



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

Highlights

FY 2005-07

Operating Budget Adjustments For Higher Education

Appropriations Committee Recommendations

April 2005

Board of Governors for Higher Education

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Highlights

Appropriations Recommended FY 2005-07 Biennial Operating Budget for Higher Education

- The Appropriations Committee recommended General Fund budget:
 - calls for \$1,248.2 million for the FY 2005-07 biennium, including \$613.4 million in FY 2006 and \$634.8 million in FY 2007.
 - results in a 5.5 percent increase from FY 2005 to FY 2006, and a 9.2 percent increase between FY 2005 and FY 2007.
 - represents a budget that is 6.9 percent below requested **current services** funding and 3.0 percent above the Governor's recommendation for FY 2006, and 6.6 percent below requested funding and 5.7 percent above the Governor's recommendation for FY 2007.
 - holds **student financial aid** programs to level funding for both years with the exception of the Capitol Scholarship Program which is increased \$1.5 million in the face of rising tuitions. The Connecticut Independent College Student Grant (CICSG) is increased by approximately \$550,000 in FY 2007, but the increase is to cover Goodwin College which becomes eligible in that year.
 - funds half of the FY 2006 **Higher Education State Matching Grant** commitment in FY 2006 and half in FY 2007. Proposes the same payment method for FY 2007 commitments.
 - includes full funding of requested **collective bargaining settlements** at each constituent unit for each year of the biennium.
- The Appropriations Committee recommended budget for the **Department of Higher Education** accepts most of the Governor's recommendations, but moves \$1.5 million of funding from a new Loan forgiveness program to the Capitol scholarship, includes partial funding for the Higher Education State Matching Grant and adds \$50,000 for a committee to review Professionalization of Early Childhood Education.
- Funding was restored for requested collective bargaining and some unsettled contracts at the **University of Connecticut**, the **UConn Health Center**, **Connecticut State University** and the **Community-Technical College System**. In addition, the community colleges received \$750,000 in FY 2006 and \$1.6 million in FY 2007 to reduce reliance on part-time faculty.
- The Appropriations Committee recommendations for **Charter Oak State College** and the **Distance Learning Consortium** are the same as the Governor's recommendations to fully fund Charter Oak's current services request.

**Connecticut Public Higher Education
General Fund Operating Budget**

2006 Requested to Appropriations Recommended

FY 2006

	<u>Requested</u>	<u>Governor's Recommended</u>	<u>Appropriations Recommended</u>	<u>\$ Change from Requested</u>	<u>% Change from Requested</u>
University of Connecticut	\$210,569,813	\$201,244,028	\$206,544,028	(\$4,025,785)	-1.9%
UConn Health Center	75,025,705	74,779,862	76,348,398	1,322,693	1.8%
Connecticut State University	145,589,243	141,300,396	143,980,396	(1,608,847)	-1.1%
Community-Technical Colleges	134,324,476	130,364,773	134,794,773	470,297	0.4%
Charter Oak State College	1,649,825	1,649,825	1,649,825	0	0.0%
CT Distance Learning Consortium	594,018	594,018	594,018	0	0.0%
Department of Higher Education	91,273,258	45,393,347	49,443,472	(41,829,786)	-45.8%
Total	\$659,026,338	\$595,326,249	\$613,354,910	(\$45,671,428)	-6.9%

FY 2007

	<u>Requested</u>	<u>Governor's Recommended</u>	<u>Appropriations Recommended</u>	<u>\$ Change from Requested</u>	<u>% Change from Requested</u>
University of Connecticut	\$220,880,779	\$204,444,687	\$215,821,381	(\$5,059,398)	-2.3%
UConn Health Center	76,432,194	75,160,015	76,947,889	515,695	0.7%
Connecticut State University	151,831,896	142,360,740	149,581,271	(2,250,625)	-1.5%
Community-Technical Colleges	136,410,867	131,047,163	137,262,064	851,197	0.6%
Charter Oak State College	1,692,175	1,678,732	1,678,732	(13,443)	-0.8%
CT Distance Learning Consortium	610,723	602,928	602,928	(7,795)	-1.3%
Department of Higher Education	91,643,112	45,407,399	52,959,206	(38,683,906)	-42.2%
Total	\$679,501,746	\$600,701,664	\$634,853,471	(\$44,648,275)	-6.6%

