



CONNECTICUT STATE
COLLEGES & UNIVERSITIES

BOARD OF REGENTS FOR HIGHER EDUCATION

**MEETING OF THE
FINANCE & INFRASTRUCTURE COMMITTEE**
Board of Regents for Higher Education
Hartford, Connecticut

Wednesday, October 3, 2018, at 10:00 am
Regents Board Room
61 Woodland Street, Hartford, CT

Agenda

- 1. APPROVAL OF MINUTES FROM THE AUGUST 14, 2018 MEETING (PAGES 1-5)**
- 2. INFORMATION ITEMS**
 - A. **CSCU** – Discussion regarding Tuition and Fee Policies (No attachment)
 - B. **CSCU 2020** Update (Pages 6-12)
- 3. ACTION ITEMS**
 - A. **CSCU** – FY20/FY21 Biennium Expansion Items (Pages 13-27)

**MEETING OF THE
FINANCE AND INFRASTRUCTURE COMMITTEE**

Board of Regents for Higher Education

Tuesday, August 14, 2018

10:00 a.m.

61 Woodland Street, Hartford, CT

Minutes

REGENTS PRESENT

Richard Balducci, Committee Chairman

Del Cummings

David Jimenez (Telephonic)

JoAnn Ryan (Telephonic)

REGENTS ABSENT

Felice Gray-Kemp

Catherine Smith

CSCU STAFF PRESENTING

Mark Ojakian, President; Erika Steiner, Chief Financial Officer; Keith Epstein, Vice President, Facilities, Real Estate and Infrastructure Planning

With a quorum present, Chairman Balducci called the meeting to order at 10:00 a.m.

1. Approval of Minutes from the June 6, 2018 Meeting

On motion by Regent Jimenez, seconded by Regent Ryan, the minutes of the June 6, 2018 meeting were approved as submitted.

2. Action Items

2A. CSCU – Intent to Adopt “Red Tape Elimination” Guidelines

CFO Steiner reviewed Public Act 17-130 and its intent. The Act was enacted to simplify certain purchases made by public institutions of higher education by eliminating excessive contracting formality specific to only three types of agreements: (1) revenue-generating contracts, (2) non-monetary arrangements, and (3) “certain other agreements”. The Act also exempts specific types of purchases from the competitive bid process and eliminates the need of certain state boilerplate. After canvassing the CSCU institutions, Central Connecticut State University expressed an interest in having the Public Act reviewed. The Public Act allows the Board to adopt a related policy, provided such policy is posted on the CSCU website and interested parties are provided reasonable opportunity to present their views prior to adoption.

On motion by Regent Balducci, seconded by Regent Ryan, the resolution concerning the CSCU Public Notice of Intent to Adopt “Red Tape Elimination” Guidelines was unanimously approved.

2B. Housatonic Community College – License Agreement with Derby High School to Use Their Space

CFO Steiner commented on the request to utilize space at Derby High School for the expansion of the College Connections program at Housatonic Community College. The purpose of the program is to provide early college education and training for high school students in Advanced Manufacturing and support the growing need in Connecticut for highly skilled workers in the Advanced Manufacturing field. The Department of Economic and Community Development (DECD) entered into an agreement with CSCU whereby DECD would provide matching funds in order to help satisfy growing needs in the state for highly skilled workers provided certain metrics are met and the number of high school students participating would grow.

The cost of instruction will be covered by Derby High School. DECD will support 50% of tuition as well as direct costs incurred by students for books and materials. This program is cost neutral to Housatonic from an operating standpoint with 50% tuition reimbursement from DECD covering any administrative costs. Housatonic will offer non-credit Advanced Manufacturing courses to adult learners and the incumbent worker population during evening hours and weekends. Housatonic will provide and/or purchase and install all equipment and furnishings required to administer the program at a cost of \$400,000. Derby High School will provide a renovated classroom space as fully equipped laboratory space in addition to a Manufacturing Center classroom and Metrology Lab. The College requests a three-year license agreement for space use, including an option to renew.

On motion of Regent Ryan, seconded by Regent Cummings, the Resolution concerning Housatonic Community College License Agreement with Derby High School for Space Use was unanimously approved.

3C. Tunxis Community College (Bristol Facility) – License Agreement with Capital Workforce Partners

Keith Epstein, Vice President, Facilities, Real Estate and Infrastructure Planning, commented on Tunxis Community College’s opportunity to extend community involvement on campus and benefit Tunxis students by working with the Capital Workforce Partners (CWP) in providing career service opportunities on campus. The Farmington/Bristol region of the CWP is currently administered by the New Britain office. Students will be able to avail themselves of the services that CWP provides with public assistance with career counseling, job identification, connections to employers and workshops that may include resume writing, employment strategies, interview skills and computer basics.

Tunxis Community College is seeking approval to enter into a two-year license agreement with renewal options of 1-year extensions with Capital Workforce Partners that would permit CWP to conduct business out of Tunxis’ leased Bristol location. This accommodation would improve

distance to travel for services for Tunxis students, as well as heighten their awareness of availability of services. Due to budget constraints in recent years, Tunxis offers only limited career services.

Conditions of the license will include a \$48,000 annual rent that provides for tenant use of 2,500 s.f. from available space in Tunxis' 8,006 usable s.f. Bristol lease. The rent under the proposed agreement is a prorated amount that funds the CWP's use of space and operating expenses funded by Tunxis in exchange for student and graduate employment assistance services.

On motion of Regent Balducci, seconded by Regent Cummings, the Resolution concerning Tunxis Community College (Bristol Facility) License Agreement with Capital Workforce Partners was unanimously approved.

3D. Western Connecticut State University – CSCU 2020 Funding Reallocation

VP Keith Epstein, commented on the recent completion of the new Police Department building on the campus of Western Connecticut State University. During Fiscal Year 2014 of the CSCU 2020 program, \$6,445,000 was allocated for construction and equipment for the Police Department project. With the completion of the project, \$452,583.66 remain uncommitted and available for use on other projects. Legislation allows the Board of Regents to reallocate unused program funds at the completion of a project to other CSCU 2020 named projects and programs provided that the total project budgets are not increased 5% or more.

Management is requesting that the Board of Regents approve the reallocation of Western's Police Department uncommitted funds of \$452,583.66 to Western's Code Compliance/Infrastructure Improvement program.

On motion of Regent Balducci, seconded by Regent Ryan, the Resolution concerning Western Connecticut State University CSCU 2020 Funding Reallocation was unanimously approved.

3E. Middlesex Community College – Memorandum of Understanding with the Connecticut Valley Hindu Temple Society for Parking Lot Use

VP Epstein commented on the informal process that developed over the years with Middlesex Community College allowing the Connecticut Valley Hindu Temple Society (CVHTS) to park in their campus parking lot(s) on occasion of holidays that they require an overflow parking area at no charge and at their own risk. The CVHTS parking lot use does not interfere with college operations as the Temple utilize the lot(s) in the evening or on holidays.

This fall the CVHTS anticipates undergoing a parking lot renovation and has requested to use Middlesex's parking lot as an overflow while they complete their renovation. Once their lot is completed, the Middlesex lot will only be used as an overflow lot for the occasions of holidays. Over the years, Middlesex has received no negative feedback, complaints or issues from the previous parking arrangement. The College would like to have the overflow parking arrangement formally approved by the Board in addition to the temporary parking arrangement.

The Memorandum of Understanding (MOU) will include an indemnification of any CSCU liability associated with use of the parking lot, and a clause indicating that the Temple is liable for any damages.

On motion of Regent Balducci, seconded by Regent Cummings, the Resolution concerning Middlesex Community College Memorandum of Understanding with the Connecticut Valley Hindu Temple Society for Parking Lot Use was unanimously approved.

2F. CSCU – FY20/FY21 Biennium Baseline Operating Budget and Capital Budget

CFO Steiner reviewed the Biennium Baseline Operating Budget and the process for developing a baseline budget for submission to the Secretary of the Office of Policy and Management (OPM). The Baseline Operating Budget is based on our current spending profile, current revenues, and certain revenue and some limited cost growth factors. It was noted that the Biennium Budget submittal is not the same as the System's annual budget, but rather a vehicle to communicate adjustments required by law or other approved factors to the current baseline of funding provided to OPM.

The Capital Budget for this Biennium includes funding required by our longer-term institutional master plans, but does not contemplate facilities that will be requested through CHEFA financing. With the expiration of the System's CSCU 2020 long-term capital program, this Biennium does include requirements for the four state universities which were previously contemplated in CSCU 2020.

The Baseline Budgets for FY20 and FY21 result in escalating losses for the system as a result of the FY19 Budget loss and the assumptions built into the following two years that includes a 5.5% pay increase required by SEBAC for each of the two years; job protection during the budget periods; expectation that fringe benefits will continue to escalate; and lack of State funding to fully cover either of these increases. State funding at a minimum will be required to protect our ability to meet payment obligations. The System is unable to survive with the current funding. There was a general discussion amongst the Regents regarding options to address the lack of sufficient funding.

VP Epstein reviewed the Capital Request for the FY20/FY21 Biennium which does not include the \$126,000,000 funding of which was deferred from FY19 for two university projects, to a new CSCU 2020 funding year of FY20. The request also excludes facilities that are funded through CHEFA revenue bonds. Under this Biennium Capital Budget, \$195.2 million and \$250.0 million for FY20 and FY21 respectively is being requested. The primary requirements for the System in this capital request are to continue our programs of code compliance and infrastructure improvements. The near term priorities of the system are not to increase capacity, but modify use of existing facilities or replace and upgrade those that cannot be modified. All project funding requests are consistent with each institutions most current Master Plan.

On motion by Regent Balducci, seconded by Regent Cummings, the Resolution concerning the CSCU – FY20/FY21 Biennium Baseline Operating Budget and Capital Budget Request was unanimously approved.

