BOARD OF TRUSTEES
FOR THE
CONNECTICUT STATE UNIVERSITY SYSTEM
REGULAR MEETING
MINUTES
10:00 a.m., Thursday, April 7, 2011
Grand Ballroom, Adanti Student Center, Southern Connecticut State University
New Haven, CT

TRUSTEES PRESENT
Richard J. Balducci, Vice Chairman
Theresa Eberhard Asch, Secretary
Michael A. Caron (via teleconference)
Andrew Chu
Mercedes DeMasi
John A. Doyle
Angelo J. Messina

John H. Motley
Scott A. Nolan
Peter M. Rosa
Ronald J. Pugliese
John R. Sholtis, Jr.
John P. Sullivan

TRUSTEES ABSENT
Elizabeth S. Gagne
Gail Hill Williams
Ryan C. Sheehan

OTHER OFFICIALS
Louise H. Feroe, Acting Chancellor, Connecticut State University System (CSUS)
Jack W. Miller, President, Central Connecticut State University (CCSU)
Elsa Nuñez, President, Eastern Connecticut State University (ECSU)
Selase Williams, Provost, Southern Connecticut State University (SCSU)
Stanley F. Battle, Interim President, Southern Connecticut State University (SCSU)
James W. Schmotter, President, Western Connecticut State University (WCSU)

STAFF TO THE BOARD
Erin A. Fitzgerald, Associate for Board Affairs

CALL TO ORDER
Vice Chairman Balducci called the meeting to order at 10:00 a.m., and, following roll call and announcing emergency exit locations, declared a quorum present.

ADOPTION OF AGENDA
Vice Chairman Balducci requested a motion to adopt the agenda as presented. Trustee Doyle moved to adopt the agenda with the addition of resolutions for the System Level honorees for Teaching and Research Awards under CONSENT. On a motion by Trustee
Sholtis, seconded by Trustee Eberhard Asch, the agenda as presented was adopted with the addition of the aforementioned System Level honoring resolutions under CONSENT.

APPROVAL OF MINUTES

Vice Chairman Balducci requested a motion to approve the Minutes of the February 9, 2011 Meeting; on a motion by Trustee Sholtis, seconded by Trustee Eberhard Asch, the minutes were unanimously approved.

CONSENT ITEMS

Vice Chairman Balducci requested a motion to approve the following items on Consent; Trustee DeMasi moved; Trustee Sholtis seconded; motion unanimously passed.

- **Henry Barnard Distinguished Student Award Honorees for 2011**
  - Central Connecticut State University:
    - Mary-Jo Callaghan
    - Rustan Javier Crespo
    - Kathryn Lonczewski
    - Lauren Salvia
  - Eastern Connecticut State University:
    - Michelle Marie Kaczynski
    - Connor Patros
  - Southern Connecticut State University:
    - Samantha Benson
    - Logan Lentz
    - Raymond Nardella
    - Jennifer Peterson
  - Western Connecticut State University:
    - Bryan Bielefeldt
    - Emily Cole

- **Honoring former Trustee L. David Panciera**
- **Board Chairman Emeritus designation to Karl J. Krapek**
- **CSUS Chancellor Emeritus & ECSU President Emeritus designation to Dr. David G. Carter**
- **University & System Level CSUS Trustees Teaching Awards**
  - Dr. Joseph B. Farhat, CCSU
  - Dr. Christopher Torockio, ECSU
  - Dr. Misty Ginicola, SCSU
  - Dr. Galina Bakhtiarova, WCSU *(System Level Award)*
- **University & System Level Norton Mezvinsky CSUS Trustees Research Awards**
  - Dr. Matthew G. Specter, CCSU
  - Mr. Qimin Liu, ECSU
  - Dr. Elliott P. Horch, SCSU *(System Level Award)*
  - Dr. Damla Isik, WCSU

VC Balducci remarked that the presentation of the honors for the teaching and research awards would take place at the end of the report of the Academic Affairs Committee.
CHANCELLOR AND PRESIDENTS’ REPORT

Acting Chancellor Louise H. Feroe shared remarks concerning the fiscal challenges and opportunities the universities and system faced, noting that the work of the System and universities was moving forward, with all involved continuing to leverage the relationship among the universities to improve the effectiveness and efficiency of all for the benefit of the citizenry of Connecticut.

