



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

# **Highlights**

**FY 2003-05**

## **Biennial Operating Budget For Higher Education**

### **Appropriations Committee's Recommendations**

**May 2003**

## **Board of Governors for Higher Education**

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## Highlights

### Appropriations Recommended FY 2003-05 Biennial Operating Budget for Higher Education

- The Appropriations Committee recommended General Fund budget:
  - calls for \$1,178.2 million for the FY 2003-05 biennium, including \$585.1 million in FY 2004 and \$593.1 million in FY 2005.
  - results in a 1.3 percent increase from FY 2003 to FY 2004 and a 2.7 percent increase between FY 2003 and FY 2005.
  - represents a budget that is 11.1 percent below requested **current services** funding and 0.8 percent above the Governor's recommendation for FY 2004, and 13.9 percent below requested funding and 1.3 percent above the Governor's recommended funding level for FY 2005.
  - returns \$3 million to the Connecticut Independent College Student Grant (CICSG) program and holds other **student financial aid** programs to level funding for both years.
  - restores some funding for the current services increase to **block grants** in 2005, some funding for unsettled contracts and the annualization of FY 2003 increases and about 40 percent of the growth funds for the Connecticut Distance Learning Consortium (CTDLC).
  - reverses the transfer of the CSU and CTC Central Offices with DHE to form a **Board of Regents** but maintains the estimated consolidation savings of \$2.8 million in FY 2004 and \$5.8 million in FY 2005.
- The Appropriations Committee recommended budget for the **Department of Higher Education** reverses the transfer of one-half of the CSU and CTC Central Office positions along with the additional savings of 25 percent in FY 2004 and 50 percent in FY 2005. The Committee also has recommended restoration of some personal services funding (\$150,000), Connecticut Aid to Charter Oak (\$22,500), the Germany Initiative (\$70,000) and \$3 million to the Connecticut Independent College Student Grant program. In addition, the Committee included \$150,000 for a student financial aid database, and \$1 million under Education and Health Initiatives for workforce shortages in nursing, teaching and paraprofessionals
- Funding for the **University of Connecticut** and **UConn Health Center** remains essentially at the Governor's recommended level. For the **Connecticut State University** and the **Community-Technical College System**, some additional funding for collective bargaining increases has been included in FY 2005 along with restoration of the Chancellor's Office transfers. However, both units are still expected to absorb \$1.2 million and \$1.5 million, respectively, in FY 2004 and \$2.5 million and \$3.3 million in FY 2005.
- The recommendations for **Charter Oak State College** include restoration of the collective bargaining funding with the settlement of the contract and partial restoration (\$200,000) of growth funding for the Connecticut Distance Learning Consortium that has been added in recent years.

**Connecticut Public Higher Education  
General Fund Operating Budget  
2003 Estimated to Governor's and Appropriations' Recommended**

	<b>2003 Estimated Expenditures*</b>	<b>2004 Governor's Recommended</b>	<b>2004 Appropriations Recommended</b>	<b>\$ Change From Estimated</b>	<b>% Change</b>
University of Connecticut	\$ 193,564,447	\$ 197,739,210	\$ 197,689,210	\$ 4,124,763	2.1%
UConn Health Center	74,350,485	75,137,689	75,137,689	787,204	1.1%
Connecticut State University	137,402,032	136,578,486	140,136,965	2,734,933	2.0%
Community-Technical Colleges	124,431,839	120,850,099	125,454,915	1,023,076	0.8%
Charter Oak State College	1,405,888	1,410,032	1,502,666	96,778	6.9%
CT Distance Learning Consortium	1,023,937	497,008	697,008	(326,929)	-31.9%
Dept. of Higher Education**	45,305,811	48,383,948	44,513,153	(792,658)	-1.7%
<b>Total</b>	<b>\$ 577,484,439</b>	<b>\$ 580,596,472</b>	<b>\$ 585,131,606</b>	<b>\$ 7,647,167</b>	<b>1.3%</b>

	<b>2003 Estimated Expenditures*</b>	<b>2005 Governor's Recommended</b>	<b>2005 Appropriations Recommended</b>	<b>\$ Change From Estimated</b>	<b>% Change</b>
University of Connecticut	\$ 193,564,447	\$ 202,114,919	\$ 202,064,919	\$ 8,500,472	4.4%
UConn Health Center	74,350,485	76,584,516	76,584,516	2,234,031	3.0%
Connecticut State University	137,402,032	136,175,666	141,174,879	3,772,847	2.7%
Community-Technical Colleges	124,431,839	122,791,164	126,387,949	1,956,110	1.6%
Charter Oak State College	1,405,888	1,445,524	1,577,489	171,601	12.2%
CT Distance Learning Consortium	1,023,937	520,372	720,372	(303,565)	-29.6%
Dept. of Higher Education**	45,305,811	45,943,638	44,551,832	(753,979)	-1.7%
<b>Total</b>	<b>\$ 577,484,439</b>	<b>\$ 585,575,799</b>	<b>\$ 593,061,956</b>	<b>\$ 15,577,517</b>	<b>2.7%</b>

\* Includes reductions for ERIP savings taken from 4th quarter allotments.

