Southern Connecticut State University

SCSU

FACULTY SENATE

SCSU Faculty Senate President's Report – October 30, 2024, meeting

1) ***Fiscal Impacts / State Budget / University Budget*** – While this item appears first in this report, I will be asking senators to support discussion of all budget-related items, inclusive of news related to the many events of last week, to the latter portion of the 10/30 meeting, after all other agenda items have concluded, to support organized discussion. The exception will be the topic of the NCHEMS draft report. We will welcome **Cindy Stretch, CSU-AAUP Vice President**, near the beginning of the 10/30 meeting for remarks about the NCHEMS draft report.

- The University Budget Committee met on Friday 10/25. Found within the packet as well is the Link to Budget documents shared at the University Budget Committee meeting. You will need to log in with your Southern credentials to see this file. Alternatively, a one-page capture of that document can be found after the BOR resolution in the meeting packet.
- We will welcome **Mark Rozewski**, **our Vice President for Finance and Administration**, at our 10/30 meeting. Mark will be available for information and questions regarding the university budget.
    - Please also join me on Wednesday to **share remarks and gratitude to Mark as he nears completion of his term in the role.**

- The BOR held its meeting on 10/24 and passed the Resolution (below/attached) that all CSCU institutions shall develop a **five-year sustainability plan by January 15, 2025**. The plan shall include a
    - "*detailed analysis of demographic trends and anticipated enrollment changes and their impacts on revenue projections for each of the six CSCU institutions; Identification of academic strategies and innovations that respond to demographic shifts, financial constraints, technological changes, and workforce demands; A plan to address the fiscal gap resulting from the loss of one-time state and federal funding, emphasizing sustainable cost management strategies and minimizing reliance on reserves; Scenarios that assume no tuition increases for years one and two; and for each of the three years thereafter, tuition increases would be aligned with the Higher Education Price Index not to exceed 4%, with financial impacts and mitigation strategies outlined to maintain the quality of education provided to students; Strategies for the optimal utilization and repurposing of existing space and facilities to support institutional goals and student needs; Measures to minimize or prevent adverse impacts on student support services including, but not limited to, academic advising, career counseling, tutoring, mental health and wellness, and other wraparound services designed to improve student retention and assist students throughout their higher education to completion*."

- Governor Lamont Calls for Independent Audit of Connecticut State Colleges and Universities System Governor Lamont announced on 10/25 "that he is calling for an **independent audit of the Connecticut State Colleges and Universities (CSCU) system** in an effort to increase public transparency and accountability of the higher education system's financial management practices…"Recent reports of controversial spending decisions have raised serious concerns about the transparency and accountability of CSCU's financial management," Governor Lamont said. "As CSCU has recently implemented measures such as tuition increases and program reductions to address significant budget shortfalls, it is imperative that the public have complete transparency into how public funds are being utilized.""
    - My understanding is that a report from SCSU is due on Friday 11/1 which is inclusive of financial data from 2021 and after.
    - I believe the "recent reports of controversial spending decisions" to which the Governor refers in the above announcement are the media reports from 10/24 regarding Chancellor Cheng: https://www.ctinsider.com/news/article/ct-colleges-cscu-terrence-cheng-spending-perks-19854518.php, followed by https://www.ctinsider.com/news/article/ct-colleges-cscu-terrence-cheng-19860436.php
    - We have not yet heard back from the Chancellor regarding the invitation to SCSU Faculty Senate (invitation was extended on 9/17/24).

2) ***NCHEMS draft report*** – Because this report is circulating and it is not known to me the extent of its circulation, **Cindy Stretch, CSU-AAUP Vice President**, was extended an invitation to join us and will be joining us at the 10/30 meeting to assist with how to frame the report in its current form. Some important points shared with me:

- The report was commissioned by the Office of Policy and Management (OPM)
- The question the report was supposed to answer was "how can the system survive with less funding?" Thus, it should come as no surprise that the response is "here's all the things that cost (too much) money." This "diagnostic" report is the first of two parts; the next part will be "solutioning". Also, the less politically-targeting approach would have been to do a "cost/benefit analysis."
- Note the absence of any real analysis of the benefits our work and the system provide. There is a what seems to be a blizzard of data in the all the charts and graphs at the end. They are comparing us to right-to-work states like Alabama (their insistence that they have adjusted for cost-of-living leaves out so much about what that context actually means). They are clearly targeting our salaries and benefits as the problem. There are concerns of wanting to split us from the SEBAC coalition when it comes to negotiating wages. That would be disastrous for us. There is no real reckoning with the needs of the students we serve or what it costs to provide them with a real university education. The system office is already using the report to justify increased austerity and a budget allocation request that is far too low to maintain current services (see the BOR meeting from October 24).
- CSU-AAUP and the FAC will be working on an analysis of the report with the goal of producing a clear counternarrative. We will need your input. And if you know of any coworkers who might have the skills and the political orientation to help with that, please let Cindy Stretch stretchc1@southernct.edu or Kari Swanson swansonk8@southernct.edu know.

3) ***Travel Funds Report for AY 24-25*** – as of 10/21/24. See table below. Budget Information below includes prior year carryover. "Encumbered" reflects those TA's processed and funds committed but does not include TA's that are in transit or pending in the Provost Office.

Index	Description	FY 2025 Budget	FY2025 Expenses	FY2025 Encumbrances	FY 2025 Balance	Index	Estimated FY24 Carryover
AUP769	AAUP Conf Wrkshp & Travel FT - 2025	$ 365,530.00	$ 24,633.79	$ 89,808.89	$ 251,087.32	AUP768	171,304.30
AUP772	AAUP Conf Wrkshp & Travel PT - 2025	40,614.00	1,475.00	10,640.80	28,498.20	AUP771	10,076.66
VPA017	Faculty CrActivity-RG	85,000.00	70,244.04	-	14,755.96	VPA017	-
VPA018	Faculty CrActivity-Travel	85,000.00	-	-	85,000.00	VPA018	-
Totals		**$ 576,144.00**	**$ 576,144.00**	**$ 96,352.83**	**$ 100,449.69**		**$ 379,341.48**

4) ***The Faculty Senate Executive Committee and Faculty Leadership Council (FLC) meetings with administration –*** The Faculty Leadership Council (FLC) meets monthly with administration – This group met on 10/7 to discuss and monitor multiple topics.

As shared in the previous report, at the 10/7 meeting, the group discussed our institution's status having received updates from the University President and Academic Affairs regarding the number of doctoral programs and amount of grant funds our university has achieved. It was shared that Southern already meets minimum requirements for a change to "R" status under the Carnegie Classification of Institutions of Higher Education. It is the faculty leaders' understanding that formal announcements and updates about upcoming communication within our university community are planned by the University President and Provost, and it is anticipated that more information will be available soon, possibly at the 10/30 meeting.

We will welcome **Julia Irwin, Interim Provost, VP for Academic Affairs,** at out 10/30 meeting for further information and questions related to the status change, along with information and opportunity for Q & A regarding the topics below. These are topics for which we also received some questions from senators at previous senate meeting(s):

- FlexStart outcomes and future plans
- Fellows Program status and future plans
- Faculty lines and searches

5) 2024-2025 – Resolutions approved by Faculty Senate – Updates on the resolutions and their status may be found on the FS website.

Board of Regents

RESOLUTION

Concerning

DIRECTIVE FOR DEVELOPMENT OF A FIVE-YEAR SUSTAINABILITY PLAN

October 24, 2024

WHEREAS, The Board of Regents for Higher Education ("BOR") deems it essential for the Connecticut State Colleges and Universities system ("CSCU") to engage in a proactive and comprehensive master planning effort to ensure long-term financial and operational sustainability, while prioritizing student success, recognizing the role of the New England Commission of Higher Education and its Standards of Accreditation, and honoring the unique missions of each of the six CSCU institutions, as well as the overarching goals of CSCU; and

WHEREAS, The BOR is responsible for monitoring the viability and effectiveness of CSCU and acts as its budgeting agency, in accordance with Sections 10a-6 and 10a-8 of the Connecticut General Statutes, respectively; and

WHEREAS, The BOR reaffirms its commitment to maintaining affordability, access, and high-quality education for all students across Connecticut, and recognizes the pressing challenges posed by impending demographic shifts, particularly in the Northeast region, as well as the expiration of one-time state and federal funding beginning in fiscal year 2026; and therefore, be it

RESOLVED, That the BOR directs the CSCU Chancellor to engage in a collaborative effort with the leadership of all CSCU institutions, including Presidents, financial and academic officers, and other relevant stakeholders, to develop a five-year sustainability plan ("Plan"); and be it further

RESOLVED, That the Plan shall include, but not be limited to:

1. A detailed analysis of demographic trends and anticipated enrollment changes and their impacts on revenue projections for each of the six CSCU institutions;
2. Identification of academic strategies and innovations that respond to demographic shifts, financial constraints, technological changes, and workforce demands;
3. A plan to address the fiscal gap resulting from the loss of one-time state and federal funding, emphasizing sustainable cost management strategies and minimizing reliance on reserves;
4. Scenarios that assume no tuition increases for years one and two; and for each of the three years thereafter, tuition increases would be aligned with the Higher

Education Price Index not to exceed 4%, with financial impacts and mitigation strategies outlined to maintain the quality of education provided to students;

5. Strategies for the optimal utilization and repurposing of existing space and facilities to support institutional goals and student needs;
6. Measures to minimize or prevent adverse impacts on student support services including, but not limited to, academic advising, career counseling, tutoring, mental health and wellness, and other wraparound services designed to improve student retention and assist students throughout their higher education to completion.

RESOLVED, That a draft of the plan be submitted to the BOR by January 15, 2025, for initial review and feedback. A final version, along with any necessary presentations, will be submitted to the BOR and/or relevant committees for approval at a later date, which will be determined after the initial review.

A Certified Copy:

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Pamela Heleen, Secretary
Board of Regents for Higher Education

Connecticut State Colleges and Universities Organizational Study
DRAFT Diagnostic Report

Prepared for the Connecticut Office of Policy and Management

August 26, 2024

Introduction

In January 2024, the Office of Policy and Management of the State of Connecticut contracted with the National Center for Higher Education Management Systems (NCHEMS) to conduct a study of the Connecticut State Colleges and Universities system (CSCU). The objective of the project is to "provide written

- Evaluation of CSCU's current organizational structure, as well as the organizational structure of its component institutions and their physical footprints to meet projected enrollment demand.
- Comparisons between CSCU and its peers, with an eye towards possible improvements to financial sustainability for the CSCU System Office (hereinafter referred to as "the System Office"), the CSCU four-year universities, CT State, and Charter Oak College.
- Recommendations of solutions to scale and restructure the CSCU to meet projected enrollment demand while considering improved student outcomes and workforce needs by the state.
- Short and long-term financial and operational plans that will support CSCU's long-term sustainability."

The study is a response to financial distress within CSCU as its institutions endure a multi-year decline in enrollment and related revenue, while also anticipating an unfavorable demographic future that their leaders expect will further constrain their ability to carry out their respective missions. CSCU has also recently formally consolidated its 12 previously independent two-year institutions into Connecticut State Community College as a single accredited institution with 22 sites (of which 12 are the main campuses of formerly independently accredited institutions and the remainder are sites of those institutions). The *Students First* plan (the label attached to this consolidation initiative) created widespread tension within CSCU during its implementation and, although single accreditation was secured effective July 1, 2023, much work remains to be done to fully operationalize the intended changes. In the process, many of the original initiatives that were embedded into that plan have been reconsidered or abandoned.

As part of the contract, NCHEMS is pleased to submit this interim report summarizing the diagnostic phase of the project. The project plan for this phase of the work included an extensive review of available quantitative data and extensive stakeholder engagement activities conducted at institutional campuses throughout the state. These events were designed to elicit input concerning CSCU's performance in recent years (and that of the respective institution hosting our team) from institutional leaders, faculty and staff, students, and community members and employers in the surrounding region, as well as challenges and obstacles they perceive that hinder progress toward meeting statewide, regional, institutional, and student needs.

While this report addresses many relevant findings and observations to be used in the creation of recommendations NCHEMS will submit in its final report in the fall of 2024, NCHEMS will continue to review the data and stakeholder input that it has collected to refine its observations and is continuing to gather more data and information from CSCU. Most notably, CSCU is working to provide data germane to the contract's requirement that the final report address questions concerning space utilization and extent to which institutions have more or less space needed for the size of their student bodies. As a result, this report will not include a diagnosis of any issues

concerning space needs at this time. In addition, NCHEMS, in collaboration with the National Association of Higher Education Systems (NASH), has recently conducted a survey of the organization and functions of higher education systems around the nation. The data gathered from this survey have yet to be fully analyzed; once analyzed the findings will be used to support recommendations about the structure and functions of CSCU.

Approach

Upon receiving the contract, NCHEMS immediately organized kick-off meetings in Hartford that took place in January 2024. These meetings included visits by two NCHEMS senior leaders with OPM leadership and staff, members of the governor's office, CSCU leadership, the then-chair and then-vice chair of the Board of Regents, and institutional presidents. NCHEMS also met with the co-chairs of CSCU's Faculty Advisory Committee. During these meetings, NCHEMS staff introduced themselves and their assignments and gathered input from all about the central issues to be addressed, information about context and recent history, and perspectives on the ways in which the CSCU system functions.

Concurrently, NCHEMS began gathering the data necessary to establish the evidence base for understanding the challenges facing CSCU and the needs for higher education in Connecticut. An early step in this process involved the development of peer groups for each of the CSCU institutions and for the CSCU system itself. Appendix A describes NCHEMS' methodology in selecting institutional peers. Using these groups, NCHEMS gathered publicly available data about trends in the recent performance of each CSCU institution in comparison with its peers. For Connecticut State, having become a single community college with multiple campuses, NCHEMS identified similar multi-campus and statewide community college systems.

Next, NCHEMS prepared an extensive request for data from CSCU and worked closely with the appropriate leaders at the system office to clarify and refine the request. This request focused on student enrollments and completions, as well as financial data. CSCU routed the request to the institutions for the data the system office itself was unable to provide, gathered and organized these institutional submissions, and provided the results to NCHEMS.

Armed with preliminary analyses using these data, two teams of two NCHEMS' staff members toured Connecticut over the course of a week in April 2024, visiting as many of CSCU's campuses as was feasible. At each site, NCHEMS conducted focus groups with important stakeholders, gathering this input to help provide additional meaning and context to the quantitative work, capture the perspectives of members of the campus communities, and hear ideas about how stakeholders would address the challenges as well as how CSCU might capitalize on opportunities. In addition, these visits allowed the project team to appreciate the distinctiveness of each institution and CT State campus. Visits were organized for each NCHEMS' team to spend time with the institution's president, the cabinet, faculty, staff, students, and local or regional employers and civic leaders. In general, all of the meetings were well attended by committed members of the campus community, who were promised that their comments would not be for attribution in order to encourage candor. Most meetings began with a short presentation to ground the discussion in data. The subsequent conversations varied purposefully for different groups (e.g., the questions we sought answers from students were quite different and more personal than those posed to institutional leaders or faculty), but generally the topics focused on

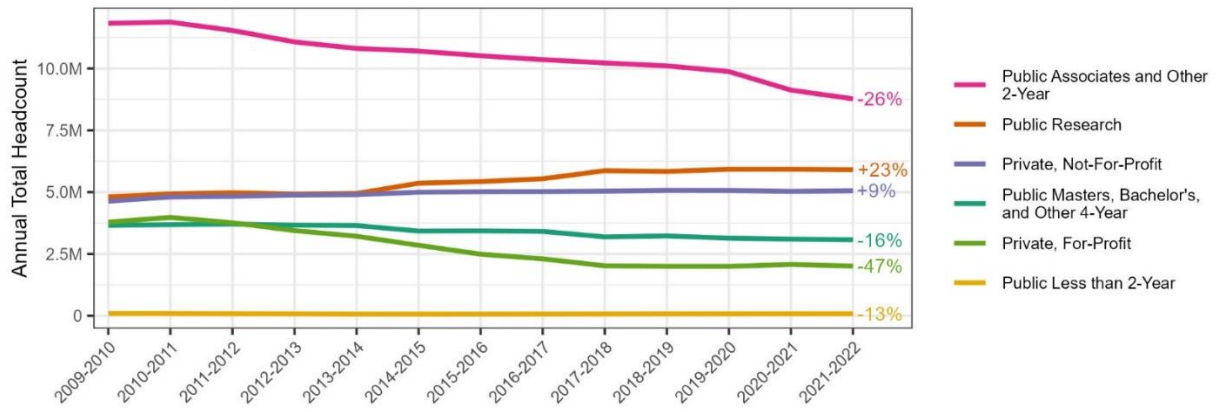
the challenges presented by recent enrollment declines and a bleak demographic future for Connecticut, the way the institution and the System functioned, and how each institution currently addresses the needs of the state and its surrounding region, and priority was given to what stakeholders felt compelled to share with the research team. During their week in Connecticut, the teams held meetings at each of the CSUs, the System Office, the CT State headquarters in New Britain, and Charter Oak's office, as well as CT State's campuses at Northwestern, Capitol, Asnuntuck, and Three Rivers. The teams also visited with OPM, the governor's office, and Rep. Haddad and Sen. Slap.

National Context

The challenges facing CSCU and its institutions are similar to those beaing encountered in many other states and higher education institutions, especially those in the Northeast and Midwest where demographic changes are creating the most substantial impacts on postsecondary enrollment demand. Before taking a closer look at specific challenges for Connecticut and its institutions, it is helpful to provide a brief overview of national trends in college participation and higher education funding.

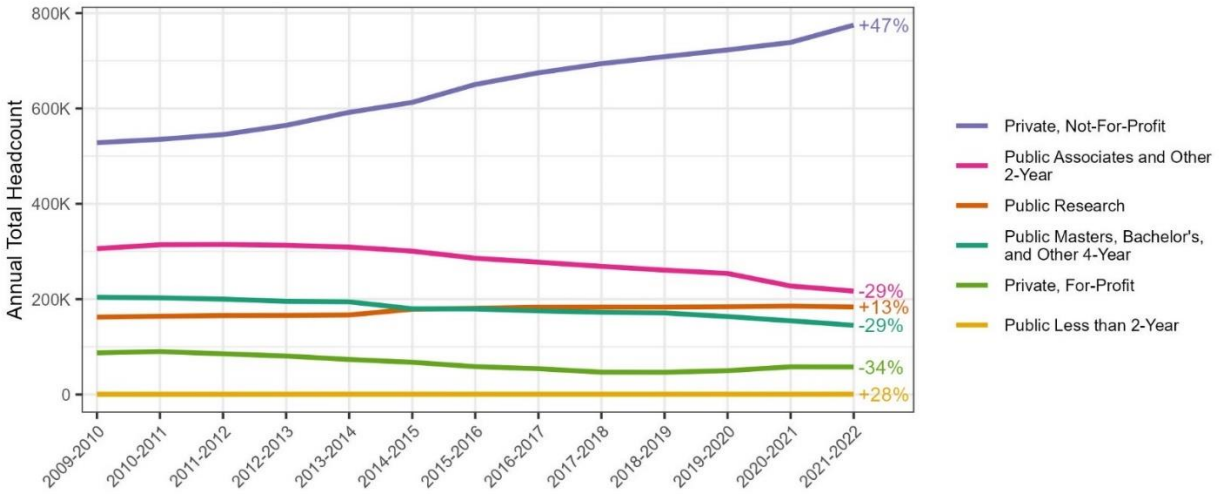
Generally, downward trending enrollments cannot be pinned solely on the pandemic, though it is true that the pandemic's impact—which, like other major shocks (e.g., Hurricane Katrina) has a long, lingering tail—worsened enrollment and fiscal challenges and did so unevenly across institutional sectors. Nationally, enrollments are down (Figure 1), and the numbers are significantly worse in New England (Figure 2). The community college sector has led these declines, unsurprising given the strong economy that has persisted since the Great Recession. Community colleges and broad-access institutions were also most impacted by the pandemic, while public flagships and other large research and selective institutions largely maintained or grew enrollments.[1] In New England, private non-profit institutions saw substantial growth at a rate five times faster than their growth nationally, although Southern New Hampshire University and its rapidly growing online programs account for much of this growth.

Figure 1. Annual Headcount by Sector, U.S. Total



Source: NCES IPEDS 12-Month Enrollment Survey, effYYYY files 2012-2021 final release; 2022 provisional release. Includes all Title IV eligible institutions in the 50 states plus DC.

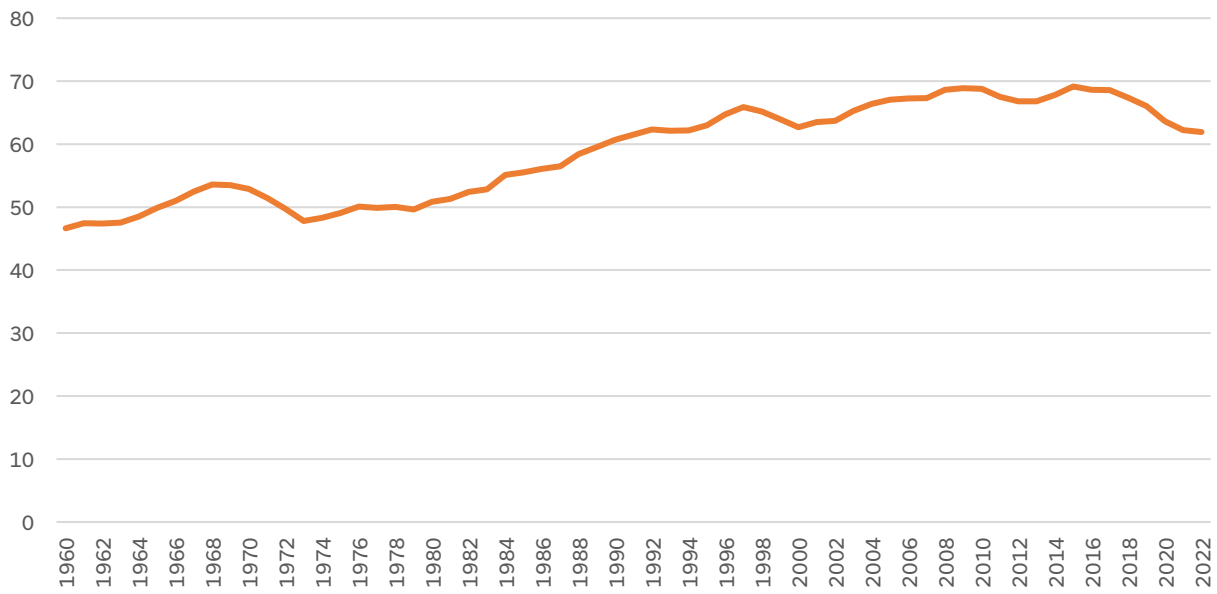
Figure 2. Annual Headcount by Sector, New England Total



Source: NCES IPEDS 12-Month Enrollment Survey, effyYYYY files 2012-2021 final release; 2022 provisional release. Includes all Title IV eligible institutions in CT, RI, MA, VT, NH and ME.

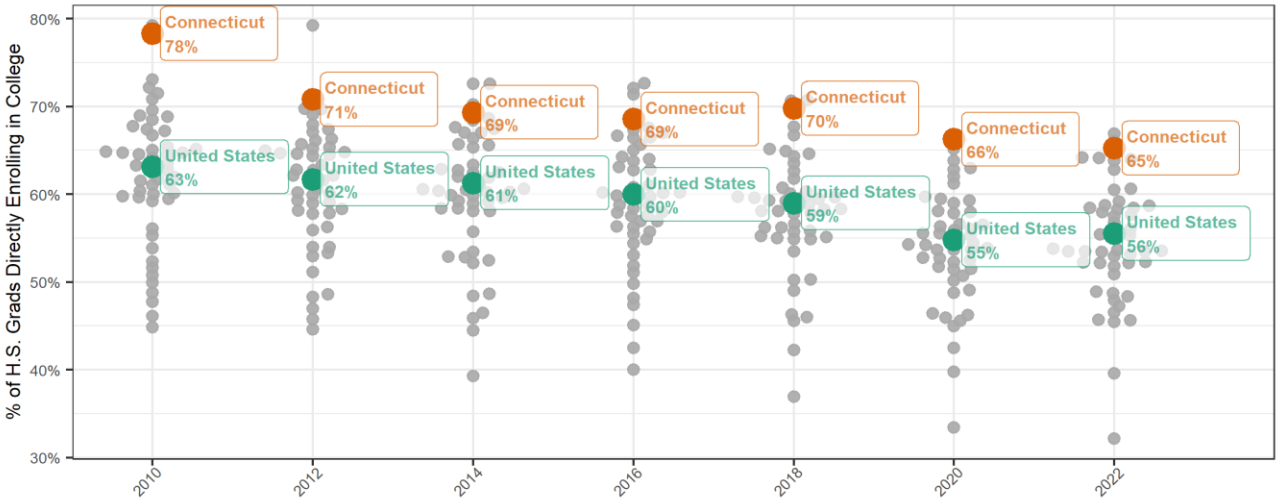
College participation rates among recent high school graduates have also eroded in recent years (Figure 3). Though Connecticut's college-going rate has consistently been among the highest in the nation, it has declined over time, and declined more rapidly than the national rate (Figure 4). Again, this downturn may be expected during and immediately following the pandemic, but it is clear that the consistent increases in the nation's college-going rates stretching back many years reached a peak prior to the pandemic. Affordability concerns, questions about the value of a higher education, campus unrest, and allegations about political bias have all contributed to a climate of fresh headwinds opposing the choice to attend college.

Figure 3. Percent of Recent High School Graduates Enrolled in College, U.S., 1960-2022



Source: Digest of Education Statistics (2023), Table 302.20.

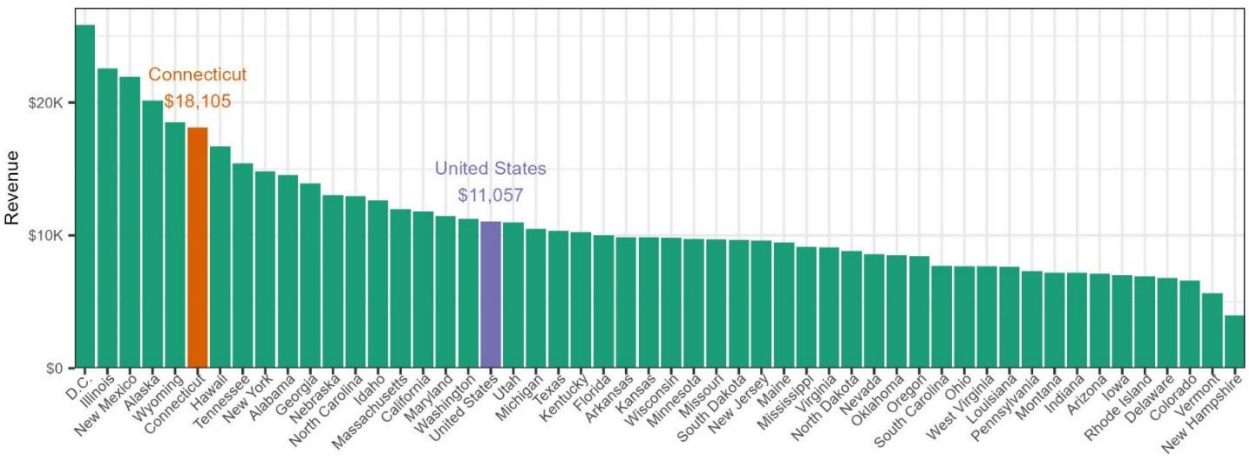
Figure 4. Percent of High School Graduates Enrolling Directly in College



Sources: WICHE Knocking at the College Door: Projections of High School Graduates; NCES IPEDS Fall Residency and Migration Files efYYYYc. Note: Each dot represents one state.

