

Connecticut
Community
Colleges



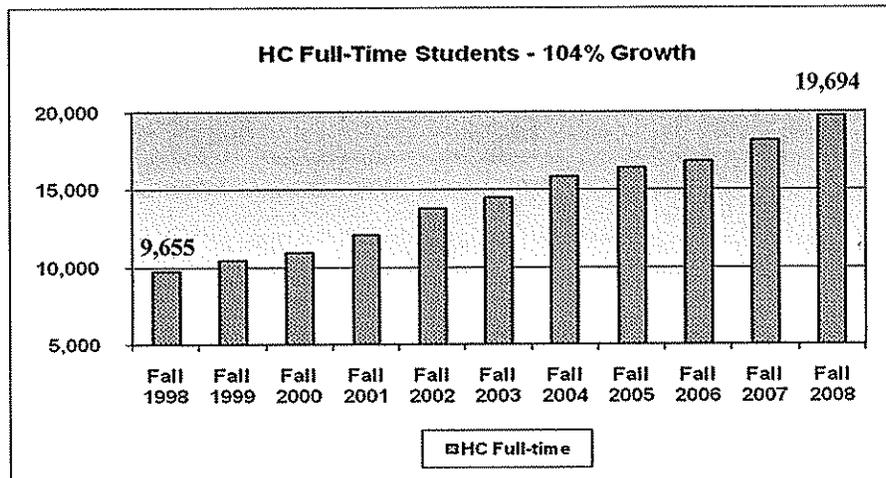
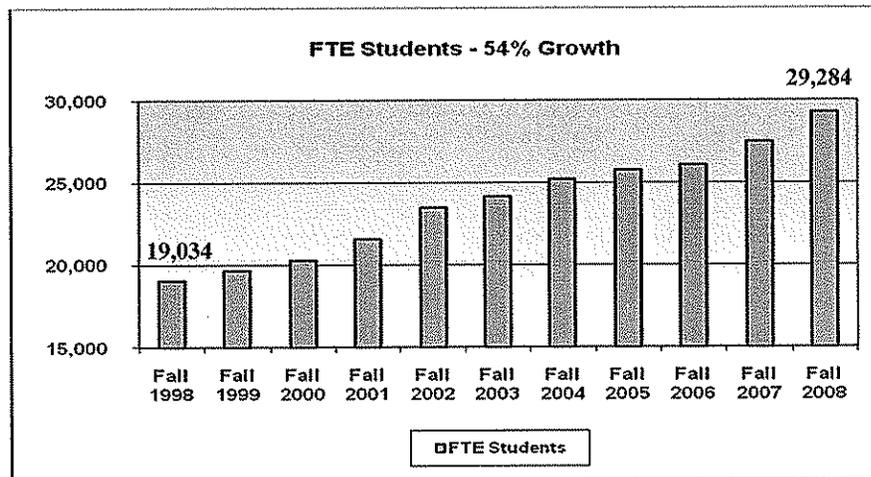
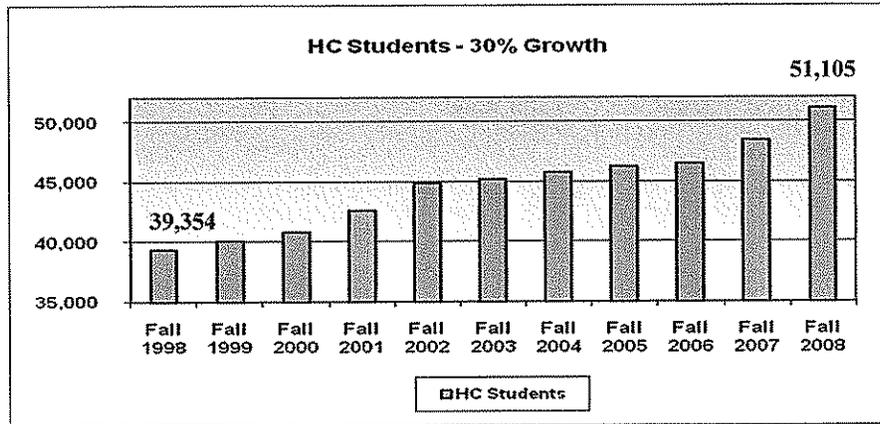
Education That Works For a Lifetime

