



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

Department of Higher Education

FY 2007-09 Current Services Budget Request

September 2006

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DEPARTMENT OF HIGHER EDUCATION

FY 2007-09 General Fund Current Services Request

Budget Assumptions

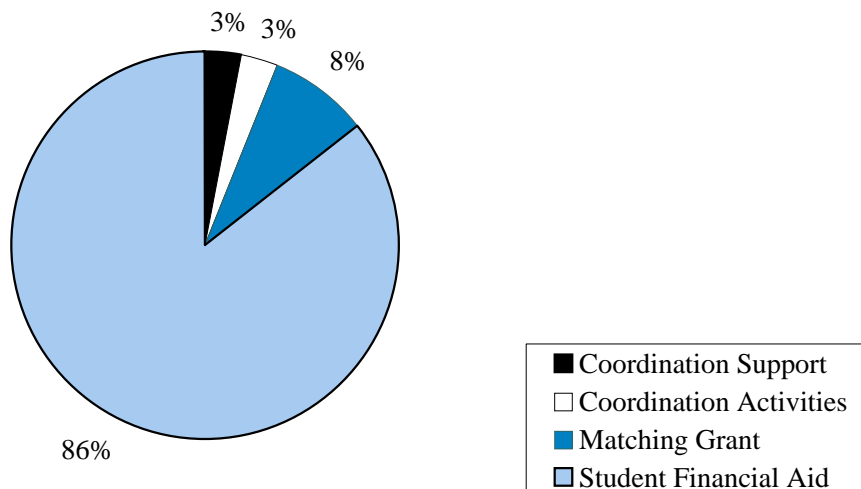
- 27 General Fund positions – no increase in staffing
- Base budget of \$53.3 million including \$5.35 million Higher Education Matching Grant
- Collective Bargaining Increases – 4.14% in each year (effective percentage)
- Inflationary adjustments – 2.1%
- International program exchange rate adjustment and additional language instruction
- Equipment replacement funds
- Higher Education Matching Grant obligations – one-time \$8.65 million
- Statutory student financial aid formula and other increases - \$46.6 million

DEPARTMENT OF HIGHER EDUCATION

Summary of FY 2007-09 General Fund Current Services Request

	FY 2008			FY 2009		
	<u>Positions</u>	<u>Expenditures</u>	Change from FY 2007	<u>Positions</u>	<u>Expenditures</u>	Change from FY 2007
Coordination Support	27	\$3,028,242	8.6%	27	\$3,084,067	10.6%
Coordination Activities		\$3,396,185	-10.9%		\$3,455,956	-9.3%
State Matching Grant		\$8,650,000	61.7%		\$0	-100.0%
Student Financial Aid		\$88,411,949	111.2%		\$88,561,949	111.6%
Total Requested	27	\$103,486,376	92.3%	27	\$95,101,972	76.8%

Coordination activities are slightly above inflation due to a requested increase in funding for the Germany Exchange Program.



DEPARTMENT OF HIGHER EDUCATION

FY 2007-09 Operating Budget Request

	FY 2008 Requested		
	General Fund	Other Funds	Total Budget
FY 2007 ESTIMATED EXPENDITURES	\$53,805,034	\$8,086,053	\$61,891,087
Personal Services	213,121		213,121
Inflation	61,145		61,145
Equipment replacement	22,950		22,950
Higher Education State Matching Grant	3,300,000		3,300,000
International Initiatives	30,000		30,000
Minority Teacher Incentive Program	131,126		131,126
Capitol Scholarship Program	161,490		
Loan Reimbursement Programs	(500,000)		
Statutory Full Formula Increases	46,261,510		46,261,510
Change in Federal, Private & Bonded Funds		(153,511)	(153,511)
FY 2008 CURRENT SERVICES	\$103,486,376	\$7,932,542	\$111,757,428
Change	92.3%	-1.9%	80.6%

	FY 2009 Requested		
	General Fund	Other Funds	Total Budget
FY 2008 CURRENT SERVICES	\$103,486,376	\$7,932,542	\$111,418,918
Personal Services	52,072		52,072
Inflation	64,524		
Equipment replacement	(1,000)		(1,000)
Higher Education State Matching Grant	(8,650,000)		(8,650,000)
Capitol Scholarship Program	150,000		
Change in Federal, Private & Bonded Funds		15,800	15,800
FY 2009 CURRENT SERVICES	\$95,101,972	\$7,948,342	\$102,835,790
Change	-8.1%	0.2%	-7.7%

