

Appropriations Committee Testimony
Interim President Philip E. Austin
University of Connecticut
-February 28, 2011-

Senator Harp, Representative Walker, Senator Kane, Representative Miner, and members of the Committee:

Let me begin on a personal note. This is the twelfth time I have come before this Committee in this context, eleven times prior as President of the University and now, as Interim President, as we await the arrival of a superb new leader for the institution. On each of the previous occasions I have tried to make the case for the University of Connecticut as a vital, dynamic institution that serves all the people of our State, effectively utilizes its resources, contributes to economic growth, and enhances Connecticut's quality of life. I will do so again today.

But as I do—and as I argue for ongoing State support—I want to make note of something that many of us have perhaps taken too much for granted in the past. As I look around the country in this time of economic challenge—for the federal government and for almost every state in the union—I note how fortunate we are here in Connecticut, despite our budget problems. For all our difficulties, Connecticut is a state that values higher education in general and its flagship public university in particular. Our public officials—the Governor, his advisers, you here in the General Assembly—understand UConn's role, appreciate its potential, support its aspirations, and, in a very difficult climate, want to provide as much help or at the very least do as little harm as possible. The nightly news tells us that this is not universally true. It makes all of us proud to be part of this public policy community.

In the moments that follow I will discuss the impact that the Governor's budget proposal would have on the University. Though much of what I say relates to the University as a whole, in this first hour my primary focus will be on the Storrs-based programs. Later, I will ask Dr. Laurencin to focus on the situation at the University of Connecticut Health Center where, as you will hear, the concerns are urgent.

I will start with a story we have told before but that gets better every year. It is summarized in the document labeled "University Update," and begins, appropriately, with a slide headed "Indicators of Success." You can review the document at your leisure—not that you're likely to have much in this budget season—but let me highlight some key points.

- *UConn retains and attracts talent to the State of Connecticut.* As the top-ranked public university in New England, we offer a high-quality, cost-effective education to Connecticut's residents, and in so doing we keep in our State people whose diligence, talent, and creativity will keep our economy strong. That is true at both the undergraduate and graduate levels, and the numbers keep going up. In 2010 we had 23,000 applications for our freshman class of 4,600 (at all our campuses). As of last week we had 28,000 applications from Connecticut

In doing all this and so much more we are, as we should be, accountable to the State as a whole and particularly to our State's elected leaders. I will be frank to say that one of my objectives here today is to ask you to provide us with support adequate to our needs. I do so knowing that you have every right to assure that we are effective stewards of all our resources, whether they come from the State's coffers, our students and their families, federal agencies, foundations, or private donors.

In the 1990s the General Assembly did two things of vital importance regarding UConn. You passed UCONN 2000, which you later extended through 21st Century UConn. That legislation gave us the tools to create a statewide University campus as technologically advanced, accessible, and attractive as any in the United States; it fueled our transformation; and laid the groundwork for what may well be a century of progress. But no less significant, you also passed legislation that provided the University with the ability to manage our programs and budget responsibly and effectively. We believe the results have borne out the wisdom of that decision. We also recognize and respect the Governor's and this body's desire to assure maximum efficiency and transparency and we will be happy to work with the General Assembly and the executive branch to assure that this goal is met.

I would hope that as we proceed in this regard, the State's policymakers take full cognizance of the University's responsibilities—and not just in the academic realm. Many of the tasks and positions at UConn, be it in Storrs, at the regional campuses, or at the Health Center are unique within State government. For example, at Storrs we in essence run the equivalent of a mid-size Connecticut city, housing over 12,500 students, provide police and fire services 24 hours per day and 365 days per year. Moreover, we administer over \$130 million in research and training grants, maintain 159 major buildings—and the list goes on. In Farmington, we handle many similar activities under the Health Center's direction, including a 24-hour/365 day per year hospital that services about 950,000 patient visits every year.

Moreover, in this budget hearing I also want to note with some pride that the achievements I discussed—many of which are outlined in your handout—were accomplished while we remained administratively lean. As of Fall 2009 (the most recent year for which comparative data are available), across the University 3.7% of our employees were classified as “executive/administrative/managerial.” This compares favorably with such peer institutions as Indiana University (4.4%), Colorado State (5.2%), Ohio State (6.5%), or the University of Michigan (9.3%). When looking at just Storrs and the regional campuses, the percentage goes down to 2.4%.

Let me now turn to a more specific discussion of the budget and what it means for us.

