

AGENDA  
Meeting of the  
BOARD OF GOVERNORS FOR HIGHER EDUCATION  
Department of Higher Education  
Hartford, CT  
November 19, 2008  
9:30 a.m.

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Information  
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1. Call to Order
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5. Report of Commissioner
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9. Other Business	
10. Report of the Standing Advisory Committee	
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## STAFF REPORT: ACADEMIC AFFAIRS AND PLANNING

Institution: University of Connecticut

Item: Accreditation of a program in Microbial Systems Analysis, leading to the Master of Science (M.S.) degree

### Background

The University of Connecticut has applied for accreditation of a program in Microbial Systems Analysis, leading to a Master of Science (M.S.) degree. The program was developed as a professional master's degree with the assistance of the Sloan Foundation. The program responds to a need for individuals trained in the applied aspects of biological sciences and biotechnology and is designed particularly for candidates who are not interested in the Ph.D.

The program was licensed by the Board of Governors for Higher Education, without stipulations, in October 2004, through September 30, 2006. It is one of three Professional Science Master's degree programs at the University, all of which were originally funded by a grant from the Sloan Foundation. The other two programs—in Applied Genomics and in Applied Financial Mathematics—are active and healthy, but this program faced some obstacles as it was implemented.

In the spring of 2006, the University therefore requested extension of the program's licensure. It did so because various unexpected and unforeseen developments had slowed the program's growth. First, the coordinator of the program became ill shortly after the program was licensed and did not recover enough to return and pick up the leadership of the program. In addition, at nearly the same time, the University's Microbiology faculty was hit by several retirements and resignations, a fact that led to an unexpected need to deploy the existing faculty to meet the department's undergraduate teaching responsibilities. During that period of licensure extension, the University expected that the Department of Molecular and Cell Biology, which offers the program, would have resolved some of its faculty issues, including the hiring of a faculty member who has agreed to serve as the Director of the Microbial Systems Analysis program and who also helps with the teaching of microbiology.

The Advisory Committee on Accreditation, at its meeting on October 16, 2008, reviewed the University's application for accreditation and found it to be in compliance with Board of Governors approval standards. The vote to recommend approval to the Board of Governors was all in favor, with Robert McCarthy of the University of Connecticut abstaining.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education accredit a program in Microbial Systems Analysis, leading to the Master of Science (M.S.) degree, offered by the University of Connecticut, for a period of time concurrent with institutional accreditation.

## Description

### Purpose and Objectives

The program is intended to provide students with comprehensive training in microbiology along with coursework in regulatory and public health issues. Its goal is to provide graduates with an advanced understanding of the complex interrelationships among microorganisms in the environment and their behaviors in engineered systems. The program also seeks to provide students with an awareness of the legal and regulatory issues involved in the application of such engineered systems.

### Administration

The program's Administrative Head is a member of the faculty in the Department of Molecular and Cell Biology and Associate Dean of the Graduate School. The academic policies and procedures that govern the Graduate School apply to this program, including admission requirements, general academic requirements, graduation requirements, and program review policies.

### Curriculum

The number of credits required for the degree was reduced from the original 35 credit licensure requirement to 33 credits, to bring this program into line with the other two PSM program requirements. The curriculum has evolved with the change in faculty, although the overall organization has not changed. The current degree requirements include 16 credits chosen from a set of common core courses, plus at least 9 credits from a set of specialized microbiology courses. An additional set of 5 credits of Professional Master's cohort courses, public policy/regulatory courses, and workshops, along with 3 credits of internship, complete the degree requirements. The following table shows the specific courses.

<b>Common Core Curriculum (16 credits)</b>	<b>Credits</b>
MCB 5001, Biochemistry	5
MCB 5426, Genetic Engineering & Functional Genomics	3
MCB 5427, Laboratory Techniques in Functional Genomics	1
MCB 5471, Current Topics in Molecular Evolution	1
MCB 5616, Experiments in Bacterial Genetics	3
MCB 5621, Molecular Biology and Genetics of Prokaryotes	3
MCB 5699, Seminar in Microbiology, 4 semesters	4
<b>Specialized and Advanced Courses (9 credits)</b>	
MCB 5420, Virology	3
MCB 5636, Industrial Microbiology	3
MCB 5681, Mechanisms of Bacterial Pathogenesis	3
MCB 6897, Research	1-6
MCB 5679 (379), Microbial Physiology	3
ANSC 4341 (224), Food Microbiology & Safety	3
ENVE 5240 (306), Biodegradation & Remediation	3
PVS 5201 (379), Microbiology of Atypical Bacteria	2

MCB 5xyz, Bacterial Diversity and Ecology (under development)	4
<b>Professional Master's Cohort Courses (8 credits)</b>	
MCB 5895, Independent Study	2
MCB 5896, Frontiers in Applied Science and Math (may be repeated)	1
MCB 5896, Special Topics	1-3
GRAD 5900-1, Communication Skills	1
GRAD 5910, Responsible Conduct of Research	1
GRAD 5930, Directed Studies [internship]	3
MCB 5xyz, Public Policy/Regulatory Issues seminar (under development)	1
Total	33

The program builds on existing research and training activities among microbiologists across several University Departments, including Molecular and Cell Biology, Animal Science, Pathobiology, and Marine Science.

The University states that, since the program was licensed, it and its sister PSM programs have benefited from interaction with the Connecticut Business and Industry Association (CBIA). Through this collaboration, the program's students have identified internships with state corporate partners. Moreover, CBIA members have provided a number of seminar speakers and mentors for the PSM cohort classes. The University expects this relationship with CBIA to continue and grow in the future, as conditions permit.

#### Evaluation of Student Performance

Each student's progress in the program is assessed by the following benchmarks:

1. Formation of the 3-person advisory committee
2. Satisfactory completion of disciplinary course work, defined as earning the grade of 'B' or higher in each course taken
3. Completion of the PSM cohort courses and the internship
4. Completion of a novel comprehensive exam, which takes one of three forms: (1) creation of a comprehensive review paper on an appropriate topic; (2) formulation of a solution to a problem encountered in the particular career track chosen; or (3) writing of a mock journal article or technical report on work encountered during an internship or other research-training phase of the degree. The comprehensive exam reinforces discipline-specific competencies and provides an evaluation tool for relevant problem-solving abilities and writing skills.

#### Similar Programs

There are no similar programs in Connecticut.

## Admissions and Enrollment

At the time of program licensure, the University expected a steady-state enrollment of 5-10 students per year after becoming fully established. The University notes that it still believes that this is a reasonable goal, although for the first two years of accredited operation (2008-09 and 2009-10) the program will be seeking 3-5 per year to be sure that it can arrange for meaningful internship experiences for all students.

The target clientele for this degree program are baccalaureate students with degrees in biology or other appropriately related fields who wish to pursue careers in industry, public service or regulatory agencies. Such students may be recent graduates, or non-traditional students who wish to update training for new career opportunities or for advancement with current employer.

There are currently three full-time students in the program. Although a number of potential applicants from across the nation have inquired about the program during the past application cycle (mainly through the national PSM website at [www.sciencemasters.com](http://www.sciencemasters.com) and the UConn site at [www.smasters.uconn.edu](http://www.smasters.uconn.edu)), the University states that it was reluctant to accept new students for 2008 until it was certain that accreditation could be secured. Once the program is accredited, the University states, 3-5 students are anticipated to will enroll this year and an additional 3-5 will enroll in 2009-10, after which time the enrollments will be allowed to increase to 5-10 per year. The University notes that it is willing to file additional reports with DHE after each of the upcoming admission cycles, confirming these enrollments.

One positive effort to secure such enrollments is the development of a relationship with the Connecticut State University System. Through a collaborative arrangement and articulation agreement between UConn and CSUS, the program plans to identify well-qualified undergraduates at the CSUS campuses who are interested in the PSM degrees. The collaborative plan is to establish memorandums of understanding (which would be the first at the graduate level between those two institutions) where students could take some of the core disciplinary graduate courses while in residence at one of the CSUS campuses and then apply those to the PSM programs at UConn after graduation. An initial meeting between UConn and CSUS has been held and a meeting of the UConn Graduate School and CSUS campus provosts and graduate deans will be held in early November 2008. Faculty liaisons at participating CSUS campuses will be identified and the University of Connecticut will work with them to identify students for the PSM programs and develop courses for articulation.

Student Enrollment by term (Spring 2007 was the first enrollment)

	Spring 2007	Fall 2007	Spring 2008	Fall 2008	TOTAL
Full-time	1	2	3	3	3
Part-time	0	0	0	0	0
Total	1	2	3	3	3
New Students	1	1	1	0	

## Assessment of Need

The State Department of Labor and Connecticut United for Research Excellence (CURE), both indicate a growing need for persons trained in the biosciences and biotechnologies in Connecticut. That need, in the current decade, has been projected as a 43% increase in job opportunities in those fields.

The University affirms that genetic engineering of microorganisms is finding increasing applications in areas such as remediating contaminated industrial sites and improving agricultural productivity. The University states that graduates of the program will therefore be qualified to find employment in industries that apply microorganisms to (1) in-house microbe-mediated processes such as fermentations, drug synthesis, or specialty product synthesis; (2) bioremediation of chemical, nuclear and biological wastes; or (3) intentional release in agricultural applications, such as microbial pesticides, ice prevention, or fertilization. In addition, the University notes that graduates would be suited for positions with federal and state regulatory agencies dealing with public health and environmental concerns. And, the University further states, graduates would be prepared to serve in advisory capacities to judicial or legislative bodies that deal with issues involving microorganisms (such as environmental regulations or lawsuits stemming from microbial contamination) or in private consulting firms.

## Resource Support

### Faculty

At the time of licensure, the University listed nine doctorally-trained faculty members who would be directly involved the program. Currently, in its application for program accreditation, the University lists thirteen faculty in Microbial Systems Analysis, all of whom hold the Ph.D.

### Library and Learning Resources

The University of Connecticut Library System holds the largest public collection of research materials in the State of Connecticut. The University Library System is composed of the Homer Babbidge Library, the Music Library, the Pharmacy Library and Learning Center, and the Historical Manuscripts and Archives Division on the Storrs campus, and Regional Campus Libraries in Hartford, Waterbury, Stamford, Torrington and Avery Point. Specialized subject collections in law, medicine and dentistry, social work, business and insurance, and marine sciences are located at various regional campuses. All collections are available to students of the University and together are capable of supporting advanced research in all fields of study offered by the University.

The reference collection contains more than 30,000 print and electronic indexes, bibliographies, dictionaries, encyclopedias, and other sources that enable researchers to locate information. The Reference Department contains more than 200 CD-ROM databases, and current UConn students,

faculty and staff may access major full-text online services such as LEXIS/NEXIS, Dow Jones, and FirstSearch.

### Facilities and Equipment

The existing facilities and equipment are sufficient to operate the program. No significant new expenditures are planned at this time. The most costly equipment for DNA typing was funded by a U.S. Department of Justice grant.



## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Institution: American International College, Springfield, Massachusetts

Item: Re-authorization to place students in educator preparation programs for the required field experience and clinical practice in Connecticut schools

### Executive Summary

American International College has applied to the Board of Governors for Higher Education for re-authorization to place students in its educator preparation programs for field experience and clinical practice in Connecticut schools. The College maintains that it is an institution approved by the National Association of State Directors of Teacher Education and Certification (NASDTEC) approved institution that participates with Connecticut in the NASDTEC Interstate Contract (NIC). The College further argues that Massachusetts maintains a three-tiered certification (licensure) continuum equal to Connecticut that recognizes the progression of a teacher professional career, and content areas in Massachusetts approved programs meet Connecticut certificate requirements and standards. The College suggests that the testing criteria for program admission and licensure require the same literacy and content skills as Praxis I and II, required by Connecticut.

The Board of Governors first authorized the College to place students into Connecticut schools for required field experiences at its meeting on January 19, 2005. Authorization was granted through January 31, 2009.

The Advisory Committee on Accreditation, at its meeting on October 16, 2008, reviewed the College's application for authorization and found it to be in compliance with Board of Governors approval standards. The vote to recommend approval to the Board of Governors was all in favor.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education authorize American International College to place students enrolled in the College's educator preparation programs for required field experience and clinical practice in Connecticut schools for a period of five years, until January 31, 2014.

## Description

### Purposes and Objectives

The College contends that it has had a long-standing relationship with many Connecticut School Districts and private schools in teacher education, both as service providers and recipients of licensed teachers. It has worked with superintendents, principals and supervising practitioners in teacher training and professional development. The College suggests that its program requirements have been designed to meet both Massachusetts and Connecticut certification requirements. The College wishes to continue its practice of placing some of its students in Connecticut.

### Administration

The College states that the Dean of the School of Psychology and Education is responsible for the teacher preparation programs.

### Curriculum

The College has submitted its general education requirement, which include six credits in communications, eight credits in science (including labs), six credits in humanities, three credits in literature, 12 credits in social science, three credits in quantitative reasoning, and three credits in computer literacy, for the total of 41 credits. The College has indicated that it has a four credit requirement in physical education for all students in addition to the 120 credits.

The College defines practicum/practicum equivalent in education as a culminating experience that integrates content area knowledge, and pedagogical theory into a demonstrated successful and reflective teaching experience in the classroom. The experience becomes a team effort with participation from the teacher/supervising practitioner, college supervisor, advanced seminar instructor and the student teacher. The practicum/ practicum equivalent lasts approximately eight to ten weeks, in an approved school, at the role and level of the license sought. The student teacher completes a minimum of 300 clock hours, on-site, with a minimum of 150 hours of full role as a teacher. The College awards six credit hours as an academic representation of the experience and contact hours.

Table 1. Program areas

<b>License Area</b>	<b>Grade</b>	<b>Undergrad.</b>	<b>Graduate</b>
Early Childhood With and Without Special Needs	PreK - 2	✓	✓
Elementary	1 - 6	✓	✓
Biology	5 - 8; 8 - 12	✓	✓
Business	5 - 12	✓	✓
Chemistry	5 - 8; 8 - 12	✓	✓
English	5 - 8 and 8 - 12	✓	✓
Foreign Language (Spanish and French)	5 - 12	✓	✓
General Science	5 - 8	✓	✓
History	5 - 8; 8 - 12	✓	✓
Mathematics	5 - 8; 8 - 12	✓	✓
Political Science/Political Philosophy	5 - 8; 8 - 12	✓	✓
Teacher of Students with Moderate Disabilities	PreK - 8; 5 - 12	✓	✓
Administration	All		✓
Reading (Specialist Teacher)	All		✓
School Guidance Counselor	PreK - 8; 5 - 12		✓
School Adjustment Counselor	All		✓

*Source: American International College*

### On-Site Supervision

The College reports that it uses a variety of school sites throughout western Massachusetts and northern Connecticut. Students have the opportunity through the application process, to indicate a choice of school setting. Placement is usually based on these criteria, with final confirmation given by the superintendent's office of the chosen school. Upon confirmation, which is given to the Office of Field Experiences, the student is notified in writing with instruction to contact the appropriate principal's office to set up a starting date. The student then returns a card to the Office of Field Experiences noting practicum dates, supervising practitioner, school address and principal's name.

The College states that the supervising practitioners are selected on the basis of past experience with its students or recommendation of the site principals. Usually teachers holding professional licensure are chosen, but any teacher placed into service as supervising practitioner must have at least initial licensure in the appropriate field and three years of teaching experience.

These practitioners are recognized for their service through honoraria or free course credit and an award of 45 Professional Development Points. Periodically, a dinner is held to show appreciation for the contributions and efforts of the practitioners and school administrators who support our fieldwork. This dinner also provides an opportunity for those being honored to give feedback to education department personnel.

