



**Connecticut State
Colleges & Universities**

Mark E. Ojakian
President

October 15, 2019

Senator Will Haskell
Representative Gregg Haddad
Higher Education and Employment Advancement Committee
Legislative Office Building, Room 1800
300 Capitol Avenue
Hartford, CT 06106

Dear Senator Haskell and Representative Haddad:

In response to your letter dated October 7, 2019, please see the following responses below and attached.

Financial:

1. A list of personnel, by title, who have been hired at the system office in the last two years:

We have provided information on the system office personnel who have been hired over the past two years. For each, we've provided salary and fringe benefit info, whether they were hired to support consolidation or a refill of a vacancy for general positions. There were 44 hires over the two year period with a salary and fringe totaling \$7.6 million. During the same period 26 staff left service, accounting for \$4.3 million in salary and fringe savings.

This information is listed in the attached spreadsheet. The rows in yellow are temporary hires related to the consolidation. The rows in orange indicate permanent hires as part of the one college.

2. An update of the chart on pg. 33 of the April 2019 report to NECHE, with a few adjustments:

In our April 2019 report to NECHE we provided a chart on the planned personnel changes and attrition already achieved, by area of work. An update on these figures will not be available until we close the books of FY 19. We are happy to provide this information at that time.

3. Re: specific savings goals:

a. What do you anticipate will be the purchasing savings generated in FY 20 by the VP of Purchasing?

The VP of Purchasing is anticipating \$500,000 of identifiable savings resulting from her activities in FY 2020, with greater savings in subsequent years. Some of the anticipated cost savings will be achieved by collaboration efforts with UConn supported by a recent MOU signed between both organizations. Leveraging our combined spend and resource talent, UConn and CSCU recently joined forces to procure IT hardware and professional services from about 25 vendors for our most used IT goods and services. We have kicked-off an initiative to better align our sourcing and contracting procedures for future collaborations and have already had joint compliance training on federal funding procurements (that was at no cost to CSCU). We are currently looking at commodities to conduct a joint reverse auction and "bulk buys", potentially incorporating UConn's spend into our practices. Most recently, CSCU and UConn

committed to join (as the lead State partners) other Connecticut private higher education institutions for a number of commodity "bulk buys" including mattresses and paper.

b. The April 2019 NECHE update contained a goal of \$2.4 million in savings from lower Facilities overtime costs. Is that goal: (1) still in place and (2) realistic?

The goal listed in the April 2019 NECHE update was incorrectly reported. The Students First plan includes savings across both the colleges and universities for facilities overtime of \$1.5 million based on a limit of 2.5% of base salary in OT for normal scheduling requirements. That has not been achieved yet, and will be a challenging goal that requires changing work behaviors. The system office is going to issue guidelines regarding limitations on OT, with exclusions for emergencies, later this fall.

4. Updated budget projections:

The Community College budget projection was last updated on June 6, 2019. That projection reflects preliminary fringe benefit rates and appropriations included in the biennial budget. It has not yet been updated with actual results for FY 19. We will carry out a new projection based on FY 19 actuals, actual attrition to date, and a comprehensive re-examination of other assumptions, for January, 2020. See attached updated budget projections from June 2019.

5. List of the campus-level and System Office reductions that are being carried out in FY 20, in order to meet savings targets:

At its June 20, 2019 meeting the Board of Regents approved a spending plan for the Community Colleges that included a provision that the system find reductions from the proposed plan in order to limit use of reserves to \$8 million in FY 2020. Based on that action, the System Office has worked with regional leadership to develop campus-based plans that will allow us to meet the Board's objective while minimizing the impact of any cuts on students and their prospects for college success.

The process by which these plans were developed is summarized below:

- Targets were developed based on budget size for each campus. These targets were revised based on initial feedback from campuses.
- Each campus was asked to develop specific options to accomplish the savings or additional revenue in order to satisfy those plans. The campuses met regionally as part of their respective deliberations.
- Plans were submitted to the System Office where they were reviewed for accuracy.
- Each region convened with System Office staff to review the options presented for each campus. At those meetings several options were discarded because they were deemed to have a negative impact on students or were not able to be achieved.

