

BOARD OF REGENTS FOR HIGHER EDUCATION FINANCE & INFRASTRUCTURE COMMITTEE

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

COMMITTEE MEMBERS PARTICIPATING

Richard J. Balducci, Chair (via WebEx remote participation)
David Blitz (via WebEx remote participation)
Felice Gray-Kemp (via WebEx remote participation)
David R. Jimenez (via WebEx remote participation)
JoAnn Ryan (via WebEx remote participation)

CSCU STAFF PARTICIPATING

Mark Ojakian, President (via WebEx remote participation)
Ben Barnes, Chief Financial Officer (via WebEx remote participation)

CALL TO ORDER

With a quorum present, Chairman Balducci called the meeting to order at 10:01 a.m.

APPROVAL OF May 1, 2020 MINUTES

On motion of Regent Jimenez, seconded by Regent Ryan, the minutes of the May 1, 2020 Finance and Infrastructure Committee meeting were unanimously approved as submitted.

Information Item

- **Fee Reductions in Response to Pandemic**

CFO Barnes commented on a resolution that was adopted by the Board on February 6, 2020, approving the authority of CSCU President to make limited and necessary adjustments to tuition and fees to conform with Board approved policies. Times in which the authority were used in the past were cited.

Due to the COVID 19 pandemic, fee reductions, modifications, delays and elimination proposed by CCSU and WCSU were noted and reviewed. A revised fee schedule will be provided to the Board and campuses before July 1.

Action Items

- **CT State Universities FY2021 Spending Plan**

CFO Barnes commented on the budget process that comes at a time of uncertainty created by the COVID-19 pandemic, the economy and conditions upon which the colleges can reopen in the Fall. Because of the unprecedented uncertainty all CSCU institutions, working with the system office budget staff, will undertake an early review of budget and operations following the first quarter. A second round of budget discussions will be conducted in October and reported to the Board of Regents.

The proposed spending plans for the Connecticut State Universities (CSU) were reviewed. Revenue is anticipated to decline. The universities plan to hold spending on personal services and other expenses close to FY20 budgeted levels which will entail challenging spending reductions at each campus. All campuses are expecting a decline in enrollment with the exception of Eastern. A breakdown of the proposed spending and revenue for each university and for the system as a whole was shared.

Due to the spending plans being presented in the context of unprecedented uncertainty, the potential scale of risks was shared including a cut in state aid, further reductions of dormitory use, and deeper drops in enrollment.

- **Connecticut Community Colleges Spending Plan**

The Connecticut Community Colleges proposed FY21 Spending Plan was shared. The spending plan proposal continues to implement the Students First Plan, including funding the new Connecticut State Community College (CSCC). As individual accreditation must be maintained during the transition to a single accredited institution, the spending plan provides that each existing accredited college has the resources and staff necessary to manage those resources. The plan also supplements the colleges with new resources in key areas outside of the standard, especially enrollment management, advising, and back-office support. This budget will support the fiscal and organizational demands and savings goals of Students First.

In producing the budget, the colleges relied on each campus having level enrollment or increased enrollment. Higher Education Emergency Relief Fund under the CARES Act will be available with half of the money directed to student assistance in the form of direct financial relief and the remaining monies available for institutional assistance to acquire personal protective equipment, cleaning supplies and services, and instructional equipment necessary to support a major expansion of remote learning in the colleges. The additional remote learning opportunities and various approaches to maximize on-ground and hybrid courses will allow the colleges to meet

demand of 2020. CSCU will continue to move forward with the transition to a single accredited college under Students First, including moving many expenses previously budgeted in the System Office back to campuses or into the new Connecticut State Community College budget. The PACT program will be implemented as required under Statute, using \$3 million in system reserves for the fall.

The campus budgets were reviewed. The spending plan proposal required the colleges to meet a combined budget reduction target of 2.4% with limited use of reserves. Detailed plans for meeting the target reductions, along with contingency plans for achieving a 5% reduction, will be provided to the Board in October.

- **Charter Oak State College FY2021 Spending Plan**

Charter Oak State College is able to present a balanced budget with the current planned levels of state funding. The college was not eligible for any emergency relief funding from the Federal Government due to the COVID-19 pandemic but will be eligible for funding through the Governor's Office should discretionary amounts from the CARES Act be awarded.

Enrollment is expected to be flat compared to FY20. Charter Oak will launch several new marketing campaigns and initiatives during the new fiscal year to preserve its position within the competitive realm of traditional adult learner.

President Ojakian thanked CFO Barnes and team and college staff for the incredible job of assembling a budget during these uncertain times. Challenging times will continue with the re-opening of the colleges in the Fall during the pandemic. The teams' efforts are to be applauded as we look forward to more budget discussions with the Board.

Conversations continues with the Governor and leaders of the legislature. It is recognized that CSCU will be part of the solution for the economy.

CFO Barnes noted that Attachment F of the individual college pages (Norwalk Community College consolidated budget sheet) will be corrected and available for the full Board meeting.

On motion of Regent Balducci, seconded by Regent Ryan, the FY2021 Budget/Spending Plan for the Connecticut State Universities, Connecticut Community Colleges and Charter Oak State College was unanimously approved.

Adjournment

There being no further business, on motion of Regent Ryan, seconded by Regent Gray-Kemp, the meeting adjourned at 11:25 a.m.