resurfacing

- **Eastern Connecticut State University – Sports Center**
FY 22 - \$9,897,411 (Design), FY 24 - \$100,296,266 (Construction)
 - **Priority #6**
 - **Authorization Language:** Academic Improvements
 - **Justification:** Preconstruction services for a new facility
 - **Program:** Coordination of Higher Education

Eastern's Sports Center was constructed in 1973 at 82,268 gross square feet. Increased enrollment since it was constructed in addition to significant growth in the number of participants in sports on the NCAA level and in recreational and intramural programs has revealed that the facility can no longer adequately support Eastern's various athletic programs and student needs. A new Sports Center of 132,000 gross square feet will be constructed that will support academic programs of the Health and Physical Education Department, student recreation, and intercollegiate athletics. This project will include a large competitive gym, competitive aquatic center, offices, lockers, hospitality areas, athletic training and miscellaneous other support spaces. At the completion of this project, the existing Sport Center will become a CHEFA funded Student Recreation Center.

- **Eastern Connecticut State University – Plant Improvements**
FY 22 - \$3,570,000 (Design), FY 23 - \$8,596,301 (Construction)
 - **Priority #7**
 - **Authorization Language:** Infrastructure improvements
 - **Justification:** Design and construction funding to replace antiquated building infrastructure
 - **Program:** Physical Plant
 - **Prior State Authorizations:** None

The existing boilers at the campus Boiler Plant will not meet the demands for future campus development that includes the proposed athletic center. The current electric service loop on campus lacks redundancy and additionally requires upgrades to meet future campus development needs. Much of the electric and heating infrastructure is aging to the end of its' useful life. Both systems are fed from the Central Plant. This project provides for upgrading boiler plant and electrical infrastructure to meet campus needs.

- **Universities – Energy Efficiency Program**
FY 22 - \$5,000,000
 - **Priority #8**
 - **Authorization Language:** Program Funding Request

- **Justification:** Facility reinvestment funding for the University energy conservation effort
- **Program:** Physical Plant
- **Prior State Authorizations:** None

This multi-year program compressively addresses capital improvements related to energy conservation efforts at the four universities. This program reduces energy consumption, reduces future deferred maintenance expenditures and drives down operating costs. The payback on investment for individual improvements typically range within 3-10 years. Examples of major improvements include lighting retrofits, installation of high efficiency motors, automated building controls, boiler modifications, replacement of antiquated inefficient mechanical equipment and building retro-commissioning.

- **Western Connecticut State University – Berkshire Hall Innovation Center**

FY 23 - \$6,866,800 (Design), FY 25 \$50,532,150 (Construction)

- **Priority #9**
- **Authorization Language:** Academic Improvements
- **Justification:** Education and program advancements
- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** None

Constructed at the Midtown Campus in 1958 with a 1967 addition this facility is 84,796 gross square feet. As a current classroom building, many of the original functions supported within were for the Fine and Performing Arts program that were relocated to their West Side campus new home in 2015. As a 2 phase project, proposed is the transformation of an underutilized antiquated facility into a vibrant mixed use progressive facility. Phase 1 of this project has already commenced as a CHEFA funded (student use and funded) project that will relocate the inadequate sized the Midtown Campus Student Center to its' new home in Berkshire Hall. Some renovations and a new addition will occur during phase 1. This funding request, phase 2 of the project, creates a new campus Innovation Center through renovations, demolition of some of the existing facility as well as a new addition. The completed building will be approximately 150,000 gross square feet. The Innovation Center will support student success and entrepreneurial activity. Part of this programs goal is to make Western a more outward facing university that engages more directly with the community and industry partners. Spaces included in the Innovation Center will include gathering spaces, presentation areas, a Career Center, auditorium, classrooms and academic computing. The current Entrepreneurial Center is located at the West side Campus. At the completion of this project the existing Student Center will be repurposed to a classroom building funded from future general obligation bond funds.

- **Southern Connecticut State University – University Police Station**

FY 23 - \$1,271,987 (Design), FY 25 - \$7,112,565 (Construction)

- **Priority #10**
- **Authorization Language:** Infrastructure improvements
- **Justification:** Public Safety Improvements
- **Program:** Physical Plant
- **Prior State Authorizations:** None

Southern's University Police Station is located in an antiquated undersized facility that no longer meets the University's needs. This project will construct a new 10,000 square foot University Police Station. The new facility will be a single story facility that includes offices, holding area, the most current security monitoring capabilities, storage and a sally port. The new facility will promote a campus-wide inviting and secure atmosphere.

- **Central Connecticut State University – Stem Building (phase 1)**

FY 23 - \$6,813,171 (Design), FY 25 - \$64,470,986 (Construction)

- **Priority #11**
- **Authorization Language:** Academic Improvements
- **Justification:** Education and program advancements
- **Program:** Coordination of Higher Education
- **Prior State Authorizations:** None

Copernicus Hall, constructed in 1974, is approaching 50-years old. The facility was originally designed with a focused curriculum of science, biology, chemistry, physics and botany. Since its' opening significant program expansion and increased student enrollment have placed greater demands on Copernicus for health science and technology based programs. In recent years some campus improvements have occurred to alleviate Copernicus space, academic and aging infrastructure deficiencies. Resulting from the level of comprehensive facility improvements, logistics of renovating an occupied Copernicus Hall are difficult that would create program disruptions, limited opportunities of specialized swing space and use demands on the entire facility.

This request funds design phase services for phase one of a two phased program that will, at the end of phase two, relocate health services and the science programs to a new facility(s). Both project phases (each) will consist of new 70,000 square foot facilities equipped to meet the most current and projected health and science program needs. Construction funds for the first phase and design and construction funds for a second phase will be requested as part of future biennium budgets. When both project phases

are complete the 186,742 square foot Copernicus Hall will be renovated through future bond funds and other deficient academic programs will be backfilled into the facility.

RESOLUTION

Concerning

CSCU FY22/FY23 Biennium Operating Fund Baseline and Capital Requests

December 17, 2020

- WHEREAS, The Board of Regents under its statutory authority reviews and approves the consolidated CSCU Biennium budget submittal to the Secretary of the Office of Policy and Management (OPM); and
- WHEREAS, Based on instructions from OPM, CSCU projected the FY22/FY23 operating budget based on FY21 revised budget using assumptions for enrollment, tuition and fees, personnel cost and other operating expenses.; and
- WHEREAS, The state has not made significant progress in funding CSCU's capital budget priorities because of the pandemic so our priorities remain largely the same as last year; therefore, be it
- RESOLVED, That the Board of Regents does hereby approve the FY22/FY23 Biennium Baseline Operating Fund and Capital Requests as presented.

