

Eastern Connecticut State University Fiscal Year 2011 Spending Plan Narrative

Eastern's proposed Spending Plan for Fiscal Year 2011 will continue its current emphasis on substantive broad-scale fiscal constraints. Also these practices, as in the past, will allow Eastern to work within the constraint of the State's challenging economy. They are based on particular recognition that in Fiscal Year 2011 the University:

- Must budget to include State-authorized wage increases negotiated for FY 10. The State's mutual accord with SEBAC was deferred to FY 11;
- Must continue fiscal prudence with the strictest diligence in anticipation that one or more rescissions in State funding for CSUS will occur if the State's predicted multi-billion deficits occur in the upcoming FY 11, FY 12, and FY 13; and
- Must prioritize and focus its limited spending in order to fulfill its academic mission and improve its retention and graduation rates at the same time when the University is attaining unprecedented enrollment levels.

This Spending Plan was developed in anticipation that savings must be continuously generated from within, a period when the State's fiscal crisis appears deep-rooted and prolonged. The Fiscal Year 2011 Plan is created first and foremost to maintain the University's financial balance, knowing that revenue could further shrink and student's financial resources may continue to be challenged.

CHALLENGES IN SIGHT:

The Spending Plan for FY 11 was developed to meet the University's full obligation to pay the negotiated wage increases and changes to benefits specified in the SEBAC agreement and the State's employment contracts with faculty and staff unions. To do this, the University must continue its current restrictions on operating expenses, travel, supply purchases, and of course, continue observing the hiring freeze policy, all of which were originally initiated in the last half of FY 09 when the recession first began. The latter practice is especially critical since numerous faculty and staff took advantage of the State's Retirement Incentive Program, their departures generated gaps in both faculty and staffing levels.

Faculty numbers have been restored with temporary hires in non-tenure track positions and adjunct appointments, but new replacement hires are required again in FY 11 now that the original temporary hires cannot be extended beyond two-year periods. Replacements of support staff can be justified only if they have roles in protecting public health and safety. These restrictions have tested continuity of operations and employee morale, but have protected the University from having to initiate layoffs at any staffing levels. As long as any State funding

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rescission can be kept to a minimal level in FY 11, there is hope that the University's continuing economies and restrictions will be sufficient to forestall any such layoffs, to sustain core academic and instruction programs, and possibly even enable redeployment of some funds to certain programs and activities.

FISCAL YEAR 2011 ANALYSIS:

Meeting Strategic Objectives

Eastern's proposed FY 11 Spending Plan is posited on several budgeting tenets that will help the University maintain fiscal balance. While the hiring freeze functions contain overall personnel costs, even more important is that current staff accept their full assumption of tasks and functions ordinarily performed by a larger work force. Even when re-fills of vacant positions can be authorized, new fills are "timed" as much as is functionally beneficial to the most appropriate time in the academic year or most coincident with peak operational schedules.

In the last quarter of FY 09 and through FY 10, across-the-board reductions were made in the operating budgets for almost all departments. In these efforts, departments have adjusted their paces of spending and prioritized their most compelling needs. For the most part, less-expensive supplies have proven to be acceptable substitutes for prior procurements. Energy conservation is occurring on new fronts such as conversion of printed documents, access on the web site and portal, and conversion of network hardware to more "virtual" processing capabilities.

Grants from federal and private sources are being secured to offset expenses that were routinely University-funded. These initiatives are more fully described on page 7. Along with re-direction of other budgeted funds and grant funding, savings initiatives are enabling the phased implementation of core Strategic Plan initiatives.

Further, these numerous cost savings and revenue enhancements are helping the University achieve significantly more financial stability than it has attained in recent times. Even more compelling, have been the actions taken by the CSU Board of Trustees in their recent refinements to the CSUS distribution formula for allocating State funds and the latest changes to assessing CHEFA debt, a move that dramatically reduced the debt obligations for recent housing and garage projects at Eastern and the other universities. These have been particularly critical to the financial health of the University.