Program supervisors employed by the College, who have professional experience in schools, monitor individual practica. In addition, the College's Arts and Science faculty provide specific content area supervision. The College affirms that its experienced and appropriately licensed teachers and administrators carry out college on-site supervision. The College states that cooperating practitioners have always been provided with supervisors trained by the Beginning Educator Support and Training Program in Connecticut where applicable. Cooperating practitioners provide the day-to-day mentoring, support and supervision. They also complete Midterm and Final Evaluations of each intern. The site (program) supervisor from the college oversees the practicum insuring compliance with State Standards and required performance in designated areas of demonstrated outcome. In addition, the College holds three to five three-way conferences on site with the supervisor, practitioner and student during each practicum.

The College maintains that student progress is assessed throughout the experience by mid term and final evaluations, site supervisor formative evaluation at each class observation and participation with the practitioner and student in a Performance Assessment throughout the practicum that culminates in a summative evaluation at the conclusion of the practicum, and students' continuous review and reflection; participation in the Performance Assessment preparation and report.

## Educational Planning Context

### Need for the Program

The College claims that it has served a wide population of Connecticut students over the years being in close proximity to the state. Programs have been designed to fulfill Connecticut certification standards and collaboration has taken place with the Connecticut Department of Education. A number of Connecticut students are presently enrolled seeking Connecticut licensure following graduation. Some are presently employed in Connecticut schools seeking additional certification in new areas. They have expectation of completing apprenticeships in currently held positions in Connecticut schools. The College argues that denying such access will provide real hardship to these

individuals. On average, the College observes that one fourth of its teacher and administrator education program students seek Connecticut licensure.

The College reports that it placed a total of eight students from Spring 2005 through Spring 2008 into Connecticut sites, as follows:

Spring 2005	Children's Medical Center, Wethersfield (1)
	Black Rock Elementary School, Thomaston (1)
	Enrico Fermi High School, Enfield (1)
Fall 2006	Crandall Elementary School, Enfield (1)
Spring 2007	O'Connell Elementary School, East Hartford (1)
	Enrico Fermi High School, Enfield (1)
Spring 2008	Stafford Middle School, Stafford (1)
	East Windsor Middle School, East Windsor (1)

## Resources

### Faculty

The College reports that all of its faculty members, full-time and part-time, teaching in the undergraduate and graduate programs have at least a Master's degree. Eighty percent (4 of 5) of its full-time graduate faculty members hold terminal degrees. Approximately 40% of its part-time graduate faculty members hold terminal degrees. The College further states that only faculty members with terminal degrees will be supervising student teachers in Connecticut.

### Library and Learning Resources

The College states that its Library and Educational Resource Center will continue to be available to students conducting field experience in Connecticut because its close proximity with the state.



## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Institution: Central Connecticut State University

Item: Licensure of program in Mathematics Education Leadership, leading to a Sixth-Year Certificate

### Executive Summary

Central Connecticut State University has applied to the Board of Governors for Higher Education for licensure of a program in Mathematics Education, leading to a Sixth-Year Certificate. The University indicates that the proposed program is designed for mathematics teachers in grades K-12 who aspire to assume greater leadership responsibilities within their schools and districts, including but not limited to developing curriculum, providing professional development, serving as resource teachers, serving as department chair or department head, and serving as district-wide curriculum coordinators. Students enrolled in the program pursue one of two tracks: the Department Chair certification or certification as Intermediate Administrator.

The Advisory Committee on Accreditation, at its meeting on October 16, 2008, reviewed the program and found it to be in compliance with Board of Governors' approval standards. The vote to recommend approval to the Board of Governors was unanimous.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education license a program in Mathematics Education Leadership, leading to a Sixth-Year Certificate, to be offered by Central Connecticut State University, for a period of three years, until November 30, 2011.

## Description

### Purpose and Objectives

The objective of the proposed Sixth Year Certificate program in Mathematics Education is to develop highly skilled and knowledgeable educators who can play leadership roles in their schools and districts to improve student learning in mathematics. Students would have the option of completing a track that leads to certification as Department Chair or a track leading to certification as Intermediate Administrator.

### Administration

The program will be administered by two full-time faculty members.

### Curriculum

The Sixth Year Certificate program in Mathematics Education requires a total of 32-37 credits. To complete the program all students are expected to complete 21 credits of core requirements. In addition, they are expected to participate in a supervised internship. Credits for the internship are determined based on the track the student selects to follow. The first track is for the Department Chair Certification and requires an internship consisting of 2 credits; the second track is for the Intermediate Administrator Certification Track and requires an internship consisting of 4 credits;

**Core requirements** (21 credits EDL 655: Leadership and Supervision, 3 credits

MATH 611: Mathematics Curriculum K-8: Theory and Implementation, 3 credits

MATH 612: Mathematics Curriculum 7-14: Theory and Implementation, 3 credits

MATH 613: Research on the Learning of Mathematics, 3 credits

MATH 614: Research on the Teaching of Mathematics, 3 credits

MATH 615: The Cultural Context of Mathematics Education, 3 credits

MATH 616: Assessment in Mathematics Education, 3 credits

MATH 622: Internship in Mathematics Education Leadership (2 credits)

## Additional Requirements

### **Department Chair Certification Track** (11 additional credits, 32 total)

EDL 514 Administration (3 credits)

Two graduate level courses in MATH, chosen with approval of advisor (6 credits)

MATH 622 Internship in Mathematics Education Leadership (2 credits)

The DCC track meets requirements for department chairperson under Section 10-145d-579 of the Connecticut State Department of Education Certification Regulations, page 121. The course requirements for this certification are “a master’s degree...or 30 semester hours of credit in addition to the bachelor’s degree” and “in the total post baccalaureate program at least six semester hours of graduate credit in instructional supervision and school administration, six semester hours of graduate credit in curriculum development, and six semester hours of graduate credit in the area for which endorsement is sought.” In addition, at least 30 months of successful teaching experience are required.

### **Intermediate Administrator Certification Track** (16 additional credits, 37 total)

Must successfully complete candidacy for this track in EDL 655

EDL 610 School Leadership I (3 credits)

EDL 611 School Leadership II (3 credits)

EDL 615 Understanding External Environments of School Leadership I  
(3 credits)

EDL 616 Understanding External Environments of School Leadership II  
(3 credits)

EDL 690 Internship in Educational Leadership I: Theory and Practice  
(2 credits)

EDL 691 Internship in Educational Leadership II: Research and Practice  
(2 credits)

To receive Intermediate Administrator Certification, students must also pass a performance-based examination administered by the State of Connecticut, the Connecticut Administrator’s Test (CAT). The State of Connecticut also requires 50 months of teaching experience prior to licensure and completion of a designated course in Special Education.

### Enrollment

The program will accept cohort of 20 part-time students every two years.

### Similar Programs

There are no similar programs offered at this time in the State.

## Assessment of Need

The University notes that in Spring 2007 a questionnaire was designed and sent to 51 school districts throughout Connecticut. The questionnaire had four strata: superintendents, high school principals, middle school principals, and elementary school principals. The questionnaire sought to elicit from those professionals assessments about the need for educators with the capabilities that graduates of either of these two tracks would have. The response was overwhelmingly supportive of the program.

## Resource Support

### Faculty

The University lists 17 faculty members from mathematics and education leadership who will teach in the program.

### Library and Learning Resources

Elihu Burritt Library has 6076 books on mathematics, as well as 425 volumes on math education and over 600 titles on educational administration. Currently, there are 41 mathematics paper journal subscriptions and 308 online subscriptions. The library subscribes to 74 education leadership titles, with over 2700 print journals and over 26,000 online journals.

Most of the electronic materials are available both in the Library and from home or on-campus facilities. These include ERIC, which is available through EDSCOHost, AV Online, Cabell's Education Directories, Education Full-Text, SAGE, and Educator's Reference Complete.

### Facilities and Equipment

No additional facilities are needed for the program.

### Advisory Committee on Accreditation

The Advisory Committee on Accreditation, at its October meeting, found the program to be in compliance with the Board of Governor's approval standards.

## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Institution: Columbia University, Teachers College

Item: Authorization to place students enrolled in the University's programs in Art and Art Education and in the Summer Principals Academy in practicums and internship field experiences in Connecticut

### Background

Teachers College, Columbia University, has applied to the Board of Governors for Higher Education for authorization to place students enrolled in its Art and Art Education and in the Summer Principals Academy in practicums and internship field experiences in Connecticut. The University is accredited regionally by the Middle States Commission on Higher Education and is authorized to offer educator preparation programs in specific certification areas by the New York Department of Education. It is seeking authorization from the Board of Governors for Higher Education so that it can have the option to place students into practicums and internships in Connecticut schools.

The Advisory Committee on Accreditation, at its meeting on October 16, 2008, reviewed the University's application for authorization and found it to be in compliance with Board of Governors approval standards. The vote to recommend approval to the Board of Governors was all in favor.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education authorize Columbia University, Teacher's College, to place students enrolled in the College's educator preparation programs for required field experience and clinical practice in Connecticut schools for a period of five years, until November 30, 2013.

### Description

#### Purposes and Objectives

##### *Art and Art Education*

The University states that the program in Art and Art Education seeks to affirm the role of the arts in nurturing human growth and development throughout the lifespan. Courses in art education examine the environments in which the various art forms reach their

audiences: schools, colleges, museums, arts centers, hospitals, and other settings. Two semesters of student teaching are required, one at the elementary level and the other at the secondary level.

#### *Summer Principals Academy*

The University's Summer Principals Academy seeks to integrate practice and skills development with theory and research, bringing together aspiring school leaders from all over the United States and encouraging and fostering educational leadership development. The internship focuses on core competencies and is part of an academic program that leads to the award of a 36 credit Master's degree and New York State certification as a School Building Leader.

#### Administration

##### *Art and Art Education*

The University notes that each student is assigned a University Supervisor. Supervisors visit and observe student teachers in the classroom several times during the placement period: observations by site supervisors are conducted at least 4 to 5 times each semester. Supervisors will work with cooperating teachers and serve as liaisons between the University and the field.

The cooperating teacher will serve as mentor, model, and instructor to student teachers. Site supervisors will also meet with cooperating teachers at each visit.

##### *Summer Principals Academy*

The work of the intern is guided by the Cooperating Administrator. The Cooperating Administrator will provide a regular schedule for feedback and discussion and will work closely with the intern to establish goals for the internship, plan for the implementation of those goals, and discuss the intern's progress and needed areas of improvement.

Interns are also assigned an experienced educator to serve as their Internship Coach. These coaches are veteran practitioners. They receive on-going professional development at Teachers College that is specific to their functions as internship coaches. The coaches will also work closely with the Cooperating Administrator.

#### Curriculum

##### *Art and Art Education*

Supervised student teaching is part of the Master of Arts with Teacher Certification program. Supervised Student Teaching includes 3 credits in Elementary (A & HA 4722) and 3 credits in Secondary (A & HA 4702) settings.

### *Summer Principals Academy*

Students take 12 credits their first summer; two courses during the academic year, and another 12 credits during the second summer. Students also enroll in the Pro-Seminar, for 3 credits, which runs throughout the length of the program and completes the 36 credits.

The Internship, or field experience, is a minimum of 450 hours of direct involvement in leadership activities. Interns work with the Cooperating Administrator and the Internship Coach to develop a vision of the internship that reflects the Educational Leadership Constituency Council's standards. Interns are responsible for completing and turning in all internship deliverables, including the Memorandum of Agreement, Initial Impressions Report, time logs, and the Analysis of Field-Based Experiences. The overall design of the Internship includes 5 major projects. The experience is transposed into a capstone project in which each intern works in a small group to create a new school.

## Educational Planning Context

### Need for the Program

#### *Art and Art Education*

The University states that it currently has two students who are living in Connecticut and seeking to complete field placements in the state. That, the University believes, will be the usual number. The University anticipates that students will be placed in Greenwich High School, Ridgefield High School, Redding High School, and Westport Elementary School.

#### *Summer Principals Academy*

The University notes that, over the four-year history of the Summer Principals Academy, there have been many Connecticut-based educators who have expressed an interest in the program, attended information sessions, and applied for admission. The University has accepted ten of those individuals to date.

### Comments from other Institutions

No comments or questions about the programs were received from Connecticut colleges or universities.

### Library and Learning Resources

Students in both programs will have full access to the University's library, on-line as well as on campus.

## Planning

### *Art and Art Education*

The University states that its Office of Teacher Education and School-Based Support Services keeps a database that student teaching coordinators may access for schools accepting student teachers from Teachers College.

### *Summer Principals Academy*

The University states that the internship experience will be informed by ongoing evaluation and assessment. The Internship Advisory Committee will meet at the end of each year to discuss feedback from students, faculty, coaches, and cooperating administrators and will plan accordingly.

## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Institution: Sacred Heart University

Item: Licensure of a program in Exercise Science and Nutrition, leading to the Master of Science (M.S.) degree

### Executive Summary

Sacred Heart University has applied to the Board of Governors for Higher Education to approve licensure of a program in Exercise Science and Nutrition leading to the Master of Science degree. The University currently offers bachelors degrees in exercise science and athletic training. These programs are housed within the Department of Physical Therapy and Human Movement Science which also offers a master's degree in Geriatric Health and Wellness and a doctoral degree in Physical Therapy. The M.S. in Exercise Science will be housed within this Department.

The Advisory Committee on Accreditation, at its October 16, 2008 meeting, reviewed the University's application and found the program to be in compliance with Board of Governors approval standards. The vote to recommend approval to the Board of Governors was all in favor.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education license a program in Exercise Science and Nutrition, leading to the Master of Science (M.S.) degree, offered by Sacred Heart University, for a period of three years, until November 30, 2011.

## Description

### Purpose and Objectives

Sacred Heart University's strategic plan calls for continued development of programs of excellence. The related undergraduate degree programs have a robust research focus, and thus students are becoming prepared for graduate study. Student interest, as well as stability in the undergraduate program and development of a strong faculty presence has led to the impetus of this proposed program.

The University reports that the Exercise Science and Nutrition; Performance Track M.S. program will prepare graduates to:

1. Demonstrate advanced knowledge in exercise physiology, nutrition, and clinical testing and assessment of the cardiovascular and musculoskeletal systems. This information will be applied to the field of strength and conditioning in the apparently healthy and elite athletic population.
2. Apply this advanced knowledge in clinical settings that provide strength and conditioning programs that are sport specific for athletes.
3. Lead and manage in coaching and fitness settings.
4. Actively engage in the professional literature so as to demonstrate current, best practice in these work settings.
5. Participate in clinical research activities in nutrition and fitness.
6. Continue their education in the acquisition of a terminal degree.

The MS in Exercise Science and Nutrition; Clinical Track will prepare graduates to:

1. Demonstrate advanced knowledge in exercise physiology, nutrition, and clinical testing and assessment of the cardiovascular and musculoskeletal systems. This information will be applied to the field of clinical exercise science.
2. Apply this advanced knowledge in clinical settings that provide cardiac and pulmonary rehabilitation as well as risk factor reduction and training specific for the treatment of chronic diseases.
3. Lead and manage in clinical practice.
4. Actively engage in the professional literature so as to demonstrate current, best practice in these work settings.
5. Participate in clinical research activities in cardiac and pulmonary rehabilitation, nutrition and fitness.
6. Continue their education in the acquisition of a terminal degree.

There are no essential specialized accreditation agencies to which the program must apply. The program will seek voluntary recognition from the American College of Sports Medicine and the National Strength and Conditioning Association.