A True Copy:

Alice Prichard, Secretary of the
CT Board of Regents for Higher Education

ACTION ITEM

Increase authority to use System Reserves for PACT through Spring 2021

BACKGROUND

In the 2019 session of the Connecticut General Assembly, Public Act 19-117 was passed including the establishment of a last-dollar scholarship program intended to ensure that Connecticut high school graduates who are attending college for the first time will be able to attend a Connecticut community college without any out-of-pocket charges for tuition or mandatory fees. This program was implemented by the Board of Regents on December 19, 2019 as PACT, the Pledge to Advance CT.

In June, 2020, the Board of Regents elected to dedicate \$3 million of Community College System Office reserves to support PACT students in the fall of 2020 because the pandemic had prevented the legislature from acting on an appropriation for the program. Moreover, analysis of existing enrollment of students who met eligibility criteria showed that there is potential to attract new students, including students eligible for PELL assistance. These new students would offset the costs of the program with new revenue, reducing the cost, while building up enrollment.

Finally, we requested that the state appropriate funds to reimburse for the scholarships in the fall and to continue the program thereafter. On October 23, 2020, we received a letter from the Democratic leadership of both chambers, including chairs of Appropriations and Higher Education, committing to fund \$12 million to support the program. These funds would be sufficient to fund the students who enrolled in the Fall of 2020 through their eligibility, including reimbursement to CSCU for reserves used for the fall, along with those requested here.

The PACT program made awards to 3,040 students as of October 25, as shown below.

College	Count Min Award (\$250)	Paid Min Award	Count Balance Award	Paid Balance Award	Total Count	Sum Paid
Asnuntuck	54	\$ 13,500.00	46	\$ 82,545.00	100	\$ 96,045.00
Capital	58	\$ 14,500.00	28	\$ 58,834.00	86	\$ 73,334.00
Gateway	265	\$ 66,250.00	100	\$ 205,589.00	365	\$271,839.00
Housatonic	180	\$ 45,000.00	71	\$ 136,441.50	251	\$181,441.50
Manchester	196	\$ 49,000.00	204	\$ 447,503.25	400	\$496,503.25
Middlesex	90	\$ 22,500.00	88	\$ 189,239.50	178	\$211,739.50
Naugatuck	259	\$ 64,750.00	246	\$ 502,676.00	505	\$567,426.00
Northwestern	74	\$ 18,500.00	98	\$ 192,801.00	172	\$211,301.00
Norwalk	106	\$ 26,500.00	74	\$ 154,732.50	180	\$181,232.50
Quinebaug	82	\$ 20,500.00	74	\$ 143,952.00	156	\$164,452.00
Three Rivers	182	\$ 45,500.00	128	\$ 277,340.50	310	\$322,840.50
Tunxis	191	\$ 47,750.00	146	\$ 328,056.50	337	\$375,806.50
All	1,737	\$ 434,250	1,303	\$ 2,719,711	3,040	\$ 3,153,961

Note that the system stopped making awards in mid-August once funding had been fully committed. Students who did not apply in time to receive an award, but are otherwise eligible, may be eligible to receive an award in the future when there is funding available.

REQUEST

The Board of Regents is requested to amend the original budget by increasing the amount of Community College System Office Reserves authorized to be used to pay scholarships under the PACT program from \$3 million to \$6 million.

This change will allow the system to make awards to existing PACT students in the spring, and may allow some of the students who missed the funding cut-off to receive help in the spring as well.

While CSCU has received direct assurances that the legislature will find funding to reimburse our expenses to maintain this program, this is not guaranteed. It is highly unlikely that we will receive such an appropriation before the spring semester is well underway or even after it has finished, given the legislature's planned adjournment in early June.

ATTACHMENTS

- a. October 23 letter from Legislative Leaders
- b. Resolution

12/2/2020 Finance and Infrastructure Committee
12/17/2020 Board of Regents



State of Connecticut
GENERAL ASSEMBLY
STATE CAPITOL
HARTFORD, CONNECTICUT 06106-1591

October 23, 2020

Mark E. Ojakian, President
Connecticut State Colleges and Universities
61 Woodland Street
Hartford, CT 06105

Dear President Ojakian,

Thank you for your recent correspondence regarding funding for the PACT program, which provides free community college tuition and fees for first-time, full-time students. We are encouraged by the 3,000 Connecticut students who enrolled in this new program this fall, and we appreciate that these students were a bright spot in a year in which enrollments dropped in the face of the pandemic, lost jobs, and closed schools. We are writing to commit to securing funding to both reimburse CSCU for the \$3 million in reserve funding it spent to get this program started this fall semester and to secure an additional \$3 million to fund students currently enrolled in PACT moving forward into spring 2021. We also understand that an additional appropriation of \$6 million will be required to fund the program for the school year beginning in the fall of 2021 to allow students currently enrolled to continue into their second year.

While funding for the PACT program has been a challenge, it is clear that the program is meeting a real need for affordable college tuition, and we acknowledge the risk that the Board of Regents took by funding it this fall. We also recognize that the pandemic has hit CSCU very hard, with steep drops in enrollment, half-full dormitories, and new costs to bear as you adapt to remote and hybrid teaching. In light of these budget issues you face, we understand that our community colleges cannot afford to continue to fund this program without the state after this semester.

While we have not been able to amend the biennial budget this year because of COVID, we remain committed to identifying and appropriating funds for the PACT program for the current school year and beyond. This commitment includes \$12 million, which would cover this current year, next year, and the next biennium. We understand that you will need to make financial aid offers to those PACT students for the spring very soon. We hope you will be able to find a way to extend those offers, with the understanding that the state will include support for those offers when we take action on the state budget in 2021.

