

**BOARD OF REGENTS FOR HIGHER EDUCATION
CT STATE COLLEGES AND UNIVERSITIES (CSCU)**

Minutes of Finance & Infrastructure Meeting

Wednesday, October 12, 2022

Conducted Via Remote Participation

REGENTS - PARTICIPATING (Y = yes / N = no)	
Richard J. Balducci, Chair	Y
Felice Gray-Kemp	Y
Ari Santiago	Y
*Dr. David Blitz, FAC Chair	Y
<i>*ex-officio, non-voting member</i>	

CSCU STAFF:

Benjamin Barnes, VP of Administration / Chief Financial Officer
Joseph Bertolino, President, Southern CT State University
Terrence Cheng, President, CT State Colleges & Universities
Rachel Cunningham, Administrative Assistant to Benjamin Barnes (recorder)
Pam Heleen, Asst. Secretary of the Board of Regents
Elsa Núñez, President, Eastern CT State University
Melentina Pusztay, Director of Budgets and Planning

CALL TO ORDER:

Chair Balducci called the meeting to order at 10:32 a.m. following the roll call, R. Cunningham recorded a quorum present.

ACTION ITEMS:

Change in Schedule for Tuition and Fee Adoption

Chair Balducci introduced the one item for the committee's review today.

CFO Barnes reviewed how the BOR previously approved tuition and fees for Universities in February or March for the entire system for the following academic year. The timing provided some indication of the support from the state government, based on the governor's budget proposal. The change will allow the universities more time to secure returning students and recruit new students as they will now be able to make final financial aid offers to students earlier, providing an improvement in enrollment management. CFO Barnes acknowledged that we are facing a relatively steep deficit for the upcoming year. While he is hopeful that the Governor and the legislature will provide significant assistance in closing the gaps, it is doubtful that they will have sufficient new information at the beginning of February to materially impact decision-making about tuition. The tuition recommendation, developed with the University presidents, will allow us to generate some additional revenue but is below the level of inflation and in line with what we anticipate other institutions will be doing. Making the announcement now does not put us at a significant disadvantage in terms of enrollment.

The proposed changes and increases to undergraduate tuition and fees include:

- \$184 per semester, \$360 per year, tuition increased by \$97 per semester
- The University General Fees are to increase on average by \$72 per semester for non-academic costs and \$15 University Fee for debt service

The tuition at each University will increase from \$6,470 to \$6,664. CFO Barnes noted that if we wanted to cover the entire projected budget deficit with an increase in tuition and fees, it would be \$2,000+ or over 15% per year. In addition to the 3% tuition increase, an increase in housing and meal costs are proposed (due to increased costs of contracts) ranging between 2-5% across the system.

CFO Barnes highlighted that the proposals allow the universities to extend the NEBHE rate to adjoining state (setting tuition as low as the in-state tuition) with hopes it will further enhance enrollment in coming months.

Chair Balducci commented that the 3% increase in tuition raises only \$13.4 million. He asked for any comments and questions from the committee and summarized the recommendation of approval to bring forward to the full board. The total increase averages about \$828 with the housing and meals for on-campus students, the graduate program has the same increase plus an additional \$48.

Q: Prof. Blitz provided remarks to the general system (Attachment A contains his complete commentary), not related to today's proposal.

President Cheng responded that Prof. Blitz's comments referred to an internal memo that went to the six institution presidents to balance their budgets. He noted that it is the responsibility of the Board to hold him accountable and the responsibility of his office to work with the Presidents as they diligently and ardently work to run their enterprises that not only serve our students, but create a healthy learning environment with productive outcomes we can be proud of, but are also financially sustainable, responsible, and viable for the long term., President Cheng is working with the Presidents to give them the support, guidance, and direction they need to do the jobs they need to do.

President Cheng continued by saying that the internal memo was shared by the Presidents with their constituencies as a result of a call to do it. The memo doesn't finger point at faculty or staff but emphasized the fiscal crisis ahead if we do not take action. The Finance Committee just completed a review of the projection of the institutional situation - a \$100+ million deficit in FY24 and approx. \$120 million in FY25. The impact will be felt by everyone who works across the state. The memo serves as a call to action from President Cheng to the Presidents to balance their budgets and to work with their constituents (the Senates, Curriculum Committees, Deans, Department Chairs, and faculty members) to find solutions.

President Cheng also noted that feedback has focused on the phrase financial exigency as a distraction to point us toward a narrative that once again pits the administration versus faculty and staff which affects our students. He requests everyone to look at the problems, concerns, and challenges to be co-authors and partners in the solutions to the

issues we face. He noted that he does not reference a prescribed playbook or refer to how things were handled in the past but will hold his staff responsible and provide the necessary support to stabilize and create a platform for our institutions to thrive. He agreed that we do need to go to the State for more funding and to present a bold ambitious vision for CSCU.

President Cheng requested that everyone be mindful of their language and the totality of the facts that are presented in a public setting. We are trying to build cohesion, teamwork, and unity. He looks forward to working with Dr. Blitz and any organization/individual/unit/institution that will be on board to achieve the goals.

President Cheng commended Prof Blitz on his passion and intention requesting that we are all mindful of our language and rhetoric and stay focused on the work being done for the goal of fully funding public higher education and creating places that are positive and sustainable for years to come. The narrative's focus on the negative is a societal trend, burrowing into the salacious or conflict-driven; President Cheng agreed with Prof. Blitz that no one wants this approach.

Chair Balducci made a motion to adopt the resolution; Regent Santiago seconded the motion which was approved following a unanimous voice vote.

Q: Regent Santiago commented that he appreciates the work being done and very much supports what the System Office is doing to address the underlying challenges that the system is facing to improve outcomes and the impact on the State. He would like to see continued efforts in enrollment to have the most impact on the most students within the State of Connecticut, which will go a long way to solving the fiscal challenges, enhancing CSCU's impact, and making the case for further state support.

President Cheng thanked Regent Santiago. He reiterated that we are not going to cut our way out of the crisis; it would do long-term harm to our institutions and would hurt our students and staff. He agrees we need to look at what we do and how we do it and bring even greater value to as many people as possible across the State of CT to create new programs and new opportunities to drive enrollment. We will not be able to accomplish these goals without the faculty and staff being co-authors and partners in developing new paradigms for opportunity and new values and programs that we can bring to all of Connecticut.

ADJOURNMENT

Chair Balducci made a motion to adjourn, Regent Santiago seconded, and the meeting adjourned at 11:03 AM.