Enormously supportive of the many cost-cutting measures has been the University's Ad Hoc Budget Committee composed of representatives from every bargaining unit, the student body, the University Senate, and the faculty ranks. Formed in FY 09, the Committee continues its active role in communicating information and proposals for budgeting efficiencies throughout

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the campus so as to gain widespread support for the measures. It has helped develop campus-wide awareness of and appreciation for economies that reduce prospects for layoffs, drastic budget curbs, or program elimination. Most recently, the Committee endorsed a budget review to identify savings that could, with due prudence, be achieved in this last quarter of FY 11. This latest effort identified \$900,000 in new spending reductions. The Ad Hoc Budget Committee provides the campus community with a transparent review of the University's financial situation as new information warrants.

Additionally, the Committee reviews the Eastern Works-Smart program which continues to offer new possibilities on prospects for savings and revenue enhancements. When they prove "tried and true" in their benefits, the best Works-Smart initiatives have been institutionalized in the University's budgeting processes for steady and continuous advantage to Eastern's bottom line. Given its good counsel since its inception, the University will continue to enlist the Committee's full participation in budget considerations through FY 11 and FY 12 and thereafter while the State's finances remain in jeopardy.

Specific expenditure cuts are providing very positive results in the budget balancing processes. Some are marginal in their scope but markedly weighted in their benefits. Others are broader in scope, creating only moderate savings at initiation but promising some wholesale budget reductions in the mid- and long-term. The best examples of each type are described below.

EASTERN WORKS-SMART PROGRAM:

The Eastern Works-Smart promises to generate many more quality suggestions from faculty and staff on practical ways for Eastern to cut expenses across its breadth of operations. By spring 2009, the University received 100 submissions, with approximately 60 of them being unduplicated ideas. The estimated savings in the first year of the program was \$860,000, with the biggest economies proposed in Energy & Conservation, Printing & Publishing, and Technology Applications. The University aggressively reduced spending and implemented a number of process redesigns that produce continuous savings in FY 10, the upcoming FY 11 budget, and in longer-term budget cycles. The Purchasing Department conducts daily purchase requisition reviews with fiscal executives to identify best savings in commodity alternatives and works with departments to cut costs at the margins where possible. Already in the last year, another 47 suggestions have been submitted and are being currently reviewed by the Works-Smart committee members to propose enactment of the best of these measures in FY 11.

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COST-CUTTING TECHNOLOGIES:



Four students, in a group project, are all employing laptops that are linked via Eastern's developing wireless network. Wireless service is already installed in the Library, major classroom/lab buildings, and buildings with significant public assembly areas including Hurley Dining Hall, the Student Center, and many newer residence halls with community rooms.

Eastern is now embarking on technology-enabled applications that save money, manpower, and wasted processes. They will include:

I. In IT, the University is:

- Upgrading Internet Bandwidth and Providing Cable Service in Residence Halls. By mid fall in FY 10, the University fully implemented its first year for uniform data and cable TV connections in all residence halls. Each resident is guaranteed an individual, in-room connection to the University's network, which accesses personal drives, internet, e-mail, streaming video services, VISTA, and all library databases. Most beneficial to raising service standards has been the hike in bandwidth capacity which enhanced speed of services for residents' academic work. Cable TV jacks

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provide all rooms with extended basic and HBO cable services. All installation costs for cable and data wiring and services were borne by the cable franchise company; the University fully anticipates its net income will be \$50,000 to \$80,000 per year for provision of these services.

