

BOARD OF REGENTS FOR HIGHER EDUCATION
Minutes of Joint Meeting
of the Board of Regents and Faculty Advisory Committee
Friday, June 16, 2023
Conducted via In-Person and Via Remote Participation

Regents	FAC Members & Alternates	Staff
JoAnn Ryan, Chair	Colena Sesanker, Chair	President Terrence Cheng
Jim McCarthy, Vice Chair	David Blitz, Vice Chair - virtually	Ben Barnes
Richard Balducci	Lois Aime - virtually	Rai Kathuria
Ira Bloom - virtually	Karlene Ball - virtually	Jessica Paquette
Holly Howery	Brendan Cunningham	Danny Aniello
Rick Porth	Bryan Goh - virtually	Leigh Appleby
Sophia Jappinen - virtually	Mark Jackson - virtually	Pam Heleen
	Jenn Long - virtually	
	Linsey Muldoon - virtually	
	Dyan Robinson - virtually	
	Mike Shea - virtually	
	David Stoloff - virtually	
	Fran Coan - virtually	

CALL TO ORDER

BOR Chair JoAnn Ryan called the meeting to order at 1:05 p.m. Pam Heleen added that a quorum of the Board was present. Chair Ryan thanked the following individuals for creating the agenda:

- VP of Administration and Finance, Ben Barnes
- Chair and Vice Chair of the Faculty Advisory Committee Dr. Colena Sesanker and Dr. David Blitz

WELCOME REMARKS

President Cheng welcomed everyone and stated that he looked forward to discussing this very complicated process after a rigorous and bruising legislative session. He reinforced the need to communicate clearly and transparently to reach a shared understanding of the facts, where CSCU is, and how we hope to move forward collectively. President Cheng noted that when he began his tenure at CSCU, the relationship between the administration and the FAC felt quite adversarial; he feels that the relationship has “come a long way” in terms of communication and working to do what is right for the institution.

FAC Chair Sesanker expressed that she was pleased to be with everyone and that the Joint BOR/FAC meetings have been re-established but made the note that one hour every six months may not be enough.

OVERVIEW OF FY24 & FY25 STATE APPROPRIATIONS

Ben Barnes, VP of Administration and Finance presented the overview of the FY24 & FY25 State Appropriations (Attachment 1).

Discussion:

CFO Barnes provided further explanation for the re-structuring of fringe benefit support.

Q: M. Shea had three observations/questions:

- The problem we face in the demographics report is not the drop in traditional college-age students, but in thinking that we are already funding well enough. If we were funded consistently in the same way (regardless of the drop), we would be able to better support students who were already not getting enough help. He hoped that the Governor and legislature would see the drop in demographics not as a loss in revenue, but as an opportunity to keep the same funding and help students better. He stated that we are getting weaker students from the high schools due to COVID and they need more attention.
- He stated that the Governor's raise to state employees was awarded but it seems unfunded. He questioned why the universities should pay for it and cut their revenue and subsidies.
- He added that there seems to be a disconnect between the System Office and the Governor and the legislature. They weren't ready to hear our CSCU 2030 plan; he was wondering if there was something that could be done to mend or approach the plan differently in the future so that the ask doesn't fall on deaf/resistant ears.

A: President Cheng responded. When CSCU went into this legislative session, we agreed that the System had not received an adequate level of funding in the past. This was discussed extensively with our legislators throughout the process. The ask didn't gain the traction that we had wanted this year. We will continue to advocate for what we think is an appropriate and sustainable level of funding for the System and sharpen the great story we have about all our institutions. He thanked the collective bargaining units for their regular appearances at the Capital. He pointed out that the budget that was just signed is \$164M greater than the original Governor's proposed budget. President Cheng added that he doesn't want anyone to feel like they failed.

FAC Chair Sesanker provided commentary; complete remarks can be found in Attachment 2.

President Cheng responded. He stated that the current administration and the current Board cannot speak comprehensively about the actions of previous administrations. He agreed that our System and all of our institutions and their employees deserve the investment, as do all of our students. We are very happy to continue working with all of our stakeholders who will come together to create long-term solutions for CSCU.

