



General Assembly

Substitute Bill No. 824

January Session, 2021



AN ACT REQUIRING TRAINING FOR THE MEMBERS OF THE GOVERNING BOARDS OF INSTITUTIONS OF HIGHER EDUCATION AND CONCERNING THE CONNECTICUT STATE COLLEGES AND UNIVERSITIES' BUDGET AND AUTHORITY TO MERGE OR CLOSE INSTITUTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2021*) (a) Not later than January 1,
2 2022, each governing board of an independent institution of higher
3 education in the state shall establish a policy requiring that any new
4 member of such governing board, who has not previously served on
5 such governing board, receive instruction and training in (1) financial
6 management of institutions of higher education, (2) legal and fiduciary
7 responsibilities of a member of such governing board, and (3) applicable
8 standards for accreditation of institutions of higher education and
9 programs of higher learning. Such instruction and training shall be
10 completed within the first year of a new member joining a governing
11 board.

12 (b) Not later than January 1, 2022, each independent institution of
13 higher education shall post on its Internet web site (1) the policy
14 established by its governing board pursuant to subsection (a) of this
15 section, and (2) a summary of the instruction and training received by
16 the members of its governing board in accordance with such policy.

17 Sec. 2. (NEW) (*Effective July 1, 2021*) (a) Not later than January 1, 2022,
18 the Board of Regents for Higher Education and the Board of Trustees of
19 The University of Connecticut shall each adopt a policy requiring that
20 any new member of said boards receive instruction and training in (1) a
21 board member's duties to the state and the public institution of higher
22 education governed by the board, (2) each committee of the board,
23 including, but not limited to, the executive committee, and its functions,
24 (3) professional accounting and reporting standards, (4) methods for
25 meeting the statutory, regulatory and fiduciary obligations of the board,
26 (5) the provisions of the Freedom of Information Act, as defined in
27 section 1-200 of the general statutes, (6) a board member's institutional
28 and statutory ethical responsibilities, (7) the development and
29 implementation of institutional policies, (8) business operations,
30 administration, budgeting, financing, financial reporting, financial
31 reserves and endowment managing relevant to institutions of higher
32 education, (9) student tuition, mandatory fees and student debt trends,
33 (10) oversight of planning, construction, maintenance, expansion and
34 renovation projects that impact the infrastructure, physical facilities and
35 natural environment of the public institution of higher education
36 governed by the board, (11) workforce planning, strategy and
37 investment, (12) institutional advancement, including, but not limited
38 to, philanthropic giving, fundraising initiatives, alumni programming,
39 communications and media, government and public relations and
40 community affairs, (13) student welfare issues, including, but not
41 limited to, academic studies, curriculum, residence life, student
42 governance and activities and the general physical and mental well-
43 being of students, (14) current and anticipated issues in higher
44 education, and (15) any other topics each governing board deems
45 necessary. Such instruction and training shall be completed within the
46 first year of appointment or election of a new member to such boards.

47 (b) Not later than January 1, 2022, each public institution of higher
48 education shall post on its Internet web site (1) the policy established by
49 its governing board pursuant to subsection (a) of this section, and (2) a
50 summary of the instruction and training received by the members of its

51 governing board in accordance with such policy.

52 Sec. 3. Section 10a-8 of the general statutes is repealed and the
53 following is substituted in lieu thereof (*Effective July 1, 2021*):

54 (a) The provisions of sections 4-77 and 4-78 shall not apply to the
55 constituent units of the state system of higher education, and for the
56 purposes of said sections only, the Board of Regents for Higher
57 Education shall be deemed the budgeted agency for the Connecticut
58 State University System, the regional community-technical college
59 system, [and] Charter Oak State College and the central office of the
60 Connecticut State Colleges and Universities. The Board of Regents for
61 Higher Education shall develop a formula or program-based budgeting
62 system to be used by each institution in preparing operating budgets.
63 The Board of Regents for Higher Education shall prepare a single
64 budget request itemized by the Connecticut State University System, the
65 regional community-technical college system, [and] Charter Oak State
66 College and the central office of the Connecticut State Colleges and
67 Universities using the formula or program-based budgeting system and
68 shall submit such budget request displaying all operating funds to the
69 Secretary of the Office of Policy and Management in accordance with
70 sections 4-77 and 4-78, subject to procedures developed by the Board of
71 Regents for Higher Education and approved by said secretary. The
72 budget request shall set forth, in the form prescribed by the Board of
73 Regents for Higher Education, a proposed expenditure plan which shall
74 include: (1) The total amount requested for such appropriation account;
75 (2) the amount to be appropriated from the General Fund; and (3) the
76 amount to be paid from the tuition revenues of the regional community-
77 technical college system, [and] the Connecticut State University System
78 and Charter Oak State College. After review and comment by the Board
79 of Regents for Higher Education, the proposed expenditure plans shall
80 be incorporated into the single public higher education budget request
81 including recommendations, if any, by said board. Any tuition increase
82 proposed by the regional community-technical college system, [and] the
83 Connecticut State University System and Charter Oak State College for

