

Board for State Academic Awards

Charter Oak State College
Connecticut Distance Learning Consortium

Appropriations Committee

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Testimony by

Ed Klonoski

Executive Director, BSAA and President, Charter Oak State College

Good afternoon Senator Harp, Representative Geragosian and members of the Appropriations Committee.

I am Ed Klonoski, Executive Director of the Board for State Academic Awards and President of Charter Oak State College. I am accompanied by Diane Goldsmith, Executive Director of the Connecticut Distance Learning Consortium, and Cliff Williams, Chief Financial Officer for the Board for State Academic Awards. We are here to share information about Charter Oak State College and the Connecticut Distance Learning Consortium and, in particular, how we are responding to the economic crisis.

Let me begin with a quick review of the essential mission and contributions of the two organizations. Charter Oak State College is Connecticut's online public college. For the past 36 years, Charter Oak has served adult students finishing their associate's and bachelor's degrees. Our focus has always been degree completion for working adults, and this focus makes us a part of the solution for incumbent worker education. Over the past ten years, we have added a robust catalog of distance learning courses—198 at last count—to our original offerings of testing for credit, portfolio credits, and a flexible transfer credit policy.

From its inception, Charter Oak has worked to accomplish its mission by collaborating with its fellow higher education providers. Our liberal transfer policy allows students to take courses at regionally accredited colleges and transfer them into a Charter Oak degree. We provide an affordable and flexible avenue to the bachelors degree for students who have earned their professional degree—e.g. the RN—at one of Connecticut's Community Colleges. Our mission is to be a degree solution for students who have accumulated credits but not their degree.

We have worked to be responsive to Connecticut's specific workforce education needs as well as to address many of the areas that all of you believe are important to our communities and our State. All of these programs are online and many are helping to move our disadvantaged and underserved population up the career ladder. We pride ourselves on the following collaborations and partnerships:

- with the CT League for Nursing to provide a Nursing Refresher course;
- with the CT League for Nursing and the CT Hospital Association to develop a Perioperative course to move nurses into the operating rooms;
- with the CT Pharmacist Association to develop the Pharmacy Refresher program to help pharmacists transition back into the workforce;

- with CWEALF to assist the Vocational Technical Schools to develop a direct pathway from their LPN program to the community colleges RN programs;
- with Connecticut Charts-A-Course, DSS, and the Hartford Collaborative to develop the four Early Childhood Pathways Exams and the CT Director's Credential;
- with CT Charts-A -Course and the After School Network to develop the Credential in After School Education;
- with the Connecticut Community Colleges on a variety of workforce education projects including the LPN to RN Articulation course;
- with the State Departments of Education and Higher Education, and six other colleges and universities to create an Alternate Route to Certification (ARC) for Early Childhood teachers;
- with the CT Association of Land Surveyors to develop a certificate in land surveying; and
- with many more non-profits and agencies—like the Commission on Children, the Early Childhood Cabinet, the Permanent Commission on the Status of Women — that help make available their expertise in specific areas.

Lastly, with support from our Foundation and the College, we initiated the Women in Transition program (WIT) that eliminates the main barriers to low-income single mothers who want and need access to postsecondary education. That program's success in transforming the lives of disadvantaged and underserved single mothers has a retention / graduation rate of 75%. We appreciate that the General Assembly funded the CT WAGE (CT Workforce Advancement Grant for Education) an expansion of the target population of the WIT program to include single males with children and parents in low-wage jobs. Since fall 2007, that program has served 44 students, and three degrees have been awarded. It has an 80% retention rate. Both programs leverage funds — combining resources from the State, private donors, College Waivers, corporations, the foundation and outside foundations.

Our success can be measured by the 18% growth rate we are still seeing in our distance learning course enrollments—this educational delivery method is both a career-saver and a cost saver to our adult students. Delivering educational services directly to the learner is a key part of what makes us the most affordable baccalaureate program in Connecticut for our 2300 students. If there is time, I would be happy to tell you more about our 50 concentrations and our 90% satisfaction rate both in the services the college provides and in the retention rates in our DL courses. But now I would like to tell you a little about our sister organization and our eLearning partner Connecticut Distance Learning Consortium.

For the past 11 years, the Connecticut Distance Learning Consortium has been providing eLearning Services to Connecticut's higher education institutions, its K-12 and Adult Education providers, and to various state agencies. Those services center on technology hosting—providing the servers, IT staff, and help desk personnel for the Learning Management Systems that DL providers require—online student services including tutoring; and online high school and adult education programs.

I mentioned that the College prides itself on its collaborative spirit. Well it shouldn't surprise you that the CTDLC, which was created by Charter Oak over a decade ago, would specialize in collaborations as well. An example that has won national praise is its eTutoring program. Twenty

2 and 4-year, public and private colleges in Connecticut are working together to tutor each other's students. The CTDLC built an online "platform" that students can access from their computers, supplied a program administrator, asked each institution to contribute tutoring hours, and the result is that each student has over 400 hours of tutoring available in seven subject areas seven days per week from 8:00 AM to 10:00 PM or midnight. What the CTDLC has accomplished by bringing together higher education to collaborate on a key student service—while supplying key administrative talent and constructing the technology platform upon which it depends—is expanded services without expanded costs.