Sincerely,

Martin Looney
Senate President Pro Tempore, 11th District

Matt Ritter
House Majority Leader, 1st District



Will Haskell
State Senator, 26th District



Cathy Osten
State Senator, 19th District



Mae Flexer
State Senator, 29th District



Gregg Haddad
State Representative, 54th District



Toni Walker
State Representative, 93rd District



Gary Turco
State Representative, 27th District

RESOLUTION

concerning

Increasing Authority to Use Community College System Reserves to fund Pledge to Advance Connecticut (PACT) to \$6 million through Spring 2021

December 17, 2020

- WHEREAS, Public Act 19-117, sections 362-364, requires the Board of Regents to establish a debt-free community college program starting in the fall of 2020 under which awards will be made to qualifying students that will offset any cost of tuition and fees not covered by other sources of financial aid, and
- WHEREAS, The Board of Regents implemented the PACT program in December 2019, with the first scholarships planned for Fall 2020; and
- WHEREAS, In June, 2020, the Board of Regents authorized use of \$3 million of Community College System Office reserves to fund PACT scholarships for the fall because the Pandemic had prevented legislative action to fund the program; and
- WHEREAS, On October 23 2020 CSCU received written assurances from leaders in the General Assembly that it would provide \$12 million to CSCU to pay for the scholarships to the current cohort of PACT recipients; and
- WHEREAS, Legislative leaders also encouraged the system to fund the scholarships for the spring until the General Assembly has an opportunity to make an appropriation for this purpose; therefore, be it
- RESOLVED, That the Board of Regents does hereby amend its spending plan to include an additional \$3 million from Community College System Office reserves to support Pact scholarships in the spring, bringing the total amount available in FY 2021 for this purpose to \$6 million.

A True Copy:

Alice Prichard, Secretary of the
Board of Regents for Higher Education

ITEM

Bright Horizons Family Solutions LLC tuition benefit program including Raytheon Technologies, Carrier and Otis Educational Pilot Program

BACKGROUND

The Board pursuant to its statutory authority – Section 10a-99 of the Connecticut General Statutes (“CGS”) – “...shall fix fees for tuition and shall fix fees for such other purposes as the board deems necessary at the university...” Tuition and fee waivers are provided to qualified students under certain conditions. Certain tuition waivers are reflected in Section 10a-99 of the CGS. Other tuition and fee waivers are authorized by Board action.

ANALYSIS

The Connecticut State Universities (“CSU”) request approval from the Board of Regents to extend the pilot for 5 percent tuition reduction for another six years through classes which commence prior to December 31, 2026. The original pilot agreement was with United Technology Corporation (“UTC”); however, in 2019 UTC merged with Raytheon Technologies (“RTX”), and the merger required the spinoff of Carrier and Otis as separate entities. All three corporations have entered into client agreements with Bright Horizons Family Solutions LLC (“Bright Horizons”) to manage the EdAssist Solutions tuition benefit program for their employees.

The CSU terms and conditions of the agreement with Bright Horizons would be similar to the terms and conditions, which are in place in the current UTC agreement and will expire on December 31, 2020. Under the terms of the proposed agreement with Bright Horizons, CSU will continue to be a preferred provider of higher education for RTX, Carrier and Otis employees, for whom the corporations pay all tuition costs the majority of the time. Bright Horizons provides each eligible employee with a voucher, which identifies the value of the voucher that is presented to the applicable CSU Bursar’s Office to place the credit memo on the student’s account in anticipation of payment.

CSU offers the eligible employees a 5 percent discount on tuition, which equates to a total discount of between 2 to 3 percent off tuition and fees. In FY 2020, there was a discount of approximately \$37 per undergraduate and \$61 per graduate three-credit course. It is important to note that while CSU would provide a discount, there would be minimal risk of student no-shows, non-payment of tuition, collection activities, and bad debt expenses. There is also a favorable impact on the 15 percent set-aside for financial aid that each CSU budgets, as this population would contribute to but not utilize the 15 percent set aside, as the respective employer, through Bright Horizons, funds in most cases 100 percent of their tuition and fees.

Additionally, each of our institutions is afforded the opportunity to have a landing page and be listed as a Bright Horizons Education Network participating provider in respective Bright Horizons’ Tuition Program Management Client portal; participate in education events as opportunities arise (i.e. Education Fairs); receive feedback from Bright Horizons Education Coaching team on student demand on an ongoing basis; receive marketing support of new programs and benefits through Bright Horizons’ distribution channels; and

have exclusive access to Bright Horizons leadership webinars, industry research and case studies.

The total revenue has experienced an increased growth of 117 percent or \$187,735 when comparing FY 2013 revenues versus FY 2020. The cost of offering the discount during this time was approximately \$17,077. The increased revenue is attributed to the additional exposure CSU enjoys as a result of participating as a preferred provider in the EdAssist Solutions tuition benefit program.

We continue to believe that entering into the Bright Horizons agreement represents a sound business decision and a unique opportunity that can help to bolster non-traditional student enrollments at the CSU, particularly graduate enrollment at a time when the pool of prospective non-traditional students is projected to continue decreasing.

In the past, CSU have cultivated a strong relationship with UTC, and currently RTX, Carrier and Otis, where many CSU alumni are currently employed. We believe that continuation of these relationships through Bright Horizons will continue to help CSU remain competitive in attracting non-traditional students in Connecticut.

RECOMMENDATION

We recommend that the Finance & Infrastructure Committee approve the 5 percent tuition reduction and to continue the established and successful employee tuition reduction program through Bright Horizons.

12/2/20 Finance & Infrastructure Committee
12/17/20 Board of Regents

RESOLUTION

concerning

Bright Horizons Family Solutions LLC,
EdAssist Solutions Tuition Benefit Program

December 17, 2020

WHEREAS, The Board pursuant to its statutory authority - Section 10a-99 of the Connecticut General Statutes (CGS) and Public Act 11-48 - "...shall fix fees for tuition and shall fix fees for such other purposes as the board deems necessary at the university..."

WHEREAS, The Board previously approved a two-year United Technology Corporation ("UTC") Pilot Program at the September 19, 2013, Board meeting and a five-year extension at the October 15, 2015, Board meeting which offered UTC a 5 percent discount on tuition and fees, or a total discount between 2 to 3 percent of tuition and fees. The current UTC agreement will expire on December 31, 2020.

WHEREAS, In 2019, UTC merged with Raytheon Technologies ("RTX"), and the merger required the spinoff of Carrier and Otis as separate entities; all three corporations have entered into client agreements with Bright Horizons Family Solutions LLC ("Bright Horizons") to manage the EdAssist Solutions tuition benefit program for their employees.