\*\* FY 2004 and FY 2005 Governor's recommendations include transfers from the CSU and CTC Central Offices of \$8.3 million and \$5.8 million, respectively, for creation of the Regents Board for Higher Education.

## Reconciliation of Budget Changes

### University of Connecticut

	<u>FY 2004</u>				<u>FY 2005</u>			
	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>
<b>FY 2003 Governor's Estimated Expenditure</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>	<b>\$193,100,424</b>
Collective Bargaining/Other	10,418,880	10,430,280	4,120,521	4,120,521	20,766,760	20,779,599	8,260,465	8,260,465
Tuition Freeze Inflation		132,773				269,263		
New Facilities	4,288,447	518,265	518,265	518,265	4,878,926	754,030	754,030	754,030
Fund Student Financial Aid Database				(50,000)				(50,000)
<b>Current Services Requested</b>	<b>\$207,807,751</b>	<b>\$204,181,742</b>	<b>\$197,739,210</b>	<b>\$197,689,210</b>	<b>\$218,746,110</b>	<b>\$214,903,316</b>	<b>\$202,114,919</b>	<b>\$202,064,919</b>
<b>Increase</b>	<b>7.6%</b>	<b>5.7%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>13.3%</b>	<b>11.3%</b>	<b>4.7%</b>	<b>4.6%</b>

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### University of Connecticut Health Center

	<u>FY 2004</u>				<u>FY 2005</u>			
	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>
<b>FY 2003 Governor's Estimated Expenditure</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>	<b>\$74,022,806</b>
Collective Bargaining/Other	3,610,046	2,703,197	1,114,883	1,114,883	7,103,525	6,274,668	2,561,710	2,561,710
Tuition Freeze Inflation								
New Facilities								
<b>Current Services Requested</b>	<b>\$77,632,852</b>	<b>\$76,726,003</b>	<b>\$75,137,689</b>	<b>\$75,137,689</b>	<b>\$81,126,331</b>	<b>\$80,297,474</b>	<b>\$76,584,516</b>	<b>\$76,584,516</b>
<b>Increase</b>	<b>4.9%</b>	<b>3.7%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>9.6%</b>	<b>8.5%</b>	<b>3.5%</b>	<b>3.5%</b>

## Reconciliation of Budget Changes

### Connecticut State University

	FY 2004				FY 2005			
	Current	Governor's	Governor's	Appropriations'	Current	Governor's	Governor's	Appropriations'
	Services	Current			Services	Current		
	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>
<b>FY 2003 Governor's Estimated Expenditures</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>	<b>\$138,530,290</b>
Rescission	7,726,858				7,726,858			
Collective Bargaining/Other	6,486,088	6,928,063	2,599,539	2,599,539	13,451,225	13,513,680	2,251,563	4,774,840
Tuition Freeze Inflation	535,526	183,735			734,256	372,615		
Merge Chancellor's Office to Regents			(3,608,479)				(2,525,936)	
Merger savings			(1,202,826)	(1,202,826)			(2,525,936)	(2,525,936)
New Facilities	720,517	259,962	259,962	259,962	1,385,320	445,685	445,685	445,685
Fund Student Financial Aid Database				(50,000)				(50,000)
<b>Current Services Requested</b>	<b>\$153,999,279</b>	<b>\$145,902,050</b>	<b>\$136,578,486</b>	<b>\$140,136,965</b>	<b>\$161,827,949</b>	<b>\$152,862,270</b>	<b>\$136,175,666</b>	<b>\$141,174,879</b>
<b>Increase</b>	<b>11.2%</b>	<b>5.3%</b>	<b>-1.4%</b>	<b>1.2%</b>	<b>16.8%</b>	<b>10.3%</b>	<b>-1.7%</b>	<b>1.9%</b>

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### Community-Technical College System