DEPARTMENT OF HIGHER EDUCATION

General Fund

	FY 2006	FY 2007	FY 2008	FY 2009
	Actual	Estimated	Current Services	Current Services
Personal Services	\$2,421,351	\$2,563,941	\$2,777,062	\$2,829,134
Other Expenses	226,255	222,569	227,230	231,983
Other Current Expenses				
Minority Advancement	2,668,958	2,267,021	2,314,628	2,363,236
Alternate Route to Cert.	77,033	77,033	78,651	80,303
National Service Act	342,654	345,647	352,906	360,317
International Initiatives	70,000	70,000	100,000	102,100
Minority Teacher Incentive	480,599	481,374	612,500	612,500
Higher Ed. Matching Grant*	2,000,000	5,350,000	8,650,000	
Education & Health Initiatives	549,388	550,000	550,000	550,000
Loan Reimbursement Programs		500,000		
Subtotal, OCE	\$6,188,632	\$9,641,075	\$12,658,685	\$4,068,456
Equipment**	1,000	1,000	23,950	22,950
Capitol Scholarship Grants	6,499,055	8,838,510	9,000,000	9,150,000
Awds to Children of Disabled Vets	800	4,000	4,000	4,000
CICSG	15,519,517	15,800,626	29,372,408	29,372,408
CAPCS	16,520,920	16,520,920	49,199,006	49,199,006
CT Aid to Charter Oak	37,393	37,393	49,035	49,035
NEBHE	175,000	175,000	175,000	175,000
GRAND TOTAL	\$47,589,923	\$53,805,034	\$103,486,376	\$95,101,972

* The 2006 and 2007 Matching Grant were funded through surplus.

** Equipment for 2008 and 2009 is funded through the OPM Capitol Equipment Fund.

DEPARTMENT OF HIGHER EDUCATION

Program Summary Operating Budget Expenditures

COORDINATION OF HIGHER EDUCATION	FY 2006 Actual	FY 2007 Estimated	FY 2008 Current Services	FY 2009 Current Services
Coordination Support: Less Turnover	\$2,648,606	\$2,787,510	\$3,038,242 (10,000)	\$3,094,067 (10,000)
Coordination Activities:				
Minority Advancement Program	2,668,958	2,267,021	2,314,628	2,363,236
Alternative Route to Cert.	77,033	77,033	78,651	80,303
National Service Act	342,654	345,647	352,906	360,317
International Initiatives	70,000	70,000	100,000	102,100
Higher Ed. Matching Grant*	2,000,000	5,350,000	8,650,000	
Education & Health Initiatives	549,388	550,000	550,000	550,000
Loan Reimbursement Programs		500,000		
TOTAL	\$8,356,639	\$11,947,211	\$15,074,427	\$6,540,023
STUDENT FINANCIAL ASSISTANCE				
Capitol Scholarship Grants	6,499,055	8,838,510	9,000,000	9,150,000
Minority Teacher Incentive	480,599	481,374	612,500	612,500
Awards to Children of Deceased/Disabled Veterans	800	4,000	4,000	4,000
CICSG	15,519,517	15,800,626	29,372,408	29,372,408
CAPCS	16,520,920	16,520,920	49,199,006	49,199,006
CT Aid to Charter Oak	37,393	37,393	49,035	49,035
NEBHE	175,000	175,000	175,000	175,000
TOTAL	\$39,233,284	\$41,857,823	\$88,411,949	\$88,561,949
TOTAL GENERAL FUND	\$47,589,923	\$53,805,034	\$103,486,376	\$95,101,972
Change from prior year		13.1%	92.3%	-8.1%

* The FY 2006 and FY 2007 Matching Grants are partial payments funded through surplus.

