



Board of Governors for Higher Education
Department of Higher Education
State of Connecticut

Highlights

FY 2003-05 Mid-Biennial Operating Budget Adjustments For Higher Education

Appropriations Committee Recommendations

March 2004

Board of Governors for Higher Education

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Highlights

Appropriations Recommended FY 2005 Mid-Biennial Operating Budget for Higher Education

- The Appropriations Committee recommended General Fund budget for FY 2005:
 - provides \$578.5 million , a reduction of \$7.2 million or 1.2 percent, from the original appropriation and an increase of \$11.6 percent, or 2.0 percent, from the Governor’s proposed budget.
 - increases **student financial aid** funding by \$481,192, or 3.0 percent, for the Connecticut Aid to Public College Students (CAPCS) program and \$452,025, or 3.0 percent, for the Connecticut Independent College Student Grant (CICSG) program. This will mean nearly 500 additional grants to students in FY 2005 and partially reverses reductions made beginning with FY 2003 funding levels; also proposes a \$25,000 increase to student financial aid for Charter Oak State College, more than doubling the current financial aid funding of \$22,500.
 - includes the Governor’s reduction of \$23.1 million, or 3.9 percent, for the second year of **Early Retirement Incentive Plan (ERIP)** salary savings as follows:

University of Connecticut	\$8.9 million
UConn Health Center	\$1.2 million
Connecticut State University	\$6.5 million
Community-Technical College System	\$6.5 million
Department of Higher Education	\$66,961
 - includes the Governor’s recommended **additional block grant support** of \$3.0 million divided between Connecticut State University (\$2.0 million) and the Community-Technical Colleges System (\$1.0 million), but eliminates \$1.0 million in recommended support for the UConn Health Center.
- The Appropriations Committee recommended FY 2005 budget for the **Department of Higher Education** adds \$50,000 to the Alternate Route to Certification and \$250,000 to Education and Health Initiatives to fund workforce initiatives for urban teaching and additional nursing programs as well as the new funding for student financial aid.
- The Appropriations Committee added \$10.9 million divided among the University of Connecticut (\$4.7 million), Connecticut State University (\$2.8 million) and the Community-Technical College System (\$3.5 million) to fund **FY 2005 salary increases** that were eliminated from the budget prior to wage concessions. Charter Oak State College salary increases are funded in the Governor’s budget and indications are that DHE increases will be funded from the Reserve for Salary Adjustment.
- Despite the elimination of additional block grant support, the **UConn Health Center** received an increase of \$250,000 for the Area Health Education Center (AHEC) in Bridgeport.
- In addition to salary increases, the **Connecticut State University** received \$125,000 for the Institute of Municipal Studies.

**Connecticut Public Higher Education
General Fund Operating Budget
Mid- Biennial Adjustments**

	2003 Actual <u>Expenditures</u>	2004 <u>Appropriation</u>	2004 Estimated <u>Expenditures*</u>	\$ Change From <u>Appropriation</u>	% <u>Change</u>
University of Connecticut	\$ 195,013,689	\$ 197,097,152	\$ 189,965,107	\$ (7,132,045)	-3.6%
UConn Health Center	74,231,213	74,893,717	73,748,844	(1,144,873)	-1.5%
Connecticut State University	138,579,208	140,432,319	135,672,971	(4,759,348)	-3.4%
Community-Technical Colleges	124,339,490	126,145,591	121,081,969	(5,063,622)	-4.0%
Charter Oak State College	1,329,685	1,410,032	1,410,032	-	0.0%
CT Distance Learning Consortium	994,302	497,008	497,008	-	0.0%
Dept. of Higher Education	44,895,954	42,243,153	42,147,266	(95,887)	-0.2%
Total	\$ 579,383,541	\$ 582,718,972	\$ 564,523,197	\$ (18,195,775)	-3.1%

	2005 <u>Appropriation</u>	2005 Governor's <u>Recommendation*</u>	2005 Appropriations <u>Recommendation*</u>	\$ Change From <u>Governor's</u>	% <u>Change</u>
University of Connecticut	\$ 200,717,229	\$ 191,752,289	\$ 196,435,000	\$ 4,682,711	2.4%
UConn Health Center	74,054,909	73,859,946	73,109,946	(750,000)	-1.0%
Connecticut State University	139,257,819	134,844,141	137,747,000	2,902,859	2.2%
Community-Technical Colleges	127,420,615	122,261,393	125,718,000	3,456,607	2.8%
Charter Oak State College	1,445,524	1,559,124	1,584,124	25,000	1.6%
CT Distance Learning Consortium	520,372	560,272	560,272	-	0.0%
Dept. of Higher Education	42,281,832	42,155,063	43,388,280	1,233,217	2.9%
Total	\$ 585,698,300	\$ 566,992,228	\$ 578,542,622	\$ 11,550,394	2.0%

* Includes reductions for ERIP savings taken in FY 2004 and FY 2005 which together total \$41.1 million; the units were permitted to refill 100% of the positions with 50% of the ERIP vacancy savings.

