

Eastern Ad Hoc Budget Committee
Minutes
December 20, 2020
Via Web Ex
10 a.m.

Attendance:

Karyl Bulmer, Julia DeLapp, Kenneth DeLisa, Walter Diaz, Christopher Dorsey, Stephen Ferruci, James Howarth, Drew Hyatt, Nicole Krassas, David Mariasi, Diane Moore, Steve Muchiri, Elsa Núñez, Ed Osborn, William Salka, Timothy Viens, Angela Walker, Maria Weinberger, Janice Wilson

Absent:

Cynthia Brokaw, Robert Migliorino, Lori Runksmeier, Andrew White

Meeting commenced at 9 a.m.

1. Approval of Previous Meeting Minutes

K. DeLisa moved and W. Salka seconded that the minutes of the October 16, 2020, meeting be approved. The motion passed.

2. Welcome and General Update – E. Núñez

E. Núñez said how grateful she is for cooperation in the process to complete the semester. For spring classes, the goal is to have 65% face to face and 35% on line. For fall 2021, we plan to be back to normal.

In regard to the budget, no new resources are expected from the state. Eastern will have to redeploy money, and there is expectation that the budget will be cut.

3. Human Resources Update – K. DeLisa

K. DeLisa stated that new hires and refills must comply with System Office directives, and he expressed appreciation for all who have been cooperative and worked with human resources in this regard.

K. DeLisa reviewed Attachment A, Personnel Changes Since 10-16-20. He stated that there have been three new health and safety hires, one resignation, one end of contract, and three retirements. There are searches for five custodians and an Associate Director of Health Services.

In response to J. DeLapp's question about grant hires, M. Weinberger explained that the current process is to work with the Provost on approving grant positions. The Provost will then work with Human Resources and J. Howarth.

4. Enrollment Update – W. Salka

W. Salka reviewed Attachment B, Enrolment Report December 18, 2020. Table 1 shows spring retention numbers. The University is working to increase these numbers by helping students remove holds. Faculty advisors have been reaching out to assist struggling students.

Table 2 shows deposits paid this year versus last year. While we are up about 20 students, the proportion of new students who have paid housing deposits is down. Hopefully, the COVID vaccine and our plan to be back more in fall will build these numbers.

B. Salka informed the committee of new initiatives to improve enrollment management. These include: a more holistic approach to enrollment management, offering New York and New Jersey residents a tri-state rate, and participating in DC-CAP/Eastern Scholars program.

5. Housing Occupancy Report – W. Diaz

W. Diaz reviewed Attachment C, Student Affairs Housing Occupancy Report. Housing plays a huge part in revenue brought into the University and is driven by enrollment, retention, Bursar holds, and experience in residence halls. Over the last few years, fall occupancy has been in the low to mid 90%, while this fall we were 74-75%. This is the highest occupancy rate when compared to sister colleges. We anticipate 240 cancellations for the spring and 1,600 students living in residence halls.

Bursar holds and students not registered will prevent students from living on campus. The University has been working with students to remove account holds so they can register.

6. Eastern Connecticut State University Financial Update – J. Howarth

J. Howarth reviewed Attachment D, Ad Hoc Budget Committee, December 18, 2020. He explained that Housing revenue is important to us. We expected \$21.3 million in revenue, and it is now at about \$17.3 million. There are a lot of fixed costs for the University, so this is a significant impact to the bottom line.

The initial use of \$5.4 million in reserves has been revised to \$11.2 million. In October, the Board of Regents asked for another \$8 million in reductions from the universities of which Eastern's portion was \$1.4 million. We achieved savings through UA and student worker positions, overtime, meeting/banquets/conference, travel, office supplies, and utilities. Many of these savings are related to current COVID conditions. There were \$1.8 million in COVID expenses this year. The University could receive between \$3.5 and \$4 million from the federal government and will use these funds to replenish reserves.

Looking forward to our Mid-Year is being prepared and will be presented to BOR Finance Committee in February.

The meeting adjourned at 10:08 a.m.

