

Eastern Ad-Hoc Budget Committee
Minutes
November 20, 2014
Connecticut Room
10:00 a.m.

Attendance:

David Bachand, Patricia Banach, Karyl Bulmer, Karen Collins, David Cummings, R. Free, Matthew Hicks, Drew Hyatt, James Howarth, Weiping Liu, David Mariasi, Diane Moore, Elsa Núñez, Steven Weinberger, George Whiting

Absent:

Maryanne Clifford, Luis Cordon, Gregory Kane, Jian Lin, Dimitrios Pachis, Thomas Madera

Meeting commenced at 10:00 a.m. Committee members introduced themselves.

1. Approval of Previous Meeting Minutes

D. Hyatt moved and D. Bachand seconded that the minutes of the October 8, 2014, meeting be approved as amended by P. Banach. The motion passed.

2. Enrollment Strategies – Rhona Free

R. Free informed the committee that ECSU has done the following to recruit students: gone test optional, added five new majors, changed eligibility for reduced NEBHE rate for Rhode Island and Massachusetts students, continued to enhance reputation for academic excellence, and revised the merit aid award strategy.

R. Free shared new award amounts for FY 15 (Attachment A). The new award amounts will increase enrollment. The increased enrollment and tuition revenue will fund the award program.

E. Núñez said only one international student is enrolled this year. Due to the global economy, other potential students were not able to pay deposits. W. Liu recommended recruiting Chinese students. The committee discussed ways to recruit international students.

D. Hyatt recommended that a column be added to Attachment A showing percentage increases. R. Free said there is a third column not shown that tells what numbers we will need to achieve to balance the budget. D. Hyatt said this information should be shared with athletic coaches as it will help them with recruitment.

R. Free said the Liberal Arts Program signed off on the Eastern Scholars Program. Students in the program will take special LAC courses and be eligible for honors housing and special programs.

3. Transform 2020 – President Núñez

E. Núñez updated the committee on the status of Transform 2020. She said ECSU faculty met to discuss the plan. At the end of the meeting, after several of the faculty had left, the remaining few voted to take a no-confidence vote for President Gray. Other colleges are not in favor of the plan

but have not taken a no-confidence vote. E. Núñez recommends that faculty be given one semester to review and debate the plan's initiatives. She also recommends that initiatives be prioritized and funding requested for the high-priority items. E. Núñez urged everyone to read the plan before commenting on it.

4. State Budget Funding Rescission – Jim Howarth

J. Howarth reviewed Attachment B, Secretary Barnes' November 21 letter. According to the newspaper, the \$59.1 million projected shortfall has increased to \$99 million. The last page has requested that higher education follow these guidelines. In the past, the Chancellor or President has sent a letter instructing us to so. No official letter has been sent from the BOR yet.

J. Howarth reviewed Attachment C which shows the Governor's potential the budget rescission and a revised budget of \$50,842,973. Five percent is the maximum amount the Governor can rescind. Because we are half way through the year, J. Howarth thinks he may take between 3.5 and 5%. J. Howarth said we have always been able to make necessary actions. Because tuition revenue is down, it will be a little more difficult for us. However, the fringes coming back from state will go a long way to help us.

J. Howarth said we just received a request for tuition and fees. These are due by December 12. Guidelines call for a 2% increase in tuition and fees excluding student activity fees, housing, and food service.

G. Whiting asked if any retiring positions have been filled. J. Howarth said at this point we have not put any additional positions on hold.

5. Human Resources Update – Steve Weinberger

S. Weinberger reviewed Attachment D, Personnel Changes Since 10-3-14. E. Núñez said we need a Gallery director because the Fine Arts building is opening up.

6. New Business: General Discussion - All

There was no new business.

The meeting adjourned at 11:15 a.m.

Submitted by,

Rebecca Davis

New financial aid awards.

| Award | Fall 14 Amount | Fall 15 Amount |
|----------------------------|----------------|----------------|
| Out-of-State Honors | \$6,600 | \$14,886 |
| Out-of-State FY rated 7-10 | \$5,000 | \$9,000 |
| Out-of-State FY rated 4-6 | \$0 | \$6,000 |
| In-State Honors | \$6,600 | \$6,600 |
| In-State Merit | \$4,000 | \$4,000 |
| In-State FY rated 7-10 | \$0 | \$2,500 |
| NEBHE Honors | \$6,600 | \$6,898 |
| NEBHE Merit | \$4,000 | \$5,000 |
| NEBHE FY rated 7-10 | \$0 | \$2,500 |
| International On-Campus | Varies | \$9,000 |
| International Commuter | Varies | \$6,000 |

*no change in in-state transfer awards.