WHEREAS, The Board approval of the 5 percent tuition reduction will provide the Connecticut State Universities ("CSU") the opportunity to benefit from an agreement with Bright Horizons and to continue to be a preferred provider of higher education for RTX, Carrier and Otis employees, for whom the corporations pay all tuition costs in most cases.

WHEREAS, The tuition benefits are funded and coordinated through Bright Horizons, which significantly reduces the cost to CSU associated with billing and collection of student bad debt, thereby reducing the financial risk associated with these students.

WHEREAS, The CSU have experienced increased revenue as a result of the agreement with UTC and that a continuation of the tuition reduction program through Bright Horizons is in the interest of CSU, and

RESOLVED, That the Board approve the 5 percent tuition reduction and support the continuation of the established and successful employee tuition reduction program through Bright Horizons extend the pilot which encompasses RTX, Carrier and Otis companies, which were all formerly covered by the original United Technologies

Pilot, for up to an additional six years through classes which commence prior to December 31, 2026.

A True Certified Copy:

Alice Pritchard, Secretary of the
Board of Regents for Higher Education

Proposal for a Scholarship Opportunity at Eastern Connecticut State University

Proposal:

Eastern Connecticut State University has been offered a unique opportunity to participate in a scholarship program sponsored by the District of Columbia College Access Program (DC-CAP). DC-CAP is a privately funded nonprofit organization dedicated to encouraging DC public high school students to enroll in and graduate from college. DC-CAP will select 25 high school graduates each year who will receive a DC-CAP scholarship and Eastern institutional aid to attend Eastern as a DC-CAP/Eastern Scholar. To be eligible, the student must have at least a 3.4 high school GPA and achieve a minimum score of 1100 on the SAT or 23 on the ACT. This proposal is requesting that the CSCU Board of Regents approve a cohort rate so that the total cost to each student under this program would be \$25,000, which would include tuition, fees, room, and board.

This program will provide the following benefits to Eastern, CSCU, and the state of Connecticut:

- attract students from the District of Columbia to Connecticut, where some will stay after graduation and join the workforce;
- increase enrollment and the number of students in Eastern's residence halls, providing additional revenue and further increasing the diversity of Eastern's residential campus.

To date, only four other institutions have entered into a similar agreement with DC-CAP. They are the University of Massachusetts, Lowell; State University of New York, Oswego; Delaware State University; and George Mason University. All institutions, including Eastern, were chosen because of their relatively high retention and graduation rates for students of color. Under this agreement, additional support will be provided to these students by Eastern and DC-CAP to maximize the likelihood of each student's success.

Discussion:

Under the funding model proposed here, DC-CAP/Eastern Scholars would be charged \$25,000 for tuition, fees, room, and board. DC-CAP would provide \$21,345 through a DC Tuition Assistance Grant (DCTAG), a DC-CAP scholarship, and the equivalent of a federal Pell Grant. Eastern would provide \$3,655 in institutional aid to each student (see Table 1).

Table 1: Costs and Funding for DC-CAP/Eastern Scholars Program

DC-CAP/Eastern Direct Costs (Tuition, Fees, Room, & Board)	\$25,000
DCTAG Funding	-\$10,000
DC-CAP Funding	-\$5,000
Federal Pell Grant, Loan, Private Scholarship, and/or Family Contribution	-\$6,345
Eastern Gift Aid	<u>-\$3,655</u>
Total Scholarship	\$25,000

The majority of the funds to cover the costs of these students will come from external sources. The largest amount will come through a District of Columbia Tuition Assistance Grant (DCTAG). This program was created by Congress in 1999 to expand the higher education

choices for DC residents who do not have an “in-state” college or university to attend. The DC-CAP agreement will also provide full Pell Grant funding. If a student’s Expected Family Contribution is sufficiently high so the student does not qualify for a Pell Grant or does not qualify for the full Pell amount, the difference will be made up through a private scholarship, the family’s contribution, or a subsidized student loan. Finally, all DC-CAP/Eastern Scholars will receive \$5,000 from DC-CAP. The cost to Eastern for each student will only be \$3,655 in need-based aid. In return, Eastern will receive \$21,345 in annual revenue for each student, guaranteed for five years. If the amount of the Pell Grant, DCTAG, or DC-CAP grants are increased, those monies will be used to reduce the need-based aid provided by Eastern.

Conclusion:

If approved, this program will provide benefits to Eastern, the state of Connecticut, and the students themselves. Eastern and Connecticut will benefit from bringing high achieving DC residents to the state for their college education, and the students will benefit from having the opportunity to earn a high quality, yet affordable, college degree.

12/2/20 Finance & Infrastructure Committee
12/17/20 Board of Regents

RESOLUTION

Concerning

Authorizing a Scholarship Opportunity at Eastern Connecticut State University

December 17, 2020

WHEREAS, Eastern Connecticut State University has been offered a unique opportunity to participate in a scholarship program sponsored by the District of Columbia College Access Program (DC-CAP); and

WHEREAS, DC-CAP, a privately funded nonprofit organization dedicated to encouraging DC public high school students to enroll in and graduate from college, would select 25 high school graduates each year who will receive a DC-CAP scholarship and Eastern institutional aid to attend Eastern as a DC-CAP/Eastern Scholar; and

WHEREAS, This program will provide benefits to Eastern, CSU, and the state of Connecticut, including attracting students from the District of Columbia to Connecticut, where some will stay after graduation and join the workforce, increasing enrollment and the number of students in Eastern's residence halls, providing additional revenue and further increasing the diversity of Eastern's residential campus; therefore, be it

RESOLVED, That the Board of Regents does hereby approve a cohort rate so that the total cost to each student under this program would be \$25,000, which would include tuition, fees, room, and board.

A True Copy:

Alice Prichard, Secretary of the
CT Board of Regents for Higher Education

**Proposal to Discount Tuition and Fees to Increase Student Enrollment from New York and New Jersey at Eastern Connecticut State University
November 2020**

Proposal:

Beginning in fall 2021, Eastern proposes to charge residents of New York and New Jersey discounted tuition and fees equal to what students from New England states currently pay under the New England Regional Student Program through the New England Board of Higher Education (NEBHE). Eastern's tuition and fees for an in-state student in AY 2020/21 are \$12,304. The rate that New England students will pay under NEBHE, and the rate this proposal seeks to charge New York and New Jersey students, is \$15,386. No discounts are being proposed for room and board. Western Connecticut State University has been charging in-state tuition and fees to students from New York and New Jersey since 2018. Central Connecticut State University and Southern Connecticut State University should have the option of joining this program if they choose to do so, but this request is solely for Eastern.

