

**MEETING OF THE
FINANCE & INFRASTRUCTURE COMMITTEE**

Board of Regents for Higher Education
Thursday, February 18, 2016, at 10:00 a.m.
61 Woodland Street, Hartford CT

Minutes

REGENTS PRESENT

Matt Fleury, Committee Chair
Richard Balducci
William McGurk (Telephonic)
Barbara Richard

REGENTS ABSENT

Catherine Smith

CSCU REPRESENTATIVES

Mark Rozewski, Executive Vice President, SCSU; James Howarth, Vice President for Finance & Administration, ECSU; Sean Loughran, Interim Vice President for Finance & Administration, WCSU; Steven Frazier, Dean of Administration, NWCC; Lisa Bucher, Accounting & Budget Assistant, CCSU

CSCU STAFF

Erika Steiner Chief Financial Officer; Keith Epstein, Vice President for Facilities & Infrastructure Planning; Karen Stone, Director of Internal Audit; Melentina Pusztay, Director for Budgets and Planning; Sandra Bispham-Haywood, Director of Contracts, Purchasing & Procurement; Pamela Mikaelian, Associate Director of Budgets & Planning; Erin Fitzgerald, Associate for Board Affairs; Rosalie Butler, Administrative Assistant for Finance

With a quorum present, Regent Balducci called the meeting to order at 10:00 a.m. He introduced and welcomed new Faculty Regent Barbara Richard to the Finance Committee.

Items were discussed out of agenda order.

1. APPROVAL OF MINUTES FROM THE JANUARY 7, 2016 MEETING

The minutes of the January 8, 2016 meeting were unanimously approved.

2. INFORMATION ITEMS

A. Grant Activity (S. Jewell)

At the Committee's request, the update on grant activity was deferred to a future meeting.

B. CSCU 2020 Update

VP Epstein provided an update on CSCU 2020 and other capital projects to date. He characterized projects as being largely on schedule and within budget. Epstein responded to Regent questions regarding water damage at Burritt Library (CCSU) due to burst pipes.

Chairman Fleury joined the meeting at 10:25 AM.

C. FY2016 Projections

CFO Steiner provided the Committee with projections for Fiscal Year 2016. All consolidated schedules forecast break-even. She discussed state funding in FY16, including appropriations, fringe and supplemental funds.

With regard to FY15 Actuals, Steiner reported the year closed within approximately 1.1% of revenue. CSCSU is managing costs and living within its means. Discussion of enrollment levels followed. At the Committee's request, enrollment schedules will be provided for the next meeting.

Steiner updated Regents on the impact of 140 employee retirement plan conversions from ARP to SERS and its trickle-down impact to the colleges and universities. She indicated financing from the State was \$1.9 million less than the original allotment from OPM. Steiner also explained the effects of GASB 68 on the System's Unrestricted Net Position.

D. Governor's Proposed Budget FY2017

CFO Steiner indicated the proposed appropriation for FY2017 is \$26 million lower than the original biennium request, which had been held flat from FY16. She also explained the Governor's intent to reduce every line item in the State budget by 5.75%. Cost of attendance at CSCU is now only 41% funded by the State.

Steiner related OPM's desire to be more transparent in how it funds agencies. She further explained how technical adjustments and deficit mitigation efforts had lowered CSCU's budget by \$5.5 million. CSCU will seek to have budget lines for both developmental education and certain studies at CCSU to be reinstated. Steiner indicated management is working with OPM to correct an item in the Comptroller's budget to "Reallocate Fringe" (\$65 million).

Steiner explained how funds for Workers Compensation claims, previously administered by the Comptroller's office, will now be transferred to BOR to manage claims.

Steiner reported that testimony in front of the Legislature was well-received. A working session with Legislators is scheduled for February 22nd. Discussion followed on the narrow timeframe in which to set Tuition and Fees.

3. ACTION ITEMS

A. Relinquishment of Custody and Control of a Parcel of Land at Northwestern Community College in Winchester, Connecticut to the Department of Transportation

VP Epstein explained that the entrance to Northwestern Community College's Arts and Sciences Building is located at the intersection of Holabird Avenue and Whiting Street and is directly adjacent to the Still River Bridge on Holabird Avenue. The State Department of Transportation (CT DOT) has developed plans for bridge reconstruction of the Still River Bridge, Holabird Avenue drainage improvements and sidewalk reconstruction. Major

reconstruction and improvements will close the bridge for up to one year and disrupt Holabird Avenue vehicle traffic as phased with the roadway construction. The extent of improvements at the Arts and Sciences Building drive access require more land than CT DOT's current right of way or easements allow. The bridge and roadway improvements will provide for safe and efficient passage for future vehicle and pedestrian traffic. Based on fair market appraisal, DOT will provide compensation of \$4,000 for a permanent roadway easement and \$200 for a temporary construction easement.

The Resolution was unanimously approved on a motion by Regent Balducci, seconded by Regent McGurk.

With no other business to discuss, the meeting was adjourned at 11:00 a.m.