

**BOARD OF REGENTS FOR HIGHER EDUCATION  
CT STATE COLLEGES AND UNIVERSITIES (CSCU)  
Minutes of Finance & Infrastructure Meeting  
Wednesday, March 16, 2022  
Conducted Via Remote Participation**

| REGENTS - PARTICIPATING (Y = yes / N = no) |   |
|--|---|
| Richard J. Balducci, Chair                 | Y |
| Felice Gray-Kemp                           | N |
| David R. Jimenez                           | N |
| JoAnn Ryan                                 | Y |
| Ari Santiago                               | Y |
| *Julia Noriega, SAC Chair                  | Y |
| *Brandon Iovene, SAC Vice Chair            | N |
| *Dr. David Blitz, FAC Vice Chair           | Y |
| *ex-officio, non-voting member             |   |

**CSCU STAFF:**

Ben Barnes, Chief Financial Officer  
 Keith Epstein, VP of Facilities, Real Estate, & Infrastructure Planning  
 Melentina Puszta, Director of Budgets and Planning  
 Pam Heleen, Asst. Secretary of the Board of Regents  
 Rachel Cunningham, Administrative Assistant to Ben Barnes (recorder)

**GUESTS:**

Marilyn Albrecht, Labor Relations Investigator  
 Fred Cratty, Chief Human Resources Officer, Western CT State University  
 Dean Delloiacono, Director of Labor Relations  
 Karen Hynick, CEO, Quinebaug Community College  
 Anna Suski-Lenczewski, Chief Human Resources Officer, Central CT State University

**CALL TO ORDER**

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

**APPROVAL OF PREVIOUS MEETING MINUTES**

*On motion of Chair Balducci, seconded by JoAnn Ryan, the minutes of the February 10, 2022 Finance and Infrastructure Committee meeting were unanimously approved as submitted.*

**ACTION ITEMS**

**Establishment of the State Universities and Charter Oak State College Tuition and Fees**

- CFO Barnes highlighted the rationale for the tuition and fees increase. The Staff Report accompanying the Resolution provides further details.
- Based on the data from the comprehensive task force, CSUs will charge the NEBHE for all NY and NJ with an option to elect to charge the same rate as identified by Western's pilot program. Lowering to an in-state rate will result in significant improved enrollment of out-of-state students. Marketing and competitive value creates enrollment opportunities.

- Melentina Puszta provided an overview of shared slides (Attachment A)
    - o Proposal is for in-state tuition at universities to increase by approximately 5% (\$291 per semester) for FY2022-2023.
    - o CSU in-state tuition average is \$12,400 and is comparable to neighboring states and on the low end just above Maine.
    - o The focuses of the Enrollment & Tuition Task Force's comprehensive review and analysis was affordability, the net cost to students, and net revenue to the institutions. They also reviewed athletic scholarships and the average cost covered by loans.
    - o CFO Barnes discussed the net revenue impact of extending the NEBI rate to NY, NJ and other neighboring states.
    - o Analysis was prepared to understand the percent of tuition and fees paid by students at each institution prior to recommending the tuition and fee increases.
    - o FY23 Projected Shortfalls - CFO Barnes reviewed the data presented to the Appropriations Committee demonstrating a \$175 million shortfall (2-year total) for CSCU. For FY2023, there is a shortfall of ~\$65 million. The proposed increases in tuition and fees will raise ~\$15 million toward the deficient.
    - o CSCU Projected Costs - Original projections to cover the SEBAC costs were understated in the budget due to percentages in lump sum payments. Estimating a \$73 million shortfall over current budget due to SEBAC retroactive salaries, 27<sup>th</sup> payroll and its fringe benefits.
  - CFO Barnes commented on the University Fee, collected from students, and remitted to the System (not the individual universities). The System uses the fee to pay for debt service on dormitories, dining halls, etc. The System is doing its best to control the debt service costs and is recommending a change to the out-of-state fee from \$2,076 to the in-state fee of \$1,100.
- Q: Chair Balducci asked for clarification on the total amount for 27th payroll. M. Puszta stated it is approximately \$40 million for entire system. The Governor's proposed budget provides the System with \$5.5 million towards the 27<sup>th</sup> payroll and \$14 million for the collective bargaining increases, but still leaves a large gap. The 27<sup>th</sup> payroll (salary and fringe) for the universities is about \$22 million.
- Q: Professor Blitz asked about the % of university students who have full/partial PELL (like the community college report). CFO Barnes indicated that the number of full-pay students is very small and will provide the Task Force's analysis of tuition impact to the Finance Committee.
- Q: Professor Blitz asked if the number of retiring high-paying FT faculty/staff create a cost savings when hiring replacement faculty/staff or not replacing faculty/staff and what would that estimate be for next year. CFO Barnes responded that projections capture retirements up to and including January 1<sup>st</sup>. M. Puszta's update to the legislature includes 2022 retirements that have happened. There is no requirement that people who intend to retire give any notice of their intent. April 1<sup>st</sup> and/or June 1<sup>st</sup> have certain advantages for employees planning to retire and we may see many retirements as a result. Any savings are not likely to have a big impact on the deficit. CFO Barnes responded that the spending plan will be presented in June with significant detail on retirees, including data on how many have retired this year vs. previous years.
- Q: Regent Blitz asked if the revenue figures include the HERFF money that came in for this year. CFO Barnes explained that the HERFF funds are included for this year. There is an extension on HERFF spending for next year. This will provide extra time to make sure the grants are closed out and everything is accounted for properly, but the funds will be depleted by the end of this year.

*Chair Balducci made a motion to move the resolution forward to the full Board for consideration. Regent Ryan seconded the motion which was approved following a unanimous voice vote.*

#### Reporting of Gift of Real Property - Quinebaug Valley Community College

Keith Epstein reviewed history of the Willimantic Center program and the 2017 cost savings move to Windham Technical High School. The move resulted in a decrease in program offerings and student enrollment.

K. Epstein acknowledged Mr. Steven Townsend, managing partner of NorthEast Developing Company and his charitable efforts to Quinebaug students and the campus. The donation of his real property at 729 Main Street, Willimantic will greatly assist the community. The property was evaluated, is in good shape, and is in need of cosmetic work.

Chair Balducci commented this is a wonderful contribution for Quinebaug from the Townsend Family.