As you know, the Governor proposes a 10% reduction in our FY'12 current services block grant request—or, at \$229.2 million, and with the fringe benefit impact, a grant that is about \$35.3 million less than we requested for current services. Perhaps more significant, the Governor proposes to provide \$3.2 million less than our FY '11 level of State support, which has been held

offerings at Storrs and the regionals, which serve not only our own students but young people who attend other institutions and are home for the summer. There has been some growth here in recent years, but there can be more. The “bad” involves raising tuition and fees at a modest level, mindful of the Governor’s expectation—always something we do reluctantly and cognizant of our responsibility to provide adequate financial aid to students in need. The “ugly” will not happen: that would be to meet our \$45 million challenge *entirely* with tuition and fee increases. Increases at *that* level would be exorbitant and unconscionable in the best of times, and unthinkable in times like these.

- *Reducing faculty and staff through attrition.* Through the 1990s and into the early years of the decade thus past, we proudly noted that our student-faculty ratio was going down. Then it started to climb again, and reversing that trend became a high institutional priority. Large classes may be acceptable in some disciplines, but in others—notably the sciences, engineering, education, the arts—they spell declining quality at best and academic disaster at worst. We continue to give faculty recruitment top priority in the next academic year. But in subsequent years we may need to revisit that policy.
- *Service cutbacks.* Our emergence as a school of choice for Connecticut’s outstanding students, and our ability to recruit outstanding faculty in multiple disciplines, came about because we were able to enhance a full range of services: residential and recreational services for students, research support for faculty, and so forth. Cutting back here is, in the long-run, counterproductive. It may be unavoidable in the short run.
- *Elimination of programs.* Rather than marginal cuts to a wide range of academic options, it may be more cost-effective and academically wise to explore elimination of programs of low enrollment, low grant activity, and minimal prospect of future growth. We have done some of that in recent years, always with mixed emotions and always with some pain for those involved. In a difficult environment this may need to be on our list of actions. Of course we realize that this only produces savings if it leads to staff reductions and, given the constraints under which we operate, it will take a year or more to realize such savings.

I cannot tell you now what our final choices will be as we cope with the challenge before us. We hope that it ends up being less severe than the Governor’s recommendation suggests. We know that whatever we do, we will engage all our constituencies in the decision process—faculty, students, staff, alumni, donors, and the wider community. Shared governance is a hallmark of the University.

And we certainly look forward to your guidance and support. With that, I will be happy to respond to any questions.



University of Connecticut

University Update

February 28, 2011

Indicators of Success

- ▣ UConn among the top 27 in the nation and rated the top public university in New England for the past 12 years (*U.S. News & World Report*)
- ▣ UConn ranked in the top 35 best value public colleges for in-state costs (*Kiplinger's Personal Finance*)
- ▣ Record high student applications, enrollment, quality, diversity and degrees awarded



- ▣ 90% of recent graduates are either employed or are in graduate / professional schools

UConn's Contribution to Connecticut

▣ Stem Cell Institute

- ◆ Awarded \$24.4M in state grant funding
- ◆ 4 new human embryonic stem cell lines created
- ◆ Invention disclosed for cartilage replacement



▣ Eminent Faculty Program- Center for Clean Energy Engineering

- ◆ Leveraged industry match of \$2M
- ◆ Value of new research awards has grown from \$1.6M in 2007 to more than \$12M in 2010
- ◆ 50 faculty supported by federal government & major state and other firms



▣ Center for Entrepreneurship

- ◆ Partnership between School of Business & School of Law
- ◆ Assisted more than 352 companies from wide-range of industries since January 2007

UConn's Contribution to Connecticut

▣ Nanotechnology

- ◆ Federal funding increased 96% from \$25M in 2005 to almost \$49M in 2011
- ◆ Patent filings increased 86% since FY98
- ◆ Graduate student and postdoctoral fellow positions increased from 100 in 2005 to 160 in 2011 thereby increasing the pipeline of nanotechnology experts available to support Connecticut businesses
- ◆ Approximately 55 faculty conducting nanotechnology research have attracted more highly qualified undergraduate students to this field