There being no further business, on motion of Regent Cummings, seconded by Regent Ryan, the meeting adjourned at 11:37 a.m.

SEMI-ANNUAL REPORT ON THE STATUS AND PROGRESS OF CSUS 2020
AS OF May 31, 2018

University	Project or Program	Estimated Total Project Cost	*Phase I Fiscal Years 2009 - 2011	Phase II Fiscal Years 2012 - 2014	Phase III Fiscal Years 2015-2020	Phase III Available as of Fiscal Year 2019	Total Available as of Fiscal Year 2019	Amount Committed 5/31/2018	Amount Expended as of 05/31/18	Projected Fiscal Year 2019	Scheduled Design Completion	Scheduled Construction Completion	Status/Comments
Central	Code Compliance/Infrastructure Improvements	\$26,312,636	\$16,418,636	\$5,894,000	\$4,000,000	\$4,000,000	\$26,312,636	\$22,996,258	\$22,612,594	\$700,000			Multi-phased program.
	<u>Project Listing</u>												
	- Replace Maloney Hall Elevator		\$51,953	\$0	\$0	\$0	\$51,953	\$47,612	\$47,612	\$0	Jun-10	May-12	Complete
	- Window Replacements in Four Buildings		\$569,690	\$0	\$0	\$0	\$569,690	\$569,690	\$569,690	\$0	Apr-09	Apr-11	Complete
	- Burritt Library HVAC Code Compliance Improvements		\$1,989,000	\$0	\$0	\$0	\$1,989,000	\$1,808,007	\$1,808,007	\$0	Jan-15	Feb-16	Complete
	- Founder's Hall HVAC Installation		\$697,492	\$0	\$0	\$0	\$697,492	\$696,521	\$696,521	\$0	Mar-09	Aug-13	Complete
	- Davidson Hall Window & Door Replacements (phase 1 & 2)		\$1,961,987	\$0	\$0	\$0	\$1,961,987	\$1,961,987	\$1,961,987	\$0	Dec-09	Aug-13	Complete
	- Security Improvements to General Fund Buildings		\$805,542	\$0	\$0	\$0	\$805,542	\$805,542	\$805,542	\$0	Jun-11	Nov-13	Complete
	- Burritt Library Exterior Repairs		\$86,921	\$0	\$0	\$0	\$86,921	\$86,921	\$86,921	\$0	Jun-09	Jul-10	Complete
	~ Burritt Library Renovation (Construction)			\$216,000		\$0	\$216,000	\$216,000	\$216,000	\$0	Oct-16	Mar-17	Complete
	- Kaiser Hall Gym and Lobby HVAC Improvements		\$82,500	\$0	\$0	\$0	\$82,500	\$82,016	\$82,016	\$0	Jul-09	Mar-12	Complete
	- Campus Wide Signage Program (phase 1)		\$534,370	\$0	\$0	\$0	\$534,370	\$533,631	\$533,631	\$0	May-10	Sep-13	Complete
	- Marcus White Fire Code Improvements		\$1,086,000	\$0	\$0	\$0	\$1,086,000	\$890,018	\$890,018	\$0	Sep-09	Dec-12	Complete
	- Replace Barnard Hall Roof/Entry Improvements		\$1,943,949	\$0	\$0	\$0	\$1,943,949	\$1,943,949	\$1,943,949	\$0	Feb-11	Jan-13	Complete
	- HVAC Improvements in General Fund Buildings (Phase 1, 2 & 3)		\$5,227,000	\$0	\$0	\$0	\$5,227,000	\$5,227,000	\$5,227,000	\$0	Sep-09	Oct-11	Complete
	- Remove Old Telecom Equipment from Buildings		\$0	\$327,000	\$0	\$0	\$327,000	\$326,024	\$326,024	\$0	Mar-14	Dec-16	Complete
	- Maloney Hall HVAC Improvements		\$0	\$1,004,000	\$0	\$0	\$1,004,000	\$532,162	\$532,162	\$0	Jun-13	Mar-15	Complete
	- Arute Field Stadium Turf Replacement		\$0	\$912,000	\$0	\$0	\$912,000	\$768,283	\$768,283	\$0	May-14	Aug-14	Complete
	~ Improvements to ITBD Building			\$0		\$0	\$0	\$0	\$0	\$0	T.B.D.	T.B.D.	Funds Reallocated to Copernicus Hall Low Roof Replacement
	~ Copernicus Hall Low Roof Replacement			\$200,000	\$0	\$0	\$200,000	\$200,000	\$200,000	\$0			
	- Minor Capital Improvements Program		\$987,500	\$3,235,000	\$0	\$0	\$4,222,500	\$4,222,500	\$4,222,500	\$0	May-17	May-17	Complete
	- Future Projects to be Determined		\$394,732	\$0	\$4,000,000	\$4,000,000	\$4,394,732	\$2,078,396	\$1,694,732	\$700,000	Jul-09	Ongoing	Mutilple Phased Program
	Renovate/Expand Willard and DiLoreto Halls	\$61,085,000	\$0	\$5,892,000	\$55,193,000	\$55,193,000	\$61,085,000	\$60,432,787	\$38,468,493	\$22,616,507	Jun-15	Jan-19	In Construction
	New Classroom Office Building	\$29,478,000	\$29,478,000	\$0	\$0	\$0	\$29,478,000	\$29,478,000	\$29,478,000	\$0	Mar-11	Aug-13	Complete

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Eastern	East Campus Infrastructure Development (construction only)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			Funds Reallocated	
	Burritt Library Design & Expansion/Renovations	\$16,500,000	\$0	\$0	\$16,500,000	\$14,300,000	\$14,300,000	\$0	\$0	\$500,000	Sep-19	Jan-20	Project Start-up	
	Kaiser Hall/Bubble Renovations	\$25,385,809	\$6,491,809	\$210,000	\$18,684,000	\$18,684,000	\$25,385,809	\$24,321,560	\$4,353,383	\$20,000,000	Apr-17	Feb-19	In Construction	
	Engineering Classroom Building	\$62,700,000	\$9,900,000	\$0	\$52,800,000	\$0	\$9,900,000	\$9,900,000	\$3,313,863	\$6,586,137	Dec-16	Jan-21	In design with Constructin Funding Deferred to FY 2020	
	Barnard Hall Renovations	\$22,000,000	\$3,680,000		\$18,320,000	\$18,320,000	\$22,000,000	\$2,952,380	\$1,358,017	\$1,594,363	Dec-18	Sep-20	In Design	
	New Maintenance/Salt Shed Facility	\$2,503,000	\$2,503,000	\$0	\$0	\$0	\$2,503,000	\$2,010,431	\$2,010,431	\$0	Oct-10	May-12	Complete	
	Code Compliance/Infrastructure Improvements	\$17,720,470	\$8,255,113	\$4,825,000	\$4,640,357	\$4,640,357	\$17,720,470	\$14,756,124	\$14,256,572	\$700,000				Multi-phased program.
	<u>Project Listing</u>													
	- Campus Wide Brick Repointing Program		\$1,654,773	\$500,000	\$0	\$0	\$2,154,773	\$1,654,924	\$1,454,924	\$200,000	Jan-10	Ongoing		Phased project.
	- Planetarium Window Replacement		\$115,766	\$0	\$0	\$0	\$115,766	\$115,766	\$115,766	\$0	Mar-09	Dec-09		Complete
	- Develop Major Campus Entrances		\$480,582	\$0	\$0	\$0	\$480,582	\$480,582	\$480,529	\$0	Dec-09	Apr-12		Complete
	- South Electrical Loop		\$221,291	\$0	\$0	\$0	\$221,291	\$221,189	\$221,189	\$0	Mar-09	Aug-09		Complete
	- High Temperature Hot Water Line Repairs		\$1,217,268	\$0	\$0	\$0	\$1,217,268	\$1,217,256	\$1,217,256	\$0	Aug-09	Dec-11		Complete
	- South Campus Heat Plant Foundation Repairs		\$399,513	\$0	\$0	\$0	\$399,513	\$399,508	\$399,508	\$0	Mar-11	Mar-11		Complete
	- Damper and Air Handler Controls in Webb Hall		\$37,250	\$0	\$0	\$0	\$37,250	\$37,250	\$37,250	\$0	Mar-09	Aug-09		Complete
	- Soccer Field Drainage Upgrade		\$338,282	\$0	\$0	\$0	\$338,282	\$299,437	\$299,437	\$0	Oct-10	Dec-10		Complete
	- Renovate 333 Prospect Street (Phase 1 & 2)		\$1,264,555	\$0	\$0	\$0	\$1,264,555	\$1,264,380	\$1,264,380	\$0	Jul-11	Jul-13		Complete
	- Arboretum Sewer Main Replacement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				Project Postponed
	- Minor Capital Projects Program		\$2,341,965	\$4,325,000	\$0	\$0	\$6,666,965	\$6,666,965	\$6,666,965	\$0	Jul-09	Jun-14		Complete
	- Sports Center Lobby Upgrades		\$183,868	\$0	\$0	\$0	\$183,868	\$183,868	\$183,868	\$0	Jan-14	Aug-14		Complete
- Future Projects to Be Determined		\$0	\$0	\$4,640,357	\$4,640,357	\$4,640,357	\$2,215,000	\$1,915,500	\$500,000	Jul-15	Ongoing		Multi-phased program.	
Fine Arts Instructional Center	\$85,461,643	\$12,000,000	\$71,234,213	\$2,227,430	\$2,227,430	\$85,461,643	\$85,461,643	\$85,461,643	\$0	Mar-13	Jan-16		Complete	
Goddard Hall /Communications Building Renovation	\$32,951,000	\$0	\$2,872,787	\$30,078,213	\$30,078,213	\$32,951,000	\$30,837,390	\$16,123,587	\$16,827,413	Apr-15	Dec-19		In Construction	
Sports Center Addition and Renovation (design only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-		Funds Reallocated to Communications Building	