This program will provide the following benefits to Eastern, CSCU, and the state of Connecticut:

- attract students from the neighboring states of New York and New Jersey to Connecticut, where some will stay after graduation and join the workforce;
- increase enrollment at Eastern, which has been declining over the last four years;
- increase the number of students in the residence halls, providing additional revenue and increasing the geographic diversity of Eastern's residential campus.

It should be made clear that this program will not reduce the opportunity for Connecticut residents to attend Eastern as either first year or transfer students. With the declining numbers of students graduating from Connecticut's high schools and increasing competition for these students among the numerous institutions of higher education in New England, Eastern must effectively expand its recruiting into neighboring states to ensure financial stability and sufficient enrollment across all academic programs.

Discussion:

As the state's only public liberal arts institution and member of the Council of Public Liberal Arts Colleges (COPLAC), Eastern has historically recruited students from across the state of Connecticut. This strategy was necessary given its location in the more rural eastern part of the state and proximity to the University of Connecticut. However, this strategy has become increasingly difficult given the declining number of potential students graduating from Connecticut high schools. As Table 1 shows, the number of Connecticut high school graduates has been declining for the last decade and is projected to continue to decline for at least the next ten years. The numbers are also declining in Massachusetts and Rhode Island, Eastern's other primary feeder states.

While Eastern's enrollment had remained stable through fall 2016, it began to decline in 2017, dropping 6 percent even before the effects of COVID-19 on enrollment this fall. This decline is due in part to smaller incoming classes of first year students, but more so due to a 36 percent decline in transfer students. Almost all colleges and universities in Connecticut have faced declining enrollments in recent years as a result of these demographic trends. For Eastern

to reverse this trend, recruitment must be expanded into new markets. As can also be seen from Table 1, New York and New Jersey produce significantly more high school graduates than Connecticut, Massachusetts, and Rhode Island combined. This program should allow Eastern to effectively tap into the larger populations of potential students in New York and New Jersey.

Table 1: Projections of High School Graduates in the Northeast, 2010 – 2037

Year	Connecticut	Massachusetts (NEBHE)	Rhode Island (NEBHE)	New York	New Jersey
2010-11	44,813	74,858	11,743	213,200	108,165
2011-12	44,495	75,369	11,834	212,474	107,257
2012-13	44,365	76,452	11,705	211,640	108,975
2013-14	42,968	74,792	11,774	212,185	106,594
2014-15	41,956	74,490	11,788	210,288	106,475
2015-16	41,580	75,204	11,294	203,560	105,062
2016-17	41,529	73,335	10,158	201,290	103,175
2017-18	40,782	73,992	10,464	206,830	103,597
2018-19	40,055	73,563	11,039	205,026	103,091
2019-20	39,050	72,534	11,063	203,793	101,372
2020-21	39,602	72,867	10,986	205,831	101,312
2021-22	38,497	72,444	11,189	204,822	101,356
2022-23	37,991	71,223	10,799	205,601	99,865
2023-24	37,586	72,282	10,807	210,768	101,611
2024-25	37,880	73,421	11,011	214,488	102,914
2025-26	36,799	71,632	10,489	209,022	99,266
2026-27	35,370	69,787	9,974	207,265	97,248
2027-28	34,246	67,870	9,739	204,766	94,292
2028-29	33,833	68,225	9,583	202,472	93,452
2029-30	33,201	67,586	9,563	202,074	91,999

Source: Western Interstate Commission for Higher Education

Expanding recruitment into out-of-state markets has proven more difficult in recent years as out-of-state tuition and fees have increased significantly, effectively pricing Eastern out of the market for out-of-state students. Since tuition and fees for in-state and out-of-state students increase by the same percentage each year, the difference between in-state and out-of-state costs has grown wider over time. When the cost of room and board is also included, an out-of-state student will pay over \$40,000 to attend Eastern this fall (see Table 2). The discounted tuition and fees rate of \$15,386 in this proposal offers a reasonable compromise between the relatively low in-state rate charged to Connecticut residents and the increasingly high rate for out-of-state students. When room and board are included, a New York or New Jersey student under this program would pay \$29,820 to attend Eastern. This amount is more competitive with the total cost of attendance at the COPLAC institutions in each of those states. This fall, in-state students at SUNY, Geneseo are charged \$22,933 and those at Ramapo College of New Jersey are charged \$29,852.

Table 2: Tuition/Fees and Room/Board at Eastern, 2011 – 2020

Year	In-State Tuition/Fees	In-State Tuition/Fees Room & Board	Out-of-State Tuition/Fees	Out-of-State Tuition/Fees Room & Board
2011-12	\$8,645	\$18,984	\$19,179	\$29,518
2012-13	\$8,911	\$19,585	\$19,943	\$30,617
2013-14	\$9,376	\$20,584	\$20,881	\$32,089
2014-15	\$9,560	\$21,210	\$21,295	\$32,945
2015-16	\$10,016	\$22,124	\$22,286	\$34,394
2016-17	\$10,500	\$23,059	\$23,361	\$35,920
2017-18	\$10,919	\$24,424	\$23,608	\$37,113
2018-19	\$11,356	\$24,916	\$23,864	\$37,424
2019-20	\$11,846	\$25,794	\$24,806	\$38,754
2020-21	\$12,304	\$26,738	\$25,708	\$40,142

Eastern has been able to effectively recruit out-of-state students when those students are offered competitive tuition rates. The NEBHE rate was applied to all students from all six New England states beginning in fall 2014. As can be seen in Table 3, the number of incoming students from those states doubled by fall 2015. The data in that table also show the steady decline in non-New England out-of-state students as Eastern's cost of attendance for those students consistently grew. It is expected that applying the same New England tuition discount to New York and New Jersey students will lead to similar increased enrollment of students from those states. Since almost all of these students would live on campus for at least their first two years, revenue from housing should increase as well.