Higher Education Matching Grant Program Status

Calendar Year Gifts Raised	1998	1999	2000	2001	2002	2003	2004	2005		25% Match 2005
Fiscal Year Match Paid	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007³	Total	FY 2007
Endowment Eligible Gifts Raised										
University of Connecticut ¹	10,637,771	12,800,000	15,000,000	13,969,541	13,215,088	9,201,354	13,380,745	12,609,044	88,204,499	3,773,868
Connecticut State University	1,291,113	1,414,161	2,295,508	4,313,721	2,906,558	2,069,746	2,544,339	1,315,296	16,835,146	2,105,577
Community Colleges	841,574	1,237,324	1,139,499	1,774,084	708,975	1,194,465	1,484,969	563,641	8,380,890	885,638
Charter Oak State College	111,772	105,353	112,731	114,334	46,135	32,799	59,818	2,723	582,942	37,580
Total Endowment Eligible Gifts Raised	12,882,230	15,556,838	18,547,738	20,171,680	16,876,756	12,498,364	17,469,871	14,490,704	114,003,478	6,802,663
State Match Award										
University of Connecticut ¹	7,500,000	5,000,000	7,500,000	6,984,771	6,607,544	4,600,677	6,690,373	6,304,522	51,187,886	943,467
Connecticut State University	645,557	707,081	1,147,754	2,156,861	1,453,279	1,034,873	1,272,170	657,648	9,075,221	526,394
Community Colleges	420,787	618,662	569,750	887,042	354,488	597,233	742,485	281,821	4,472,266	221,410
Charter Oak State College	55,886	52,677	56,366	57,167	23,068	16,400	29,909	1,362	292,833	9,395
Total State Match Award	8,622,230	6,378,419	9,273,869	10,085,840	8,438,378	6,249,182	8,734,936	7,245,352	65,028,205	1,700,666
Unpaid Obligation²	-	-	546,217	10,085,840	8,438,378	(19,050,818)	6,734,936	1,895,352	8,649,905	1,700,666
Grand Total	21,504,460	21,935,257	27,275,390	20,171,680	16,876,756	37,798,364	19,469,871	19,840,704	170,381,778	6,802,663

2005 gifts represent 50% match gifts not subject to the Budget Reserve cap only; These are multi-year gifts received prior to 2005 and 2005 gifts received prior to 6/30/05.

2005 gifts raised after 6/30/06 subject to 25% match and Budget Reserve cap. No request for funding has been made.

- Under UConn 2000, the University of Connecticut received 1:1 endowment matches in FY 1998 - \$9,116,795 and FY 1999 - \$6,778,823, bringing **the total state match paid through FY 2005 to \$64,943,536**. In addition, under the State Higher Education Matching Grant, \$4.4 million of the \$7.5 million that UConn received in FY 2000 was a 1:1 match in accordance with the last year of the UConn 2000 Match commitment.
- The unpaid balance represents the eligible gifts raised during calendar year 2004 which totals \$8,734,936 plus a shortfall of \$19,617 from calendar year 2003.
- Under PA 05-3 and 06-135, multiple year gifts made before 2005 and 2005 gifts received prior to 6/30/05 will be matched at 50% and not subject to the Budget Reserve cap. Gifts received after 6/30/05 will be matched at 25% and are subject to the Budget Reserve cap. **Twenty-five percent match gifts are not recorded here.**

CONNECTICUT AID FOR PUBLIC COLLEGE STUDENTS

FY 2008 Formula Computation

	Amount Required FY 2005 <u>(FY 2005-06 Tuit. Rev - Refunds)</u>	<u>CT Aid Match FY 2006</u>
<u>University of Connecticut</u>	\$ 162,504,732	
Tuition Freeze subject to set-aside	<u>4,741,885</u>	
Net Expend.	167,246,617	
15% of Net		\$ 25,086,993
<u>Connecticut State University</u>	78,418,065	
Tuition Freeze subject to set-aside	<u>2,779,258</u>	
Net Expend.	81,197,323	
15% of Net		12,179,598
<u>Community-Technical Colleges</u>	69,490,129	
Tuition Freeze subject to set-aside	<u>2,160,925</u>	
Net Expend.	71,651,054	
15% of Net		10,747,658
<u>UConn Health Center</u>	7,898,378	
Less Refunds	<u>-</u>	
Net Expend.	7,898,378	
15% of Net		<u>1,184,757</u>
TOTAL MATCH OF 15% SET-ASIDE - FY 2008 CAPCS FORMULA	\$	49,199,006
ACTUAL APPROPRIATION IN FY 2007:	33.6%	<u>16,520,920</u>
AMOUNT OF INCREASE NECESSARY TO FUND FY 2008 FORMULA	\$	32,678,086