SCSU Provost Williams, on behalf of Interim President Battle presented a video and a narrative covering the positive events, initiatives and growth which have taken place at SCSU over the course of the past year.

ACADEMIC AFFAIRS COMMITTEE

Trustee Doyle noted the Academic Affairs Committee met on March 30, 2011 and recommended approval of the following items

The nomination of Allan Houston to receive an Honorary Doctor of Humane Letters from Western Connecticut State University. A native of Louisville, Kentucky, Mr. Houston is a two-time NBA All-Star, a Team USA Olympic Gold medalist, a philanthropist and the founder of the Allan Houston Legacy Foundation. This organization has served over 1,500 participants across the country though economic empowerment programs, the promotion of a strong family unit entrepreneurship initiatives, and education and life skill development with the enhancement of spiritual growth. Mr. Houston's professional sports career included playing with the Detroit Pistons and the New York Knicks, where he is currently the Assistant General Manager. He has also been an international ambassador for the NBA and an ESPN analyst. President Schmotter indicates that Mr. Houston has confirmed his willingness to accept this Honorary Doctorate in Humane Letters at the university's Commencement Exercises on May 22, 2011. On a motion by Trustee Doyle, seconded by Trustee Sullivan, the aforementioned nomination was unanimously approved.

A Resolution Rescinding BR #11-02 and Approving the Modification of the Master of Science Program in Data Mining Only at Central Connecticut State University. Trustee Doyle stated that the resolution eliminates the unnecessary approval of the modification of the Graduate Certificate Program, keeping the Masters program modification in place. The MS modification responds to the need to facilitate program completion by students who are currently employed and who may only have partial mastery of theoretical mathematics. In the more focused program, course credits in the applied areas of statistics are increased, expanding the courses and introducing cutting edge and emerging
techniques. The number of required credits is reduced from 36 to 33 and some course requisites are eliminated or streamlined to better fit requirements. On a motion by Trustee Doyle, seconded by Trustee Pugliese, the resolution was unanimously approved.

Approval of a Master of Science in Applied Physics Degree Program at Southern Connecticut State University. This innovative Masters program uses a Professional Science Masters (PSM) model and will be the first one in the Physical Sciences offered in the state. The program prepares specialized bench-level scientists to conduct industrial research, develop commercial applications, and engage in entrepreneurship ventures. The program will be housed at the Department of Physics in partnership with the departments of Chemistry and Computer Science, and with the School of Business at the university. Graduates will specialize in one of two tracks: Materials Science and Nanotechnology, or Optics and Optical Instrumentation. The curriculum consists of 36 credits, 18 of them required credits in science and business. Six credits of specialization in the either track, two elective courses, and a thesis or special project and industrial internship component complete the program. Faculty, courses and facilities and equipment are in place or have receiving necessary internal and federal support. On a motion by Trustee Doyle, seconded by Trustee Motley, the resolution was unanimously approved.

Presentation of University and System Level Trustee and Teaching Awards. Recipients of the Trustees Teaching and Research Awards which were approved under the CONSENT portion of the agenda, were recognized by Vice Chairman Balducci, Trustee Doyle, Acting Chancellor Feroe and their respective University Presidents.

Trustee Doyle shared that the Committee also reviewed the Universities Internationalization Reports. The reports documented the efforts at each university to internationalize the curriculum, create a global mindset among students and faculty, and engage in partnerships with institutions abroad. The continued advancement of this work in a strained financial climate for our universities and students is testimony of the heightened awareness of area at our institutions.

DEVELOPMENT COMMITTEE

Trustee Pugliese reported that the Committee met on March 4, 2011 and that the quarterly gift income reports from the universities were reviewed. All four universities, Committee Chairman Pugliese noted, continue to realize success with the various fundraising events and annual campaigns. He noted that even during the current difficult economic times, support continues to come in for various
scholarships and programs benefitting the students. The VPs for Institutional Advancement were to be commended for their continued exemplary efforts in this regard.