Student Facts & Figures

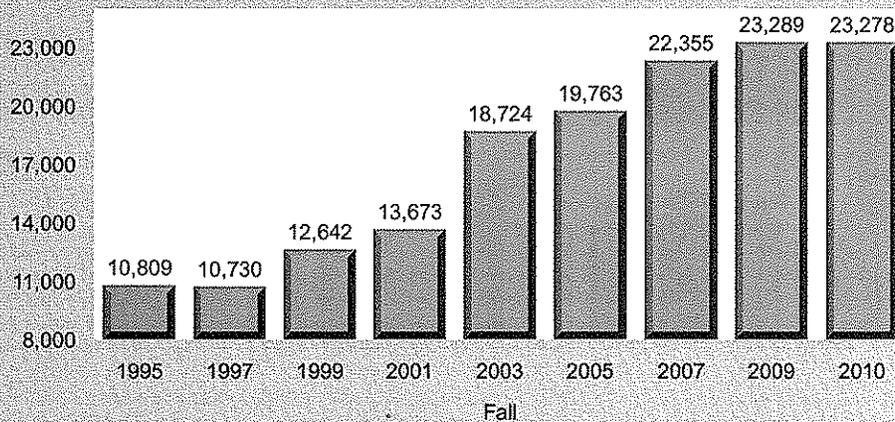
Storrs & Regional Campuses

- ❑ Fall 2009 freshman retention is 93% at Storrs and ranks 11th among public research universities
- ❑ Minority freshman retention is 92% at Storrs
- ❑ Fall 2003 average time to graduate of 4.2 years at Storrs ranks 5th among public research universities
- ❑ Fall 2006 4-year graduation rate is 67% at Storrs and ranks among the top 10 public research universities
- ❑ Fall 2004 6-year graduation rate is 81% at Storrs
- ❑ Undergraduate degrees at all campuses increased 57% since fall 1995 (2,951 to 4,632)
- ❑ Graduate/Professional degrees at all campuses increased 31% since fall 1995 (1,757 to 2,299)

Freshman Application Trends

Storrs & Regional Campuses

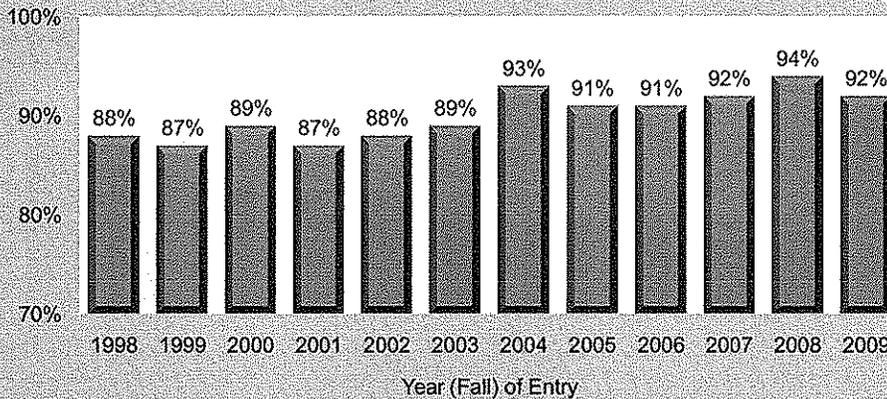
- ❑ Applications at all campuses have increased 115% from Fall 1995 to Fall 2010



Minority Freshmen Retention Trend

Storrs Campus

- ▣ Fall 2008 minority freshman retention rate is also substantially higher than the national 79% average (CSRDE)

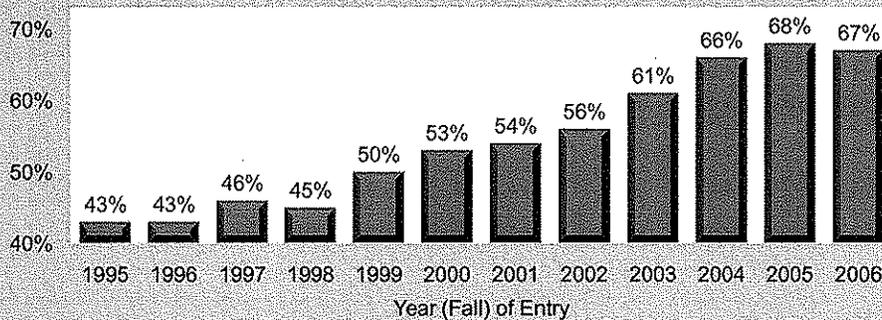


4-Year Graduation Trend

Storrs Campus

- ▣ UConn's ranking among the 58 Public Research Peer Universities:

- ◇ Fall 2003 4-year graduation rate of 61% ranks 9th
- ◇ Fall 2003 average time to graduate of 4.2 years ranks 5th