Connecticut Public Higher Education General Fund Operating Budget

2005 Estimated to Appropriations Recommended

FY 2006

	<u>2005 Estimated Expenditures</u>	<u>Governor's Recommended</u>	<u>Appropriations Recommended</u>	<u>\$ Change from Estimated</u>	<u>% Change from Estimated</u>
University of Connecticut	\$197,026,486	\$201,244,028	\$206,544,028	\$9,517,542	4.8%
UConn Health Center	73,211,326	74,779,862	76,348,398	3,137,072	4.3%
Connecticut State University	138,334,800	141,300,396	143,980,396	5,645,596	4.1%
Community-Technical Colleges	126,712,517	130,364,773	134,794,773	8,082,256	6.4%
Charter Oak State College	1,559,124	1,649,825	1,649,825	90,701	5.8%
CT Distance Learning Consortium	560,272	594,018	594,018	33,746	6.0%
Department of Higher Education*	44,010,182	45,393,347	49,443,472	5,433,290	12.3%
Total	\$581,414,707	\$595,326,249	\$613,354,910	\$31,940,203	5.5%

FY 2007

	<u>2005 Estimated Expenditures</u>	<u>Governor's Recommended</u>	<u>Appropriations Recommended</u>	<u>\$ Change from Estimated</u>	<u>% Change from Estimated</u>
University of Connecticut	\$197,026,486	\$204,444,687	\$215,821,381	\$18,794,895	9.5%
UConn Health Center	73,211,326	75,160,015	76,947,889	3,736,563	5.1%
Connecticut State University	138,334,800	142,360,740	149,581,271	11,246,471	8.1%
Community-Technical Colleges	126,712,517	131,047,163	137,262,064	10,549,547	8.3%
Charter Oak State College	1,559,124	1,678,732	1,678,732	119,608	7.7%
CT Distance Learning Consortium	560,272	602,928	602,928	42,656	7.6%
Department of Higher Education*	44,010,182	45,407,399	52,959,206	8,949,024	20.3%
Total	\$581,414,707	\$600,701,664	\$634,853,471	\$53,438,764	9.2%

* 2005 estimated expenditures exclude the \$25.3 million one-time surplus payment of the 2002-2005 Higher Education State Matching Grant.

Reconciliation of Budget Changes

University of Connecticut

	FY 2006				FY 2007			
	Current	Governor's	Appropriations'		Current	Governor's	Appropriations'	
	Services	Current	Governor's	Committee	Services	Current	Governor's	Committee
	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>
FY 2005 Estimated Expenditures	\$197,026,486	\$197,026,486	\$197,026,486	\$197,026,486	\$197,026,486	\$197,026,486	\$197,026,486	\$197,026,486
Collective Bargaining	9,174,550	8,431,516	4,217,542	9,517,542	18,243,052	14,936,375	7,418,201	18,794,895
Tuition Freeze Inflation		61,645				167,323		
New Facilities	4,368,777	3,568			5,611,241	276,265		
Veterinary Diagnostic Laboratory		1,400				2,839		
Current Services Requested	\$210,569,813	\$205,524,615	\$201,244,028	\$206,544,028	\$220,880,779	\$212,409,288	\$204,444,687	\$215,821,381
Change	6.9%	4.3%	2.1%	4.8%	12.1%	7.8%	3.8%	9.5%