Submitted by,
Rebecca Davis

Eastern Connecticut State University
Personnel Changes since 10-16-20
As of 12-18-20

New Hires		Department	Eff Date	Union
Name	Title			
Johnson, James G.	Bldgs&GrndPatrlOfcr	Public Safety	10/16/2020	Protect Serv
Balogh Jr, Richard M	MaintSupv2(Elect)	Facilities Management 1	11/6/2020	Maintenance
Wadecki, Jason Michael	Tech Dir/Prod Mngr Theatre	Performing Arts	12/4/2020	SUOAF

Terminations		Department	Eff Date	Union
Name	Title			
Resignation Smith, Kelly O.	Assoc Dir Health Serv	Health Services	11/25/2020	SUOAF

End of Contract
 Formiglio, Sophia M. Computer Support Trainee IT Support Services 11/6/2020 SUOAF

Retirement
 Hope, Anna M. Custodian Housekeeping 11/1/2020 Maintenance
 Gasper, Jutta Custodian Housekeeping 12/1/2020 Maintenance
 Simpson, Deborah Library Technician Library Services 12/1/2020 A&R

Searches

Hiring freeze in effect, some exemptions are being requested
 Searches for 5 custodians (Maintenance) and an Associate Dir of Health Services (SUOAF) are ongoing

**Academic Affairs Enrollment Report
Ad Hoc Budget Committee Meeting
December 18, 2020**

Table 1: Full-Time Students in Fall 2020 not Registered for Spring 2021

	As of 11/18/20			As of 12/15/20		
	With Holds	Without Holds	Total	With Holds	Without Holds	Total
First Year	206	99	305	100	78	178
Sophomore	100	100	200	52	72	124
Junior	83	60	143	44	53	97
Senior	45	161	206	22	43	65
Total	434	420	854	218	246	464

¹Eastern had 3,713 Full-Time Undergraduates in fall 2020: 23% unregistered on November 18; 12.5% unregistered on the last day of the semester.

² Anticipated December graduates have been removed from these data.

Table 2: New Admits Spring 2020 and Spring 2021 (as of December 10)

	Spring 2020				Spring 2021		
	Admits	Deposit Paid	Housing Deposit		Admits	Deposit Paid	Housing Deposit
First YR	18	7	4	First YR	36	16	12
Transfer	152	47	17	Transfer	165	56	13
Readmits	21	4	2	Readmits	17	6	1
Total	191	58	23	Total	218	78	26

New Initiatives to Improve Enrollment Management

1. More holistic approach to Enrollment Management
 - a. Created Director of Enrollment Management position (Chris Dorsey) to oversee both Admissions and Financial Aid Operations and Packaging
 - b. Continue to work on automating Financial Aid Packaging
2. New York and New Jersey Tri-State Rate – NEBHE rate applied to NY/NJ students. Combine to graduate 300,000 high school seniors annually, versus less than 40,000 in Connecticut
3. DC-CAP/Eastern Scholars – new Opportunity Program admitting 25 qualified District of Columbia students each fall. Special cohort rate of \$25,000 for tuition, fees, room & board

Student Affairs Housing Occupancy Report
Ad Hoc Budget Committee Meeting
December 18, 2020

Enrollment, Retention, Finances, Bursar Holds (past due balances) and Student satisfaction/experience on campus and in the residential halls are key drivers for growing and maintaining housing occupancy. Housing occupancy is also impacted from Fall to Spring by the number of Housing cancellations.

Occupancy Data

Fall 2017 = 2,437	96% Occupancy
Spring 2018 = 2,337	91% Occupancy
Fall 2018 = 2,435	95% Occupancy
Spring 2019 = 2,315	88% Occupancy
Fall 2019 = 2,400	93% Occupancy
Spring 2020 = 2,225	87% Occupancy
Fall 2020 = 1,810	75% Occupancy
Spring 2021 = 1,600	TBD

Housing Cancellations

Spring 2018-248
Spring 2019-245
Spring 2020-247
Spring 2021-166

Occupancy Management Group-manages occupancy for the residence halls in collaboration with Academic Affairs (Financial Aid, Academic Advising) and Bursar Office. Goal is to remove financial barriers for students to register and remain in housing. Team also works aggressively to get students to register for full-time credit load.