Regent McCarthy responded, as well. He referenced one of Dr. Sesanker's responses - that the lack of honoring of public service motives that undergird public higher education - and asked how we can build unusual and broader coalitions with other constituencies around the State to advocate for us. He drew the parallel to similar discussions applied to some parts of public transportation.

FAC Vice Chair Blitz provided commentary; complete remarks can be found in Attachment 3.

Regent Balducci thanked Dr. Sesanker for her thoughts. He noted one of the things we have to keep in mind is that we are not in a vacuum; there are many other organizations out there looking for the funding to help sustain their programs. The Governor's actions are celebrated; the bond market loves Connecticut, and the State is paying down debt service. Tax cuts were just implemented. As a result, we need to develop "out of the box" kinds of thinking to come up with something viable to move forward with.

Dr. Sesanker responded by stating that we have to realize that a certain group consistently drop out of that picture and that is the community college students and the community college students who transfer to the universities.

When we talk about PELL grants recipients... (*audio unintelligible*) ... other safety nets that make higher education even possible for them. There needs to be more discussion about what investment in higher education actually represents for the State. It is short-sighted to not invest in people.

Regent Howery noted her agreement on many points; there are systemic issues that have been around for 10+ years. If we want a different approach to budgeting and different values through the legislative process, that solution is outside of “the room.” The new ideas need to continue to come forward; how can we take the best of what we learned during COVID and apply it to our programs. The fiscal cliff is a year away and we need to start working together now to figure out how to keep those programs available for our students.

Q: Regent McCarthy asked for elaboration on a point made by Dr. Blitz concerning a mid-biennium budget adjustment. He asked if this is a common occurrence; is it possible.

A: President Cheng responded in the affirmative; we are going to continue the conversation with our legislative leaders and the Governor’s Office and go through a rigorous process to deal with the budget as it stands right now. We will continue to argue for what we believe is in the System’s best interest. The work is underway to brainstorm approaches.

Regent Porth added that he appreciates the CSCU leadership, faculty, and staff in the fight to overcome these challenges, including the enrollment trends we see across the country and the attitudes about higher education and its cost. He hopes that we can reopen the budget for the second year to have a discussion of these issues and get what’s really needed to run a system and support our students. In the meantime, he believes that we need to show the Governor and others some due diligence that we are looking at our System to try to deliver services, do right by our students, and use taxpayers’ money responsibly.

B. Cunningham responded to Regent McCarthy’s question about mid-biennium budget adjustments stating that we need to be in that conversation by October in the General Assembly if we want to make a difference. He also followed on VP Barnes’ comment about OPM using the wrong numbers and stated that he believed that it was a real issue which needs to be pointed out. Dr. Cunningham also cited an upcoming CT Mirror article concerning Governor Lamont’s performance.

M. Shea supported the comment concerning OPM numbers and its representation of the System.

CLOSING REMARKS:

President Cheng provided closing remarks stating that we need to continue to work with all of our State partners. He thinks there is an opportunity to tell our story better and to work together even more collaboratively.

FAC Vice Chair Blitz also provided closing comments (see Attachment 4 for complete remarks).

EXECUTIVE SESSION:

At 2:13 p.m. on a motion by Regent Balducci, seconded by Regent Howery, the Board voted to go into Executive Session for the purpose of discussing the appointment, employment, performance, evaluation, health or dismissal of a public officer or employee. Chair Ryan announced that no votes would be taken in Executive Session. Chair Ryan directed CSCU President Cheng to remain with the Board in Executive Session.