The CTDLC philosophy is to work with partners to build something once and then share it. This is how they approached the two virtual high schools they operate. The first such online high school was built seven years ago to support the adult high school diploma and GED programs across the state. The courseware and online instructors along with the registration system, course software, and help desk services are supplied by the CTDLC, but the adult high school programs across the state can access just the courses they require for their students while they continue to support those students in their local centers. This is the same model the CTDLC used for its online high school which they launched in 2008 with support from the General Assembly. Again, Advanced Placement courses, World Languages, and courses for credit recovery are available to every district in the state so those districts can always find the course one of their students requires—from Mandarin Chinese to Advance Placement Statistics to an Algebra course that begins every two weeks.

As the CTDLC has grown these services, they have attracted the attention of other states, and now the CTDLC is exporting programs across our region and even to the west coast. The result is that revenues flow back to Connecticut that help the CTDLC continue to improve its products and services.

As I transition to a discussion of our budgets, this would be the right moment to discuss a key element of both the College and the CTDLC budget picture. All of our services are built using technology as the key distribution agent. In other words, for both of us our shared data center is the equivalent of the bricks and mortar classrooms and research labs at the Community Colleges, the CSUs and UCONN. We are working to deliver educational services directly to our students (our motto is that education is an activity, not a location), and that model is based on our ability to manage the latest educational technology tools and delivery methods. We were budgeted to receive \$1.14 million in Capital Equipment Purchase Funds (CEPF) during the past biennium, but we did not receive any of those funds (we currently have a request before OPM for a portion of these funds to keep us from an emergency situation). For us, these bonds funds, while certainly not as large as what is required for classroom buildings or research facilities, are essential to our ability to meet our mission. We are grateful that the Governor has placed our request for the next biennium into the OPM CEPF line item, and we are working closely with OPM to arrange for that critical funding.

Both the College and the CTDLC were aware that the state and the nation were facing a severe economic downturn since very early in 2008. I was appointed President of the College in February 2008 and one of the first decisions I faced was how would we manage that reality. On the personnel front, we decided that we would not replace staff that left, but would look for ways to manage their work differently. We did not replace one of our executives, we did not replace one of our registrar staff, and we found ways to adjust policies to use our new Student Information System to eliminate or re-direct work. In addition, we began to cancel purchases, adjust travel, and reduce

costs wherever we could. So when we received our 3% rescission and the warning that our FY 2010 budget might be even deeper, we were already working to prepare for those reductions.

The CTDLC has eliminated plans for an Executive Account Manager, cut travel and training budgets, and moved many of its meetings and educational workshops to an online environment to save travel monies. It also continues to create new initiatives to increase revenues.

Like many other non-union employees in State government, our non-union staff all took the furlough day that the Governor requested, and our executive managers asked our Board of Trustees to cancel our raises for 2010, which they did at their January Board meeting. We have removed any new projects or service improvements from our 2010 budget, including such items as increased instructional design support for improving our distance learning courseware and additional support for alumni affairs and our foundation. The College is seeking to become eligible to offer a master's degree and we have a series of administrative approvals that will take over a year; therefore, we removed the investments associated with that effort from our 2010 budget.

Our core priorities for the coming biennium are: maintaining student support, growing and innovating online courses, and maintaining our technology infrastructure. These three priorities are at the heart of both organizations and our respective missions. The College has no current plans to increase our fees beyond the 4% increases that were part of our biennial budget plans as our Board believes that we must remain an affordable option for Connecticut's incumbent workforce especially now as they struggle to stay employed or get re-employed. The CTDLC is actively looking for new clients and new cost saving collaborations to improve their revenue picture. There is no easy revenue fix for either organization given the declining state support.

As you all know, the Governor's budget reduces the College's expected FY 2010 general fund allotment by 5.7% (\$129,797) and the CTDLC's by 6.4% (\$44,319). Including the loss of state fringe benefits, these reductions translate into an 8% (180,418) decrease for the College and a 9% (58,831) reduction for the CTDLC. Like the other higher education constituent units, we are grateful that the Governor has not reduced funding for financial aid, and we are prepared to do our part to help the state work its way through this crisis. We know that other state agencies have suffered worse cuts or even been eliminated, and that those decisions are a painful part of your deliberations. But our reductions, which will result in flat budgets for 2009, 2010, and 2011, will make it more challenging to sustain ourselves, impossible for us to grow our student services, and very difficult for us to create new programs in response to your efforts to re-educate Connecticut's workforce. In response to these reductions, both the College and the CTDLC expect to spend down our fund balances in FY 09 by approximately \$700,000, and those fund balances will also be reduced in FY 2010. Both the College and the CTDLC have taken great pride in being able to offer solutions to Connecticut's workforce education needs, and we would like nothing better than to be able to help now. Our budget challenges will make that very difficult for both of us, as providing our students and institutional clients with the services they expect will consume the bulk of our resources.

The Governor has proposed that higher education hiring flexibility be reduced and that we process our hiring requests through the executive branch as do other executive agencies. At the end of June 2008, the BSAA had 89 full time employees; as of January 2009, we are down to 87. We are exempt of OPM approval for our positions, but we have complied with the Governor's goals regarding a careful evaluation when refilling positions and the overall size our workforce. In addition, we have questions about how the process would work if all of our hiring went through OPM. Would the process be sufficiently staffed by OPM that it would not cause lengthy delays in

our ability to replace critical personnel? And would the process provide distinction between state and non-state funding sources?

In conclusion, we understand that we are still in the middle of this fiscal crisis, and that things could very well get worse. So we are presenting you with our plans for how we will manage within the Governor's budget knowing full well that it is not the final word. We appreciate the support we have received in the past and the careful consideration our budget will receive in this session.

We would be happy to answer any of your questions.