*Chair Balducci made a motion to move the resolution forward to the full Board for consideration. Regent Ryan seconded the motion which was approved following a unanimous voice vote.*

#### Reallocation of CSCU 2020 Program Funding

Keith Epstein reviewed the CSCU 2020 Program, a legislatively authorized 10-year capital improvement program. The funding stream has ended with total uncommitted funds of \$2,397,194. The Board is now allowed to reallocate the remaining funds. K. Epstein recommends the following top 3 capital improvement projects:

- Central - Barnard Hall
- Eastern - Goddard/Communications Renovations and Modifications
- Western- Higgins Hall Renovations and Additions

Q: Chair Balducci asked if there are any further projects that will result in the return of excess dollars once the projects are completed. K. Epstein responded that there are 3 under construction now that may come in under budget.

*Chair Balducci made a motion to move the resolution forward to the full Board for consideration. Regent Ryan seconded the motion which was approved following a unanimous voice vote.*

#### Executive Session

At 10:54 a.m., Chair Balducci explained the executive session will be held to review bargaining agreements; the only action after Executive Session will be meeting adjournment.

*Chair Balducci made motion to move to an executive session, Regent Santiago seconded the motion. The motion was approved unanimously.*

#### Adjournment

*The meeting adjourned at 11:37 a.m.*



**Fiscal 2023 Tuition and fees at the  
State Universities and Charter Oak State College**

**Finance and Infrastructure Committee**

**March 16, 2022**

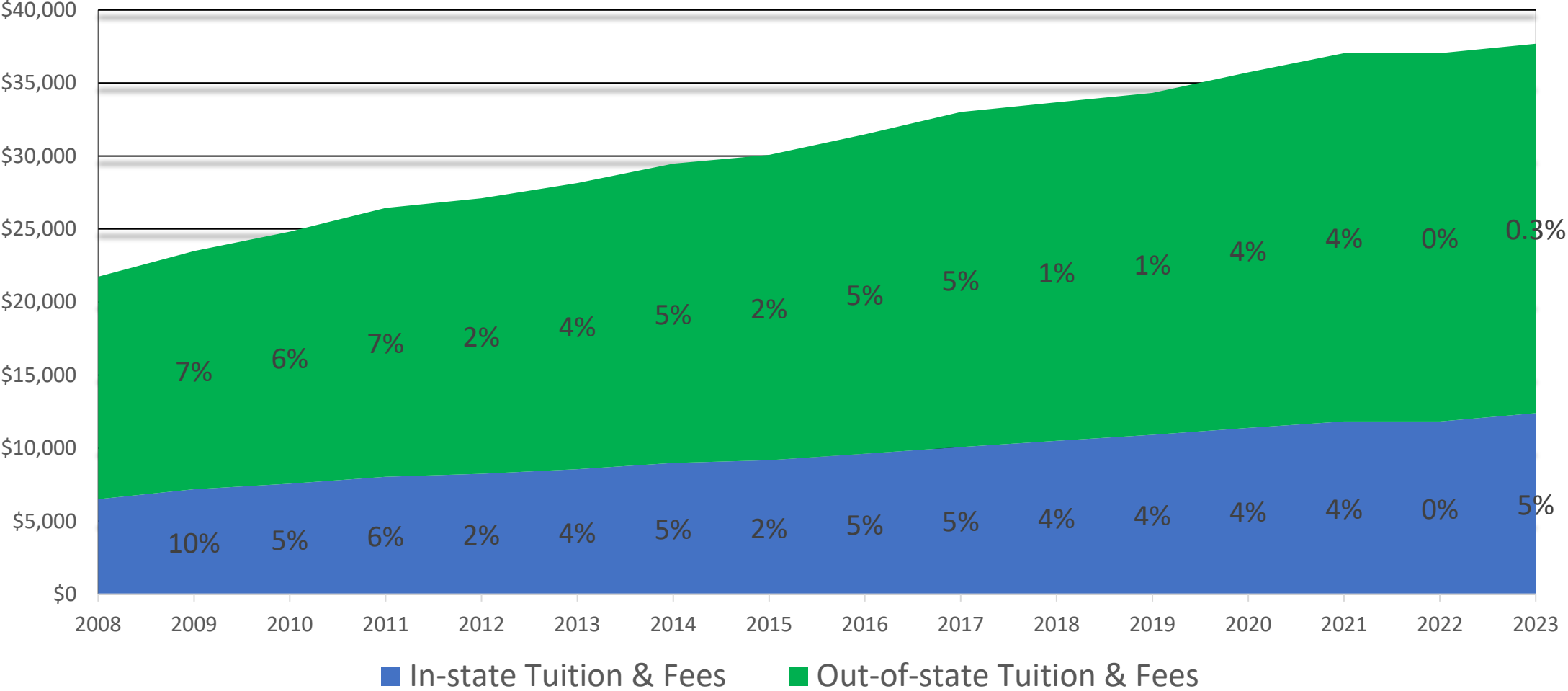
**Ben Barnes, CFO**

**CSCU**

*Connecticut State  
Colleges & Universities*

# State Universities

## Annual % Increase in Tuition and Mandatory Fees

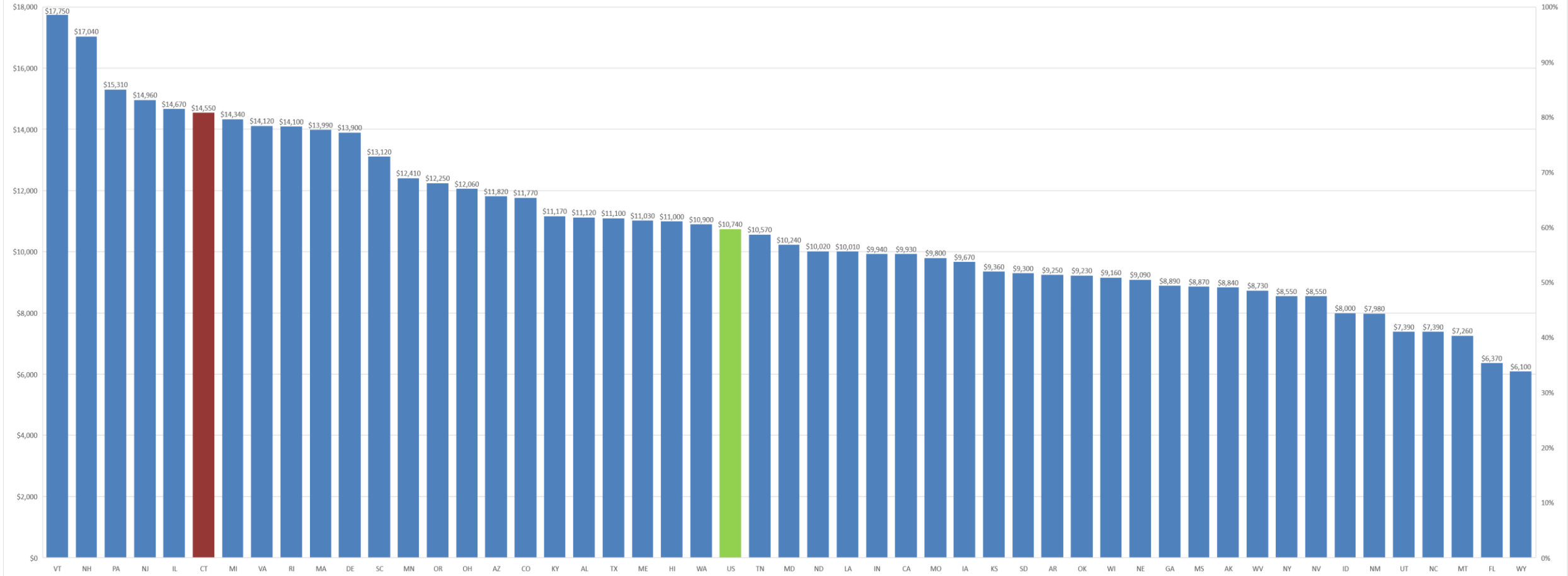


# Tuition and Fees by State Public Four-Year Institution

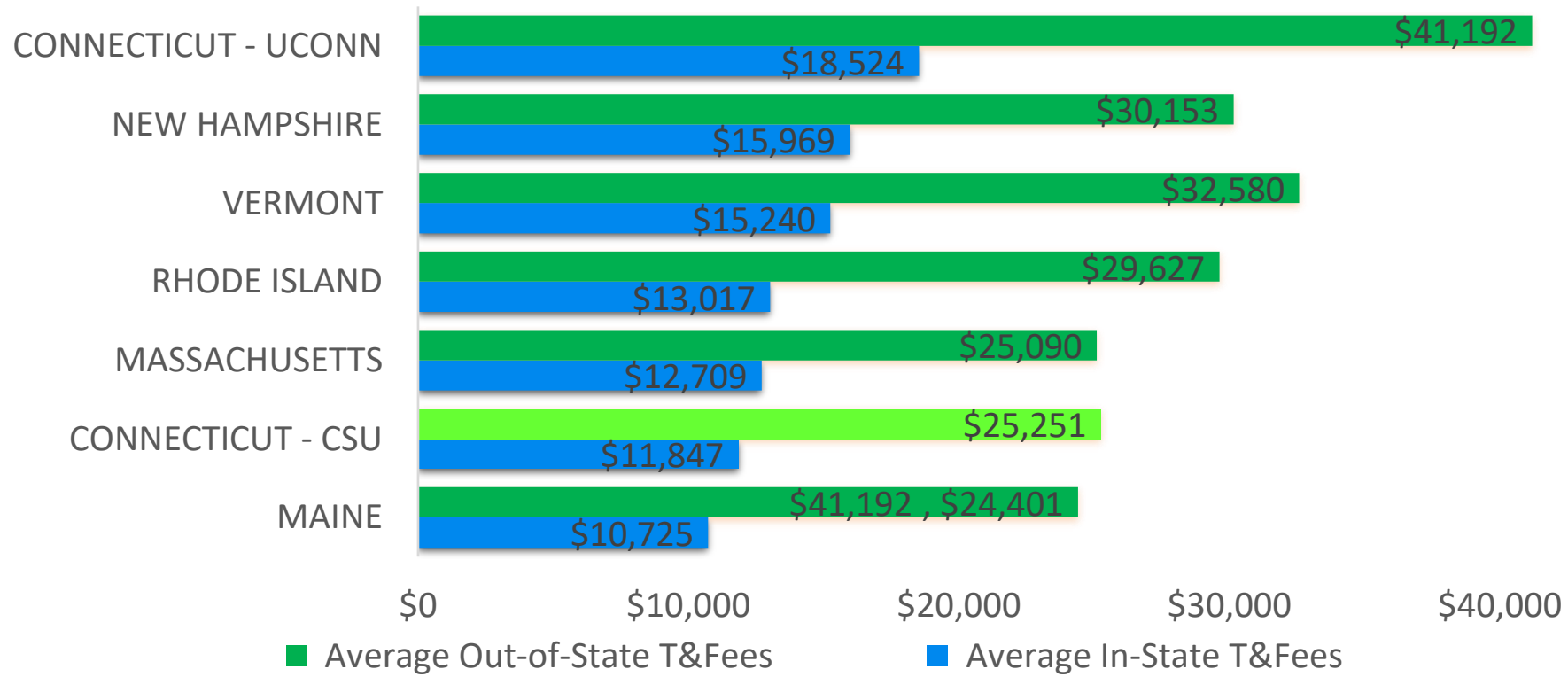
## 2021-22 In-State Tuition and Fees

Tuition and Fees by State: Public Four-Year Institutions  
2021-22 In-State Tuition and Fees

Figure CP-6. Average 2021-22 Tuition and Fees at Public Four-Year Institutions by State and 2016-17 to 2021-22 Five-Year Percentage Changes in Inflation-Adjusted In-State Tuition and Fees

