

**BOARD OF REGENTS FOR HIGHER EDUCATION  
FINANCE & INFRASTRUCTURE COMMITTEE**

**Tuesday February 16, 2020 @10:00 a.m.  
Via WebEx Remote Participation**

**Minutes**

**COMMITTEE MEMBERS and REGENTS PARTICIPATING**

Richard J. Balducci, Finance Chair  
Naomi Cohen, HR/Admin Chair  
David Blitz  
Felice Gray-Kemp  
JoAnn Ryan  
Ari Santiago  
Colena Sesanker  
Elease Wright

**CSCU STAFF PARTICIPATING**

Ben Barnes, Alice Pritchard, Keith Epstein, Melentina Pusztay, Kerry Kelley, Pam Heleen, Thomas Coley, James Lombella, Robert Steinmetz, Jennifer Gray, Gennaro DeAngelis, Carrie McGee, Diane Bordonaro, Eileen Peltier, Kristina Testa-Buzzee,

**CALL TO ORDER**

Chair Balducci called the meeting to order at 10:00 a.m. and following roll call, declared a quorum present.

**APPROVAL OF DECEMBER 2, 2020 FINANCE & INFRASTRUCTURE MINUTES**

*On motion of Regent Gray-Kemp, seconded by Regent Ryan, the minutes of the December 2, 2020 Finance and Infrastructure Committee meeting were unanimously approved as submitted.*

**APPROVAL OF SEPTEMBER 10, 2020 HR/Admin MINUTES**

*On motion of Regent Balducci, seconded by Regent Wright, the minutes of the September 10, 2020 HR/Admin Committee meeting were unanimously approved as submitted.*

## **Information Items**

HR/Administration Chair Cohen commented on the work of the Human Resources Committee that overlaps with other Board committees and that of the Finance Committee.

- **Regional President Update (HR/Admin)**

Regional Presidents Coley, Lombella and Steinmetz and staff provided comments and an update on the overall impact of the regional structure, workforce development and fiscal structure. The regional presidents have focused on key areas and ways to improve the student experience and accelerate collaboration by being engaged with internal and external constituents. Grant funding has increased dramatically with increased recognition at the state and national levels. The regional budget structure as well as monetary savings and efficiencies was shared. The regional structure has contributed to reducing bureaucratic touchpoints and unnecessary layers of managerial approval, thus allows for consistent and timely consensus on how best to move forward from a strategic planning perspective.

HR/Administration Chair Cohen responded to an inquiry from FAC Chair Blitz regarding Students' First and noted that this committee meeting agenda is not the proper venue for discussion.

- **CSUS 2020 Program Report**

Keith Epstein, VP of Facilities and Infrastructure Planning, provided an update on the CSUS 2020 Program Report and highlighted the universities and system-wide projects that were completed. Of the \$1,069,500,000 billion dollar program, \$937M has been committed and \$837M of those committed funds has been expended. Since the last issued semi-annual report, \$36M has been spent. The final program funding year occurred in FY2021 and all funds have been received. It will take the next couple of years to spend down most of the funding and begin closing out the program.

- **Hiring for CT State Community Colleges in Current Fiscal Year**

Kerry Kelley, Interim CFO for CT Community Colleges, reported that as part of the Board's adoption of the Students First initiative in 2017 and appointment of a leadership team and budget adoption in May 2020, the hiring of staff has commenced. As of January, 37 positions have been filled, and it is anticipated 48 additional positions will be filled by the end of the fiscal year by bargaining unit members. Most of the CT State Community College staff came from within the CSCU system. Investing in Guided Pathways provides supports for more advisors to improve student success and the promise to improve student outcomes with a strong emphasis on addressing the equity gap.

- **Review of 2018 Budget Projections**

CFO Ben Barnes compared the Community College's actual financial performance over the past three years with the system-wide financial projections that were made at the time of the original approval of the Students First Plan by the Board of Regents in March 2018. We are close overall this year, \$10 million below projection on revenue and the same amount over on expenses. Last year we were extremely close on revenue, and about \$10 million below projection on expenses. The variance is less than 2% except revenue in FY2019, where we outperformed the projections by 3.4%. It was noted that the figures provided in the charts excluded \$14 million in CARES Act Funds which is expected to be used to offset losses in FY21 and \$6 million in reserves used for PACT funding this year.

FY20 is a work in progress because of the loss of revenue due to the shut-down of campuses due to the COVID pandemic. Overall the projections in 2018 have proved to be reasonable and accurate. The savings have been achieved mostly through attrition.

#### **Action Items**

- **Acceptance of Gift Northwestern CT Community College**

*On motion of Regent Ryan, seconded by Regent Gray-Kemp, the committee voted unanimously to approve the acceptance of the generous monetary gift from the Wendy Begansky Estate for the establishment of the Ronald Begansky Scholarship Fund at Northwestern CT Community College.*

- **Payment Plan Policy Exception COVID Extension**

CFO Barnes commented on the temporary policy approved by the Board of Regents in April 2020, allowing community college campuses to register students who carry a balance to continue their education, with the approval of the campus CEO, provided that the students agree to payment plans to repay the outstanding balance within one calendar year. Due to state of emergency in Connecticut and nationwide with the COVID pandemic, many students are unable to complete payments for the current semester due to no fault of their own. It is recommended that an extension of this temporary policy through Spring 2021 be approved.

*On motion of Regent Ryan, seconded by Regent Gray-Kemp, the committee voted unanimously to approve the Resolution for the Extension of the Community College Policy Regarding Student Registration and Payment Plans Related to COVID 19.*

- **Acceptance of FY21 Mid-Year Projections**

CFO Barnes reviewed the FY21 mid-year budget for the CSCU system. Financial and enrollment data for the spring semester continues to decline with residence hall occupancy driving reductions in revenue. Revenue has dropped 2.4% from the levels reflected in the revised

budget last October. Other areas adding to revenue reduction includes reduced on-campus operations from activities, bookstore sales, and food service. The institutions have responded with spending restraint, including reduced personal services expenses, and effective use of federal funds to defray COVID-related other expenses. The universities spending restraints lead to a \$16 million improvement in operating results. The colleges' spending has also been reduced at each campus but revenue losses have continued with a deficit of \$22 million. These funds do not reflect the impact of additional funds provided by the federal government under the Higher Education Emergency Relief Fund (HEERF). The use of HEERF II funds for lost revenue replacement and student assistance is anticipated. Projected reserves were discussed.

A preliminary comparison of the current year and biennial budget request was provided for FY22 and FY23 Governor's recommended budget vs biennial request.

### **Adjournment**

*There being no further business, on motion of Regent Ryan, seconded by Regent Gray-Kemp, the meeting adjourned at 11:20 a.m.*

*The motion was made to accept the meeting minutes as amended by Regent Wright and seconded by Regent Jimenez. The motion was approved by unanimous voice vote.*