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	Outdoor Track – Phase II	\$1,816,000	\$1,816,000	\$0	\$0	\$0	\$1,816,000	\$1,613,114	\$1,613,114	\$0	Mar-10	Dec-10	Complete
	Athletic Support Building	\$1,921,000	\$1,921,000	\$0	\$0	\$0	\$1,921,000	\$1,777,153	\$1,777,153	\$0	Dec-11	Dec-13	Complete
	New Warehouse	\$2,269,000	\$2,269,000	\$0	\$0	\$0	\$2,269,000	\$1,886,660	\$1,886,660	\$0	Jan-12	Sep-13	Complete
Southern	Code Compliance/Infrastructure Improvements	\$25,021,406	\$16,335,683	\$2,329,000	\$6,356,723	\$6,356,723	\$25,021,406	\$23,174,848	\$22,472,200	\$702,368			Multi-phased program.
	<u>Project Listing</u>												
	- Install Elevator/Entrance to Former Student Center		\$1,777,645	\$0	\$0	\$0	\$1,777,645	\$1,777,645	\$1,777,645	\$0	Aug-09	Jun-12	Complete
	- Shuttle System infrastructure		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Funding Reallocated to Buley Library
	- Repairs to Pool in Moore Field House (Phases 1 & 2)		\$839,415	\$0	\$0	\$0	\$839,415	\$821,800	\$821,800	\$0	Mar-10	Sep-12	Complete
	- Moore Field House Mechanical and Electrical Improv. (Phase 1)		\$233,000	\$0	\$0	\$0	\$233,000	\$233,000	\$233,000	\$0	Sep-11	Aug-12	Complete
	- Earl Hall Mechanical/Electrical Upgrade		\$4,184,111	\$0	\$0	\$0	\$4,184,111	\$4,184,112	\$4,184,112	\$0	Sep-10	Aug-15	Complete
	- Jennings Hall Mechanical/Electrical Upgrade		\$4,495,163	\$0	\$0	\$0	\$4,495,163	\$4,495,198	\$4,495,198	\$0	Sep-10	Aug-15	Complete
	- Lyman Auditorium Mechanical/Electrical Upgrade		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-	-	Funding Reallocated to Buley Library
	- Admissions House Roof and Exterior Repairs		\$221,000	\$0	\$0	\$0	\$221,000	\$217,957	\$217,678	\$0	Aug-10	Mar-12	Complete
	- Jess Dow Field Turf Replacement		\$743,262	\$0	\$0	\$0	\$743,262	\$725,071	\$725,071	\$0	Mar-11	Feb-12	Complete
	- Wintergreen Building Water Infiltration		\$370,760	\$0	\$0	\$0	\$370,760	\$366,468	\$366,468	\$0	Oct-11	Oct-13	Complete
	- Moore Field House Locker Room Renovations: Phase II & III		\$929,500	\$0	\$1,057,682	\$1,057,682	\$1,987,182	\$1,057,682	\$1,057,682	\$0	Jan-11	Jun-15	Complete
	- Moore Field House Roof Replacment - Phase II		\$0	\$0	\$772,264	\$772,264	\$772,264	\$772,264	\$772,264	\$0	Sep-14	Sep-15	Complete
	- Old Student Center North Wing Concept Design		\$20,000	\$0	\$0	\$0	\$20,000	\$0	\$0	\$0	-	-	Project Cancelled
	- Earl Hall Communications Dept. Entrance/Security Corridor		\$47,687	\$0	\$0	\$0	\$47,687	\$0	\$0	\$0	-	-	Project on Cancelled
	- Improvements to the Academic Mall		\$0	\$30,000	\$0	\$0	\$30,000	\$28,879	\$28,879	\$0	Jun-14	Mar-15	Complete
	- Wintergreen Building Renovations		\$0	\$0	\$1,972,815	\$1,972,815	\$1,972,815	\$1,965,301	\$1,965,301	\$0	Aug-15	Aug-16	Complete
	- Minor Capital Projects Program		\$2,432,845	\$2,299,000	\$0	\$0	\$4,731,845	\$4,731,845	\$4,731,845	\$0	Jul-09	Ongoing	Multi-phased program.
	- Future Projects to Be Determined		\$41,295	\$0	\$2,553,962	\$2,553,962	\$2,595,257	\$1,797,626	\$1,095,258	\$702,368	Jul-15	Ongoing	Multi-phased program.
	New Academic Laboratory Building	\$72,115,000	\$8,944,000	\$57,698,000	\$5,473,000	\$5,473,000	\$72,115,000	\$71,012,091	\$67,030,863	\$3,981,228	Jan-13	Feb-18	Project in Close-out

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Western	Health and Human Services Building (Phase 1 and Phase 2	\$76,507,344	\$0	\$0	\$76,507,344	\$21,507,344	\$21,507,344	\$6,844,969	\$352,227	\$5,500,000	Mar-19	Sep-21	In Design	
	Fine Arts Instructional Center	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			Funds reallocated to Phase 2 of Health & Human Services Building	
	Buley Library - Phase 2	\$17,436,817	\$17,006,817	\$430,000	\$0	\$0	\$17,436,817	\$16,435,195	\$16,435,195	\$0	Jan-13	Apr-15	Complete	
	School of Business	\$52,476,933			\$52,476,933	\$52,476,933	\$52,476,933	\$3,766,237		\$3,766,237	Dec-20	Mar-22	Contracting with Consultants	
	Code Compliance/Infrastructure Improvements	\$16,269,378	\$7,658,330	\$2,654,048	\$5,957,000	\$5,957,000	\$16,269,378	\$14,976,801	\$12,929,693	\$2,000,000			Multi-phased program.	
	<u>Project Listing</u>				\$0	\$0	\$0							
	- Feldman Arena Improvements		\$819,636	\$0	\$0	\$0	\$819,636	\$493,655	\$493,655	\$0	Sep-09	Jun-11	Complete	
	- Midtown Perimeter Site Improvements		\$463,019	\$0	\$0	\$0	\$463,019	\$463,020	\$463,020	\$0	Apr-10	Jul-11	Complete	
	- Campus Wide Utilities/Site Improvements		\$1,682,694	\$0	\$0	\$0	\$1,682,694	\$1,671,967	\$1,624,858	\$0	Jul-09	Mar-14	Complete	
	- Higgins Annex HVAC Improvements		\$136,541	\$0	\$0	\$0	\$136,541	\$136,541	\$136,541	\$0	Sep-10	Jul-12	Complete	
	- Higgins Hall and Annex: Roof Repairs/Replacements (Phase 1 & 2)		\$510,500	\$0	\$0	\$0	\$510,500	\$508,211	\$508,211	\$0	Jul-10	Oct-11	Complete	
	- Higgins Annex Learning Emporium		\$174,531	\$0	\$0	\$0	\$174,531	\$173,216	\$173,216	\$0	May-13	Sep-13	Complete	
	- Renovate Restrooms in Founders Hall: Waterbury Campus		\$186,213	\$0	\$0	\$0	\$186,213	\$186,213	\$186,213	\$0	Jun-09	Dec-10	Complete	
	- Elevator Upgrades in Berkshire Hall		\$40,571	\$0	\$0	\$0	\$40,571	\$40,571	\$40,571	\$0	Oct-09	Feb-10	Complete	
	- Install HVAC for MDF/IDF and Server Rooms		\$350,000	\$0	\$0	\$0	\$350,000	\$397,735	\$397,735	\$0	Mar-10	Oct-11	Complete	
	- Replace Portions of University Boulevard		\$297,723	\$0	\$0	\$0	\$297,723	\$297,723	\$297,723	\$0	Sep-09	Dec-10	Complete	
	- Minor Capital Projects Program		\$2,498,217	\$2,654,048	\$0	\$0	\$5,152,265	\$5,152,265	\$5,152,265	\$0	Jul-12	May-18	Complete	
	- Renovate Former Holy Trinity Church		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0				Project funding reallocated
	- Higgins Annex Classroom Renovations for Lecture Halls		\$498,686	\$0	\$0	\$0	\$498,686	\$498,686	\$498,686	\$0	Mar-11	Jan-12	Complete	
	- Future Projects to Be Determined		\$0	\$0	\$0	\$5,957,000	\$5,957,000	\$5,957,000	\$4,957,000	\$2,957,000	\$2,000,000	Jul-15	Ongoing	Multi-phased program.
White Hall Renovation - Second & Third Floors	\$6,415,952		\$76,952	\$6,339,000	\$6,339,000	\$6,415,952	\$579,660	\$506,451	\$0	Aug-17	May-18	Complete		
Fine Arts Instructional Center	\$84,321,000	\$0	\$84,321,000	\$0	\$0	\$84,321,000	\$84,226,596	\$84,226,596	\$0	May-11	Aug-14	Complete		
Higgins Hall Renovations	\$34,576,000	\$0	\$2,982,000	\$31,594,000	\$31,594,000	\$34,576,000	\$31,067,192	\$2,192,278	\$27,000,000	Sep-17	Aug-19	In Construction		
Berkshire Hall Renovations (design only)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	T.B.D.	T.B.D.		