The final reduction options that have resulted from this process total \$10,980,773. These reductions will bring the colleges' use of reserves down from \$19.6 million to \$8.7 million. While this number is slightly higher than the \$8 million cap set by the Board, it is reasonable to expect that additional attrition or other savings opportunities will develop over the remainder of the year. The reduction options are summarized below:

	<u>Projected Reduction Options</u>
Additional Revenue & Transfers	\$1,530,199
Reduction to Personnel Services (FT & PT positions)	5,065,293
Reduction to Fringe Benefits	3,186,543
Reduction to All Other Expenses	1,198,738
Total Reduction	<u>\$9,450,574</u>
Grand Total	<u>\$10,980,773</u>

- Throughout the Community College system, savings flow from a decline in personnel cost across the board. Many institutions are electing to forgo replacement for vacancies or delay hiring when vacancies occur.
- Some vacancies are being eliminated (6 full-time positions and 17 part-time positions) due to department reorganization per Students First implementation plan. A total of 32 full-time vacant positions plus 7 positions held by those who announced their retirement will not be filled during FY2020.
- There is a trend of increasing number of shared positions (12 positions) among campuses in areas such as: Management, Institutional Research, Marketing, and Enrollment Management.
- In many cases, campus leaders are able to achieve savings through unfilled positions because they have found creative ways to reorganize functions and complete critical work using existing staff or new part-time positions.

During the review process, a number of reduction options were rejected because they would have a negative impact on students. These rejected options would have left vacant a number of critical positions (7 full-time and 21 part-time) and produced additional savings of \$1.25 million. In each case, there was consensus among the respective region that the options in question were not advisable.

The total value of the accepted reduction options by college are shown below, including a proportionate reduction at system office:

<u>Community Colleges</u>	<i>Accepted Reduction Options</i>
Asnuntuck	(\$309,831)
Capital	(875,111)
Gateway	(1,915,290)
Housatonic	(824,528)
Manchester	(1,334,380)
Middlesex	(590,345)
Naugatuck Valley	(948,110)
Northwestern	(207,483)
Norwalk Quinebaug Valley	(1,300,877)
Three Rivers	(913,987)
Tunxis	(494,499)
CCC SO	<u>(870,232)</u>
	(\$10,980,774)

See attachment for more detail.

6. **The contractual requirements for FY 22 and FY 23 raises, by bargaining unit (and for non-unionized personnel, any increases required in employee-specific contracts):**

All contract terms are subject to state bargaining and our contracts expire in Summer 2021 (FY22).

7. **The amount of any consulting fee paid to the National Center for Higher Education Management Systems (NCHEMS) to review the Students First submission to NEASC, at Dr. Brittingham’s suggestion, sometime between April and June 2018. Also, does BOR plan to hire NCHEMS as a consultant for future Students First matters?**

In May 2018, CSCU initially hired NCHEMS to review NECHE’s response to our substantive change proposal. The cost of that review and in person meeting totaled \$7,166. We are in discussions with them about how we can utilize their services moving forward as their national experience and expertise in

working with the Commission and particularly the accreditation standards will be very valuable to our work.

Consolidation of Curricula:

- 1. Provide a list of current members of the Students First Academic and Student Affairs Consolidation Committee (names, positions, and method of appointment).**

Please see the attachment. We have provided a list of current SF ASA members here, which is charged with the responsibility to work out the details associated with the one community college consolidation related to academic and student affairs on the twelve community colleges. Specifically, the committee provides guidance on the alignment of academic programs (shared and differentiated), assessment, policies, procedures, institutional data, websites, catalogs and other relevant issues to campus constituents. Additionally, there are two working groups, one on general education and one on shared governance. Related to curricula alignment, 52 teams of 400 faculty have been invited to work on program alignment. All of those names are also provided.

Central Administration:

- 1. Provide HECC with a current organizational chart for community college governance (include names, titles, and start dates/projected start dates).**
Attached you will find an organizational chart that shows the relationship between campus, regional, and system leadership.
- 2. Will the hiring of additional personnel be necessary to facilitate the consolidation? If so, what are the project positions and their costs?**

Additional people have been and will be hired to support consolidation particularly in the areas of guided pathways, curricula alignment, and technology. See the chart provided to question 1, that highlights the temporary hires under consolidation and their associated costs.

Accreditation:

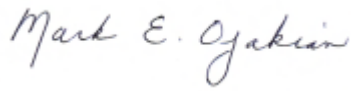
- 1. Provide each community college’s current accreditation expiration date.**

Below we have provided each community college’s current accreditation expiration date.

NECHE Accreditation Schedule		Due Date
1	Quinebaug Valley Community College	FA21
2	Tunxis Community College	FA21
3	Housatonic Community College	SP22
4	Manchester Community College	SP22
5	Middlesex Community College	FA22
6	Naugatuck Valley Community College	FA22
7	Three Rivers Community College	FA22
8	Northwestern Community College	SP23
9	Norwalk Community College	FA24
10	Asnuntuck Community College	SP26
11	Gateway Community College	SP26
12	Capital Community College	FA26

As always, we're happy to answer any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Mark E. Ojakian". The signature is contained within a thin black rectangular border.

Mark E. Ojakian, President
Connecticut State Colleges and Universities