* no awards for out-of-state with admissions ratings 0 - 3

| | 2012 | 2013 | 2014 | 2015 targets for budget | 2015 targets for recruitment |
|--------------------------------|------|------|------|-------------------------|------------------------------|
| Full-time First time | 979 | 963 | 873 | 961 | 981 |
| In-state First time | 908 | 887 | 819 | 887 | 901 |
| Out-of-state First time | 35 | 37 | 8 | 17 | 20 |
| NEBHE First time | 29 | 27 | 44 | 47 | 50 |
| International First time | 7 | 12 | 2 | 10 | 10 |
| Undergraduate Transfer/Readmit | 463 | 470 | 433 | 460 | 470 |
| In-state | 446 | 446 | 410 | 431 | 440 |
| Out-of-state | 7 | 9 | 10 | 10 | 10 |
| NEBHE | 2 | 3 | 6 | 9 | 10 |
| International | 8 | 12 | 7 | 10 | 10 |
| Total new undergraduate | 1442 | 1433 | 1306 | 1421 | 1451 |
| Continuing undergraduate FT | 2978 | 2962 | 2985 | 2928 | 2928 |
| Total full-time undergraduate | 4420 | 4395 | 4291 | 4349 | 4379 |
| Total part-time undergraduate | 839 | 786 | 851 | 851 | 851 |
| High school | 172 | 179 | 319 | 350 | 350 |
| "regular" | 667 | 607 | 532 | 501 | 501 |
| Total Graduate | 188 | 189 | 150 | 170 | 170 |
| Graduate part-time | 149 | 122 | 106 | 120 | 120 |
| Graduate full-time | 39 | 67 | 44 | 50 | 50 |
| University total | 5447 | 5370 | 5292 | 5370 | 5400 |

**STATE OF CONNECTICUT****OFFICE OF POLICY AND MANAGEMENT
OFFICE OF THE SECRETARY**

To: State Agency Heads

From: Ben Barnes, Secretary

A handwritten signature in black ink, appearing to read "Benjamin Barnes".

Date: November 12, 2014

Subject: Actions to Address Projected Deficit for FY 2015

On November 10, the consensus revenue forecast reached by my office and the legislature's Office of Fiscal Analysis was released. Estimated revenues for FY 2015 are projected to fall \$59.1 million short of budgeted levels. Additionally, my office has been monitoring expenditure trends in a number of agencies that may result in deficiencies which will exacerbate the revenue shortfall and result in a General Fund deficit if management actions are not taken right away.

At the Governor's request, I am directing each of you to review your agency's planned spending in order to eliminate, minimize or delay those expenditures that are not absolutely critical in nature. Your efforts should include potential savings in all areas of spending, including hiring and overtime, contractual services and purchased commodities. While the most immediate need is in the state's General Fund, I am also asking agencies funded through other appropriated funds to economize as much as possible. Please note that I will be requesting that Legislative and Judicial branch agencies, constitutional officers and higher education agencies take similar measures.

Accordingly, the following steps are being taken to address the projected shortfall:

- A. **General Fund allotment rescissions will be implemented in accordance with Sec. 4-85 of the General Statutes.** A list of rescissions will be provided in the very near future.
- B. **Hiring. Effective immediately, hiring will be curtailed.** The Office of Policy and Management (OPM) will consider position requests that it determines are essential for critical agency operations and will evaluate such requests on a case-by-case basis.

To support position requests, agencies must submit complete justifications as to the criticality of the position to be filled, including detailed explanations of need, implications of not filling the position, and alternatives that have been considered in lieu of filling the position.

The details of the hiring restrictions are as follows:

1. Requests to Establish or Refill: Only positions that fulfill critical needs will be considered.

2. **Funds Covered:** All state appropriated funds are included.
3. **Positions Covered:** All positions are covered, including permanent full-time, part-time, durational and temporary employees.
4. **Extensions:** These will not be done automatically; each will be reviewed on a case-by-case basis.
5. **Increases in Hours:** These requests will be reviewed in the context of overtime savings that will be achieved and will be reviewed on a case-by-case basis.
6. **Automatic Refill:** There will be no automatic refill of positions. Effective today, the refill indicators on all positions will be reset to "Manual." Each position request will be reviewed by OPM.
7. **Overtime Cap:** Requests to lift the overtime cap in lieu of compensatory time generally will not be approved. This does not impact requests that have already been approved.
8. **Indirect Cost Waivers:** Agencies should not anticipate the continuance of any waivers of fringe benefits or indirect cost recoveries, as these are a direct General Fund loss. All agencies should anticipate full charges to all non-General Fund accounts for all indirect charges.
9. **Positions Previously Approved for Refill:** Any approval previously granted by OPM to refill positions is hereby revoked except for positions for which a *bona fide* offer of employment has been made as of the close of business on November 12, 2014. Agencies must provide copies of written offers of employment via electronic mail (e.g., scanned copies) to scott.mcwilliams@ct.gov no later than the close of business on Thursday, November 13, 2014.

I would also like to take this opportunity to emphasize that overtime should be monitored very closely with consideration given to making reductions whenever possible. Agency heads should ensure that the approval process for overtime is being made at the appropriate levels.

- C. **Contracting. Effective immediately, state agencies are to refrain from entering into new Personal Service Agreements (PSA's) or extending or adding funds to existing PSA's funded through appropriated fund sources.** The only exceptions will be for agreements necessary in order to continue essential state agency operations.