- Securing Credit Card Transactions and Planning Conversion to E-Transactions for Financial Aid Refunds and Billings. Scheduled to be completed by June 30, 2010, this software application upgrade moves credit card processes from BANNER to TouchNet and will allow Eastern to start electronic billing (though student email) and strengthen FERPA compliance. ACH payments and refund processes will enable parents to pay bills directly from their bank accounts, while allowing direct deposits of refund checks to student accounts. Key benefits: students gain quicker and more efficient access to refunds, students can review past bills on-line, parents are provided convenient means of payment, and students can still control and approve parents' access to personal information. The project's annual costs in year one are about \$54,000, but savings in excess of the cost are anticipated by the savings in elimination of bill mailing and processing of hard-copy check payments.
- Voice Over IP. The University is analyzing new telecommunications functionality and network enhancement by installing Voice Over IP. Overall savings may be possible by reducing the number of lines currently provided to each student in the residence hall. These potential savings would then be used to fund network infrastructure upgrades and maintenance. This exciting project is undergoing full financial review. The prospect is that conversion to Voice Over IP will be underway in mid FY 11.
- Multi-Function Printing Devices (MDF). The University has completed the removal of over 100 laser and DeskJet printers in several buildings on campus and replaced them with MDF printers. MDF printers scan, fax, print, and copy in a single machine. The savings to date on this project is approximately \$160,000 and will grow as more buildings are converted to MDF devices in FY 11.
- Thin Client. With two new data centers coming on line in the next six months, the University will be able to move to a "thin client" application. Thin client will replace existing clusters of personal computers on staff, student, and faculty desks with a terminal that connects to a single server, which provides all the features of a desktop computer. This will dramatically reduce the University's annual electrical hardware maintenance costs and markedly reduce the BTU's exhausted by current PC hardware ventilation systems. Savings per computer are expected to be at least \$200 per year, a remarkable gain from these new features in IT desktop technologies.

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II. In Energy Conservation initiatives in FY 11, the University expects notable operating efficiencies:

- Conclusion to Science Building Commissioning. “Commissioning” is the functional testing of the building’s numerous building control systems during drills for variables such as low cooling or heating, high utility demand loads, or sustained off-peak periods without occupancy. At the outset of these critical analyses, the agents found numerous deficiencies and non-conformities in pre-functional and functional phases. Now wrapping up the process, they have markedly brought the building’s energy efficiency close to the complex design levels. At conclusion, the calibrations can be expected to make reduction of utility consumption that will save \$150,000 - \$175,000 in FY 11 and yearly thereafter.
- Retro-commissioning Pilot Project. In Eastern’s joint project with CL&P, that utility’s consultant evaluates older buildings and recommends marginal energy-saving projects that present notable returns in short periods of time. The focus of the evaluations is on the buildings with automation systems for management of their utilities. CL&P provides rebates to cover the cost of the conservation measures. The improvements to the chilled water system for Mead Hall will cost \$35,000 to implement, but thereafter, they will save about \$10,000 per year and will generate a rebate for 50 percent of the cost less the commissioning fee. The estimated rebate of \$10,000 will then be reinvested in FY 11 in additional energy efficiency projects.
- Lighting Change-Outs. Lighting change-outs to more efficient bulbs in the garage will save \$15,000 in its energy consumption bill in FY 11 and thereafter. Lighting upgrades have also been made in the library to the controls.
- Occupancy Sensors. In FY 11, Eastern will do a pilot project in Gelsi-Young Hall, to tie lighting and HVAC systems to occupancy sensors. Significant reductions in energy are estimated in this system managed by occupancy levels in each office and public area.
- Dishwasher Replacement. The dishwasher replacement project, to be completed in late spring, will save \$25,000 due to its energy savings per year, beginning in FY 11.

PURSUIT OF GRANTS TO SUPPLEMENT AND PROVIDE ACCESS AND SUCCESS:

The Title III Grant: Awarded initially in 2009, provides \$1.5 million over a five-year period, with the first \$300,000 received in FY 10. The grant supports activities that ensure our students from underserved groups (low income, first generation, minority) have the same educational

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experience and are as successful as other students at Eastern. It funds professional tutors, a full-time student development specialist, a Career Services specialist who focuses on assisting the students to develop career plans and pursue internships and co-ops, and a half-time position focused on supporting their full integration into the curriculum and co-curriculum.

The Nellie Mae Project Compass Grant: Awarded in 2007, and provides funding of \$200,000 for this year. The grant support an initiative to employ data-driven methodologies to target support services that enhance the retention and academic progress of first generation, low-income, and minority students. Eastern will expand and enhance four interrelated intervention strategies connected to its year-old Academic Services Center: (1) refinement of its logistic regression model to identify first- and second-year students most likely to withdraw; (2) provision of targeted professional first-year advising to identified, most at-risk students; (3) expansion of faculty, staff, and peer mathematics, writing and general tutoring; and (4) greater campus-wide engagement of faculty and staff in ongoing professional development focusing on assets-based instructional and support strategies.