Table 3: Total Out-of-State and NEBHE Students Enrolled, 2011 – 2020

	Out-of-State Students	New England States Students
2011-12	218	59
2012-13	171	67
2013-14	158	73
2014-15	102	114*
2015-16	109	146
2016-17	112	158
2017-18	115	172
2018-19	123	192
2019-20	113	177
2020-21	85	159

*The NEBHE tuition and fee rate was applied to all students from New England in Fall 2014.

Breakeven Analysis for the First Year

There are currently thirty-five students from New York and New Jersey matriculated at Eastern, ten of which are seniors. If all thirty-five students return next fall and this proposal is approved, they will be included in this program and have their tuition and fees reduced by \$10,322. This will cause a loss of \$361,270 in revenue. Assuming incoming students recruited under this program would live on campus for their first year, each student will pay \$29,820 in tuition, fees, room and board. Thus, thirteen new students will generate \$387,660, covering the revenues lost by discounting the tuition of the current students. It is anticipated that this new

program will bring in at least twenty-five new students in the first year alone, generating an additional \$745,500 in revenue.

Impacts on other CSUs

This program is unlikely to have a negative effect on WCSU's ability to recruit in New York and New Jersey, as WCSU has been charging the lower in-state rate to these students for the last three years. CCSU and SCSU should be allowed to participate in this program if they wish.

Conclusion

This proposed program is a central piece of a larger plan to expand Eastern's recruiting efforts in New York and New Jersey, which is necessary to increase enrollment and address the increasing financial challenges the University is facing. The revenue this plan is expected to generate should more than cover the costs imposed and help Eastern return to fiscal stability.

12/2/20 Finance & Infrastructure Committee

12/17/20 Board of Regents

RESOLUTION

Concerning

Authorizing Discount Tuition and Fees to Increase Student Enrollment from New York and New Jersey at Connecticut State Universities

December 17, 2020

- WHEREAS, CSCU institutions currently are authorized as part of the New England Board of Higher Education's Tuition Break Program to offer reduced tuition and fees to students from other New England states; and
- WHEREAS, The discounts are described as the "NEBHE Rate" in the schedules of adopted tuition and fees enacted from time to time by the Board of Regents; and
- WHEREAS, New York and New Jersey are large nearby states with a combined number of new high school graduates each year exceeding 200,000; and
- WHEREAS, ECSU estimates that this tuition discount could produce additional revenue of \$745,000, offset by discounts to existing students of \$361,000 next school year; and
- WHEREAS WCSU already offers in-state tuition to NY and NJ students under pilot authorization granted previously by the Board of Regents; now therefore be it
- RESOLVED, That the Board of Regents does hereby approve permitting any of the Universities to charge the "NEBHE Rate" for tuition and fees to students from New York or New Jersey, starting in the Fall of 2021, provided that the Universities identify at the time of tuition adoption whether they are each intending to charge this lower rate.

A True Copy:

Alice Prichard, Secretary of the
CT Board of Regents for Higher Education

ITEM

Approval of the Charter Oak State College office relocation and Care and Custody at 185 Main Street, New Britain

BACKGROUND

Charter Oak State College was established in 1973 by the State legislature and has developed into Connecticut's only public online college. In 1999 Charter Oak took occupancy of a new 24,460 gross square foot (14,570 assignable square feet) facility at 55 Paul J. Manafort Drive, New Britain. This site was acquired through a land use MOU with Central Connecticut State University. Charter Oak quickly outgrew its' space and in 2002 obtained supplemental leased space of 10,027 assignable square feet at 85 Alumni Road, Newington.

ANALYSIS

Charter Oak has maintained long term plans to consolidate its' operations from two physical locations to one, increase efficiencies and decrease operating expenses. In 2004 Charter Oak completed a needs assessment to document ongoing and projected space requirements. Based from the assessment Charter Oak requested state bond funds to support its' mission. Subsequently, Public Act 09-2 Sec 27(e) authorized \$2.5M of state bond funds for Charter Oak to conduct preconstruction design services for a new facility. In July, 2012, the State Bond Commission allocated those funds. In FY 2017 the CSCU had legislation approved that includes design and renovations of an existing CSCU facility for this project.

Central's Institute of Technology and Business Development building (ITBD), located two-miles off Central's main campus at 185 Main Street, New Britain, was constructed in 1989 and acquired for Central in 1993. The facility contains 109,312 gross square feet of space on four levels, including a basement for general building storage. A 74 vehicle parking garage is located beneath part of the building and a public garage is located to the rear of the building.

The ITBD building was purchased as a University-based technology outreach function of Central dedicated to building the Connecticut economy by providing competitive advantages to business and industry through access to technical training, skill development, industrial modernization, marketing and financial and networking opportunities. It also served as a learning center for Central students with academic classes. Over recent years many of Central's programs hosted at the ITBD building have migrated back to Central's main campus and/or are conducted through other means. Central's space utilization at the building is low with limited revenue gain for the entire building. Central has expressed a desire to minimize its' operating expense at this location and is interested in transitioning the facility to other CSCU uses.

The relocation of Charter Oak's two locations to ITBD building space has been identified. As a preliminary effort a design consultant was retained to confirm programming requirements, develop a design and establish a cost estimate. Current program requirements for Charter Oak at the ITBD building display an efficient use of space consolidating Charter Oak's operations into approximately 26,000 assignable square feet across two building levels. Planning also incorporates hoteling opportunities for approximately 250 faculty members and some staff

STAFF REPORT**FINANCE & INFRASTRUCTURE COMMITTEE**

providing non-dedicated seating options for those who do not need to report to the office on a daily basis. Based from Charter Oak's current operating budget and prorated costs based from Central's building operating expenses, the relocation and consolidation is estimated to reduce Charter Oak's annual facility operating expense from \$275,000,000 to \$188,000.

The estimated total cost of Charter Oak's relocation and renovations to the first and second floors of the ITBD building are estimated at \$5.5M. Current available bond funds budgeted for this project are PA 09-2 design and construction for Charter Oak's relocation (\$2.5M), PA 15-1 sec 2, university based code compliance/infrastructure improvement funds for general building infrastructure improvements (up to \$1M), PA 15-1 sec 2, college new and replacement equipment funds (\$2M). Limited onsite parking of 30 vehicle parking spaces for Charter Oak will be available. As part of the college operating budget, the CSCU will work with the City of New Britain to negotiate a more favorable parking rate than the current \$42.54 monthly rate in the adjacent public parking garage. This project is scheduled to bid for construction in Spring, 2021, with occupancy in late 2021.