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University	Project or Program	Estimated Total Project Cost	*Phase I Fiscal Years 2009 - 2011	Phase II Fiscal Years 2012 - 2014	Phase III Fiscal Years 2015-2020	Phase III Available as of Fiscal Year 2019	Total Available as of Fiscal Year 2019	Amount Committed 5/31/2018	Amount Expended as of 05/31/18	Projected Fiscal Year 2019	Scheduled Design Completion	Scheduled Construction Completion	Status/Comments
System Wide	University Police Department Building	\$6,445,000	\$0	\$4,745,000	\$1,700,000	\$1,700,000	\$6,445,000	\$6,445,000	\$5,939,782	\$505,218	Aug-15	Feb-18	In Close-out
	Midtown Campus Mini-Chiller Plant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	N.A.	N.A.	Project Cancelled
							\$0						
	New and Replacement Equipment	\$103,239,000	\$18,000,000	\$18,395,000	\$66,844,000	\$66,844,000	\$103,239,000	\$98,208,667	\$92,461,100	\$5,747,567	Ongoing	Ongoing	Multi-phased program.
	Alterations/Improvements: Auxiliary Service Facilities	\$53,672,422	\$13,672,422	\$15,000,000	\$25,000,000	\$25,000,000	\$53,672,422	\$28,447,589	\$26,246,212	\$8,000,000	Ongoing	Ongoing	Multi-Phased Program
	CCSU: Barrows Hall Basement Renovations		\$0	\$236,663	\$0	\$0	\$236,663	\$236,663	\$236,663	\$0	Jun-13	Aug-13	Complete
	CCSU: HVAC Improvements In Res. Halls (Phase I, II & III)		\$1,937,000	\$0	\$0	\$0	\$1,937,000	\$1,716,853	\$1,716,853	\$0	Sep-09	Jul-14	Complete
	CCSU: Vance Hall Basement Renovations		\$0	\$134,800	\$0	\$0	\$134,800	\$134,800	\$134,800	\$0	Jun-13	Dec-13	Complete
	CCSU: Vance Hall Floors 1-6 Bathroom Renovations		\$0	\$106,023	\$0	\$0	\$106,023	\$106,023	\$106,023	\$0	Jun-13	Aug-13	Complete
	CCSU: Vance Hall Renovations- Ground, 1, 2, 5 & 6 Floor			\$770,176	\$0	\$0	\$770,176	\$770,176	\$770,176	\$0	Jun-15	Aug-15	Complete
	CCSU: Student Center & Memorial Hall Sidewalk Imp.		\$0	\$400,000	\$0	\$0	\$400,000	\$184,514	\$184,514	\$0	Jun-15	Aug-15	Complete
	CCSU: Vance Hall Door Lock Upgrades			\$379,904	\$0	\$0	\$379,904	\$379,904	\$379,904	\$0	Jun-15	Aug-15	Complete
	CCSU: Aux. Service Minor Capital Program		\$0	\$1,172,434	\$5,000,000	\$2,500,000	\$3,672,434	\$3,650,450	\$2,380,949	\$1,269,501	Ongoing	Ongoing	
	ECSU: Fire Alarm - Burnap,Crandall and Noble Halls		\$655,465	\$0	\$0	\$0	\$655,465	\$655,465	\$655,465	\$0	Mar-12	Sep-12	Complete
	ECSU: High Rise Elevator Upgrades		\$625,441	\$0	\$0	\$0	\$625,441	\$625,441	\$625,441	\$0	Jan-12	Sep-13	Complete
	ECSU: Academic Quad Landscape		\$0	\$316,900	\$0	\$0	\$316,900	\$316,900	\$316,900	\$0			Complete
	ECSU: Aux. Service Minor Capital Program		\$0	\$341,286	\$3,000,000	\$2,000,000	\$2,341,286	\$2,112,342	\$1,682,723	\$429,619	Ongoing	Ongoing	Multiple Phased Program
	ECSU: HTHW Lines Repairs Five Residential Halls			\$276,726	\$0	\$0	\$276,726	\$276,726	\$276,726	\$0	Dec-16	Dec-16	Complete
	ECSU: Hurley Hall Addition & Renovation Study		\$0	\$70,000	\$0	\$0	\$70,000	\$70,000	\$70,000	\$0	Apr-15	N.A.	Feasibility Study
	ECSU: Landscape at Mead, Neidjalik & Hurley		\$0	\$9,500	\$0	\$0	\$9,500	\$9,500	\$9,500	\$0	Jun-14	Sep-14	Complete
ECSU: Low Rise Apartments Roof Replacements		\$456,759	\$0	\$0	\$0	\$456,759	\$456,760	\$456,760	\$0	Apr-11	Jul-12	Complete	
ECSU: Low Rise Apartments Structural Study (phase 1)		\$17,500	\$0	\$0	\$0	\$17,500	\$17,500	\$17,500	\$0	Oct-10	Jan-11	Study Complete	
ECSU: Low Rise Apartments Walkway and Stair Replacement (Phase 1)		\$258,611	\$0	\$0	\$0	\$258,611	\$258,570	\$258,570	\$0	Apr-11	Dec-11	Complete	

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University	Project or Program	Estimated Total Project Cost	*Phase I Fiscal Years 2009 - 2011	Phase II Fiscal Years 2012 - 2014	Phase III Fiscal Years 2015-2020	Phase III Available as of Fiscal Year 2019	Total Available as of Fiscal Year 2019	Amount Committed 5/31/2018	Amount Expended as of 05/31/18	Projected Fiscal Year 2019	Scheduled Design Completion	Scheduled Construction Completion	Status/Comments
	ECSU: Low Rise Apartments Walkway and Stair Replacement (Phase2)		\$170,949	\$0	\$0	\$0	\$170,949	\$170,949	\$170,949	\$0	Apr-11	Sep-12	Complete
	ECSU: Masonry Repointing Study & Repairs		\$0	\$76,000	\$0	\$0	\$76,000	\$46,680	\$46,680	\$0	Nov-13	Aug-15	Complete
	ECSU: Nobel Hall Cooling Tower		\$0	\$154,900	\$0	\$0	\$154,900	\$154,900	\$154,900	\$0	Jun-13	Dec-13	Complete
	ECSU: Occum Hall Building Automation		\$0	\$265,561	\$0	\$0	\$265,561	\$265,561	\$265,561	\$0	May-15	Aug-15	Complete
	ECSU: Student Center Lighting Control System		\$0	\$388,713	\$0	\$0	\$388,713	\$388,713	\$388,713	\$0	Jan-13	Aug-13	Complete
	ECSU: Windham St. Sidewalk Expansion		\$0	\$300,414	\$0	\$0	\$300,414	\$270,414	\$270,414	\$0	Jan-14	Aug-14	Complete
	SCSU: Repair/Resurface North Campus Parking Lot		\$1,126,265	\$0	\$0	\$0	\$1,126,265	\$1,055,895	\$1,055,895	\$0	Mar-12	Aug-12	Complete
	SCSU: Brownell Hall Mechanical & Electrical Improvements (Design)			\$332,345	\$0	\$0	\$332,345	\$308,738	\$308,738	\$0	Jul-15	Aug-15	Complete
	SCSU: Aux. Service Minor Capital Program		\$0	\$320,010	\$3,970,000	\$2,470,000	\$2,790,010	\$2,685,773	\$2,484,390	\$201,384	Ongoing	Ongoing	Multiple Phased Program
	SCSU: CT Hall Renovations		\$0	\$1,468,254	\$0	\$0	\$1,468,254	\$1,464,232	\$1,464,232	\$0	Mar-13	Aug-13	Complete
	SCSU: Farnham Hall Renovations		\$5,190,671	\$0	\$0	\$0	\$5,190,671	\$4,977,238	\$4,977,238	\$0	Jun-09	Feb-12	Complete
	SCSU: North Campus Water Infiltration Study		\$0	\$30,000	\$0	\$0	\$30,000	\$30,000	\$30,000	\$0	Jul-14	Sep-14	Complete
	SCSU: 190 Pine Rock Existing Conditions Review			\$35,600	\$0	\$0	\$35,600	\$35,600	\$35,600	\$0	Jan-14	Mar-14	Complete
	SCSU: Recreation Center Study		\$0	\$30,000	\$0	\$0	\$30,000	\$29,960	\$29,960	\$0	Jan-14	Mar-14	Complete
	SCSU: Schwartz Hall Chiller/Cooling Tower		\$0	\$983,791	\$0	\$0	\$983,791	\$977,753	\$977,753	\$0	Apr-15	Aug-15	Complete
	SCSU: West Camps Residence Hall Masonry Evaluation				\$30,000	\$30,000	\$30,000	\$30,000	\$23,610	\$6,390	Sep-16	Nov-16	Complete
	WCSU Residence Hall Repairs		\$1,081,000	\$0	\$0	\$0	\$1,081,000	\$979,194	\$417,151	\$562,043	Jul-10	Ongoing	Multiple phased projects
	WCSU: Midtown Student Center Roof		\$985,000		\$0	\$0	\$985,000	\$985,000	\$985,000	\$0	Jul-15	Feb-17	
	WCSU: Aux. Service Minor Capital Program			\$1,215,000	\$3,000,000	\$2,000,000	\$3,215,000	\$2,725,719	\$1,879,961	\$845,758	Ongoing	Ongoing	Multiple Project
	- Future Projects to Be Determined		\$1,167,760	\$5,185,000	\$10,000,000	\$6,000,000	\$12,352,760	\$0	\$0	\$4,000,000	Ongoing	Ongoing	Multi-Phase Program
	Telecommunications Infrastructure Upgrade	\$18,415,000	\$10,000,000	\$2,841,000	\$5,574,000	\$5,574,000	\$18,415,000	\$14,211,630	\$12,111,630	\$2,100,000	Ongoing	Ongoing	Multi-phased program. Per Public Act 10-44, effective July 1, 2010 phase I
	<u>Project Listing</u>						\$0						
	- CCSU: Upgrade Telecom Infrastructure in ITBD Building		\$832,297	\$0	\$0	\$0	\$0	\$832,297	\$832,297	\$0	May-10	Jan-13	Complete
	- ECSU: Complete Network Backbone Loop: Admin. to Facilities		\$480,439	\$0	\$0	\$0	\$0	\$480,439	\$480,439	\$0	Oct-09	Mar-11	Complete
	- SCSU: Addit. Fiber and Conduit on North Side of Campus		\$85,000	\$0	\$0	\$0	\$0	\$85,000	\$85,000	\$0	Jan-10	Oct-11	Complete