	FY 2004				FY 2005			
	Current	Governor's	Governor's	Appropriations'	Current	Governor's	Governor's	Appropriations'
	Services	Current			Services	Current		
	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>	<u>Requested</u>	<u>Services</u>	<u>Recommended</u>	<u>Recommended</u>
<b>FY 2003 Governor's Estimated Expenditures</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>	<b>\$124,948,220</b>
Collective Bargaining/Other	6,204,607	5,897,828	1,757,353	1,757,353	12,407,087	11,959,840	3,814,041	4,202,455
Tuition Freeze Inflation	88,166	60,506			191,174	122,706		
Merge Chancellor's Office to Regents			(4,654,816)				(3,258,371)	
Merger savings			(1,551,605)	(1,551,605)			(3,258,371)	(3,258,371)
Reallocate funding for 61 Woodland St. to DPW			(516,293)	(516,293)			(516,293)	(516,293)
New Facilities	2,338,710	867,240	867,240	867,240	2,734,700	1,061,938	1,061,938	1,061,938
Fund Student Financial Aid Database				(50,000)				(50,000)
<b>Current Services Requested</b>	<b>\$133,579,703</b>	<b>\$131,773,794</b>	<b>\$120,850,099</b>	<b>\$125,454,915</b>	<b>\$140,281,181</b>	<b>\$138,092,704</b>	<b>\$122,791,164</b>	<b>\$126,387,949</b>
<b>Increase</b>	<b>6.9%</b>	<b>5.5%</b>	<b>-3.3%</b>	<b>0.4%</b>	<b>12.3%</b>	<b>10.5%</b>	<b>-1.7%</b>	<b>1.2%</b>

## Reconciliation of Budget Changes

### Department of Higher Education/Board of Regents

	FY 2004				FY 2005			
	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>
<b>FY 2003 Governor's Estimated Expenditures</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>	<b>\$43,933,492</b>
Collective Bargaining/Other	337,732	235,363	(132,004)	17,996	479,780	381,938	(93,325)	56,675
Equipment Replacement	29,300	28,300			30,300	29,300		
Higher Education Matching Grant	10,000,000	10,132,061			11,000,000	10,000,000		
Minority Advancement Program	318,154	318,154			389,699	389,699		
National Service Act	136,590	136,590			150,093	150,093		
International Initiatives	128,368	128,368	(99,463)	(29,463)	134,574	134,747	(99,463)	(29,463)
Minority Teacher Incentive Program	131,127	39,523			131,127	54,108		
Capitol Scholarship	539,500	539,500	262,500	262,500	690,616	690,616	262,500	262,500
CT Aid to Public College Students	14,678,842	1,465,804			14,678,842	1,997,959		
CT Independent College Student Grant	12,043,775	444,888	(3,821,372)	(821,372)	12,043,775	902,233	(3,821,372)	(821,372)
CT Aid to Charter Oak	9,614	(22,500)	(22,500)		11,704	(22,500)	(22,500)	
NEBHE	350,818	350,818			332,717	332,717		
Merge CSU/CTC Chancellors' Offices			11,017,727				11,568,613	
Merger savings			(2,754,432)				(5,784,307)	
Fund Student Financial Aid Database				150,000				150,000
Education and Health Initiatives				1,000,000				1,000,000
<b>Current Services Requested</b>	<b>\$82,637,312</b>	<b>\$57,730,361</b>	<b>\$48,383,948</b>	<b>\$44,513,153</b>	<b>\$84,006,719</b>	<b>\$58,974,402</b>	<b>\$45,943,638</b>	<b>\$44,551,832</b>
<b>Increase</b>	<b>88.1%</b>	<b>31.4%</b>	<b>10.1%</b>	<b>1.3%</b>	<b>91.2%</b>	<b>34.2%</b>	<b>4.6%</b>	<b>1.4%</b>

## Reconciliation of Budget Changes

### Charter Oak State College & CT Distance Learning Consortium

	<u>FY 2004</u>				<u>FY 2005</u>			
	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>	<u>Current Services Requested</u>	<u>Governor's Current Services</u>	<u>Governor's Recommended</u>	<u>Appropriations' Recommended</u>
<b>FY 2003 Governor's Estimated Expenditures</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>	<b>\$2,403,103</b>
Collective Bargaining/Other	187,564	169,872	63,170	155,804	326,598	285,361	124,867	256,832
CTDLC growth			(502,411)	(302,411)			(502,411)	(302,411)
CTDLC Layoff			(56,822)	(56,822)			(59,663)	(59,663)
<b>Current Services Requested</b>	<b>\$2,590,667</b>	<b>\$2,572,975</b>	<b>\$1,907,040</b>	<b>\$2,199,674</b>	<b>\$2,729,701</b>	<b>\$2,688,464</b>	<b>\$1,965,896</b>	<b>\$2,297,861</b>
<b>Increase</b>	<b>7.8%</b>	<b>7.1%</b>	<b>-20.6%</b>	<b>-8.5%</b>	<b>13.6%</b>	<b>11.9%</b>	<b>-18.2%</b>	<b>-4.4%</b>