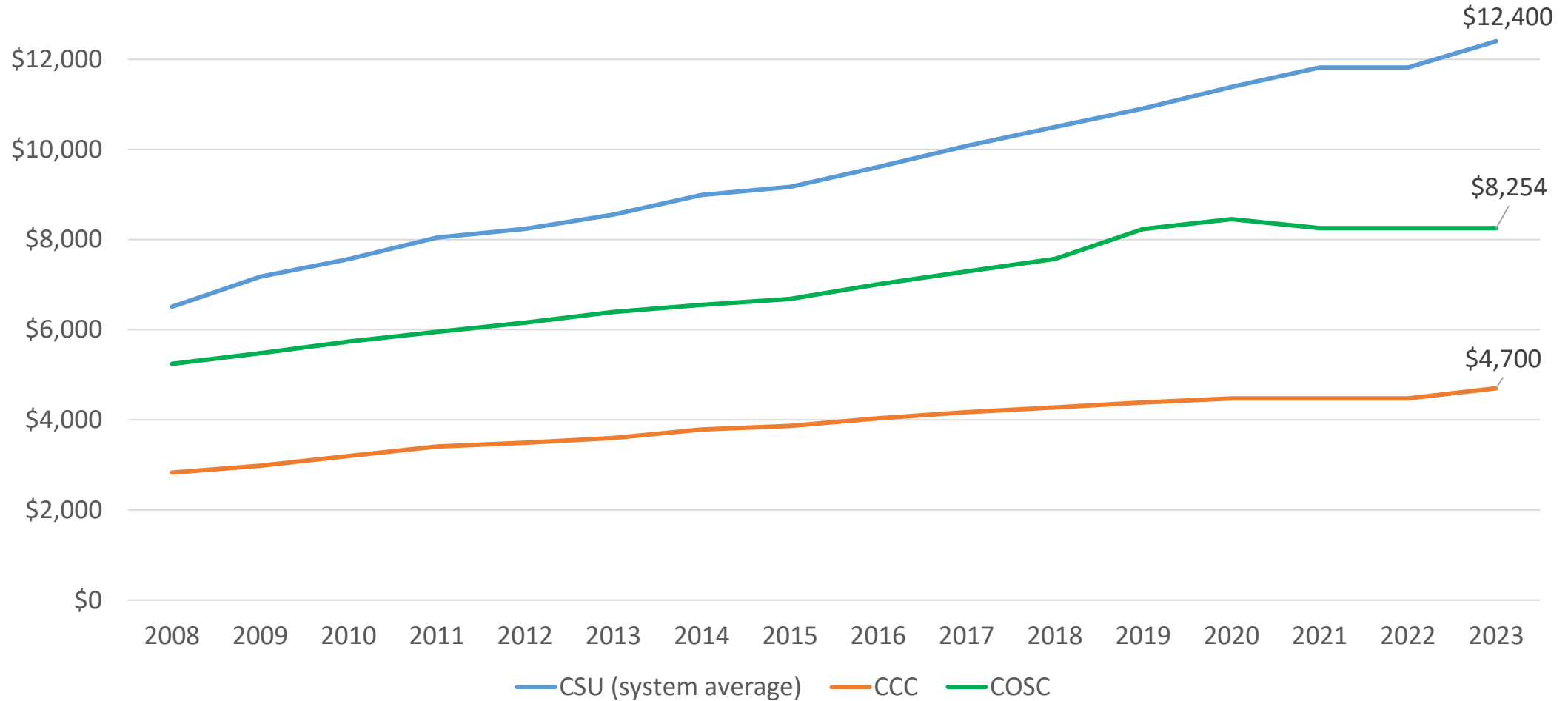


# Undergraduate Tuition and Fees at Public Four-Year Institutions Across New England 2021-22



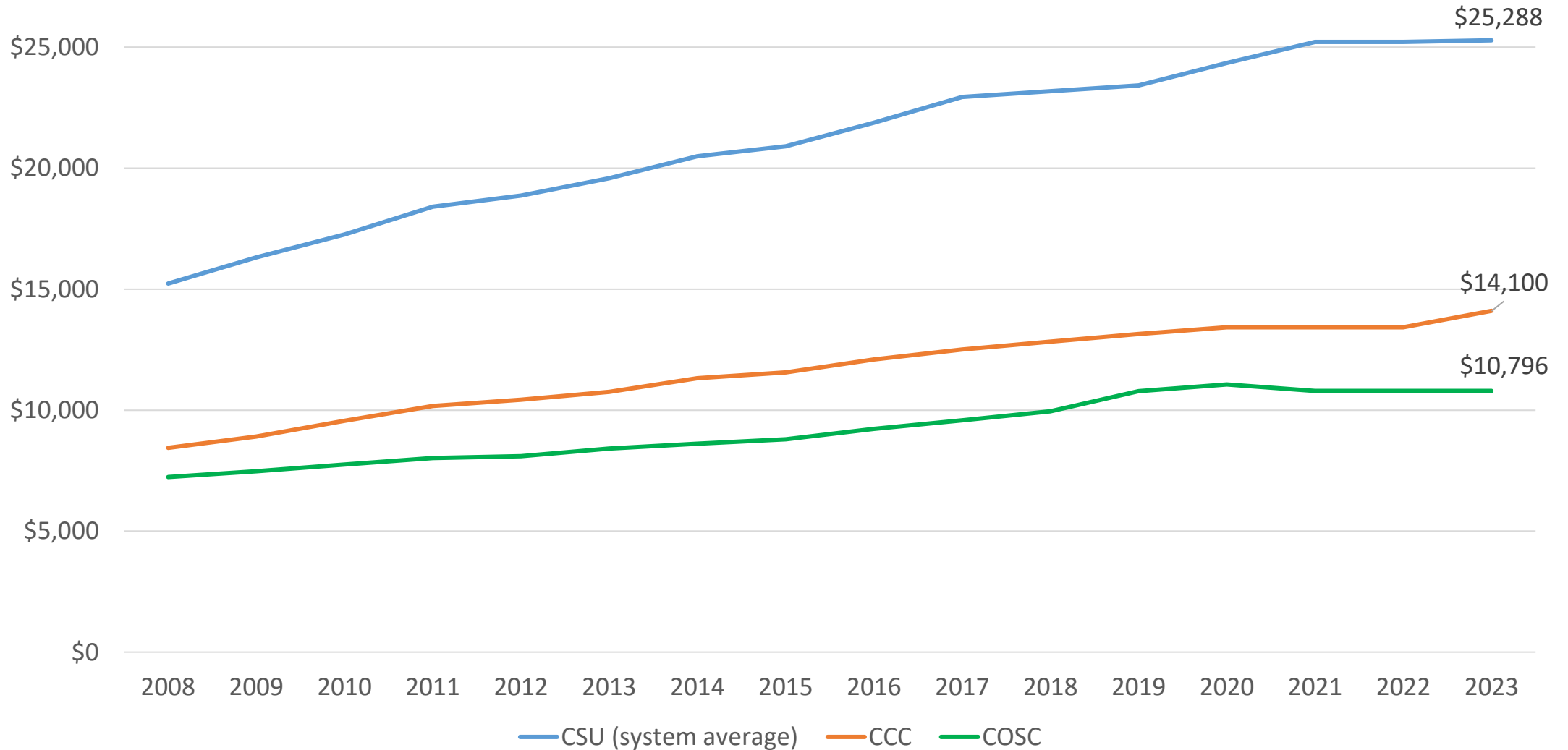
Source: New England Board of Higher Education