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University	Project or Program	Estimated Total Project Cost	*Phase I Fiscal Years 2009 - 2011	Phase II Fiscal Years 2012 - 2014	Phase III Fiscal Years 2015-2020	Phase III Available as of Fiscal Year 2019	Total Available as of Fiscal Year 2019	Amount Committed 5/31/2018	Amount Expended as of 05/31/18	Projected Fiscal Year 2019	Scheduled Design Completion	Scheduled Construction Completion	Status/Comments
	- WCSU: Redundant Dark Fiber to Westside Campus		\$298,000	\$0	\$0	\$0	\$0	\$298,000	\$298,000	\$0	Mar-10	Jul-11	Complete
	- System-Wide Infrastructure Upgrades		\$8,304,264	\$2,841,000	\$5,574,000	\$2,574,000	\$13,719,264	\$13,719,264	\$13,572,719	\$0	Jul-09	Ongoing	Multi-Phase Program
	Land and Property Acquisition	\$10,250,190	\$3,650,190	\$2,600,000	\$4,000,000	\$4,000,000	\$10,250,190	\$6,823,626	\$4,435,310	\$3,500,000	Jul-09	Ongoing	Multi-phased program. Per Public Act 10-44, effective July 1, 2010 phase I
	Deferred Maintenance/Code Compliance Infrastructure Improvement	\$39,735,000			\$39,735,000	\$39,735,000	\$39,735,000	\$38,028,648	\$21,897,521	\$15,000,000	Jul-15	Ongoing	Multi-phased program.
	Strategic Master Plans of Academic Programs	\$3,000,000			\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$2,992,898	\$7,102	Jan-15	Ongoing	Multi-phased program.
	Consolidation & Upgrade of System Student Financial Information Technology System	\$20,000,000			\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$0	Oct-15	Dec-16	Complete
	Advanced Manufacturing at Asnuntuck Community College	\$25,500,000			\$25,500,000	\$25,500,000	\$25,500,000	\$23,656,272	\$21,156,561	\$2,350,000	Feb-16	Mar-18	In Construction, Phased Project
	Supplemental Project Funding	\$16,000,000			\$16,000,000		\$0						
	Totals	\$1,069,500,000	\$190,000,000	\$285,000,000	\$594,500,000	\$468,500,000	\$943,500,000	\$779,328,523	\$636,100,028	\$149,684,140			

RESOLUTION

concerning

CSCU – FY20/FY21 BIENNIAL BUDGET EXPANSION OPTIONS

October 18, 2018

WHEREAS, The Board of Regents for Higher Education (BOR) under its statutory authority reviews and approves the CSCU budget requests and prepares and submits a consolidated system request to the Secretary of the Office of Policy and Management (OPM), and

WHEREAS, A proposed FY20/FY21 Biennium Baseline Operating Budget and Capital Budget Request was developed and subsequently approved by the Board of Regents at its August 23, 2018 meeting for submission to the Office of Policy and Management (OPM), and

WHEREAS, OPM has provided the Board the opportunity to modify the baseline level of revenue or expenditures for possible inclusion in the Governor-elect's final recommended budget, therefore be it

RESOLVED, That the Board of Regents for Higher Education hereby approves and submits for review and recommendation to the Office of Policy Management the FY20/FY21 Biennium Expansion Options request totaling \$41.4M and \$71.2M for the FY20/FY21 Biennium Budget, and be it further

RESOLVED, That these requests may be adjusted by the President of the Board of Regents as a result of guidelines issued by or discussions with the Secretary of the Office of Policy and Management or for other technical purposes.

A True Copy:

Erin A. Fitzgerald, Secretary
Board of Regents for Higher Education

ITEM

CSCU – FY20/FY21 Biennium Expansion Items

BACKGROUND

The Board of Regents under its statutory authority reviews and approves the CSCU budget requests and prepares and submits a consolidated system request to the Secretary of the Office of Policy and Management (OPM).

The Biennium Budget submission consists of the following components and due dates:

1. **Baseline Operating Budget – due August 31, 2018**
2. **Capital Budget – due August 31, 2018**
3. **Policy Options – Revisions to the Baseline Budget Request – due October 2018**
4. **Narratives and Measures – due November 2018**

At its August 23, 2018 meeting, the Board of Regents approved submittal of the Baseline Operating Budget and the Capital Budget which since then has been submitted to OPM in accordance with their instructions.

This staff report covers management's request for Board approval to submit CSCU's Policy Options – Revisions to the Baseline Budget Request.

Policy Options instructions provide that such items:

... modify the baseline level of revenue or expenditures will be reviewed for their possible inclusion in the Governor-elect's final recommended budget. (Note that reallocations of funding between appropriations constitute policy options and should not be submitted as baseline adjustments.) Budget options represent the fiscal outcome of policy changes to the requested budget for the upcoming biennium. In order to give the Governor-elect a full menu of policy and budgetary choices, OPM is soliciting **reduction, reallocation, revenue and expansion options**. All agencies are required to submit options, as per the guidance below. As always, budget options requiring legislative action are acceptable, and agencies should identify relevant statutory changes that would support option proposals.

Agencies must provide reduction options and may also propose options requiring additional resources.

REDUCTION, REALLOCATION, AND REVENUE OPTIONS

The Baseline Budget required by OPM was submitted in August 2018. This budget simply rolls forward FY19 results as instructed by OPM, and the calculations resulted in projected losses of \$(25.7)M and \$(38.2)M in FY20 and FY21 respectively. These losses are the result of rolling forward the current FY19 Budget, and include the following constraints and/or assumptions:

- 5.5% pay increases as required by SEBAC for each of the two years
- Job protection during the budget periods
- A reasonable expectation that fringe benefits will continue to escalate, as they have done so every year
- State funding that doesn't fully cover either of these increases
- Moderate tuition and fee increases (for modeling purposes only)

Any possibilities for reductions are bound by the factors above, and could potentially cut down on the projected losses. However, we note that after several years of budget cuts and attrition, the loss of additional personnel would impact our ability to properly serve our students. Further, the system's proposed major restructuring action, *Students First*, will take several years to realize fiscal benefits. Those years fall outside of the FY20/FY21 biennium period.

Reallocations are not available to CSCU as funding is provided in specific budgetary line items for each constituent unit. Reallocation among or within constituent units does not benefit the total, however does occur on occasion as distribution of funds are recalculated with each new fiscal year. However that is not within the scope of the OPM request.

For CSCU revenue options typically include tuition and fee rate adjustments and programmatic increases of enrollments within the institutions. In recent years and as predicted by demographic forecasts, the population typically served by our institutions is expected to decrease rather than increase. We have numerous strategies for enrollment improvement but can not predict the outcomes at this time. Further, we do not commit to actual rate increases at this point in time; this will be decided by the Board early in the next calendar year.

In conclusion, CSCU has no additional reduction, reallocation or revenue options to propose at this time.

EXPANSION OPTIONS

The following guidelines have been provided in consideration of expansion options:

... requests should be focused on **the most pressing areas the agency believes merit consideration for new or additional funding**. In recognition of the significant deficit projected for the next biennium, which will constrain the ability of the incoming

administration to consider any expansions, use discretion and restraint in requesting additional resources.

Accordingly, CSCU management is requesting the following three items for budgetary expansion which we believe are the most pressing areas requiring additional funds for the system:

1. Covering of the deficits projected under the Baseline Budget Submittal

As noted above, after years of budget reductions, institutions have had to cut positions wherever possible and rely on attrition for cost savings. Great strides have been made on operating cost reductions, including management of utilities and energy and other contracted expenditures, however approximately 80% of CSCU spending is on personnel costs. With wage and fringe benefit cost increases, compounded with reductions in state support, attrition has been the only vehicle to balance our budgets. This is not optimal and is not an acceptable strategy for cost management.

The following reflects state funding of CSCU over the past five years:

History of State Funding From FY15 to FY19 (\$ M)

	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>
Charter Oak State College	2.53	2.69	2.38	2.19	2.95
Comm Tech College System	155.31	161.94	158.22	143.84	134.04
Connecticut State University	152.67	162.49	149.03	134.16	138.30
Board of Regents	0.63	0.52	0.43	0.37	0.37
Transform CSCU (CCC Tuition Support)	24.20	10.00	-	-	-
Transform CSCU (Developmental Services)	10.80	8.60	9.19	8.91	8.91
Go Back to Get Ahead	4.85	-	-	-	-
Early College	1.00	-	-	-	-
Outcomes Based Funding	-	-	1.61	1.20	1.20
IMRP	-	-	-	-	0.45
Total Excluding Workers Comp	351.99	346.24	320.86	290.67	286.23
Annual Reduction		(5.75)	(25.38)	(30.19)	(4.44)
Five Year Reduction					(65.76)
Plus CCC Fringe					16.20
Five Year Reduction w/ Estimated Fringe					(77.58)

As a result of defunding, the system has lost key personnel in several areas, including advising and counseling. Further, the mix of full time and part time labor has become sub-optimal, particularly among faculty employees.

We believe that this disinvestment in public higher education is detrimental to both our students by potentially shifting more of the cost burden to them, and the state by severely limiting our ability to educate the workforce to fill the future job requirements of our state.

Before we can request expansion funding to improve upon student outcomes as discussed in below, it is imperative that we are provided with enough funding to simply pay our bills. As noted above, we are left with few options for cost containment and have utilized attrition to a detrimental point.

