

**BOARD OF REGENTS FOR HIGHER EDUCATION  
FINANCE & INFRASTRUCTURE COMMITTEE**

**Wednesday, December 2, 2020 @10:00 a.m.  
Via WebEx Remote Participation**

**Minutes**

**COMMITTEE MEMBERS and REGENTS PARTICIPATING**

Richard J. Balducci, Chair  
David Blitz  
Felice Gray-Kemp  
David R. Jimenez  
JoAnn Ryan  
Naomi Cohen

**CSCU STAFF PARTICIPATING**

Mark E. Ojakian, Ben Barnes, Alice Pritchard, Keith Epstein, Melentina Pusztay, Kerry Kelley, Pam Heleen, Charlene Casamento (CCSU); Jim Howarth, William Salka, Jr., (ECSU); Ed Klonoski, Michael Moriarty (COSC)

**CALL TO ORDER**

Chair Balducci called the meeting to order at 10:06 a.m. and following roll call, declared a quorum present.

**APPROVAL OF October 7, 2020 MINUTES**

*On motion of Regent Jimenez, seconded by Regent Ryan, the minutes of the October 7, 2020 Finance and Infrastructure Committee meeting were unanimously approved as submitted.*

**Discussion Items**

- **FY21 CSCU Budget Update**

CFO Barnes reported that the Office of Policy and Management (OPM) has awarded an additional \$20 million in Coronavirus Relief Funds (CRF) to the CSCU system. This new revenue will allow the system to potentially limit its losses in the current year to \$30 million. The budget actions, CRF allocations and impact on the CSCU deficit for FY21 were reviewed.

Despite the new federal assistance, there remains a significant deficit for both the community colleges and the universities. This in turn will reduce the combined reserves to \$140 million, down from \$180 million which are lower than anticipated. It is critical that CSCU maintain robust reserves to provide budget support during downturns impacting enrollment and state support, to ensure adequate cash in the operating fund, and provide a source of funds for Board-approved one-time activities. CFO Barnes noted that the final projected reserves total listed on the Staff Report of the Finance Committee packet (\$128.57) is incorrect. The correct amount is \$140.33 million.

Recent increases in COVID19 transmission in Connecticut are adding to uncertainty around CSCU revenues. The revised budget for FY2021 assumes that enrollment and occupancy of residence halls will shrink slightly from the low levels in the fall, with the likelihood that the pandemic will change students' enrollment and residing on campus.

There was a general discussion regarding the issue of reduction cuts to adjunct or part-time faculty budgets. Both the Colleges and Universities have been given flexibility to identify savings outside the originally identified budget lines in order to avoid harming students, including graduate assistants. Professor Blitz commented on an email that he forwarded to members of the Finance Committee in October regarding his objections to the amendment to the Budget Report for targeted cuts approved by the Board of Regents at their meeting. His objections are directed at cuts to part-time lecturers, university assistants and graduate assistants.

The campuses will provide mid-year reports on January 29 in order to provide accurate information regarding enrollment and residence hall occupancy at the universities. This will allow the System Office to prepare the reports and analysis for the February Finance Committee meeting. It was recommended that the February Finance Committee meeting be held a day or two in advance of the full Board of Regents meeting in February.

### **Action Items**

- **CSCU FY22/FY23 Biennium Operating Fund Baseline and Capital Requests**

CFO Barnes provided a summary of the FY22/FY23 biennium budget based on FY21 revised spending plan with approved reductions and identified assumptions for projecting the next two years operating budget. The Biennium Capital Budget request is seeking support from the State to support requirements totaling \$166.2 million and \$219.6 million for FY22 and FY23 respectively for a total of \$385.9 million fund request. The request is similar to the request approved by the Board last year that have gone unanswered in the last fiscal year.

*On motion of Regent Jimenez, seconded by Regent Ryan, the CSCU FY22/FY23 Biennium Operating Fund and Capital Budget Request was voted unanimously.*

- **Increase Authority to Use Community College System Reserves for PACT through Spring 2021**

At the June 2020 meeting of the Board of Regents, the Board approved the use of \$3 million of Community College System Office reserves to support PACT students in the fall 2020 due to the legislature being unable to act on the appropriation for the program due to the pandemic. Over \$3.1 million was actually awarded to over 3,000 students. The legislature has been notified of the unavailability of funds in the CSCU budget to continue the PACT program and requested the state appropriate funds necessary to reimburse for the Fall scholarships awarded and to continue funding the program thereafter. In response, a letter was received on October 23, 2020 from the Democratic leadership of both chambers of a commitment to fund \$12 million to support the program. These funds will be sufficient to fund the students who enrolled in the Fall 2020 through their eligibility, including reimbursement to CSCU for reserves used for the Fall for the PACT program.