**STUDENT LIFE COMMITTEE**

Trustee Eberhard Asch reported that the Student Life Committee approved the 2010 Connecticut State University System Foundation’s Henry Barnard Distinguished Student Awards and read the honorees’ names into the record, which were previously approved under the CONSENT agenda. Trustee Eberhard Asch also noted, on behalf of members of the Student Life Committee, their deep appreciation and gratitude to former Trustee David Panciera for his tireless, selfless and committed devotion to the students of CSUS during his tenure as a member of the Board.

**FINANCE AND ADMINISTRATION COMMITTEE**

Trustee Messina reported that the Finance and Administration Committee met on March 31, 2011 and had five items to bring before the Board.

**Connecticut State University System’s Research Grants.** The CSUS–AAUP/CSUS–BOT Contract provides funding for Connecticut State University System research grants to be distributed to each university according to a formula based on the number of full-time faculty at that university. Proposals have been screened by a joint group of faculty appointed by management and AAUP with the approval of the Chancellor. Successful proposals are recommended to the Board for its approval within budgeted funds, which in the current year are $787,722 plus $94,563 of unexpended funds carried over from the prior year. The joint committee is recommending 193 proposals involving the efforts of 211 faculty members. The amount and number of recommended proposals are up slightly from last year, and remain an important tool in promoting research and scholarship by the faculty. **On a motion by Trustee Messina, seconded by Trustee DeMasi, the research grants as presented were unanimously approved.**

**Maintenance of Child Care Center at Central Connecticut State University** Since originally authorized in 1977 through BR#77-77 and reaffirmed in 1987 through #87-36, Central has provided a child care program. While the primary intent was to benefit the students of CCSU, since inception, the child care center has expanded beyond just CCSU students to include students, faculty, staff, alumni and residents of the City of New Britain. The resolution before you today once again reaffirms the authorization for Central to maintain a child care program, which has been outsourced to a licensed child care provider, Early Learning Center, Inc., and stipulates that fees charged to CCSU students for child care services are to be provided at a lower rate than those charged to other users of these
services. **On a motion by Trustee Messina, seconded by Trustee Rosa, the resolution was unanimously approved.**

**Lease of 1285 East St., New Britain, CT to Early Learning Center, CCSU.** Trustee Messina reported that the not for profit licensed child care provider at Central, The Early Learning Center, Inc. (ELC), has been providing child care service at Central’s 1285 East Street property since 2002. Recently it was discovered that the arrangement was never formalized with a written property lease. CCSU proposes to enter into a lease agreement with ELC for a three (3) year initial term with two (2) automatic renewals of two (2) year terms each, with an annual rental of one dollar ($1.00). As further consideration for the granting of this lease, ELC agrees to provide priority enrollment to CCSU’s students and employees; and that CCSU’s students will be charged discounted fees on a sliding scale as agreed to with CCSU.

The lease agreement also stipulates that the leased property will only be used for the purpose of providing pre-school programming and early educational needs to young children of the students, staff and faculty members of CCSU, as well as residents of New Britain. ELC is obligated to comply with all ordinances and regulations affecting the leased premises and the use and occupation of the property.

Approval is conditional upon the State Treasurer’s determination that the lease will not affect the status of any tax-exempt obligations issued by the State of Connecticut. **On a motion by Trustee Messina, seconded by Trustee Sholtis, the resolution was unanimously approved.**

**Authorization to Borrow from the State of Connecticut Health and Education Facilities Authority.** Trustee Messina noted that the Resolution seeks approval for CSUS to secure additional bonding through CHEFA in an amount not to exceed $30,000,000 to finance a 1,200-vehicle student parking garage at Southern and other auxiliary service capital projects. It is anticipated that the bonds would be issued in June of this year, which would be Series J. In addition to the parking garage, the bond proceeds would be used to renovate residence halls and to complete minor capital projects at all four universities, as well as to finance design funds for a new food service facility on the northeast campus of Central. The System has the capacity to repay these bonds with 80% of Southern’s parking garage repaid using Southern’s student Parking Fees, and the rest repaid through University Fee revenues.