## Administration

The proposed program in Exercise Science and Nutrition will be housed in the Department of Physical Therapy and Human Movement Science, which is part of the College of Education and Health Professions. A national search is planned for spring 2009 to bring on a program director that will have some teaching responsibilities, and start their appointment for Fall 2009 coinciding with program implementation.

## Curriculum

The Master of Science in Exercise Science and Nutrition will be 37 credit hours and will take students two years to complete full-time, or three years part-time. There are two tracks in this program; clinical and performance, and both require a thesis. The formulation of the thesis research question begins in the Professional Seminars and will be completed in the Thesis Preparation and Thesis Completion courses.

### **Courses:**

<b>Core</b>	<b>Clinical Track</b>	<b>Performance Track</b>
EX402: Advanced Ex Phys (4 credits)	EX524: Exercise Prescription for Rehab (4)	EX534: Applied Biomechanics (4)
EX401: Advanced Systems Physiology (3)	EX521: Clinical Testing and Assessment (4)	EX533: Performance Testing and Program Design (4)
EX403: Research Methods (3)	EX522: Behavior Modification/Psych (3)	EX532: Sport Psych (3)
EX 411 & 412: Professional Seminar I and II (4)	EX523: Clinical Nutrition (3)	EX 531: Nutrition and Performance (3)
EX404: Nutrition and CDP (3)	EX 560 & 561: Thesis (6) <ul style="list-style-type: none"><li>• Prep (3)</li><li>• Completion (3)</li></ul>	EX 560 & 561: Thesis (6) <ul style="list-style-type: none"><li>• Prep (3)</li><li>• Completion (3)</li></ul>
17 credits	20 credits	20 credits

There are three major components of the curriculum: (1) core courses, (2) two major tracks (clinical and performance) of which each student will select one, and (3) a thesis requirement.

The courses of the program have been developed to include appropriate credits assigned for field work experiences. During field work experiences, the clinical work activities of the students will be structured by the clinical institution with appropriate clinical supervision by university faculty or senior staff members of the clinical institution. The clinical educational experience will include supervision, teaching and evaluation that are ultimately under the control of the University.

Both EX 524 and EX 533 have clinical components supervised by the course instructor and on-site clinical instructors.

Over thirty clinical affiliations currently exist, including area hospitals and the following:

- Griffin Hospital Cardiac Rehabilitation Program, Derby CT
- Bluestreak Sports Performance Training Center, Stamford, CT.

Admissions and Enrollment

The first cohort of students will enroll in Fall, 2009. The program is designed to be completed in either a part-time or full-time basis. For full-time students, the first cohort will graduate in May, 2011. The part-time students could graduate as early as May, 2012. The program will begin in AY 10 with students in Year 1 of the Performance track only. In AY 11, the program will enroll students in both Year 1 and 2 of the Performance track and Year 1 of the Clinical track. In AY 12, the program will enroll students in Year 1 and 2 of both tracks. The University is projecting 5 full-time and 5 part-time students in year one, increasing to 16 full-time and 16 part-time students by year three.

The program will adhere to the general graduate admissions guidelines and procedures of the University, as can be found in the University graduate catalog. This includes an application, application fee, two letters of reference and transcripts from all previous undergraduate and graduate education. There is no clinical practice requirement prior to enrollment. Pre-requisites for the program include the completion of a Bachelor’s degree in a related clinical science, such as Exercise Physiology, Exercise Science, and Physical Education, Public Health, Psychology, Applied Physiology, Athletic Training or Nutrition. Additionally, applicants will need to demonstrate undergraduate course work in the following courses, or their equivalent:

Anatomy and Physiology I and II (with labs)	8 cr.
Exercise Physiology (with lab)	4 crs.
Nutrition	3 crs.
Physics (1 semester survey course or Physics I with lab)	4 crs.
Statistics	3 crs.

Similar Programs

Mnem	Cip Code	Program Name	Degree Type	Degree				
				2002-03	2003-04	2004-05	2005-06	2006-07
CCONN	131314	Physical Education	MS	9	14	20	19	13
SCONN	131314	Exercise Science	MS	25	17	14	16	15

Regionally, similar programs exist at the University of Massachusetts, Adelphi University in New York, University of New Hampshire, and Montclair State University in New Jersey. None of these programs offer an emphasis on exercise science and nutrition.

Comments from Other Institutions in Connecticut

Patricia Bouffard, DNSc, Dean of Academic Affairs, Naugatuck Valley Community College: Dean Bouffard wrote to support the program, and stated “this curriculum will enhance the quality of practitioners in the major and potentially provide a pool of qualified candidates for academic teaching” (email dated 9/9/08).

Response: “Thank you for your positive comments regarding our proposed program. We agree that it will enhance the quality of practitioners in the discipline.”

Dr. David Brady, Vice Provost for Health Sciences, Director of Human Nutrition Institute, University of Bridgeport: Dr. Brady made the following comments, and suggested that the word nutrition be deleted from the degree program’s name. “The program seems focused on exercise science and has specific elements related to nutrition only as it applies to exercise and sports performance. This makes sense given the fact that it is an exercise science degree program. However, the title of the degree, as proposed, suggests that it is a dual program in exercise science and nutrition”. He also noted that “the proposed curriculum does not contain classes found in Masters Programs in Nutrition, such as those found in the UB program...”. Dr. Brady stated that as such, the program title could be misleading to the public (letter dated 7/28/08).

Response: “Thank you for your thoughtful evaluation summary of the program and suggestion. It is certainly not our intention to create confusion for the public in regards to the nutrition content within our proposed curriculum. It is also not our intention nor do we indicate in any place in the program proposal that we are offering a Master’s degree in Nutrition or a dual degree program (meeting separate degree requirements in exercise science and in nutrition). Rather, we are offering advanced (graduate) study including content from each of these two disciplines, including some important ‘intersections’ between these content areas that are particularly important for people in the exercise science industry. We include within this study the significance of nutrition at both at the ‘clinical’ end of the exercise science spectrum and at the ‘performance’ end of the spectrum (as is suggested by our two tracks of study).

Our approach to the titling of the program is not unlike many other programs operating within the state today. I have reviewed numerous academic institution web sites and have noted several undergraduate and graduate programs of study that use this same approach to program titles. Examples of such programs of study include:

Philosophy and Religion	Albertus Magnus College
Economics and Finance	University of Hartford
Entrepreneurship and Small Business Management	Quinnipiac University
Literature and Civilization	University of Bridgeport

In each case the program description emphasizes the interaction of the two areas of study and the value of exploring this interaction. These programs do not require completion of degree requirements in EACH discipline (i.e. a dual major or degree).

In the development of future program descriptive materials we will take care to clarify that this is NOT a dual degree program. Furthermore, prospective students that are seeking specifically an advanced degree in nutrition would be referred to programs such as that at the University of Bridgeport, as it is not our intention to offer advanced study in nutrition alone with this proposed program” (Department Chair, Sacred Heart).

### Assessment of Need

Three sources of prospective students have been identified for this program; (1) SHU undergraduates in exercise science, athletic training and psychology, (2) undergraduates from other institutions that do not offer graduate education in exercise science and nutrition, and (3) practitioners in the area of cardiac and pulmonary rehabilitation program, coaches, personal trainers and fitness instructors in human performance practices and environments.

An environmental assessment was conducted for the University by Executive Management Services, Inc. specifically to assess the current market and existing similar programs in this subject area. This environmental assessment included surveys of prospective students and employers as well as a review of programs available at other institutions in the region. The market analysis determined need and interest for this program.

Ten major employers in the region were surveyed, and eight responded. All had positions which required preparation at the graduate level and could be filled with graduates of the proposed program. Sample job openings included clinical and project managers, fitness specialists and exercise physiologists and adjunct faculty in the health professions.

### Resource Support

#### Faculty

Sacred Heart has planned to hire a full-time program director for fall of 2009 who will also have teaching responsibilities. This person will have teaching specialization in human physiology and in clinical nutrition. A second faculty member will be hired for the fall 2010 semester, and will specialize in exercise testing and prescription. The qualifications for both individuals includes a PhD or equivalent, eligibility for the tenure track at Sacred Heart, college teaching experience, preferably at the graduate level, and an active program of scholarship.

There are currently six faculty members who are teaching at the undergraduate level who may also teach courses in this graduate program. The goal of the institution is to complement expertise that already exists at the institution.

### Library and Learning Resources

The undergraduate Human Movement and Sports Science program (majors in athletic training and exercise science) currently has a yearly library budget of \$2000. Library resources are augmented by the other health science programs in the College of Education and Health Professions, including Nursing, Occupational Therapy and Physical Therapy. The budget for the new MS in Exercise Science includes an annual library allocation of \$5,000. An Allied Health Resource Librarian is dedicated to the library on the Cambridge campus.

### Facilities and Equipment

The program will utilize the existing human performance lab. Equipment includes a metabolic cart, cardiopulmonary, and musculoskeletal testing equipment as well as exercise equipment such as treadmills, stationary cycles, and weight lifting equipment.

State-of-the-art classrooms are currently sufficiently available for this new program at the new College of Education and Health Professions building at Cambridge Campus.



## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Institution: Sacred Heart University

Item: Licensure of a program in Marketing, leading to the Bachelor of Science (B.S.) degree

### Executive Summary

Sacred Heart University has applied to the Board of Governors for Higher Education for licensure of a program in Marketing, leading to the Bachelor of Science (B.S.) degree. The University currently offers a concentration in marketing and now wishes to establish a stand-alone degree program. The University believes that there is sufficient student demand and labor market need for graduates of the proposed program.

The Advisory Committee on Accreditation, at its meeting on October 16, 2008, reviewed the program and found it to be in compliance with Board of Governors approval standards. The vote to recommend approval to the Board of Governors was unanimous.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education license a program in Marketing, leading to the Bachelor of Science (B.S.) degree, to be offered by Sacred Heart University, for a period of three years, until November 30, 2011.

## Description

### Purpose and Objectives

The University notes that the Welch College of Business is committed to achieving the following objectives within the Marketing major:

- To provide a relevant and effective marketing curriculum;
- To enhance the ethical standards and conduct of marketing professionals;
- To prepare marketing professionals who are capable of assuming multiple roles in a complex international business environment;
- To prepare marketing professionals who understand the impact and the opportunities offered by technology in business and are able to develop effective technology related skills;
- To prepare marketing professionals who have effective oral and written communication skills and are self-directed in their learning, fair-minded, critical thinkers and problem solvers, ethical, interdisciplinary in their approach, and able to work in teams that cross traditional discipline lines;
- To prepare marketing professionals who are capable of effectively and efficiently marketing services and products to their clients and customers; and
- To establish another program of study for which Sacred Heart University would be recognized for its academic leadership.

### Administration

A full-time, tenured Professor will serve as Program Director for the proposed Marketing major. The Director's role will be to develop and implement the proposed Marketing curriculum, continue to develop internship agreements with appropriate corporations, recruit new students, and maintain the academic integrity of the major

### Curriculum

The program requires a minimum of 120 credits to complete. A sample curriculum is attached.

### Enrollment Projections

The University projects an enrollment of 75 full-time students in the first year and 100 full-time students by year three of the program.

### Similar Programs

CCONN	521401	Marketing	BS	A	1976	77	78	88	91	118
FRFLD	521401	Marketing	BS	A	1976	101	114	78	89	96
UBRIG	521401	Marketing	BS	A	1976	3	4	3	1	2
UCONN	521401	Marketing	BS	A	1976	83	86	94	96	93
UNEW	521401	Marketing	BS	A	1986	3	5	4	3	7
WCON	521401	Marketing	BBA	A	1991	25	33	38	39	41
Total Number of Majors Completed:						292	320	305	319	357
Total Number of Degrees Conferred:						288	311	295	312	354

### Educational Planning Context

The University reports that student demand for a Marketing major within the Welch College of Business is strong and consistent with the increasing opportunities for employment within this business discipline. There are currently fifty-six students who have formally declared Marketing as an area of concentration within the Business Management degree. It is anticipated that the students, along with others currently enrolled in the College, will formally declare a Marketing major if the program is approved. This optimism is based on student surveys undertaken in business classes during the 2006-2007 academic year.

The University states that that the current level of interest in Marketing and the resulting enrollment in the Marketing concentration has been achieved without a formal internal promotional strategy and without a dedicated faculty member to assist the Sacred Heart University Office of Admissions. The University's Dean of Undergraduate Admissions is confident that with a major in Marketing, a well-articulated and targeted marketing strategy, and definitive internship opportunities, Sacred Heart University will be able to enroll an additional twenty-five new students each year.

According the U.S. Department of Labor, Bureau of Labor Statistics (2007), "advertising, marketing, promotions, public relations, and sales manager jobs are highly coveted. College graduates with related experience, a high level of creativity, and strong communication skills should have the best job opportunities. In particular, employers will seek those who have the computer skills to conduct advertising, marketing, promotions, public relations, and sales activities on the Internet. Employment of advertising, marketing, promotions, public relations, and sales managers is expected to increase faster than the average for all occupations through 2014, spurred by intense domestic and global competition in products and services offered to consumers." According to a recent survey (Executive Management Services, 2007) in the State of Connecticut "marketing managers" was identified as one of the fields (requiring a bachelor's or higher degree) with the largest number of job openings between 2004 and 2014.

At the local level, the employment picture is much brighter. Fairfield County is the strongest economic region in Connecticut, outperforming other areas in the state. Most Fairfield County businesses report that they are profitable and 57% expect to expand their businesses over the five years (2006-2011) through: direct marketing (21%); strategic alliance (17%); acquisition (16%); and new technology (14%). More than 2000 companies have sites in Fairfield County, with 17 of the Fortune 1000 headquartered in the county. Of the top Connecticut companies, 58% are located in Fairfield County.

## Resource Support

### Faculty

The University lists four full-time faculty members from the School of Business who will teach specialized courses in the program.

### Library and Learning Resources

The library's in-house collection totals approximately 131,000 volumes. Of these, about 11,000 or eight percent are business publications. Of the library's available full-text periodical titles, both print and electronic, an estimated 1,748 are business and economics titles, of which 1,700 are on-line and 48 are print subscriptions. In addition, the library subscribes to over 65 electronic databases for use by students and faculty, including such databases as AN/Inform Global, NetAdvantage, STAT-USA, and Lexis/Nexis. Use of ABI/Inform Global has grown 21 percent over the past two years, from about 14,000 uses in academic year AY02-03 to 17,000 in AY04-05. Further, a total of 67,095 patrons visited the library's database access page in AY04-05, which means 25 percent of them used ABI/Inform.

Periodical literature in the library consists of full-text electronic access to 288 journals related to Marketing and sales. In the core collection of current print journals, five titles out of 23 core management journals are related specifically to Marketing. The library has approximately 325 print books and other resources specifically related to Marketing topics. Also, the library is in the process of adding a collection of electronically available books ("e-books"), which will include about 160 Marketing titles.

### Facilities and Equipment

There are no specialized physical facilities or equipment necessary to initiate and maintain the proposed Marketing major. The Welch College of Business faculty, administrators, and support staff occupy the entire second floor of Roncalli Hall, which was constructed in 1999. Each faculty member has an individual office and there are two conference/media rooms and a dedicated area containing copying, printing, and fax equipment. The proximity of all college services and personnel allows for efficiency in serving students and promotes collaboration among faculty. A multi-year master plan for

future development of the Fairfield campus was approved in 2004. Part of this plan calls for the construction of a separate building containing classrooms and offices for the Welch College of Business in 2010.

Advisory Committee on Accreditation

The Advisory Committee on Accreditation, at its October meeting, found the program to be in compliance with the Board of Governors' approval standards.

