

**MEETING OF THE
FINANCE AND INFRASTRUCTURE COMMITTEE**

Board of Regents for Higher Education

Wednesday, December 6, 2017

10:30 a.m.

61 Woodland Street, Hartford CT

Minutes

REGENTS PRESENT

Richard Balducci, Committee Chair

David Jimenez (Telephonic)

William McGurk

Holly Palmer (Telephonic)

Barbara Richards (Telephonic)

Naomi Cohen

Merle Harris

Yvette Melendez

Elease Wright

REGENTS ABSENT

Felice Gray-Kemp

Catherine Smith

CSCU STAFF PRESENTING

Mark Ojakian, President; Erika Steiner, Chief Financial Officer; Keith Epstein, Vice President for Facilities & Infrastructure Planning

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

1. Approval of Minutes from the October 11, 2017 Meeting

The minutes of the October 11, 2017 meeting were unanimously approved, upon the motion of Regent McGurk, seconded by Regent Palmer.

2. INFORMATION ITEMS

A. CCSU Building Naming – C.J. Huang Recreation Center

CFO Steiner provided background information on the naming of the recreation center at Central Connecticut State University (CCSU) in honor of C.J. Huang. Dr. Huang was a widely respected industrialist, humanitarian, calligrapher and a noted philanthropist who was driven to invest his wealth in ways that would make life better for people through education, science and medicine. Dr. Huang's generous lifetime donations and an estate gift together amounts to more than \$7.3 million.

A motion by Regent Balducci, seconded by Regent McGurk, carried unanimously to adopt the Naming of the recreation center at CCSU to C.J. Huang Recreation Center.

B. CSCU 2020, Phase III – Funding Reallocations and Project Schedule Modifications

VP Epstein commented on the legislatively approved multiyear three-phase CSCU 2020 program to fund capital improvements, equipment, telecom, land acquisitions and deferred maintenance for the universities. Unlike traditional bond funds that require Bond Commission approval for individual funding requests, CSCU 2020 annual funding occurs as approved by the Governor prior to March 31st of each year.

The reallocation of \$9,125,000 of the \$16,000,000 Supplemental Project Funds, which exceeds 5% of the total project budget, to Central's new Engineering building is sought to mitigate cost increases due to escalation and a shortfall with equipment funding, pending legislative approval. The rescheduling and reallocating of construction and equipment funding for Southern's Health and Human Services Building from FY2020 to FY2019 (\$48,706,926) and FY2020 (\$6,293,074) and the new Business School from FY2019 to FY2020 (\$48,706,926).

A motion by Regent McGurk, seconded by Regent Palmer, carried unanimously to adopt the CSCU 2020, Phase III – Funding Reallocations and Project Schedule Modifications.

C. Preliminary Quantification – Students First College Consolidation

President Ojakian thanked CFO Steiner and the teams led by College and University Presidents that included campus administration, faculty and staff for their diligent work done over the past months. Management first approached cost saving programs in FY16 and committees were formed to evaluate potential plans. Although excellent ideas were proposed, the savings generated would not be enough to sustain the diminishing revenues. In response to the Board of Regents charge to the President and declining state funding since FY15, management began to evaluate different cost saving options required to ensure that our institutions maintain a sustainable fiscal future. As the State finances continued to worsen, it was determined that more significant cost cutting measures were required to address the System's structural fiscal deficit.

CFO Steiner reviewed the staff report that focused on the second strategy of the consolidation of the twelve community colleges into the one Community College of Connecticut. It was agreed that no faculty positions or direct student support functions would be impacted by the consolidation. A subcommittee headed by President Rooke was formed comprising Presidents and staff from the Community Colleges to recommend a structure for the future Community College of Connecticut. The proposal went through numerous draft iterations and was shared with the CSCU community. Once the structure became stable, a preliminary quantification was done. The methodology to estimate savings was reviewed and discussed. Due to the deterioration of the state budgets and the threat of continued loss of state funding, necessitates continued refining of this model and identifying additional savings as practicable. The next steps of the strategy were also discussed. There was a general discuss amongst the Board members regarding the structure, staffing and previous model, comparison of FTE in both models, NEASC and accreditation.

A motion by Regent McGurk, seconded by Regent Palmer, carried unanimously to accept the Preliminary Quantification – Students First College Consolidation report.

With no other business to discuss, on motion of Regent McGurk, seconded by Regent Jimenez, the meeting was adjourned at 12:04 p.m.