On the fiscal front, while the long-term picture remains concerning, highlighted by a long-term trend in which families have been expected to bear increasingly larger shares of the costs of higher education, recent years have seen renewed investment in public higher education. These increases have been driven by the persistently strong economy and are also thanks to the infusion of federal funding created in the wake of the pandemic. Relative to other most other states, Connecticut provides more public support to higher education at $18,105 per student, 64 percent more than the national average (Figure 5).

Figure 5. Education Appropriations Per Student FTE, by State, FY 2023

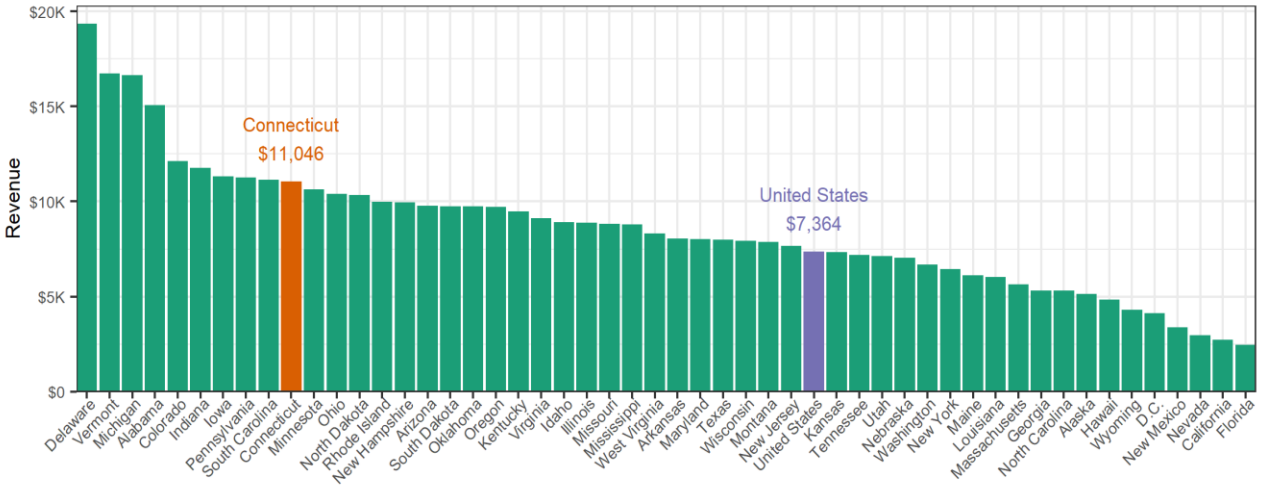


Source: State Higher Education Executive Officers Association. (2023)
State Higher Education Finance: FY 2022. Note: Values adjusted for cost of living (COLI), inflation (HECA) and enrollment mix (EMI).

In addition to funding for operational support, Connecticut also provided an estimated $1.17 billion in public capital appropriations between FY2020 and FY2023 to CSCU and UConn.[2]

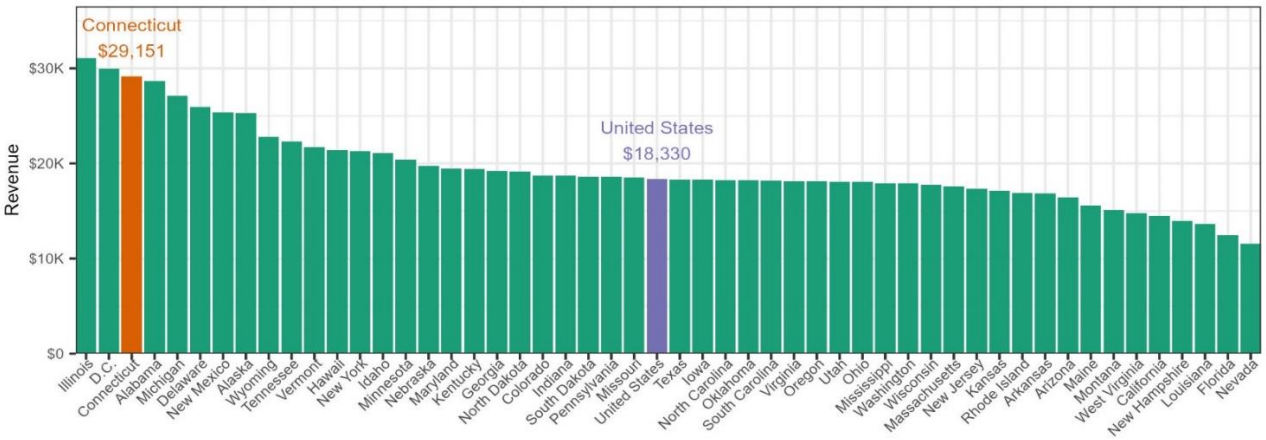
Connecticut's public institutions also collect more than the national average from students and their families in tuition revenue, although it ranks among the middle third of the states on this measure (Figure 6). Still, that results in total educational revenue from state and local appropriations and tuition that is well above average among states (Figure 7).

Figure 6. Public Higher Education Net Tuition Revenue Per Student FTE, by State, FY 2023



Source: State Higher Education Executive Officers Association. (2024)
State Higher Education Finance: FY 2023. Note: Values adjusted for cost of living (COLI) and enrollment mix (EMI).

Figure 7. Public Higher Education Total Education Revenue Per Student FTE, by State, FY 2023



Source: State Higher Education Executive Officers Association. (2024)
State Higher Education Finance: FY 2023. Note: Values adjusted for cost of living (COLI) and enrollment mix (EMI).

Over the years, Connecticut has become more generous to higher education, relative to the U.S. as a whole, in terms of its tax effort, or the extent to which it has proven to be willing to commit tax revenue to pay for higher education relative to its tax capacity (**Error! Not a valid bookmark self-reference.**). Since 1980, Connecticut has allowed its effective tax rates to vary between 6.7 and 8.9 percent, with the most recently measured rates being substantially higher than they were throughout the 1980s and even during the 2000s. This variation has been more volatile than the U.S., and Connecticut has taxed itself to pay for higher education at a higher rate than the U.S. as a whole since 2011.

In terms of support to higher education relative to income, Connecticut has consistently been less generous than the U.S. over the last forty years, although the gap has narrowed and was nearly closed by 2022. Akin to the observations about effective tax rate, Connecticut has continued to provide relatively stable support for higher education from its available resources, outperforming the nation as a whole, for which support relative to income has fallen by more than 40 percent since 1980. In Connecticut, the trend in this indicator was generally downward during the 2010s.

Figure 8. State Tax Effort

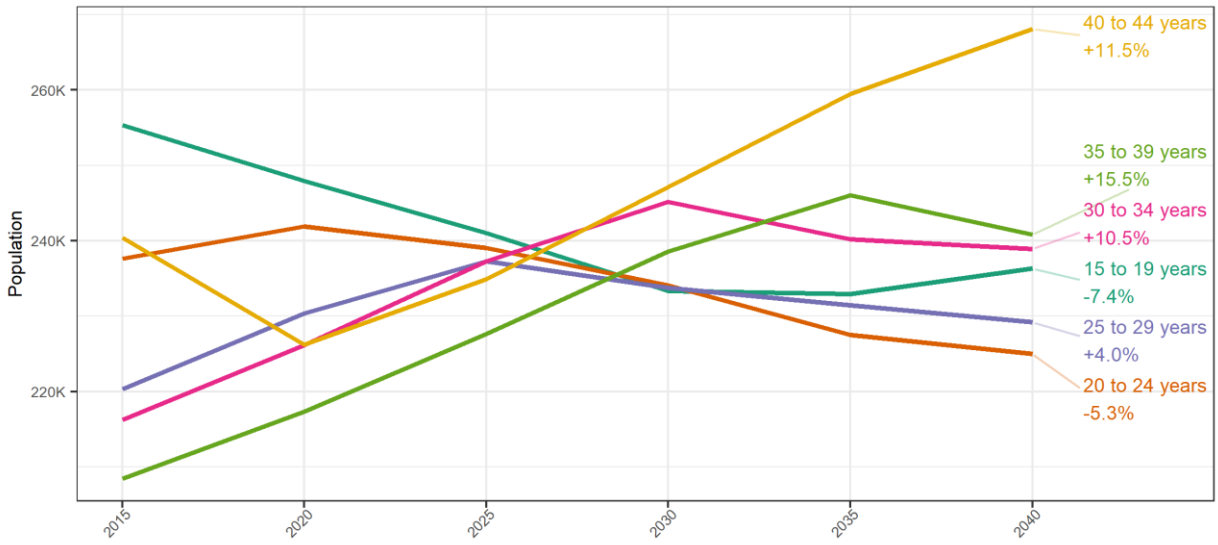
As this short overview of the national context suggests, the challenges facing CSCU, and Connecticut higher education more broadly, are not unique to Connecticut. Each state has confronted demographic changes and shifting fiscal conditions in recent years in varying degrees, and similar challenges will continue to shape higher education policy in the years ahead. Like other New England states with the most unfavorable demographic outlook, Connecticut has been forced to adapt to these challenges earlier than the rest of the nation. CSCU's attempts to address these conditions stretch back more than a decade, most obviously through the consolidation of the community colleges but also in how it responded to the pandemic and its use of federal stimulus funding. The system's efforts are on-going and still affecting the higher education landscape in the state. This diagnostic report must be read in the context of these challenges that have roiled the higher education industry and will continue to do so in the future.

Findings and Observations

1. **CSCU and its institutions will continue to confront conditions that will challenge their collective ability to attract students.**

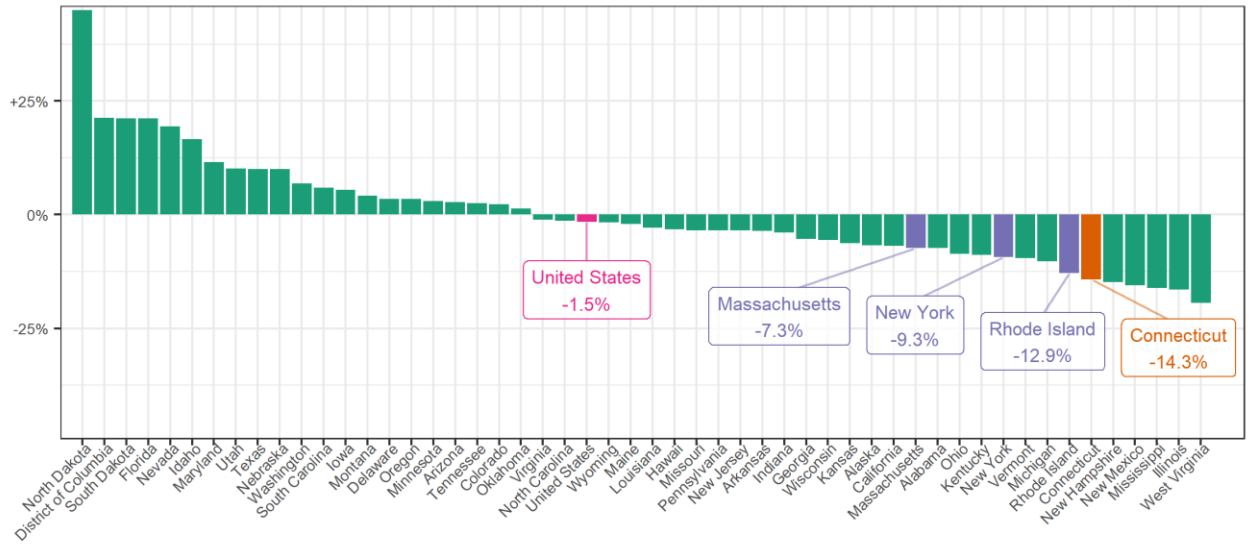
   Connecticut has seen its population of traditional college-aged students diminish over the last several years, and the future is unlikely to provide any relief, as projections indicate continued losses in residents aged 15-24 (Figure 9**Error! Reference source not found.**). Other states in the Northeast can also expect to face a shrinking pool of recent high school graduates (Figure 10). These realities mean that CSCU and its institutions can anticipate rising competition for students.

Figure 9. Projected 2015-2040 Change in Connecticut Population, Selected Age Groups



Source: Connecticut State Data Center.

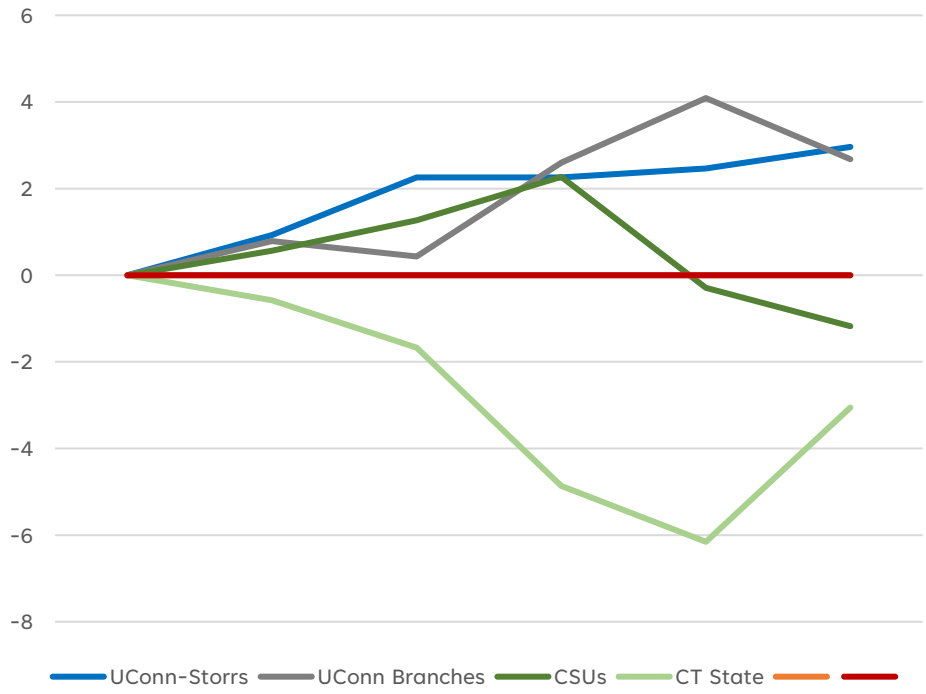
Figure 10. Projected Change in High School Graduates by State, 2019-2034



Source: Western Interstate Commission for Higher Education, Knocking at the College Door: Projections of High School Graduates, 2020. https://knocking.wiche.edu/data/knocking-10th-data/

The effects of this increased competition are apparent when looking at enrollment patterns of first-time Connecticut residents. This review reveals how much CSCU institutions have struggled (). Between 2012 and 2022, CSCU institutions saw their share of first-time students from Connecticut decrease relative to UConn and its branch campuses, and relative to the private non-profit institutions in the state. The institutions that are now part of Connecticut State experienced significant enrollment losses throughout the period until a significant upturn in Fall 2022. It is possible that this uptick is pandemic related, as students were more likely to remain closer to home. It could also reflect the initiation of free tuition for Connecticut residents attending CT State that meet the eligibility requirements. In the first six years of this period, the CSUs gained market share from the community colleges and proprietary institutions, but their shares dropped after 2018 and by 2022 were below their 2012 level. Meanwhile, UConn's main campus at Storrs and its branch campuses increased their share of first-time Connecticut residents, as did the state's private non-profit institutions, throughout the period. Only in Fall 2022 did UConn's branch campuses see a drop, which, given that the branch campuses compete directly for similar students as the CSUs, is probably related to the pandemic.

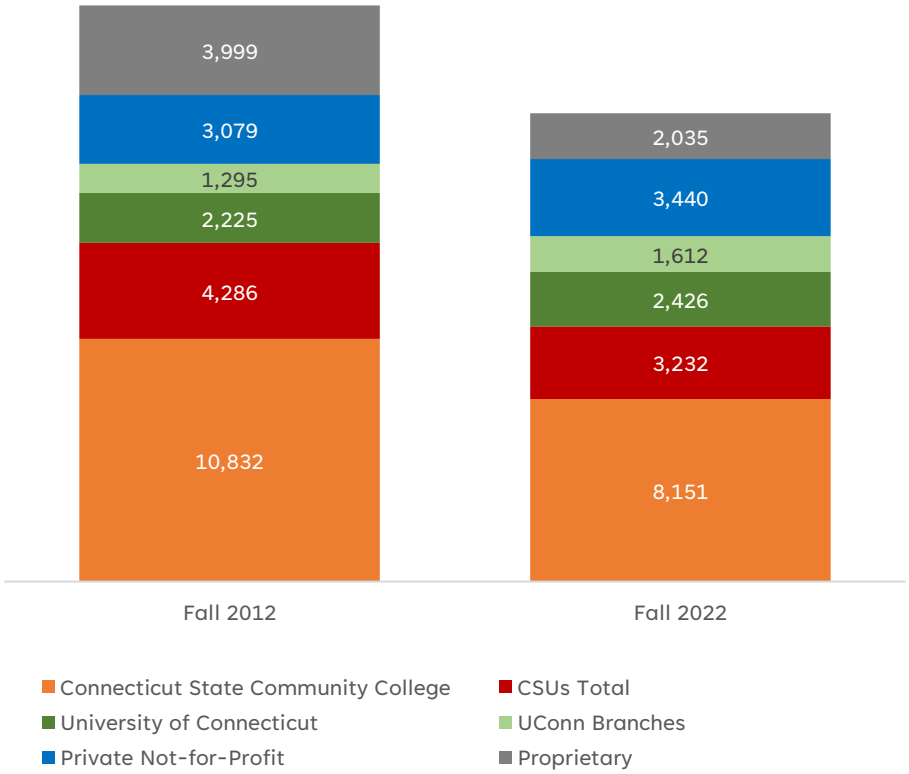
Figure 11. Change (in Percentage Points) in Shares of First-Time In-State Students



Note: Data are based on the headcount of all Connecticut residents enrolling for the first time at an institution located in Connecticut.
Source: NCES IPEDS.

While these data point to a shifting of preferences among Connecticut's postsecondary options toward UConn, its branch campuses, and private non-profit institutions, it is worth noting that these shifts are principally due to declines among CSCU enrollments rather than significant gains at the other institutions.[3] UConn's main campus at Storrs has not substantially increased the size of its first-year class, while its branch campuses collectively enrolled only 317 more Connecticut residents in Fall 2022 than they did in Fall 2012 (Figure 6).[4] That relatively small number obscures how volatile enrollments of in-state students have been among UConn's branch campuses. While by Fall 2022 the Waterbury campus lost nearly 70 percent of the number of first-time in-state students it had enrolled in Fall 2012, UConn's Stamford campus more than doubled the number of Connecticut residents it attracted. Additionally, UConn opened a Hartford campus that quickly enrolled over 600 Connecticut residents as first-time students.

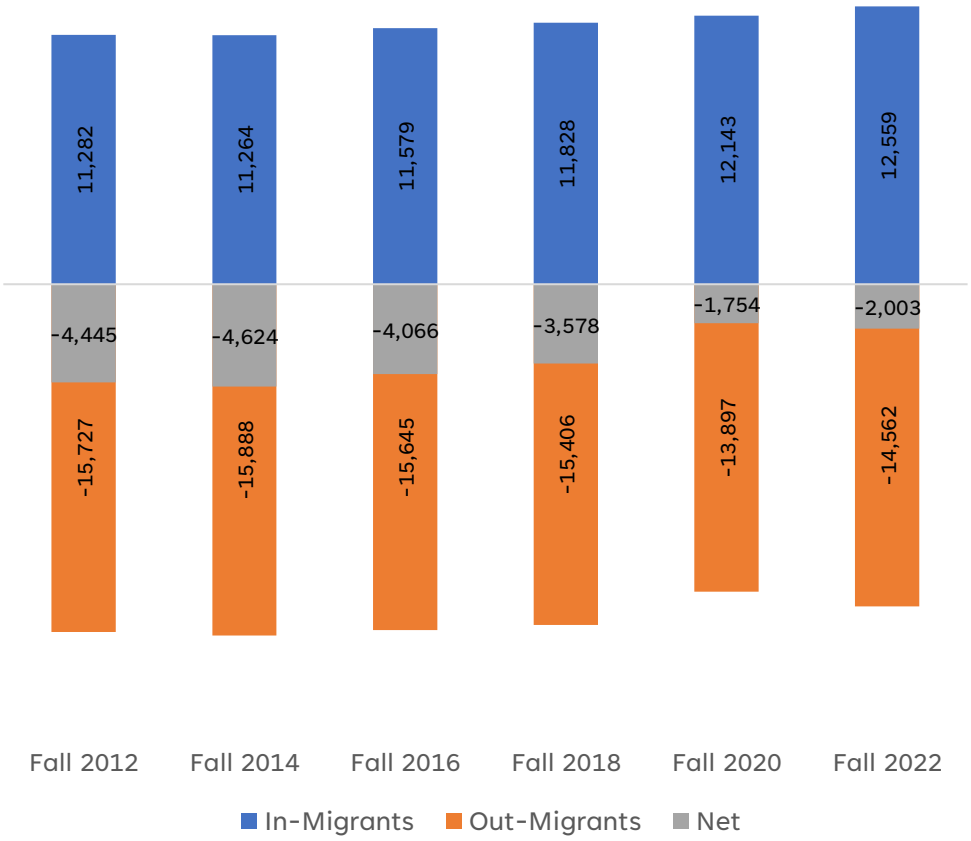
Figure 12. First-Time In-State Students, 2012 and 2022, by Sector



Note: Excludes COSC.
Source: NCES IPEDS.

Contributing to the heightened competition has been a sharp decline in the college-going rate of Connecticut residents generally, especially among those who choose an in-state college as their destination. The bad news for CSCU is somewhat tempered when one examines the data on out-of-state enrollments by sector. Historically, Connecticut has been a net exporter of college students. That is, more Connecticut residents opt to attend college elsewhere than out-of-state students choose to enroll in a Connecticut institution. Between FY2012 and FY2022, however, net migration (in-migrants minus out-migrants), while still a significant loss, improved.

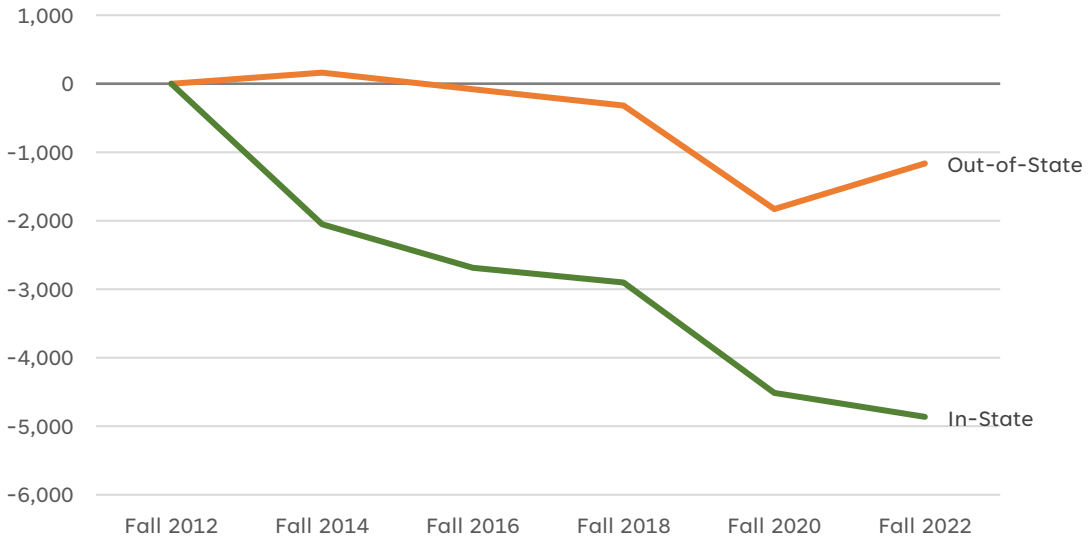
Figure 13. Migration of First-Time Students, State of Connecticut, 2012-2022



Note: In-migrants are residents of other states who enroll at an institution located in Connecticut; Out-migrants are Connecticut residents who enroll at an institution located in another state; Net represents the difference—a negative number indicates more Connecticut residents are leaving for college than the state is attracting from elsewhere.
Source: NCES IPEDS.

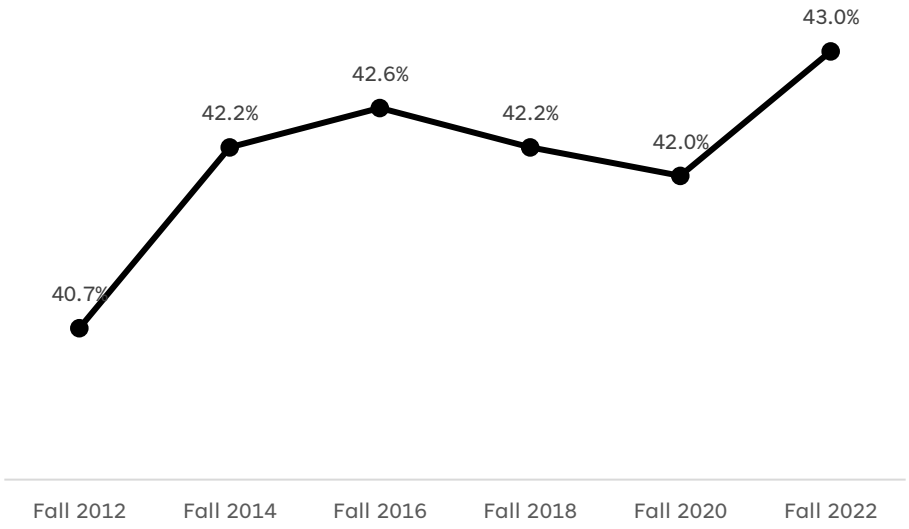
However, because the number of Connecticut residents choosing to enroll in college for the first-time fell dramatically (by nearly 15 percent) over this period as the number of outbound Connecticut residents remained relatively flat (Figure 14), the share of the Connecticut residents who enrolled at an out-of-state institution climbed (Figure 15[5]). Breaking down that rate by institution type reveals that this loss of Connecticut residents to other states was largely among students enrolling in an out-of-state public research institution (Figure 16). In contrast, students enrolling at public comprehensive institutions—similar to the CSUs—became more likely to stay home for college. This latter point is a bit of a bright spot for the CSUs amidst all the enrollment challenges they have faced. But these patterns still hint at how fraught the market is for the CSUs: if UConn-Storrs is losing Connecticut residents to other states' flagships, it may elect to fill its resulting enrollment gap (if not the out-of-state tuition revenue gap) with Connecticut residents who would otherwise attend CSUs.

