

**MEETING OF THE  
FINANCE & INFRASTRUCTURE COMMITTEE**

Board of Regents for Higher Education  
August 25, 2016, at 9:30 a.m.  
61 Woodland Street, Hartford CT

**Minutes**

**REGENTS PRESENT**

Matt Fleury, Chair, Board of Regents  
Richard Balducci, Chair, Finance & Infrastructure Committee  
Naomi Cohen  
Merle Harris  
David Jimenez  
Gordon Plouffe  
Barbara Richards  
Yvette Melendez

**REGENTS ABSENT**

William McGurk  
Catherine Smith

**CSCU STAFF - PRESENTING**

Mark Ojakian, President; Erika Steiner, Chief Financial Officer; Keith Epstein, Vice President, Facilities; John Clark, President, WCSU

**CSCU STAFF – IN ATTENDANCE**

Jane Gates, Provost; Alice Pritchard, Chief of Staff; Sean Bradbury, Director of Government Relations; Melentina Pusztay, Director for Budgets and Planning; Pamela Mikaelian, Associate Director of Budgets & Planning; Michael Lopez, Director, Human Resources Administration; Erin Fitzgerald, Associate for Board Affairs; Rosalie Butler, Administrative Assistant; Gena Glickman, President, MCC; Mark Rozewski, Executive Vice President, SCSU; Charlene Casamento, Chief Financial Officer, CCSU; James Howarth, Vice President for Finance & Administration, ECSU; Sean Loughran, Vice President for Finance & Administration, WCSU; Paul Martland, Dean of Administration, QVCC; Jay Murray, Associate VP for Enrollment Services, WCSU

*With a quorum present, Chairman Balducci called the meeting to order at 9:30 a.m.*

**1. APPROVAL OF MINUTES FROM THE JUNE 9, 2016 MEETING**

*The minutes of the June 9, 2016 meeting were unanimously approved, as amended.*

## **INFORMATION ITEMS**

### **A. CSCU 2020 REPROGRAMMING FOR SOUTHERN CT STATE UNIVERSITY**

VP Epstein provided background on an approximately \$1.8 million overrun in project expenditures associated with the DCS-administered construction of the Academic Laboratory Building at Southern CT State University. Under normal circumstance, any expenditure in excess of budget would be brought to the BOR for a vote. However, the DCS notified CSCU after the fact and the work is largely complete. DCS has indicated that due to the current fiscal environment, it respectfully asked CSCU to fund the overrun. \$1,858,565 will be funded from a portion of the \$10 million FY16 Code Compliance and Infrastructure Improvement bond funds supplemental to the CSCU 2020 program.

## **2. ACTION ITEMS**

### **A. CSCU FY18/FY19 BIENNIUM BUDGET SUBMITTAL TO OPM**

CFO Steiner provided an overview of the process by which the biennium budget request is submitted to the Office of Policy and Management (OPM). She emphasized that the request before the Committee was the very beginning of the budget process and not a part of the system's annual Spending Plan. She further explained the submission consists of three distinct pieces, Capital Requests, Current Services and Expansion Options. The first two pieces are due to OPM shortly, while Expansion Options are not due to OPM until October 2016. Any Expansion Options budget will be presented to the Committee and full BOR prior to submission to OPM.

CFO Steiner indicated the request would consist of \$121.5 million and \$115.1 million for Capital requirements, and \$578.8 million and \$592.6 million for Current Services requirements for FY2018 and FY2019 respectively. This proposal holds wages flat, per OPM guidelines. The same assumptions are carried for FY 2019.

Key assumptions were discussed (including a tuition and fee increase of 2%, decrease in enrollment of 2%, inflationary increases to the cost of utilities, housing, food service and fringe benefit cost), as were capital planning, deferred maintenance and project prioritization.

*The Resolution concerning the CSCU FY2018/FY2019 Biennium Budget Submittal to OPM was unanimously approved.*

### **B. FREQUENCY OF CSCU 2020 REPORTING**

CFO Steiner provided background for the monthly reporting requirements of the CSU 2020 program to the predecessor Board of Trustees for the State Universities. The BOR is also required to report to the Governor and Legislature both semiannually and at 5-year intervals. Given the minor changes in reporting from month to month, as well as the controls in place and clean audits received, Management proposes that, going forward, report be presented to the Board as required by statute on a semi-annual basis. Should any

matters or significant changes arise, such matters would be presented to the Board at the next available meeting.

*The Resolution concerning the Frequency of CSCU 2020 Reporting was unanimously approved on a motion by Regent Jimenez, seconded by Regent Balducci.*

#### **C. PURCHASE OF 330 HIGH STREET FOR EASTERN CT STATE UNIVERSITY**

VP Epstein provided background on the CSUS 2020 Land and Property Acquisition Program which was designed to meet the current and future strategic academic needs of the four universities. He cited ECSU's long-term goal of obtaining residential properties on streets adjacent to the university, as they became available. One such property is 330 High Street, which VP Epstein characterized as being located at the "front door" of Eastern, and situated in front of the newly-constructed Fine Arts Instructional Center. The purchase price of the property, negotiated by DCS, is \$85,000 and will be funded from FY2009 of the CSCU Land and Property Acquisition Program.

*The Resolution concerning the Purchase of 330 High Street for Eastern Connecticut State University was unanimously approved on a motion by Regent Jimenez, seconded by Chairman Balducci.*

#### **D. UPDATE TO DELEGATION OF SIGNING AUTHORITY**

CFO Steiner explained that System Office employees had recently participated in certain LeanCT activities using organizational, process and programmatic improvement techniques designed to streamline processes and eliminate waste. Stemming from this, employees suggested revision to the current BOR signing policy. Management concurs that the current policy requires both simplification and more consistent structure across the institutions and System Office. In addition, the policy inforce provided unlimited authority to all those positions specifically noted, while not covering other position requiring signature authority. The revision would provide the Presidents and Chief Financial/Administrative Officers with the authority to sign on behalf of their institutions. It further provides them with the ability to re-delegate authority at their respective campuses. CFO Steiner elaborated as to the specific thresholds considered by the revised policy.

*The Resolution concerning Signing Authority was unanimously approved on a motion by Regent Jimenez, seconded by Chairman Balducci.*

#### **E. WESTERN CT STATE UNIVERSITY PILOT PROGRAM TO OFFER IN-STATE TUITION AND FEES TO CURRENT AND PROSPECTIVE STUDENTS FROM CERTAIN NEW YORK COUNTIES**

CFO Steiner likened Western's tuition pilot program to attract students from neighboring New York counties to that of Asnuntuck Community College's (adopted by the BOR in June 2016). She reported that thus far, the results were encouraging, as the number of Massachusetts students enrolled at ACC was increasing. She turned to President Clark for further explanation. He discussed overall declining trends in the high school population, competition in the marketplace and vacancies in Western's residence halls. He characterized the pilot program as a socioeconomic strategy to keep students in the State. The proposed pilot would lower tuition and fees for New York students by about \$10,000. If successful, this 2-year pilot could be adopted system-wide.

*The Resolution concerning Western Connecticut State University Tuition Pilot was unanimously approved on a motion by Regent Jimenez, seconded by Chairman Balducci.*

*With no other business to discuss, the meeting was adjourned at 10:27 a.m.*