FY2010 - FY2011 Operating Budget

Appropriations Committee
February 13, 2009

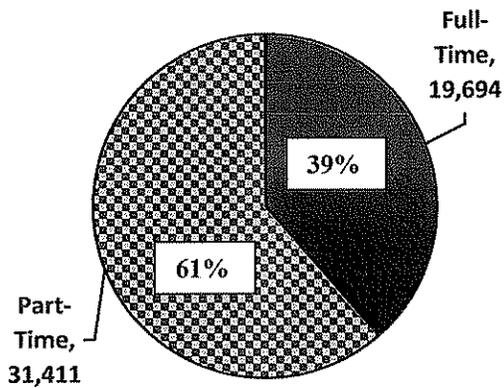
Connecticut Community Colleges
 FY2010-FY2011 Operating Budget Request

Credit Enrollment Trends

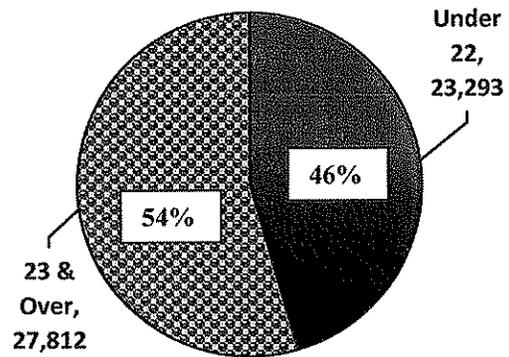


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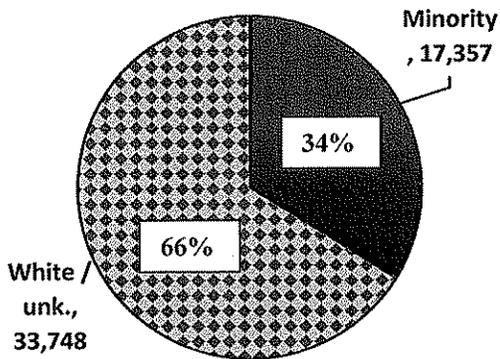
Credit Headcount Enrollment - Fall 2008: 51,105



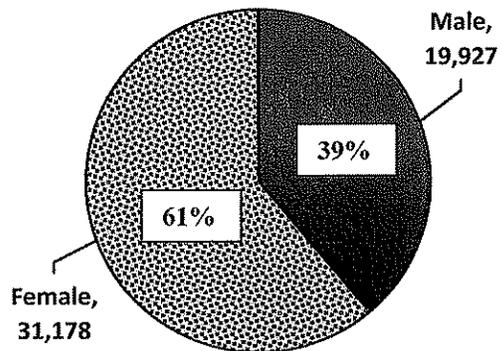
Predominantly Part-Time



Predominantly Adult learners;
 Growing population of younger,
 traditional-aged students



Represents about two-thirds
 of all minority students enrolled
 public higher education