*On motion of Regent Jimenez, seconded by Regent Gray-Kemp, the resolution to Increase Authority to use Community College System Reserves for PACT through Spring 2021 was voted unanimously.*

- **Tuition Benefit Renewal – Bright Horizons / CCSU**

The Connecticut State Universities (CSU) is seeking to extend the Bright Horizons Family Solutions pilot program for 5 percent tuition reduction for another six years. The original pilot agreement was initiated with United Technology Corporation (UTC). UTC merged with Raytheon Technologies and the merger required the spinoff of Carrier and Otis as separate entities. All three corporations have entered into client agreements with Bright Horizons Family Solutions LLC (Bright Horizons) to manage the EdAssist Solutions tuition benefit program for their employees.

The CSU terms and conditions of the agreement with Bright Horizons would be similar to the terms and conditions which are in place in the current UTC agreement and due to expire on December 31, 2020.

*On motion of Regent Jimenez, seconded by Regent Ryan, the Tuition Benefit Renewal – Bright Horizons / CCSU resolution was voted unanimously.*

- **DC-CAP Scholarship Program – ECSU**

Eastern Connecticut State University (ECSU) has been offered a unique opportunity to participate in a scholarship program sponsored by the District of Columbia College Access Program (DC-CAP). DC-CAP is a privately funded nonprofit organization dedicated to encouraging DC public high school students to enroll in and graduate from college. The program will provide Eastern, CSCU, and the state of Connecticut students from the District of Columbia to Connecticut, where some will stay after graduation and join the workforce. The scholarship

program will increase enrollment at Eastern, providing additional revenue and increase the diversity of Eastern's residential campus.

*On motion of Regent Jimenez, seconded by Regent Ryan, the resolution for the DC-CAP Scholarship Program – ECSU was voted unanimously.*

- **NEBHE Rate Expansion to NY, NJ**

The Connecticut State Colleges and Universities (CSCU) institutions are authorized as part of the New England Board of Higher Education's Tuition Break Program to offer reduced tuition and fees to students from other New England states. Eastern Connecticut State University proposes to charge residents of New York and New Jersey discounted tuition and fees equal to what students from New England states currently pay under the New England Regional Student Program through the New England Board of Higher Education.

The program will attract students from the neighboring states of New York and New Jersey to Connecticut and increase enrollment at Eastern, which has been declining over the last four years. The program will not reduce the opportunity for Connecticut residents to attend Eastern. The proposal to extend the NEBHE rate to all of the CSCU universities is at the discretion of the individual university.

*On motion of Regent Jimenez, seconded by Regent Ryan, the NEBHE Rate Expansion to NY and NJ resolution was voted unanimously.*

- **Reallocation of Charter Oak State College to Care and Custody of 185 Main Street – floors 1 and 2 CCSU to COSC**

VP Keith Epstein provided background information and logistics of Charter Oak State College (COSC) long-term plans to consolidate its operations to one location. Central's (CCSU) Institute of Technology and Business Development building (ITBD) located at 185 Main Street in New Britain was identified as a location due to Central's low space utilization at the building and limited revenue gain for the entire building. It is proposed to renovate the first and second floor for COSC use with current available bond funds budgeted for this project.

*On motion of Regent Jimenez, seconded by Regent Ryan, the resolution for the Reallocation of Charter Oak State College to Care and Custody of 185 Main Street – Floors 1 and 2 CCSU to COSC was voted unanimously.*

- **Reallocation of the College Office to Care and Custody of 185 Main Street – floors 3 and 4 to CSCC**

College Office operations for the BOR Students First operations are currently co-located with the CSCU System Office at 61 Woodland Street. An opportunity of establishing the College Office at 185 Main Street, New Britain has been identified. The fourth floor configuration is functional for initial College Office operations. \$3M of funding for fourth floor improvements, furnishings, equipment and minor modifications is included in the FY2022-FY2023 biennial budget request. Third floor building improvements will occur as staffing levels increase and as funding allows. A memo of Understanding between Charter Oak and the College Office will also be executed for their co-location in this facility.

*On motion of Regent Jimenez, seconded by Regent Ryan, the resolution for the Reallocation of the College Office to Care and Custody of 185 Main Street – floors 3 and 4 to CSCC was voted unanimously.*

- **Change in Care and Custody of 55 Manafort Drive, COSC to CCSU**

Charter Oak State College seeks approval to relocate from the Paul J. Manafort Drive location to the ITBD building located at 185 Main Street, New Britain. The projected relocation for late 2021 will leave 55 Paul J. Manafort Drive vacant on Central's campus. The vacant facility offers an opportunity for the location of Central's new Admissions and Welcoming Center in a prominent campus location. This long-term vision for Central will become more focused as the facility becomes available. Building improvements and equipment will be funded through Central's existing Facility Bond Funds.

*On motion of Regent Jimenez, seconded by Regent Ryan, the resolution for the Change in Care and Custody of 55 Manafort Drive, COSC to CCSU was voted unanimously.*

President Ojakian recognized and thanked CFO Barnes and staff for their continued services in providing Board guidance and sustainability to the CSCU institutions as they provide the State of Connecticut the tools needed to recover.

## **Adjournment**

*There being no further business, on motion of Regent Ryan, seconded by Regent Gray-Kemp, the meeting adjourned at 11:20 a.m.*