Figure 14. Change in First-Time Enrollment of Connecticut Residents, by Location of Institution



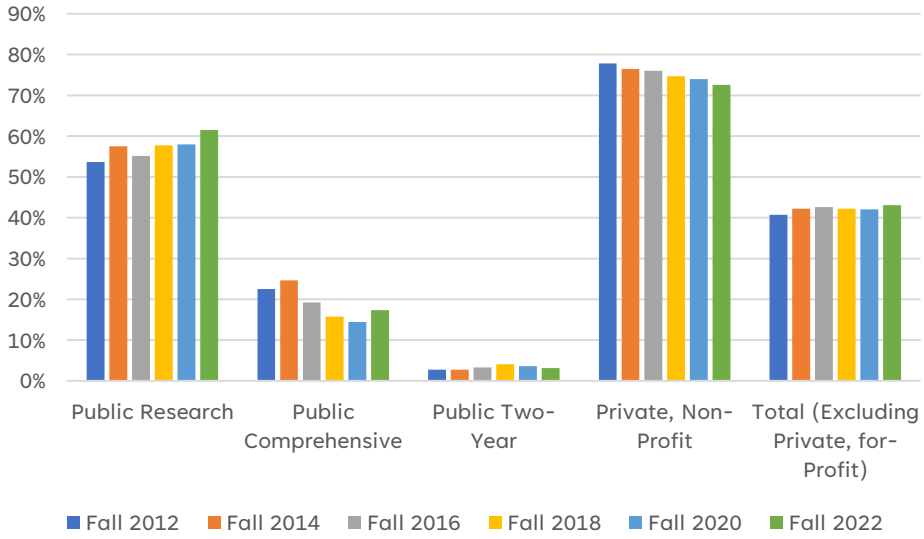
Source: NCES IPEDS.

Figure 15. Percent of College-Going Connecticut Residents Who Enrolled at an Out-of-State Institution as a First-Time Student



Note: Excludes students who enrolled at private, for-profit institutions.
Source: NCES IPEDS.

Figure 16. Percent of College-Going Connecticut Residents Who Enrolled at an Out-of-State Institution as a First-Time Student, by Sector

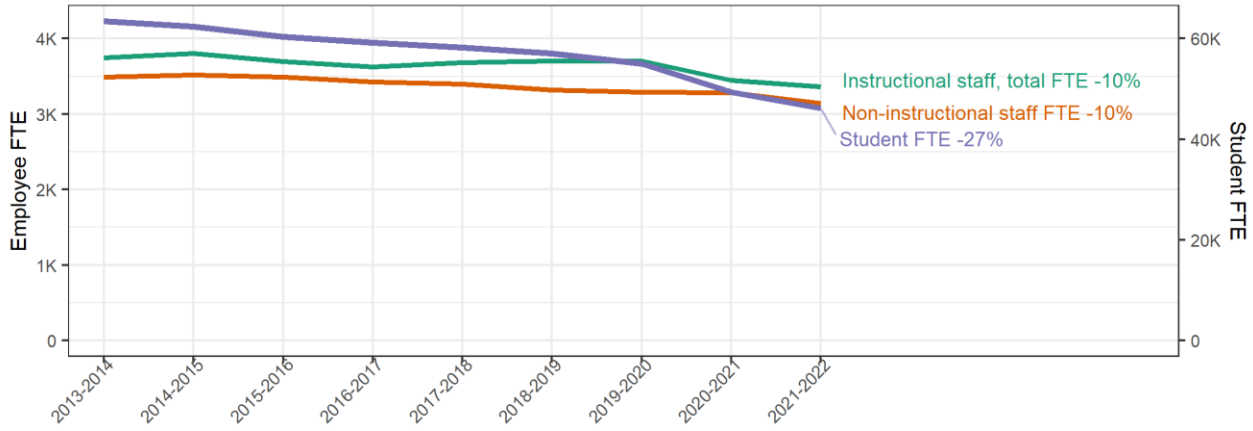


Note: The denominator in this calculation is all Connecticut residents who enrolled at an institution of each type. Charter Oak State College and the UConn branch campuses are included with the CSUs in the Public Comprehensive Group. The corresponding shares represent the number of Connecticut residents who remain in-state attending an institution of the specified type (e.g., in Fall 2022, just under 40% of college-going Connecticut residents who attended a public research university in the U.S. enrolled at UConn-Storrs).
Source: NCES IPEDS.

2. CSCU's response to similar conditions over the past decade, during which time nearly all of its institutions experienced substantial enrollment drops, failed to bring its costs into alignment with its revenue.

Because personnel costs comprise the large majority of costs in higher education, systems must be able to calibrate their employee complement to enrollment levels or bear the financial stress of employing a larger number of people to serve fewer students. For CSCU, between FY2014 and FY2022, the number of employee FTE per student FTE grew by nearly one-quarter for both instructional and non-instructional staff, indicating that the number of FTE staff has not decreased as rapidly as the drop in enrollment (Figure 17-Figure 18).

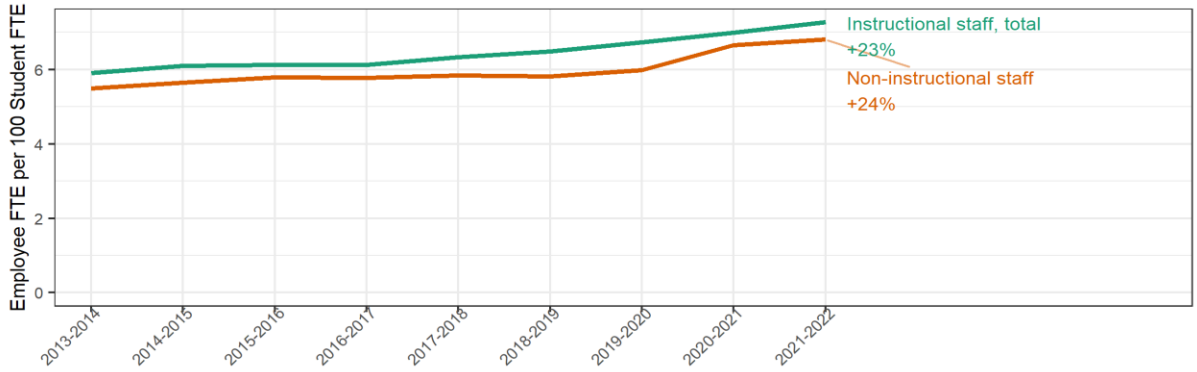
Figure 17. Student FTE and Employee FTE by Type of Employee at CSCU Institutions, FY2014-2022



Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release.

Note: The data in this graph does not include CSCU System Office employees.

Figure 18. CSCU Employee FTE per 100 Student FTE Over Time



Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

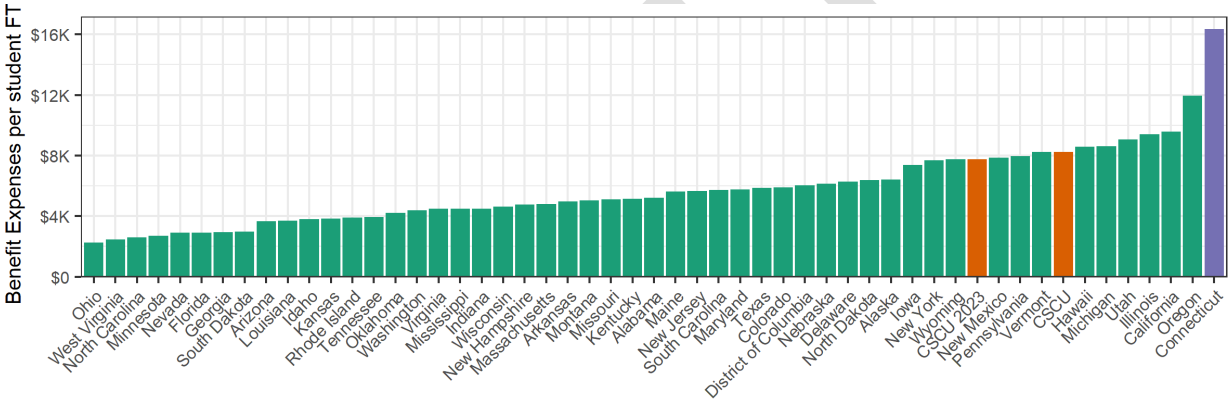
Alignment between the number of employees and students is difficult to obtain in practice; that reality is evident in numerous other states with similar experiences with enrollment decline. However, conditions present in Connecticut (further explored in #3) make the challenge particularly acute for CSCU. Indeed, a review of the CSCU institutions' peer data shows that all the CSCU institutions spend considerably more money per FTE than their peers, and that a major contributor to the difference is in spending on personnel. CSCU institutions have more instructional staff relative to their enrollment than their peers; some of them offset those higher staffing costs by reducing non-instructional personnel below their peers. The peer analysis indicates that institutions in other systems and states, which are also facing enrollment decline, may have more nimbly calibrated their staffing to current enrollment.

The detailed data about each institution are provided in an Appendix to this report. The primary take-aways from these data are that:

a. CSCU's institutions, as well as their peers, had significant enrollment declines over the past decade. The exception is COSC whose peers experienced significant growth over the period while COSC showed only very modest increases.
b. Total expenses per FTE student are considerably higher than those of peer institutions for all of the CSCU institutions and the expenses per student increased substantially over the period for which data are available. Only Charter Oak showed some sign of cost stabilization after initial increases.
c. With few exceptions, CSCU institutions spend more than their peers in all functional categories (such as instruction, research, public service, academic support, institutional support, etc.), with expenses on instruction being particularly high.
d. While CSCU institutions have reduced staffing levels in recent years, their employee per student FTE has generally climbed, indicating that the number of employees has not been reduced at a rate commensurate with enrollment declines. This pattern has become more obvious in recent years, and institutions have differed in terms of how they adjusted staffing levels in response, in terms related to how quickly they adjusted, which categories of employees were affected, and how closely the responses in staffing matched the enrollment decline. For example, CCSU's steep decline in enrollment started in FY2019 and within two years the university had reduced its instructional staffing sharply. By FY2022 its non-instructional staffing levels were down also significantly. The number of both categories of employees continued to be reduced through FY2023 at a commensurate rate as continued enrollment decline. CCSU's employees relative to students remains relatively high, but staffing adjustments are necessarily going to follow enrollment changes. The patterns at the other institutions in the system are somewhat less clear: WCSU continued to add instructional staff through FY2020 despite a consistent downturn in enrollments stretching back years. It has more recently started to make adjustments. SCSU also struggled to align its staffing with enrollments—staffing among non-instructors has been uneven and it does not seem to have made serious efforts to match instructional staff to shrinking student demand until annual enrollment decreases accelerated during the pandemic. At CT State, staffing trends have been generally downward, although at a rate much slower than enrollment declines, until 2020-21 through 2022-23 when staffing levels remained stable while enrollment declines accelerated.[6] Moreover, ECSU and WCSU employed more non-instructional staff than instructional staff, while the opposite was true at the other institutions.
e. The relatively high levels of expenses are largely due to much higher employee salaries and fringe benefits levels. The differences for spending on fringe benefits are particularly notable. Fringe benefit levels at Connecticut's institutions (including UConn but not including the CSCU System Office) are the highest in the nation when measured relative to student FTEs, by a wide margin (Figure 19).
f. First-year retention rates for all CSCU institutions are at or near peer averages. The exception is COSC whose retention rates are lower than peers.

g. Graduation rates among the CSU institutions are also generally higher than their peers. Data also indicate that at most of them a disproportionate share of students transfer after initially enrolling at a CSU.[7]
h. Because of high expenses per FTE student, CSCU institutions produce far fewer degrees per $100,000 of revenue than their peers. COSC also produces fewer than its peers but is relatively more efficient than other CSCU institutions according to this measure.
i. The CSCU institutions are generally similar to their peers when productivity is defined by total degree and certificate production relative their enrollment (awards per 100 FTEs), a measure that recognizes the enrollment of part-time students. The exception is Charter Oak which does much better than its peers on this measure.

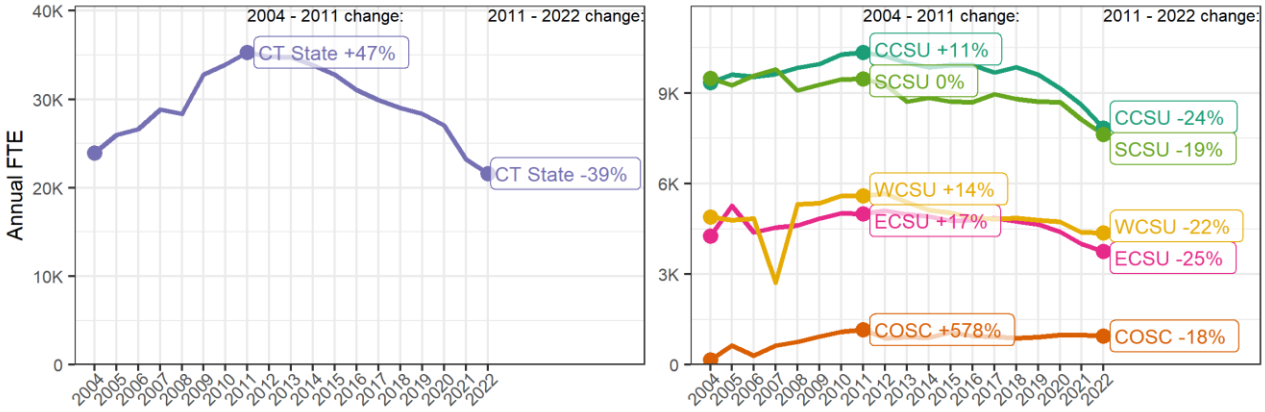
Figure 19. Fringe Benefits Expenses per Student FTE, U.S. Public Institutions, FY2022[8]



Sources: NCES IPEDS finance survey f2122_f1a, f2122_f2, f2122_f3, and 12-Month Enrollment Survey, files efia2022, provisional release files. FY23 data for CSCU system provided by system office. Note: Includes all 2-year and above public institutions plus system offices, excluding US military service academies. Connecticut includes the Stratford School for Aviation Maintenance Technicians as well as CSCU/UCONN. The CSCU system office does not report expenses to IPEDS.

It is important to point out, however, that planning for human resource requirements has never been as straightforward as it might seem. As much as the decline in student-faculty ratios is driven by enrollment declines, a look back a bit farther back in history would show that CSCU's institutions were responding to an equally rapid increase in enrollment from FY2004 through FY2011 (Figure 20). As public access institutions, CSCU's institutions are expected to grow as demand increases, necessitating hiring to meet the additional needs. The pivot from rapidly escalating growth to plummeting enrollment is a significant economic shock, one that hit the Connecticut State institutions especially hard. Even if a reduction in the number of births two decades previously may have provided some indication that enrollments might fall, the long-term health of the economy since the Great Recession and the fallout from the pandemic have had a large impact on enrollments in CSCU institutions, especially CT State and among adult students. The most informed enrollment projection experts did not foresee the drop in college-going participation rates of recent high school graduates.

Figure 20. FTE Enrollment, FY2004-2022



Source: NCES IPEDS 12-Month Enrollment Survey, files efiaYYYY. Notes: The two graphs are on separate y-axis scales. Percentage changes represent change from previous dot.

3. There is only limited evidence that CSCU is undertaking successful system-level strategic approaches to addressing its current fiscal dilemmas or its future fiscal fragility.

CSCU's struggles to adapt to the challenges it is facing are evident in its hesitancy to take the bold but necessary steps to adjust staffing levels to the new enrollment realities, in its difficulties in righting the ship at WCSU, in widespread complaints about communications gaps with and among the constituent institutions, and in a number of poorly implemented (often reasonable) initiatives intended to increase operational efficiencies across the system.

Misalignment of Personnel

With respect to the need to adjust staffing levels, CSCU is understandably concerned about the effect such a step would inevitably have on morale and on relationships with its unions and with politicians representing districts all over the state whose constituents may be affected, as well as with the inevitable legal and other costs that would accompany any significant number of layoffs. Such an action could also further compromise an already fragile enrollment pipeline, sending a signal to potential students that the system is not adequately resourced to serve them well.

Yet, as presented to NCHEMS, it does not seem to us that the choice is between "mass layoffs" and little or no action at all. The failure to make some meaningful progress in this area, given recent enrollment declines and projected future conditions, is simply unsustainable.

There are numerous steps the institutions and the system office could take to bring employment levels into alignment with enrollment realities. All adjustments would take some time, but failure to initiate these adjustments serves to postpone the need to address a problem is likely to get larger over time. Institutions can choose not to fill open positions when incumbents retire, resign, or move on for other reasons. It is true that such position eliminations are not strategic in nature and some positions must be refilled in order to meet

programmatic and service needs, but net gains can be made in this manner. In fact, CSCU and its institutions have reduced some staffing this way. Refilling some positions that cannot be left empty for strategic or caseload reasons can also be accomplished by reassigning employees within the institution. At present, however, CT State's ability to make these reassignments is limited by an agreement that CSCU negotiated in 2021 with 12 independent institutions, rather than a single institution as it has existed since July 1, 2023.

As an approach of last resort, employees can be laid off. While such actions will be unpopular, the collective bargaining agreements that cover most employees make provision for such eventualities. The processes covered by these agreements can take up to a year to play out depending on the length of service of the employee, and the grievance process can extend this time. The timeframe and process for terminating employees varies according to the specific employee categories involved and their respective collective bargaining agreements.[9] Laying off classified staff will typically be based on seniority. Employees categorized under the SUOAF agreements are subject to agreements on an institution-by institution basis. Management Confidential employees serve (these are unclassified employees) "at will" (i.e., have no collective bargaining rights) and can be terminated without recourse at any time, although they too are entitled to up to one year before their termination goes into effect. Administrative employees have a two-step grievance process that makes the institutional president the ultimate decisionmaker. Having said this, the experience with layoffs in Connecticut has made institutional leaders, who take a pragmatic view of their options, very leery of employing this tool. Once notice is given, it is not unreasonable to anticipate that the affected employee will cease to be a constructive member of the campus community for the year of continued employment to which they are typically entitled after notice of termination is given. Depending on the role they play on campus, destructive behavior from disgruntled soon-to-be-terminated employees can have a direct effect on institutional functioning and on students and their success. In addition, the adjudication process can take years to play out in some circumstances. Although there are required steps to terminating employees specified in the various labor contracts, campus leaders expressed concerns over their capacity to avoid triggering litigation and successfully navigating the resulting cases. Recent history with such terminations has been marked by adverse outcomes and significant payouts to affected employees. This pattern contributes directly to a reluctance to use layoffs as a tool in bringing employee numbers into alignment with student enrollments.

However, achieving a better alignment of staffing capacity with the needs (both in terms of numbers and of distribution among campuses) is accomplished, it will require the development and implementation of institutional staffing plans. It will also require the creation of conditions that give the institutions more degrees of freedom in assignment of personnel to functions and development of employee work rules. Given the enrollment issues facing all of the CSCU institutions over the past dozen years, the system office (and Board) should have required the development of such plans and held campus presidents accountable for their implementation.

The situation at CT State is a special case. It is noted that the issues facing CT State arose under prior CSCU leadership and the root causes cannot be placed at the feet of Chancellor Cheng and his team, although the current team bears responsibility for resolving them and

ensuring that CT State is financially viable and meeting the state's needs. Further, it is probably unreasonable to seek staffing reductions that bring the number of students per employee to the same level as that of CT State's member institutions collectively in 2012, a point at which enrollments were highest and the institutions would have appeared to operate at historic levels of efficiency as a consequence. Particularly at community colleges, where enrollments tend to inversely track economic conditions, cutting too deeply risks leaving them in a poor position to respond to enrollment increases that will likely arise whenever the economy sours. Even so, bringing staffing levels to better match enrollment levels is a necessary part of efforts to protect affordability for students and the state and for ensuring financial viability for the institutions.

On top of the misalignment in staffing caused by enrollment declines outpacing staffing declines, CT State's current leadership inherited a set of problems created by the prior administration's hiring a large number of employees using one-time funding and relying on overly optimistic enrollment projections to provide the revenue necessary to sustain this increased level of employment. CT State is chipping away at reducing this group of staff as they voluntarily move on, although the pace of progress is frustratingly slow. A staffing plan that realistically brings employment levels a.) into alignment with enrollment realities, b.) allows leadership to deal with the necessary geographic placement of personnel, and c.) indicates the time period over which such adjustments can be expected would help put staffing decisions on a stronger, more justifiable foundation and will be an important next step in the launching of this new institution.

In a previous study conducted for CSCU with a narrow focus on issues at WCSU, NCHEMS identified serious issues that resulted in that institution's reserves being completely depleted over a number of years. These issues included: weak system oversight that contributed to a lack of accountability, a failure to use data to drive decision-making, and institutional priorities that were misaligned with the needs of its surrounding region and of the students and prospective students it serves. In the immediate aftermath of our reports, WCSU initially embarked on major changes and was able to reverse the fiscal losses. More recently, however, it seems there has been a return to problematic practices such as an inattention to strategy, not making hard decisions about staffing levels, reversing decisions regarding cabinet-level organization, and failure to fully embrace a mission refocused on its local region. As a consequence, WCSU once again has become dependent on infusions of money from the system to cover its losses. To date, the infusions from the system have come with no significant strings attached, provisions which could help compel needed changes at WCSU.

Efforts to Consolidate Services

In efforts to leverage the opportunities for achieving operational efficiencies through collaborative action CSCU has sought to take advantage of its authority and scale through initiatives that are often well conceived but poorly executed. As NCHEMS has found in other states, ensuring the successful implementation of an initiative or project that requires new ways of doing business or threatens entrenched interests demands high-level project and change management skills that are uncommon in higher education settings.

As a consequence, it is perhaps no surprise that stakeholders brought up several examples of initiatives that held promise but failed to achieve their objectives. These include CSCU's attempt to secure a system-wide bookstore contract that held the promise of saving students money while generating revenues for the system, but which failed to achieve its goals due to communication failures, which resulted in a contract that stakeholders claimed did not appropriately recognize and accommodate different institutional requirements for their bookstore operations. These communications failures resulted in campus leaders and faculty being confused as to why the negotiated agreement with its potential for substantial savings to students was selected over other options, which compromised positive reception of the project from the start. A second example is the aggregation of CT State's and Charter Oak's human resources personnel in the central office, which the institutions deplore as having led to excessively heavy bureaucracy combined with a failure to maintain the local expertise needed to provide necessary services at the campus level. In response to this feedback, the Human Resources function is in the process of being partially re-decentralized.

It would be inappropriate and inaccurate to leave the impression that these problems can all be laid at the door of the system office. In an effort to promote seamless student experiences in an era when students have more choices for how they construct their schedules than ever, the system office is attempting to develop a common general education curriculum, a step being taken by systems elsewhere in the country. At its June 27, 2024 meeting, CSCU's board approved a new general education policy designed to address this problem. Successful implementation of this policy would go a long way toward ensuring that students' credits follow them wherever they go within the CSCU System. The need for such a common curriculum is real: our campus interviews uncovered substantial barriers to transfer within CSCU institutions with reports that CT State students were routinely electing to enroll at alternatives rather than attend a CSU. Most states that have undertaken this task have encountered significant resistance from institutions and their faculty, and CSCU is no different. The successful implementation of the recently adopted policy to streamline student pathways will ultimately require a collaborative process backed up with committed support from leadership, funding, and an openness to change that is often rare in higher education, and one that may be particularly fraught for CSCU as it continues to manage the fallout from the CT State consolidation.

As a further example, CSCU has sought to leverage the unique capacities and business model of Charter Oak State College to better serve students, but their efforts have met with considerable resistance that has helped keep COSC's enrollments low and prevented meaningful collaboration with other CSCU institutions. Objections from faculty and other institutional leaders concern COSC's business model, which is distinct, relatively inexpensive, and therefore threatening to the more traditional institutions in the system. Moreover, they argue that CSCU's system office has not been forthcoming in communicating and seeking input about how best the other institutions can work with COSC. Faculty additionally express misgivings about COSC's quality without presenting evidence specifically citing diminished student outcomes to support this contention.

There have also been some considerable successes and, although by virtue of being a "diagnostic" report focused on problems to be solved, it bears mentioning some highlights.

Perhaps lost in all the hard feelings surrounding the consolidation of the community colleges, it is a real achievement that CT State students are now able to consult a single course catalogue that affords them unprecedented flexibility in enrolling in the courses they need and building a schedule that fits with their busy lives, especially among those with transportation challenges. But more work needs to be done. This flexibility has allowed students to take many classes on-line, leading to challenges for meeting minimum section size requirements for in-person classes; these circumstances have become most pronounced at CT State's smaller campuses. There are also issues surrounding geographic placement of personnel that will allow in-person delivery of both instruction and student services as needed. These are issues that may also be entangled with limits on CT State's ability under the current collective bargaining agreement to require employees to teach or work at other campuses of the newly unified institution, in order to match demand for courses or services with supply.

Structural Issues

The organizational structure contributes to creating and perpetuating these problems. First, Connecticut State has been permitted to become a "system-within-a-system" with roles and functions that are partially duplicated at the CSCU system office level, instead of becoming a single institution with multiple campuses as originally intended. The vision for the new CT State called for a single president with campus-based lower-level administrators responsible for campus-level management functions. This vision has not been fully implemented, with the consequence that the projected savings from management consolidations have not been fully realized.[10] The issue of the roles (and titles) of individuals who provide administrative leadership at the campus level remains unresolved. Settling on a management structure that is appropriate for the new institution and is also cost-effective will be a critical element of the staffing plan mentioned earlier.

Second, there is a lack of clarity about System versus campus roles and the responsibilities and authorities that attach to each. CSCU's system office has grown to replicate structures more appropriate to institutions, even though the system office's role in carrying out functions is substantially different from institutions. This leaves some system-level functions unattended and can hinder implementation of campus-level functions because of uncertainty about decision authority.

For example, it is natural that each institution maintains a provost and a robust academic affairs division that carries out performance reviews of faculty, anticipates and develops new programs, makes budget and other prioritization decisions about existing programs, develops course schedules and delivery methodologies, collaborates with student affairs to ensure that individual and student groups have their needs met, among other things. By contrast, a system office has no faculty or students and directly offers no programs. The academic affairs function at a system office must support the work of the provosts of the constituent campuses, assess the need for new programs that may not be initiated at the campus level, monitor the continued need for existing programs and recommend closure in instances where campuses will resist, set related policies, and review and approve program proposals from the campuses. The requirements to carry out these duties do not call for the same personnel and capacity that the corresponding institutional role does. Until recently the CSCU system office has had a Provost who was expected to carry similar qualifications as an institutional

provost, as well as earn more salary than their so-called counterparts on campus. The System has decided not to fill the vacant Provost position and to rethink the academic leadership function at the system level. This is a step in the right direction. Notwithstanding some exceptions, this habit of recreating an institutional structure within the system office without sufficient attention to specification of roles inhibits the development of differentiated functions in both settings that makes them more complementary and capable of meeting state and institutional needs. More importantly, this has left some critical system functions unattended.