CSQU

FAC

June 16, 2023

CSCU Total State Assistance Proposals and Final Budget

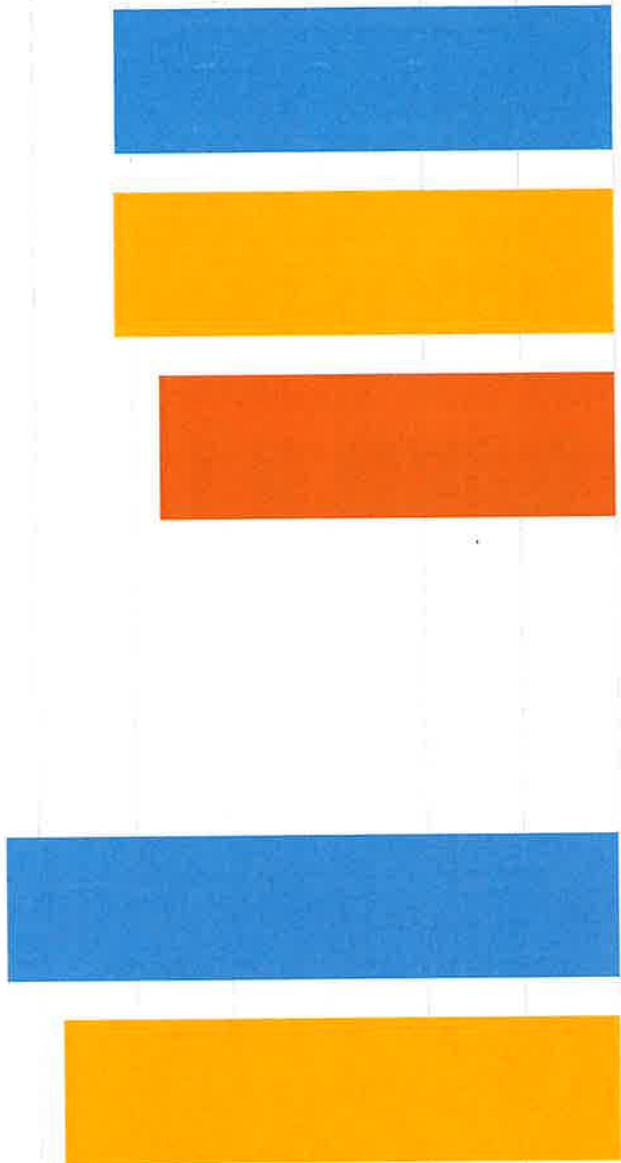
(\$ millions)

	FY2024	FY2025
Governor	512.5	472.3
Appropriations	576.0	518.0
Final	632.5	516.5

Total State Assistance to CSCU

700.0
600.0
500.0
400.0
300.0
200.0
100.0

millions



FY2024

FY2025

■ Governor ■ Appropriations ■ Final

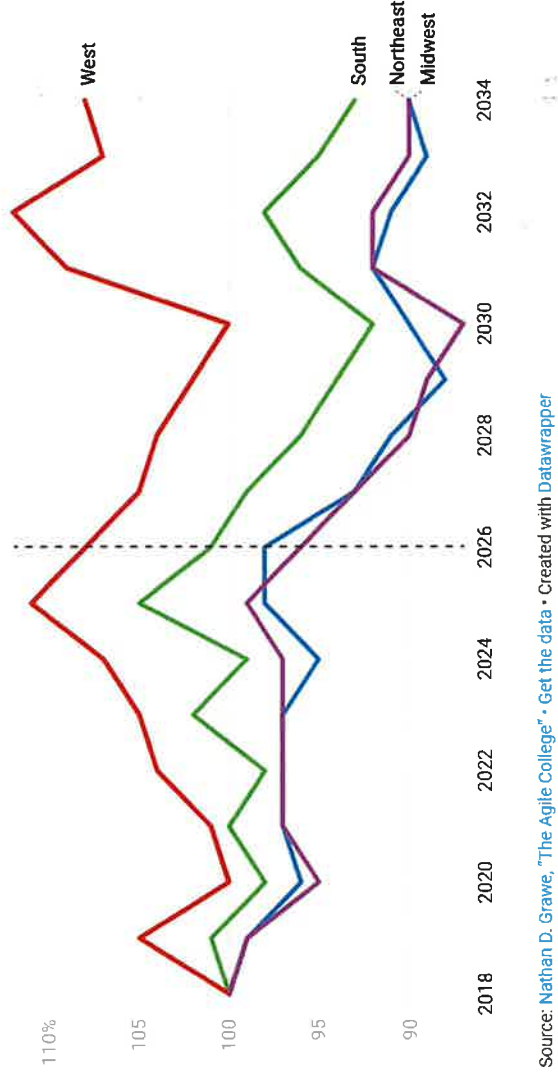
CSCU State Appropriations, FY 22 - FY 25