# In-State Tuition and Fees: CSU, CCC and COSC





# Out-of-State Tuition and Fees: CSU, CCC and COSC

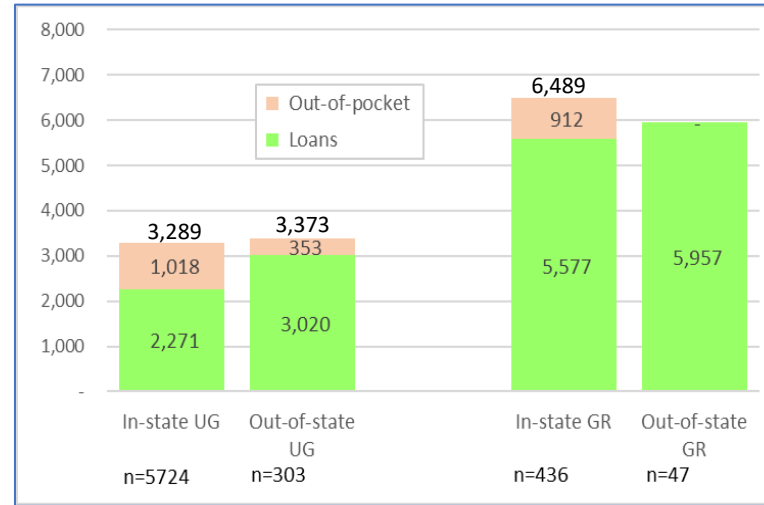


# Net Tuition and Fees by Residence

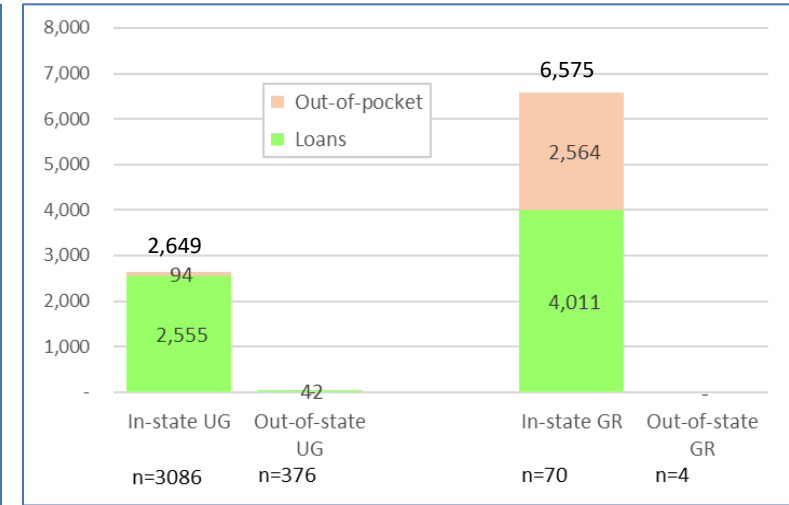
**Data notes:**  
 Costs reflect net Tuition and Fees only  
 Students included: All full-time matriculated students  
 All costs and aid amounts reflect one semester only

And how do those students pay for the tuition and fees not covered by grants? Through a combination of loans and out-of-pocket amounts. These charts split out the averages to show in-state v. out-of-state averages for full-time students. They also show the average loan amounts as opposed to out-of-pocket payments.

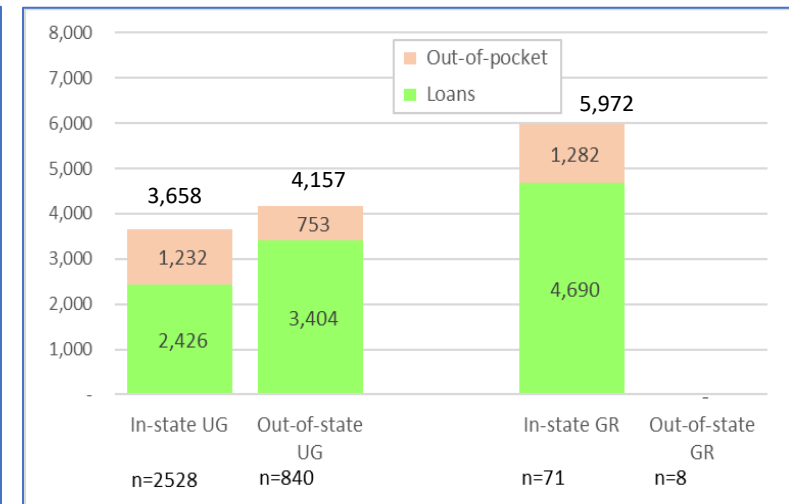
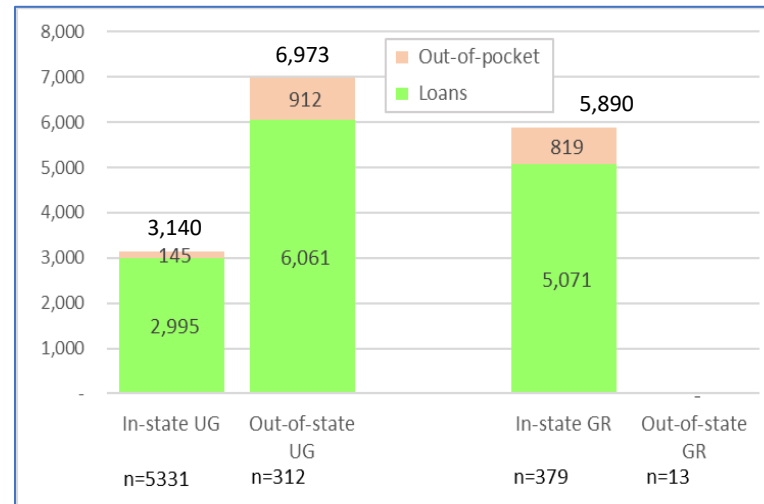
- The average net tuition and fee costs, after deducting grant aid, varies considerably by category and institution (see also the table on page 8).
- The utilization of loans at Southern is higher for full time, out-of-state, undergraduate students than at the other universities. Eastern's out-of-state numbers are deeply impacted by foundation support for out-of-state DACA students.
- While average loan levels are relatively consistent across in-state undergraduates, there is considerable difference across out-of-state undergraduates and all graduate students. This indicates a difference in overall grant aid and waivers, in these categories, amongst the universities.
- These data assume that all financial aid reduces tuition and fees, and do not consider room and board for residential students or cost of attendance for commuting students.