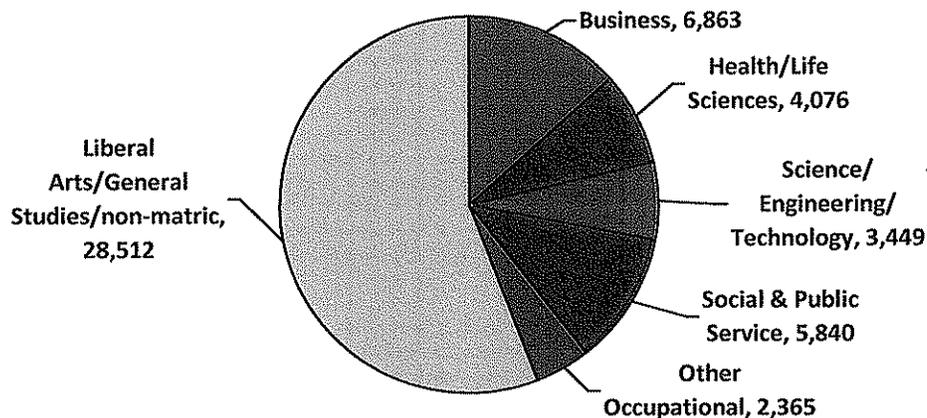


Predominantly Female

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Academic Programming

- Responsive to the needs of a Diverse Clientele:
 - Adult learners – entering job market or changing careers
 - Younger, traditional-aged students
 - Returning military
 - Dislocated and incumbent workers
 - High school partnership students
 - Non-native English speakers
 - State employee in-service training
- Responsive instructional delivery
 - Credit certificates and Associate Degrees, Non-credit Certificates
 - On campus, at business-industry, through high school partnerships
 - Totally on-line as well as web-enhanced/hybrid courses
- Timely and responsive programming
 - Five-year program changes / resource reallocation
 - 34 new Associate Degree Programs, including 2 on-line
 - 64 new program options
 - 88 new Certificate Programs, including 5 on-line
 - 50 program modifications
 - 109 program terminations or suspensions
 - Sample new programs
 - Pathways to Teaching
 - Environmental studies
 - Graphic arts
 - Biomolecular science
 - Lean manufacturing / supply chain management
 - Early childhood administration
 - Entrepreneurial studies

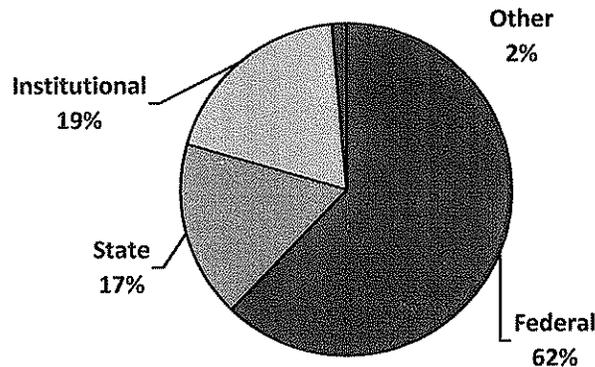


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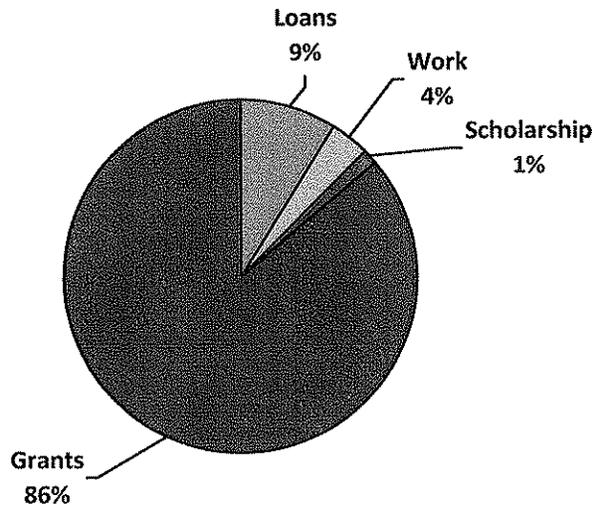
Student Financial Aid

For the 2007-08 Award Year:

- \$58.7 million in aid awarded
- 21,354 financial aid recipients – about 44% of all students
 - 14,060 Pell Grant recipients