University of Connecticut Health Center

	FY 2006				FY 2007			
	Current	Governor's	Appropriations'		Current	Governor's	Appropriations'	
	Services	Current	Governor's	Committee	Services	Current	Governor's	Committee
	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>
FY 2005 Estimated Expenditures	\$73,211,326	\$73,211,326	\$73,211,326	\$73,211,326	\$73,211,326	\$73,211,326	\$73,211,326	\$73,211,326
Collective Bargaining/Other	1,814,379	3,154,112	1,568,536	3,137,072	3,220,868	3,934,710	1,948,689	3,736,563
Tuition Freeze Inflation								
New Facilities								
Current Services Requested	\$75,025,705	\$76,365,438	\$74,779,862	\$76,348,398	\$76,432,194	\$77,146,036	\$75,160,015	\$76,947,889
Change	2.5%	4.3%	2.1%	4.3%	4.4%	5.4%	2.7%	5.1%

Reconciliation of Budget Changes

Connecticut State University

	FY 2006				FY 2007			
	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Committee Recommended</u>	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Committee Recommended</u>
FY 2005 Estimated Expenditures	\$138,334,800	\$138,334,800	\$138,334,800	\$138,334,800	\$138,334,800	\$138,334,800	\$138,334,800	\$138,334,800
Collective Bargaining/Other	5,336,161	5,895,412	2,965,596	5,645,596	10,554,599	7,860,621	4,025,940	11,246,471
Tuition Freeze Inflation	85,306	85,306			231,546	231,546		
New Facilities	225,632	71,081			1,114,327	287,942		
ERIP Payout	1,607,344				1,596,624			
Current Services Requested	\$145,589,243	\$144,386,599	\$141,300,396	\$143,980,396	\$151,831,896	\$146,714,909	\$142,360,740	\$149,581,271
Change	5.2%	4.4%	2.1%	4.1%	9.8%	6.1%	2.9%	8.1%

Community-Technical College System

	FY 2006				FY 2007			
	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Committee Recommended</u>	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Committee Recommended</u>
FY 2005 Estimated Expenditures	\$126,712,517	\$126,712,517	\$126,712,517	\$126,712,517	\$126,712,517	\$126,712,517	\$126,712,517	\$126,712,517
Collective Bargaining/Other	7,313,991	7,220,204	3,652,256	7,332,256	8,087,531	8,711,188	4,334,646	8,949,547
Tuition Freeze Inflation	122,742	28,092			245,373	76,250		
New Facilities	175,226	84,308			1,365,446	572,662		
Reduce Reliance on Part-time Faculty				750,000				1,600,000
Current Services Requested	\$134,324,476	\$134,045,121	\$130,364,773	\$134,794,773	\$136,410,867	\$136,072,617	\$131,047,163	\$137,262,064
Change	6.0%	5.8%	2.9%	6.4%	7.7%	7.4%	3.4%	8.3%

Reconciliation of Budget Changes

Charter Oak State College & CT Distance Learning Consortium

	FY 2006				FY 2007			
	Current Services <u>Requested</u>	Governor's Current Services	Governor's Recommended	Appropriations' Committee Recommended	Current Services <u>Requested</u>	Governor's Current Services	Governor's Recommended	Appropriations' Committee Recommended
FY 2005 Estimated Expenditures	\$2,119,396	\$2,119,396	\$2,119,396	\$2,119,396	\$2,119,396	\$2,119,396	\$2,119,396	\$2,119,396
Charter Oak State College	90,701	90,701	90,701	90,701	133,051	119,608	119,608	119,608
CT Distance Learning Consortium	33,746	33,746	33,746	33,746	50,451	42,656	42,656	42,656
Current Services Requested	\$2,243,843	\$2,243,843	\$2,243,843	\$2,243,843	\$2,302,898	\$2,281,660	\$2,281,660	\$2,281,660
Change	5.9%	5.9%	5.9%	5.9%	8.7%	7.7%	7.7%	7.7%