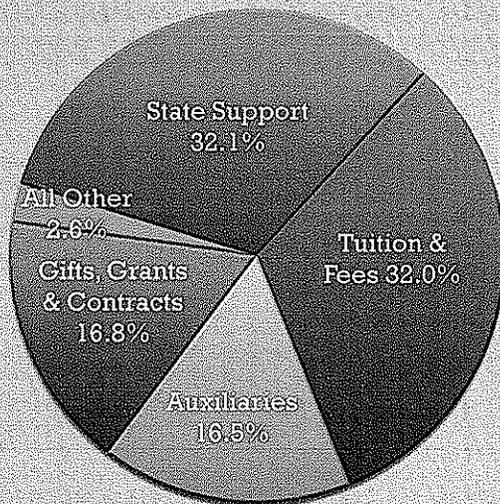


FY11 Budget How are we managing?

- ▣ What did we gain?
 - ◇ Limited hiring - faculty hires in areas of strategic importance
 - ◇ Academic enrichment
 - ◇ Increases in financial aid
 - ◇ Equipment & plant renewal program
- ▣ What did we lose?
 - ◇ Flat State funding & cuts to reserves
 - ◇ Faculty & staff concessions

FY11 Revenue Budget-\$1,033.5M

Storrs & Regional Campuses

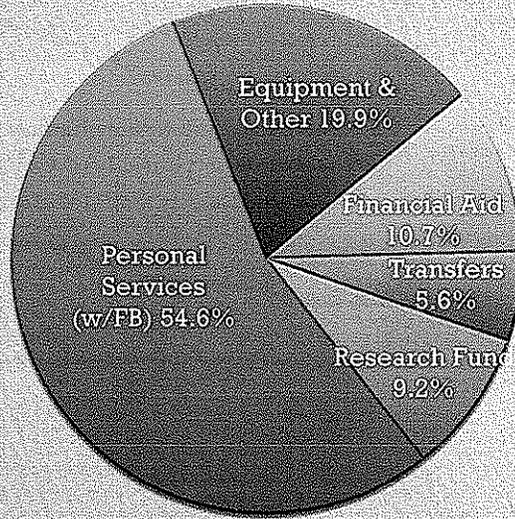


- ▣ State Support: \$332.1M
- ▣ Tuition & Fees: \$330.9M
- ▣ Auxiliaries: \$170.2M
- ▣ Gifts, Grants & Contracts: \$173.7M
- ▣ All Other: \$26.6M

FY11 Expenditure Budget by Function-\$1,032.5M

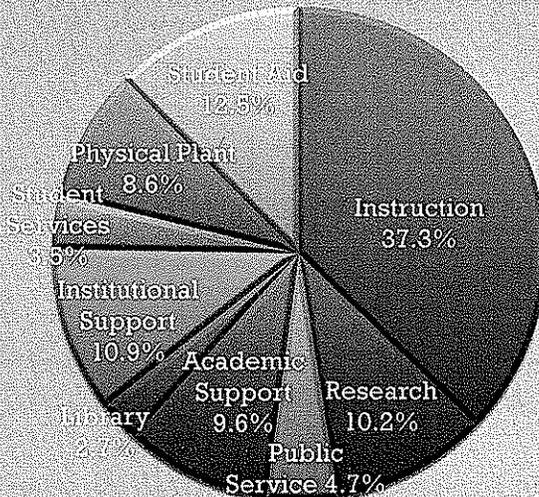
Storrs & Regional Campuses

- Personal Services (w/FB): \$563.4M
- Equipment & Other: \$205.7M
- Financial Aid: \$110.1M
- Transfers: \$58.5M
- Research Fund: \$94.8M