- 99% of aid is need-based

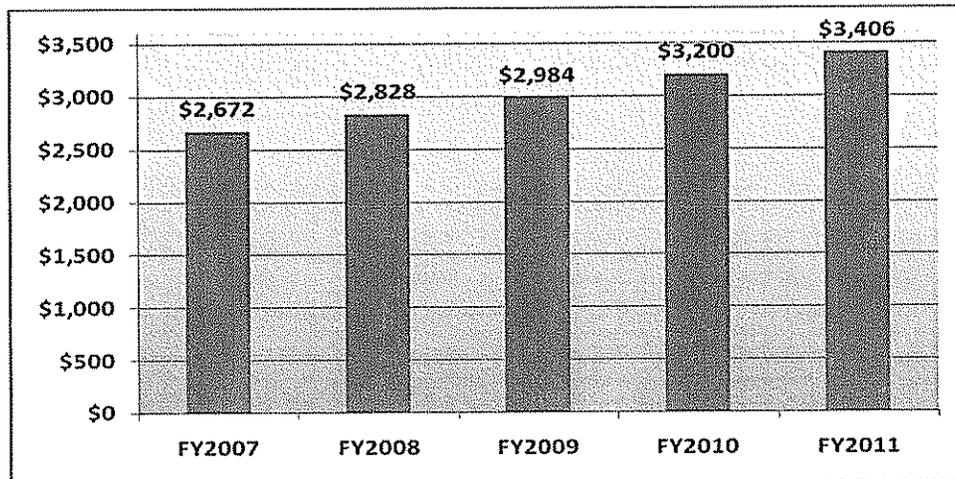


For the 2008-09 Award Year:

- 43,042 applications – 13% increase
- Applications increasing faster than headcount enrollment
- 91% of applicants have financial need
 - 57% of applicants have insufficient resources to cover direct costs
 - Tuition, fees, books, supplies
 - 31% of applicants have zero financial resources to contribute

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Student Tuition and Fees – Annual Full-Time



General Fund Block Grant Supports:

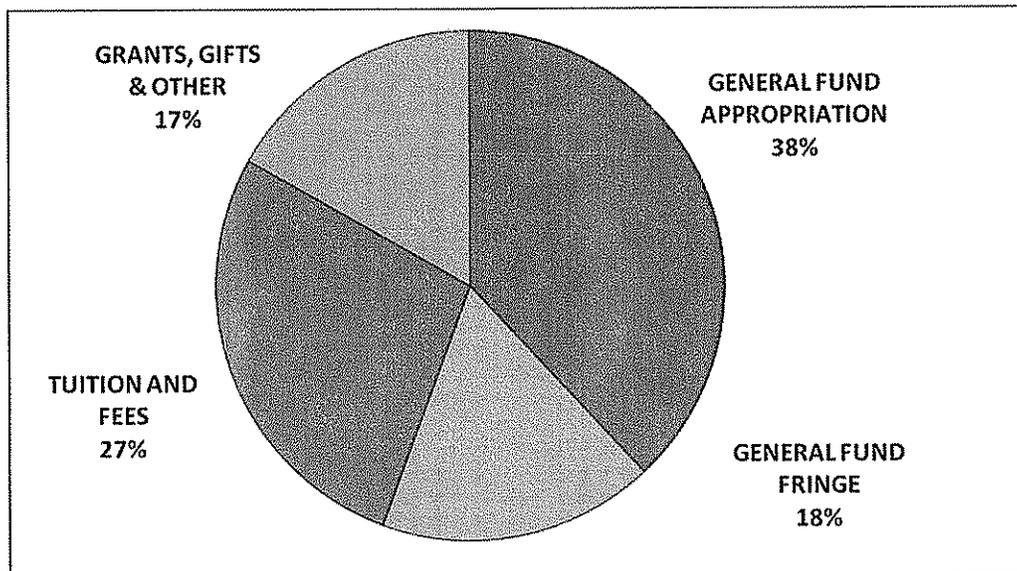
- ~78% of Total Personnel Costs

Operating Fund / Tuition & Fees Support:

- ~22% of Total Personnel Costs
 - Full & Part Time Salary
 - Part Time Lecturers
 - Clinical Faculty
 - Lab Assistants
 - Tutors
 - Student Workers
 - Fringe Benefits
- Financial Aid
 - Tuition Set-aside
 - Tuition & Fee Waivers
- Other Expense/Equipment
 - Educational/Lab Supplies
 - Office Supplies
 - Academic Software & Technology
 - Library Services
 - Distance Learning & Web
 - Telecommunications & Data Processing
 - Fuel & Utilities
 - Maintenance, Custodial, Security