Account Name	Approved	Approved	Governor's	2/8/23	Approp. Committee	4/18/23	Approved	6/5/23	HB 6941
	2022	2023	2024	2025	2024	2025	2024	2025	2025
State Appropriations									
Charter Oak State College	3,459,107	3,656,390	3,708,701	3,763,697	3,127,472	3,182,468	3,127,472	3,182,468	
Community Tech College System	153,376,054	172,456,308	168,514,962	169,446,880	208,495,341	217,494,271	208,495,341	217,494,271	
Connecticut State University	161,882,818	174,367,292	173,747,818	174,713,562	176,054,688	178,635,888	176,054,688	178,635,888	
BOR	436,324	453,500	460,084	466,906	460,084	466,906	460,084	466,906	
Developmental Services	8,912,702	9,896,460	10,042,069	10,190,984	10,042,069	10,190,984	10,042,069	10,190,984	
Outcomes-Based Funding Incentive	1,202,027	1,335,638	1,354,341	1,374,425	1,354,341	1,374,425	1,354,341	1,374,425	
O'Neill Chair	-	315,000	315,000	315,000	315,000	315,000	315,000	315,000	
	\$ 329,269,032	\$ 362,480,588	\$ 358,142,975	\$ 360,271,454	\$ 399,848,995	\$ 411,659,942	\$ 399,848,995	\$ 411,659,942	
PACT Program - Debt Free Community College									
Enhance Student Retention at Community Colleges	14,000,000	15,000,000	15,000,000	15,000,000	23,500,000	23,500,000	23,500,000	23,500,000	28,500,000
Additional Fringe Benefits Support	-	19,500,000	-	6,500,000	-	6,500,000	-	6,500,000	-
Restructure Fringe Benefits Gov's Proposal	60,990,877	64,503,926	-	-	-	-	-	-	-
Deficiency Funding for Wages (Leg. Source ARPA FY23)	21,600,000	24,000,000	41,706,020	41,706,020	-	-	-	-	-
Provide Support for Salary Cost of the 27th Payroll	-	10,000,000	-	-	-	-	-	-	-
CharterO Additional State Approp (Graduation Fee Waiver)	140,000	140,000	-	-	-	-	-	-	-
Community Colleges: E-Commerce Training Program	-	65,000	-	-	-	-	-	-	-
Provide Operations Support Through Short-Term Recovery Fun	-	118,000,000	97,700,000	48,800,000	97,700,000	48,800,000	97,700,000	48,800,000	147,700,000
Provide Temporary Operating Support	-	-	-	-	55,000,000	27,500,000	55,000,000	27,500,000	48,800,000
Charter Oak State College									
Community Tech College System									
Connecticut State University									
ARPA Funding - Lecturers Pay	10,000,000	5,000,000	-	-	-	-	-	-	-
Enhance Public Safety at CCC, CSU and CharterO	-	-	-	-	-	-	-	-	-
	\$ 435,999,910	\$ 618,689,514	\$ 512,548,995	\$ 472,277,474	\$ 576,048,995	\$ 517,959,942	\$ 632,548,995	\$ 516,459,942	

Long-term Challenges

Demographer Nathan Grawe's projections for 4-year colleges shows a 12% drop between 2026 and 2029 in the Northeast.

