

**BOARD OF REGENTS FOR HIGHER EDUCATION
CT STATE COLLEGES AND UNIVERSITIES (CSCU)
Minutes of Finance & Infrastructure Meeting
Wednesday, September 13, 2023
Conducted Via Remote Participation**

REGENTS - PARTICIPATING (Y = yes / N = no)	
Richard J. Balducci, Chair	N
JoAnn Ryan	Y
Ari Santiago	Y
Erin Stewart	Y
*David Blitz, FAC Vice Chair	Y
<i>*ex-officio, non-voting member</i>	

CSCU STAFF:

Lloyd Blanchard, VP of Administration / Chief Financial Officer
 Rachel Cunningham, Administrative Assistant to Lloyd Blanchard (recorder)
 Edward Klonoski, CEO, Charter Oak State College
 Pamela Heleen, Secretary of the Board of Regents

CALL TO ORDER:

On behalf of Chair Balducci, Chair Ryan called the meeting to order at 10:37 a.m. Following the roll call, Rachel Cunningham recorded a quorum present.

Chair Ryan formally welcomed Interim CFO Dr. Lloyd Blanchard to Chancellor Cheng’s Cabinet and the CSCU BOR Finance Committee.

APPROVAL OF PREVIOUS MEETING MINUTES:

Regent Santiago made a motion to approve the minutes of the June 21, 2023, Finance Committee Meeting, Regent Stewart seconded.

Professor Blitz requested a number of issues to be reviewed (Attachment A).

CFO Blanchard stated Provost Kathuria is trying to develop a comprehensive inventory of programs and not a review, that is the intent of the academic program planning.

Professor Blitz commented further on the minutes from the BOR June 23, 2023 meeting.

P. Heleen responded that she and Chair Ryan have received the emails requesting revisions to the BOR minutes and R. Cunningham will include the written commentary for today's minutes.

P. Heleen stated the minutes posted on the website are in draft form until they are approved by the full board and if there are changes to be made, they will do so before the next meeting.

Chair Ryan called for a vote to approve the June 21, 2023 minutes, which were approved following a unanimous vote.

Regent Stewart made a motion to approve the minutes of the August 23, 2023 Special Finance Committee Meeting, Regent Santiago seconded, the motion was approved following a unanimous voice vote.

ACTION ITEMS:

Naming of New Britain Center for Higher Education

Chair Ryan introduced the action item, naming 185 Main Street in New Britain as the New Britain Center for Higher Education. The building is now occupied by both Charter Oak State College and CT State Community College central offices. The staff report and request were jointly submitted by Charter Oak President Ed Klonoski and CT State President John Maduko.

Regent Stewart made a motion to accept the resolution, and Regent Santiago seconded.

President Klonoski provided an overview of the selected name which represents both premier colleges and not simply the address of the building. He clarified that in the future if a donor were to be identified, they would bring it back for the board's review and approval.

Q: Professor Blitz asked if it would be better to be called the New Britain Center for Public Higher Education.

Regent Stewart responded that she would like to keep the word public out of the name so it would not be confused with the New Britain Public School System.

Q: Regent Santiago asked from the mayor's perspective if the residents of the City of New Britain support the name.

Regent Stewart responded yes, it is flattering to have within the city, and after many years of the building being associated with CCSU, it will now be officially named.

The motion was approved following a unanimous vote and will be brought forward to the full board for consideration at the September 21, 2023 meeting.

Chair Ryan made a motion to adjourn, Regent Santiago seconded, following a unanimous vote, the meeting adjourned at 10:57 a.m.