Pending BOR approval, the CSCU will work to transition Care and Custody for the BOR of 185 Main St, New Britain, from Central to Charter Oak State College and the College Office (pending a separate BOR approval). A Memo of Understanding between Charter Oak and the College Office (pending a separate BOR approval) will also be executed for their colocation and shared prorated expenses in this facility. Building naming will be submitted in the future for BOR approval.

RECOMMENDATION

Approve Charter Oak State College to renovate 26,000 assignable square feet and relocate to 185 Main Street, New Britain funded with existing bond funds.

Approve the CSCU to transition Care and Custody for the BOR of 185 Main St, New Britain, from Central to both Charter Oak State College and the College Office (College Office pending separate BOR approval). A Memo of Understanding between Charter Oak and the College Office will also be executed for their co-location in this facility.

12/2/20 Finance & Infrastructure Committee
12/17/20 Board of Regents

RESOLUTION

concerning

REALLOCATION OF CHARTER OAK STATE COLLEGE TO
AND
CARE AND CUSTODY OF
185 MAIN STREET, NEW BRITAIN
December 17, 2020

- WHEREAS, In 1999 Charter Oak State College office moved to a new administrative office space of 14,570 assignable square feet at 55 Manafort Drive, New Britain; and
- WHEREAS, Charter Oak obtained an additional 10,280 assignable square feet in 2003 at 85 Alumni Rd, Newington, due to increased education and administrative services; and
- WHEREAS, Charter Oak conducting business operations from two locations is not most efficient and is costlier than completing all services from one location; and
- WHEREAS, Charter Oak has maintained long term plans to consolidate its' operations from two physical locations to one location; and
- WHEREAS, Charter Oak seeks approval to consolidate both of its' locations into approximately 26,000 assignable square feet in unoccupied first and second floor space at the Central Connecticut State University ITBD Building located at, 185 Main St., New Britain; and
- WHEREAS, Care and Custody of 185 Main Street for the Board of Regents will be transferred to Charter Oak and the College Office (College Office pending Board approval as a separate request); and
- WHEREAS, Charter Oak's relocation to 185 Main St. is projected to reduce their annual facility operating expense from \$275,000 to \$188,000; and
- WHEREAS, Project funding will be from existing available bond funds for both building improvements and equipment purchases; therefore be it
- RESOLVED, Charter Oak State College will relocate to, funded from existing available bond funds, and share in the Care and Custody of 185 Main St., New Britain.

A True Copy:

Alice Pritchard, Secretary of the
Board of Regents for Higher Education

ITEM

Approval of the Connecticut State Community College Office location and Care and Custody at 185 Main St., New Britain.

BACKGROUND

The Board of Regents Student First plan promotes opportunities of more efficiently delivering services within available resources and as demands require. One aspect of improving services while decreasing expenses is through centralizing shared services.

ANALYSIS

As the Board of Regents (BOR) recognized in 2017, Connecticut community colleges are challenged by fiscal instability, declining enrollments, and undesirable student outcomes. The Students First Plan merges the 12 separately accredited colleges into a single accredited college which achieves fiscal sustainability by: providing back-office functions through an efficient, shared services model; and by creating a strong administration that can be effective in enrollment management and improving student outcomes. At the May 14, 2020, meeting of the BOR the future college was named the Connecticut State Community College and its interim leadership team was appointed with Dr. David Levinson being selected to serve as Interim College President. These actions enable the merged college to begin to stand separate and apart from the Connecticut State Colleges and Universities (CSCU) System Office where its initial planning was conducted.

The New England Commission of Higher Education (NECHE), Standards for Accreditation, item 3.6 states, “In multi-campus systems organized under a single governing board, the division of responsibility and authority between the system office and the institution is clear. Where system and campus boards share governance responsibilities or dimensions of authority, system policies and procedures are clearly defined and equitably administered.” To fulfill this requirement, the CSCU has been working to identify an office space for the College Office as a physical separation from the CSCU System Office.

Central’s Institute of Technology and Business Development Building (ITBD), located at 185 Main Street, New Britain, was constructed in 1989 and acquired for Central in 1993. The facility contains 109,312 gross square feet with 4 active business levels, a basement with building storage and a 74 space vehicle parking garage located beneath part of the building. The facility acquisition initiated a University-based technology outreach function of Central dedicated to building the Connecticut economy by providing competitive advantages to business and industry through access to technical training, skill development, industrial modernization, marketing and financial and networking opportunities. It also served as a learning center for Central students with academic classes. Over recent years many of Central’s programs hosted at the ITBD building have migrated back to Central’s main campus and/or are conducted through other means. Central’s physical presence in the building is low. The fourth floor of this facility consists of multi-tenant office suites with tenants on month to month leases. The third floor consists of several large training rooms that typically rent as support space for the adjacent

courthouse. Third and fourth floor revenue is limited. Both floors total approximately 43,000 gross square feet. As a separate CSCU space consolidation effort, pending BOR approval, Charter Oak State College will relocate from their current locations to a fully renovated first and second floor. Central has expressed a desire to minimize its' operating expense at this location and is interested in transitioning the facility to other CSCU uses.

College Office operations are currently co-located with the CSCU System Office at 61 Woodland St. This facility is under care and control of the Department of Administrative Services (DAS). With an undetermined timeframe, DAS senior management have expressed interests of closing 61 Woodland St. due to costly operating expenses of an old inefficient facility.

An opportunity of establishing the College Office at 185 Main St., New Britain, has been identified. The existing fourth floor layout can accommodate up to 50 staff. The College Office projects 30-40 staff required to initially work out of its' new location. Though not ideal, the fourth floor current configuration can be functional for initial College Office operations. \$3M of funding for fourth floor improvements, furnishings, equipment and minor modifications is included in the FY2022 - FY2023 biennial budget request. Third floor building improvements will occur as staffing levels increase and as funding allows. Building operating expenses will be prorated for the College Office use of the building. Based from historic Central building expenses the College Office annual share of the operating expenses is projected at \$312,000. Building occupancy is planned for late Fall, 2021. Limited onsite parking of 44 parking spaces for the College Office will be available. As part of the operating budget, the CSCU will work with the City of New Britain to negotiate a more favorable parking rate than the current \$42.54 monthly rate in their adjacent public parking garage.