While PSA's will be reviewed on an individual basis, contract approvals for "essential operations" will generally be limited to those (1) required to protect the public health, safety and welfare; (2) necessary to the continued provision of essential state services; (3) supporting programs or services required by federal law or court order; or (4) supporting the collection or recovery of taxes or other state revenue. In exercising its approval authority under the general statutes, the Office of Policy and Management will interpret these exceptions narrowly.

Pending PSA approvals which do not appear to qualify for one of the exceptions described above will be disapproved and returned to the agency. Agencies should also seek

guidance from their OPM budget analyst to determine whether Personal Service Agreements which have been approved by OPM, but not executed, are consistent with the policy outlined above in order to determine whether execution of the contract is warranted.

If you believe that a proposed PSA qualifies under one of these exceptions, it should be submitted in the normal manner and should reflect an appropriate justification. In addition, the agency head or deputy must submit a letter to their assigned OPM analyst which explains, in detail, why the Personal Service Agreement is needed and why it qualifies for one of the exceptions.

Questions concerning PSA issues should be directed to Robert S. Dakers, Executive Financial Officer at (860) 418-6422 or at robert.dakers@ct.gov.

Thank you for your attention to prudent fiscal stewardship of the state's resources. If you have any questions, please feel free to contact me. By way of this memorandum, I am requesting that the higher education constituent units, constitutional officers, and Judicial and Legislative branch agencies implement similar measures.

cc: Agency Human Resources Directors
Agency Fiscal Officers

Potential Budget Rescission by Governor

| | Changes | | | Revised Budget |
|-----------------------------|-------------------|------------------|-------------------|-------------------|
| | Original Budget | Fringe Rate | Remediation Funds | |
| General Fund | 28,828,266 | | 469,000 | 29,297,266 |
| Fringe Paid by State | 20,258,239 | (202,582) | - | 20,055,657 |
| Recovery % for Eastern | 70% | -1% | - | 68% |
| One Time Supplement Tuition | 1,472,050 | | | 1,472,050 |
| | <u>50,558,555</u> | <u>(202,582)</u> | <u>469,000</u> | <u>50,824,973</u> |

| Possible Rescissions Levels | Rescission | Impact |
|-----------------------------|------------|-------------|
| | 1.50% | (762,375) |
| | 3.50% | (1,778,874) |
| | 5.00% | (2,541,249) |

Expect to have additional key factors released soon including:

1. The actual rescission amount
2. General guidelines release on required actions by BOR
3. Reforecast by System Office of Fringe Paid by State
4. Impact of Spring enrollment

Current trends indicate we will be able to offset a rescission through:

1. Retirement savings from new employees
2. Continue holding open selected positions that were budgeted but not as yet filled
3. Holding operating expenses close to FY 14 spending levels
4. Confirmation of lower SERS rate impact on Fringe Paid by State

Eastern Connecticut State University
 Personnel Changes since 10-3-14
 As of 11-17-14

New Hires

| Name | Title | Department | Eff Date | Union |
|------------------------|-------------------|----------------------------|------------|-------------|
| LaChappelle, Sherry A. | University Driver | Institutional Safety | 10/24/2014 | Maintenance |
| Petropoulos, Lisa | Project Associate | Center for Early Child Edu | 11/14/2014 | SUOAF |

Terminations

| Name | Title | Department | Eff Date | Union |
|---------------------|--------------------------|----------------------|-----------|-------|
| Brenner-Fricke, Amy | University Writer-Editor | University Relations | 11/9/2014 | SUOAF |

Retirements

| | | | | |
|-----------------------------|-------------------------------|---------------------------|-----------|----------|
| Kucharski, Patricia E. | Administrative Assistant | Dean Professional Studies | 10/1/2014 | Clerical |
| Guarnieri-Benham, Christine | Stud Development Spec/Advisin | Academic Advisement | 10/1/2014 | SUOAF |

Retirement Announced

| | | | | |
|------------------------|--------------------------|------------|----------|----------|
| Schimmelpfennig, Carol | Administrative Assistant | Admissions | 6/1/2015 | Clerical |
|------------------------|--------------------------|------------|----------|----------|

Search Status

AAUP

18 tenure track faculty searches: reviewing applications

Management

Chief Information Officer: reviewing applications

SUOAF

Director of Athletics: search committee formed
Coordinator of Gallery and Museum Services: reviewing applications
Teacher Associates (2 positions): reviewing applications
Asst to Dir of Auxiliary Services: suoaf internal posting
Campus Architect: paperwork initiated
Asst Dir of Acad Serv Center: filled through internal promotion by Alison LoPriore effective 11/14/14
Temporary Prog Assistant in Cont Education: filled by Arielle Rose, starting 11/19/14
Student Development Specialist (vacated by LoPriore): temp fill by Jessica Rudy, starting 1/2/15

Classified Searches

Administrative Asst, School of Edu & Professional Studies: interviewing
Police Officer: interviewing
Building & Grounds Patrol Officers (4 positions): reviewing applications
Stationary Engineer: reviewing applications
Custodian: reviewing applications
Library Technical Assistant: Reviewing applications
QCW - HVAC: filled, new employee starting 11/28/14
Mail Handler: filled internally effective 10/20/14