Strategic Use of Resources/Reserves

There is widespread perception among institutional leaders that the increased state appropriations that federal stimulus funding has made possible have not been felt at the institutional level in ways that would help attract more students, create more student success, and refine curricula and program offerings to be more relevant. Instead, there is a sense that administrative bloat, increasing health care costs, the effort to create Shared Services (that the CSUs have been allowed to opt out of), and constraints imposed by union contracts have absorbed the additional funding. This, together with communications breakdowns and suspended initiatives, has created a climate of distrust throughout the system.

These perceptions are not wholly without merit. Using a recent survey developed in partnership with the National Association of Higher Education Systems (NASH), NCHEMS surveyed NASH members to find out how systems organized their functions as well as their expenses on system and corresponding institutional functions. The preliminary results show that CSCU is among the more expensive systems for which we have received data to date (Figure 21).[11]

Figure 21. System Office Expenses (Preliminary Results)

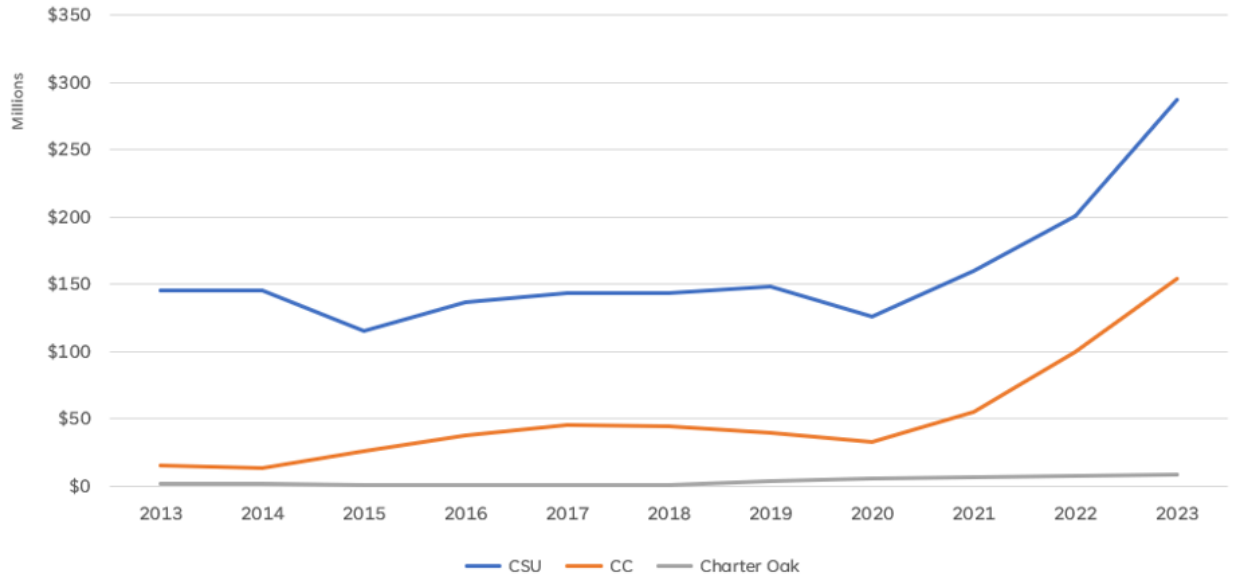
	CSCU	Average of Responding Systems
System Office Expenses per System Office FTE employee	$307,928	$204,117
System Office Expenses per Total Student FTEs	$1,389	$941
System Office Expenses + Corresponding Institutional Expenses per Total Student FTEs	*[TBD-Pending Recalculation]*	$5,764

Note: These data are preliminary. Expenses include salaries, benefits, overhead, and all other expenses associated with functions carried out at the system office and, where appropriate, corresponding institutional offices.
Source: NASH/NCHEMS Survey

However, CSCU has chosen to set aside much of the windfall it has received in stimulus money for additions to its reserves. As a result, CSCU's total reserves have ballooned in the past couple of years (Figure 22). Although setting aside money for future uncertainty is appropriate, and the BOR has had a reserve policy for many years that outlines the desired amount of money that should be held in reserve, for what purpose, and how to access what is available. The amount CSCU has put into savings is being called into question as it continues to appeal for more state money to address operational budgetary gaps. Given how evident future

challenges are, CSCU and the BOR are making an intentional decision to set money aside for the inevitable rainy day rather than looking to invest in changes—especially difficult changes—that have promise to position the system for that future as a more relevant, essential, and effective steward of state resources and tuition funds.

Figure 22. Unrestricted Net Position, FY2013-2023



Note: Excludes pension and OPEB; unrestricted funds are not subject to externally imposed restrictions, although CSCU policy permits internal designations to be placed by the BOR or management and constitute an allocation of current unrestricted funds.

Source: CSCU audited financial statements.

Board Capacity

Finally, CSCU's volunteer board has proven to be ill-equipped to provide the necessary guidance and the appropriate oversight and accountability that are needed for a system that must adapt by making controversial and unpopular decisions and do so on a systemic, rather than a campus-by-campus, basis. Given the new realities facing higher education, the demands on volunteer boards are intensifying. Connecticut's process for selecting board members, orienting them, training them, and evaluating board performance and functioning needs to yield a cohesive and highly effective board that guides and supports the Chancellor and his (or her) team. While the consolidation of the community colleges has consumed the board's attention over many years, the current board has nevertheless struggled to navigate its responsibilities in ways that call into question whether there is a need for improvement, in particular in allowing the WCSU situation to deteriorate, in allowing CT State to hire large numbers of staff on soft money, in failing to anticipate the generally negative reaction to the CSCU 2030 plan, and in setting clear goals for the system and its individual institutions.

Recently, there have been changes to the board's composition and leadership. Their exercise of oversight of the system will need to be more muscular, providing greater clarity and definition to their own roles in systemwide governance, the System Office's role in executing system-level leadership, and institutional responsibilities for day-to-day operations. Early

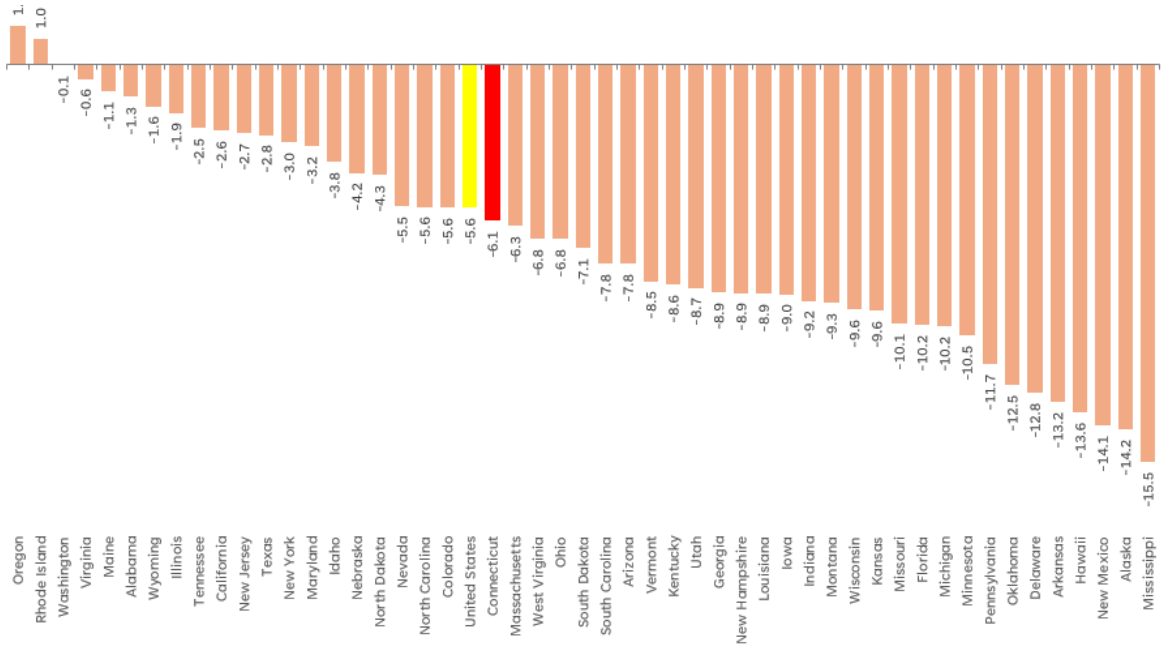
indications are that the Board is now taking a stronger and more focused approach to the issues facing the system.

4. CSCU's difficult circumstances are also the product of contributing factors that can undercut the kind of bold decision-making that is required.

While CSCU may have been slow to right its financial circumstances, given the prolonged nature of its enrollment decline, there are real impediments to its ability to respond quickly. Some of the difficulties faced by CSCU in making adjustments to demographic and financial conditions are not wholly under its control or are not adequately supported or incentivized by the state.

First among those conditions are the demographic shifts already described. But the effects of unfavorable demographic conditions are compounded by growing questions among prospective students and their families about the value of higher education. Although underlying downward trends in Connecticut and elsewhere predated the pandemic, its effects are still present. As the nation's institutions emerge from the pandemic to find that although enrollments are slowly coming back, many things, such as online learning, that changed suddenly may be permanent, forcing adjustments in how instruction and student services are delivered and how they are staffed. Additionally, concerns about the return on investment in higher education are partly fueled by rising prices in the sector, and by an economy that has maintained persistently low unemployment rates since the end of the Great Recession. Others are injecting skepticism in the value of a college degree, with a number of states—including Alaska, Maryland, and Utah, among others—reducing the educational requirements of many state jobs (albeit they justify these moves in part as a way to improve access to those jobs for traditionally underrepresented populations). Finally, the way that colleges have increasingly become places where our most extreme viewpoints clash ostentatiously, and where our current culture wars are being waged, is not helping higher education attract students. The ever more strident rhetoric causes families to question how a college education will impact a son's or daughter's values, as well as raises concerns about campus safety. Connecticut and its institutions are not unique in grappling with a downturn in college-going rates (Figure 23).

Figure 23. Change in Percent of High School Graduates Going Directly to College, 2012 vs 2022



Sources: WICHE High School Graduate Projections; Knocking at the College Door, 2016 and 2020; NCES, IPEDS Fall 2012 and Fall 2022 Residency and Migration Files.

Second are provisions in the collective bargaining agreements that make it difficult to reduce its employee complement in a timely fashion. These limits are further complicated by a grievance process that consumes additional time before any strategic reductions CSCU might make can bear fruit. The multi-year agreements in question are negotiated by CSCU with the respective collective bargaining units, but its ability to make sweeping changes that would give it substantially greater flexibility are confined to windows when contract negotiations occur and what concessions CSCU can obtain from the unions during a very contentious process. Furthermore, because classified staff at CSCU are part of a bargaining unit that negotiates with the Governor's Office of Labor Relations, any agreements that the state makes with these employees is likely to set the conditions for other units' agreement. The CBA under which CT State currently operates is particularly confining in that it is written as if CT State were 12 separate institutions rather than the single entity it has become. This means that staffing decisions continue to be made on a campus-by-campus basis, rather than fitted to the needs of a CT State as a single institution that should have the ability to match local needs (of students and employers) with capacity (instructors and student services).

The collective bargaining agreements and the way they are negotiated impact CSCU in another way. Wage increases and most fringe benefits are negotiated at the state level with a coalition of public sector employee unions (SEBAC, or the State Employee Bargaining Agent Coalition), yielding a framework for compensation and benefits, not by CSCU.[12] While CSCU exercises discretion over job classifications (for employees who are not part of classified bargaining units), starting salaries and promotions, the state's role in determining annual increases in wages and benefits limit CSCU's ability to manage its personnel costs and puts

the system in the position of living with decisions made by others. Although the agreements typically include commitments by the legislature to fund the increased costs created by the SEBAC framework, these commitments apply only to the relative share of costs borne by the state. Institutions are obligated to cover their share of additional costs largely through increased tuition revenue, which can only come from the same or fewer students paying higher net tuition prices or more students paying the same net prices.

A third challenge comes from the process used by the State of Connecticut to appropriate money to CSCU, and how the BOR subsequently allocates those funds to individual institutions. The approach taken by the state provides no incentives or signals to CSCU about state goals that should be pursued using funds appropriated to CSCU and allocated to the institutions. Instead, most state appropriations are provided on a "Base Plus" basis—institutions (including UConn) are appropriated the amount of money they received last year plus (or minus, in recessionary periods) some amount that is largely the product of negotiations between the legislature, the governor's office, and the system office. Those negotiations for the "Plus" component typically incorporate information about increases in costs that arise from obligations in the collective bargaining agreements, health care expenses, and other known or projected costs.

However, the "Base" part of the funding level is only linked to some historical funding level, not to the real current needs of the various institutions. Neither the "Base" nor the "Plus" components are linked by evidence to the demonstrable funding requirements of the system or of its individual institutions, or, more importantly, to state needs or goals. What's more, while Base Plus funding provides a generally predictable amount of funding by institution, it is limited in its ability to incent institutions towards performance improvements. The BOR's approach to allocating funding to the institutions under its charge is similarly disconnected from the actual needs of its constituent institutions. The allocation method recognizes neither the variation in costs innate to different programs offered by the constituent institutions nor those related to the differing characteristics and educational needs of the students served by these institutions.

It is also noted that Connecticut lacks a body with sufficient authority and influence to coordinate the state's higher education policy in ways that prioritize state and student needs over the interests of institutions. The Office of Higher Education (OHE) carries out some operational and regulatory functions similar to coordinating agencies in other states (e.g., Virginia, Colorado, Washington), including management of state financial aid programs, state authorization, and oversight of private, proprietary postsecondary providers. But there is no entity in Connecticut that carries out the planning, accountability, and funding functions that are core activities of the agencies in these other states. Instead, the Connecticut legislature or some part of the executive branch working under direction of the governor's office takes on that duty whenever there is a perception of need for planning to occur. However, the planning function is not one that is consistently exercised and with implementation steps put in place and regularly monitored. Nor is it carried out by a body that stands at some political distance from elected officeholders in order to shield the planning function from political influence and to keep its focus appropriately long-term.

As a consequence, there is no strategic approach to how the State of Connecticut should assign roles and goals to the various parts of the higher education ecosystem in the state. In the absence of such clear goals, there is no way to align state investments in higher education institutions and in financial aid with those goals. Further, reliance on the legislature or governor's office for the conduct of functions that are the purview of executive-branch-level higher education agencies in other states means that some of the necessary on-going functions go unattended. For example, Connecticut does not have a statewide approach to the approval of new academic programs in public sector institutions. For CSCU, the absence of a statewide process to strategically invest in new programs and services to specified audiences complicates its efforts to develop distinct niches for its institutions and to compete for students with better-branded, and often costlier, alternatives like UConn (and its branches) or Connecticut's well-known private non-profit institutions. Since the establishment of OHE, the CSCU is responsible for approving the creation or removal of new programs at its constituent institutions. The University of Connecticut has similar authorities with regard to its constituent campuses. There is no entity, however, charged with ensuring that the programmatic offerings of the two systems are not unnecessarily duplicative and competitive. As CSCU serves a disproportionately large share of low-income and under-represented racial/ethnic populations, and adults, this absence of policy leadership risks placing institutions that serve the students most in need of supportive educational environments at a further disadvantage.

Another symptom of this problem is the unusually meager amount of dual enrollment occurring in Connecticut, which is at least partially a consequence of a lack of dedicated funding to adequately support the provision of these opportunities. This is notwithstanding an investment of $9M in federal stimulus funds to support further development of dual credit learning opportunities. Institutions in other states, especially community colleges, have used dual enrollment as a major tool to help mitigate the effects of enrollment pressures, while also helping students move forward in their educational journeys in cost-effective ways. But for the CSCU institutions, current policies offer little incentive to make dual enrollment opportunities more widely available; they cannot afford to subsidize the instruction of dual enrollment students and students are unlikely to pay full tuition for college courses while they are still in HS.

Another factor outside CSCU's control is the involvement of legislators in establishing sites or programs, once established, that are expected to be operated by CSCU institutions, particularly the community colleges. Community college leaders are legitimately reluctant to eliminate these programs or sites even if they are not economically viable. One example of political considerations overcoming concerns about sustainability is the state's purchase of a new building in 2020 to host an advanced manufacturing center for the Tunxis campus of CT State, itself a program announced in just 2018, despite there being a much larger, more established such center at the Asnuntuck campus just over 30 miles away. Subsequently, CT State has faced awkward questions about why it has not appropriately equipped and staffed the Tunxis center as late as summer of 2023, even with additional resources from a federal grant (it is noteworthy that the federal grant is itself not a sustainable revenue source).[13] But in fact, the demands of politicians to trim the overall CT State budget and simultaneously find resources to fully open the Tunxis program are incompatible. It is true that Connecticut's limited infrastructure for public transportation makes the distance between the two campuses

hard for students to traverse without a vehicle of their own. Yet the political pressure to run similar programs at both sites imposes additional costs on CT State (and CSCU).

Next Steps

This interim report has presented several high-level findings from NCHEMS' review of data received from CSCU to-date, engagement of institutional- and system-level stakeholders across the state, and peer analysis. Overall, NCHEMS finds that there are significant issues across the CSCU system related to enrollment, revenue and expenditure alignment, organizational authority, and strategy development.

Moving forward, NCHEMS will begin the work of further analyzing these issues and presenting recommendations to improve these challenges. We will further examine budgeting within the CSCU institutions, enrollment projections, workforce demand, and the role of the state in adequately funding the CSCU system. A final report will include these analyses as well as recommendations tailored to the state, the system office, and the institutions, aimed at creating a durable and resilient system of public higher education to serve Connecticut students and meet the workforce needs of the state.

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Appendix A. Peer Analyses

As part of this diagnostic report, NCHEMS assembled peer groups for each of the CSCU institutions. These groups were used as benchmarks that provide indications of how well CSCU institutions are performing relative to other institutions that share many common characteristics. In conducting peer analyses, it is essential to recognize that no two institutions are identical. Each has its own distinct history, boasts distinct features, faces distinct conditions, and possesses values that it expresses in distinct ways. These truths also mean that the selection of a suitable peer group will inevitably require subjective judgment.

Acknowledging these realities in no way diminishes the utility of peer analyses, however. Increasingly, institutions require high-quality comparative data in order to be competitive, to assess how well they are carrying out their mission, to demonstrate their value, and to ensure they remain vital parts of their communities and states. Peer analyses is increasingly an expectation of the accreditors and states and, as much as it can serve as an external assessment of performance, it is also a valuable tool in sparking internal dialogue about strategic direction, identifying resources that can be helpful in problem-solving and improvement (in the form of peer institutions that have superior results), and supporting internal accountability efforts.

Moreover, the selection of peers, at least as practiced by NCHEMS, begins with a rigorous quantitative approach that aims at describing how the institution exists currently—not what it aspires to become. Selecting aspirational peers has value for institutional planning as well, but our focus for this project is strictly on how each CSCU institution is performing currently. A fuller description of our selection process is provided below, after which the peers for each of the six institutions are listed, but what is essential to understand here is that we only match on variables that characterize the business model of the institution—what programs does it offer, at what levels, to how many and what kinds of students, and what other aspects of institutional mission must be recognized. We explicitly avoid using the dependent variables—those we will use to measure performance—in selecting institutions. That means, we do not match on variables related to institutional finances or student outcomes.

Selecting peers for the CSUs and Charter Oak is relatively straightforward in terms of process—for some institutions there are relatively fewer similar institutions in the nation than for others, but our methods for selecting them requires no notable alterations, apart from one. Although the CSUs are themselves relatively similar institutions, there are sufficient differences to not automatically include all of them in the peer groups for each. However, we were specifically asked to include the other three CSUs during our project for WCSU, and we maintained that practice here. To account for CT State's recent consolidation, we identified peer institutions with similar multi-campus structures and, where necessary (including for CT State) aggregated individual institutional data to a total.

Overview of NCHEMS' Peer Selection Methodology

NCHEMS' Comparison Group Selection Service (CGSS) is designed to aid institutions in selecting a group of institutions which are similar in mission to be used in comparative data analyses. CGSS has been in use at NCHEMS since 1982 and has been used by hundreds of institutions.

CGSS consists of two primary components. The first is a large database containing indicator variables on each of more than 7,000 higher education institutions. This database is constructed from data files derived from the various surveys which make up the Integrated Postsecondary Education Data System (IPEDS) survey system administered by the National Center for Education Statistics (NCES, a part of the U.S. Department of Education in Washington, D.C.). The indicator database contains variables covering institutional characteristics, faculty, finance, degrees awarded, academic programs, enrollments, research and other expenditures, and other miscellaneous data.

The second component of the CGSS is a set of algorithms designed to condense the 7,000+ institutions in the indicator database down to a useable list of potential peers for the target institution. These algorithms use a set of selected criteria to determine which institutions appear on the possible comparison institution list and their associated relative rankings within the list. Depending on the selection criteria described below, this list can run to hundreds of institutions, with each institution assigned a ranking based on the criteria used.

In order to avoid selecting peers on the basis of the key variables of interest such as funding levels or student outcomes, NCHEMS only relies on data that describe institutions' relative similarities on the basis of mission, size, program array (by level and field), student body characteristics, faculty characteristics, geographic location, and other special characteristics like an institution's status as a minority-serving institution. Only after finalizing a set of peers does NCHEMS pull data on other key characteristics like funding and student outcomes.

Part I: Selection Criteria

The selection criteria work as a filtering mechanism to eliminate characteristically dissimilar institutions from the institution comparison list. An institution that does not satisfy any one of the selection criteria is excluded from further consideration as a comparison institution. Typical selection criteria included sector (public), the Basic Carnegie Classification (the Carnegie group an institution belongs to, generally Doctorate, Masters, Bachelor's, or Associates), whether an institution is Land Grant or not, and whether it has a medical school or not. Institutions not meeting the specified criteria selected for each institution were eliminated from consideration as potential peers.

Part II: Weighting Criteria

Once the universe of possible comparison institutions has been reduced by the selection criteria specified in Part I, the Weighting Criteria can be used to rank the remaining institutions from most similar to most dissimilar with respect to the weighting criteria (variables) selected.

There are two ways that the Weighting Criteria affect the rankings of possible comparison institutions. The first way is through the specification of a range for each variable. The range for each weighting variable is set according to the target institution value. An institution which falls within the set range of values is not affected by that variable in terms of its order/placement on the comparison institution listing. An institution whose value for a particular variable falls outside of the range specified will accumulate "distance points" and will be moved lower in the listing than an institution which falls within the range.

The second way that weighting variables have an effect is through the level of importance assigned to them, which determines the number of distance points assigned to an institution for being outside the range of values for a given weighting variable. Those that fall outside of the range on a variable which has been assigned "Very Important" will receive 100 distance points and those that fall outside the range on a variable which has been assigned "Important" will receive 50 distance points. Institutions that fall within the specified range receive 0 distance points. Since institutions are ranked in ascending order by the number of distance points they accumulate, institutions with a higher accumulation of points across the weighting variables selected will be viewed as less similar than the target institution and appear lower on the list.

In addition to this nearest neighbor approach to selecting peers, NCHEMS also runs a Hierarchical Cluster Analysis that yields proximity scores that help triangulate the appropriateness of each set of potential peers. This process led NCHEMS to determine that a given institution not previously selected was a better match than originally assessed or that an institution previously selected as a peer was not as good a choice as an alternative. In those rare cases, peer groupings were adjusted accordingly to fine-tune the final set of peers selected.

The weighting criteria most often include fall and annual enrollment characteristics (FTE, time-status of students), distribution of awards conferred by award level, number of programs offered by award level, program array and associated distribution of awards, total research expenditures and research expenditures relative to instruction expenditures, endowment per FTE, and percent of undergraduates receiving Pell assistance.

Part III: Additional Adjustments

At this point, NCHEMS has a list of candidates to be selected as peers for the target institution, ordered by their distance scores. But the mechanics of creating that ordering may have overlooked important characteristics that make each candidate institution either a stronger or weaker match for the target institution, necessitating a further review to make additional adjustments to the list of peers. Institutions can be excluded due to known special characteristics not available/included in the selection criteria or for whom critical criteria fall farther outside the target than is acceptable (an institution may have a low distance score but fail on one or two critical criteria which would be grounds for exclusion from the final list of peers). Among the characteristics receiving special additional consideration include student body characteristics like race/ethnicity, location—both in terms of setting (urban/suburban/rural) and state (in part to ensure a reasonable diversity of environmental characteristics like state funding policies, NCHEMS tends to avoid selecting more than two institutions from the same state), Carnegie classifications schema, and other special characteristics such as HBCUs.[14]

Once the list is final with observed distance and proximity scores, a set of institutions most-like the target institution can be selected and used for comparative data analyses. Generally, 10-20 institutions are selected depending on the distribution of distance scores and how well institutions matched on critical criteria.

Peer Lists

Central Connecticut State University	
Eastern Connecticut State University	CT
Eastern Washington University	WA
Kean University	NJ
Murray State University	KY
Purdue University Fort Wayne	IN
Southeast Missouri State University	MO
Southeastern Louisiana University	LA
Southern Connecticut State University	CT
University of Tennessee–Martin	TN
University of Central Oklahoma	OK
University of Colorado–Colorado Springs	CO
University of Houston–Clear Lake	TX
Western Carolina University	NC
Western Connecticut State University	CT
Western Illinois University	IL

Eastern Connecticut State University	
California State University–Humboldt	CA
California State University–Monterey Bay	CA
Central Connecticut State University	CT
Indiana University–Southeast	IN
Lander University	SC
Shepherd University	WV
Sonoma State University	CA
Southern Connecticut State University	CT
SUNY New Paltz	NY
SUNY Old Westbury	NY
Truman State University	MO
University of Wisconsin–River Falls	WI
Western Connecticut State University	CT
Western Oregon University	OR
Westfield State University	MA

Southern Connecticut State University	
Auburn University at Montgomery	AL
Central Connecticut State University	CT
East Stroudsburg University of Pennsylvania	PA
Eastern Connecticut State University	CT
Eastern Michigan University	MI
Radford University	VA
Ramapo College of New Jersey	NJ
Salisbury University	MD
Stephen F. Austin State University	TX
SUNY Brockport	NY
University of Central Arkansas	AR
University of South Carolina–Upstate	SC
Western Connecticut State University	CT
William Patterson University of New Jersey	NJ

Western Connecticut State University	
Central Connecticut State University	CT
East Stroudsburg University of Pennsylvania	PA
Eastern Connecticut State University	CT
Georgia College & State University	GA
Lander University	SC
Longwood University	VA
Millersville University of Pennsylvania	PA
Minnesota State University–Moorhead	MN
Plymouth State University	NH
Ramapo College of New Jersey	NJ
Salem State University	MA
Salisbury University	MD
Shepherd University	WV
Southern Connecticut State University	CT
SUNY New Paltz	NY
SUNY Brockport	NY
SUNY Plattsburgh	NY
University of Wisconsin–Stevens Point	WI

Charter Oak State College	
University of Florida–Online	FL
University of Hawaii–West Oahu	HI
University of Arkansas–Grantham	AR
Great Basin College	NV
Granite State University	NH
Thomas Edison State University	NJ
Colorado State University Global	CO
University of Wisconsin–Milwaukee Flex	WI

Connecticut State Community College	
Tarrant County College District	TX
Virginia Community College System	VA
Kentucky Community and Technical College System	KY
University of Hawaii	HI
Colorado Community College System	CO
Dallas College	TX
Tennessee Board of Regents	TN
Ivy Tech Community College	IN
Technical College System of Georgia	GA
Louisiana Community and Technical College System	LA
Community College of Vermont	VT
Lone Star College System	TX
Massachusetts Community Colleges	MA
Community College System of New Hampshire	NH

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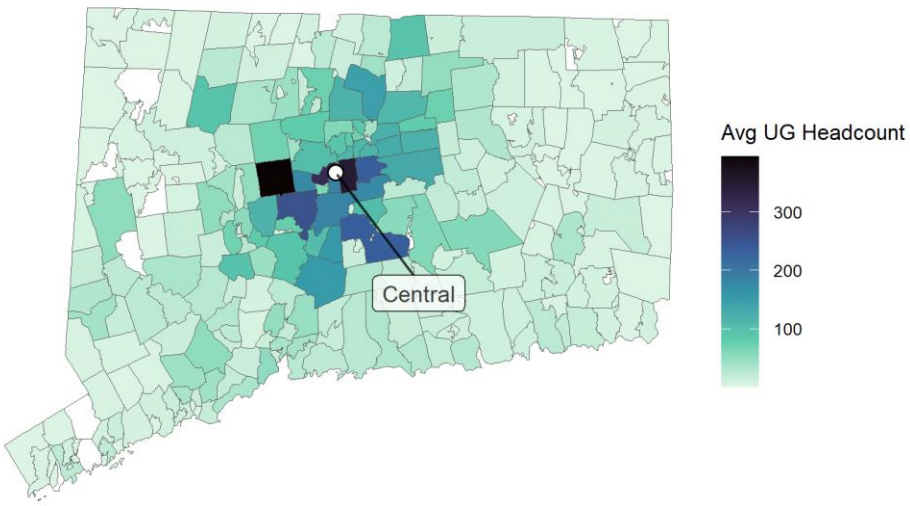
Appendix B. Additional Data Exhibits

NCHEMS has prepared the following graphs for each CSCU institution. Other than the first of these, the remainder are in comparison to each institution's peers. The graphs cover the following topics.