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Revenue Sources



- General Fund Revenues (including fringe benefits paid on our behalf by State Comptroller) comprise about 55-56% of total CCC revenues
 - about 78% of personnel cost
- Student tuition and fees cover about 27% of total revenues
 - Regular credit operations – tuition and mandatory fees
 - Inflationary increases only
 - Structural budget shortfall (energy)
 - Entrepreneurial extension, credit and non-credit, workforce development activities
- Grants, gifts and other externally generated revenues cover an increasing proportion of CCC operations
 - Federal and State financial aid programs
 - Supplemental and start-up funding for critical new initiatives
 - Nursing and allied health
 - Manufacturing
 - Green jobs and sustainable operations

Connecticut Community Colleges FY2010-FY2011 Operating Budget Request

Current Environment

The Good News:

- Growing credit enrollments, 40,000+ non-credit students
- Grant-funded programmatic initiatives
- Strategic focus on student success, learning and outcomes
- Successful partnerships with high schools, four-year baccalaureate institution, business and industry
- Relevant, timely and responsive academic programming
- Low-cost tuition, substantial student financial aid
- Strong financial condition
- Dedicated and talented faculty, staff and management
- Beautiful state-of-the-art campuses

The Challenges:

- Growing credit enrollments, 40,000+ non-credit students
- Structural budget shortfall (energy ~\$3 million+)
- Shortage of full-time faculty (ratio less than 50%)
- Shortage of academic and student support professionals
 - For example: 822 students per counselor
- General Fund budget reduction (3% ~\$4.5 million)
- Rapidly worsening economy and budgetary climate

On-going Cost Containment:

Limited refill of vacant positions, out-of-state travel, the use of consultants, and the purchase of other goods and services, to essential operations of the college and system and/or the continuation of academic programs, with emphasis on maintaining maximum budgetary flexibility.

- Essential to the continuation of instruction, academic programming or community service;
- Essential to provide academic or student support services integral to student success;
- Essential to the safe and effective operation of college facilities.

Contingency planning for budget reduction via elimination of vacancies and other permanent cost reductions.

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FY2010 Operating Budget – Governor’s Recommendation

| | FY2009 Estimated Expenditures | FY2010 Adjusted Current Services Request | FY2010 Governor's Recommended |
|---|-------------------------------|--|-------------------------------|
| Block Grant | \$149,815,671 | | |
| Tuition Freeze | \$2,160,925 | | |
| Manufacturing Technology | \$545,000 | | |
| FY2009 Original Appropriation | \$152,521,596 | | |
| Funding for Settled Wage Contracts | \$14,124,833 | | |
| FY2009 Adjusted Appropriation | \$166,646,429 | \$166,646,429 | \$166,646,429 |
| less 3% Rescission | -\$4,521,720 | \$0 | \$9 |
| FY2009 Estimated | \$162,124,709 | \$166,646,429 | \$166,646,438 |
| FY10 Current Services Adjustment | | \$8,991,480 | \$8,655,531 |
| FY10 Current Services Nursing Adjustment | | \$452,822 | \$0 |
| FY10 Adjustment for Capital CC Lease | | \$724,200 | \$724,200 |
| FY2010 Operating Budget Need | | \$176,814,931 | \$176,026,169 |
| less 3% Rescission rolled forward | | | -\$4,521,720 |
| less 2% Additional reduction rolled forward | | | -\$2,996,313 |
| less Current Services Adjustment | | | -\$8,655,531 |
| less Merger Savings (CCC portion) | | | -\$1,000,000 |
| FY2010 Governor's Budget Recommendation | | | \$158,852,605 ** |
| \$\$ Shortfall, Recommendation vs. Adjusted Need | | | -\$17,962,326 |
| % Shortfall, Recommendation vs. Adjusted Need | | | -10.2% |
| ** Transferred to Connecticut Middle College System - Community College Block Grant | | | |
| Block grant now incorporates funding for Manufacturing Technology program at Asnuntuck CC and "Tuition Freeze" funding intended to offset continuing tuition revenue loss resulting from tuition rate freezes in fiscal years 1999 and 2000 | | | |