The Committee also discussed opportunities to refinance previous CHEFA bond issues should there be savings. There is an existing **Board Resolution #05-31** that authorizes this refunding so long as: 1) the net savings of any refunding are at least 3% of the par value of the refunded bonds; and 2) the aggregate net savings are not less than $250,000 on a present value basis. **On a motion by Trustee Messina, seconded by Trustee Sholtis, the resolution was unanimously approved.**
FY 2011-2012 Tuition and Fees. Trustee Messina reported that the State continues to feel the effects of the economic downturn, with a cumulative budget deficit now forecast for FYs 2012 and 2013 of over $6 billion.

Back in September of 2010, the Board approved BR#10-72 holding tuition and fees for fiscal 2012 flat with fiscal 2011 for all four of the CSUS universities, with the exception of Student Accident and Sickness Insurance, as these are simply pass-through charges. At the time, we said we would need to re-examine this decision if the Governor and the General Assembly reduced the level of funding to CSUS in the FY 2012-2013 Biennial Budget.

The new Governor declared that the severe fiscal challenges facing the State would require “shared sacrifices.” We saw the impact of these sacrifices to CSUS on February 16, 2011, when the Governor released his proposed biennial budget with a reduction to CSUS’s FY12 Current Services request of approximately $21.8 million, and with a similar reduction in FY13. These reductions come on top of the $15 million of fund balance transfers over the past two years. And while State funding is diminishing, costs are increasing. Energy costs are once again spiraling, inflation is expected to increase, and FY12 includes both an additional pay period (a phenomenon which occurs once every ten years) as well collectively bargained increases after the last wage freeze, not to mention the extra day of operating costs because it is as a leap year. Despite these challenges, we are committed to maintaining the quality of our academic and student programs and services, while working hard to ensure that our universities remain accessibility and affordability.

After much deliberation and analysis, we believe a modest tuition and fee increase is necessary in order to mitigate the decline in State funding while preserving access and affordability. We propose that tuition and fees increase by 2.5% in FY12. For an in-state undergraduate student, this translates into an increase in tuition of $101, an increase in Tuition and Mandatory Fees of $198 and an increase in total Tuition and Fees (including housing and food service) of $446 or 2.5%. This level of increase would result in an increase in revenue of approximately $7.8 million, which would offset about one-third of the reduction in the Current Services request.

Two additions to Tier II Fees are also proposed. The first is a 2.5% credit card convenience fee which would be charged to any student utilizing a credit card to pay for tuition and fees. The cost of accepting credit cards has continued to grow as the use of credit cards has expanded, due to the per-transaction fees charged by credit card processors. It has not been unusual for universities around the country to either pass these additional costs on to the student in the form of a convenience fee (as does
UConn), or to cease accepting credit cards entirely. The cost to CSUS in FY10 of accepting credit cards was $2.1 million. Studies have shown that the implementation of a credit card convenience fee does not impact student access. Many of our universities offer a budget plan for a nominal fee that allows for the monthly payment of tuition and fees, avoiding the credit card fee and interest charges on their card.

The second Tier II fee, proposed by CCSU, is the addition of a lab fee of $300 per semester for full-time undergraduate Nursing students, and a $25 per credit hour fee for part-time undergraduate Nursing students. SCSU and WCSU currently charge similar lab fees to their nursing students. Such a fee is necessary to keep nursing labs properly supplied, maintained, and supported.

The recommended increase will assist CSUS in maintaining the quality of its programs and services, and will enable more financial aid to be provided to needy and middle-income students, since this level of increase will result in a $517 thousand increase in the 15% set-aside for needy students (which CSUS typically exceeds).

While the State and this Governor place a high priority on higher education, as is evidence by their support of CSUS 2020 and our borrowing from CHEFA, the fiscal realities facing the State have resulted in steadily diminishing support. Ten years ago, nearly half [48%] of all of CSUS’ operating funding came from the State, today it comprises only 40%, still a significant portion. Even with the tuition and fee increases, the universities and Systems Office will need to continue their aggressive efforts to take costs out and close the remaining gap in the biennial budget funding. On a motion by Trustee Messina, seconded by Trustee Rosa, the resolution was unanimously approved.