Department of Higher Education

	FY 2006				FY 2007			
	Current Services <u>Requested</u>	Governor's Current Services	Governor's Recommended	Appropriations' Committee Recommended	Current Services <u>Requested</u>	Governor's Current Services	Governor's Recommended	Appropriations' Committee Recommended
FY 2005 Estimated Expenditures*	\$44,010,182	\$44,010,182	\$44,010,182	\$44,010,182	\$44,010,182	\$44,010,182	\$44,010,182	\$44,010,182
Collective Bargaining/Other	198,159	198,597	111,942	111,942	210,510	120,150	150,767	150,767
Equipment Replacement	25,500	25,500			21,500	(14,000)		
Higher Education Matching Grant	12,100,000	8,000,250		4,000,125	12,400,000			7,000,125
Minority Advancement Program	29,471	29,471			79,994	50,523		
Alternate Route to Certification	1,001	1,001			2,718	1,717		
National Service Act	4,493	4,493			12,196	7,703		
International Initiatives	910	910			2,470	1,560		
Minority Teacher Incentive Program	56,126	6,258	(50,000)	(50,000)	56,126	(39,272)		
Capitol Scholarship	380,000	218,510	218,510	1,718,510	380,000	131,557	131,557	1,631,557
CT Aid to Public College Students	24,821,896	214,772			24,821,896	368,185		
CT Independent College Student Grant	10,580,627	201,754			10,580,627	345,868		551,682
CT Aid to Charter Oak	(10,107)	(9,621)	(22,287)	(22,287)	(10,107)	(21,454)	(10,107)	(10,107)
NEBHE	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)	(125,000)
Education and Health Initiatives	(800,000)	(496,100)	(250,000)	(250,000)	(800,000)	(243,314)	(250,000)	(250,000)
Loan Forgiveness Program			1,500,000			1,500,000	1,500,000	
Professionalization of Early Childhood Ed.				50,000				
Current Services Requested	\$91,273,258	\$52,280,977	\$45,393,347	\$49,443,472	\$91,643,112	\$46,094,405	\$45,407,399	\$52,959,206
Change	107.4%	18.8%	3.1%	12.3%	108.2%	4.7%	3.2%	20.3%

*Reduced by one-time appropriations for Higher Education Matching Grant \$25,300,000

**Connecticut Public Higher Education
Collective Bargaining Funds**

	<u>Original Unit Request</u>	<u>OPM Calculated</u>	<u>Governor's Recommended</u>	<u>Appropriations Recommended</u>	<u>Difference from Request</u>	<u>Difference from OPM</u>
FY 2006						
UConn	\$ 9,174,550	\$ 8,431,516	\$ 4,217,542	\$ 9,517,542	\$ 342,992	\$ 1,086,026
UConn Health Center	1,814,379	3,154,112	1,568,536	3,137,072	1,322,693	(17,040)
CSU	5,336,161	5,985,412	2,965,596	5,645,596	309,435	(339,816)
CTC	7,313,991	7,220,204	3,652,256	7,332,256	18,265	112,052
Total	\$ 23,639,081	\$ 24,791,244	\$ 12,403,930	\$ 25,632,466	\$ 1,993,385	\$ 841,222
FY 2007						
UConn	\$ 18,243,052	\$ 14,936,375	\$ 7,418,201	\$ 18,794,895	\$ 551,843	\$ 3,858,520
UConn Health Center	3,220,868	3,382,415	1,948,689	3,736,563	515,695	354,148
CSU	10,554,599	7,860,621	4,025,940	11,246,471	691,872	3,385,850
CTC	8,087,531	8,711,188	4,334,646	8,949,547	862,016	238,359
Total	\$ 40,106,050	\$ 34,890,599	\$ 17,727,476	\$ 42,727,476	\$ 2,621,426	\$ 7,836,877