Comments at Finance Committee Meeting
David Blitz, Sept. 13, 2023

There are a number of issues I want to bring up with respect to the resolution passed by this committee at its last regular meeting, and presented as pp. 71 – 72 on the Agenda as “RESOLUTION Concerning THE CONNECTICUT STATE COLLEGES & UNIVERSITIES SPENDING PLANS FOR FY 2024 AND ADDITIONAL ACTIONS TO RESOLVE CURRENT AND FUTURE BUDGET SHORTFALLS”. This resolution was presented at the following Board meeting, and approved (by a majority, with two Regents voting No) with 3 amendments: one concerning a Nov. 1 deadline for submission by the 6 constituent institutions of remediation plans, and two concerning the proposed system study, removing the proposed \$4 million of system reserves and the use of external consultants.

In fact, the resolution dealt with multiple issues each of which should have been the object of separate resolution: (1) approving spending plans for FY 24, (2) requiring the preparation and submission of remediation plans to deal with expected deficits; (3) calling for a comprehensive “review” of academic and student support programs; and (4) proposing a study of the system itself. A number of unfortunate issues arise by combining all this in one resolution. Let me focus on two of the most important:

In the first place the terminology used in the third resolved is inaccurate and misleading: “That the CSCU President shall lead all CSCU institutions in an urgent and comprehensive effort to review academic and student support programs to ensure that they meet the mission of CSCU in a cost-effective manner”. The use of the terms “comprehensive” and “review” are at fault. If interpreted, as many have, as calling for academic program reviews, this is out of place. APRs as they are referred to are contractually conducted every 5 – 7 years and involve massive work to analyze courses, survey students and faculty and bring in an outside expert reviewer. This obviously cannot be done in a “comprehensive” way in the short time frame of the fall 2023 term covered by the resolution.

Some have suggested that what is being called for is comprehensive academic planning in the context of remediation measures. But academic planning is not done at the level of the system nor in the time frame implied adequate. Again, contractually, academic planning is in the purview of each institution, as specified by its governing body: each of curriculum committee, Deans, Provost, Senate and President having a specified role. Only a new or substantially revised program would be submitted to the ASA committee of the Board, but on going program planning, including course scheduling and allocation of faculty resources is done exclusively at the local level.

What may be intended is what I would term academic program accounting, leaving aside for the moment the student services component. But then the issue is what parameters are used in a metric to determine what accountants usually do: calculate costs and revenues. If the parameter is simply number of majors x tuition as revenue and salaries and fringes of faculty, along with departmental operating expenses as costs, then an especially narrow view is being used. Such a metric neglects students taking courses in the program to satisfy their minors and general education requirements, and the interdisciplinary activities of faculty outside their immediate program. It prioritizes cost accounting over academic needs, and the resulting accounting is unidimensional and unsatisfactory.

I want to draw the attention of this committee to these two problems: the substantial issue which confuses a cost-accounting with a program review, and the problem of the use of an inadequate

metric based on just one parameter for conducting a cost analysis. I have further comments on the proposed system study but will stop here to allow others to speak.

In reading the minutes of the June 28, 2023 BOR meeting I note that they should be modified for the discussion of the amendments to the Resolution on the CSCU Spending Plan and Shortfall Measures (deficit mitigation). As it stands, the minutes read (p. 10):

“Regent Balducci introduced two amendments to the resolution as follows: •

The removal entirely of the allocation of system reserves for costs related to the deficit mitigation effort. The system staff will return once specific costs have been identified. •

The elimination of the requirement that the system engages a consultant to perform the system analysis.”

The problem is the underlined phrase in red. As I recall, and the transcript of the meeting is consistent with this, the removal of allocation of system reserves was limited to the proposed \$4 million cost of the system study, not the deficit mitigation effort, which is a separate matter. Regent Balducci says at 2:05:24 – 2:06:21 in the video/transcript of the meeting:

“And if I can find my notes here I'll be able to tell you what the other two are easily and clearly. First it removes entirely the allocation of the system reserves for cost - the four million dollar piece is out if you look at the new resolution it is not in there at all in any way shape or form.” (punctuation added)

I don't see a copy of the amended resolution in the minutes, and that should be added with a correction to the minutes for the sake of clarity and to avoid any possible misconstrual.