4-Year Regional Colleges

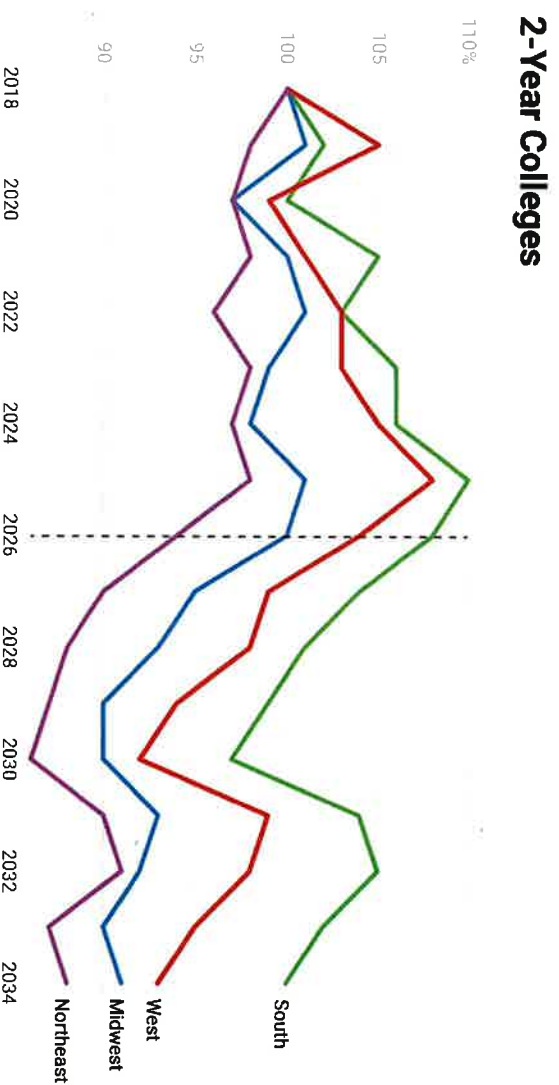


Source: Nathan D. Grawe, "The Agile College" • Get the data • Created with Datawrapper

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Long-term Challenges

While the Northeast can expect some improvement in 2-year enrollment through 2025, Graue's projections show a 10% decline between 2025 and 2030 before stabilizing, based on demographics and trends in student preferences.



Source: Nathan D. Graue, "The Agile College" • Get the data • Created with Datawrapper

I'm just a single member of your workforce with no particular expertise, but I have been paying attention. Let me explain what I mean by context:

Historical Context: for the last six years, this system has been explicitly promising savings as a consequence of the consolidation process that will culminate exactly two weeks from today-- a consolidation process we embarked upon in the very same year that the state's fiscal guardrails were defined (2017), transforming a well-meaning spending cap into a tool for austerity and reduction of state services. One might even infer, though it is certainly less explicit, that for as long as the CSCU system has existed (12 years) we have been, at least implicitly, agreeing to a path toward containment and shrinkage since, as we discussed in our joint meeting at the end of last year, the state has not increased the block grant for our institutions for at least 15 years. It was \$320M in 2008 and 14 years later in 2022, it was \$318M. (\$316M in 2011 when CSCU was formed, and dropped down as low as \$271M in 2013)

Connecticut State Colleges and Universities
State Support FY11-FY22 Actual, FY23 Budget

	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	Total CSCU
State Appropriation (block grant)	297,428,789	320,721,144	317,497,646	316,887,597	316,236,306	282,629,785	271,037,238	302,138,390	311,135,562	327,636,414	308,478,071	280,546,390	287,099,697	288,817,943	304,389,442	318,986,803	350,949,155
Adjst'd State Appropriation (Dev Education, Outcomes and IMRP)	5,297,428,789	5,320,721,144	5,317,497,646	5,316,887,597	5,316,236,306	5,282,629,785	5,271,037,238	5,302,138,390	5,345,887,295	5,346,238,507	5,317,880,571	5,290,234,378	5,297,612,429	5,299,242,098	5,314,813,596	5,329,933,128	5,362,635,160
GF Fringe Benefits Paid by State	137,236,602	149,572,826	151,096,946	160,999,374	168,230,118	156,390,450	170,297,095	218,577,724	226,986,852	251,236,892	246,183,393	233,683,213	265,718,866	261,906,582	284,044,165	308,967,474	336,086,450
OF Fringe Benefits Paid by State	137,236,602	149,572,826	151,096,946	160,999,374	168,230,118	156,390,450	170,297,095	218,577,724	226,986,852	251,236,892	246,183,393	233,683,213	281,918,866	286,306,582	320,594,165	369,958,357	440,590,376
Total State Appropriation and FB paid by State	5,434,665,391	5,470,293,970	5,468,594,592	5,477,886,971	5,484,466,424	5,439,020,235	5,441,334,333	5,520,716,114	5,572,874,146	5,597,475,399	5,564,063,964	5,523,917,591	5,579,531,295	5,585,548,680	5,635,407,761	5,699,891,485	5,763,225,517

[<https://www.ct.edu/images/uploads/BOR-Agenda-11-18-2022.pdf?10145> p.7]

All additional funding provided to the system (fringe benefit support, special programs, pandemic support) has been at will, one-time funding. As a result, we have been unable to plan wisely and to grow/maintain strategically. Instead, we fell into a pattern of warning of crisis every session and extracting as much as we could from legislators to get us through another year or two. We often perform some minor penance to earn what we are offered...dying a slow death by a thousand cuts in the process. Even the generosity that we have seen in the past two years could be understood as just enough to get us through the pandemic and over the hump of a consolidation that promised to contain the costs of our community colleges.