## Bachelor of Science in Marketing

- 1) Foundational Core (10 credits). The Foundational Core provides students with competency in writing, communication, and mathematics.
- 2) Common Core (12 credits). The Common Core has four major areas that provide students with the opportunity to experience other disciplines, obtain a background for further study, and gain the knowledge to be well-rounded and educated human beings.
- 3) Elective Core. The Elective Core requires the following:

Humanities: 9 credits from at least two of the following disciplines: Art, Foreign Language, History, Literature, Media Studies, and Music (max 1 History & 1 Literature)

Social/Behavioral Sciences: 9 credits from at least two of the following disciplines: Anthropology, Economics, Political Science, Psychology, and Sociology

Mathematics/Sciences: 6 credits from the following with at least one in the natural/ physical sciences: Biology, Chemistry, Computer Science, Mathematics, and Physics

Religious Studies/Philosophy: 9 credits from the following two disciplines: Philosophy, Religious Studies

- 4) The Major Field (54 Credits). The B.S. in Marketing provides students with an area of specialty as a foundation for graduate study or as professional preparation. It includes the Business Core and specific courses in the Marketing major.

Required courses for Business Core. All Welch College of Business students must complete the Business Core:

AC 101 Financial Accounting and Reporting	3
AC 105 Managerial Accounting and Control	3
FN 215 Financial Management	3
BU 201 Organization Management	3
BU 231 Business Law	3
BU 257 Business Ethics	3
BU 272 Dynamics of Information Technology	3
BU 301 Business Policy	<u>3</u>
Total Credits in Business Core	24 credits

Specific courses in the Marketing major. All students in the proposed Marketing major must complete the following courses:

MK 261 Principles of Marketing	3
MK 262 Principles of Advertising	3
MK 263 Principles of Retailing and Merchandising	3
MK 264 International Marketing	3
MK 286 Consumer Motivation	3
MK 362 Market Research	3
MA 133 Business Statistics	<u>3</u>
	21
<u>Select 3 Electives from the following:</u>	
MK 299 Special Topics in Marketing	3
MK/LW 296 Marketing/Consumer Law	3
MK 391 Marketing Internship (new)	3-9
MK 399 Independent Study	1-3
MK xxx Digital Marketing (new)	3
SM 265 Sport Marketing	<u>3</u>
Total Credits in Marketing Major	30 credits

Required Supporting Courses

EC 202 Principles of Microeconomics	3
EC 203 Principles of Macroeconomics	3
CS 106 Intro to Info Tech for Business	<u>3</u>
	9 credits

5) Electives (11-15 Credits): Electives are courses in the major or minor fields or other subjects that interest the student. Students may opt to take an additional 6 credits in MK 391 Internship.



## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Institution: Three Rivers Community College

Item: Licensure and Accreditation of a program in Entrepreneurial Studies, leading to the Associate of Science (A.S.) degree

### Executive Summary

Three Rivers Community College has applied for licensure and accreditation to the Board of Governors for Higher Education for approval of program in Entrepreneurial Studies, leading to an Associate of Science (A.S.) degree. The program will serve those who aspire to start their own businesses as well as develop careers in small business management. This program will also serve those individuals who are currently employed in the field and desire upward mobility. Although this program is intended to be a career program, graduates will be able to transfer to a four-year Baccalaureate Business Administration program.

The College is seeking simultaneous licensure and accreditation for the Entrepreneurial Studies program because the faculty, resources and curriculum are in place. This program had been a concentration within the Business Administration: Management Program and the College now believe that there is a need for this concentration to stand alone. There is one new course that will be offered for the first time this spring (Business Plan Development), serving both students in the program and the community at large.

The Advisory Committee on Accreditation, at its October 16, 2008 meeting, reviewed the College's application and found the program to be in compliance with the Board of Governors approval standards. The vote to recommend approval to the Board of Governors was all in favor.

### Commissioner's Recommendation

It is recommended that the Board of Governors for Higher Education license and accredit a program in Entrepreneurial Studies, leading to the Associate of Science (A.S.) degree, offered by Three Rivers Community College, for a period of time concurrent with institutional accreditation.

## Description

### Purpose and Objectives

The College reports the following objectives for the Associate in Science program:

- To prepare students to go on to wide-ranging careers in entrepreneurship as well as business management
- To provide students with the skills necessary to start and manage a small business including a well rounded understanding of business
- To design, develop and implement a business plan

Also, upon successful completion of all program requirements, students will demonstrate:

- Knowledge of the basic theory and practice of entrepreneurship and small business management
- The use of the Internet and other data sources for business purposes
- The interrelationships of business disciplines
- The ability to develop a comprehensive business plan

All Business degree programs at Three Rivers are currently accredited by the Association of Collegiate Business Schools and Programs (ACBSP). This new degree program would be eligible two years after implementation, and the College will plan to seek accreditation at that time. Three Rivers Community College has submitted their reaccreditation application to ACBSP this past August, and has the only program accredited in the community college system.

### Administration

A program coordinator will oversee this program.

### Curriculum

All courses except for Business Plan Development are currently being offered. The Business Capstone will be modified to align with the goals of the Entrepreneurship Program. The degree does not require an internship. The program consists of 62 -63 credit hours distributed as follows:

#### *General Education Courses*

ENG*101	Composition	3
ECN*K102	Principles of Microeconomics	3
BBG*K115	Business Software Applications	3
MAT*K137 or higher	Intermediate Algebra	3
MAT*K167	Principles of Statistics	3
Social Science Elective		3
Fine Arts Elective		3
Natural Science Elective		<u>3-4</u>
		24-25 credits

*Business Requirements*

ACC*K125	Accounting Computer Applications I	3
ACC*K111	Principles of Accounting I	4
ACC*K118	Managerial Accounting	4
BMG*K220	Human Resource Management	3
BMK*K201	Principles of Marketing	3
BBG*K231	Business Law I	3
BBG*K232	Business Law II	3
Business Elective	BMG, BMK, HSP	<u>3</u>
		26

*Program Requirement (Small Business Related)*

BES*K118	Small Business Management	3
BES*K218	Entrepreneurship	3
BBG*K291	Business Capstone	3
BES*K239	Business Plan Development	<u>3</u>
		12

Admissions and Enrollment

No special admission requirement is needed for this program. The College is projecting 25 full- and part-time internal transfer students and 30 full- and part-time new students in this program. By year three, the College is projecting an increase to 73 full- and part-time students. The College would like to implement the Entrepreneurial Program in January 2009.

Similar Programs

Mnem	Cip Code	Program Name	Degree Type	2002-03	2003-04	2004-05	2005-06	2006-07
GATEW	521801	Entrepreneurial Studies	AS	2	4	4	5	4

A formal articulation agreement exists with Eastern Connecticut State University. Students must receive a grade of C or better for each course to transfer. In addition, Eastern accepts one 300 level course (listed as 200 level at TRCC) as transferable from this program.

Comments from Other Institutions in Connecticut

There have been no comments or questions about the program from other institutions of higher education in Connecticut.

Assessment of Need

According to a recent article in the Connecticut Economic Digest (a joint publication of the Connecticut Department of Labor and the Connecticut Department of Economic and Community Development) <sup>1</sup>they are projecting a continual increase in self-employed Connecticut residents. Also, a recently released Kauffman Foundation survey conducted

<sup>1</sup> The Connecticut Economic Digest (<http://www.ctdol.state.ct.us/lmi/misc/cednov07.pdf>)

by Harris Interactive finds that 4 out of 10 young people ages 8 to 21 would like to start their own business in the future, and another 37% did not close the door to entrepreneurship, saying they were just unsure about it.<sup>2</sup> Furthermore, the SBA Office of Advocacy in 2007 stated that “Small businesses are the heart of Connecticut’s economy.” It further stated that Connecticut had an estimated total of 347,600 small businesses in 2006, which is an increase of 1% since 2005.<sup>3</sup>

## Resource Support

### Faculty

Three Rivers Community College lists seven full-time faculty members who teach in the Business Department. All faculty in this program have a Master’s degree’s in Business Administration or other related fields or have their CPA’s and other certifications. Guest lecturers will be brought in from SCORE and the Small Business Administration (SBA). SCORE provides counselors to small business owners and is made up of retired volunteers with a great deal of experience to share. SCORE is a resource partner to the SBA and will be conducting counseling at TRCC’s new Small Business Center.

### Library and Learning Resources

The libraries at Three Rivers Community College hold over 50,000 volumes. The College states that approximately 13,000 of these volumes are pertinent to the business programs. Currently, the library subscribes to 320 periodicals and plans to add more specific materials directly related to creating and running small businesses.

### Facilities and Equipment

No additional resources are required for this program. A small business center is planned for the new campus. This center will be located near the front entrance of the campus to engage the community and connect to this new program.

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<sup>2</sup> Kauffman Foundation (<http://www.kauffman.org/items.cfm?itemID=950>)

<sup>3</sup> SBA Office of Advocacy (<http://sba.gov/advo/research/profiles>)

## STAFF REPORT: COMMISSIONER'S CONSENT CALENDAR

Constituent Units: University of Connecticut  
University of Connecticut Health Center  
Connecticut State University  
Community-Technical Colleges  
Board for State Academic Awards

Item: Constituent Unit Operating Fund Reports for the Three-Month  
Period Ending September 30, 2008

### Executive Summary

Public Act 91-256 requires the constituent units of higher education to submit quarterly reports on operating fund expenditures. The Board is to complete its quarterly review and report its findings to the Office of Policy and Management and the Higher Education and Appropriations Committees of the General Assembly within 60 days of the close of each quarter.

The University of Connecticut recorded 36.4 percent of budgeted revenue through the first quarter of the fiscal year and expended 27.4 percent of budgeted expenditures. The University reports an unaudited operating fund balance of \$60.7 million and a research fund balance of \$18.6 million as of June 30, 2008, not including accrued compensated absences totaling \$25.0 million. The University projects that the operating fund balance will increase by \$1.0 million resulting in an estimated June 30, 2008 operating fund balance to \$61.7 million. (See Attachments A1 through A3.)

The University of Connecticut Health Center recorded 24.3 percent of budgeted revenue through the first quarter and expended 24.6 percent of budgeted expenditures. With reduced expenditures and increased volumes, the Health Center has considerably narrowed unplanned losses, but planned losses due to shifts to less profitable services and payors remain. As of June 30, 2008, the Health Center reports an operating fund balance of \$29.2 million, not including the accrued compensated absences total of \$19.6 million and projects a planned loss in excess of \$13.0 million for an estimated fund balance of 16.0 million. (See Attachments B1 through B3.)

The Connecticut State University recorded 40.6 percent of budgeted revenue in the first quarter of the fiscal year and expended 25.4 percent of budgeted expenditures. The State University continues to report its operating fund balance of \$17.6 million as of June 30, 2007, not including the accrued compensated absences total of \$27.7 million, and a projected the fund balance for 2008 of \$18.5 million as of June 30. (See Attachments C1 through C3.)

The Community-Technical College System recorded 36.7 percent of budgeted revenue in the first quarter of the fiscal year and expended 27.2 percent of budgeted expenditures.

The community colleges report a preliminary audited operating fund balance of \$37.6 million as of June 30, 2008, not including the accrued compensated absences total of \$35.3 million, and project the fund balance will decrease by \$8.9 million to \$27.9 million as of June 30, 2009. (See Attachments D1 through D3.)

Charter Oak State College and the Connecticut Distance Learning Consortium are the two entities that make up the Board for State Academic Awards (BSAA). The BSAA recorded 28.7 percent of budgeted revenue in the first quarter of the fiscal year and expended 21.2 percent of budgeted expenditures. The BSAA anticipates ending the fiscal year with a consolidated fund balance of \$2.16 million, a reduction of just under \$642,000 from the June 30, 2008 fund balance. (See Attachments E1 through E3.)

#### Commissioner's Recommendation

It is recommended that the Board of Governors approve the operating fund quarterly reports for the three-month period ending September 30, 2008, for the University of Connecticut, University of Connecticut Health Center, Connecticut State University, Community-Technical College System and Board for State Academic Awards for submission to the Office of Policy and Management and the Appropriations and Education Committees.

11/19/08

## Background

Public Act 91-256 requires the constituent units of higher education to submit quarterly reports on operating fund expenditures. These reports must be submitted to the Office of Policy and Management and the Appropriations Committee through the Board of Governors in a format determined by the Board.

Please note that the financial information contained in the comparisons of budgeted versus actual revenues and expenditures is reported on a cash basis unless otherwise noted (all receipts and disbursements in the current year regardless of which fiscal year earned or obligated). Included on these statements is a beginning and ending cash balance (cash on hand at a point-in-time, not to be confused with fund balance). The cash basis was adopted because it could be readily provided by all units, and it would allow the Office of Policy and Management to reconcile with records maintained by the State Comptroller. A separate statement on operating fund balances (the excess of assets over liabilities, or equity) is provided by the units, when available.

### University of Connecticut

#### **Operating Budget -- (Attachment A1)**

The University of Connecticut's budget for FY 2009 includes \$939.4 million in revenues and \$938.3 million in expenditures and transfers for a projected gain of \$1.0 million. This net gain represents the \$1.0 million to repay the reserve for the November 2001 drawdown of \$11.5 million for the Towers Dining Center and Student Union. The operating budget is comprised of \$239.2 million in state appropriations, \$700.2 million in other operating revenues, of which approximately \$89.7 million is budgeted as the University's allotment of fringe benefit expenditures for employees funded by the general fund, and \$73.7 million of research fund revenues. The budget reflects the Governor's rescission of \$6.7 million in state support, the associated \$2.7 million reduction in state supported fringe benefits and an additional \$2.7 million reduction in collective bargaining support from the State's Reserve for Salary Adjustment account.

Budgeted operating fund expenditures and transfers total \$864.7 million and research expenditures total \$73.7 million. The budget includes mandatory transfers of \$24.2 million for debt service and non-mandatory transfers of \$18.6 million from auxiliary enterprises to the University's plant fund to support various capital improvement programs.

Through the first quarter, the University recorded \$316.3 million or 36.4 percent of budgeted operating revenue. The appropriation accounted for 24.7 percent of the budgeted State funding, and other operating fund revenue represented 43.3 percent of the remaining revenue. Tuition revenue collections, at 51.1 percent of budget, are higher than in recent years and reflect a 5.6 percent rate increase coupled with a 2.7 percent

increase in undergraduate degree-seeking students. Tuition revenue is forecast to be greater than budgeted due to higher than expected enrollment. Research revenue of \$25.6 million represented 34.7 percent of budget.

Operating fund expenditures and transfers of \$230.7 million represented 27.4 percent of the total budgeted expenditures of \$864.7 million, and research expenditures of \$26.4 million represented 35.8 percent of budget. At the end of the quarter, the percentage of the budget expended by major area was as follows:

Personal Services	26.7%
Fringe Benefits	26.1%
Other Expenses	27.9%
Equipment	33.4%
Student Aid	42.7%

All spending is generally consistent with historical experience. Energy expenses, included in other expenses, are projected to be below budget due to lower than expected non-cogeneration gas and electric consumption. Student aid funding is typically spent more heavily in the first half of the year, but is lower than last year's over budget result and consistent with normal spending patterns.

Collective bargaining settlements are reflected in budgeted and actual revenues and expenditures.

Overall, there is a net increase to the operating cash balance of \$56.8 million, for an estimated total cash balance of \$169.9 million at the end of the first quarter.

### **Projected Fund Balance – (Attachment A2)**

The University reported an unaudited operating fund balance of \$60.7 million as of June 30, 2008. In FY 2009, the operating fund balance is projected to increase by \$1.0 million to \$61.7 million.