Connecticut Public Higher Education System
FY 2005 Governor's and Appropriations' Adjustments
Mid-Biennial Review

Governor's Adjustments	<u>FY 2004 Estimated Expenditures</u>	<u>FY 2005 Original Appropriation</u>	<u>FY 2005 ERIP Reduction</u>	<u>FY 2005 Other Reductions</u>	<u>FY 2005 Technical Adjustments</u>	<u>FY 2005 Expansion</u>	<u>FY 2005 Governor's Recommended</u>	<u>Percent Change Approp.</u>
University of Connecticut	\$189,965,107	\$200,717,229	\$ (8,907,068)	\$ (57,872)	\$ -	\$ -	\$191,752,289	-4.5%
UConn Health Center	73,748,844	74,054,909	(1,187,091)	(7,872)	-	1,000,000	73,859,946	-0.3%
Connecticut State University	135,672,971	139,257,819	(6,492,285)	-	78,607	2,000,000	134,844,141	-3.2%
Community-Technical Colleges	121,081,969	127,420,615	(6,475,286)	(3,936)	320,000	1,000,000	122,261,393	-4.0%
Charter Oak State College	1,410,032	1,445,524	-	-	113,600	-	1,559,124	7.9%
CT Distance Learning Consortium	497,008	520,372	-	-	39,900	-	560,272	7.7%
Department of Higher Education	<u>42,147,266</u>	<u>42,281,832</u>	<u>(66,961)</u>	<u>(79,808)</u>	<u>20,000</u>	<u>-</u>	<u>42,155,063</u>	-0.3%
Total	\$564,523,197	\$585,698,300	\$(23,128,691)	\$(149,488)	\$572,107	\$4,000,000	\$566,992,228	-3.2%

Appropriations' Adjustments	<u>FY 2004 Estimated Expenditures</u>	<u>FY 2005 Governor' s Recommended</u>	<u>FY 2005 Salary Increases</u>	<u>FY 2005 Student Financial Aid</u>	<u>FY 2005 Technical Adjustments</u>	<u>FY 2005 Expansion</u>	<u>FY 2005 Appropriations Recommended</u>	<u>Percent Change Gov.</u>
University of Connecticut	\$189,965,107	\$191,752,289	\$ 4,682,711	\$ -	\$ -	\$ -	\$196,435,000	2.4%
UConn Health Center	73,748,844	73,859,946	-	-	250,000	(1,000,000)	73,109,946	-1.0%
Connecticut State University	135,672,971	134,844,141	2,777,859	-	-	125,000	137,747,000	2.2%
Community-Technical Colleges	121,081,969	122,261,393	3,456,607	-	-	-	125,718,000	2.8%
Charter Oak State College	1,410,032	1,559,124	-	25,000	-	-	1,584,124	1.6%
CT Distance Learning Consortium	497,008	560,272	-	-	-	-	560,272	0.0%
Department of Higher Education	<u>42,147,266</u>	<u>42,155,063</u>	<u>-</u>	<u>933,217</u>	<u>-</u>	<u>300,000</u>	<u>43,388,280</u>	2.9%
Total	\$564,523,197	\$566,992,228	\$10,917,177	\$958,217	\$250,000	\$(575,000)	\$578,542,622	2.0%

DEPARTMENT OF HIGHER EDUCATION

Major Object Summary General Fund

	<u>FY 2003 Actual</u>	<u>FY 2004 Estimated Expenditures</u>	<u>FY 2005 July Budget Final</u>	<u>FY 2005 Governor Recommended</u>	<u>FY 2005 Appropriations Recommended</u>
Personal Services	\$2,196,777	\$2,125,334	\$2,250,219	\$2,203,258	\$2,203,258
Other Expenses	181,484	176,137	185,818	181,010	181,010
Other Current Expenses					
Minority Advancement	2,291,729	2,167,021	2,237,021	2,092,021	2,092,021
Saturday Academy	100,000	100,000	100,000	100,000	100,000
Alternate Route to Cert.	27,033	27,033	27,033	27,033	77,033
National Service Act	304,751	345,647	345,647	345,647	345,647
International Initiatives	199,463	70,000		70,000	70,000
Minority Teacher Incentive	472,397	481,374	481,374	481,374	481,374
Higher Ed. Matching Grant*					
Education and Health Initiatives		400,000	400,000	400,000	650,000
Subtotal, OCE	\$3,395,373	\$3,591,075	\$3,591,075	\$3,516,075	\$3,816,075
Equipment	1,000	1,000	1,000	1,000	1,000
Capitol Scholarship Grants	5,236,114	5,120,000	5,120,000	5,120,000	5,120,000
Awards to Children of					
Deceased/Disabled Veterans	1,000	4,000	4,000	4,000	4,000
CICSG	15,885,089	15,067,492	15,067,492	15,067,492	15,519,517
CAPCS	17,539,728	16,039,728	16,039,728	16,039,728	16,520,920
CT Aid to Charter Oak	22,500	22,500	22,500	22,500	22,500
NEBHE**	250,000				
GRAND TOTAL	\$44,709,065	\$42,147,266	\$42,281,832	\$42,155,063	\$43,388,280
Change from 2003		-5.7%	-5.4%	-5.7%	-3.0%