CCSU  
SCSU



ECSU  
WCSU



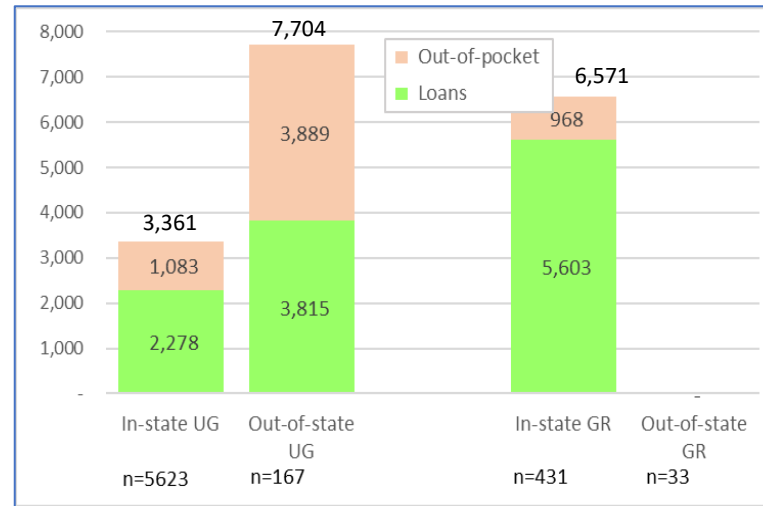
# Net Tuition and Fees by Residence

**Data notes:**  
 Costs reflect net Tuition and Fees only  
 Students included: All full-time matriculated students  
 All costs and aid amounts reflect one semester only

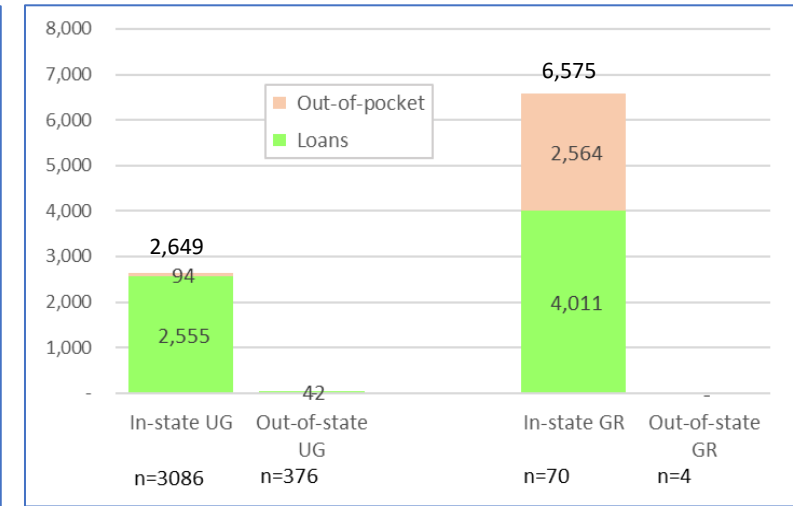
## Impact of Athletic Scholarships

This comparison changes starkly for Central when their athletic scholarships are excluded. Athletic scholarships required to participate in higher divisions are a much greater factor at Central than the other three institutions.

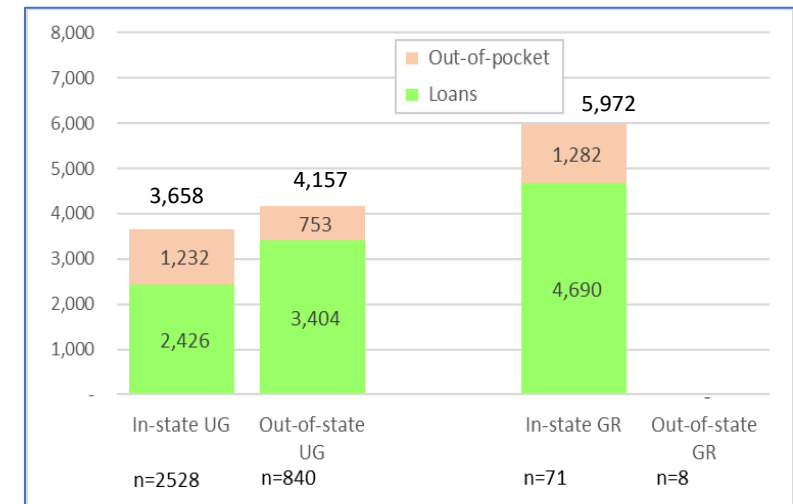
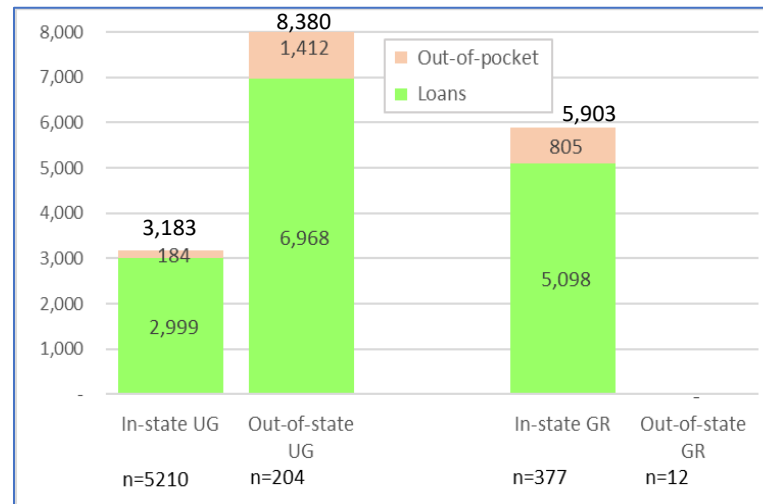
Southern also has athletic grants (somewhat less than half of the amount awarded at Central). Removing athletic grants from Southern's data increases the net tuition revenue in each category, albeit not by as significant an amount as is seen in Central's data.



CCSU exc. athletics  
 SCSU exc. athletics



ECSU  
 WCSU



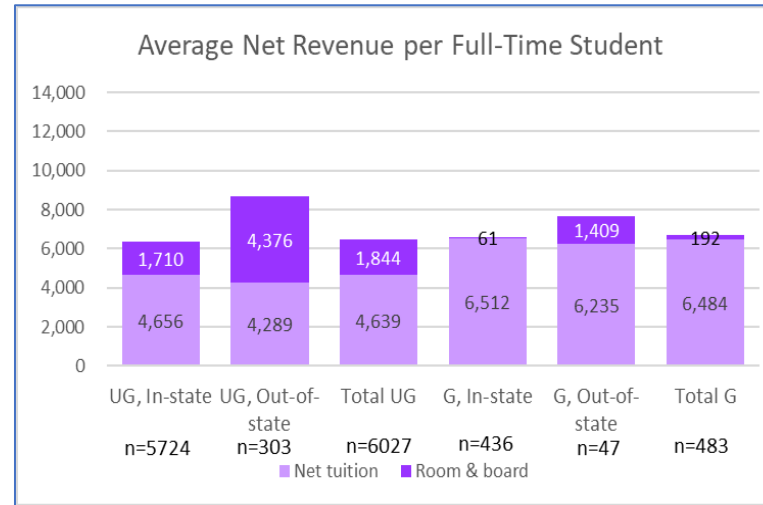
# Total Net Revenue Including Auxiliary Revenue