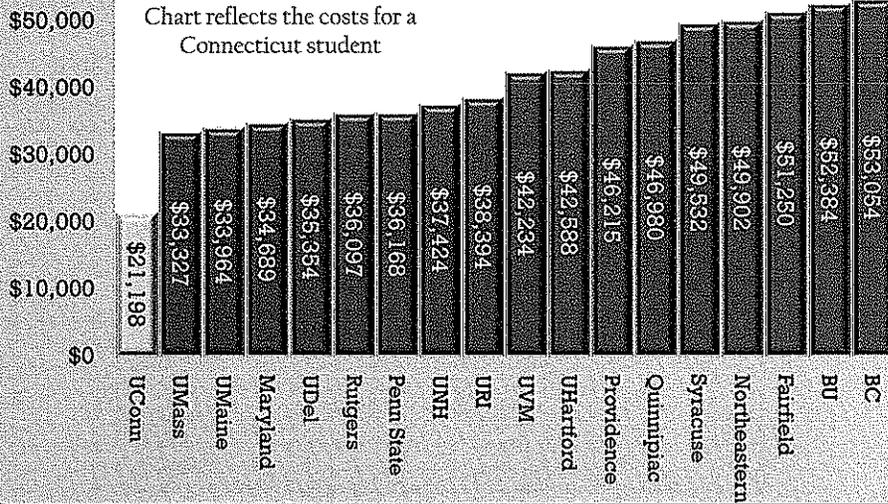
FY11 Education & General Expenditure Budget by Program

Storrs & Regional Campuses



- Instruction: \$298.3M
- Research: \$81.4M
- Public Service: \$37.3M
- Academic Support: \$76.5M
- Library: \$21.7M
- Institutional Support: \$87.1M
- Student Services: \$28.4M
- Physical Plant: \$69.3M
- Student Aid: \$99.9M

UConn's Affordability FY11 Tuition, Fees, Room & Board



FY11 Financial Aid Budget (\$M)

Storrs & Regional Campuses

Need-Based Grants	\$71.4
University Scholarships	37.1
Non-University Scholarships	13.1
Work Study/Student Labor	17.7
Tuition Waivers	<u>47.4</u>
Subtotal	\$186.7
Loans (federal & private)	<u>171.7</u>
Total Financial Aid	\$358.4

FY 2012 Challenges

Storrs & Regional Campuses

- ▣ State funding & hiring authority
- ▣ Maintaining affordability while ensuring program quality
 - ◇ Tuition & fee rates
 - ◇ Financial aid commitment
- ▣ Strategic hiring – faculty
 - ◇ Reduce class size & student to faculty ratio
 - ◇ Prevent deterioration in research portfolio
- ▣ Job creation
 - ◇ Increase commercialization & tech transfer activities
 - ◇ Continue to train highly skilled professionals to meet needs of Connecticut businesses

University of Connecticut (Storrs & Regional Campuses)

	Fall 1995	Fall 1997	Fall 1999	Fall 2001	Fall 2003	Fall 2005	Fall 2007	Fall 2009	Fall 2010	Fall 95-10 Growth
Full-Time Staff Headcount*	100	83	89	92	91	100	101	100	105	5.0%
Executive/Administrative/Managerial	2.6%	2.3%	2.3%	2.3%	2.4%	2.4%	2.4%	2.4%	2.4%	
Executive/Administrative/Managerial-% of Total										
Faculty	1,148	1,040	1,122	1,130	1,107	1,251	1,294	1,286	1,304	13.6%
Faculty-% of Total	30.1%	29.3%	28.9%	28.3%	29.3%	30.3%	30.2%	30.9%	30.2%	
Professional & Classified Support	2,562	2,429	2,678	2,776	2,584	2,779	2,893	2,779	2,912	13.6%
Professional & Classified Support-% of Total	67.3%	68.4%	68.9%	69.4%	68.3%	67.3%	67.5%	66.7%	67.4%	
Total	3,810	3,552	3,889	3,998	3,782	4,130	4,288	4,165	4,321	13.4%
*Based on IPEDS reporting standards.										
Student Headcount (Census)										
Undergraduate	14,667	14,382	15,741	17,630	19,287	20,525	20,846	21,496	21,881	49.2%
Graduate/Professional	7,804	6,867	6,500	5,950	6,869	7,073	7,344	7,505	7,623	-2.3%
Total	22,471	21,249	22,241	23,580	26,156	27,598	28,190	29,001	29,504	31.3%
Students Housed On-Campus	6,957	6,898	8,248	8,856	11,053	11,524	11,205	12,315	12,462	79.1%
Degrees Awarded										
Bachelor's	2,941	2,757	2,852	2,837	3,477	3,816	4,354	4,610	4,606	56.6%
Total	4,708	4,623	4,461	4,572	5,304	5,966	6,542	6,862	6,931	47.2%



UCONNfact sheet 2011

Campus Information

Founded 1881

Main Campus: Storrs

5 Regional Campuses:

Avery Point, Greater Hartford, Stamford, Torrington, Waterbury

School of Law and Graduate Business Learning Center: Hartford

School of Social Work: Greater Hartford Campus

Health Center: Farmington

(Schools of Medicine & Dental Medicine, graduate programs, medical & dental clinics & John Dempsey Hospital)