Health Services-removed holds on 72 students to allow registration

Financial hold threshold has been raised to \$2000-mindful in helping students and families with financial challenges but not allowing them to incur significant debt to persist

Bursar Holds

First Year	52
Sophomore	18
Junior	6
Senior	3
Total	79
Holds range from \$2K-\$23K	

Not Registered-No holds

		<u>0 Credits</u>
First Year	82	47
Sophomore	40	17
Junior	29	4
Senior	47	14
Total	198	82

Ad Hoc Budget Committee

December 18, 2020

At our previous meeting we reviewed the revised budget submission which showed an \$11.2 million use of reserves, an increase of \$5.4 million from our original budget submission, due to the increased expenses of covid-19 and the lower revenue from fall enrollment and housing occupancy. We discussed how at the Board of Regents Meeting in October, the Chairman of the Finance Committee presented a revision to the budgets submitted by the four universities that called for an additional \$8.0 million dollars in reductions for FY 2021. This included a \$1.4 million reduction for Eastern, identifying Lecturers \$309,469, University Assistants \$158,109, Graduate Interns \$57,099 and Other Operating Expenses of \$875,734.

Since the BOR meeting, CFO Ben Barnes suggested we could also use alternative savings to reach the \$1.4 million in reduced expenses. As part of the Mid-Year Budget Update, we are working on collecting where we will be able to find other expenses to reach the target of \$1.4 million. We have collected revised projections from all areas and currently Karyl is compiling the expense information, while we wait for spring enrollment and housing revenue projections.

Based on the current expense projections, we expect to be able to meet our target with savings in University Assistants \$300k, Student Workers \$1.1 million, Other Part-time \$93k, Overtime \$378k, Meetings/Banquets/Conferences \$300k, Travel \$393k, Office Supplies \$245k, and Utilities \$436k. At this time, it is not known how much we will receive for Corona Relief Funds. Our current covid-19 expense estimates are approximately \$1.8 million for additional expenses such as quarantine meals, paper goods for grab-n-go dining, cleaning services, personal protection equipment, installing additional wi-fi, and covid-19 testing services.

We received good news at the December Finance Committee that the state has committed an additional \$11.7 million for the CSU's to help offset the housing and meal plan refunds that were made last spring. This may impact our current FY 2021 Projection and will replenish reserves used in FY 2020 to fund the spring refunds. Eastern could receive between \$3.5 million to as much as \$4.4 million from this additional funding. As a reminder, Eastern refunded \$6.6 million in housing and meal plans in the spring and our only offset support was our Institutional Portion of the CARES Act where we received \$2.2 million in institutional aid. Because the aid was based on a Federal formula using need versus non-need-based students, the larger schools received roughly twice that of our CARES ACT funds and were able to cover a much larger portion of their refunds. Because we have a greater portion unrecovered, I expect to see our portion of the additional State relief to be larger than the other universities.

I believe the letter issued to the Eastern Community following our last meeting provided valuable current information regarding the financial challenges we are facing and how we as a University are responding to these challenges.

At this point, we are looking forward to the spring semester with the expectation that we will be able to complete the semester as scheduled and not be required to move to remote learning only. The financial risk remains to send students home and refund housing and meal plans for a second time. We remain optimistic with vaccinations beginning to roll out and in the possibility of a more normal Fall 2021 semester.

At the December 17, 2020 BOR Meeting, we expect to have two new opportunities for enhancing our tuition revenue approved as part of the consent agenda. They are expected to provide increased enrollment from New York, New Jersey, and Washington DC. Provost Salka will provide greater detail about each program. The first opportunity is where students from New York and New Jersey will be able to attend Eastern at tuition and fee rates that are equal to our NEBHE rates. The second opportunity is called the District of Columbia College Access Program (DC-CAP) which will allow a cohort of 25 students from Washington DC to attend Eastern for a fixed fee of \$25,000 for tuition, fees, room, and board. Most of the program will be paid for through a privately funded nonprofit organization scholarship and supplemented by Pell Grants and a combination of private scholarships, loans and family contributions. Eastern will contribute a small scholarship to arrive at the total \$25,000 cost of attendance.

Both opportunities represent a substantial savings for the students that will make Eastern compare favorably with other options these students will have when determining where they will attend.

Looking forward, our Mid-Year Budget Update is currently being prepared and will utilize projected operating savings from the recent projection, combined with the spring enrollment and housing numbers. The Mid-Year Budget Update is due to the System Office January 29 for presentation to the BOR Finance Committee at their February meeting. The spring semester enrollment and housing information will determine our ability to reduce the amount of reserves required to complete this year. We will share the Mid-Year Budget Update at our next meeting.