* The FY 2003 Matching Grant is funded through a bond authorization

** SB 36 provides funding of \$300,000 for NEBHE from a one time transfer from the State Department of Education.

**Department of Higher Education
FY 2003-05 Mid-Biennial Review**

Summary of Financial Aid Growth

Fiscal Year	Total Expenditure	Number of Recipients	Cummulative Change		
			#	Expend.	Recipients
1997	\$ 20,409,462	12,667			
1998	\$ 26,589,306	15,203	2,536	30.3%	20.0%
1999	\$ 32,959,606	18,153	5,486	61.5%	43.3%
2000	\$ 37,146,785	17,791	5,124	82.0%	40.5%
2001	\$ 44,362,479	21,512	8,845	117.4%	69.8%
2002	\$ 44,579,931	21,468	8,801	118.4%	69.5%
2003	\$ 38,838,740	19,930	7,263	90.3%	57.3%
Estimated 2004	\$ 36,227,220	19,024	6,357	77.5%	50.2%
Governor 2005	\$ 36,227,220	19,024	6,357	77.5%	50.2%
Appropriations 2005	\$ 37,160,437	19,485	6,818	82.1%	53.8%

Summary of Capitol Scholarship Impact

Fiscal Year	Total Expenditures*	Number of Recipients	Annual Change		Average Award
			Recipients		
1997	\$ 2,678,557	2,341	(256)	-9.9%	\$ 1,144
1998	\$ 3,380,649	3,093	752	32.1%	\$ 1,093
1999	\$ 5,429,986	4,259	1,166	37.7%	\$ 1,275
2000	\$ 5,548,918	4,247	(12)	-0.3%	\$ 1,307
2001	\$ 5,826,289	4,215	(32)	-0.8%	\$ 1,383
2002	\$ 6,193,344	4,385	170	4.0%	\$ 1,412
2003	\$ 5,360,530	3,709	(676)	-15.4%	\$ 1,445
Estimated 2004	\$ 5,120,000	3,657	(52)	-1.4%	\$ 1,400
Governor 2005	\$ 5,120,000	3,657	-	0.0%	\$ 1,400

* Actual/estimated expenditures include federal LEAP/SLEAP funding in addition to the appropriation

Summary of Connecticut Aid to Public College Students Impact

Fiscal Year	Total Expenditures	Number of Recipients*	Annual Change		Average Award	Percent Funded
			Recipients			
1997	\$ 5,562,888	6,531	15	0.2%	\$ 852	26.0%
1998	\$ 8,696,398	8,037	1,506	23.1%	\$ 1,078	40.0%
1999	\$ 11,270,089	9,585	1,548	19.3%	\$ 1,176	51.0%
2000	\$ 14,493,668	9,060	(525)	-5.5%	\$ 1,600	65.0%
2001	\$ 19,759,261	12,510	3,450	38.1%	\$ 1,572	81.3%
2002	\$ 19,609,658	12,314	(196)	-1.6%	\$ 1,592	77.3%
2003	\$ 17,539,728	11,821	(493)	-4.0%	\$ 1,475	60.5%
Estimated 2004	\$ 16,039,728	11,062	(759)	-6.4%	\$ 1,450	49.8%
Governor 2005	\$ 16,039,728	11,062	-	0.0%	\$ 1,450	44.9%
Appropriations 2005	\$ 16,520,920	11,394	332	3.0%	\$ 1,450	46.2%

Summary of Connecticut Independent College Student Grant Impact

Fiscal Year	Total Expenditures	Number of Recipients	Annual Change		Average Award	Percent Funded
			Recipients			
1997	\$ 12,168,017	3,795	81	2.2%	\$ 3,206	74.0%
1998	\$ 14,512,259	4,073	278	7.3%	\$ 3,563	84.0%
1999	\$ 16,259,531	4,309	236	5.8%	\$ 3,773	89.0%
2000	\$ 17,104,199	4,484	175	4.1%	\$ 3,814	93.5%
2001	\$ 18,776,929	4,787	303	6.8%	\$ 3,964	99.9%
2002	\$ 18,776,929	4,769	(17)	-0.4%	\$ 3,956	97.5%
2003	\$ 15,938,482	4,400	(369)	-7.7%	\$ 3,622	86.3%
Estimated 2004	\$ 15,067,492	4,305	(95)	-2.2%	\$ 3,500	53.9%
Governor 2005	\$ 15,067,492	4,305	-	0.0%	\$ 3,500	56.3%
Appropriations 2005	\$ 15,519,517	4,434	129	3.0%	\$ 3,500	57.9%