**Data notes:**  
 Students included: All full-time matriculated students  
 All amounts reflect one semester only

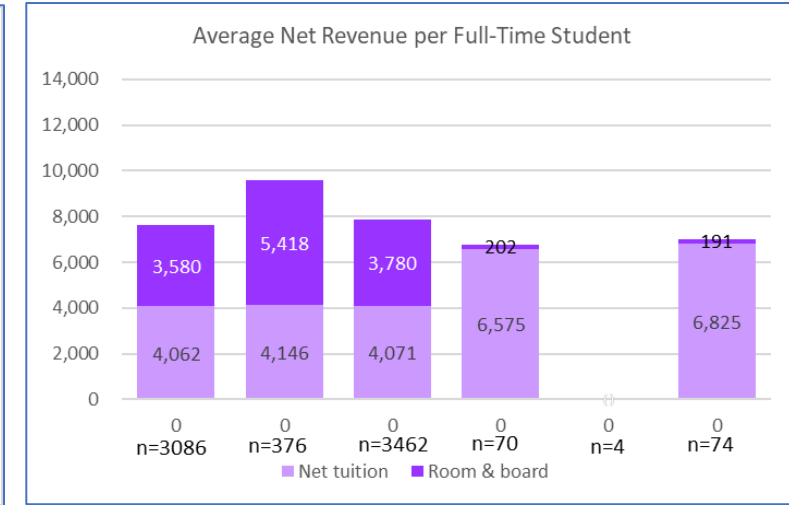
Including room and board amplifies the results shown in the last four slides and increases the relative net margin for Central's out of state undergraduate students.

Note that because discounts (grant aid and waivers) are applied against tuition and fees, the marginal revenue increase from filling an empty residence bed would appear as the full value of the room and board rates, though in fact the increased cost to the student, from living on campus, would most likely trigger more financial aid.

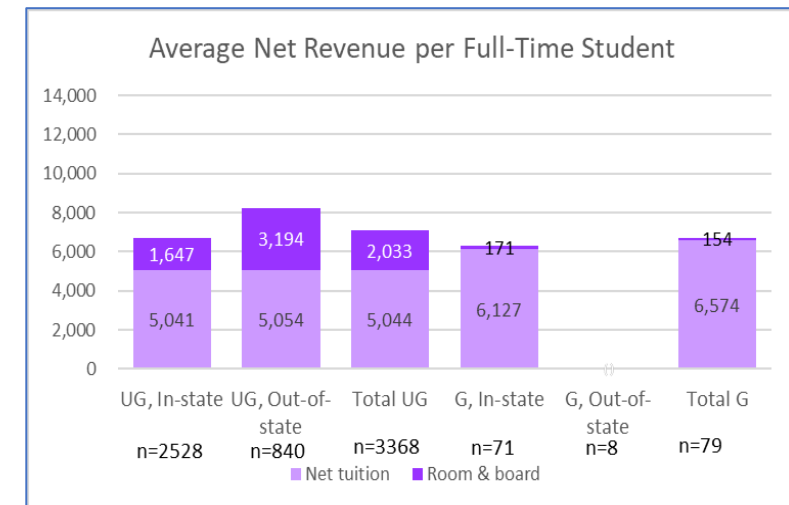
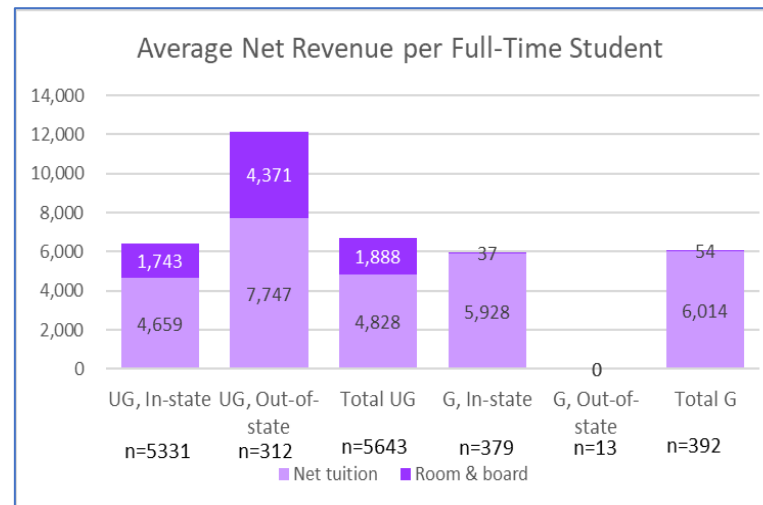
The next four slides expand this summary to look at total net revenue rates (tuition, fees, room, and board) across the four need/ability to pay categories used throughout the presentation.



CCSU  
SCSU



ECSU  
WCSU



# Net Tuition and Fees Summary Table

**Data notes:**  
 Costs reflect net Tuition and Fees only  
 Students included: All full-time matriculated students  
 All costs and aid amounts reflect one semester only

The table summarizes data on student payment amounts, presented on page 6 with average tuition and fees for each category.

- The average total amount paid for tuition and fees, after deducting grant aid, varies most notably between undergraduate and graduate students.
- Further, there is considerable difference in aid strategies for out-of-state undergraduate students across the universities.
- Note that Eastern’s full-time, undergraduate, out-of-state tuition and fees is suppressed by 138 students (37% of the total) who are charged fees only, instead of tuition & fees with a waiver. This impacts the in-state numbers as well but to a lesser extent because the no-tuition cohort represents a smaller % of the total in-state headcount.
- Western’s out-of-state numbers are impacted by the 793 NY/NJ students charged in-state tuition.

| <b>Total Full Time Tuition and Fees, Paid by Students</b> |               |              |               |              |
|---|---------------|--------------|---------------|--------------|
| <b>(after deducting all grant aid)</b>                    |               |              |               |              |
| <b><i>Undergraduate</i></b>                               |               |              |               |              |
| <b>In-State</b>   | Central       | Eastern      | Southern      | Western      |
| Out of pocket   | 1,018         | 94           | 145           | 1,232        |
| Loans   | 2,271         | 2,555        | 2,995         | 2,426        |
| <b>Total</b>  | <b>3,289</b>  | <b>2,649</b> | <b>3,140</b>  | <b>3,658</b> |
| <b>Total T&amp;F</b>                                      | <b>5,796</b>  | <b>6,167</b> | <b>6,000</b>  | <b>6,083</b> |
| <b>% Paid by stdt</b>                                     | <b>57%</b>    | <b>43%</b>   | <b>52%</b>    | <b>60%</b>   |
| <b>Out-of-State</b>                                       | Central       | Eastern      | Southern      | Western      |
| Out of pocket   | 353           | 0            | 912           | 753          |
| Loans   | 3,020         | 42           | 6,061         | 3,404        |
| <b>Total</b>  | <b>3,373</b>  | <b>42</b>    | <b>6,973</b>  | <b>4,157</b> |
| <b>Total T&amp;F</b>                                      | <b>10,720</b> | <b>6,537</b> | <b>12,234</b> | <b>6,357</b> |
| <b>% Paid by stdt</b>                                     | <b>31%</b>    | <b>1%</b>    | <b>57%</b>    | <b>65%</b>   |
| <b><i>Graduate</i></b>                                    |               |              |               |              |
| <b>In-State</b>   | Central       | Eastern      | Southern      | Western      |
| Out of pocket   | 912           | 2,564        | 819           | 1,282        |
| Loans   | 5,577         | 4,011        | 5,071         | 4,690        |
| <b>Total</b>  | <b>6,489</b>  | <b>6,575</b> | <b>5,890</b>  | <b>5,972</b> |
| <b>Total T&amp;F</b>                                      | <b>6,930</b>  | <b>6,914</b> | <b>6,701</b>  | <b>7,051</b> |
| <b>% Paid by stdt</b>                                     | <b>94%</b>    | <b>95%</b>   | <b>88%</b>    | <b>85%</b>   |