Connecticut Community Colleges
 FY2010-FY2011 Operating Budget Request

FY2011 Operating Budget – Governor’s Recommendation

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| less 3% Rescission | -\$4,521,720 | \$0 | \$9 |
| FY2009 Estimated | \$162,124,709 | \$166,646,429 | \$166,646,438 |
| FY10 & FY11 Current Services Adjustment | | \$10,533,220 | \$10,347,784 |
| FY10 Current Services Nursing Adjustment | | \$452,822 | \$0 |
| FY11 Current Services New Facilities Adjustment | | \$1,013,870 | \$500,227 |
| FY10 & FY11 Adjustment for Capital CC Lease | | \$965,600 | \$965,600 |
| FY2011 Operating Budget Need | | \$179,611,941 | \$178,460,049 |
| less 3% Rescission rolled forward | | | -\$4,521,720 |
| less 2% Additional reduction rolled forward | | | -\$2,996,313 |
| less Current Services Adjustment | | | -\$10,347,784 |
| less New Facility funding for operations | | | -\$500,227 |
| less Merger Savings (CCC portion) | | | -\$2,000,000 |
| FY2011 Governor's Budget Recommendation | | | \$158,094,005 ** |
| \$\$ Shortfall, Recommendation vs. Adjusted Need | | | -\$21,517,936 |
| % Shortfall, Recommendation vs. Adjusted Need | | | -12.0% |
| ** Transferred to Connecticut Middle College System - Community College Block Grant | | | |
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FY2010 – FY2011 Operating Budget Shortfalls

| | <u>FY2010</u> | <u>FY2011</u> |
|--|-------------------|-------------------|
| 3% Reduction roll-forward | 4,521,720 | 4,521,720 |
| 2% Reduction roll-forward | <u>2,996,313</u> | <u>2,996,313</u> |
| Subtotal, Roll-forward of FY2009 Base Budget Reductions | 7,518,033 | 7,518,033 |
| Rollout of Continuing Obligations* | 2,062,871 | 2,306,122 |
| FY2010 - FY2011 New Obligations** | 6,928,609 | 8,227,098 |
| Nursing current/services adjustment | 452,822 | 452,822 |
| New facility operations | - | 1,013,870 |
| Merger savings | 1,000,000 | 2,000,000 |
| TOTAL SHORTFALL | 17,962,335 | 21,517,945 |
| * Annualization of FY2009 implemented wage agreements, scheduled longevity increases | | |
| ** Settled wage agreements to be implemented FY2010 and FY2011 | | |
| Estimated FTE Position Reductions for: | | |
| Roll-forward of FY2009 Base Budget Reductions | 137 | 137 |
| Rollout of Continuing Obligations | 38 | 42 |
| FY2010-FY2011 New Obligations | 126 | 150 |
| Merger Savings | <u>18</u> | <u>36</u> |
| Total | 319 | 365 |

Connecticut Community Colleges FY2010-FY2011 Operating Budget Request

In Summary

Connecticut Community Colleges continue to be a responsive, low-cost, quality-driven, higher education destination of choice for thousands of credit and non-credit students pursuing two-year associates' degrees, transfer to four-year baccalaureate institutions, one-year certificate training, or short-term workforce skills upgrade.

Connecticut Community Colleges are well-positioned to respond to student educational and State workforce needs.

Connecticut Community Colleges are prepared to be part of the solution to the State budget crisis, but the budget recommendation presents significant challenges to our ability to respond to critical finance issues, including:

- Maintaining access and affordability
- Improving student success
- Meeting enrollment demand and expanding capacity
- Enhancing academic quality and excellence
- Responding to a changing workforce
- Addressing critical cost issues (i.e. energy)
- Ensuring campus security and emergency preparedness