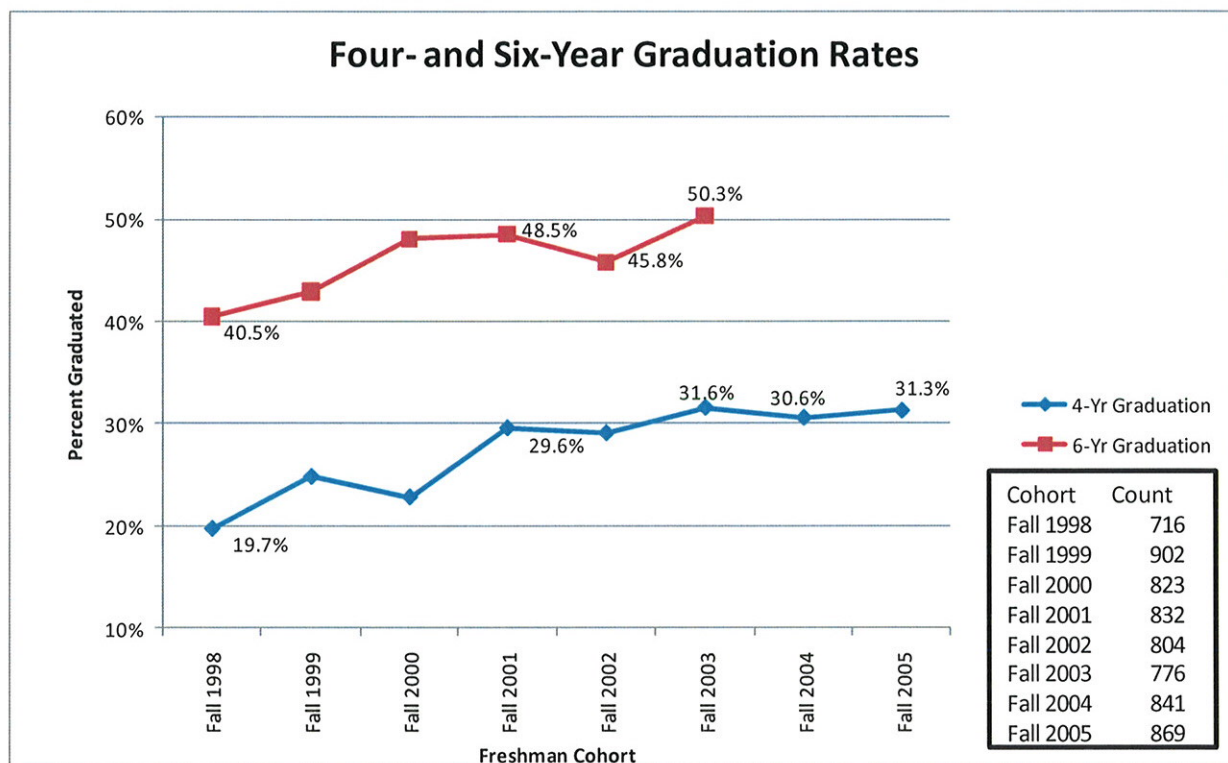
Eastern's freshmen respondees to the 2009 National Survey of Student Engagement indicated higher "Percent Favorable" rating than freshmen rated them just a year ago for the quality of academic advising (78 percent versus 69 percent in prior year), and the source of advising (68 percent versus 54 percent in prior year for consultations with advisor, academic advisement center, and/or another faculty or staff member). We are pleased to note that the biggest jump in "Good" and "Excellent" ratings relates to a 160 percent increase in references to the Academic Service Center which opened in FY 09. Its staffing and service offerings have been markedly increased this year in big part attributable to the Nellie Mae financed staffing described above.

Smaller Grants: Connecticut Campus Compass, Wal-Mart Foundation, the College Board, and Other Private Foundations: These support a range of programs from the Dual Enrollment Initiative to construction of a cold room to support an innovative horticulture program, a service-learning program involving installation of sustainable energy equipment in a poor community in Jamaica, restoration and archiving of historic documents from the Town of Windham, and a "Math Brigade" of Eastern students who serve as tutors in Windham Middle School will help Windham County save in its funding for teaching support staff.

