



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

Highlights

FY 2007-09 Mid-Biennial Budget Adjustments for Higher Education

Governor's Recommendations

March 2008

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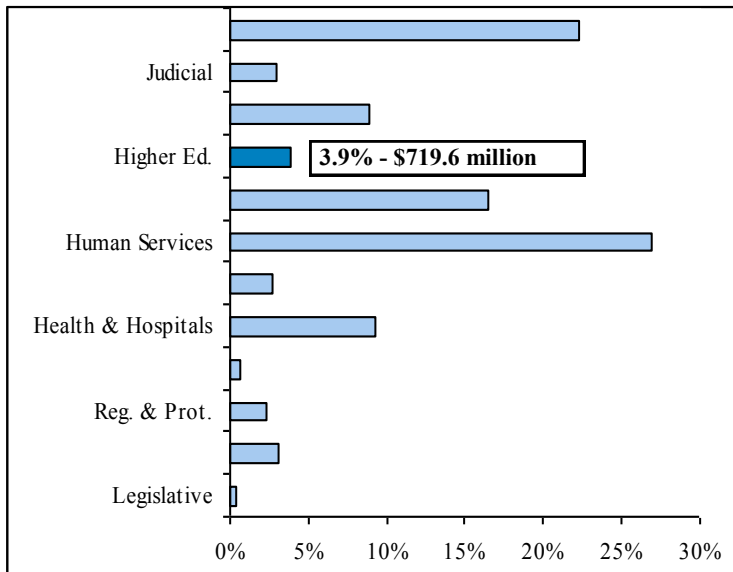
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Highlights
Governor's Recommended
FY 2009 Mid-Biennial Operating Budget for Higher Education

- The Governor's recommended General Fund budget:
 - provides \$720.8 million for FY 2009, an increase of \$1.1 million from the original appropriation and a decrease of 1.8 percent from estimated FY 2008 expenditures. The FY 2009 recommended appropriation is lower than estimated FY 2008 spending because adjustments for collective bargaining contract settlements are not included.
 - proposes \$300,000 for the Department of Higher Education to reinstate the **Connecticut Engineering Loan Reimbursement Program** to assist engineers newly employed in Connecticut with the payment of college loans.
 - includes transfer of one-time funding of \$610,280 for equipment and infrastructure needs and new based funding of \$180,660 to expand the **Nursing Program** at the Community-Technical College system.

Higher Education in a Statewide Context
State Budget by Function
FY 2009 Governor's Recommended



	<u>%</u>	<u>\$</u>
Legislative	0.4%	78.5
General Government	3.1%	569.4
Reg. & Prot.	2.4%	437.9
Conserv. & Devel.	0.6%	115.9
Health & Hospitals	9.3%	1,724.2
Transportation	2.7%	500.3
Human Services	26.9%	4,980.9
Elementary Education	16.5%	3,053.2
Higher Education	3.9%	719.6
Corrections	8.9%	1,637.4
Judicial	3.0%	559.2
Non-Functional	22.3%	4,124.5
Total		\$18,501.0

Governor's General Fund Budget Recommendation

(millions)	FY 2008 Estimated	FY 2009 Appropriated	FY 2009 Revised Recommended
Projected Net Revenues	\$16,620.5	\$17,073.1	\$17,175.3
Appropriation	\$16,357.3	\$17,073.0	\$17,172.0
Percentage Change Prior Year		4.4%	5.0%
Projected Balance From Operations	\$263.2	\$0.1	\$3.3
Shorten Corporation Tax Accrual	(8.0)		
Debt Service Carryforward to FY 2009	(13.0)		
Revised Balance from Operations	\$242.2	\$0.1	\$3.3
Transfer (to) from Budget Reserve	<u>(242.2)</u>	<u>(0.1)</u>	<u>(3.3)</u>
Net Balance	\$0.0	\$0.0	\$0.0