Accordingly, the first item under expansion items is a policy request to balance our budgets in the next biennium, close the projected deficits, and provide adequate fiscal support to simply maintain status quo:

	<u>FY20</u>	<u>FY21</u>
Connecticut State Universities	(9.3)	(14.0)
Connecticut community Colleges	(16.4)	(24.2)
Charter Oak State College	-	-
Total Deficit	<u>(25.7)</u>	<u>(38.2)</u>

2. Support community college student outcome initiatives under the umbrella of Guided Pathways

Guided Pathways is a national model that helps more students efficiently complete credentials, transfer, and attain jobs in the labor market. The Guided Pathways approach ensures that all students develop an academic plan early in their college experience, have a clear road map of the courses they need, and receive consistent support to help them stay on track. Each pathway is based on a program of study that is aligned with specific employment goals and/or transfer. CSCU is committed to using Guided Pathways to improve student retention and completion. This work is a central part of the CSCU Students First initiative, and it builds on a variety of system efforts, including the Transfer and Articulation Policy (TAP) and Math Pathways. **Attachment A** provides more information on the program and its adoption at CSCU.

This program is nationally recognized as an avenue for improving student outcomes. CSCU is among relatively few colleges and universities in early adoption, and it is viewed as a critical component of improving timely graduation rates and contributing to affordable education for our students; the faster a student can complete their studies, the lower the cost to the student and his/her family. Further, our student outcomes have not been as robust as desired. We believe that Guided Pathways is an avenue that will help us to improve upon our metrics and eventually position us to be a national model for student success.

The funding calculations below are (1) computed on a full year basis for FY20, (2) increase all salary based calculations by 5.5% for FY21, (3) recognized that in the first year there is an implementation time element which reduces the amount requested to 50% of the annual rate where hiring is the fundamental objective, and (4) assumes that by the second year of the biennium, the full annual amount would be employed. The following are deemed to be critical components of Guided Pathways which will require supplemental funding in order to implement the program:

A. Advising/Coaching

Advising is a responsibility shared currently by both professional advisors and faculty, both of whom are critical to support a student through their studies and to navigate them through the process to completion. Whereas faculty provide support to students on subject matter and curriculum, professional advisors provide direction on course selection and careers, among other subjects. Under Guided Pathways, the term “coach” has been added in order to underscore the need for students to have a well-defined plan for completion.

The colleges have historically been understaffed with respect to advisors and, with what we’ve learned from implementing Guided Pathways, this one-to-one contact with students is critical to their ultimate success.

There are currently 56 FTE advisors in the community colleges supporting approximately 50,000 students. That provides an approximate 900:1 ratio of advisors to students. The median U.S. two-year institution advising ratio, according to the most recent report by the National Academic Advising Association (NACADA), is 441:1. In order achieve the median ratio, the colleges would need a total of 113 FTE advisors, an increase of 57 FTE advisors.

The preferred/ideal advising ratio, based on NACADA data and other factors in our system, is approximately 250:1. In order to get to the ideal ratio, the colleges would need 200 FTE advisors, an increase of 144 FTE advisors.

For purposes of this request for additional funding, we are calculating the average of the ideal state and the median state which we would deem to be a “good” state.

Including the average salary and fringe estimates for advising/coaching employees, the requested support for expansion items is calculated as follows:

	Ratio # Students to Advisors/Coaches		# of Advisors/Coaches			Average	With 65%	FY20	FY21
	<u>Desired</u>	<u>Current</u>	<u>Desired</u>	<u>Current</u>	<u>Required</u>	Salary	Fringe	Required	Required
Ideal	250:1	900:1	200	56	144	50,000	82,500	11,880,000	12,533,400
Median	441:1	900:1	113	56	57	50,000	82,500	4,702,500	4,961,138
Average - Ideal & Median								8,291,250	8,747,269
Implementation (50% first year; full amount second year)								4,145,625	8,747,269

B. First Year Experience (FYE) Course

In our Guided Pathways proposal there will be approximately 10,000 students each year who will be required to take an FYE course. The course, among other things, requires each college student to define the field of study they wish to pursue. This could be a specific major or broad (“meta-major”) category of study, but these decisions will help them to outline a path forward, and curricula necessary in order to complete their studies and graduate in a timely manner.

Assuming 25 students per section, there would be 400 sections of FYE each fall. This is a critical course and a new one, and there needs to be faculty dedicated to this work. Assuming each faculty teach four FYE sections each fall, 100 additional faculty would be needed. Although this requires dedicated full time faculty, fewer adjuncts would be required as reflected below. Therefore the full time faculty would replace the need to hire adjuncts, as the calculations below illustrate.

In addition to the faculty, a system-level (eventually single college-level) FYE Coordinator would be needed to help manage the course, its offerings, and related professional development.

The cost of conducting this FYE course is as follows:

	# Faculty Required	Average Salary	With 65% Fringe	Gross Cost	Less: Cost of Adjuncts (1)	FY 20 Net Cost	FY21 Net Cost
FYE Coordinator	1	80,000	132,000	132,000		132,000	139,260
Faculty	100	65,000	107,250	10,725,000	(4,000,000)	6,725,000	7,094,875
Implementation (50% first year; full amount second year)						<u>3,428,500</u>	<u>7,234,135</u>

(1) \$5,000 per 3-credit course times 8 per year times 100 FTE

C. Full Time Faculty

As discussed above, there are two avenues of coaching that students desperately need in order to navigate through college: the professional advisor/coach and faculty advisors. Full time faculty provide counseling and support to their students and offer their time beyond classroom hours.

As budgets have become more stressed over the years, the colleges have replaced retiring/departing full time faculty with adjunct faculty as a less expensive alternative. Adjunct faculty also serve a critical role in education and often bring other experiences to bear.

However an appropriate mix of full time and adjunct professors is required in order to manage the various non-teaching roles served.

The colleges currently have 754 FTE full time faculty, a 64:1 ratio of faculty to students assuming approximately 50,000 students. In comparison, the CSCU universities have 1,276 FTE full time faculty, or a 26:1 ratio of faculty to students.

Although reaching a similar ratio for the colleges as enjoyed by the universities would be ideal, at least twice that, or 52:1, would be a good start to normalizing the full time to adjunct mix. As addressed above, a good portion of this required normalization would be realized by staffing the First Year Experience courses with full time faculty, the colleges are still experiencing a shortage which is calculated as follows:

	# Faculty Required	Students	Ratio	Average Salary	With 65% Fringe	Gross Cost	Less: Cost of Adjuncts (1)	FY 20 Net Cost	FY21 Net Cost
Current	754	50,000	64						
Improved	962	50,000	52						
Additional Required, Gross	208								
New FT Faculty FYE	(100)								
Additional Required, Net	108			65,000	107,250	11,533,500	(4,301,538)	7,231,962	7,629,719
Implementation (50% first year; full amount second year)								3,615,981	7,629,719

(1) \$5,000 per 3-credit course times 8 per year times 108 FTE

D. Regional Engagement Specialists

As a part of the Students First strategic initiatives CSCU is hiring a VP of Enrollment Management who will ultimately report to the President of the consolidated Community College. Until the time of consolidation, the infrastructure is being developed and is integrated with the Guided Pathways program.

Under the VP for Enrollment Management, a regional enrollment model will be employed requiring Regional Engagement Specialists who will build strategic and supportive relationships with K-12, adult education, employers and community partners to recruit students to the CSCU community colleges. Currently the system does not have staff or funds dedicated to this regional work. We believe that this structure should be put into place as soon as possible in order to support enrollment and retention goals throughout the colleges.

Assuming three major cities that the community colleges draw from in the state, seven mid-size cities, and eight overall counties, the following number of Regional Engagement Specialists should be added:

<u>Geographical Designation</u>	<u># of Specialists</u>	<u>Average Salary</u>	<u>With 65% Fringe</u>	<u>FY20 Cost</u>	<u>FY21 Cost</u>
3 major cities (two each)	6				
7 mid-size cities (one each)	7				
8 counties (one each)	8				
Total	<u>21</u>	65,000	107,250	2,252,250	2,376,124
Implementation (50% first year; full amount second year)				<u>1,126,125</u>	<u>2,376,124</u>

At salary and fringe totaling approximately \$100,000 for a new Regional Engagement Specialist, each would need to recruit approximately 20 new fall/spring FTE students annually (\$5,000 tuition x 20 students = \$100,000) for a 100% return on investment.

We would measure the success of this investment in enrollment management at the end of FY21 and adjust our staffing as appropriate; we recognize that this investment should be self supporting.

E. Dual Enrollment Integration

Dual Enrollment programs have been underway for several years within CSCU and have taken on many forms and formats. The ultimate goal of each is encourage students in high school to experience college in their own comfortable learning environment and incentivize them to continue with college at our various campuses, with the intent to complete a degree within a shorter period of time.

As part of an overall recruitment/enrollment strategy, a more comprehensive approach to Dual Enrollment is required. Funding would provide Dual Enrollment coordination on each campus encompassing the many existing programs (including College and Career Pathways, High School Partnership, College Connections, etc.), and also expanding to traditional academic course areas, as has been effectively implemented in other states.

In order to properly staff this function, one Dual enrollment Specialist would be required for each of the twelve campuses. This would also require coordination through the hiring of one Dual Enrollment Coordinator who would report to the VP of Enrollment Management.

	<u># Faculty Required</u>	<u>Average Salary</u>	<u>With 65% Fringe</u>	<u>FY 20 Net Cost</u>	<u>FY21 Net Cost</u>
Dual Enrollment Coordinator	1	80,000	132,000	132,000	139,260
Dual Enrollment Specialist	12	65,000	107,250	1,287,000	1,357,785
Implementation (50% first year; full amount second year)				<u>709,500</u>	<u>1,497,045</u>

F. Development and Materials

In order to implement the FYE course described above, the colleges will need to provide training and development for the teaching faculty and to devote faculty time for preparing course materials. The recommendation is to use Open Educational Resource (OER) textbook/materials as an avenue to hold student costs to a minimum and to provide the flexibility to tailor the materials to the curriculum. The following are cost estimates for these items:

- \$50,000 per year for faculty professional development for the FYE course. 150-300 faculty and staff are expected to be involved in teaching and supporting the FYE which includes the 100 new full time faculty requested above. All will need to convene, hear from relevant local and national speakers, and solidify course delivery. This funding will support convening costs, speaker costs, travel costs, planning costs, and materials.
- \$35,000 in year one for faculty time (usually this is summer or additional work) and resources to develop an OER textbook/materials for the new First Year Experience Course. Once created, faculty could choose to use this textbook/materials which would be free or very low cost (under \$40) to students.
 - The total cost of comparable text books would be approximately \$1M to students each year. Even if only a portion of the faculty adopt the OER materials, the cost more than pays for itself in students' savings.
- \$10,000 in year two would be needed to update the OER textbook/materials based on year-one usage and feedback.