1. Undergraduate student origins by Connecticut town
2. Enrollment trends
3. Expenditure trends
4. Expenses by category
5. Staffing trends
6. Retention rates
7. Graduation rates
8. Productivity
9. Student outcomes

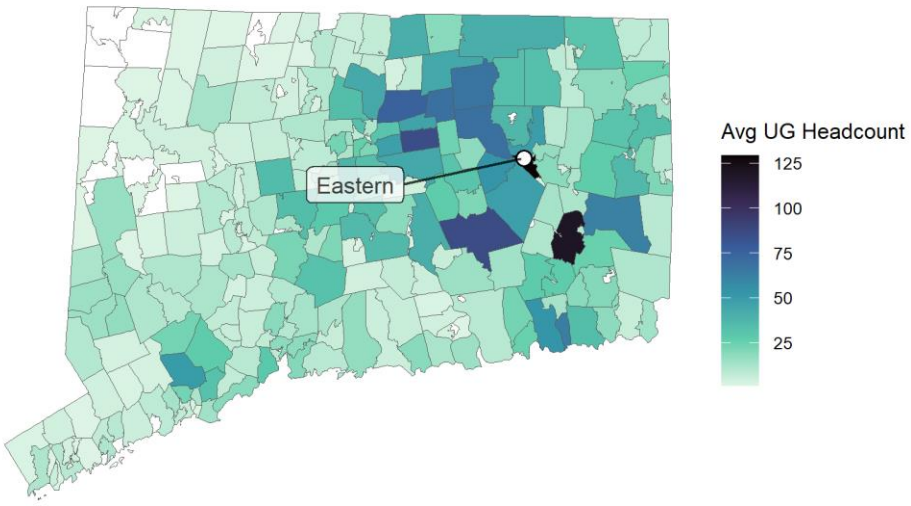
Undergraduate Student Origins by Connecticut Town[15]

Figure 24. Central Connecticut State University Undergraduate Student Origins



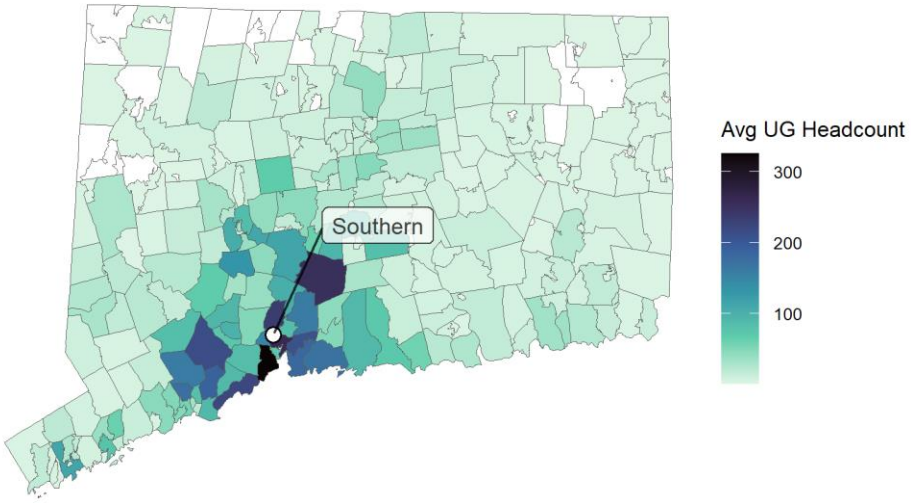
Source: CSCU System Office. Based on undergraduate enrollment (excluding dual high school students) by zip code from 2018-19 through 2022-23. Out-of-state zip codes are included if they provide at least 0.5% of undergraduates and fall within the largest locations that provide 70% of the institution's undergraduates.

Figure 25. Eastern Connecticut State University Undergraduate Student Origins



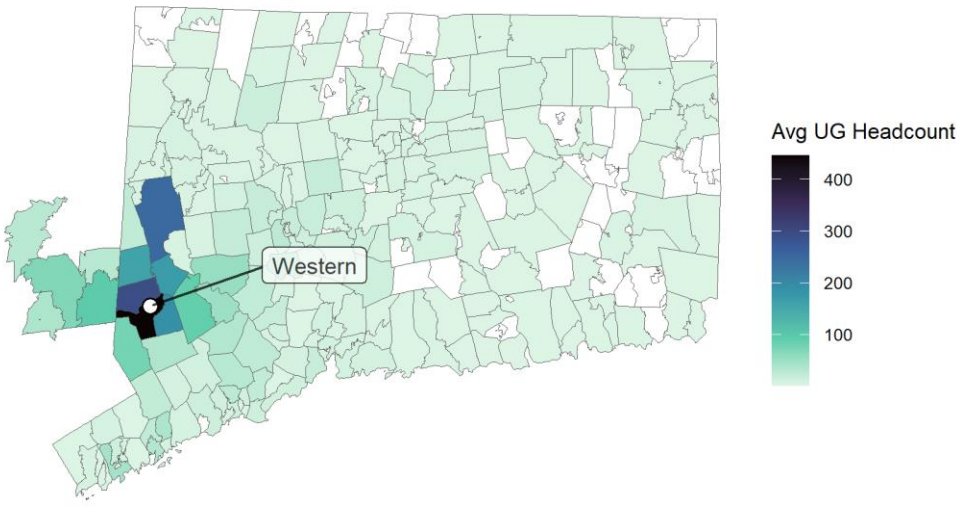
Source: CSCU System Office. Based on undergraduate enrollment (excluding dual high school students) by zip code from 2018-19 through 2022-23. Out-of-state zip codes are included if they provide at least 0.5% of undergraduates and fall within the largest locations that provide 70% of the institution's undergraduates.

Figure 26. Southern Connecticut State University Undergraduate Student Origins



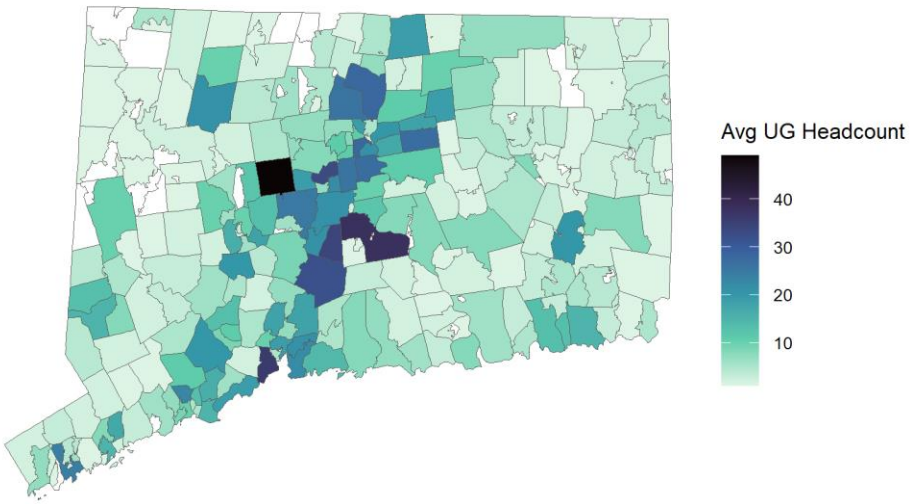
Source: CSCU System Office. Based on undergraduate enrollment (excluding dual high school students) by zip code from 2018-19 through 2022-23. Out-of-state zip codes are included if they provide at least 0.5% of undergraduates and fall within the largest locations that provide 70% of the institution's undergraduates.

Figure 27. Western Connecticut State University Undergraduate Student Origins



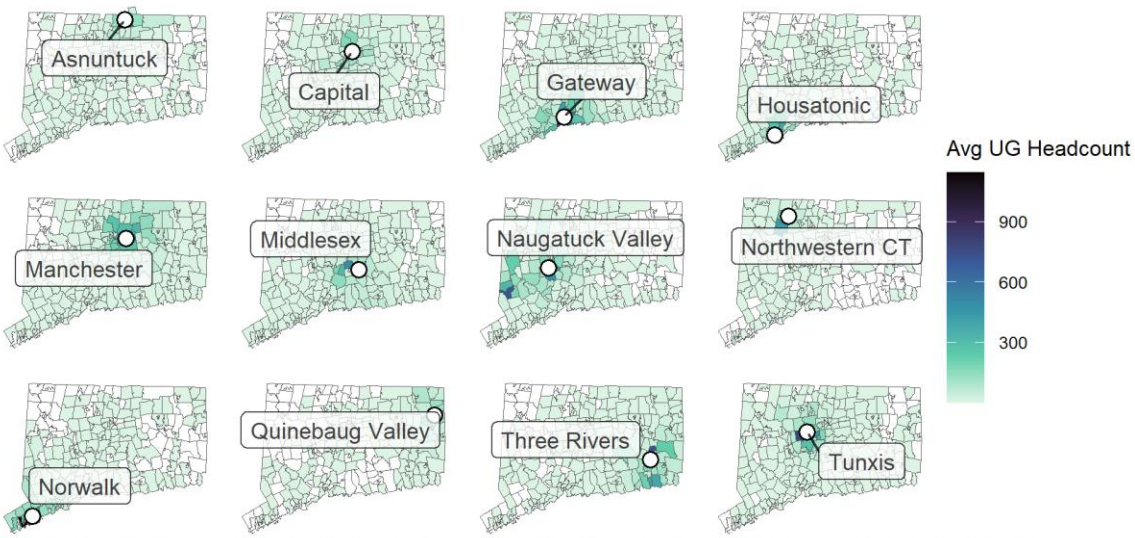
Source: CSCU System Office. Based on undergraduate enrollment (excluding dual high school students) by zip code from 2018-19 through 2022-23. Out-of-state zip codes are included if they provide at least 0.5% of undergraduates and fall within the largest locations that provide 70% of the institution's undergraduates.

Figure 28. Charter Oak State College Undergraduate Student Origins



Source: CSCU System Office. Based on undergraduate enrollment (excluding dual high school students) by zip code from 2018-19 through 2022-23. Out-of-state zip codes are included if they provide at least 0.5% of undergraduates and fall within the largest locations that provide 70% of the institution's undergraduates.

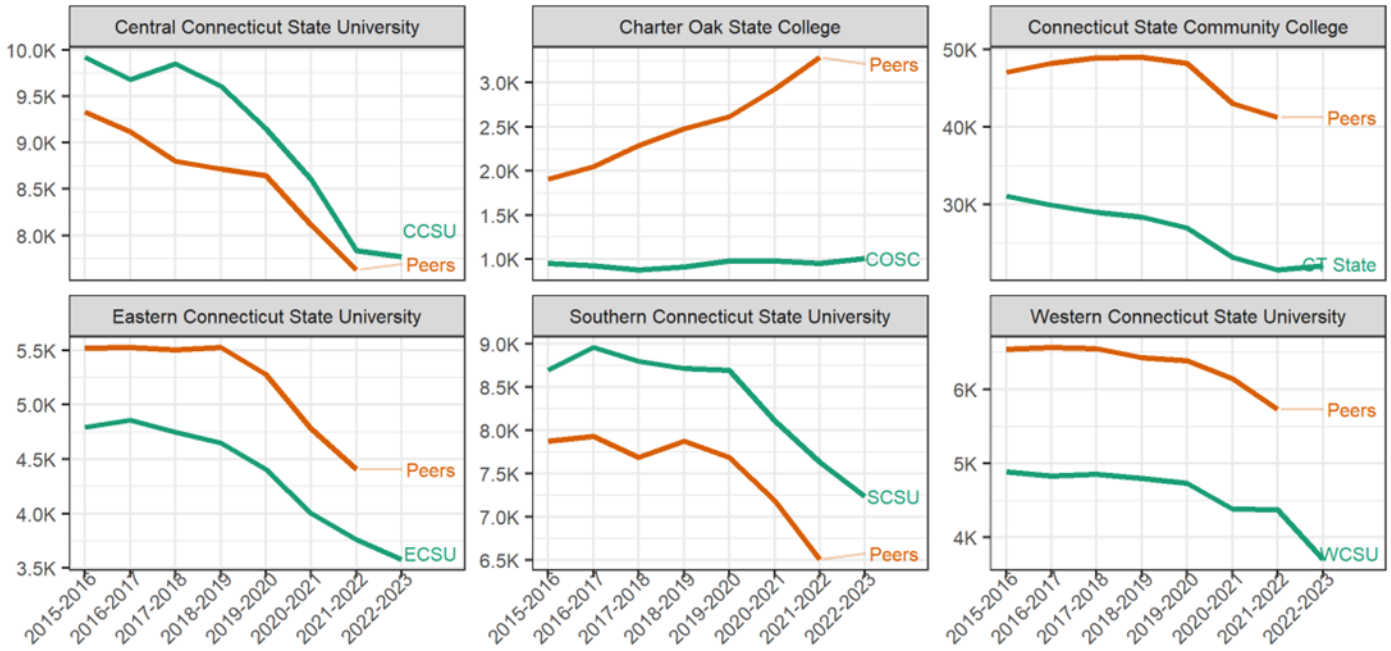
Figure 29. CT State Undergraduate Student Origins



e: CSCU System Office. Based on undergraduate enrollment (excluding dual high school students) by zip code from 2018-19 through 2022-23. Out-of-state zip s are included if they provide at least 0.5% of undergraduates and fall within the largest locations that provide 70% of the institution's undergraduates.

Enrollment Trends[16]

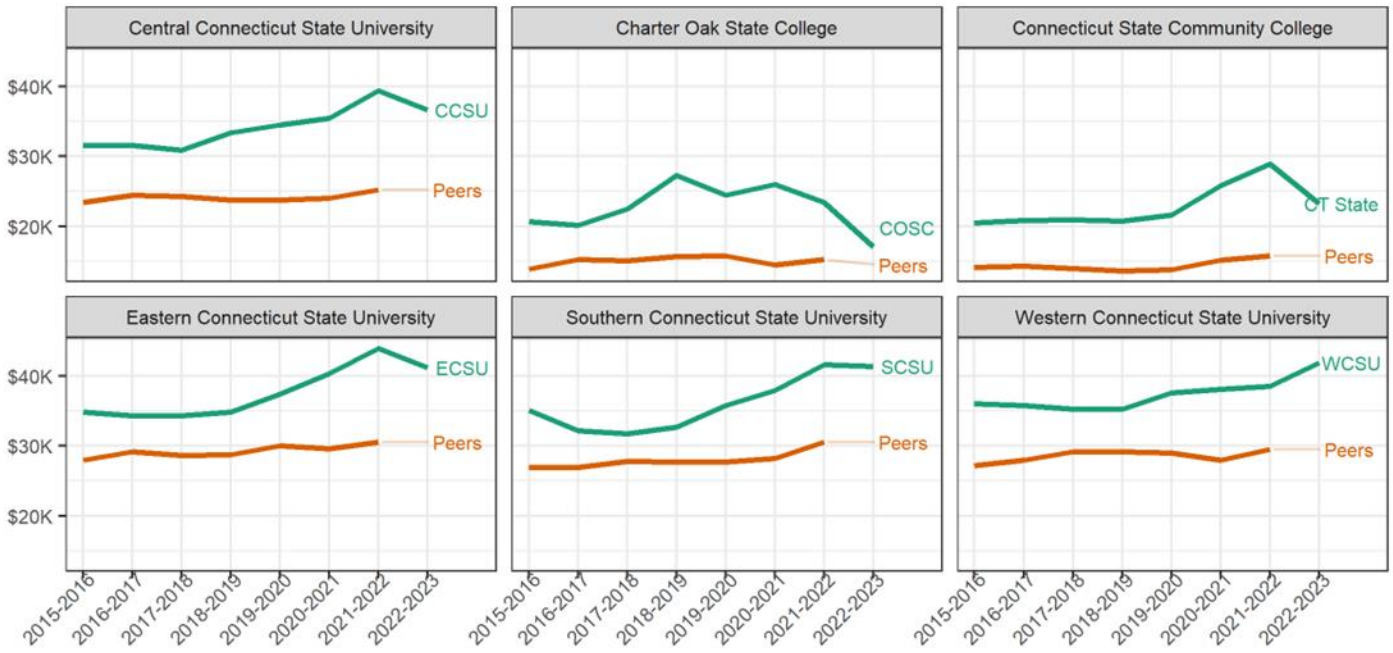
Figure 30. Total Student FTE Over Time, Each CSCU Compared to the Median of its Peers



Sources: NCES IPEDS 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Each graph is on a separate y-axis scale.

Trends in Total Expenses (including Salaries, Benefits, Operations and Maintenance of the Physical Plant, Other Expenses, and Depreciation)[17]

Figure 31. Total (Inflation-Adjusted) Expenses Per Student FTE Over Time, Each CSCU Compared to the Median of its Peers



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Notes: Inflation-adjusted to 2023 dollars using HECA.

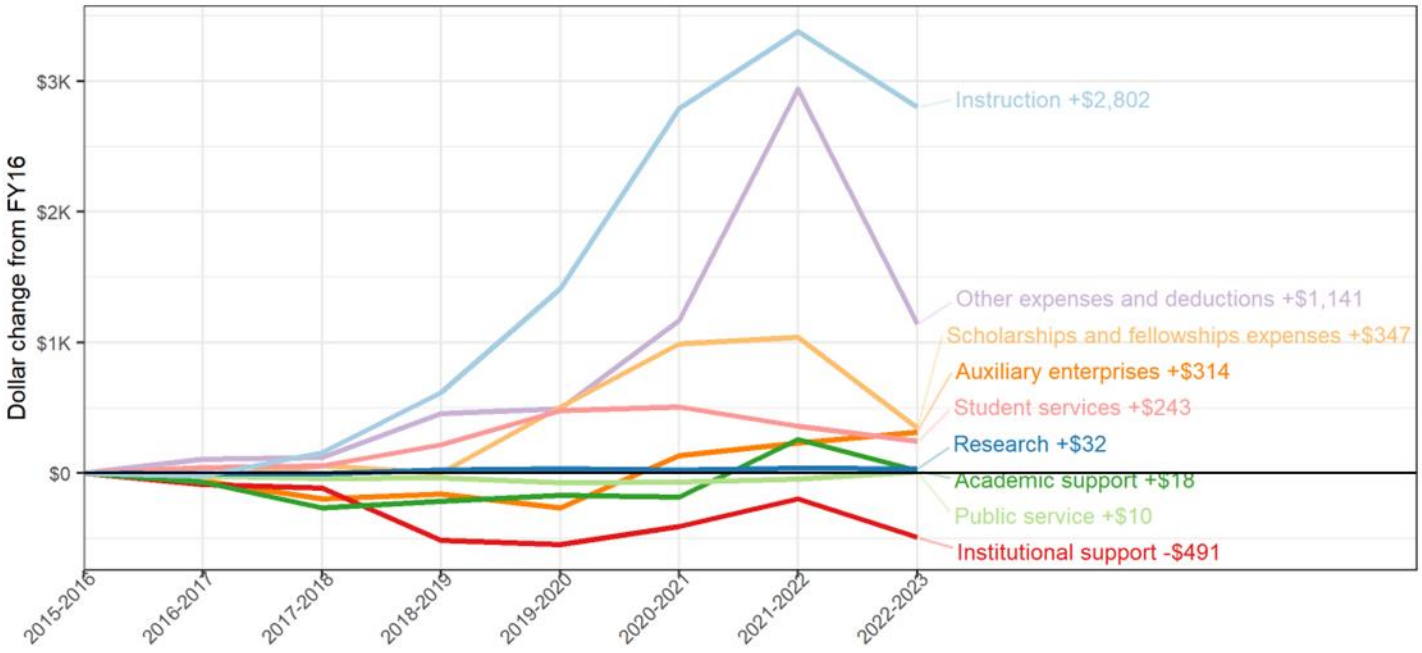
Figure 32. CSCU Total (Inflation-Adjusted) Expenses Per Student FTE Over Time, By Functional Category

Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 33. CSCU Total (Inflation-Adjusted) Expenses Per Student FTE Over Time, By Natural Category

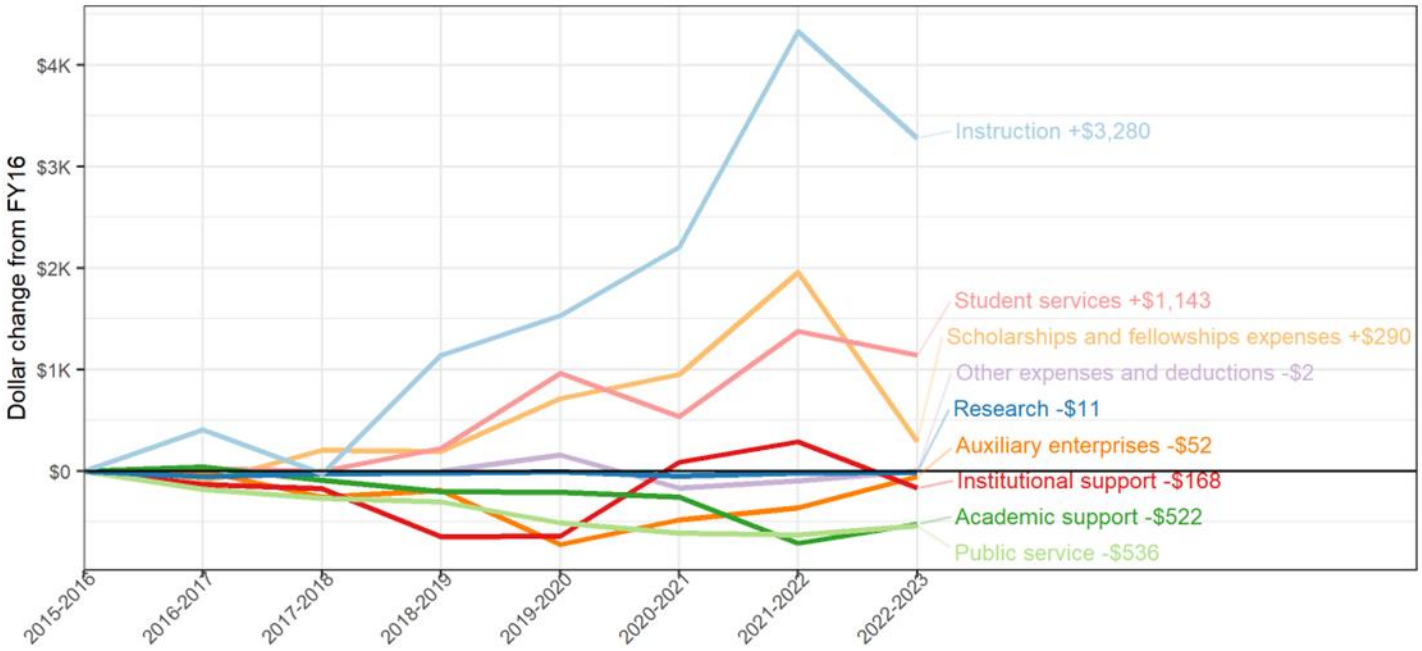
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 34. Change in CSCU (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



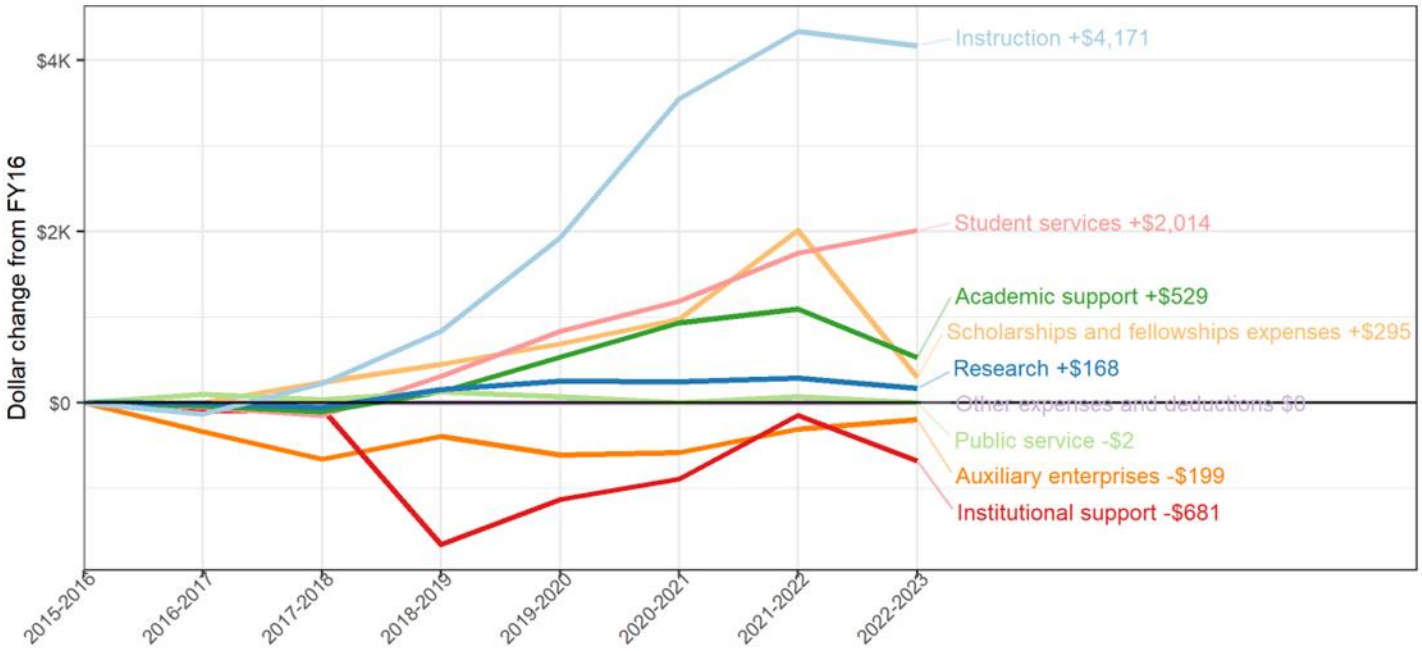
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 35. Change in Central Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