CONNECTICUT INDEPENDENT COLLEGE STUDENT GRANT PROGRAM

FY 2008 Formula Computation

A. State Support for Students at the University of Connecticut and Connecticut State University

UCONN FY 2006 General Fund Expenditures	210,541,682
CSU FY 2006 General Fund Expenditures	145,520,029

TOTAL -- State Support of Students in Public Four-year Institutions	\$356,061,711
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B. Annualized General Fund FTE Enrollments in FY 2006

UConn Undergraduates	17,322
UConn Graduates (excludes UCHC)	3,587
CSU Undergraduates	20,161
CSU Graduates	1,603

TOTAL ENROLLMENT	42,673
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C. Average General Fund Support Per FTE Student in FY 2006

$$\$356,061,711 \quad / \quad 42,673 \quad = \quad \$8,343.96 \quad (1)$$

D. CT FTE Enrollments at Independent Institutions, Fall 2005

14,080.80

E. Award Per FTE Undergraduate Enrollment under 10a-39 in FY 2006 based upon 25%* of State Support Per FTE Student in Public Four-Year Higher Education Institutions

$$\$8,343.96 \quad * \quad 25\% \quad = \quad \$2,085.99 \quad (1)$$

F. Total Appropriation for 10a-39 in FY 2008 based on 25%

$$\$2,085.99 \quad * \quad 14,080.80 \quad = \quad \$29,372,408 \quad (2)$$

FY 2007 Appropriation	53.8%	\$15,800,626
Increase necessary to fund 2008 formula		\$13,571,782

(1) Rounded to nearest cent.

(2) Rounded to nearest dollar.

* Statutory change in FY 2003 increased percent for 17 to 25.

**Charter Oak State College
Financial Aid Waivers Available**

BR 02-20, Revision to Policy on Fee Waivers
"The allocation for fee waivers be equal to 5.3% of the revenue collected
in the previous year for fees that could be waived."

FEES THAT COULD BE WAIVED	FY02 ACTUAL	FY03 ACTUAL	FY04 Actuals	FY05 Actual	FY06 Estimated	FY07 Estimated
Matriculation Fee:	349,419	551,264	534,872	567,724	616,445	866,270
Matriculation Renewal Fee:	267,084	281,914	285,986	313,012	312,840	346,772
Matriculation Renewal Extension Fee:	12,471	22,277	13,570	13,619	29,498	30,440
Record Conversion Fee:	35,689	12,285	0	0	0	0
Technology Fee - PFY Billed:	7,902	0	0	0	0	0
Concentration Proposal Fee:	71,457	70,586	46,915	31,301	13,490	5,000
Program Change-Associate to Bachelor			0	0	4,240	4,500
Graduation Fee:	57,079	68,655	73,100	94,957	88,912	68,723
TOTAL FEES THAT COULD BE WAIVED	801,101	1,006,981	954,443	1,020,613	1,065,425	1,321,705
FEE WAIVER ALLOCATION = 5.3% of TOTAL	42,458	53,370	50,585	54,092	56,468	70,050
TOTAL FY WAIVER AVAILABLE	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008
70% In-State	29,721	37,359	35,410	37,865	39,527	49,035
30% Out-of-State	12,738	16,011	15,176	16,228	16,940	21,015
TOTAL FEES THAT COULD BE WAIVED	42,458	53,370	50,585	54,092	56,468	70,050

Financial Aid Grant - From State Via DHE	22,500	22,500	47,500	37,393	37,393
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The request for each year of the biennium is equal to the amount set aside by COSC in the previous FY for fee waivers. Such amount shall not exceed 15% of the tuition and fees paid in the previous FY. Any such appropriation shall be used to provide grants for educational expenses to residents of the state who demonstrate substantial financial need and who are matriculated in a degree program at COSC. Individual awards shall not exceed a student's calculated financial need as determined by a needs analysis system approved by the US DOE.