# DEPARTMENT OF HIGHER EDUCATION

## Major Object Summary General Fund

	<u>FY 2003 Estimated</u>	<u>FY 2004 Current Services</u>	<u>FY 2004 Governor's Recommended</u>	<u>FY 2004 Appropriations Recommended</u>	<u>FY 2005 Current Services</u>	<u>FY 2005 Governor's Recommended</u>	<u>FY 2005 Appropriations Recommended</u>
Personal Services	\$2,198,028	\$2,562,354	\$2,111,540	<b>\$2,261,540</b>	\$2,697,711	\$2,150,219	<b>\$2,300,219</b>
Other Expenses	189,427	204,981	185,818	<b>185,818</b>	210,721	185,818	<b>185,818</b>
Other Current Expenses							
Minority Advancement	2,700,488	2,555,174	2,237,021	<b>2,237,021</b>	2,626,719	2,237,021	<b>2,237,021</b>
Saturday Academy	100,000						
Alternate Route to Cert.	27,033	27,790	27,033	<b>27,033</b>	28,568	27,033	<b>27,033</b>
National Service Act	445,647	482,238	345,647	<b>345,647</b>	495,741	345,647	<b>345,647</b>
International Initiatives	199,463	227,833		<b>70,000</b>	234,212		<b>70,000</b>
Minority Teacher Incentive	481,374	612,500	481,374	<b>481,374</b>	612,500	481,374	<b>481,374</b>
Higher Ed. Matching Grant*		10,000,000			11,000,000		
Education and Health Initiatives				<b>1,000,000</b>			<b>1,000,000</b>
Financial Aid Database				<b>150,000</b>			<b>150,000</b>
CTC/CSU Central Office Transfer**			8,263,295			5,784,306	
Subtotal, OCE	\$3,954,005	\$13,905,535	\$11,354,370	<b>\$4,311,075</b>	\$14,997,740	\$8,875,381	<b>\$4,311,075</b>
Equipment***	1,000	29,300	1,000	<b>1,000</b>	30,300	1,000	<b>1,000</b>
Capitol Scholarship Grants	5,258,259	5,397,001	5,120,000	<b>5,120,000</b>	5,548,117	5,120,000	<b>5,120,000</b>
Awards to Children of							
Deceased/Disabled Veterans	4,000	4,000	4,000	<b>4,000</b>	4,000	4,000	<b>4,000</b>
CICSG	15,888,864	27,932,639	12,067,492	<b>15,067,492</b>	27,932,639	12,067,492	<b>15,067,492</b>
CAPCS	17,539,728	32,218,570	17,539,728	<b>17,539,728</b>	32,218,570	17,539,728	<b>17,539,728</b>
CT Aid to Charter Oak	22,500	32,114		<b>22,500</b>	34,204		<b>22,500</b>
NEBHE****	250,000	350,818			332,717		
<b>GRAND TOTAL</b>	<b>\$45,305,811</b>	<b>\$82,637,312</b>	<b>\$48,383,948</b>	<b>\$44,513,153</b>	<b>\$84,006,719</b>	<b>\$45,943,638</b>	<b>\$44,551,832</b>
<b>Change from 2003</b>			<b>6.8%</b>	<b>-1.7%</b>		<b>1.4%</b>	<b>-1.7%</b>
<b>Change from 2003 ex transfer</b>			<b>-11.4%</b>			<b>-11.4%</b>	

\* The FY 2003 Matching Grant is funded through a bond authorization of \$10.5 million.

\*\* Excluding the Central Office transfers, funding for DHE in 2004 is reduced by 9.7% from 2003 and increases 0.1% from 2004 to 2005.

\*\*\* Equipment for 2004 and 2005 is funded through the OPM Capital Equipment Fund at \$28,300 and \$29,300, respectively.

\*\*\*\* As of May 14, 2003, \$250,000 of the FY 2003 NEBHE dues have been paid out of surplus appropriation and, as a result, Connecticut continues in good standing in the compact.