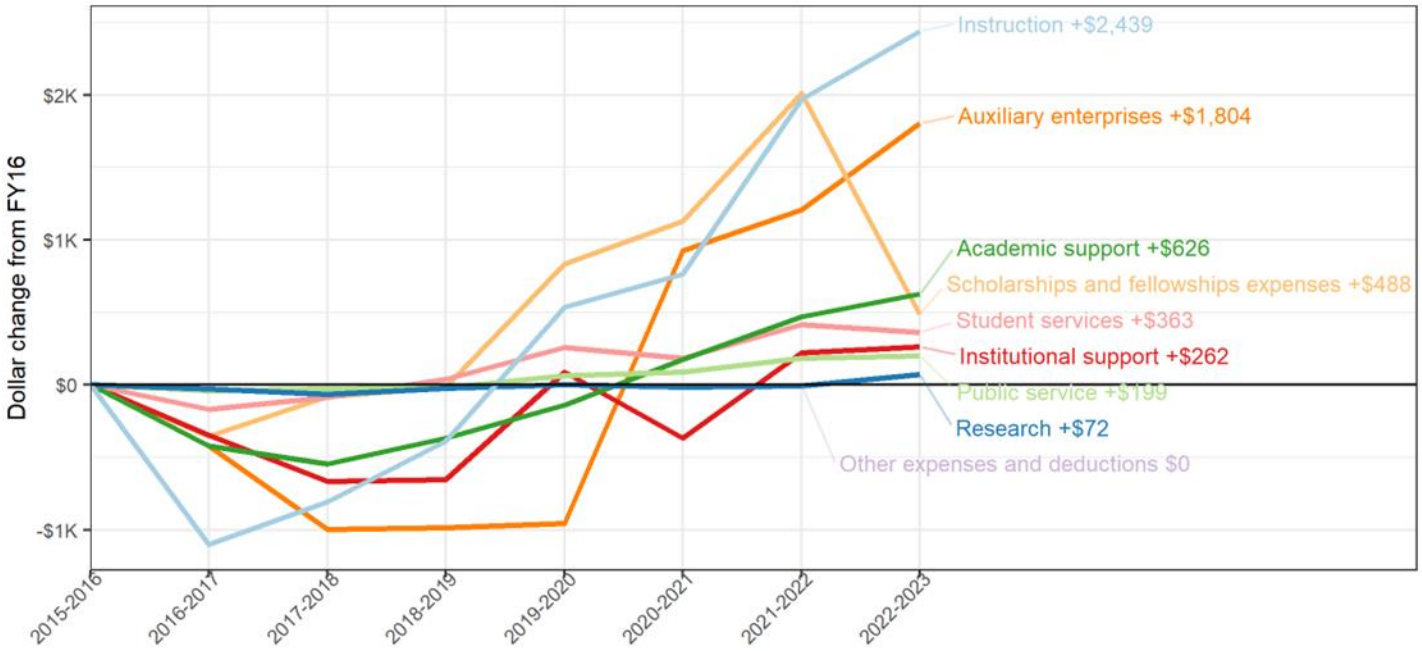
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 36. Change in Eastern Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



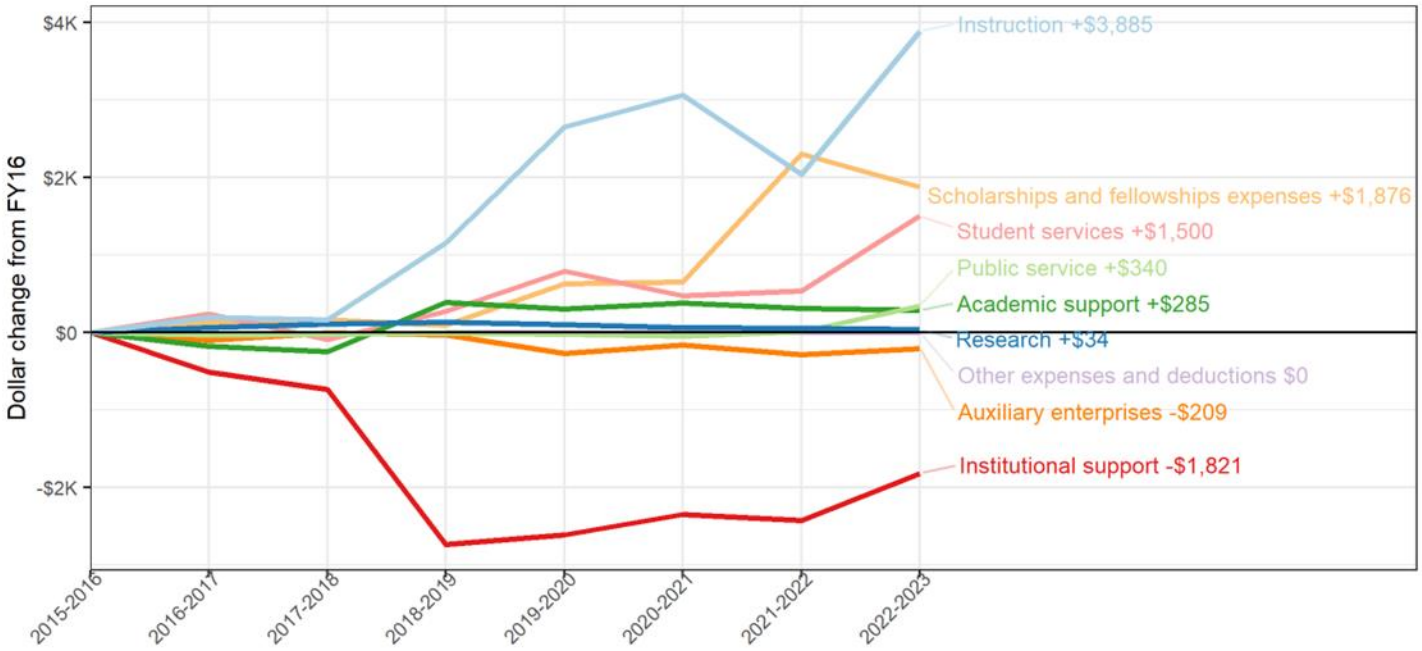
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 37. Change in Southern Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



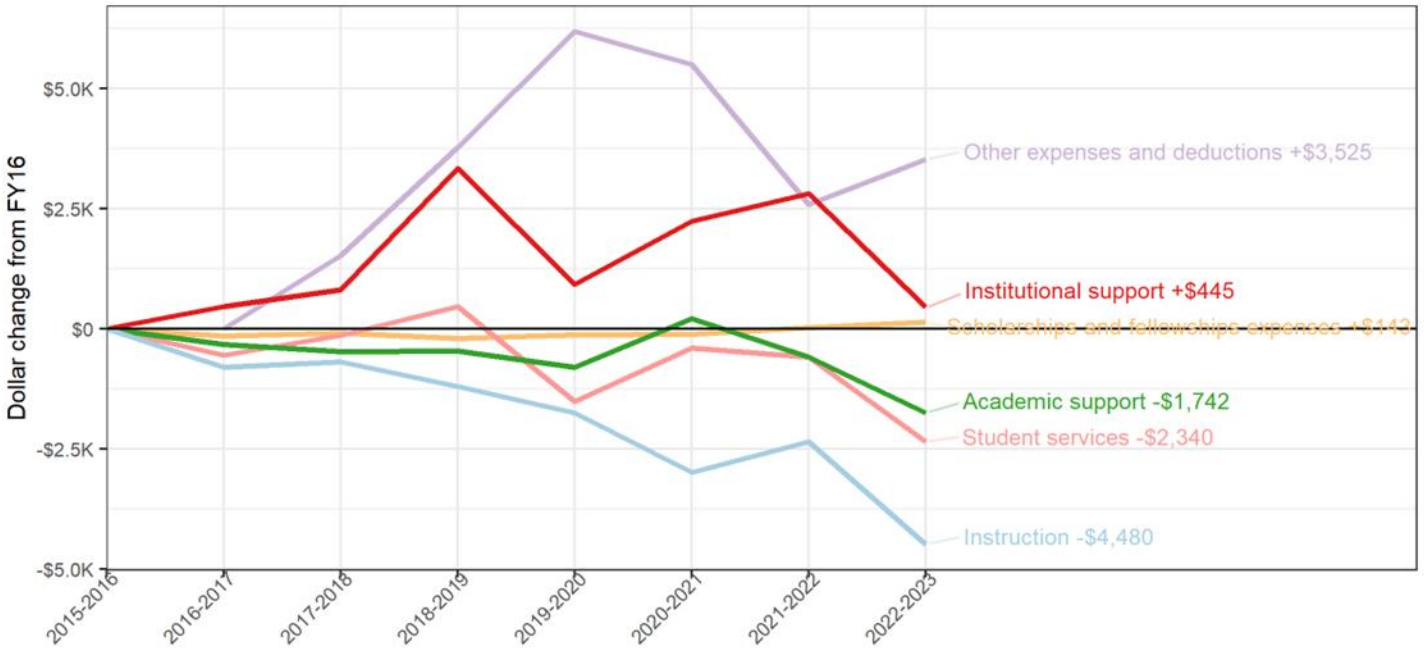
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 38. Change in Western Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



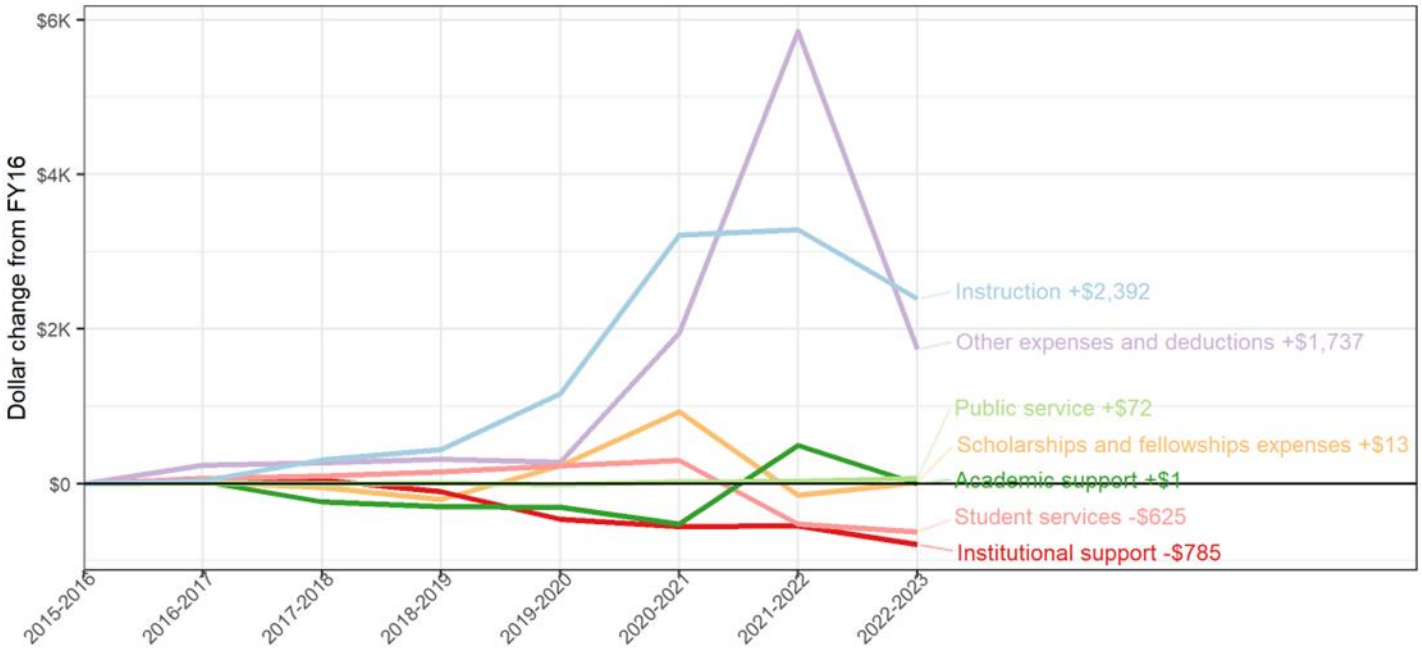
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 39. Change in Charter Oak State College (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



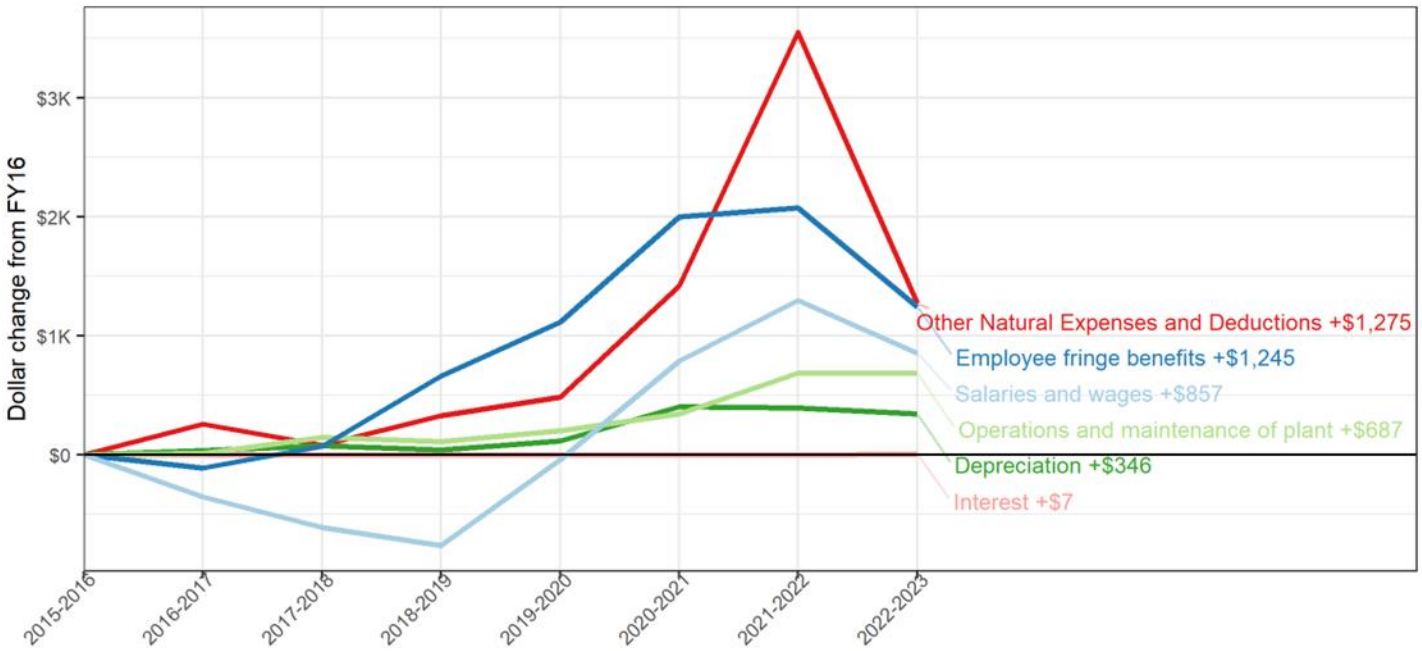
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 40. Change in Connecticut State Community College (Inflation-Adjusted) Expenses Per FTE Over Time, By Functional Category



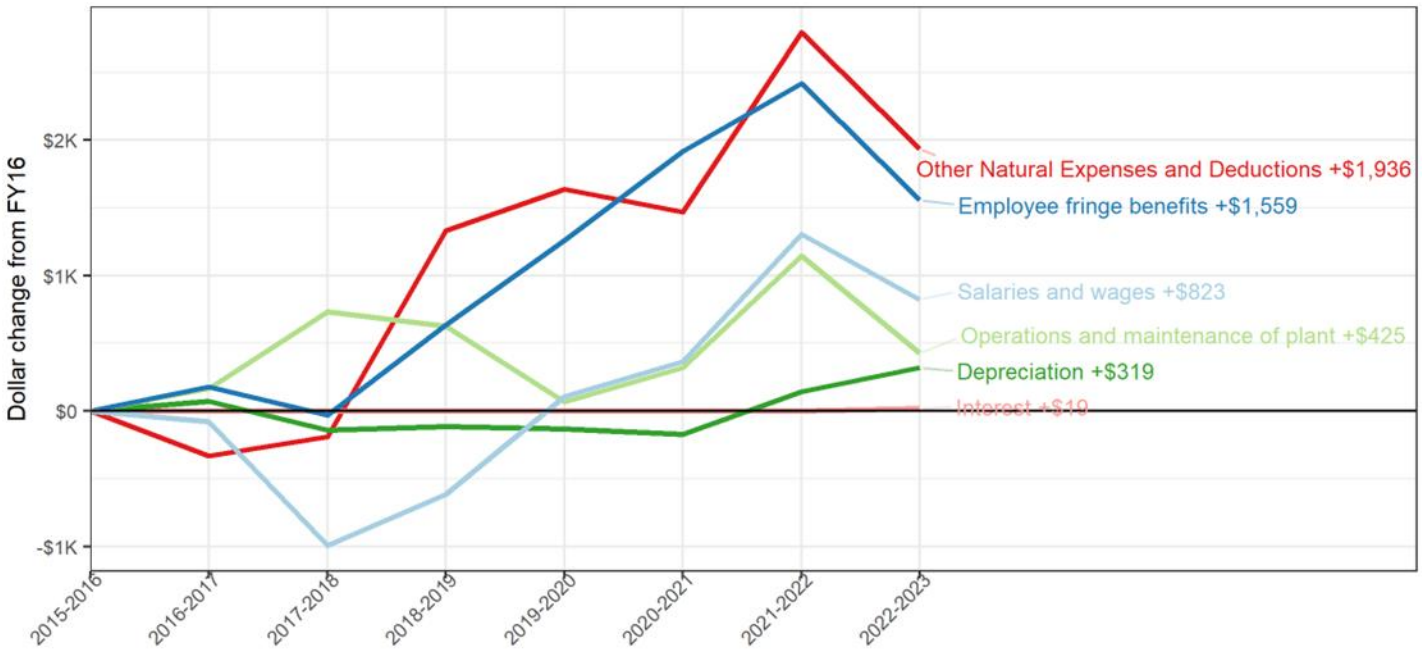
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 41. Change in CSCU (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category



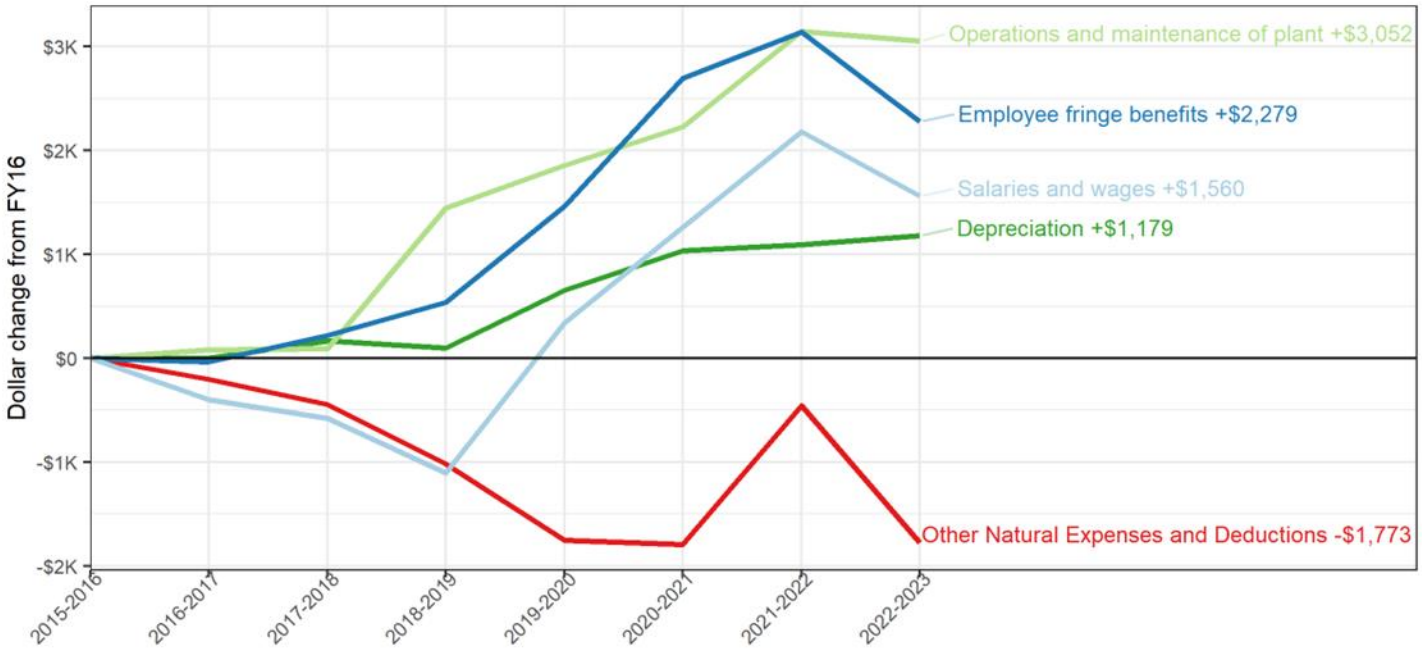
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 42. Change in Central Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 43. Change in Eastern Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category

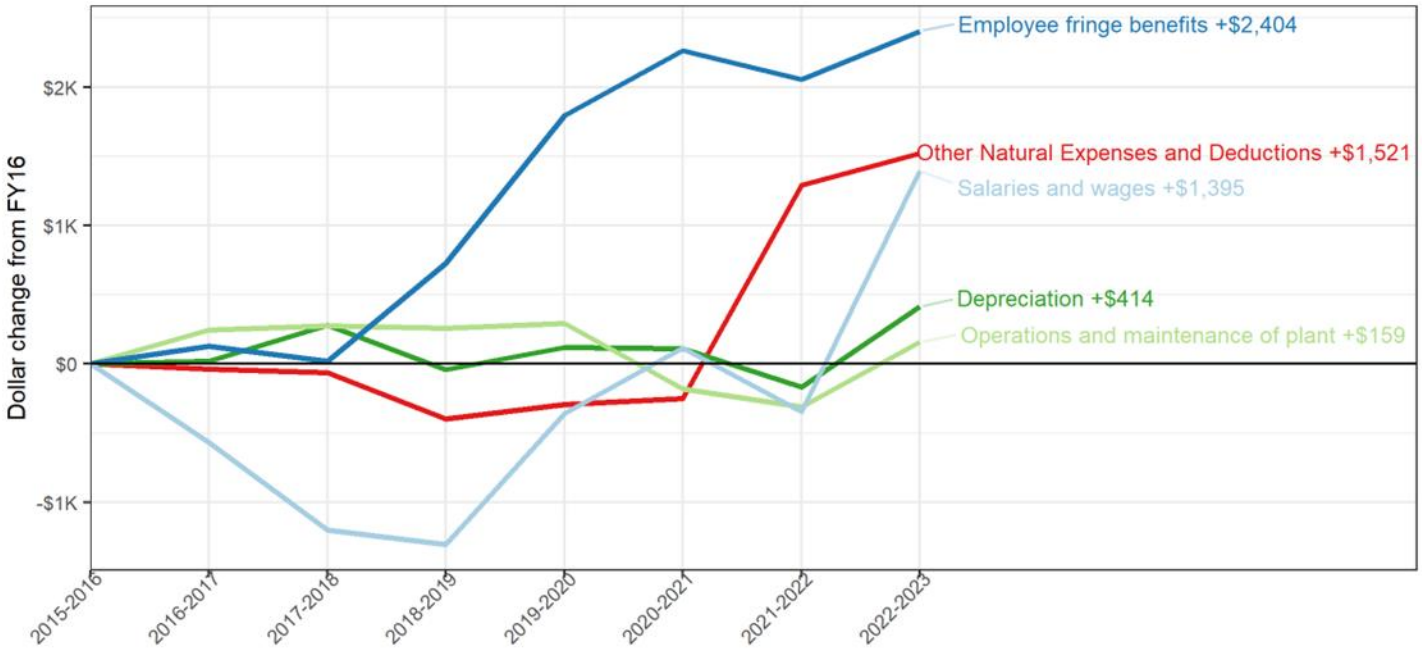


Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 44. Change in Southern Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category

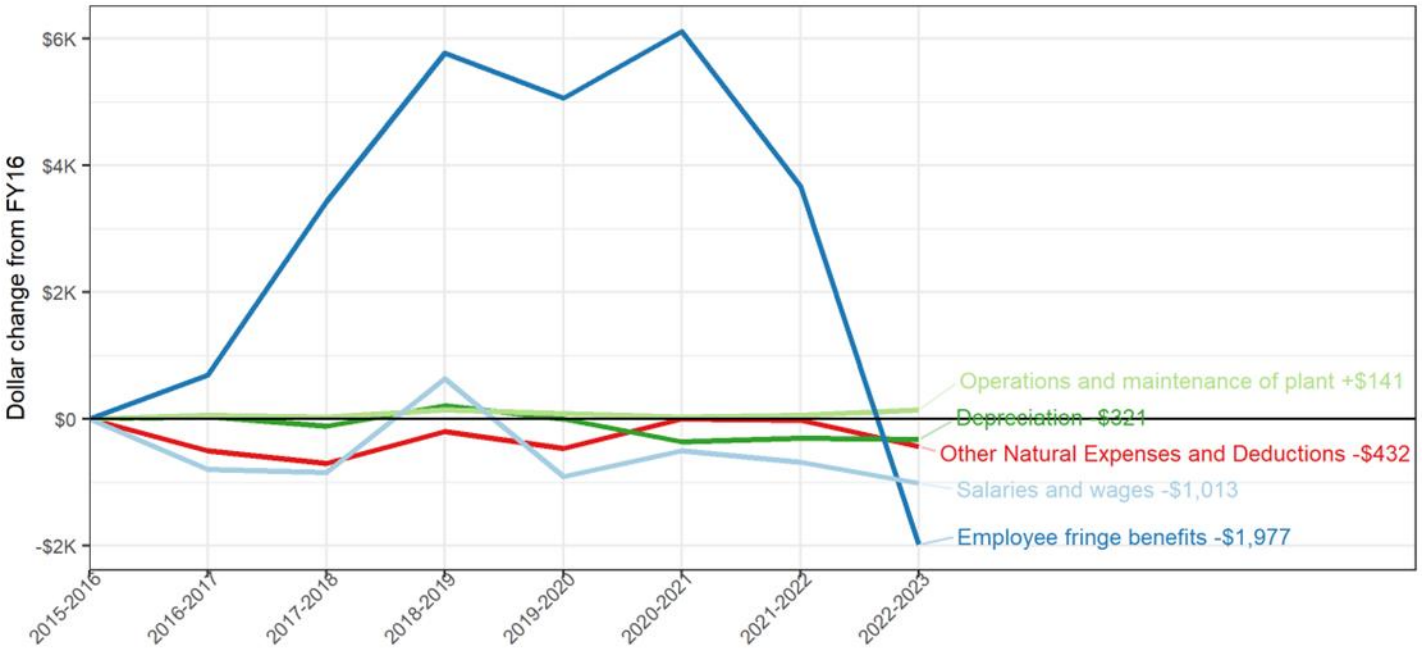
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 45. Change in Western Connecticut State University (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category