### **Unit Comments – (Attachment A3)**

As part of the expanded quarterly report process, each unit agreed to include a brief narrative that highlights major programmatic and financial issues. This can be found on attachment A3.

### University of Connecticut Health Center

### **Operating Budget -- (Attachment B1)**

The University of Connecticut Health Center's operating budget for FY 2009 includes \$742.3 million in revenue and \$753.8 million in expenditures for a loss of \$11.5 million.

The budget includes a \$105.0 million general fund appropriation, \$315.3 million in net patient care, \$89.2 million in research, \$42.0 million in income from interns and residents and \$104.2 million for the Correctional Managed Health Care Program.

Budgeted expenditures are comprised of \$130.8 million in academic expenditures, \$104.0 million in research expenditures, \$443.4 million in clinical expenditures and \$69.7 million in operating support. Academic expenditures include the medical and dental schools. Clinical expenditures include the John Dempsey Hospital, the UConn Medical Group and the Correctional Managed Care Health Program.

At the end of the first quarter, the Health Center recorded \$180.2 million, or 24.3 percent of budgeted revenue. General fund revenue, including the fringe benefit allotment, accounted for \$37.8 million or 25.9 percent of total budgeted general fund revenue and other revenue was \$142.3 million or 23.9 percent of the total budgeted. While the hospital continues to record volume increases compared to last year, the deficit also continues as a result of a shift in payor mix from better reimbursing payors such as Medicare to Managed Care, Medicaid and Correctional Managed Care. In addition, the shifts in the types of cases being admitted, with larger increases in Medicine and decreases in better reimbursed surgical cases, continue.

Operating expenditures of \$185.4 million represented 24.6 percent of the total budgeted. Through the first quarter, the percentage of the budget expended by major expenditure area was as follows:

Personal Services	24.2%
Fringe Benefits	24.9%
Other Expenses	25.0%
Medical/Dental House Staff	25.7%

All categories are generally in line with historical spending patterns. Expenses are below the budgeted plan, but the lower expenses cannot cover the revenue loss. Management has begun to implement a turnaround plan developed in conjunction with Price Waterhouse Coopers.

Overall, there is a net decrease to the operating cash balance of \$5.9 million, for an estimated total cash balance of \$44.0 million as of the end of the first quarter.

### **Projected Fund Balances – (Attachment B2)**

As of the June 30, 2008 there was an unaudited operating fund balance of \$29.2 million, an all funds balance of \$90.1 million, not including the accrued compensated absences total of \$35.9 million, and investments in plant of \$189.3 million. The Health Center is projecting a FY 2009 operating fund balance of \$16.0 million, an all funds balance of \$73.8 million, excluding the accrued compensated absences total of \$37.0 million, and investments in plant of \$195.1 million.

### **Unit Comments -- (Attachment B3)**

As part of the expanded quarterly report process, each unit agreed to include a brief narrative that highlights major programmatic and financial issues. This can be found with attachment B3.

### Connecticut State University

#### **Operating Budget -- (Attachment C1)**

The Connecticut State University's operating budget for FY 2009 includes \$600.6 million in revenues and \$601.1 million in expenditures generating an expected loss of \$430,967. The operating budget is comprised of \$242.2 million in state appropriations, including the fringe benefit allotment of \$78.3 million for employees paid by the general fund and \$358.4 million in operating revenues.

At the close of the first quarter, Connecticut State University recorded \$243.8 million in operating budget revenue, or 40.6 percent of budgeted revenue. The state appropriation accounted for 30.3 percent of budget and the fringe benefit allotment represented 25.5 percent of budget. Other operating revenue represented 48.6 percent of the total budgeted. Tuition and fee revenue was 49.8 percent of budget and auxiliary revenue collections were 54.6 percent of budget. Revenue collections were largely on plan and reflect an enrollment increase of 2.3 percent.

Operating expenditures at the end of the quarter were \$152.5 million or 25.4 percent of the total budgeted expenditures of \$601.1 million. The percentage of the budgeted amount expended by major category was as follows:

Personal Services	25.5%
Fringe Benefits	24.4%
Other Expenses	18.7%
Equipment	36.4%
Student Aid	48.2%

Personal services and fringe benefits are slightly ahead of last year's level. Equipment is slightly higher than last year due to large purchases of library materials at the two largest campuses. All other spending is generally in line with past year levels.

The operating fund cash balance as of June 30, 2008 was \$124.0 million. Through the end of the first quarter, there was a net increase to the cash balance of \$32.8 million bringing the total to \$156.8 million.

## **Projected Fund Balance -- (Attachment C2)**

The State University will not update its fund balances until the audit is complete.

## **Unit Comments -- (Attachment C3)**

As part of the expanded quarterly report process, each unit agreed to include a brief narrative which highlights major programmatic and financial issues. This can be found on Attachment C3.

## Community-Technical College System

### **Operating Budget -- (Attachment D1)**

The Community-Technical College System's operating budget for FY 2009 includes \$433.5 million in revenues and \$438.3 million in expenditures for a planned loss of \$4.8 million. The planned loss represents a drawdown of reserves for energy costs, as well as an operating fund drawdown to offset the first quarter 2009 budget rescission. The revenue budget is comprised of \$167.7 million in estimated state appropriations, a fringe benefit allotment of \$75.9 million for employees paid by the general fund and \$189.9 million in operating revenues.

At the close of the first quarter, the system recorded \$158.9 million in operating budget revenue, or 36.7 percent of total budgeted revenue. The state appropriation accounted for \$42.6 million or 25.4 percent of the budgeted state appropriation. Other operating revenue was \$116.3 million or 43.8 percent of the total budget. Tuition and fee revenue collections represent 55.9 percent of budget and reflect a fall FTE enrollment increase of 6.5 percent over fall 2007. Private gifts and grants of \$699,041 were well above the original budget as a result of gifts provided for various academic initiatives.

Operating expenditures at the end of the quarter were \$119.2 million or 27.2 percent of the total budgeted expenditures of \$438.3 million. The percentage of the budgeted amount expended by major category was as follows:

Personal Services	23.9%
Fringe Benefits	25.2%
Other Expenses	26.5%
Equipment	15.1%
Student Aid	44.8%

All expenditure categories are generally in line with historical spending patterns except Student Aid which reflects increases in the Federal Pell program as a result of increased enrollment of eligible students, as well as in the CAPCS funding provided by the State.

The operating fund cash balance as of June 30, 2008 was \$90.9 million. Through the end of the first quarter, there was a net increase to the cash balance of \$5.7 million bringing the total to \$96.6 million.

### **Projected Fund Balance -- (Attachment D2)**

The Community-Technical College System's preliminary audited fund balance for FY 2008 was \$37.6 million, excluding accrued compensated absences of \$35.3 million. For FY 2009, the system is projecting an operating loss (including the First Quarter FY09 rescission) of \$8.9 million which will lower the estimated fund balance to \$27.9 million excluding the accrued compensated absence liability.

### **Unit Comments -- (Attachment D3)**

As part of the expanded quarterly report process, each unit agreed to include a brief narrative which highlights major programmatic and financial issues. This can be found on Attachment D3.

### Board for State Academic Awards

### **Operating Budget -- (Attachment E1)**

General fund appropriations, as well as operating fund resources, are included within BSAA's operating fund. The operating budget for FY 2009 includes \$11.6 million in revenues and \$12.3 million in expenditures, indicating a planned deficit of just under \$642,000. The planned loss represents a drawdown of reserves to fund renovations, furnishings and other facility improvements. The revenue budget is comprised of \$3.7 million in general fund appropriations; \$2.8 million for Charter Oak State College and \$931,968 for the Connecticut Distance Learning Consortium, including the fringe benefit allotment of \$963,884 for employees paid by the general fund. Other operating revenues are budgeted at \$7.9 million.

At the close of the first quarter, the BSAA recorded \$3.3 million in operating budget revenue, or 28.7 percent of total budgeted revenue. General fund revenue through the end of the first quarter was \$989,078 or 26.5 percent of the total budget. Other first quarter operating revenue totaled \$2.4 million or 29.7 percent of total budget led by fee revenue collections at 30.9% of budget. This is consistent with enrollment increases for degree candidates and distance learning courses.

Operating expenditures at the end of the quarter were \$2.6 million or 21.2 percent of total budgeted expenditures of \$12.3 million. The percentage of the budgeted amount expended by major category was as follows:

Personal Services	26.8%
Fringe Benefits	25.2%
Other Expenses	15.7%
Equipment	N/A
Student Aid	13.1%

Expenditures are in line with historical spending with the exception of other expenses, which are low. Equipment, which has no budget, will be funded from the Capital Equipment Purchase Bond Funds. In addition, student aid receipts appear low since loan disbursement dollars are not disbursed until the second quarter of FY 2009.

Overall, the net increase to the operating cash balance for the first quarter was \$734,443, bringing the cash balance to \$3.5 million.

### **Projected Fund Balance -- (Attachment E2)**

Charter Oak and CTDLC anticipate using about \$642,000 from reserves to cover the planned operating budget shortfall. This scenario will result in an estimated consolidated fund balance of \$2.2 million at year-end, excluding accrued compensated absences of approximately \$1.7 million.

### **Unit Comments -- (Attachment E3)**

As part of the expanded quarterly report process, each unit agreed to include a brief narrative which highlights major programmatic and financial issues. This can be found on Attachment E3.

### Commissioner's Recommendation

It is recommended that the Board of Governors approve the operating fund quarterly reports for the three-month period ending September 30, 2008, for the University of Connecticut, University of Connecticut Health Center, Connecticut State University, Community-Technical College System and Board for State Academic Awards for submission to the Office of Policy and Management and the Appropriations and Education Committees.

11/19/08

**University of Connecticut**  
**Statement of Operating Budget Revenues and Expenses**  
**for the Three Months Ending September 30, 2008**

	Operating Budget					Actual				
	Total	Research	Operating Fund			Total	Research	Operating Fund		
			Subtotal	E&G	Auxiliary Enterprise			Subtotal	E&G	Auxiliary Enterprise
<b>Revenues</b>										
State Appropriations (1)	\$ 239,155,605	\$ -	\$ 239,155,605	\$ 239,155,605	\$ -	\$ 59,051,212	\$ -	\$ 59,051,212	\$ 59,051,212	\$ -
Fringe Benefit Allotment	89,742,687	-	89,742,687	89,742,687	-	24,950,997	-	24,950,997	24,950,997	-
Tuition	204,168,077	-	204,168,077	197,990,494	6,177,583	104,316,238	-	104,316,238	98,588,399	5,727,839
Fees	82,601,020	-	82,601,020	57,121,016	25,480,004	36,185,886	-	36,185,886	10,705,882	25,480,004
Grants & Contracts	127,012,703	73,484,347	53,528,356	52,968,477	559,879	45,957,401	25,437,801	20,519,600	20,304,482	215,118
Endowment/Foundation	22,614,800	50,000	22,564,800	10,350,800	12,214,000	1,830,183	1,868	1,828,315	1,817,801	10,514
Investment Income	5,382,645	-	5,382,645	5,382,645	-	131,140	-	131,140	109,709	21,431
Sales & Services of Educ.	16,933,666	50,000	16,883,666	16,883,666	-	4,369,309	110,691	4,258,618	4,258,618	-
Auxiliary Enterprises	140,391,547	-	140,391,547	-	140,391,547	60,925,973	-	60,925,973	-	60,925,973
All Other Revenues	11,348,345	102,250	11,246,095	11,246,095	-	4,120,287	3,839	4,116,448	4,112,169	4,279
<b>Total Revenue</b>	<b>\$ 939,351,095</b>	<b>\$ 73,686,597</b>	<b>\$ 865,664,498</b>	<b>\$ 680,841,485</b>	<b>\$ 184,823,013</b>	<b>\$ 341,838,626</b>	<b>\$ 25,554,199</b>	<b>\$ 316,284,427</b>	<b>\$ 223,899,269</b>	<b>\$ 92,385,158</b>
<b>Expenses</b>										
Personal Services	\$ 440,255,361	\$ 36,736,235	\$ 403,519,126	\$ 351,657,934	\$ 51,861,192	\$ 117,516,348	\$ 13,229,497	\$ 104,286,851	\$ 89,919,352	\$ 14,367,499
Fringe Benefits	149,090,416	8,816,696	140,273,719	120,368,362	19,905,357	38,969,006	2,934,793	36,034,213	31,033,963	5,000,250
Other Expenses	198,962,721	20,856,900	178,105,821	103,765,356	74,340,465	55,544,381	7,126,719	48,417,662	31,691,766	16,725,896
Equipment	15,626,765	3,626,765	12,000,000	9,955,235	2,044,765	5,219,448	941,085	4,278,363	3,602,482	675,881
Student Aid (2)	91,632,796	1,150,000	90,482,796	80,872,417	9,610,379	39,170,233	129,560	39,040,673	34,400,943	4,639,730
Debt Service	24,182,054	-	24,182,054	11,212,181	12,969,873	6,205,619	-	6,205,619	3,971,597	2,234,022
Non-Mandatory Transfers	18,590,982	2,500,000	16,090,982	2,000,000	14,090,982	(5,535,006)	2,038,382	(7,573,388)	(10,261,046)	2,687,658
<b>Total Expenses/Transfers</b>	<b>\$ 938,341,095</b>	<b>\$ 73,686,597</b>	<b>\$ 864,654,498</b>	<b>\$ 679,831,485</b>	<b>\$ 184,823,013</b>	<b>\$ 257,090,029</b>	<b>\$ 26,400,036</b>	<b>\$ 230,689,993</b>	<b>\$ 184,359,057</b>	<b>\$ 46,330,936</b>
<b>Adjustments</b>	-	-	-	-	-	-	-	-	-	-
<b>Net Gain(Loss)</b>	<b>\$ 1,010,000</b>	<b>\$ -</b>	<b>\$ 1,010,000</b>	<b>\$ 1,010,000</b>	<b>\$ -</b>	<b>\$ 84,748,597</b>	<b>\$ (845,837)</b>	<b>\$ 85,594,433</b>	<b>\$ 39,540,212</b>	<b>\$ 46,054,222</b>
<b>Net Inc (Dec) to Cash</b>										56,804,399
<b>Cash Balance 6/30/08</b>										113,058,991
<b>Balance 9/30/08</b>										169,863,390

(1) State Appropriation	229,416,160
Collective bargaining	16,476,674
Rescission	(6,737,229)
<b>Total Support</b>	<b>239,155,605</b>

**UNIVERSITY OF CONNECTICUT**  
**Statement of Changes in Fund Balance**  
**FY 2009**

	<u>Operating</u>	<u>Research</u>	<u>Other</u>	<u>Total</u>
<b><u>Revenues and Expenditures</u></b>				
Revenues	\$ 865,664,498	\$ 73,686,597	\$ 265,786,706	\$ 1,205,137,801
Expenditures and Transfers	<u>864,654,498</u>	<u>73,686,597</u>	<u>177,826,715</u>	<u>1,116,167,810</u>
Net Increase (Decrease)	\$ 1,010,000	\$ -	\$ 87,959,991	\$ 88,969,992
<b><u>Fund Balance and Reserves</u></b>				
Fund Balance, 6/30/08 (unaudited)				
Restricted/Capital Assets	\$ 14,249,046	\$ 380,047	\$ 1,227,683,531	\$ 1,242,312,625
Unrestricted	<u>46,466,166</u>	<u>18,196,251</u>	<u>71,121,809</u>	<u>135,784,226</u>
Total	\$ 60,715,212	\$ 18,576,298	\$ 1,298,805,340	\$ 1,378,096,851
Compensated Absences	\$ 25,018,064			
Operating Change Restricted	\$ -	\$ -	\$ 101,527,500	\$ 101,527,500
Unrestricted	<u>1,010,000</u>	<u>-</u>	<u>(13,567,509)</u>	<u>(12,557,509)</u>
Net Increase (Decrease)	\$ 1,010,000	\$ -	\$ 87,959,991	\$ 88,969,992
Fund Balance, 6/30/09				
Restricted/Capital Assets	\$ 14,249,046	\$ 380,047	\$ 1,329,211,031	\$ 1,343,840,125
Unrestricted	<u>47,476,166</u>	<u>18,196,251</u>	<u>57,554,300</u>	<u>123,226,717</u>
Total	\$ 61,725,212	\$ 18,576,298	\$ 1,386,765,332	\$ 1,467,066,843
Compensated Absences	\$ 25,518,426			

# University of Connecticut (Storrs & Regional Campuses)

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## Quarterly Overview of the Operating and Research Funds For the Three Months Ended September 30, 2008

### Summary

On September 23, 2008, the Board of Trustees approved a Revised Spending Plan for Fiscal Year 2009 of \$938.3 million. This budget included \$939.3 million of revenue to cover \$938.3 million in expenses, yielding a \$1.0 million net gain. The net gain is the \$1.0 million reserve repayment for the November 2001 drawdown of \$11.5 million for the Towers Dining Center and Student Union.