Connecticut Public Higher Education General Fund Operating Budget

Mid-Biennial Adjustments

	2007 Actual <u>Expenditures</u>	2008 <u>Appropriation</u>	2008 Estimated <u>Expenditures</u>	Change from <u>Appropriation</u>	Change from <u>Appropriation</u>
University of Connecticut	\$223,026,797	\$225,534,131	\$233,541,817	\$8,007,686	3.6%
UConn Health Center	100,714,490	94,874,095	97,054,836	2,180,741	2.2%
Connecticut State University	155,102,480	158,614,592	164,249,411	5,634,819	3.6%
Community-Technical Colleges	145,503,256	149,501,335	161,257,290	11,755,955	8.1%
Charter Oak State College	1,998,729	2,063,453	2,063,453	0	0.0%
CT Distance Learning Consortium	626,782	645,690	645,690	0	0.0%
Department of Higher Education ¹	53,058,681	75,420,181	75,405,983	(14,198)	0.0%
Total	\$680,031,215	\$706,653,477	\$734,218,480	\$27,565,003	4.1%

Change from appropriation is attributable to collective bargaining settlements.

CT Distance Learning Consortium excludes one-time funding of \$850,000 for a PK-12 Distance Learning Initiative.

	2007 Actual <u>Expenditures</u>	2009 <u>Appropriation</u>	2009 Governor's <u>Recommended</u>	Change from <u>Appropriation</u>	Change from <u>Appropriation</u>
University of Connecticut	\$223,026,797	\$229,416,160	\$229,416,160	\$0	0.0%
UConn Health Center ²	100,714,490	102,463,598	102,463,598	0	0.0%
Connecticut State University	155,102,480	160,444,294	160,444,294	0	0.0%
Community-Technical Colleges ³	145,503,256	152,521,596	153,312,536	790,940	0.5%
Charter Oak State College	1,998,729	2,175,936	2,175,936	0	0.0%
CT Distance Learning Consortium	626,782	683,472	683,472	0	0.0%
Department of Higher Education	53,058,681	72,041,735	72,341,735	300,000	0.6%
Total	\$680,031,215	\$719,746,791	\$720,837,731	\$1,090,940	0.2%

¹ 2008 expenditures include the \$4.185 million one-time surplus payment to reduce the Higher Education State Matching Grant outstanding obligation. 2008 and 2009 appropriations each include \$100,000 from surplus for a Master Plan.

² 2009 appropriation includes \$3.6 million for a fringe benefit differential and \$500,000 for the CT Health Information Network.

Connecticut Public Higher Education System
FY 2009 Governor's Adjustments
Mid-Biennial Review

	FY 2008 Estimated <u>Expenditures</u>	FY 2009 Original <u>Appropriation</u>	FY 2009 Salary <u>Adjustments</u>¹	FY 2009 Technical <u>Adjustments</u>²	FY 2009 <u>Transfer</u>	FY 2009 Governor's <u>Recommended</u>	Percent Change <u>Approp.</u>
University of Connecticut	\$233,541,817	\$229,416,160	\$ -	\$ -	\$ -	\$229,416,160	0.0%
UConn Health Center	97,054,836	102,463,598	-	-	-	102,463,598	0.0%
Connecticut State University	164,249,411	160,444,294	-	-	-	160,444,294	0.0%
Community-Technical Colleges	161,257,290	152,521,596	-	180,660	610,280	153,312,536	0.5%
Charter Oak State College	2,063,453	2,175,936	-	-	-	2,175,936	0.0%
CT Distance Learning Consortium	645,690	683,472	-	-	-	683,472	0.0%
Department of Higher Education	<u>75,405,983</u>	<u>72,041,735</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>72,341,735</u>	0.4%
Total	\$734,218,480	\$719,746,791	\$-	\$480,660	\$610,280	\$720,837,731	0.2%

¹ Salary adjustments for settled collective bargaining will be outside the budget process.