84 the fiscal year to which the budget request relates shall be included in
85 the single public higher education budget request submitted by the
86 Board of Regents for Higher Education for such fiscal year, provided if
87 the General Assembly does not appropriate the amount requested by
88 any such system or college, such system or college may increase tuition
89 and fees by an amount greater than that included in the budget request
90 in response to which the appropriation was made. The General
91 Assembly shall make appropriations directly to the constituent units.
92 Allotment reductions made pursuant to the provisions of subsections
93 (b) and (c) of section 4-85 shall be applied by the Board of Regents for
94 Higher Education among the appropriations to the constituent units and
95 the central office without regard to the limitations on reductions
96 provided in said section, except that said limitations shall apply to the
97 total of the amounts appropriated. The Board of Regents for Higher
98 Education shall apply such reductions after consultation with the
99 Secretary of the Office of Policy and Management. Any reductions of
100 more than five per cent of the appropriations of any constituent units
101 shall be submitted to the appropriations committee which shall, within
102 thirty days, approve or reject such reduction.

103 (b) The boards of trustees of each of the constituent units may transfer
104 to or from any specific appropriation of such constituent unit a sum or
105 sums totaling up to fifty thousand dollars or ten per cent of any such
106 specific appropriation, whichever is less, in any fiscal year without the
107 consent of the Finance Advisory Committee. Any such transfer shall be
108 reported to the Finance Advisory Committee within thirty days of such
109 transfer and such report shall be a record of said committee.

110 Sec. 4. Subsection (b) of section 10a-77 of the general statutes is
111 repealed and the following is substituted in lieu thereof (*Effective July 1,*
112 *2021*):

113 (b) The Board of [Trustees of the Community-Technical Colleges]
114 Regents for Higher Education shall establish and administer a fund to
115 be known as the Regional Community-Technical Colleges Operating
116 Fund. Appropriations from general revenues of the state and, upon

117 request by the board and with an annual review and approval by the
118 Secretary of the Office of Policy and Management, the amount of the
119 appropriations for fringe benefits and workers' compensation
120 applicable to the regional community-technical colleges pursuant to
121 subsection (a) of section 4-73, shall be transferred from the Comptroller,
122 and all tuition revenue received by the regional community-technical
123 colleges in accordance with the provisions of subsection (a) of this
124 section shall be deposited in said fund. Income from student fees or
125 related charges; the proceeds of auxiliary activities and business
126 enterprises, gifts and donations; federal funds and grants for purposes
127 other than research, and all receipts derived from the conduct by the
128 colleges of their education extension programs and summer school
129 sessions shall be credited to said fund but shall be allocated to the central
130 office and institutional operating accounts which shall be established
131 and maintained for the central office and each community-technical
132 college. If the Secretary of the Office of Policy and Management
133 disapproves such transfer, the secretary may require the amount of the
134 appropriation for operating expenses to be used for personal services
135 and fringe benefits to be excluded from said fund. The State Treasurer
136 shall review and approve the transfer prior to such request by the board.
137 [of trustees.] The board shall establish an equitable policy, in accordance
138 with section 10a-8, as amended by this act, for allocation of
139 appropriations from general revenues of the state, fringe benefits
140 transferred from the Comptroller and tuition revenue deposited in the
141 Regional Community-Technical Colleges Operating Fund. At the
142 beginning of each quarter of the fiscal year, the board shall allocate and
143 transfer, in accordance with said policy, moneys for expenditure in such
144 institutional operating accounts, exclusive of amounts retained for
145 central office operations and reasonable reserves for future distribution.
146 All costs of waiving or remitting tuition pursuant to subsection (f) of this
147 section shall be charged to the Regional Community-Technical Colleges
148 Operating Fund. Repairs, alterations or additions to facilities supported
149 by operating funds and costing one million dollars or more shall require
150 the approval of the General Assembly, or when the General Assembly
151 is not in session, of the Finance Advisory Committee. Any balance of

152 receipts above expenditures shall remain in said fund, except such sums
153 as may be required for deposit into a debt service fund or the General
154 Fund for further payment by the Treasurer of debt service on general
155 obligation bonds of the state issued for purposes of the regional
156 community-technical colleges.