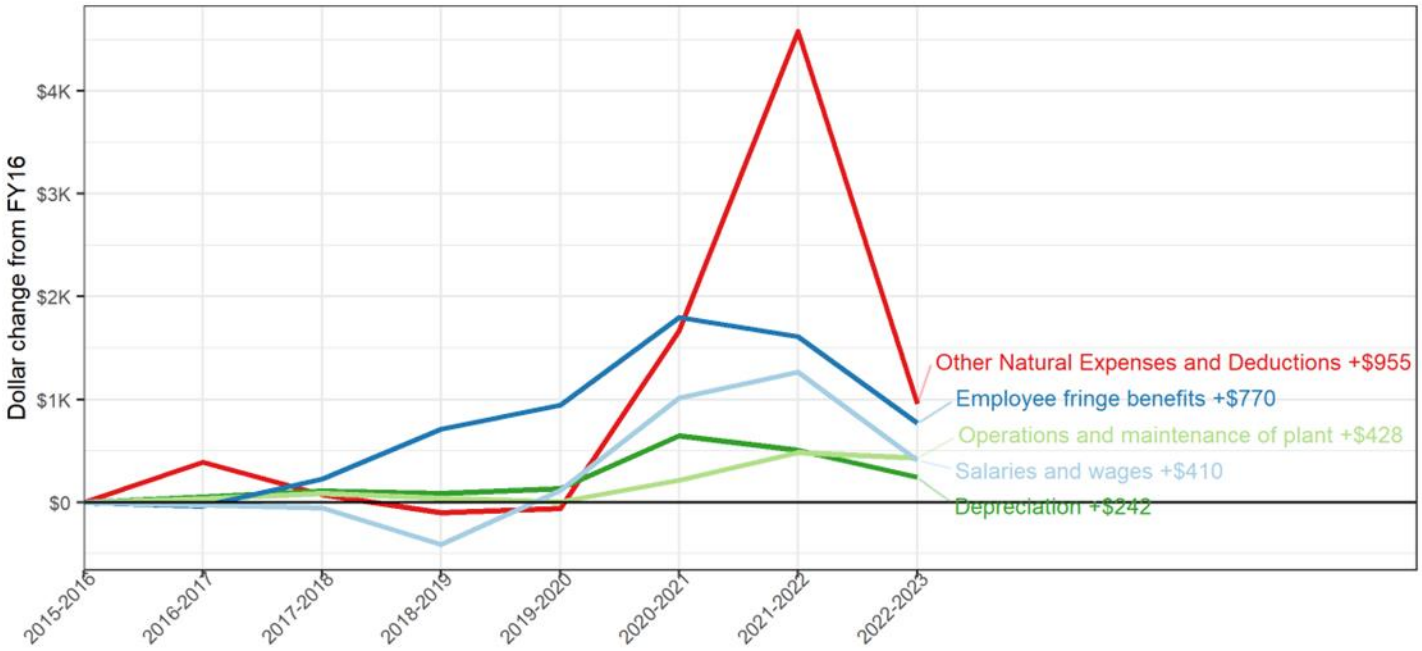
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

Figure 46. Change in Charter Oak State College (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

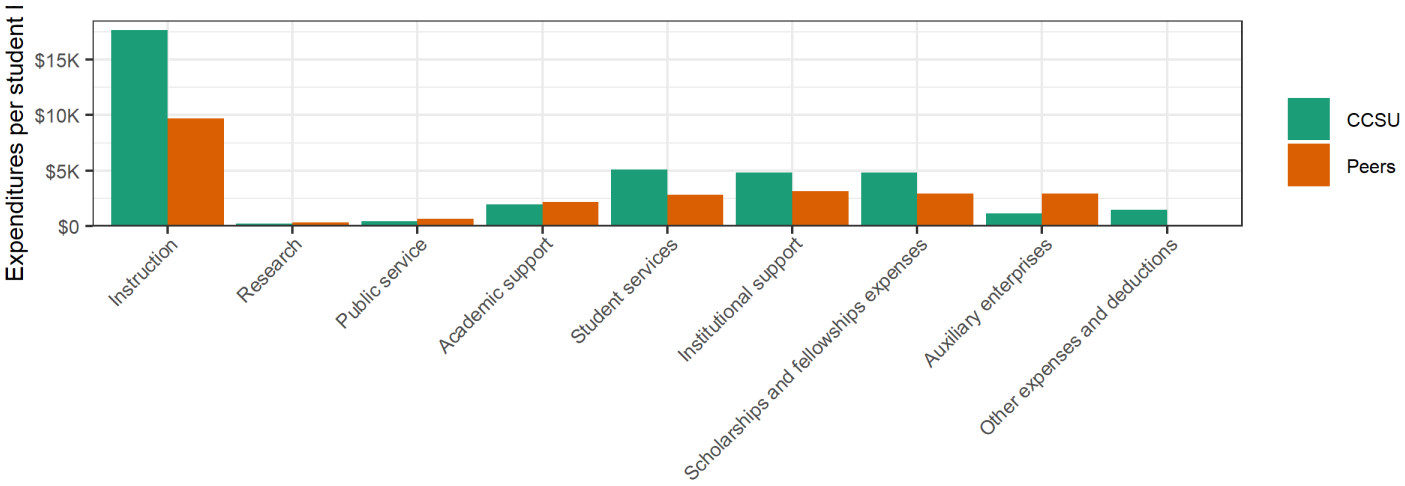
Figure 47. Change in Connecticut State Community College (Inflation-Adjusted) Expenses Per FTE Over Time, By Natural Category



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office. Note: Inflation-adjusted to 2023 dollars using HECA.

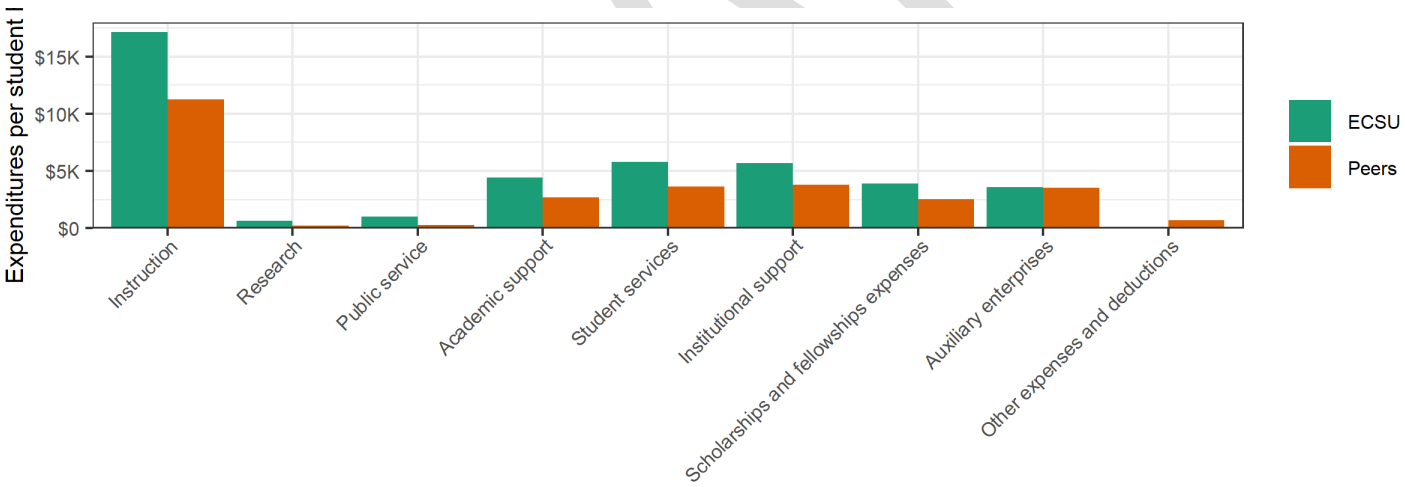
Expenses by Functional Classification

Figure 48. FY2022 Expenses Per Student FTE by Functional Category, Central Connecticut State University Compared to Peer Median



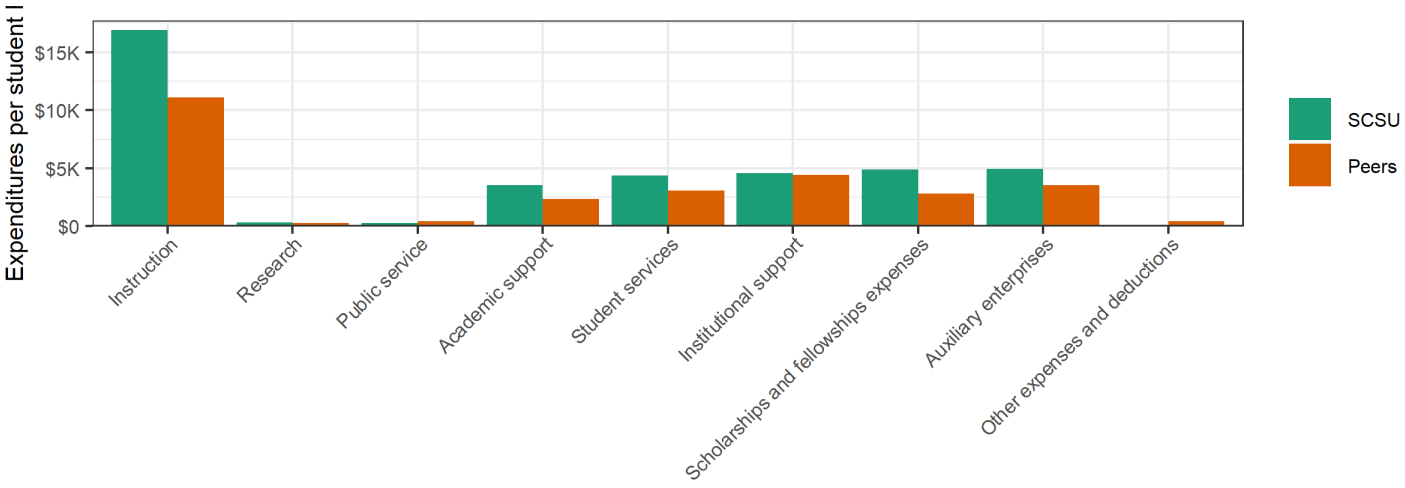
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 49. FY2022 Expenses Per Student FTE by Functional Category, Eastern Connecticut State University Compared to Peer Median



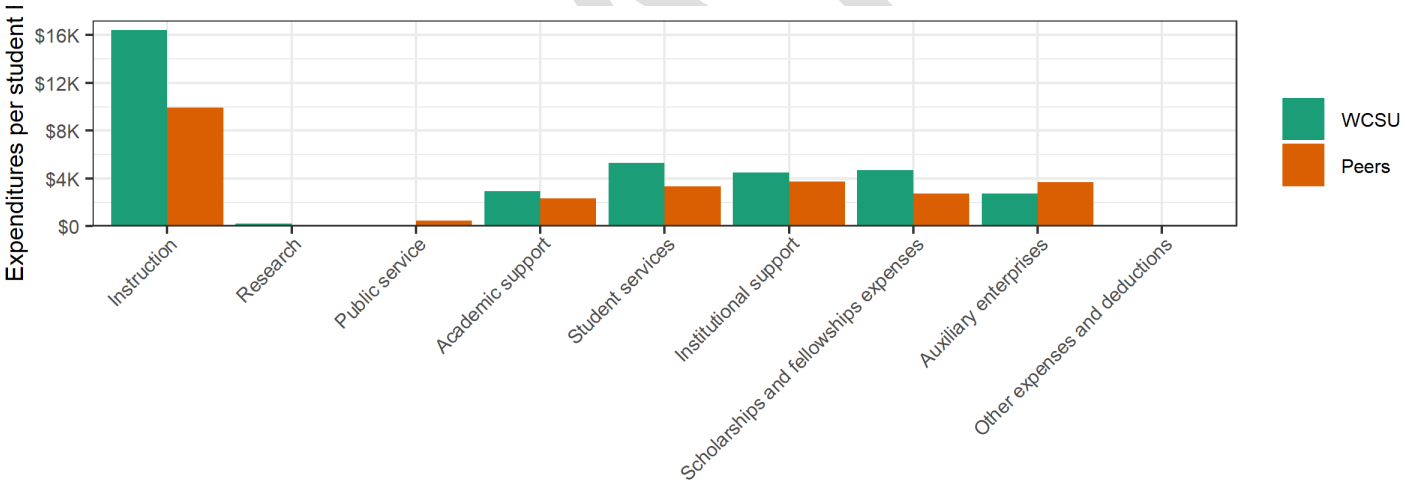
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 50. FY2022 Expenses Per Student FTE by Functional Category, Southern Connecticut State University Compared to Peer Median



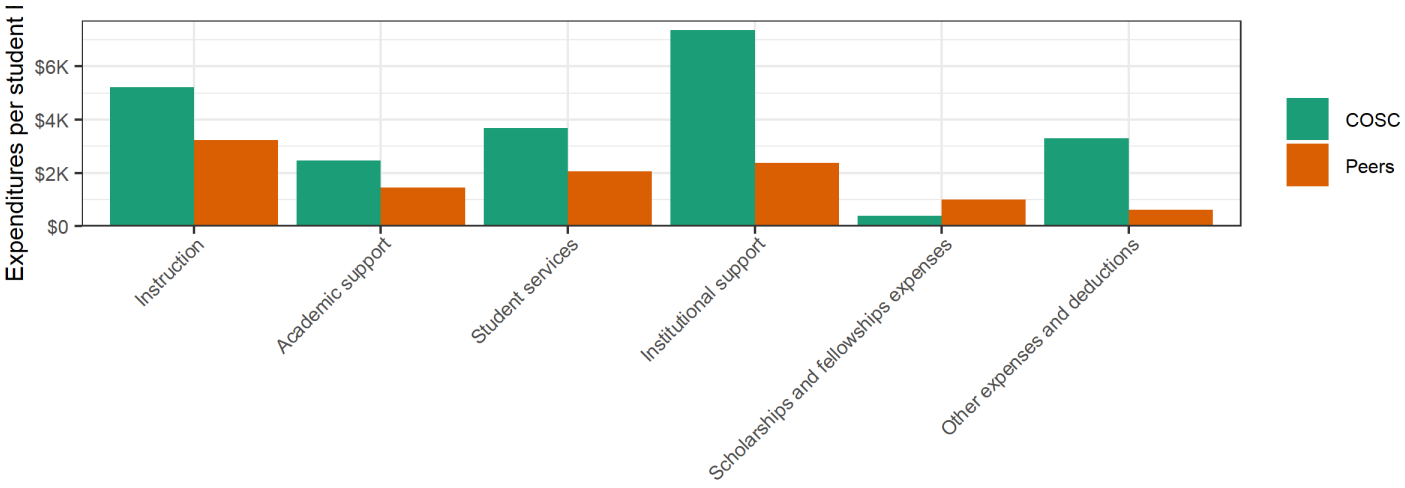
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 51. FY2022 Expenses Per Student FTE by Functional Category, Western Connecticut State University Compared to Peer Median



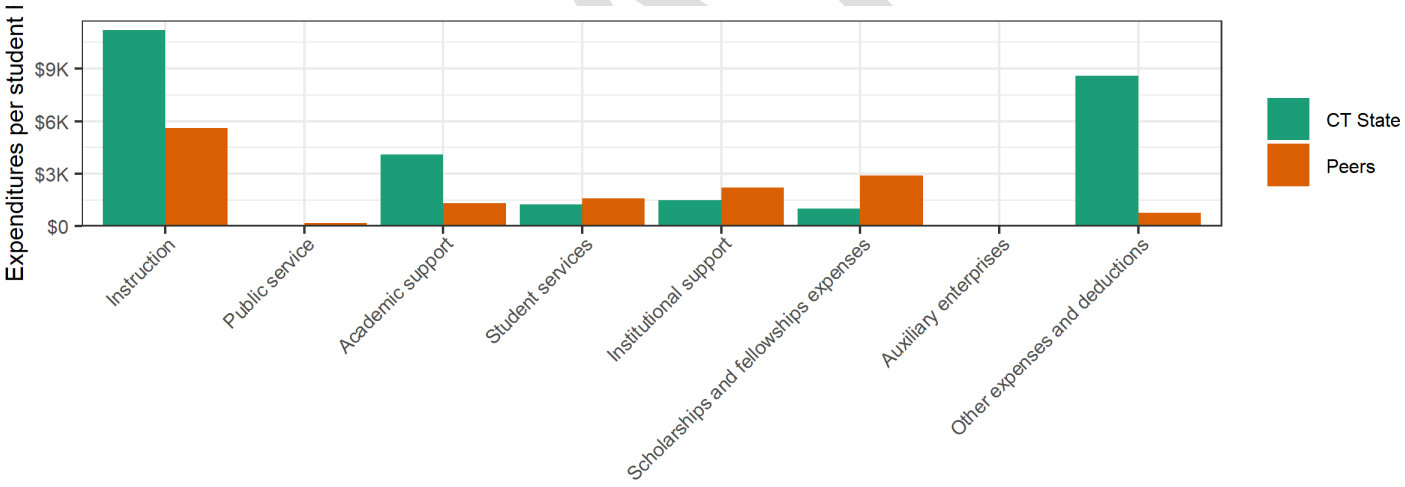
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 52. FY2022 Expenses Per Student FTE by Functional Category, Charter Oak State College Compared to Peer Median



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

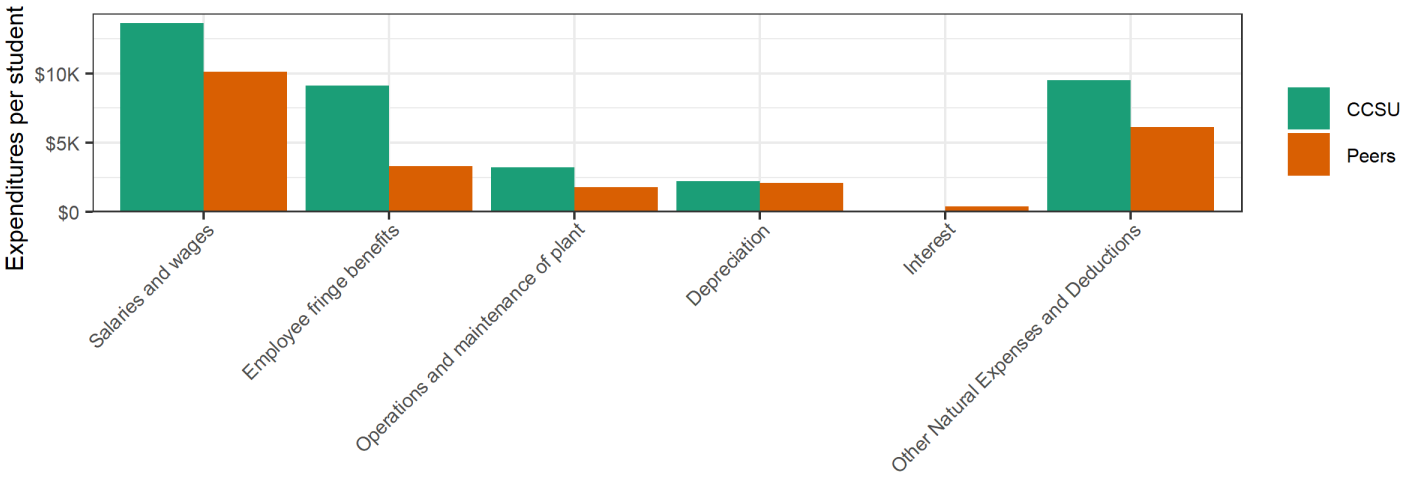
Figure 53. FY2022 Expenses Per Student FTE by Functional Category, Connecticut State Community College Compared to Peer Median



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

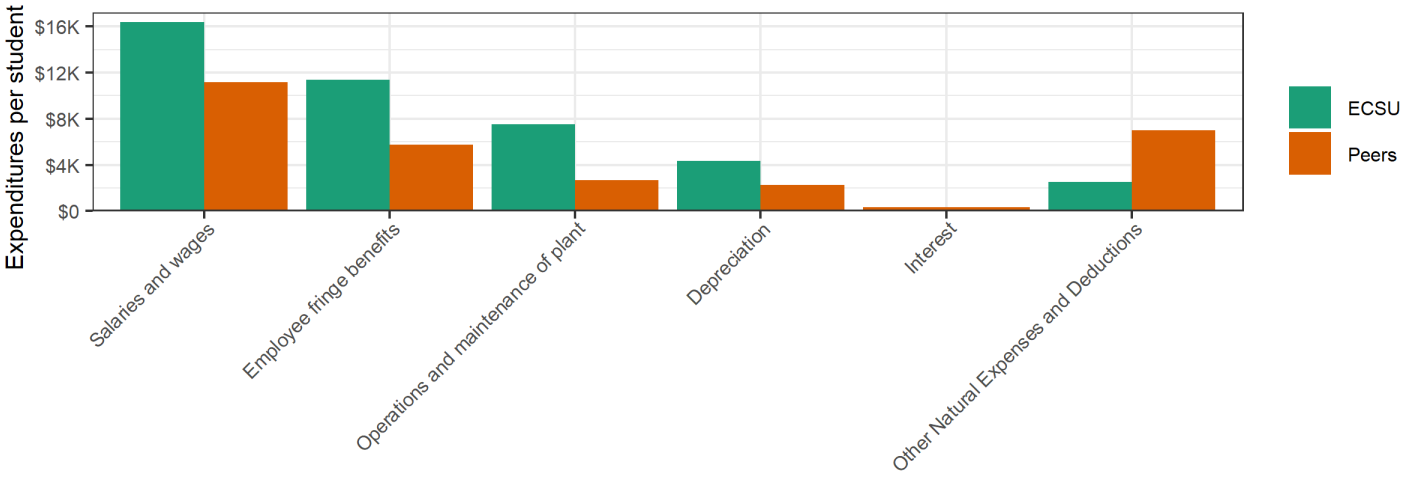
Expenses by Natural Classification

Figure 54. FY2022 Expenses Per Student FTE by Natural Category, Central Connecticut State University Compared to Peer Median



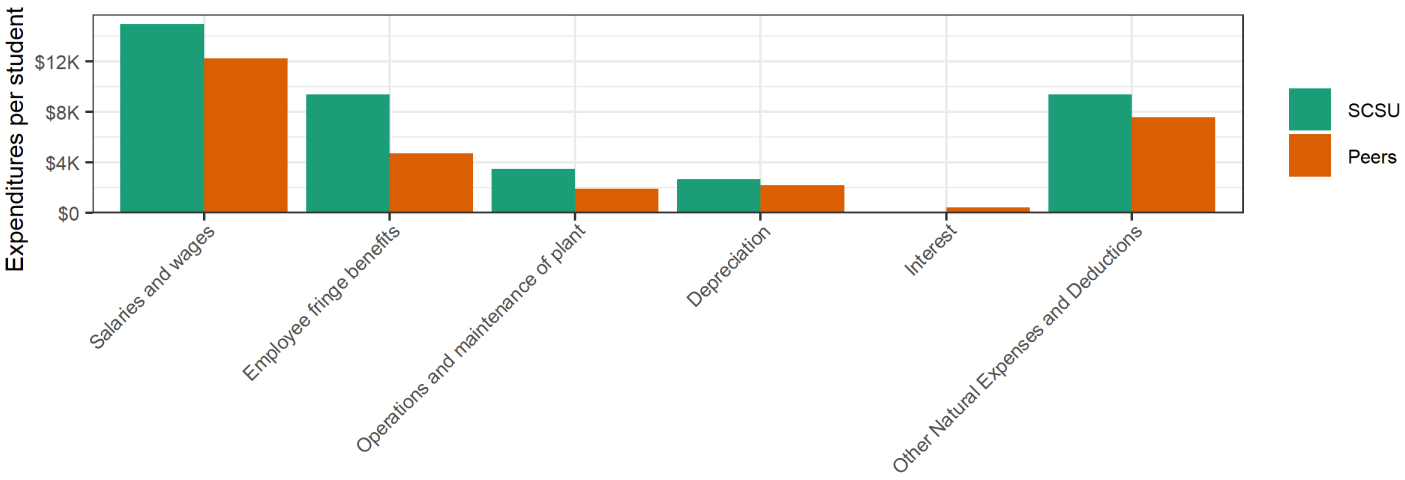
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 55. FY2022 Expenses Per Student FTE by Natural Category, Eastern Connecticut State University Compared to Peer Median



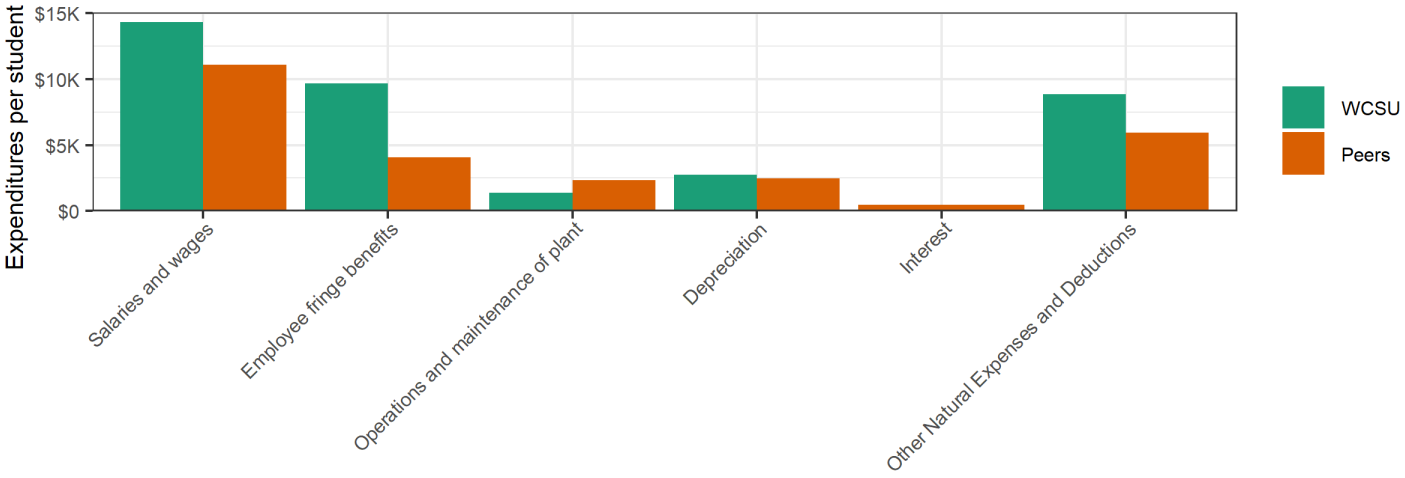
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 56. FY2022 Expenses Per Student FTE by Natural Category, Southern Connecticut State University Compared to Peer Median