Financial results for the first three months of Fiscal Year 2009 reflected a number of different factors when compared to budget. Actual revenue totaled \$341.8 million or 36.4% of the budget. At the close of September, the University expenditures and transfers totaled \$257.0 million or 27.4% of the budget.

The net gain for the Operating Fund shown in this three month report is not indicative of expected annual results, as most Operating Fund revenue is typically received in the first and second quarters of the fiscal year while expenditures are more evenly distributed throughout the year.

A more detailed review of the first three months of Fiscal Year 2009 operations is presented below.

### Revenues - Operating Fund

Total **Operating Fund** revenue collections for the first three months of Fiscal Year 2009 were \$316.2 million which represented 36.5% of the annual budget. At this point last fiscal year, Operating Fund revenue collections represented 36.0% of the annual budget. A major source of revenue, **State Support**, consisted of a \$59.0 million appropriation and a fringe benefit allotment of \$25.0 million. State Support represented 26.6% of total Operating Fund receipts for the first three months. On June 24, 2008, the Governor issued a directive which reduced the Fiscal Year 2009 State appropriation allotment by \$6.7 million or 3%; associated fringe benefit support was also reduced by \$2.7 million for a total of \$9.4 million. This rescission and the anticipated reduction in collective bargaining support from the State's Reserve for Salary Adjustment account of approximately \$2.7 million (includes estimated fringe benefits) were reflected in the Revised Spending Plan for Fiscal Year 2009.

**Tuition** collections were the largest source of revenue, totaling \$104.3 million, which represented 33.0% of total Operating Fund receipts. Tuition receipts were 51.1% of the annual amount budgeted (\$204.2 million) which is more than recent experience. Tuition revenue collections reflect a 5.6% rate increase coupled with a 2.7% increase in the number of undergraduate degree-seeking students who account for approximately 86.6% of budgeted tuition revenues. Therefore, tuition revenue is forecasted to be greater than budgeted due to higher enrollment than expected.

**Fee** revenue is comprised of course fees from summer school, part-time, and non-degree students as well as self-supporting programs (off campus MBA, EMBA, etc.). Also included

## University of Connecticut (Storrs & Regional Campuses)

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in this category is the General University Fee, which primarily supports four Auxiliary Enterprise programs and various other fees such as the Infrastructure Maintenance Fee, Application Fees and Late Payment Fees. The first three months Fee collections were \$36.2 million or 43.8% of the amount budgeted.

**Auxiliary Enterprise Revenue** for the first three months of Fiscal Year 2009 was \$60.9 million which represented 43.4% of the annual budgeted amount and was on track for the year. Auxiliary revenue consisted primarily of Room and Board Fees which reflect rate increases of 8.3% and 6.3% respectively (\$50.3 million) and Athletic Department receipts (\$9.4 million).

**Gifts, Grants and Contracts** revenue consists of restricted revenues from a granting agency or private donor and gifts transferred from the UConn Foundation. For the first three months of Fiscal Year 2009, Gifts, Grants and Contracts revenue of \$22.3 million, which included \$1.8 million from the UConn Foundation, was 29.4% of the annual budget and was on track for the year

Most **Investment Income** is reported in the quarter subsequent to when it is earned except for the fourth quarter (June 30) when it is accrued for annual reporting purposes. Consequently, the amount received (\$131,140) does not reflect the actual amount earned for the first quarter.

**Sales and Services of Educational Activities and Other Sources** (primarily parking, transit fee, and rental income) revenue totaled \$8.4 million and were on budget.

### Revenues - Research Fund

With respect to the **Research Fund**, the granting agency or donor restricts most of the revenues. For the first three months, Research Fund revenues were \$25.6 million and represented 34.7% of the amount budgeted. In Fiscal Year 2008, Research Fund revenues reported in the first three months totaled \$23.3 million and represented 33.6% of the amount budgeted.

### Expenditures - Operating Fund

**Total Operating Fund** expenditures (excluding transfers) for the first three months of Fiscal Year 2009 were \$232.1 million or 28.1% of the annual budgeted amount. The spending pattern of the first quarter of Fiscal Year 2008 reflected expenditures of 26.0% of the annual budget. Individual categories of expenditures as a percentage of the annual budget were as follows:

Personal Services	25.8%
Fringe Benefits	25.7%
Other Expenses	27.2%
Equipment	35.7%
Student Aid	43.1%

## **University of Connecticut (Storrs & Regional Campuses)**

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**Personal Services/Fringe Benefits** represents 25.8% of the annual budgeted amount of \$543.8 million. Official full-time faculty and staff counts (based on IPEDS federal reporting standards) will be available in the second quarter.

**Other Expenses** (including energy costs) were \$48.4 million for the first three months and represented 27.2% of the amount budgeted. Energy expenditures are projected to be slightly under budget due to lower than expected non-cogeneration gas and electric consumption. Other Expenses (excluding energy costs) were ahead of budget due to two contributing factors. Library acquisitions which were classified as prepaids at June 30, 2008 are now included in actual expenditures. Also, Residential Life spent additional funds to convert existing space into dorm rooms to accommodate the higher than anticipated enrollment.

**Equipment** expenditures of \$4.3 million were 35.7% of the amount budgeted and included the additional furniture purchased for new dorm rooms.

**Student Aid** funds are predominantly spent in the first and third quarter of the fiscal year. For the first quarter, Student Aid expenditures were \$39.0 million and represented 43.1% of the amount budgeted. This category is expected to be on budget for the year.

### **Expenditures - Operating Fund Transfers**

**Transfers** for the first quarter reflect a negative amount of \$1.4 million due to timing differences in funding the cogeneration reserve account, transfers from plant funds to operating, additional Human Resource system implementation expenditures, and research funding for faculty start-up equipment purchases. Additionally, Transfers do not always follow a predictable pattern, especially in the first three months, so quarterly results or comparisons are not necessarily indicative of annual results.

### **Expenditures - Research Fund**

Finally, **Research Fund** expenditures and transfers totaled \$26.4 million and represented 35.8% of the budgeted amount. Because of the variability of research expenditures, quarterly comparisons are not necessarily indicative of annual results. In Fiscal Year 2008, Research Fund expenditures and transfers reported in the first three months totaled \$23.0 million and represented 33.2% of the budgeted amount.

### **Enrollment**

Total University enrollment for fall 2008 (excluding the Health Center) is up 2.4% from fall 2007. First semester freshmen enrollment is up 12.3% from fall 2007 and total undergraduate enrollment (degree and non-degree) is up 2.5%. The current year budget was based on a projected 1.2% increase in total University enrollment and a projected 1.6% increase in undergraduate enrollment.

### **Cash Balance**

The September 30, 2008 current funds cash balance was \$168.6 million, \$14.3 million more than September 2007 which was \$154.3 million. The current funds cash balance reflected the collection of 36.4% of budgeted revenue while total expenditures and transfers were

## **University of Connecticut (Storrs & Regional Campuses)**

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27.4% of budget. The cash balance is expected to decrease as expenditure outlays exceed future revenue collections as the year progresses. Also, the September 30, 2008 cash balance represented 18.0% of the annual expenditure budget as compared to 17.1% one-year ago.

### **Fund Balance**

The University's revised budget is projected to have a net gain of \$1.0 million for the fiscal year ended June 30, 2009, which results in a Current Funds Unrestricted Fund Balance of \$65.7 million (Operating Fund-\$47.5 million; Research Fund-\$18.2 million). The fund balance represents 8.0% of the current year's unrestricted expenditure budget. Also, in accordance with standard University procedures, centrally funded unrestricted fund balances are carried forward in departmental accounts and are available for expenditure in the current and future fiscal years. The Fiscal Year 2009 revised budget assumes a consistent level of departmental fund balances at June 30, 2009. Any variance from this assumption will affect the projected fund balance level at year-end.

**University of Connecticut Health Center**  
**Statement of Operating Budget Revenues and Expenses**  
**for the Three Months Ending September 30, 2008**

	Operating Budget					Actual				
	Total	Academic	Research	Clinical	Operating Support	Total	Academic	Research	Clinical	Operating Support
<b>Revenues</b>										
State Appropriations (1)	\$ 104,963,000	\$ 41,207,664	\$ 3,183,772	\$ 20,917,920	\$ 39,653,644	\$ 27,480,614	\$ 9,621,843	\$ 660,657	\$ 7,843,431	\$ 9,354,683
Fringe Benefit Allotment	40,937,872	16,071,893	1,241,741	8,158,448	15,465,791	10,362,208	3,628,141	249,116	2,957,549	3,527,402
Tuition	10,229,501	10,229,501	-	-	-	2,519,667	2,519,667	-	-	-
Fees	5,560,560	5,477,910	180	22,630	59,840	1,476,097	1,406,547	-	9,675	59,875
Grants and Contracts	89,156,047	-	89,156,047	-	-	21,442,925	20,135	21,422,790	-	-
Auxiliary Enterprises	13,417,229	8,132,952	1,701,418	851,226	2,731,633	3,325,033	2,053,794	454,641	282,211	534,387
Interns and Residents	41,994,983	41,994,863	-	-	120	8,738,049	8,738,049	-	-	-
Net Patient Care	315,268,544	4,932,190	-	309,486,660	849,694	77,029,853	634,628	-	76,220,658	174,567
Correctional Managed Care	104,194,273	-	-	104,194,273	-	25,262,667	-	-	25,262,667	-
Endowment/Foundation	4,655,911	1,853,015	2,077,896	725,000	-	878,133	328,887	549,246	-	-
All Other Revenues	11,936,712	878,892	1,761,017	8,721,391	575,412	1,646,394	140,638	434,139	986,259	85,358
<b>Total Revenue</b>	<b>742,314,632</b>	<b>130,778,880</b>	<b>99,122,071</b>	<b>453,077,547</b>	<b>59,336,134</b>	<b>180,161,640</b>	<b>29,092,329</b>	<b>23,770,588</b>	<b>113,562,450</b>	<b>13,736,272</b>
<b>Expenses</b>										
Personal Services	\$ 379,430,081	\$ 66,052,524	\$ 48,306,043	\$ 228,382,007	\$ 36,689,507	\$ 91,980,125	\$ 16,077,027	\$ 12,238,218	\$ 55,455,506	\$ 8,209,374
Fringe Benefits	105,409,822	18,529,256	13,793,376	57,644,804	15,442,386	26,285,683	4,530,847	3,819,649	14,271,950	3,663,237
Other Expenses	186,225,450	9,618,624	34,551,316	131,707,977	10,347,533	46,601,513	2,119,328	7,641,619	34,246,667	2,593,899
Medical Contract Support	15,585,085	2,989,588	209,422	12,386,075	-	3,999,022	714,727	-	3,282,540	1,755
Medical/Dental House Staff	36,983,086	37,630,536	10,000	(657,450)	-	9,404,866	9,321,790	83,076	-	-
Outside Agency Per Diems	1,686,229	140,550	171,711	1,373,968	-	452,351	15,020	6,726	430,605	-
Depreciation	28,458,189	1,708,336	6,948,000	12,587,000	7,214,853	6,665,381	292,532	1,737,000	2,865,731	1,770,118
Non-Mandatory Transfers	-	-	-	-	-	-	-	-	-	-
<b>Total Expenses/Transfers</b>	<b>\$ 753,777,942</b>	<b>\$ 136,669,414</b>	<b>\$ 103,989,868</b>	<b>\$ 443,424,381</b>	<b>\$ 69,694,279</b>	<b>\$ 185,388,941</b>	<b>\$ 33,071,271</b>	<b>\$ 25,526,288</b>	<b>\$ 110,552,999</b>	<b>\$ 16,238,383</b>
<b>Adjustments</b>										
<b>Net Gain(Loss)</b>	<b>\$ (11,463,310)</b>	<b>\$ (5,890,534)</b>	<b>\$ (4,867,797)</b>	<b>\$ 9,653,166</b>	<b>\$ (10,358,145)</b>	<b>\$ (5,227,301)</b>	<b>\$ (3,978,942)</b>	<b>\$ (1,755,700)</b>	<b>\$ 3,009,451</b>	<b>\$ (2,502,111)</b>
<b>Net Inc (Dec) to Cash</b>										(5,905,211)
<b>Cash Balance 6/30/08</b>										49,929,191
<b>Balance 9/30/08</b>										44,023,980

(1) State Appropriation	101,963,598
CT Health Info Network	500,000
Collective bargaining	4,173,080
<b>Total Support</b>	<b>106,636,678</b>

## UNIVERSITY OF CONNECTICUT HEALTH CENTER

### Statement of Changes in Fund Balance

#### All Funds

	<u>Operating</u>	<u>UConn Medical Group</u>	<u>JDH</u>	<u>Plant</u>	<u>Total</u>
<b><u>Revenues and Expenditures</u></b>					
Revenues	\$ 406,646,046	\$ 90,910,454	\$ 244,758,132		\$ 742,314,632
Expenditures and Transfers	<u>398,697,147</u>	<u>94,444,753</u>	<u>260,636,042</u>		<u>753,777,942</u>
Net Increase (Decrease)	\$ 7,948,899	\$ (3,534,299)	\$ (15,877,910)	\$ -	\$ (11,463,310)
<b><u>Fund Balance and Reserves</u></b>					
Fund Balance, 6/30/08					
Restricted	\$ 4,685,874	\$ -	\$ 146,345	\$ 28,069,480	\$ 32,901,699
Unrestricted	<u>24,479,625</u>	<u>30,888,949</u>	<u>1,808,030</u>	<u>-</u>	<u>57,176,604</u>
Total	\$ 29,165,499	\$ 30,888,949	\$ 1,954,375	\$ 28,069,480	\$ 90,078,303
Compensated Absences	\$ 19,625,265	\$ 3,879,293	\$ 12,394,185	\$ -	\$ 35,898,743
Investment in Plant	\$ -	\$ 7,907,336	\$ 50,734,982	\$ 130,677,597	\$ 189,319,915
Change Restricted	\$ 46,859	\$ -	\$ 1,463	\$ -	\$ 48,322
Change Unrestricted	<u>(13,236,845)</u>	<u>259,829</u>	<u>(3,314,380)</u>	<u>-</u>	<u>(16,291,396)</u>
Net Increase (Decrease)	\$ (13,189,986)	\$ 259,829	\$ (3,312,917)	\$ -	\$ (16,243,074)
Fund Balance, 6/30/09					
Restricted	\$ 4,732,733	\$ -	\$ 147,808	\$ 28,069,480	\$ 32,950,021
Unrestricted	<u>11,242,780</u>	<u>31,148,778</u>	<u>(1,506,350)</u>	<u>-</u>	<u>40,885,208</u>
Total	\$ 15,975,513	\$ 31,148,778	\$ (1,358,542)	\$ 28,069,480	\$ 73,835,229
Compensated Absences	\$ 20,569,381	\$ 3,794,128	\$ 12,563,530	\$ -	\$ 36,927,039
Investment in Plant	\$ -	\$ 18,397,336	\$ 51,036,953	\$ 125,693,686	\$ 195,127,975



## Consolidated Financial Reports Financial Update & Highlights

**TO:** Members, Finance Sub-Committee  
**FROM:** Daniel L. Upton, Chief Financial Officer  
**DATE:** September 30, 2008  
**SUBJECT:** **Unaudited FY 2009 Financial Results for the 3 month period ending September 30, 2008.**

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**SUBJECT: Unaudited FY 2008 Financial Results for the 3 month period ending September 30, 2008.**

**Introduction:**

The following provides highlights for the results of operations for the three month period ending September 30, 2008

The actual deficiency for the Fiscal Year to Date is \$5.23 million as compared to a budgeted deficiency of \$5.18 million, for an unfavorable variance of \$45,000. For the month of September the actual deficiency is \$1.0 million as compared to a budgeted deficiency of \$1.5 million, for a favorable variance of \$498,000. Key drivers of budget variances are outlined below. The primary reason for the unfavorable budget variance year to date is that the School of Medicine revenue from billings to participating hospitals for providing residents and interns are below the budget. The impact to the results of operations is a net decrease in revenue of \$1.3 million.