Pending BOR approval, the CSCU will work to transition Care and Custody of 185 Main St, New Britain, from Central to both the College Office and Charter Oak State College (pending a separate BOR approval). A Memo of Understanding between the College Office and Charter Oak (pending a separate BOR approval) will also be executed for their co-location and prorated shared expenses of this facility. Building naming will be submitted in the future for BOR approval.

RECOMMENDATION

Approve the College Office to establish business operations in the third and fourth floor of 185 Main St., New Britain. Initial renovations and modifications to the fourth floor will be funded from future bond funds.

Approve the CSCU to transition Care and Custody for the BOR of 185 Main St, New Britain, from Central to both the College Office and Charter Oak (Charter Oak pending approval of a separate Board request). A Memo of Understanding between Charter Oak and the College Office will also be executed for their co-location in this facility.

12/2/20 Finance & Infrastructure Committee
12/17/20 Board of Regents

RESOLUTION

concerning

REALLOCATION OF THE COLLEGE OFFICE TO
AND
CARE AND CUSTODY OF
185 MAIN STREET, NEW BRITAIN
December 17, 2020

- WHEREAS, The Board of Regents Students First Plan merges the 12 separately accredited colleges into a single accredited college; and
- WHEREAS, A single accredited college projection achieves fiscal sustainability, in part, by providing back-office functions through an efficient, shared services model; and
- WHEREAS, The College Office is currently co-located with the CSCU System Office at 61 Woodland Street; and
- WHEREAS, The New England Commission of Higher Education (NECHE), Standards for Accreditation, require a clear division of responsibility in multi-campus systems organized under a single governing board; and
- WHEREAS, To fulfill part of this requirement the College Office seeks approval to relocate into the third and fourth floor space at Central Connecticut State Universities ITBD Building located at, 185 Main St., New Britain; and
- WHEREAS, College Office occupancy of 185 Main Street will occur in phases as funding allows; and
- WHEREAS, Care and Custody of 185 Main Street for the Board of Regents will be transferred to the College Office and Charter Oak State College (Charter Oak pending Board approval as a separate request); and
- WHEREAS, \$3M in new bond funds is requested in the FY2022 – FY2023 biennium for fourth floor renovation; therefore be it
- RESOLVED, The College Office will relocate to (as funding allows) and share in the Care and Custody of 185 Main St., New Britain.

A True Copy:

Alice Pritchard, Secretary of the
Board of Regents for Higher Education

ITEM

Authorization of Central Connecticut State University to assume care and custody of 55 Paul J. Manafort Drive, New Britain.

BACKGROUND

Central Connecticut State University spans across 164 acres at its' main campus with Paul J. Manafort Drive defining its' southern campus border. In 1999 Charter Oak State College took occupancy of a new 24,460 gross square foot facility located on approximately 3 acres at 55 Paul J. Manafort Drive, New Britain. Charter Oak's use of the site on Central Connecticut State University's campus was authorized through a land use Memo of Understanding between Charter Oak and Central.

ANALYSIS

As part of a separate request, Charter Oak seeks Board of Regents approval to relocate from their Paul J. Manafort Dr. location to the ITBD building located at 185 Main St., New Britain. Charter Oak's relocation, projected for late 2021, will leave 55 Paul J. Manafort Dr. as a vacant facility on Central's campus.

Central's Master Plan Study in 2009 and reinforced in the 2012 Master Plan update identifies a need for a conveniently located Admissions and Welcoming Center in a prominent campus location. The Center will proactively function as a greeting and information resource for individual and groups of prospective students. A strategically located facility will assist initiating an organized method of receiving visitors while reinforcing positive first time experiences at Central. The positive experiences will assist in maintaining robust new student enrollments. Admissions is currently located in Davidson Hall it is not conveniently located for visitors to access, does not have an arrival point or convenient parking and does not enhance a progressive first time experience. The current arrival point for organizing prospective students and groups is across campus from Admissions in the Student Center.

As 55 Paul J. Manafort Dr. becomes available it offers an excellent opportunity to transition into Central's new Admissions and Welcoming Center. Located at the edge of the campus it logistically offers convenient access for first time visitors, a convenient bus arrival point and vehicle parking. As the Admissions and Welcoming Center, the facility can house all of Admissions functions, provide kiosks and attractive areas for informative displays and handouts as well as provide space for group presentations. This facility will promote comfortable and welcoming first time experiences. This long term vision for Central will become more focused as the facility becomes available.

Initial building improvements will be limited to cosmetic improvements, equipment purchases and minor space modifications with anticipated costs currently not projected to be more than \$500,000. Building improvements and equipment will be funded through Central's existing Facility Bond Funds.

RECOMMENDATION

Approve Care and Custody of 185 Paul J. Manafort Drive to transition from Charter Oak State College to Central Connecticut State University after Charter Oak vacates the facility.

12/2/20 Finance & Infrastructure Committee
12/17/20 Board of Regents

RESOLUTION

concerning

CARE & CUSTODY
OF

55 PAUL J. MANAFORT DRIVE, NEW BRITAIN
December 17, 2020

- WHEREAS, In 1999 Charter Oak State College occupied a new building constructed at 55 Paul J. Manafort Drive, New Britain; and
- WHEREAS, 55 Paul J. Manafort Drive is directly adjacent to Central Connecticut State University and is Central land used by Charter Oak under a Memo of Understanding; and
- WHEREAS, Pending a separate Board approval, Charter Oak will relocate to 185 Main St., New Britain, projected for late 2021; and
- WHEREAS, Central's long term plans reinforce a need for a conveniently located Admissions and Welcoming Center in a prominent campus location; and
- WHEREAS, 55 Paul J. Manafort Drive is a prominent location for Central to develop a new Admissions and Welcoming center; and
- WHEREAS, Renovations and modifications to 55 Paul J. Manafort Drive for Central's new Admissions and Welcoming Center will be funded from existing bond funds designated for Central; and
- WHEREAS, The CSCU will work to modify Care and Custody of 55 Paul J. Manafort Drive from Charter Oak to Central; therefore be it
- RESOLVED, Care and Custody of 55 Paul J. Manafort Drive will be transitioned from Charter Oak State College to Central Connecticut State College after Charter Oak vacate the facility.

A True Copy:

Alice Pritchard, Secretary of the
Board of Regents for Higher Education