The trajectory of our system's funding makes it so that this year we would have had to dramatically defy the constraints of the spending cap to get what the system asked for. And because, once again, our additional funding is one-time this budget, it will be that much harder for us again in two years to get the funding we need to fit under a spending cap that is anchored by the levels of the previous budget. We don't just need more money next time around, we need a structural solution that makes sufficient stable, recurring funding even possible.

Immediate political context: this session began with the governor, along with house and senate leadership, using an e-cert process to extend the bond lock for at least another five years. This was Feb 9, before any legislative hearings that would allow the public and state agencies to weigh in on the needs of the state. They constrained the budget conversation and reaffirmed their commitment to the guardrails—that is, to the very path of austerity and disinvestment in state services that got us here-- before the session even began in earnest, tying the hands of legislators even beyond the governor's current term. That was a clear statement about their willingness to engage in any shenanigans in the service of our preservation. Threatening \$335M or hundreds of layoffs, thousands of part time eliminations, tuition hikes, and reductions in offerings (and without concrete and credible justification) in that context was not only a grandstand without sufficient power to back it, it was the equivalent of holding CSCU students and workers hostage to perform a shakedown of *all* state agencies and services for our benefit—other agencies and services that our students and families also need.

This ridiculous zero-sum game may be self-imposed, short-sighted, and brutal on the working families who benefit from our system, but it is the game the governor and legislative leadership made abundantly clear was the one we were playing this session. And it is the one they've been preparing our system for for years. Unfortunately, those who promised savings from merger one or merger two clearly didn't understand how higher education works. The shape of our system is a political solution to state budget 'problem', not an answer to the question we should measure our success against: *How are the children?* How are we taking care of the *people* in our state?

The questions the FAC has submitted to you in preparation for this meeting are focused on the most immediate threat: justifying layoffs, tuition increases, and other reductions because there is so much potential destruction on that path. While I question the system's characterization of the crisis this session, I acknowledge that there is quite a cliff in FY25 and harder yet years ahead. We need to focus on working together to demonstrate that the state's vision for our system is not feasible. We need to insist that lawmakers decide whether or not they intend to provide public higher education or just a semblance of it, modeled on for-profit institutions that do our students and state harm. This is a large, public policy conversation that we have never had because we first need to tell the truth: We cannot advertise that we're building a college in the service of equity while building a structure to facilitate disinvestment in those already underserved. We can't pretend that we're solving existing problems for students when the 'problems' we've actually embarked on solving are not theirs. We cannot pretend that we are the state's darling when the state's actual commitments to us represent a death sentence.

As we reflect on this legislative budget session and look forward to future ones, it is necessary to be honest with ourselves and with others: unless we change things significantly, it is likely to get harder, not easier from here. We- under different leadership and with a different board composition- conceded to this long ago and reshaped ourselves to accommodate exactly this moment. What has gotten lost along the way is the public service we are entrusted with preserving. Just because something is called a college or university doesn't mean it is one. And to paraphrase a metaphor Senator Winfield used this session, what good are guardrails when so many of us—so many of our students-- are already overboard and sinking fast?

The solution is bigger than just appeals for more funding, it requires fundamental state-wide change— change that will also make it possible to fund all of the social supports that allow our system to function as a tool for social good and as an equalizing force. And while I know that it might not be this body's

charge to advocate for such things it is important at least that we are as clear as possible about its consequences for us and about our lack of viability under the status quo because the change required is big and we have to tell the truth. No more bragging about building antiracist institutions by further disinvesting in students who have been disadvantaged by past disinvestment. No more celebration of programs that aim only to reproduce a precarious working class from itself. Tell the truth. Name the need. Stop scapegoating union workers, because the benefit we provide the state IS those workers. No more 'generational investments' in buildings...just buildings, and not what goes in them. Stop the excessive waste of contorting ourselves into shapes that simply do not work only to undo them again, of creating new executive levels whose projects are uninformed by the reality of the spaces they govern, and of the complete neglect of the universities over the past few years.