### **Significant Highlights and Variance Analysis:**

#### **John Dempsey Hospital (excluding Dental Clinics)**

**Results of Operations:**

Year-to-date the deficit is \$5.4 million compared to a budgeted deficit of \$6.3 million, for a favorable variance of \$846,000. The deficit for the same period last year was \$5.7 million. The Month of September shows a deficit of \$1.9 million compared to a budgeted deficit of \$2.2 million, for a favorable variance of \$341,000. The deficit for the same period last year was \$2.1 million.

**Significant Highlights:**

The first quarter of the fiscal year has seen an increase in discharges of 3.3% compared to last year, however, the increase is primarily from Medicaid which increased 45 cases (12%). Outpatient visits are below budget 1.9%, but are above the same period last year by 7%. These factors resulted in net patient revenue having an unfavorable variance of 1.5% to the budget, however net patient revenue is 11.8% above the same period last year. Expenses tracked the revenue shortfall and were favorable to the budget by 2.4% which resulted in favorable budget variance in the budgeted bottom line.

Other items of interest are:

- Inpatient Surgical cases are above budget 8.0 % and 12.1% above last year.
- Cardiology Inpatient volume is above budget 4% and 17% above last year.

**Volume:**

Year-to-date, inpatient discharges are favorable to the budget plan by 34 cases (1.4%) and are above last year by 81 cases (3.3%). Year-to-date, outpatient visits are unfavorable to the budget plan by 1,400 cases (1.9%) and are above last year by 4,762 cases (7.0%).

The key drivers for inpatient volume year-to-date are:

- Cardiology is 4 cases above budget and 50 cases above last year
- OB/GYN; Newborn and NICU are 77 cases above budget and 24 above last year
- Psychiatry is below budget 17 cases and below last year 41 cases
- Overall Inpatient Surgery cases which are included in multiple service lines are above budget 52 (8%) cases and above last year by 78 (12%) cases

The key drivers for outpatient volume year-to-date are:

- Compared to Budget – Areas that are below the budget are ;Outpatient surgery (2.7%), Emergency Department (5%); MRI (5%) – Areas that are above budget are Cardiology related tests (EKG's – 32%; EP Lab – 42%); Physical Therapy 26%

### **Net Revenue: (Payer Mix)**

The significant year-to-date variances for inpatient payer mix:

- Compared to Budget
  - Medicare discharges are above the budgeted plan by 21 cases (2.2%)
  - Medicaid discharges are ahead of the budgeted plan by 34 cases (8.4%)
  - Managed Care discharges are slightly below budget
  - Correctional Managed Health Care is below the budgeted plan by 18cases (16.7%)
- Compared to the same period last year
  - Medicare discharges are above last year by 39 cases (4.2%)
  - Medicaid discharges are above last year by 45 cases (11.5%)
  - Managed Care discharges are above last year by 8 cases (0.9%)
  - Correctional Managed Health Care is below last year by 16 cases (15.1%)

### **Expenses:**

Year-to-date, total expense is favorable to the budget plan by \$1.6 million (2.4%) and is above last year by \$5.9 million (10.2%).

The key drivers for expenses year-to-date are:

- Salaries and fringe benefits are favorable to the budget by 1.3%, or 434,000 (FTE's are below budget 22.4)
- Medical Supplies favorable to the budget by 15.3%, or 1,361,000
- Drugs are unfavorable to the budget by 18%, or (671,000) ( This is due to patients requiring hemophilia clotting factors that are paid by the insurers)
- Medical Dental Staff is favorable to the budget due to lower billings from the School of Medicine, a 338,000 effect

## **UConn Medical Group**

### **Results of Operations**

Year-to-date the deficit is \$2.34 million compared to a budgeted deficit of \$2.07 million, for an unfavorable variance of \$267,000. The deficit for the same period last year was \$1.33 million a unfavorable change of \$1.01 million

The drivers for the year-to-date deficit are:

- Anesthesiology is unfavorable to the budget plan by \$333,000.
- The results with Anesthesiology removed shows a favorable variance of \$37,000.
  - Visits are below budget 2,696 cases (2.0%)
  - Total expenses are favorable to the budget by \$208,000.

### **Volume:**

Year-to-date, visits are unfavorable to the budget plan by 2,305 cases (1.7%) and are above last year by 4,811 visits (3.7%). The results without Anesthesiology shows that visits are unfavorable to the budget plan by 2,696 cases (2.0%) and above last year by 4,162 visits (3.3%).

The key variance drivers are:

- Budget
  - Primary care visits are below budget 2,529 cases (13.0%). The departments with significant unfavorable budget variances are Radiology (6.9%), Psychiatry (53%). The only departments with a significant favorable budget variance was Cardiology (32%), Dermatology (8%)
- Prior Year.
  - The departments with significant increase in visits from the prior year are Cardiology (44%), Ophthalmology (8%), Orthopedics (15%), Cancer Center (22%), and Radiology (8%)
  - The departments with significant decreases in visits from the prior year are Primary Care (8%), and Psychiatry (38%)

**Net Revenue:**

Year-to-date, total net revenue is unfavorable to the budget plan by \$457,000 (2.1%) and is above last year by \$1.09 million (5.5%). The results without Anesthesiology shows that revenue is unfavorable to the budget plan by \$171,000 (0.9%) and is above last year by \$1.5 million (8.4%).

The key drivers for net revenue are:

- Anesthesiology below the budgeted plan by \$285,000
- Visits being under budget 2,305visits (1.7%) – Valued at \$ 358,000
- Compared to Budget – Price Variance is unfavorable to the budget by \$ 98,000 and Volume Variance is an unfavorable \$ 358,000. The net revenue per unit was \$.72 lower than what was budgeted. Medicare visits increased 5% from the same period last year. The collection rate for Medicare patients in UMG is 37% versus 45% for all other payers
- Compared to Last Year – Price Variance is favorable by \$ 360,000 and the Volume Variance is favorable \$ 732,000.

**Expenses:**

Year-to-date, total expenses are favorable to the budget plan by \$190,000 (0.8%) and is above last year by \$2.1 million (9.9%). The results without Anesthesiology show that expense is favorable to the budget plan by \$208,000 (1.0%) and above last year by \$1.97 million (10.3%).

**Connecticut State University**  
**Statement of Operating Budget Revenues and Expenses**  
**for the Three Months Ending September 30, 2008**

	<b>Operating Budget</b>			<b>Actual</b>		
	Total	E&G	Auxiliary Enterprise	Total	E&G	Auxiliary Enterprise
<b>Revenues</b>						
State Appropriations (1)	\$ 163,913,753	\$ 163,913,753	\$ -	\$ 49,590,093	\$ 49,590,093	\$ -
Fringe Benefit Allotment	78,266,579	78,266,579	-	19,956,468	19,956,468	-
Tuition	95,444,282	95,444,282	-	50,215,889	50,215,889	-
Extension Fees (PT)	62,363,442	62,363,442	-	29,837,157	29,837,157	-
Fees	66,606,706	66,606,706	-	31,646,848	31,646,848	-
Grants and Contracts	36,615,212	36,615,212	-	16,335,546	16,335,546	-
Auxiliary Enterprises	77,452,992	-	77,452,992	42,288,381	-	42,288,381
Endowment/Foundation	-	-	-	-	-	-
All Other Revenues	19,976,135	19,976,135	-	3,892,162	3,892,162	-
<b>Total Revenue</b>	<b>600,639,101</b>	<b>523,186,109</b>	<b>77,452,992</b>	<b>243,762,544</b>	<b>201,474,163</b>	<b>42,288,381</b>
<b>Expenses</b>						
Personal Services	\$ 291,633,857	\$ 283,605,702	\$ 8,028,155	\$ 74,291,866	\$ 72,243,297	\$ 2,048,569
Fringe Benefits	112,844,808	109,459,041	3,385,767	27,526,383	26,544,741	981,642
Other Expenses	120,342,171	88,790,085	31,552,086	22,516,777	13,960,589	8,556,188
Equipment	10,096,630	9,691,630	405,000	3,671,686	3,550,676	121,010
Student Aid	50,602,352	50,602,352	-	24,394,211	24,394,058	153
Debt Service	13,844,095	5,762,632	8,081,463	-	-	-
Non-Mandatory Transfers	1,706,155	469,697	1,236,458	101,773	102,273	(500)
<b>Total Expenses/Transfers</b>	<b>\$ 601,070,068</b>	<b>\$ 548,381,139</b>	<b>\$ 52,688,929</b>	<b>\$ 152,502,696</b>	<b>\$ 140,795,634</b>	<b>\$ 11,707,062</b>
<b>Adjustments</b>						
<b>Net Gain(Loss)</b>	<b>\$ (430,967)</b>	<b>\$ (25,195,030)</b>	<b>\$ 24,764,063</b>	<b>\$ 91,259,848</b>	<b>\$ 60,678,529</b>	<b>\$ 30,581,319</b>
<b>Net Inc (Dec) to Cash</b>				32,784,798		
<b>Cash Balance 6/30/08</b>				<u>123,993,159</u>		
<b>Balance 9/30/08</b>				156,777,957		

## CSU Budget

(1) State Appropriation	160,444,294
Rescission	(4,616,470)
Collective Bargaining Settlements	10,389,475
Total Support	<u>166,217,299</u>

**CONNECTICUT STATE UNIVERSITY**  
**Statement of Changes in Fund Balance**  
**FY 2008**  
**Incomplete**

	<u>Operating</u>	<u>Plant</u>	<u>Total</u>
<b><u>Revenues and Expenditures</u></b>			
Revenues	\$ 535,068,615	\$ 200,000,000	\$ 735,068,615
Expenditures and Transfers	<u>534,162,698</u>	<u>160,000,000</u>	<u>694,162,698</u>
Net Increase (Decrease)	\$ 905,917	\$ 40,000,000	\$ 40,905,917
<b><u>Fund Balance and Reserves</u></b>			
Fund Balance, 6/30/07			
Restricted	\$ 2,483,044	\$ 635,794,706	\$ 638,277,750
Unrestricted	<u>15,087,745</u>	<u>30,116,266</u>	<u>45,204,011</u>
Total	\$ 17,570,789	\$ 665,910,972	\$ 683,481,761
Compensated Absences	\$ 27,741,498	\$ -	\$ 27,741,498
Operating Change	\$ 905,917	\$ 20,000,000	\$ 20,905,917
Other Change	<u>-</u>	<u>20,000,000</u>	<u>20,000,000</u>
Net Increase (Decrease)	\$ 905,917	\$ 40,000,000	\$ 40,905,917
Fund Balance, 6/30/08			
Restricted	\$ 2,483,044	\$ 690,568,954	\$ 693,051,998
Unrestricted	<u>15,993,662</u>	<u>-</u>	<u>15,993,662</u>
Total	\$ 18,476,706	\$ 690,568,954	\$ 709,045,660
Compensated Absences	\$ 29,600,000		\$29,600,000

**CONNECTICUT STATE UNIVERSITY SYSTEM**  
**General and Operating Fund Quarterly Report**  
**As of September 30, 2008**

**Overview Narrative**

Comments relating to the three months ending September 30, 2008, for the Connecticut State University System (CSUS) are presented below.

**I. Spending Plan**

In July 2008, the Board of Trustees reviewed and approved the FY2008-2009 Spending Plan for the Universities, System Office and System-wide Direct. This Spending Plan includes an increase in general fund appropriations and an increase in general fund Fringe Benefits. Budgeted PS expenses reflect classified salary increases, refills of vacant positions and some requested new positions and increased fringe benefits. Budgeted Other Expenses reflect increases primarily in utilities, food service contracts (offset by food service revenue) and insurance.

**II. Enrollment**

Overall, Fall 2008 full time headcount enrollment of 25,295 increased by 2.3% from the Fall 2007 number of 24,718. This represents a gain in both undergraduate and graduate full time enrollment. Undergraduate full time enrollment increased by 558 students, while graduate full time enrollment increased by 19 students. This is the thirteenth consecutive year that CSUS has achieved a net increase in full time enrollment.

The Fall 2008 FTE enrollment for all students of 28,414 students represents an increase of 594 students from the prior year, or 2.1%. Fall FTE enrollment has increased over the past twelve years, from 21,942 in FY1995-96 to 28,414 in FY2008-09.

### **III. Revenues and Expenditures**

The System's FY2009 Spending Plan projects a \$ 430,967 net use of funds for the fiscal year with revenues of \$600.6 million and expenditures and transfers of \$601.1 million.

State Appropriations of \$49.6 million are ahead of budget primarily due to receipts in the 1<sup>st</sup> Q of all tuition and extension fee freeze funds (\$6.6 million), seven payrolls, Waterbury operating funds of \$ 336,728 and Operating Expenses of \$ 4.0 million. Fringe Benefits funds received of \$20.0 million were 25.5% of budget. Tuition and Extension fees were \$80.1 million or 50.7% of budget (50.8% last year). Fees of \$31.6 million were 47.5% of budget, while auxiliary enterprise revenues of \$42.3 million were 54.6% of budget. Both of these captions were comparable to last year. All Other Revenues were \$3.9 million or 19.5% of budget, mainly due to timing. This trend is similar to last year, when it was at 21.2% of budget. Grants were \$16.3 million and are ahead of target at 44.6% of budget (versus 38.6% last year).

Personal services and fringe benefits were \$101.8 million or 25.2% of budget, slightly ahead last year's level of 24.6%. Other Expenses of \$22.5 million were 18.7% of plan compared to 17.8% in FY08. The percent in the first quarter is usually lower than the expected 25% level because summer expenses tend to be lower and the university departments are just beginning their annual spending. Library and Other Equipment expenditures were \$3.7 million or 36.4% of budget. This level of spending is due to large purchases of library material at the two larger universities, as well as large equipment purchases at one university. Most of the spending for equipment takes place during the start of the fall academic year. Student Aid was \$24.4 million or 48.2% of plan. This is comparable to prior year trends (47.3% - FY 08) and is mainly due to timing. It is expected that Student Aid will be fully expended by year-end.