Land Grant & Sea Grant College, & Space Grant consortium institution

Storrs & Regionals = 4,108 acres; Health Center = 205 acres

UCONN 2000

As of October 2010:

- 105 projects totaling \$1.763 billion have been authorized
- \$1.505 billion in construction-related contracts issued
 - 80% of funds to Connecticut contractors
 - 21% of funds to set-aside contractors
- In excess of 10 million square feet of new and renovated space completed
- Bond Credit Ratings by Fitch, Moody's and Standard & Poor's remain consistently strong

Academic Programs & Degrees

14 Schools & Colleges

Agriculture & Natural Resources, Business, Dental Medicine, Neag Education, Engineering, Fine Arts, Graduate, Law, Liberal Arts & Sciences, Medicine, Nursing, Pharmacy, Ratcliffe Hicks, Social Work

7 undergraduate degrees: 99 majors

17 graduate degrees: 86 research and professional practice fields of study

5 professional degree programs (J.D., LL.M., M.D., D.M.D., Pharm.D.)

Degrees 2009-10	7,046
Bachelor's	4,606
Master's	1,438
Doctorates	309
Law (J.D., LL.M.)	249
Pharm.D.	100
Medicine	75
Dental Medicine	40
Graduate/Professional Certificates	134
6 Yr. Education	69
2 Yr. Agriculture	26

Degrees by: Female 55% Minority 18%

Total Fall 2010 Student Enrollment: 30,034

17,345	Undergraduate at Main Campus
4,536	Undergraduate at Regional Campuses
21,881	Subtotal Undergraduate
6,748	Graduate (M.A./Ph.D., incl. 336 at Health Center)
672	Law
203	Pharm.D.
352	Medicine
178	Dental Medicine
8,153	Subtotal Graduate/Professional

Fall 2010 Entering Freshmen at Main Campus: 3,339

- 44% were in top 10% of High School Class
- 79% were in top 25% of High School Class
- 63 valedictorians and 47 salutatorians
- 65% more freshmen than in Fall '95
- 200% more minority freshmen than in Fall '95
- Since 1995: 1,286 valedictorians and salutatorians enrolled at all campuses

Student Characteristics (Fall 2010)

	Undergraduate	Grad/Professional
Female	50%	52%
Minority	23%	16%
International ¹	2%	16%
Connecticut Residents ²	80%	73%
Full-time Degree	91%	60%
Part-time Degree	6%	31%
Non-Degree (FT & PT)	3%	9%

¹ 101 countries were represented in the Fall 2010 international student population.

² 75% of undergraduates on Main Campus are Connecticut residents.

All 169 Connecticut towns and 44 of 50 states are represented in the Fall 2010 total undergraduate student population.

SAT Scores and Retention & Graduation Rates

2010 SAT Scores	National High School	Connecticut High School	Storrs Entering Freshmen
Average SAT Total (Critical Reading and Math)	1017	1023	1221

Main Campus	All	Minority
Freshmen Retention: 1-Year Rate	93%	92%
Graduation: 4-Year Rate	67%	57%
6-Year Rate	81%	72%

UConn (Main Campus) ranks 21 out of 58 public research universities in graduation rate for all freshmen and 21 out of 58 public research universities for minority freshmen. [Sources: *U.S. News 2011 America's Best Colleges & 2009 IPEDS Graduation Rate Survey*]

UConn (Main Campus) average time to graduate is 4.2 years among those who graduate within 6 years, and ranks 5 out of 58 public research universities.

Total Undergraduate Student Cost 2010-11

	In-State	Out-of-State
Tuition, Fees, Room ¹ & Board ²	\$20,968	\$37,432
Tuition & Mandatory Fees	10,416	26,880
Tuition Only	8,064	24,528

¹ 74% of Main Campus undergraduates live in campus housing (114 residential facilities).

² Board rate shown reflects most popular plan available.

Student Financial Aid 2009-10

Financial Aid Support: \$363.2 million

	Main Campus/Regional ¹	Health Center
Scholarships & Grants	\$116.0 million	\$4.4 million
Loans	162.1 million	15.9 million
Student Employment	19.8 million	
Tuition Waivers	45.0 million	

¹ 38.9% of all tuition dollars are dedicated to financial aid. 77% of all students received some form of financial aid.