The Dual Enrollment Initiative: Brings students from challenging family circumstances and economically distressed families and communities to Eastern each fall. The students matriculate full-time at QVCC, take one course at Eastern, live in Eastern's residence halls, and become part of the campus community. They receive intensive counseling, advising, mentoring, tutoring and financial support. Participants are assigned on-campus employment and are offered needed direct services, including transportation and assistance in completing financial aid paperwork. The first cohort had a retention rate equal to the average for all Eastern students, in spite of their

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having been inadmissible to Eastern based on their SAT scores and high school grades. The second cohort includes a student who has almost perfect grades in the Biology major. The University has received a \$300,000 federal earmark that funds programs with potential to curb juvenile delinquency, with the prospect that the award can be secured to fund some expenses for the full dual enrollment program in FY 11.



ACADEMIC PROGRAMS TO BE STRENGTHENED IN FY 11:

Engaged Learning: “Liberal Arts Work”

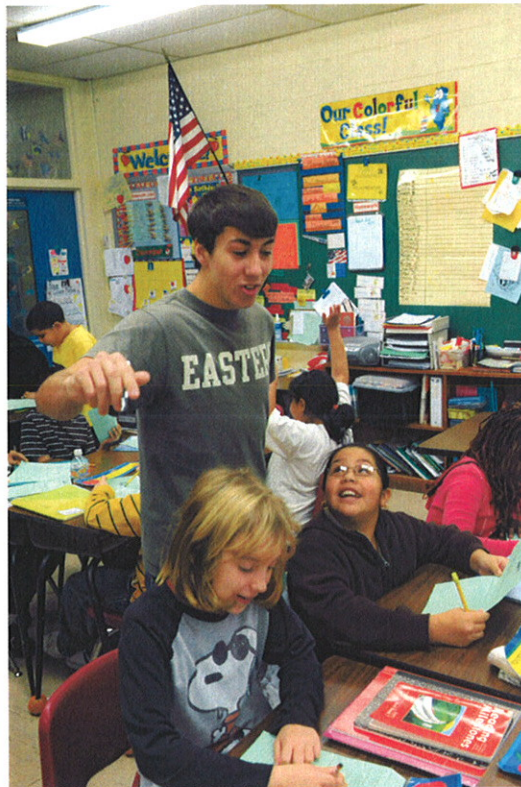
One of the most important strategies of the Strategic Plan is to provide students with a “hands on” experience, making Eastern distinctive from all other liberal arts universities. This is the essence of the “Liberal Arts Work” component of the Strategic Plan. In 2007, Eastern estimated that approximately 55 percent of students completed some form of pre-professional experiential learning opportunity. In light of the benefits of this type of engaged learning, the University Senate approved a requirement that will ensure that by 2013, 90 percent of Eastern students will graduate having experienced this form of engaged learning. All these experiential learning initiatives are designed to promote engagement, retention and timely graduation (see the positive trend lines in the graduation data presented above).

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At Eastern, we strive to engage our students right from the start in their own learning process connected to their academic experience. This means that students are given choices and allowed to make decisions. They learn to construct meaning from the information at their disposal and to develop new skills, new attitudes, or new ways of thinking. The ultimate goal of such “engaged learning” is that students are able to transfer what they learn to real life problem solving and thus are well prepared for a lifetime of learning.

The faculty believes that experiential learning or learning from experience provides some of the best engaged learning opportunities for Eastern students. Further, it is known that future employers value the learning experiences students have outside the traditional classroom. The “Liberal Arts Work” requirement commits academic programs to ensuring that all students can benefit from the engaged learning opportunities: internships, cooperative education, undergraduate research, and service learning.

Modest but sustained investments will be made in some of the eighteen strategies outlined in the Strategic Plan, knowing that at a time of necessary fiscal constraints, each dollar invested in the academic and student-centered areas will be dollars well spent.



A first-year student teaches basic civics to children at Sweeney Elementary School in Willimantic as part of the service learning component of his First-Year Program cluster in “U.S. History and Politics in the Modern Era,” taught by a History professor and a Political Science professor.