DEPARTMENT OF HIGHER EDUCATION

Major Object Summary General Fund

	<u>FY 2005 Estimated</u>	<u>FY 2006 Current Services</u>	<u>FY 2006 Governor's 5 Recommended</u>	<u>FY 2006 Appropriations Recommended</u>	<u>FY 2007 Current Services</u>	<u>FY 2007 Governor's Recommended</u>	<u>FY 2007 Appropriations Recommended</u>
Personal Services	\$2,275,160	\$2,470,963	\$2,409,374	\$2,409,374	\$2,479,302	\$2,434,368	\$2,434,368
1 Other Expenses	181,010	183,366	158,738	208,738	187,378	172,569	172,569
Other Current Expenses							
Minority Advancement	2,267,021	2,296,492	2,267,021	2,267,021	2,347,015	2,267,021	2,267,021
Alternate Route to Cert.	77,033	78,034	77,033	77,033	79,751	77,033	77,033
National Service Act	345,647	350,140	345,647	345,647	357,843	345,647	345,647
International Initiatives	70,000	70,910	70,000	70,000	72,470	70,000	70,000
Minority Teacher Incentive	481,374	537,500	431,374	431,374	537,500	481,374	481,374
2 Higher Ed. Matching Grant*	25,300,000	12,100,000		4,000,125	12,400,000		7,000,125
Education and Health Initiatives	800,000		550,000	550,000		550,000	550,000
Loan Forgiveness Program			1,500,000			1,500,000	
Subtotal, OCE	\$29,341,075	\$15,433,076	\$5,241,075	\$7,741,200	\$15,794,579	\$5,291,075	\$10,791,200
3 Equipment**	1,000	26,500	1,000	1,000	22,500	1,000	1,000
Capitol Scholarship Grants	5,120,000	5,500,000	5,338,510	6,838,510	5,500,000	5,251,557	6,751,557
Awds to Children of Disabled Vets	4,000	4,000	4,000	4,000	4,000	4,000	4,000
CICSG	15,519,517	26,100,144	15,519,517	15,519,517	26,100,144	15,519,517	16,071,199
CAPCS	16,520,920	41,342,816	16,520,920	16,520,920	41,342,816	16,520,920	16,520,920
CT Aid to Charter Oak	47,500	37,393	25,213	25,213	37,393	37,393	37,393
4 NEBHE***	300,000	175,000	175,000	175,000	175,000	175,000	175,000
GRAND TOTAL	\$69,310,182	\$91,273,258	\$45,393,347	\$49,443,472	\$91,643,112	\$45,407,399	\$52,959,206

- 1 FY 2006 Appropriations recommendation includes \$50,000 for a committee for Professionalization of Early Childhood Education.
- 2 The FY 2005 Matching Grant covering FY 2002-05 is funded through FY 2004 surplus. The FY 2006 and FY 2007 matches will each be paid over two years.
- 3 Equipment for 2006 and 2007 is funded through the OPM Capital Equipment Fund at \$25,500 and 11,500, respectively.
- 4 The amount shown for FY 2005 represents payment for both FY 2004 and FY 2005. The FY 2006 request is actually an increase from FY 2005 dues of \$125,000.
- 5 Governor's Recommended excludes \$93,390 of FY 2005 carryover funding for personal services, other expenses, Minority Teacher Incentive Program and CT Aid to Charter Oak.

**Department of Higher Education
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%
2004	\$ 36,406,737	19,540	6,873	78.4%	54.3%
Estimated 2005	\$ 37,182,355	19,501	6,834	82.2%	53.9%
Gov Recommended 2006	\$ 37,378,947	19,641	6,974	83.1%	55.1%
Approps Recommended 2006	\$ 38,878,947	20,713	8,046	90.5%	63.5%

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
2004	\$ 5,299,517	3,629	(80)	-2.2%	\$ 1,460
Estimated 2005	\$ 5,141,918	3,673	44	1.2%	\$ 1,400
Gov Recommended 2006	\$ 5,338,510	3,813	140	3.8%	\$ 1,400
Approps Recommended 2006	\$ 6,838,510	4,885	1,071	28.1%	\$ 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%
2004	\$ 16,039,728	11,078	(743)	-6.3%	\$ 1,447	49.8%
Estimated 2005	\$ 16,520,920	11,394	316	2.9%	\$ 1,450	44.9%
Gov & Approps 2006	\$ 16,520,920	11,394	-	0.0%	\$ 1,450	40.0%

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%
2004	\$ 15,067,492	4,517	117	2.7%	\$ 3,344	53.9%
Estimated 2005	\$ 15,519,517	4,434	(83)	-1.8%	\$ 3,500	56.3%
Gov & Approps 2006	\$ 15,519,517	4,434	-	0.0%	\$ 3,500	59.5%