

**SPECIAL MEETING OF THE
FINANCE COMMITTEE**

Board of Regents for Higher Education
Thursday, June 13, 2013, at 10:30 am
Community Room
61 Woodland Street, Hartford CT

Minutes

REGENTS PRESENT

Gary Holloway, Chair, Finance Committee
Richard Balducci
Merle Harris, Chair, Academic and Student Affairs Committee

REGENTS ABSENT

Matt Fleury
Rene Lerer
Catherine Smith

CONNSCU REPRESENTATIVES

Gina Glickman, President, MCC; Anna Wasecha, President, MXCC; Dorsey Kendrick, President, GCC; Catherine Addy, President, TCC; Jim Blake, Executive Vice President, SCSU; Charlene Casamento, Chief Financial Officer, CCSU; Paul Reis, Vice President for Finance & Administration, WCSU; Lester Primus, Dean of Administration, CCC; Cliff Williams, Chief Financial Officer, COSC; Louis D'Antonio, Dean of Administration, GCC; Steven Minkler, Dean of Academic Affairs, MXCC; Rose Ellis, Dean of Administration, NCC; James Troup, Dean of Administration, NVCC; Paul Martland, Dean of Administration, QVCC; Charles Cleary, Dean of Administration, TCC; Mike Lopez, Dean of Administration, TRCC; Jill McDowell, Director of Finance

CONNSCU STAFF

Dennis Murphy, Interim Chief of Staff; Jim Howarth, Interim Chief Financial Officer; Elaine Clark, Vice President for Facilities & Infrastructure Planning; Karen Stone, Director of Internal Audit; Colleen Flanagan Johnson, Director of Public Relations & Marketing; Kyle Thomas, Legislative Program Manager; Raymond Yirga, Director of Finance & Accounting; Finance; Susan Grant, Senior Finance Officer; Melentina Pusztay, Assoc. for Finance & Accounting; Alessandra Lundberg, Finance Officer; Lutishia Pershad, Finance Officer

GUESTS

John Noonan, OPM; Kerry Kelley, OPM; Jacqueline Rabe Thomas, CT Mirror

With a quorum present, Chairman Holloway called the meeting to order at 10:30 am.

APPROVAL OF MINUTES FROM THE MAY 7, 2013 MEETING

The minutes of the May 7, 2013 meeting were unanimously approved, as written.

FY2014 SPENDING PLANS FOR THE CONNECTICUT STATE COLLEGES & UNIVERSITIES

Chairman Holloway turned to Interim CFO Howarth for explanation. Howarth explained the plan before the Committee today is the culmination of meetings and discussions with Senior Management, Presidents and their staffs over the course of the past few months. The specifics are spelled out in the staff report and Attachment A. Howarth provided the following details:

- An increase in State funding for FY 2014 for the Connecticut State Colleges & Universities from the FY 2013 budget amount of \$288,110,527 to \$300,417,771 in FY 2014. This represents an overall increase of \$12,307,244 or 4.3%.
- The overall System budget is now virtually at break-even (\$-336,000), with all but three institutions projected to break even.
- Financial information for the Community Colleges excludes all grant activity. Chairman Holloway expressed the need for all grants to be approved, exclusive of financial aid.
- Student enrollments are projected to remain relatively flat, however, the tuition rate and fee increases approved for system institutions by the Board will create new revenue to help institutions address critical needs.
- With the exception of Charter Oak State College, the State restored the remaining 2% rescission from FY 2013 and additional funding will be provided for remediation support, additional faculty and counselors. The removal of the 2% rescission provided \$2,863,920 to the Colleges and \$2,823,893 to the Universities. The Colleges and Universities are expected to use 10% for counselors and the remaining for faculty positions, which were frozen last year when the 5% rescission was announced. In addition, the Colleges will receive \$2.0 million for 20 positions dedicated to remediation, while the Universities will receive \$4.0 million for 40 additional faculty and \$1.0 million for 10 academic counselor positions. The additional funding is currently being held in each System Office and will be released as the positions are approved.
- The FY 2014 Spending Plan also includes pay increases for employees who did not receive any increases in FY 2012 or FY 2013.
- The budget allocation method remains consistent with prior years. Studies conducted over the past year regarding allocations did not reach a conclusion and will continue. This is particularly applicable to the Community Colleges, where there is significant support for a change to a more transparent method.

Regent Balducci expressed concern that, as has been the practice with the predecessor Board of Trustees, there was no longer a venue for Regents to conduct individual Spending Plan hearings with College and University Presidents. He requested the

hearing process be reinstated. Finance Committee members subsequently heard from the Community College Presidents and Deans of Administration in attendance, as to how reaching a break-even budget will affect their levels of service. In some cases, library hours are severely curtailed, security staff has been entirely eliminated, as have intramural athletics at one campus. The campuses have also been hindered in their ability to offer or expand certain critical programs.

The Committee voted unanimously to approve the FY2014 Spending Plan for the Connecticut State Colleges and Universities.

The meeting was adjourned at 12:20 p.m., on a motion by Regent Balducci, seconded by Regent Holloway.