### **IV. Fund Balance**

CSUS has engaged PricewaterhouseCoopers to perform an audit of FY2007-2008, with completed financial statements expected by late December 2008. As a result, this report represents an estimate, which will be adjusted when audited financials are available.

**Community-Technical College System**  
**Statement of Operating Budget Revenues and Expenses**  
**for the Three Months Ending September 30, 2008**

	<b>Operating Budget</b>	<b>Actual</b>
	<b>Total</b>	<b>Total</b>
<b>Revenues</b>		
State Appropriations (1)	\$ 167,677,025	\$ 42,611,501
Fringe Benefit Allotment	75,862,369	18,668,670
Tuition	89,427,179	47,972,154
Fees	36,114,446	22,256,502
Grants and Contracts	50,426,028	20,700,790
Private Grants	293,583	699,041
Sales of Educational Activities	391,152	118,513
Endowment/Foundation	-	-
All Other Revenues	13,264,264	5,897,841
<b>Total Revenue</b>	<b>433,456,046</b>	<b>158,925,012</b>
<b>Expenses</b>		
Personal Services*	\$ 228,353,899	\$ 54,627,006
Fringe Benefits*	88,128,065	22,169,293
Other Expenses	62,178,807	16,496,716
Equipment	2,679,795	404,156
Student Aid	56,924,669	25,475,712
Buildings/Improvements	-	-
Transfers	-	(500)
<b>Total Expenses/Transfers</b>	<b>\$ 438,265,235</b>	<b>\$ 119,172,383</b>
<b>Adjustments</b>		
<b>Net Gain(Loss)</b>	<b>\$ (4,809,189)</b>	<b>\$ 39,752,629</b>
<i>Accrual Adj.</i>		(33,997,424)
<b>Net Inc (Dec) to Cash</b>		5,755,205
<b>Cash Balance 6/30/08</b>		96,607,652
<b>Balance 9/30/08</b>		90,852,447
	<u>General Fund EOY Appropriation</u>	<u>General Fund YTD</u>
(1) State Appropriation	149,815,671	38,359,110
Manufacturing Tech SID's	545,000	139,395
Tuition Freeze	2,160,925	581,788
<b>Original Appropriation</b>	<b>152,521,596</b>	<b>39,080,293</b>
Due from OPM Wage Settlements	15,155,429	3,531,208
<b>Total Support - Original Budget</b>	<b>167,677,025</b>	<b>42,611,501</b>
OPM adjustment, pending wage settlement	(1,030,596)	-
<b>Revised Base Appropriation</b>	<b>166,646,429</b>	<b>42,611,501</b>
First Quarter FY09 rescission	(4,521,720)	-
<b>Total GF Appropriation</b>	<b>171,168,149</b>	<b>42,611,501</b>

## COMMUNITY-TECHNICAL COLLEGE SYSTEM

### Statement of Changes in Fund Balance

**FY 2009**

<u>Revenues and Expenditures</u>	<u>Operating</u>
Revenues	\$ 433,456,046
Expenditures and Transfers	438,265,235
Fund (Additions)/Deductions	<u>4,144,815</u>
Net Increase (Decrease)	\$ (8,954,004)
<u>Fund Balance and Reserves</u>	
Fund Balance, 6/30/08, preliminary unaudited	
Restricted	\$ 4,754,088
Unrestricted	<u>32,833,145</u>
Total	\$ 37,587,233
Compensated Absences (Est.)	\$ 35,334,018
Operating Change	\$ (8,954,004)
Other Change	<u>-</u>
Net Increase (Decrease)	\$ (8,954,004)
Fund Balance, 6/30/09 Estimated	
Restricted	\$ 4,754,088
Unrestricted	<u>23,185,228</u>
Total	\$ 27,939,316
Compensated Absences (Est.)	\$ 35,334,018



November 10, 2008

To: Nancy Brady, Department of Higher Education  
From: Vicky Greene, Chief Financial and Administrative Officer  
Re: First Quarter FY2009 Report

This report for the period ending September 30, 2008 is forwarded to your attention on behalf of the Board of Trustees for Community Technical Colleges, for submission to the Joint Standing Committee on Appropriations of the General Assembly and the Office of Policy and Management through the Board of Governors in accordance with C.G.S. Section 10a-77c as amended. This report reflects all current funds revenues and expenditures on a budgetary basis.

The community colleges began the 2009 fiscal year to a mix of both good and bad news. Enrollment continued to set new records, with Fall 2008 FTE enrollment up by 6.5% over Fall 2007, and student headcount enrollment up by 5.5% over the previous fall, reaching a total of 51,105 students taking credit courses. Full time student enrollment continued to climb, reaching 19,694 students, or 38.5% of all community college students. At the same time, we began the year with a 3% \$4.5 million General Fund budget reduction, and news of a swiftly declining economic outlook for the State.

For the first quarter of fiscal year 2009, total operating budget revenues of \$158.9 million were at about 37% of the original annual budget, while total expenditures of \$119.2 million were about 27% of the original budget for the year.

#### Revenues and Expenditures

Tuition revenues through the first quarter were just under \$48.0 million, about 54% of the annual budget, reflecting the strong enrollment growth and revenues earned for the Fall semester. Fee revenues of \$22.3 million were about 62% of the annual budget. Extension fees totaling \$12.7 million were about 67% of budget, reflecting the summer 2008 semester and other revenues earned through the first quarter. Government grants of \$20.7 million were at 41% of budget, reflecting federal and state grant revenues for student financial aid, as well as other non-financial aid grants revenue earned. Private gifts and grants of \$699 thousand were above the original annual budget approved by the Board, reflecting the expenditure of gift funding for student scholarship aid and prior year gifts, as well as foundation and other support for various academic programs and initiatives. In addition, private grant funding for various workforce and student success initiatives including Achieving the Dream, nursing program support, and other programs, reflects the recording of grant revenues earned as current and prior year grants received are actually expended for programmatic purposes. Other revenues, including bookstore revenues, as well as daycare, commission, interest income and other miscellaneous revenues were at 44% of budget overall through the first quarter.

Salary and fringe benefit expenditures for the first quarter were 24% and 25% of budget, respectively. Other non-payroll expenditures were at 27% of budget for the year, reflecting obligations that carried forward from the previous year, as well as increased activity to support growing enrollment, offset by continuing cost reduction efforts implemented where possible to conserve resources in light of the State's worsening budget climate. Non-payroll costs also included utility expenditures of about \$2.5 million, about 30% of the \$8.3 million base energy budget supported by student tuition and fees.

Approximately \$3 million of reserves are programmed in FY2009 to offset the current year structural energy budget shortfall, which continues to be an on-going concern.

Capital outlay expenditures are at about 15% of current year budget, reflecting conservative spending in light of budgetary concerns. Financial aid grants, waivers and student work study employment totals \$25.9 million, about 43% of the original annual budget, reflecting continued increases in the federal Pell program as a result of increased enrollment of eligible students, and in CAPCS funding provided by the State.

#### Net Asset Projection

Unrestricted net assets are anticipated to be \$32.8 million at June 30, 2008, based on preliminary audit figures. CCC Board of Trustees policy provides that unrestricted net assets should be maintained at a level that covers all carry-forward obligations, and allows for a system contingency reserve of 1.2% of total operating expense, college contingency reserves of 2-3%, plus optional reserves for specific college or system needs including new facility transition expenses, new academic program startup initiatives, technology and telecommunications upgrades, and other projects that may require more funds than would be available in a single year's budget. Based on this policy, the System and colleges had about \$6.4 million reserved at year end for carry-forward obligations (existing contracts and purchase orders), approximately \$11.5 million in contingency reserves representing about 2.8% of total operating expense, and a net \$14.9 million in other designated reserves, most of which were held at colleges for one-time transitional new facility costs.

Under the Board's originally approved operating budget for FY2009, unrestricted net assets were originally programmed to decline by approximately \$4.8 million, reflecting the use of \$3.0 million reserves for energy costs and \$1.8 million for various new facility transition costs and other one-time projects and current year initiatives. However, a General Fund budget reduction of \$4.5 million implemented just as the year began, resulted in a modification of the original plan. Under the Board's revised plan, the cost of these obligations, along with associated fringe benefits, will be absorbed in the Operating Fund in order to maintain critical instructional and support services to support the System's enormous enrollment growth. Offsetting savings of at least \$1.75 million will be required in order to mitigate the additional cost, resulting in a new programmed reduction of just under \$9 million during FY2009. The System will continue to seek additional cost savings to reduce the use of one-time reserves where possible, and to maximize the financial flexibility that will be needed to address additional budgetary challenges anticipated in FY2010 and beyond.

#### Cash

At the beginning of FY2009, total cash (including the system check-writing account and excluding cash equivalents) was \$90.9 million. Cash receipts of \$45.2 million and disbursements of \$39.5 million in the first quarter resulted in a cash balance of \$96.6 million at September 30, 2008. Much of that cash is restricted in accordance with grants, gifts and collective bargaining agreements, student loans, student activity accounts, or is held against accounts payable, the cost of fall semester programs and other liabilities due during the upcoming year.

w:\FY09\DHE\First Quarter

cc Marc S. Herzog, Chancellor

Deans of Administration

Elizabeth Squillace, Director of Accounting and Finance

Beverly Lambert, Director of Budget and Finance

**Charter Oak State College**  
**Statement of Operating Budget Revenues and Expenses**  
**for the Three Months Ending September 30, 2008**

	<b>Operating Budget</b>			<b>Actual</b>		
	Total	COSC	CTDLC	Total	COSC	CTDLC
<b>Revenues</b>						
State Appropriations (1)	\$ 2,773,626	\$ 2,110,658	\$ 662,968	\$ 748,107	\$ 570,302	\$ 177,805
Fringe Benefit Allotment	963,884	695,762	268,122	240,971	173,941	67,030
Partnerships	-	-	-	-	-	-
Fees	5,209,354	5,209,354	-	1,778,408	1,778,408	-
Grants and Contracts	1,087,685	762,685	325,000	72,091	72,091	-
Endowment/Foundation	-	-	-	-	-	-
All Other Revenues	1,607,119	297,364	1,309,755	496,654	97,962	398,692
<b>Total Revenue</b>	<b>11,641,668</b>	<b>9,075,823</b>	<b>2,565,845</b>	<b>3,336,231</b>	<b>2,692,704</b>	<b>643,527</b>
<b>Expenses</b>						
Personal Services	\$ 5,494,663	\$ 4,195,077	\$ 1,299,586	\$ 1,471,551	\$ 1,124,274	\$ 347,277
Fringe Benefits	1,955,158	1,459,727	495,431	491,801	375,820	115,981
Other Expenses	3,746,145	3,086,248	659,897	588,837	509,237	79,600
Equipment	-	-	-	-	-	-
Student Aid	92,393	92,393	-	12,123	12,123	-
Grants & Partnerships	995,292	670,292	325,000	37,476	-	37,476
Transfers	-	-	-	-	-	-
<b>Total Expenses/Transfers</b>	<b>\$ 12,283,651</b>	<b>\$ 9,503,737</b>	<b>\$ 2,779,914</b>	<b>\$ 2,601,788</b>	<b>\$ 2,021,454</b>	<b>\$ 580,334</b>
<b>Adjustments</b>						
<b>Net Gain(Loss)</b>	<b>\$ (641,983)</b>	<b>\$ (427,914)</b>	<b>\$ (214,069)</b>	<b>\$ 734,443</b>	<b>\$ 671,250</b>	<b>\$ 63,193</b>
<b>Net Inc (Dec) to Cash</b>					671,250	63,193
<b>Cash Balance 6/30/08</b>					1,707,039	1,093,922
<b>Balance 9/30/08</b>					<u>2,378,289</u>	<u>1,157,115</u>

**CHARTER OAK STATE COLLEGE**  
**Statement of Changes in Cash Balance**  
**All Funds - Including CTDLC**

<u>Revenues and Expenditures</u>	<u>Operating</u>
Revenues	\$ 11,641,668
Expenditures and Transfers	<u>12,283,651</u>
Net Increase (Decrease)	\$ (641,983)
 <u>Cash Balance and Reserves</u>	
Cash Balance, 6/30/08	
Restricted	\$ -
Unrestricted	<u>2,800,961</u>
Total	\$ 2,800,961
Compensated Absences	\$ 1,656,768
Operating Change	\$ (641,983)
Other Change	
Net Increase (Decrease)	\$ (641,983)
Cash Balance, 6/30/09	
Restricted	\$ -
Unrestricted	<u>2,158,978</u>
Total	\$ 2,158,978
Compensated Absences	\$ 1,656,768

BOARD FOR STATE ACADEMIC AWARDS  
Charter Oak State College  
Connecticut Distance Learning Consortium

*Comparison of General and Operating Fund Budget to Actual  
For the Three-Month Period Ending September 30, 2008*

**OVERVIEW NARRATIVE**

**Charter Oak State College**

Charter Oak's FY 2009 operating budget, excluding carry-forward funds, reflects \$9.07 million in revenues and \$9.50 million in expenses. The major components of the revenue include \$2.1 million in state appropriation, \$695,762 for the value of fringe benefit costs for general fund employees, and \$5.2 million in fees. The major expenditures in the \$9.50 million include personal services and fringe benefits of \$5.65 million and \$3.0 million in other institutional expenses. The budget projects a use of \$427,914 in reserves and a fund balance of \$1,707,039 on June 30, 2008. The major uses of the reserves will support the renovation of additional rental space in Newington to ease overcrowding at the New Britain site. Furnishings for this new space, the FY09 general fund reduction, facility improvements, and other one-time expenses represent the major use of the reserves.

Due to the implementation of a new ERP, the college revenues are reported on an accrual bases as opposed to cash in previous years.

At the close of the first quarter, combined Operating Fund receipts totaled \$2.69 million and combined expenditures total \$2.02 million. Year-to-date receipts equal 30 percent of the operating expenditure budget and 21 percent of the expenditure budget. Enrollment increases projected for degree candidates and distance learning courses are consistent with the revenues received to date. The percentage of the budgeted amount expended by major expenditure area is as follows:

Personal Services	27%
Fringe Benefits	26%
Other Expenses	16%
Student Aid	13%

The net increase to the Charter Oak Operating Fund cash balance at the close of the first quarter is \$671,250 for a cash balance of \$2,378,289 on September 30, 2008.

**Connecticut Distance Learning Consortium (CTDLC)**

The CTDLC FY 2009 operating budget, excluding carry forward funds, reflects \$2.56 million in revenues and \$2.77 million in expenses. The major components of revenue are: \$662,968 in state appropriation, \$325,000 in grants, and \$1.3 million in fees received for services. The expenditure budget consists of \$1.79 million in personal services and benefits, \$659,897 for institutional expenses, and \$325,000 in grant expenditures. The ESA budget projects a net loss of \$214,069 and a fund balance of \$1,093,922 on June 30, 2008. The use of reserves will fund the FY09 general fund reduction, renovations to the Alumni Rd. leased space, and to support other one time expenses.

At the close of the first quarter, the operating fund receipts total \$643,527 and combined expenditures total \$580,334. Year-to-date receipts equals 25 percent of the budgeted receipts and the expenditures equal 21 percent of the amount budgeted. The percentage of the budgeted amount expended by major expenditure area is as follows:

Personal Services	27%
Fringe Benefits	23%
Other Expenses	12%

The net increase to the CTDLC Operating Fund cash balance at the close of the first quarter is \$63,193 for a cash balance of \$1,157,115 on September 30, 2008.