# FY22 and FY23 Projected Shortfalls and Governor's Recommended Budget Adjustments

## FY2022 Projected

## FY2023 Projected

|   | FY2022 Projected     |                           |                     |                      | FY2023 Projected      |                           |                     |                       |
|---|----------------------|---------------------------|---------------------|----------------------|-----------------------|---------------------------|---------------------|-----------------------|
|   | <i>CSU Total</i>     | <i>Community Colleges</i> | <i>COSC</i>         | <i>CSCU Total</i>    | <i>CSU Total</i>      | <i>Community Colleges</i> | <i>COSC</i>         | <i>CSCU Total</i>     |
| <b><u>SEBAC, 27th Payroll and Fringe Benefits</u></b>           |                      |                           |                     |                      |                       |                           |                     |                       |
| <i>SEBAC Payroll</i>  | 20,598,673           | 21,358,354                | 1,053,833           | 43,010,860           | 20,830,860            | 18,218,557                | 701,172             | 39,750,588            |
| <i>Fringe Benefits SEBAC*</i>                                   | 14,289,943           | 15,465,359                | 587,354             | 30,342,656           | 14,451,018            | 15,040,458                | 500,923             | 29,992,399            |
| 27th Payroll  | -                    | -                         | -                   | -                    | 13,127,987            | 9,831,396                 | 351,346             | 23,310,730            |
| Fringe Benefits on 27th Payroll                                 | -                    | -                         | -                   | -                    | 9,107,295             | 8,116,379                 | 251,005             | 17,474,679            |
| Pandemic Impact on Enrollment**                                 | -                    | -                         | -                   | -                    | 49,177,226            | 34,947,663                | -                   | 84,124,889            |
| <b>Total Shortfall</b>  | <b>\$ 34,888,616</b> | <b>\$ 36,823,713</b>      | <b>\$ 1,641,187</b> | <b>\$ 73,353,516</b> | <b>\$ 106,694,386</b> | <b>\$ 86,154,453</b>      | <b>\$ 1,804,446</b> | <b>\$ 194,653,285</b> |
| <b><u>Governor's Recommended Adjustments</u></b>                |                      |                           |                     |                      |                       |                           |                     |                       |
| <i>SEBAC Payroll (including bonuses)</i>                        | 13,358,000           | 7,725,000                 | 517,000             | 21,600,000           | 14,500,000            | 9,000,000                 | 517,000             | 24,017,000            |
| <i>Fringe Benefits SEBAC</i>                                    | -                    | -                         | -                   | -                    | -                     | -                         | -                   | -                     |
| 27th Payroll  | -                    | -                         | -                   | -                    | 5,100,083             | 4,785,485                 | 114,432             | 10,000,000            |
| Fringe Benefits on 27th Payroll                                 | -                    | -                         | -                   | -                    | -                     | -                         | -                   | -                     |
| Pandemic Impact on Enrollment ***                               | -                    | -                         | -                   | -                    | 21,409,496            | 15,497,845                | 592,659             | 37,500,000            |
| <b>Total Governor's Recommended Adjustment</b>                  | <b>\$ 13,358,000</b> | <b>\$ 7,725,000</b>       | <b>\$ 517,000</b>   | <b>\$ 21,600,000</b> | <b>\$ 41,009,579</b>  | <b>\$ 29,283,330</b>      | <b>\$ 1,224,091</b> | <b>\$ 71,517,000</b>  |
| <b>Remaining Deficit</b>  | <b>\$ 21,530,616</b> | <b>\$ 29,098,713</b>      | <b>\$ 1,124,187</b> | <b>\$ 51,753,516</b> | <b>\$ 65,684,807</b>  | <b>\$ 56,871,123</b>      | <b>\$ 580,355</b>   | <b>\$ 123,136,285</b> |
| <i>Information only: Total reserves projected as of 6/30/22</i> |                      |                           |                     |                      | <i>\$ 148,923,327</i> | <i>\$ 45,595,666</i>      | <i>\$ 7,028,129</i> | <i>\$ 201,547,122</i> |

\*Fringe benefits cost is calculated based on current rates and reflects the increase in salary cost. It does not include any potential increase in rates for which data is not available at this time.

\*\* Pandemic impact reflects tuition and fee revenue declines between FY19 and FY22, attributable to enrollment declines.

\*\*\* Includes Gov.'s proposed federal-funded CSCU Short-Term Recovery Funds (50% Financial Aid and 50% Institutional Aid) \$32.5M, plus funding for CSU Auxiliary Service Facilities \$5M

# Connecticut State Colleges and Universities Projected Cost

|   | FY2022               | FY2023                | FY2024               |
|---|----------------------|-----------------------|----------------------|
| <b><u>SEBAC, 27th Payroll and Fringe Benefits</u></b> |                      |                       |                      |
| SEBAC Payroll   | \$ 43,010,860        | \$ 39,750,588         | \$ 42,735,493        |
| Fringe Benefits SEBAC                                 | <u>30,342,656</u>    | <u>26,420,489</u>     | <u>34,254,961</u>    |
|   | <b>\$ 73,353,516</b> | <b>\$ 66,171,077</b>  | <b>\$ 76,990,454</b> |
| 27th Payroll  | -                    | 23,310,730            | -                    |
| Fringe Benefits on 27th Payroll                       | <u>-</u>             | <u>17,474,679</u>     | <u>-</u>             |
|   | <b>\$ 73,353,516</b> | <b>\$ 106,956,486</b> | <b>\$ 76,990,454</b> |