157 Sec. 5. Subsection (b) of section 10a-99 of the general statutes is
158 repealed and the following is substituted in lieu thereof (*Effective July 1,*
159 *2021*):

160 (b) The Board of [Trustees of the Connecticut State University
161 System] Regents for Higher Education shall establish and administer a
162 fund to be known as the Connecticut State University System Operating
163 Fund. Appropriations from general revenues of the state and upon
164 request by the Connecticut State University System and with the annual
165 review and approval by the Secretary of the Office of Policy and
166 Management, the amount of the appropriations for fringe benefits
167 pursuant to subsection (a) of section 4-73, shall be transferred from the
168 State Comptroller and all tuition revenue received by the Connecticut
169 State University System in accordance with the provisions of subsection
170 (a) of this section shall be deposited in said fund. Income from student
171 fees or related charges, the proceeds of auxiliary activities and business
172 enterprises, gifts and donations, federal funds and grants, subject to the
173 provisions of sections 10a-98 to 10a-98g, inclusive, and all receipts
174 derived from the conduct by a state university of its education extension
175 program and its summer school session shall be credited to said fund
176 but shall be allocated to the central office and institutional operating
177 accounts which shall be established and maintained for the central office
178 and each state university. Any such gifts and donations, federal funds
179 and grants for purposes of research shall be allocated to separate
180 accounts within such central office and institutional operating accounts.
181 If the Secretary of the Office of Policy and Management disapproves
182 such transfer, [he] the secretary may require the amount of the
183 appropriation for operating expenses to be used for personal services
184 and fringe benefits to be excluded from said fund. The State Treasurer

185 shall review and approve the transfer prior to such request by the
186 university. The board [of trustees] shall establish an equitable policy, in
187 accordance with section 10a-8, as amended by this act, for allocation of
188 appropriations from general revenues of the state, fringe benefits
189 transferred from the State Comptroller and tuition revenue deposited in
190 the Connecticut State University System Operating Fund. At the
191 beginning of each quarter of the fiscal year, the board shall allocate and
192 transfer, in accordance with said policy, moneys for expenditure in such
193 institutional operating accounts, exclusive of amounts retained for
194 central office operations and reasonable reserves for future distribution.
195 All costs of waiving or remitting tuition pursuant to subsection (f) of this
196 section shall be charged to the Connecticut State University System
197 Operating Fund. Repairs, alterations or additions to facilities supported
198 by the Connecticut State University System Operating Fund and costing
199 one million dollars or more shall require the approval of the General
200 Assembly, or when the General Assembly is not in session, of the
201 Finance Advisory Committee. Any balance of receipts above
202 expenditures shall remain in said fund, except such sums as may be
203 required for deposit into a debt service fund or the General Fund for
204 further payment by the Treasurer of debt service on general obligation
205 bonds of the state issued for purposes of the Connecticut State
206 University System.

207 Sec. 6. Subsection (a) of section 10a-6 of the general statutes is
208 repealed and the following is substituted in lieu thereof (*Effective July 1,*
209 *2021*):

210 (a) The Board of Regents for Higher Education shall: (1) Establish
211 policies and guidelines for the Connecticut State University System, the
212 regional community-technical college system and Charter Oak State
213 College; (2) develop a master plan for higher education and
214 postsecondary education at the Connecticut State University System,
215 the regional community-technical college system and Charter Oak State
216 College consistent with the goals identified in section 10a-11c; (3)
217 establish tuition and student fee policies for the Connecticut State