In summary, development and material creation would require \$85,000 and \$60,000 in FY20 and FY21 respectively.

The aggregate of expansion options under the Guided Pathways umbrella is summarized as follows:

Item Description	FY20	FY21
A Advising/Coaching	4,145,625	8,747,269
B FYE Course	3,428,500	7,234,135
C Full Time Faculty	3,615,981	7,629,719
D Regional Enrollment Specialists	1,126,125	2,376,124
E Dual Enrollment Specialists	709,500	1,497,045
F Development and Materials	85,000	60,000
TOTAL	13,110,731	27,544,292

3. Support university students with adequate staffing of advisors/counselors

Similar to the above request for support personnel for the colleges, the universities are significantly understaffed for advisors. Although faculty provide valuable advising to students within their disciplines, it is equally important to maintain the right number of professional advisors to ensure students stay on track and complete their education in a timely manner. The following table calculates the number of required advisors to total to the national mean set by NACADA:

	Fall 2017 Undergrad FTE	FTE Advisors Current	Students per Advisor - Current	Students per Advisor - National Mean	Total Advisors Required FTE	Additional Advisors Required	Required Advisors Rounded	Average Salary by CSU	Times Average Salary	FY20 With 65% Fringe	FY21 With 5.5% Salary Increases
	A	B	C = A / B	D	E = A / D	F = E - B					
Central	9,516	19.0	501	333	28.6	9.6	10	70,000	700,000	1,155,000	1,218,525
Eastern	4,638	9.0	515	233	19.9	10.9	11	65,000	715,000	1,179,750	1,244,636
Southern	8,434	11.0	767	333	25.3	14.3	14	72,000	1,008,000	1,663,200	1,754,676
Western	4,713	8.0	589	233	20.2	12.2	12	60,000	720,000	1,188,000	1,253,340
TOTAL	27,301						47		3,143,000	5,185,950	5,471,177
Implementation (50% First Year; 100% Second Year)										2,592,975	5,471,177

This investment by the state of \$2.6M and \$5.5M (FY20 and FY21 respectively) in our universities would ensure that students are receiving the proper advising and counseling to guide them through the educational process and lead them to completion. The first year assumes a normalized hiring process throughout the first year and a fully-hired status by the second year.

SUMMARY

In accordance with the analyses above, management is requesting approval to submit the following expansion item requests to OPM (FY20/FY21):

FY20				
	Cover Deficit	Guided Pathways	CSU Advisors	TOTAL
CSU	9.3	-	2.6	11.9
CCC	16.4	13.1	-	29.5
TOTAL	25.7	13.1	2.6	41.4

FY21				
	Cover Deficit	Guided Pathways	CSU Advisors	TOTAL
CSU	14.0	-	5.5	19.5
CCC	24.2	27.5		51.7
TOTAL	38.2	27.5	5.5	71.2

These three items total \$41.4M and \$71.2 for FY20 and FY21 respectively, including the impact/delay of an implementation for the first year of the biennium. We note that this request increases our current baseline budget state funding by 7.3% and 11.6% in FY20 and FY21 resp., including the cost of covering fringe benefits for the additional faculty and staff. In addition, as noted on page 3, the system has been defunded by approximately \$77.6M since FY15. The request for FY21 would approximately cover that defunding, and at the same time the system has absorbed wage and fringe benefit increases over the period. Accordingly, we believe that this is a reasonable request under policy options.

Re-investment in public higher education would serve Connecticut well in supporting the growing needs for an educated workforce, i.e. provide a substantial return on investment.

RECOMMENDATION

Approve the FY20/FY21 Biennium Expansion Options request totaling \$41.4 M and \$71.2 M for the FY20/FY21 Biennium Budget.

CSCU | Students First 2018 Update
 Connecticut's Commitment to
Guided Pathways



How Do Guided Pathways Help CSCU Students?

The guided pathways approach helps more students efficiently complete credentials, transfer, and attain jobs with value in the labor market.

Guided pathways touch on every aspect of the student experience, and implementing this approach requires broad-scale institutional and system change. Connecticut State Colleges and Universities (CSCU) is committed to this work and has made it a central part of its Students First initiative.

The guided pathways initiative is led by the CSCU Student Success Center and was designed by faculty, staff, students, and administrators from campuses throughout the system.

CSCU's implementation of guided pathways focuses on these goals:

- All academic and career pathways provide structure, mileposts, and clear outcomes linked to employment goals and/or additional education.
- All students receive guidance in exploring and selecting a career and program of study.
- All students are on an individualized academic and financial plan that fully describes requirements, time, and cost to completion.
- All students are monitored to ensure they stay on plan and receive appropriate interventions that support successful completion.
- All programs ensure students are learning what they need to succeed in their studies and careers.

The CSCU Student Success Center and Guided Pathways Task Force

The CSCU Student Success Center is one of 15 such centers nationwide. It fosters a collaborative process in which faculty, staff, students, and administrators develop a culture of academic and personal success for students.

CSCU and the Center are undertaking a multiyear guided pathways initiative that is committed to student success and equity in equal measure.

In academic year 2017–18, the Center worked with colleges to complete the Guided Pathways Scale of Adoption Assessment. It also assembled a Guided Pathways Task Force that includes faculty, staff, and administrators

with diverse perspectives and skills. The task force's three subgroups—which focus on choice, recruitment, and support architectures—are led by guided pathways managers on loan to CSCU from their colleges.

Academic year 2018–19, the initiative's second year, will focus on guided pathways design for The Community College of Connecticut.

As a member of the Student Success Center Network, the CSCU Center receives technical assistance from Jobs for the Future, which manages the network, as well as other national organizations focused on student success.

The CSCU Guided Pathways Task Force

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Interim Executive Director of the Student Success Center and Academic Initiatives
 CSCU

Lindsey Norton
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 CSCU

Gayle Barrett ★
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Kerry Beckford
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Director of Planning, Research, and Institutional Effectiveness
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 Gateway Community College

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Director of Counseling and Student Success
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Saulo Colón
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 Housatonic Community College

Kevin Corcoran
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 Connecticut Distance Learning Consortium

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Lesley Mara
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Steve McDowell ★
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Calvin McFadden, Sr.
Dean of Students
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Francine Rosselli-Navarra ★
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 Manchester Community College

Michael Stefanowicz
Interim Associate Vice President for Academic and Student Affairs
 CSCU

Sydney Voghel-Ochs
Director of Marketing and Public Relations
 Naugatuck Valley Community College

Heidi Zenie ★
Program Coordinator of Exercise Science, Program Coordinator of Sport and Leisure Management
 Three Rivers Community College

Guided Pathways Subgroup Managers:

- ★ *Choice Architecture*
- *Recruitment Architecture*
- ★ *Support Architecture*

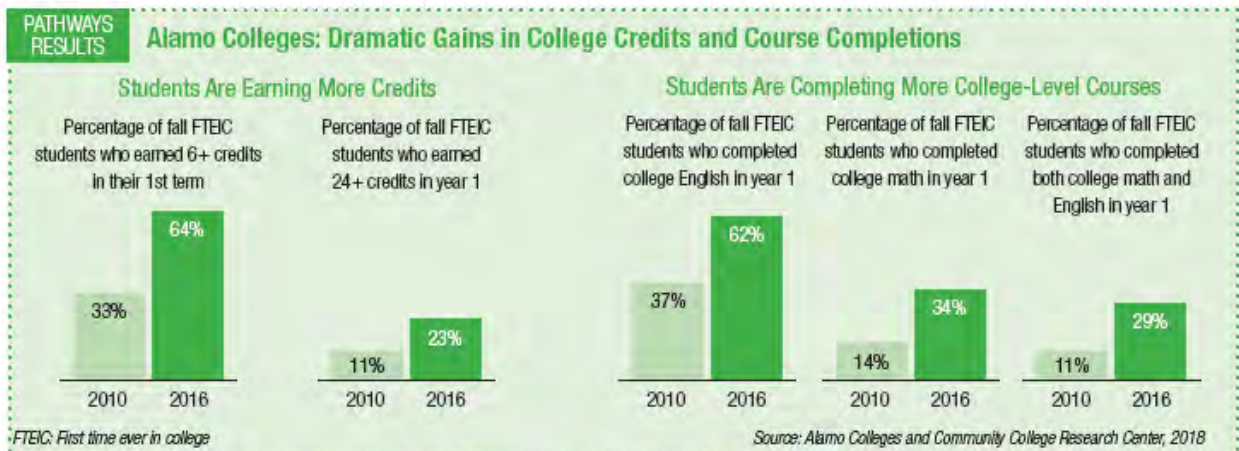
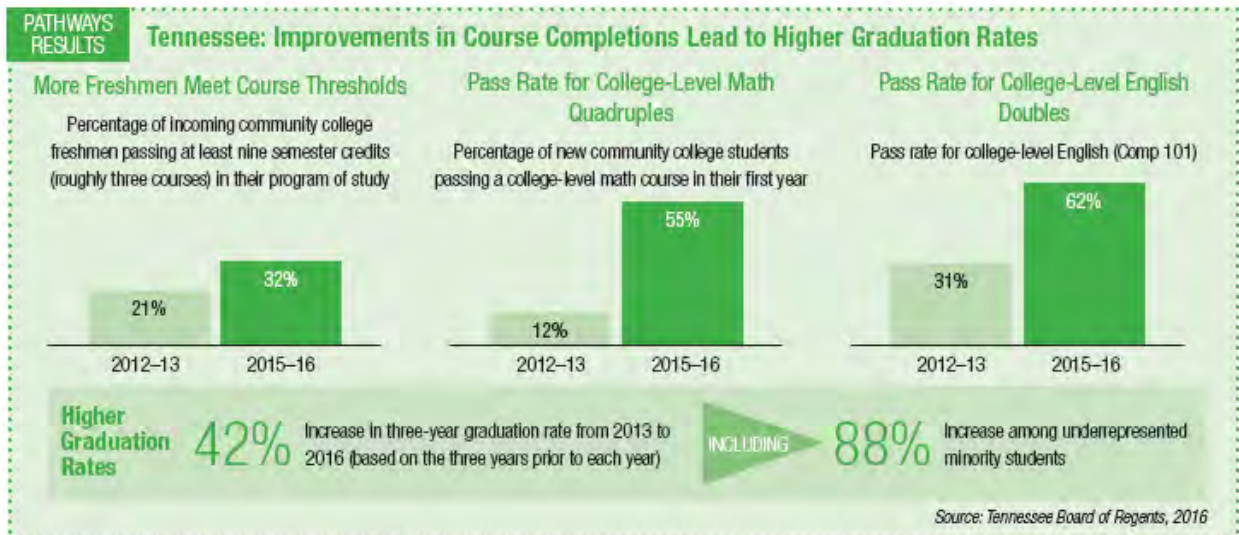
Why Guided Pathways?