We cannot afford to let those who are responsible for solving the problem fail to recognize the deprivation and disenfranchisement that has been imposed upon those we are designed to serve. Had faculty and staff not been fighting *against* the rosy propaganda coming out of the system office for the past few years, we might not have lost this session's fight already years ago.

Colena Sesanker
Comments for BOR-FAC joint meeting.
Jun 16, 2023.

Statement by David Blitz on budget shortfalls and measures to take:

Can we resolve the budget shortfalls endemic to our system, and in particular for FY25 with a new narrative and positive measures rather than following the negative model of the OPM? That says that enrollment decline must result in budget cuts. It elicited the equally negative response we saw in the April 24 press release by CSCU: budget cuts will result in forced layoffs of both full and part time faculty and staff, increases in student tuition across the board, and elimination of programs, especially high overhead employment focused ones?

Here are some positive measures, exclusive of force layoffs, tuition increases or program cuts:

1/ Use some of System Office, University and Community College reserves to offset part of the expected FY 25 deficit, while respecting the reserves of those member institutions which have budgeted adequately in the past;

2/ Retirements and resignations of senior faculty and staff are usually replaced at lower salary levels for new hires or can be deferred for a year;

3/ Adopt pension-based measures (additional years, AKA “golden handshake”) to encourage retirements of faculty and staff;

4/ Limit to existing numbers System Office personnel at all levels, since with a second system office in New Britain, the tendency may well be for each to expand into available space;

5/ Extend the 3 + 2 BA/MA programs already at some universities and programs to all eligible programs to attract additional students who might otherwise go out of state;

6/ Link employment oriented certificates to completion of the Associates Degree so as to retain students at the community college and better prepare them for possible career changes;

7/ Consider a 2+2 BA/MA for community college graduates who transfer into the major for which they have been fully prepared at the 100/200 college level;

8/ Incorporate sustainability in all building and renovation plans for both environmental protection and green energy economies;

9/ Develop a shorter term strategic plan (2-4 years) with a handful of priority objectives and specific metrics to be achieved in order to restore confidence with the executive branch and legislative leaders;

10/ On the basis of the above sort of measures in FY24, request mid-biennium adjustments for FY 25 as still needed.

Concluding remarks by David Blitz at joint BOR/FAC meeting:

There are a number of basic principles which should underly the work of the Board and its relation with the FAC:

1/ Respect the distinct missions of the colleges and universities and Respect the autonomy and integrity of the constituent institutions: The CSCU system is a system of three component systems: the community college and its 12 constituent units, Charter Oak, and the four Connecticut State Universities. We should respect a system of systems or federated approach which combines respect for the autonomy and integrity of the constituent units with cooperation and leadership from the central administration; policy should be based on consultation and consent of the constituent units, faculty and staff.

As an added measure for the transition to the one community college, continued college campuses and services at all existing locations should be guaranteed, and their individual accreditations maintained as a fall back measure even if CSCC itself is accredited, presumably by NECHE in the next two weeks..

2/ Respect shared governance: This implies a willingness to fully take into account the expertise of faculty and staff, and to focus on mutual agreement rather than imposed resolutions to make needed changes in the system. The history of Students First has been one of management assertion rather than seeking cooperation, to the detriment of the educational experience of students, and career satisfaction of faculty, staff and administrators.

3/ Respect faculty control of curriculum and pedagogy: While administration has control of matters such as budget and senior personnel, faculty must, by dint of their expertise, control curriculum and pedagogy - subject to final approval and funding by administration.

4/ Practice better communication and consultation and on that basis we can envisage increased cooperation and to the extent advisable, coordination. But the command and control practiced by the former administration with perhaps an echo remaining at the System Office has to go entirely.

The changes in the last two years to BOR and CSCU leadership are significant and augurs well for improved functioning of the system and relations with the FAC. But old habits persist and lack of mutual trust needs to be further addressed. This joint meeting of the BOR and FAC is hopefully a step in that direction, with much still remaining to be accomplished.