



**Testimony of Mark Ojakian, President of
Connecticut State Colleges & Universities**
Before the Higher Education and
Employment Advancement Committee
February 27, 2020

Senator Haskell, Representative Haddad, Senator Hwang, Representative Hall, and members of the Higher Education and Employment Advancement Committee, thank you for the opportunity to submit testimony on behalf of the Connecticut State Colleges and Universities today.

HB 5113: An Act Requiring Legislative Approval for the Merger or Closing of Institutions within the Connecticut State Colleges and Universities

HB 5113 would require legislative approval for mergers and closings of institutions within the Connecticut State Colleges and Universities system (CSCU). Under CGS 10a-6, the legislature has charged the Board of Regents for Higher Education (BOR) with the responsibility to govern and manage CSCU (CGS 10a-104 does the same for the Board of Trustees for the University of Connecticut). The BOR and CSCU take this responsibility very seriously. Let me begin by reiterating that CSCU is not closing any campuses or satellites. Efforts to merge the 12 community colleges into a singly accredited institution are under way as described in the Students First plan, with completion anticipated by 2023. No part of Students First calls for the closure or scaling back of any Connecticut community college campuses.

The New England Commission of Higher Education (NECHE) is the regional accrediting agency for colleges and universities, and the role of the commission is to review and approve the Students First plan. NECHE has been very clear that their governance standard 3.4 requires sufficient independence for governing boards to act in the institution's best interest. In her testimony last year before the Consolidation Committee, NECHE President Barbara Brittingham noted that the Commission has invoked this standard in cases where this independence has been infringed upon. It is vital that the Students First process continue to be governed by the BOR and NECHE, rather than creating a political process.

CSCU and the BOR will continue to implement Students First under our original guiding principles; ensuring students are at the center of all decisions, prioritizing teaching, learning, and high-quality academic programming, preserving and enhancing student support services, safeguarding educational access and affordability, and acting as conscientious stewards of the students' and states investments in our institutions. I urge the committee to take no action on HB 5113.

SB 104: An Act Requiring Financial Transparency of the Students First Plan

SB 104 would require CSCU to post on ct.edu a financial report detailing savings and expenses related to the implementation of Students First. Since initially announcing the Students First strategy in 2017, CSCU has provided detailed reports outlining savings, expenses, and long-term projections to the Connecticut General Assembly, NECHE, and the Board of Regents. All of that information is released to the general public and available on ct.edu today. CSCU also provides regular updates to the Higher Education and Employment Advancement Committee, the Higher Education Consolidation Committee (established in Sec. 10a-55i), as well as the Appropriations Committee.

NECHE in particular requires detailed financial information to be provided before making accreditation decisions. Those submissions are proactively shared with the entire CSCU community and the General Assembly's committees of jurisdiction.

Further, a Public Act 19-117, the biennial state budget passed in 2019, contained a Students First transparency provision, which requires CSCU to submit detailed reports to both the Higher Education Consolidation Committee and the Higher Education Committee. Each report includes but is not limited to a summary of personnel changes, an estimate of total savings, an updated five-year financial projection, and copies of all formal communication between the BOR and NECHE. In the past year, CSCU has provided two written reports to the committees of jurisdiction.

The BOR and CSCU are committed to a transparent process. I urge the committee to take no action on SB 104.

HB 5114: An Act Requiring Training for the Members of the Governing Boards of the Institutions of Higher Education in the State

HB 5114 would require the BOR, as well as the University of Connecticut's Board of Trustees and boards of independent institutions, to adopt policies requiring training for board members on members' duties, committee structure, accounting and reporting standards, methods for meeting the board's statutory, regulatory and fiduciary obligations, ethical responsibilities, institutional policy development, budget and finance, tuition and fees, oversight of construction and maintenance activities, workforce strategy, institutional advancement, student welfare, current and future issues in higher education, and more.

Board members bring an invaluable depth and breadth of experience to the BOR. In addition to the gubernatorial appointed members, the legislative members, per statutes, are required to be an alum from one of the CSCU institutions as well as an additional member who is an expert in K-12 education.

Following confirmation, regents are provided with an in-house orientation session, which covers the following:

- Board Bylaws
- Schedule of Meetings
- Statutory Duties of BOR
- Fiduciary role
- CSCU fiscal matters
- Best practices (role of the individual Board member and role of the full Board)
- Committees and their areas of responsibility (provide Charters for each Committee)
- Committee Assignments
- Mission for System, Community Colleges, Charter Oak and State Universities
- CT FOI Act
- State Code of Ethics for State Employees and Public Officials
- BOR Ethics compliance
- Students First
- current budgetary issues
- Student Affairs
- Academic programming, future policy planning
- Facilities and Infrastructure planning
- Foundations
- Fiscal matters: budget, reserves, T&F trends

- legislative and media issues

Beyond the on-boarding orientation, NECHE mandates that members of a governing board must:

- understand, accept, and fulfill their responsibilities as fiduciaries to act honestly and in good faith in the best interest of the institution toward the achievement of its educational purposes in a manner free from conflicts of interest” and that the board...
- have a clear understanding of the institution’s distinctive mission and exercises the authority to ensure the realization of institutional mission and purposes. The board approves and reviews institutional policies; monitors the institution’s fiscal condition; and approves major new initiatives, assuring that they are compatible with institutional mission and capacity. These policies are developed in consultation with appropriate constituencies. The board assures that the institution periodically reviews its success in fulfilling its mission and achieving its purposes. It regularly reviews the institution’s systems of enterprise risk management, external audits, regulatory compliance, internal controls, and contingency management...
- systematically develops, ensures, and enhances its own effectiveness through orientation, professional development, and periodic evaluation. Its role and functions are effectively carried out through appropriate committees and meetings.

To ensure compliance with the above-referenced NECHE governing standards, educational and self-assessment opportunities are provided for board members, scheduled by CSCU administration. Thank you for your attention to this important topic.

HB 5112: An Act Concerning the Budget of the Connecticut State Colleges and Universities

HB 5112 would require the BOR to include the central office in the itemization of our budget request when preparing the request to the Office of Policy and Management (OPM). While it would seem straightforward to request funding for the central office separated from the requests for the Colleges, the Universities, and Charter Oak State College, it is inevitable that significant revisions would occur before the Board of Regents acts on tuition setting and campus budget adoption. Indeed, the Board is required by our accreditation standards to retain appropriate autonomy in budget and finance matters (standard 7.8) and to make budgetary determinations based on realistic, multi-year financial planning.

In September and October, we are just kicking off one academic year. We have limited information on enrollment and financial performance for the year underway until January or February. This work in turn provides the information we need to support the Board of Regents’ decision on tuition rates and campus spending plans for the following year. This is typically 6 months after the OPM budget request deadline, which is the subject of the proposed legislation.

The legislature already appropriates separate funds for the Board of Regents (approximately \$400,000 per year). This appropriation is well below the level of central office expenditures that the BOR has determined are necessary to meet the ongoing requirements of accreditation, including supporting governance and providing academic leadership, fiscal controls, information technology systems, and human resources administration. The BOR strives to be transparent regarding central office expenditures – and will continue to do so – in the best interests of student success. We look forward to answering any questions that you have on this bill.