Educators know what types of changes can help college students complete degrees—and do so more quickly and at a lower cost. Students are more likely to earn credentials if they:





- Choose a program and develop an academic plan early in their college experience;
- Have a clear road map of the courses they need for their credential; and
- Receive guidance and support to help them stay on track.

Several states and systems have seen guided pathways lead to measurable results. Two of these, Tennessee and the Alamo Colleges District (TX), have

seen remarkable improvements in terms of early momentum (students accumulating college credits and passing gateway courses in their first year). In addition, Tennessee's completion rates—overall and in particular for underrepresented minority students—have increased dramatically. These examples are relevant to Connecticut because the systems are similar to ours. In Tennessee, the Board of Regents oversees a system that includes 13 community colleges and five regional universities. And the Alamo Colleges District is a system of community colleges that serves nearly 60,000 students, which is a size similar to the consolidated Community College of Connecticut.



Four Pillars of Guided Pathways

			
<p>Create clear curricular pathways to employment and further education.</p>	<p>Help students choose and enter their pathway.</p>	<p>Help students stay on their path.</p>	<p>Ensure that learning is happening with intentional outcomes.</p>

ITEM – INFORMATION ONLY

CSCU – Discussion regarding Tuition and Fee Policies

BACKGROUND

CSCU is committed to remaining a system of institutions that are affordable and accessible to Connecticut students.

Tuition and fee adjustments are typically submitted to the Board for approval within the first quarter of each calendar year, to be put into effect for the following academic/fiscal year. Two years ago, the Board approved a two-year tuition and fee adjustment, and last year was the second year of that arrangement.

Over the years, tuition and fee rates were treated as the last variable, after considering state funding and cost of operations, in balancing our budgets. The resulting variation in tuition and fee adjustments made it difficult for our students and their families to plan for the cost of education. Therefore the Board approved that in principal, tuition and fees are established as a first, not a last, factor in terms of budget considerations. Further, the system made a two-year commitment for tuition and fee increases in order to provide more stability and transparency to our students and their families.

This discussion item focuses on additional policy considerations for establishing tuition and fees in the future, in advance of a new state administration taking effect and in advance of the Board's deliberation on setting tuition and fees for the next several years. Rather than viewing tuition and fee decisions in isolation, we believe that policy and strategy should frame the decisions made in the next decade.

There are many models to explore and CSCU management has begun by identifying various options to consider in the next calendar year.

DISCUSSION

The following are among options identified warranting further discussion:

1. **Tuition/fee freeze** – hold tuition and fees flat with the FY19 rates. This would create a predictability of the cost of education for a set period for our students and their families.

For the next biennium (and provided that the state approves our Expansion Options request to support a break even budget), this can be quantified by the annual increase assumptions (2.0%, 4.0% and 4.0% for CCC, CSU and COSC resp.) in tuition and fees in the model. We

note that these are just modeling assumptions; the Board approves the tuition and fee rates early in the calendar year for each new academic/fiscal year. The following further assumes flat enrollment during the next two years, which although has not been the system trend, is supportable by the many enrollment enhancement programs (e.g. Guided Pathways, TAP) contemplated in the near future (\$ millions):

Data from Baseline Operating Budget				
	CSU	CCC	COSC	CSCU Total
FY19 Tution	170.7	125.3	9.5	305.4
FY19 Fees	181.4	57.3	0.7	239.3
FY19 Institutional Aid	(41.4)	(17.8)	(0.0)	(59.2)
Total FY19	310.7	164.7	10.1	485.6
FY20 Tution	177.5	127.8	9.9	315.1
FY20 Fees	188.2	58.4	0.7	247.3
FY20 Institutional Aid	(43.0)	(18.2)	(0.0)	(61.2)
Total FY20	322.7	168.0	10.5	501.2
Delta from FY19	12.0	3.3	0.4	15.7
FY21 Tution	184.6	130.3	10.3	325.2
FY21 Fees	195.3	59.6	0.7	255.6
FY21 Institutional Aid	(44.8)	(18.5)	(0.0)	(63.3)
Total FY21	335.2	171.4	11.0	517.5
Delta from FY19	24.5	6.7	0.8	31.9

The delta from FY19 would be required to hold tuition and fees flat, or \$15.7M and \$31.9M in FY20 and FY21 respectively.

2. **Tuition/fee flat rate guarantee for 3 years (colleges) and 5 years (universities)** – hold tuition and fees flat for the duration of a student’s education, provided that they are attending full-time. This would ensure full predictability of the cost of education for anyone seeking a degree within a reasonable period of time, and encourage students to finish faster in order to take advantage of the rates. This would also require careful consideration of rates charged to incoming freshman to ensure that they are not covering the flat rates for the preceding students.
 - a. Another rate guarantee may be considered for TAP students who have completed a program at a community college and are transferring to one of our 4-year institutions to pursue a bachelors degree. We may consider flat or reduced rates for the remaining 2 years.

In order to quantify a flat rate guarantee, we would look at the number of freshman as a cohort and track the persistence rate and the years to graduate. Assumptions would need

to be made regarding the number of students per year who would qualify to have tuition held, and further assumptions would need to be made regarding the standard tuition and fee rate changes in each of those years.

3. **Free education** – this would be ideal for our students but costly to the state. The concern here is that the state already realizes great financial strains. To guarantee free education, the state would need to continue to fully subsidize in-state students during a time when budgetary concerns may prohibit that type of funding. We note that at our community colleges, 26% of students are currently full-Pell recipients and therefore do not pay anything out-of-pocket for tuition and fees. We also note that at most states “free education” has a number of restrictions and rules in order for a student to qualify.
 - a. In New York, a student must be a resident, first-time, full-time students- and the free college is only available to families earning under \$125,000. They also must stay in state for the same number of years that they received free education.
 - b. In Rhode Island, in order to qualify for free education, a student must be a resident, full-time student, an immediate high school graduate, and they must stay in-state after education. Also, Pell awards are the first dollar, and the state subsidizes the differential.

In order to quantify the cost to the system of providing “free education” the program would need to be defined in greater detail, e.g. full time or all students, Pell first or last dollar, family income a factor or not,... and the corresponding data would need to be collected.

4. **Tuition and Fee Rebate for Students who Complete** – upon graduation, refund to students some percentage of their cost of education. This option is attractive because it matches the tuition and fee policy with the objectives of the system, and that of the state. This would encourage students to complete, and probably encourage them to complete as quickly as they can. We may or may not want this option to expire after a certain number of years – both features have some attractive qualities. Also, we would want to assign a rebate percentage that provides enough incentive to complete, but recognize the financial implications to the system.

In order to quantify the cost of a rebate program, we would calculate the expected completion rates along a timeline, and the expected tuition and fee rates that would be in existence during the period. The program would need to define whether the years to complete are limited/unlimited, available to full-time and/or part-time students, etc.

5. **Last Semester Free** – this would “forgive” 1/4 of the cost of education for a full-time college student and 1/8 the cost for a university student. This would provide similar incentives to students to achieve the free credits, but may not result in the completions as does 4. above.

The data required to quantify this option is similar to 4. above and includes the average number of units expected as a last semester, and the years over which that needs to be spread.

6. **Promise Programs** – this would require coordination among CSCU, SDE and state funding. Several states throughout the country, and most notably Tennessee, Indiana, and Oklahoma, have established “Promise” programs whereby they begin work with grade school, middle school, or high school students to incentivize the students and their families to strive for a fully-paid higher education. The students are required in most cases to attend classes, perhaps take college preparatory courses, and to maintain an acceptable level of behavior (i.e. stay out of trouble).

Connecticut currently has a few city-based Promise programs, but no state-wide effort or state funding. States that support Promise set aside funds to ensure they are available when the students succeed through high school and enter into college.

Data will need to be gathered from model states to estimate the number of students who may succeed in their Promise program in order to quantify the potential cost to Connecticut.

CONCLUSION

The options identified above are only a sample of those which we believe warrant discussion and further evaluation in order to make informed decisions, to communicate with the new state administration, and to continue to serve our students with high quality, affordable education.