Trustee Messina added that the Committee also reviewed two information items, including the current status of CSUS 2020 Projects, a copy of which was provided to all Board members in their binder. report is in your folder. The Governor approved the $95 million of CSUS 2020 bond funding for this fiscal year, citing the importance of investing in our universities, including the new fine arts building at Western and a new classrooms at Central. The Committee was also informed that all but two of the CSUS 2020 projects are on or close to schedule. One project, a new classroom building at Central, was delayed because of performance issues with the design consultants which have now been corrected; and the project is now slated for completion in late spring of 2013. The other project, the renovation of the old Student Center at Southern to accommodate the new School of Business, was delayed because half [$3.3 million] of the required $6.5 million project costs needed Bond Commission approval which had not been forthcoming The Committee received good news here, too, as funding for this project was approved at the February 24 Bond Commission meeting, and the project can now move forward. Finally, the Committee reviewed the Quarterly Operating Fund Report for the Second Quarter of Fiscal Year 2011,
provided to the Department of Higher Education. Revenues and expenditures are on schedule with the budget, and comparable to last year’s progression.

Trustee Messina concluded noting that the Committee believes the System and Universities are continuing to take fiscally prudent actions to deal with the current fiscal crisis facing the State, working very hard not to jeopardize the quality of education that the CSU System provides to its students.

EXECUTIVE COMMITTEE/CHAIRMAN’S REPORT

Vice Chairman Balducci noted the Executive Committee met Thursday, March 31 and that the Honoring Resolutions emanating from that meeting were approved on Consent at the start of today’s full Board meeting. He noted of those resolutions for Trustee Panciera, former Board Chairman Karl Krapek, and former CSUS Chancellor and ECSU President Dr. David Carter, there was no remuneration associated, but, rather, appropriate recognition due outstanding individuals for their inestimable contributions to the students, faculty and staff of the Connecticut State University System and the State of Connecticut.

University Foundation Independent Audit Reports. While not an item for the Board’s action, VC Balducci reported that the Executive Committee accepted the independent financial audit reports of the four university Foundations. The Committee noted with appreciation the success in efforts made to provide for consistency in reporting requirements. VC Balducci echoed Trustee Pugliese’s remarks conveying appreciation of the hard work done at our universities in the area of development, particularly during these challenging economic times.

Strategic Focus Initiative – Every Board members received a copy of the summary overview of the strategic focus workgroups. This Board is appreciative of the work effort undertaken on this initiative. Having said that, however, it was determined the most appropriate course of action was to table the matter of convening another work session pending the outcome of the state budget deliberations this legislative session.

VC Balducci thanked the Office of the Governor and the State legislature for their support as most recently evidenced by the addition of CSUS items to the agenda of the State Bond Commission meeting. While there is a lot of discussion going on at the legislature regarding higher education governance in the State of Connecticut, it is clear that the Connecticut State University System is in integral part of the key to success.

VC Balducci announced that he was convening a Trustees Search Committee for the purpose of beginning the SCSU Presidential Search process, thanking those trustees who accepted his request to
serve with him on the Trustees Search Committee: John Motley, John Sholtis, Angelo Messina, Liz Gagne, Scott Nolan, Terry Eberhard Asch, and Ron Pugliese.

VC Balducci noted that as with every the CSUS Board has initiated for a permanent president or chancellor, search procedures will be followed stringently ensuring that there are meaningful opportunities for the entire university community, through the University Advisory Committee (UAC), to inform and advise the Board’s deliberations. He reiterated the expectation that Southern’s new president will be selected prior to the end of the 2011-12 academic year.

By early next week correspondence will be directed to the leaders of the constituencies identified in our Board bylaws (teaching & administrative faculty and staff; students; and alumni) advising them of the composition of the Advisory Committee membership and requesting them to select the individuals who will represent them on the UAC.

VC Balducci concluded by noting that it was his expectation that by the end of the current academic year, the profile which will be utilized as part of the recruitment process for the next president will be completed. In September, the recruitment and selection process will begin in earnest in order to meet the goal of appointing a president prior to the end of the 2011-12 academic year.

**ADJOURNMENT**

Vice Chairman Balducci requested a motion to adjourn. Trustee Motley so moved; Trustee Rosa seconded the motion and the meeting was adjourned at 11:35 a.m.

Respectfully submitted,

Theresa Eberhard Asch, Secretary