218 University System, the regional community-technical college system
219 and Charter Oak State College; (4) monitor and evaluate the
220 effectiveness and viability of the state universities, the regional
221 community-technical colleges and Charter Oak State College in
222 accordance with criteria established by the board; (5) [merge or close]
223 recommend a merger or closing of institutions within the Connecticut
224 State University System, the regional community-technical college
225 system and Charter Oak State College in accordance with criteria
226 established by the board, provided (A) such [recommended merger or
227 closing] recommendation shall require a two-thirds vote of the board,
228 [and] (B) notice of such recommended merger or closing shall be sent,
229 in accordance with the provisions of section 11-4a, to the joint standing
230 committee of the General Assembly having cognizance over matters
231 relating to higher education, and [to the General Assembly] (C) such
232 recommended merger or closing shall be approved by a majority vote
233 of both houses of the General Assembly or rejected by a majority vote of
234 either house of the General Assembly not later than one year after
235 receiving notice by the board pursuant to subparagraph (A) of this
236 subdivision or the adjournment of the next regular session of the
237 General Assembly, whichever is later, provided if the General Assembly
238 fails to act, such recommended merger or closing shall be deemed
239 approved; (6) review and approve mission statements for the
240 Connecticut State University System, the regional community-technical
241 college system and Charter Oak State College and role and scope
242 statements for the individual institutions and campuses of such
243 constituent units; (7) review and approve any recommendations for the
244 establishment of new academic programs submitted to the board by the
245 state universities within the Connecticut State University System, the
246 regional community-technical colleges and Charter Oak State College,
247 and, in consultation with the affected constituent units, provide for the
248 initiation, consolidation or termination of academic programs; (8)
249 develop criteria to ensure acceptable quality in (A) programs at the
250 Connecticut State University System, the regional community-technical
251 college system and Charter Oak State College, and (B) institutions
252 within the Connecticut State University System and the regional

253 community-technical college system and enforce standards through
254 licensing and accreditation; (9) prepare and present to the Governor and
255 General Assembly, in accordance with section 10a-8, consolidated
256 operating and capital expenditure budgets for the Connecticut State
257 University System, the regional community-technical college system
258 and Charter Oak State College developed in accordance with the
259 provisions of said section 10a-8; (10) review and make
260 recommendations on plans received from the Connecticut State
261 University System, the regional community-technical college system
262 and Charter Oak State College to implement the goals identified in
263 section 10a-11c; (11) appoint advisory committees with representatives
264 from public and independent institutions of higher education to study
265 methods and proposals for coordinating efforts of the public institutions
266 of higher education under its jurisdiction with The University of
267 Connecticut and the independent institutions of higher education to
268 implement the goals identified in section 10a-11c; (12) evaluate (A)
269 means of implementing the goals identified in section 10a-11c, and (B)
270 any recommendations made by the Planning Commission for Higher
271 Education in implementing the strategic master plan pursuant to section
272 10a-11b through alternative and nontraditional approaches such as
273 external degrees and credit by examination; (13) coordinate programs
274 and services among the Connecticut State University System, the
275 regional community-technical college system and Charter Oak State
276 College; (14) assess opportunities for collaboration with The University
277 of Connecticut and the independent institutions of higher education to
278 implement the goals identified in section 10a-11c; (15) make or enter into
279 contracts, leases or other agreements in connection with its
280 responsibilities under this part, provided all acquisitions of real estate
281 by lease or otherwise shall be subject to the provisions of section 4b-23;
282 (16) be responsible for the care and maintenance of permanent records
283 of institutions of higher education dissolved after September 1, 1969;
284 (17) prepare and present to the Governor and General Assembly
285 legislative proposals affecting the Connecticut State University System,
286 the regional community-technical college system and Charter Oak State
287 College; (18) develop and maintain a central higher education

288 information system and establish definitions and data requirements for
289 the Connecticut State University System, the regional community-
290 technical college system and Charter Oak State College; (19) report all
291 new programs and program changes at the Connecticut State University
292 System, the regional community-technical college system and Charter
293 Oak State College to the Office of Higher Education; and (20) undertake
294 such studies and other activities as will best serve the higher educational
295 interests of the Connecticut State University System, the regional
296 community-technical college system and Charter Oak State College.

This act shall take effect as follows and shall amend the following sections:		
Section	<i>July 1, 2021</i>	New section
Sec. 2	<i>July 1, 2021</i>	New section
Sec. 3	<i>July 1, 2021</i>	10a-8
Sec. 4	<i>July 1, 2021</i>	10a-77(b)
Sec. 5	<i>July 1, 2021</i>	10a-99(b)
Sec. 6	<i>July 1, 2021</i>	10a-6(a)

Statement of Legislative Commissioners:

In Section 1(a), the subsection was divided into subdivisions for clarity and in Sections 1(b) and 2(b), "pursuant to subsection (a) of this section" was changed to "in accordance with such policy" for accuracy.

HED *Joint Favorable Subst.*