² Technical and transfer adjustments include: Nursing Initiatives - CTC \$180,660 and \$610,280 and CT Engineering Loan Reimbursement - DHE \$300,000

DEPARTMENT OF HIGHER EDUCATION

Major Object Summary General Fund

	<u>FY 2007 Actual</u>	<u>FY 2008 Final Budget*</u>	<u>FY 2008 Estimated Expenditures</u>	<u>FY 2009 Final Budget*</u>	<u>FY 2009 Governor's Recommended</u>
Positions	27	30	30	30	30
Personal Services	\$2,444,512	\$2,713,377	\$2,702,779	\$2,866,195	\$2,866,195
Other Expenses	220,055	272,569	272,569	272,569	272,569
Other Current Expenses					
Minority Advancement	2,092,025	2,402,814	2,402,814	2,405,666	2,405,666
Alternate Route to Cert.	77,033	477,033	477,033	477,033	477,033
National Service Act	337,069	345,647	345,647	345,647	345,647
International Initiatives	70,191	70,000	70,000	70,000	70,000
Minority Teacher Incentive	481,118	481,374	481,374	481,374	481,374
Higher Ed. Matching Grant	5,350,000	4,185,000	4,185,000		
Education and Health Initiatives	522,550	550,000	550,000	550,000	550,000
Loan Reimbursement Programs	492,765				300,000
CommPACT Schools				750,000	750,000
Subtotal, OCE	\$9,422,751	\$8,511,868	\$8,511,868	\$5,079,720	\$5,379,720
Equipment		1,000	1,000	1,000	1,000
Capitol Scholarship Grants	8,436,224	8,926,895	8,926,895	8,927,779	8,927,779
Awds to Children of Disabled Vets	1,200	4,000	400	4,000	4,000
CICSG	15,800,626	23,913,860	23,913,860	23,913,860	23,913,860
CAPCS	16,520,920	30,208,469	30,208,469	30,208,469	30,208,469
CT Aid to Charter Oak	37,393	59,393	59,393	59,393	59,393
NEBHE	175,000	183,750	183,750	183,750	183,750
Opportunities in Veterinary Med.		100,000	100,000		
Washington Center		25,000	25,000	25,000	25,000
ECE - Collaboration with Higher Ed		500,000	500,000	500,000	500,000
GRAND TOTAL	\$53,058,681	\$75,420,181	\$75,405,983	\$72,041,735	\$72,341,735

*\$100,000 in Other Expenses for Master Plan development for both years and \$4.185 million in Higher Ed. Matching Grants are funded one-time from carryforward.

**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	20,189	7,522	78.4%	59.4%
2005	\$ 37,239,198	19,910	7,243	82.5%	57.2%
2006	\$ 39,001,539	21,685	9,018	91.1%	71.2%
2007	\$ 41,578,837	21,499	8,832	103.7%	69.7%
Estimated 2008	\$ 63,957,102				
Budget 2009	\$ 63,957,986				

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%	\$ 1,382
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
2005	\$ 5,198,761	3,584	(45)	-1.2%	\$ 1,451
2006	\$ 6,857,780	4,842	1,258	35.1%	\$ 1,416
2007	\$ 9,257,291	5,306	464	9.6%	\$ 1,745
Estimated 2008	\$ 9,834,773	5,497	191	3.6%	\$ 1,789
Budget 2009	\$ 9,835,657	5,498	0	0.0%	\$ 1,789

* 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%
2005	\$ 16,520,920	12,043	965	8.7%	\$ 1,372	46.2%
2006	\$ 16,520,920	12,289	246	2.0%	\$ 1,344	40.0%
2007	\$ 16,520,920	11,349	(940)	-7.6%	\$ 1,456	35.7%
Estimated 2008	\$ 30,208,469					61.4%
Budget 2009	\$ 30,208,469		-			58.4%

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%
2005	\$ 15,519,517	4,283	(234)	-5.2%	\$ 3,634	57.9%
2006	\$ 15,622,839	4,554	271	6.3%	\$ 3,430	59.9%
2007	\$ 15,800,626	4,844	561	6.4%	\$ 3,290	60.7%
Estimated 2008	\$ 23,913,860					86.4%
Budget 2009	\$ 23,913,860					85.1%