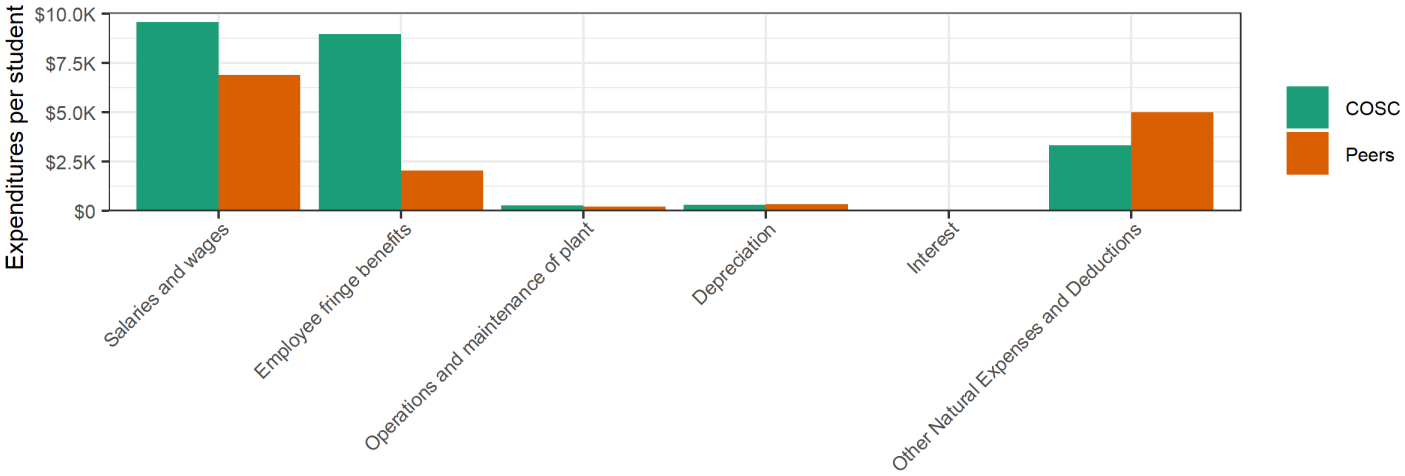
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 57. FY2022 Expenses Per Student FTE by Natural Category, Western Connecticut State University Compared to Peer Median



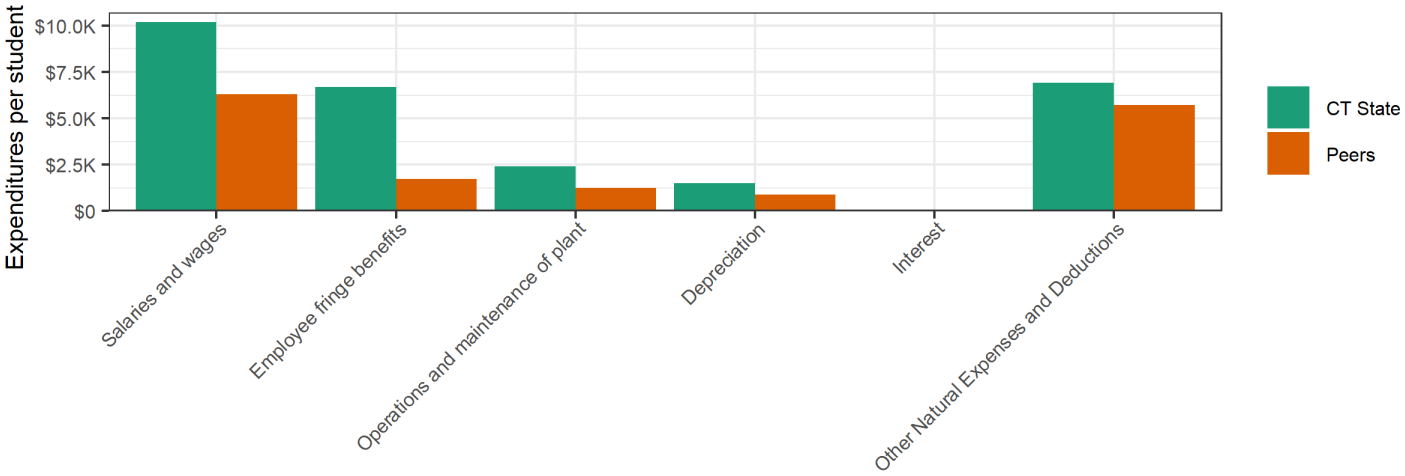
Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

Figure 58. FY2022 Expenses Per Student FTE by Natural Category, Charter Oak State College Compared to Peer Median



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

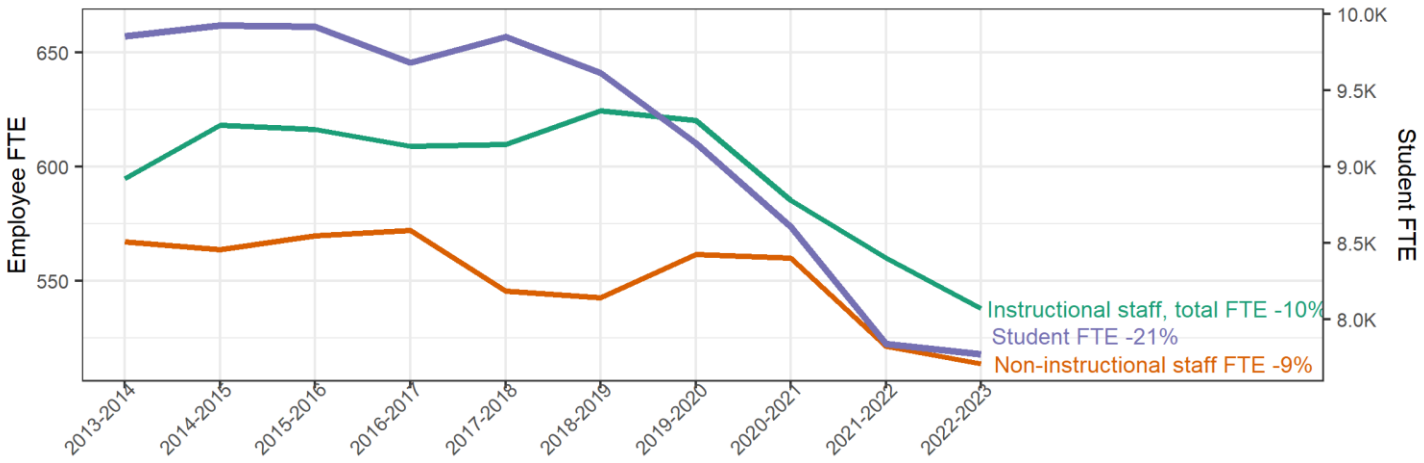
Figure 59. FY2022 Expenses Per Student FTE by Natural Category, Connecticut State Community College Compared to Peer Median



Sources: NCES IPEDS finance survey fYYYY_f1a and 12-Month Enrollment Survey, files efiaYYYY, 2016-2021 final release files; 2022 provisional release. FY23 IPEDS submissions provided by CSCU system office.

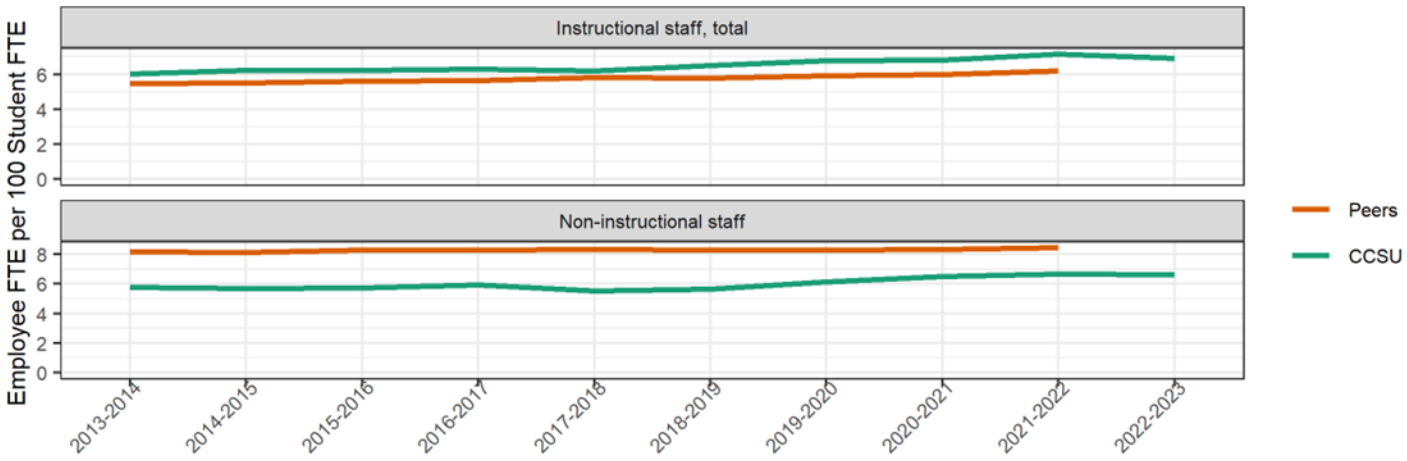
Staffing Trends

Figure 60. Central Connecticut State University Employee FTE by Type and Student FTE Over Time



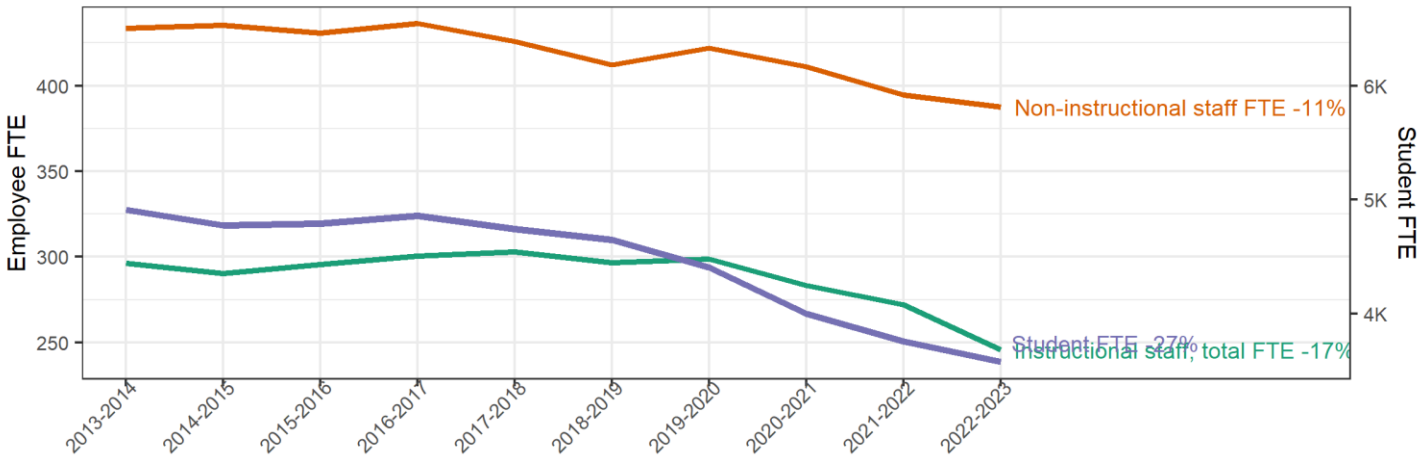
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 61. Employee FTE per 100 Student FTE Over Time, Central Connecticut State University and Peers



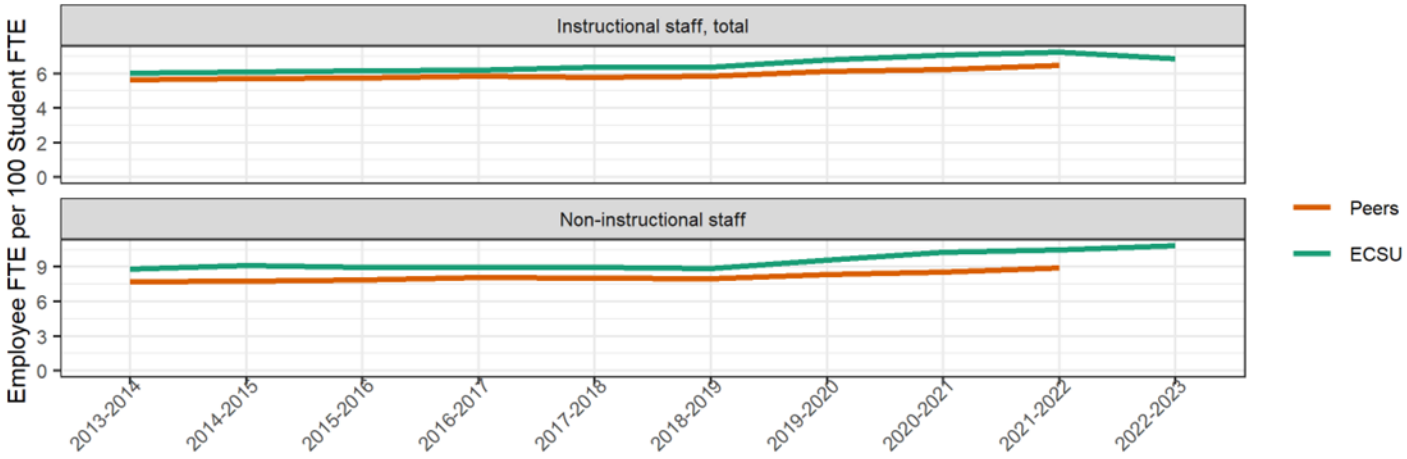
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 62. Eastern Connecticut State University Employee FTE by Type and Student FTE Over Time



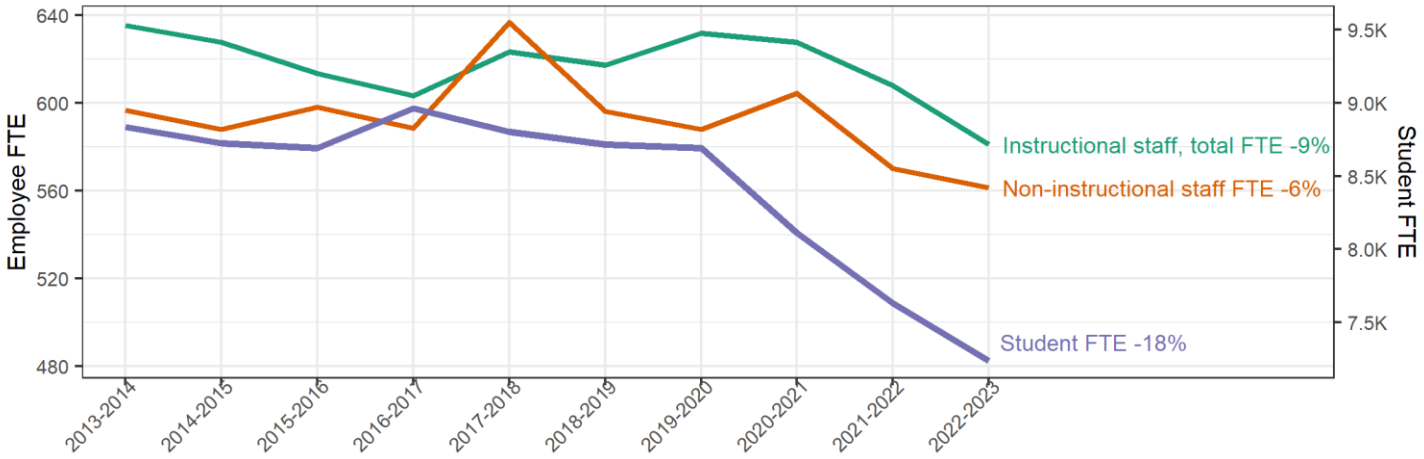
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 63. Employee FTE per 100 Student FTE Over Time, Eastern Connecticut State University and Peers



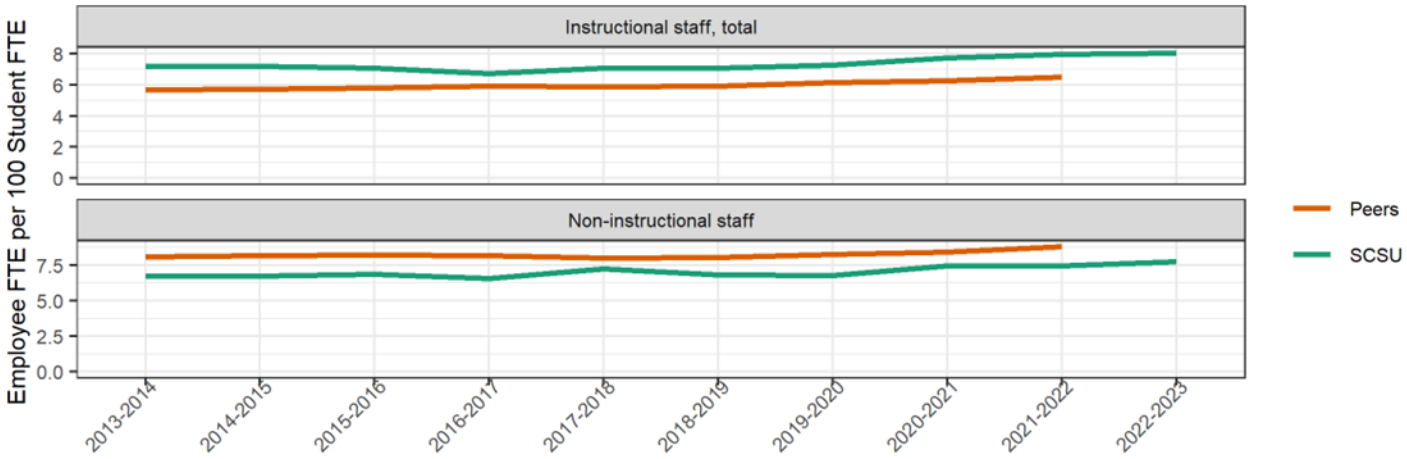
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 64. Southern Connecticut State University Employee FTE by Type and Student FTE Over Time



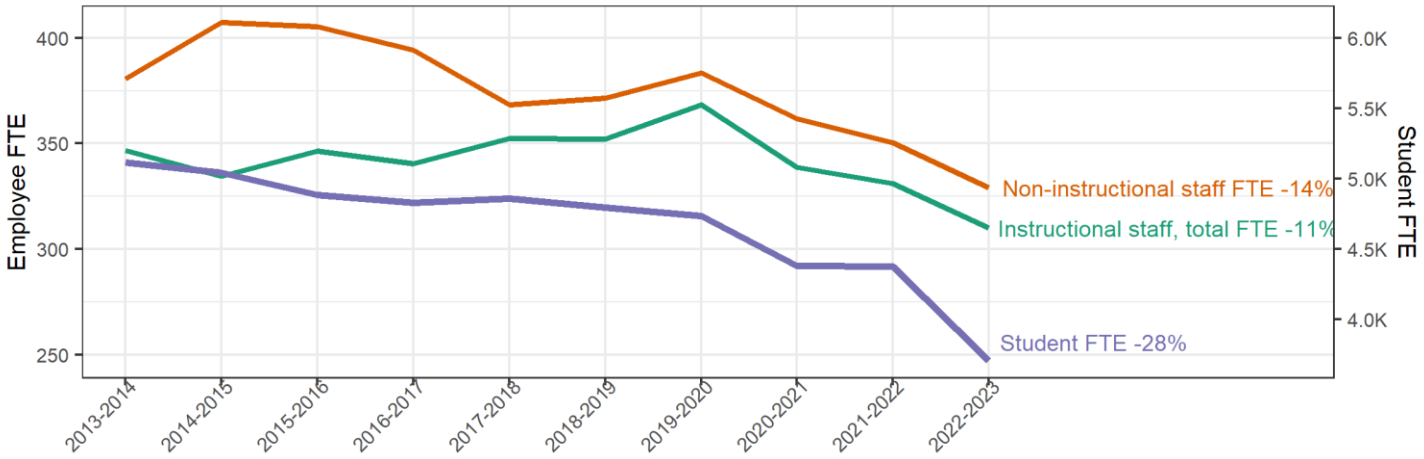
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 65. Employee FTE per 100 Student FTE Over Time, Southern Connecticut State University and Peers



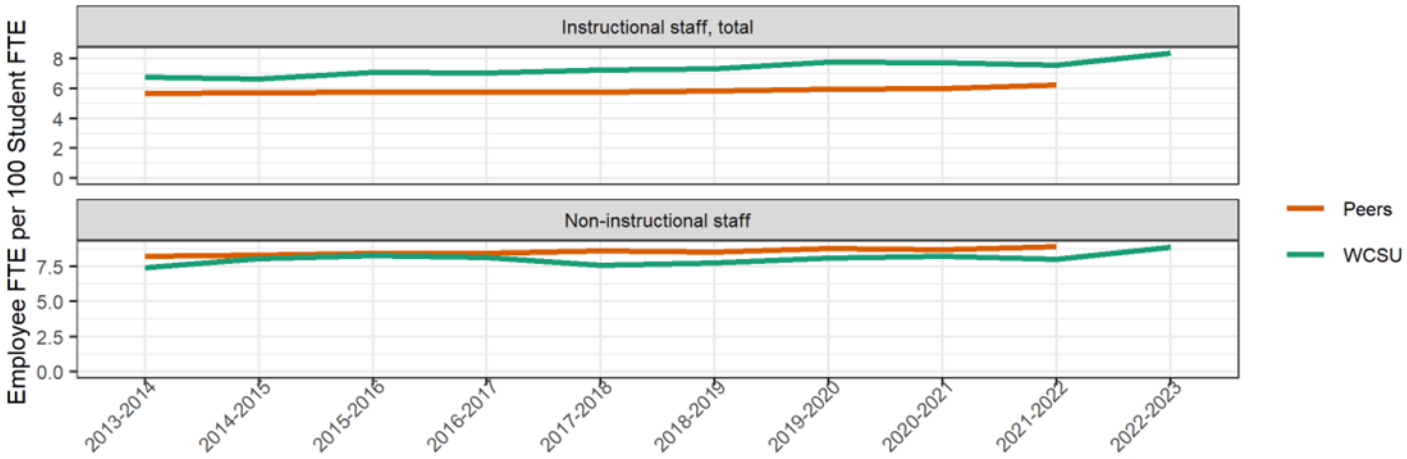
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 66. Western Connecticut State University Employee FTE by Type and Student FTE Over Time



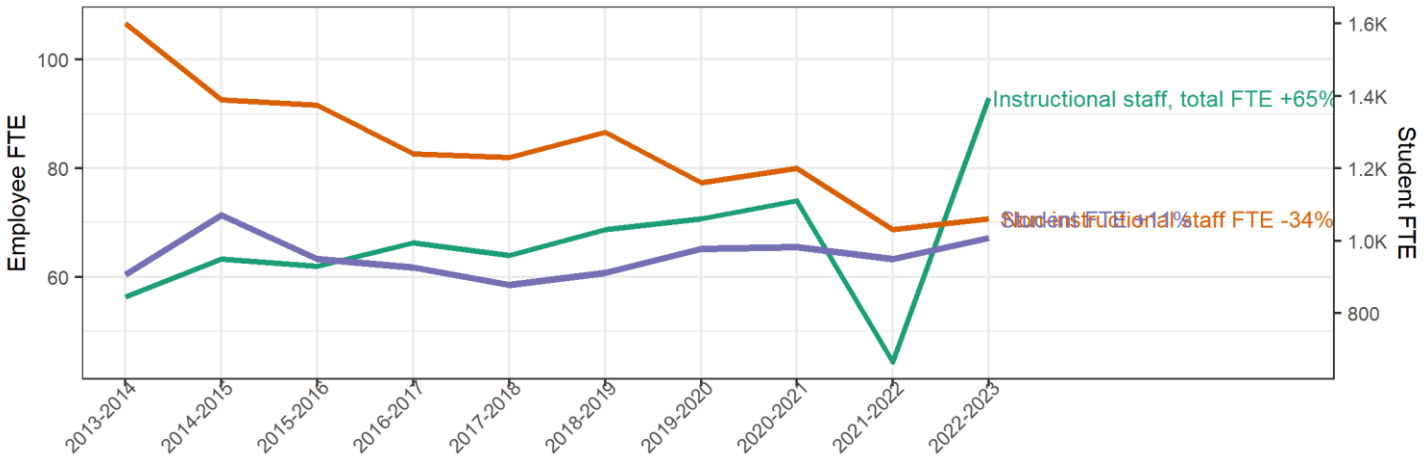
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 67. Employee FTE per 100 Student FTE Over Time, Western Connecticut State University and Peers



Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

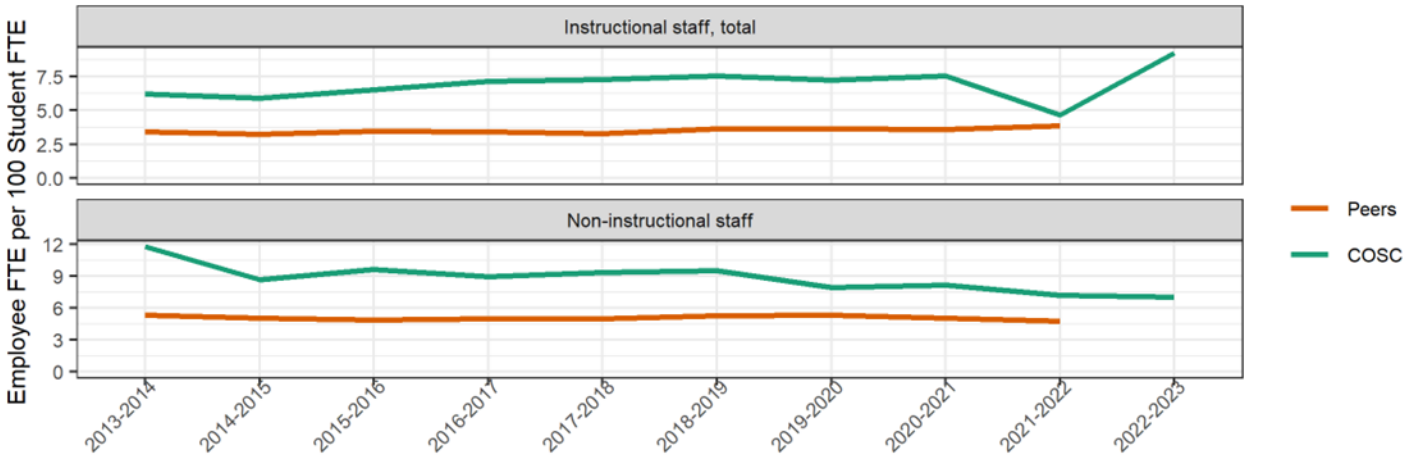
Figure 68. Charter Oak State College Employee FTE by Type and Student FTE Over Time



Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

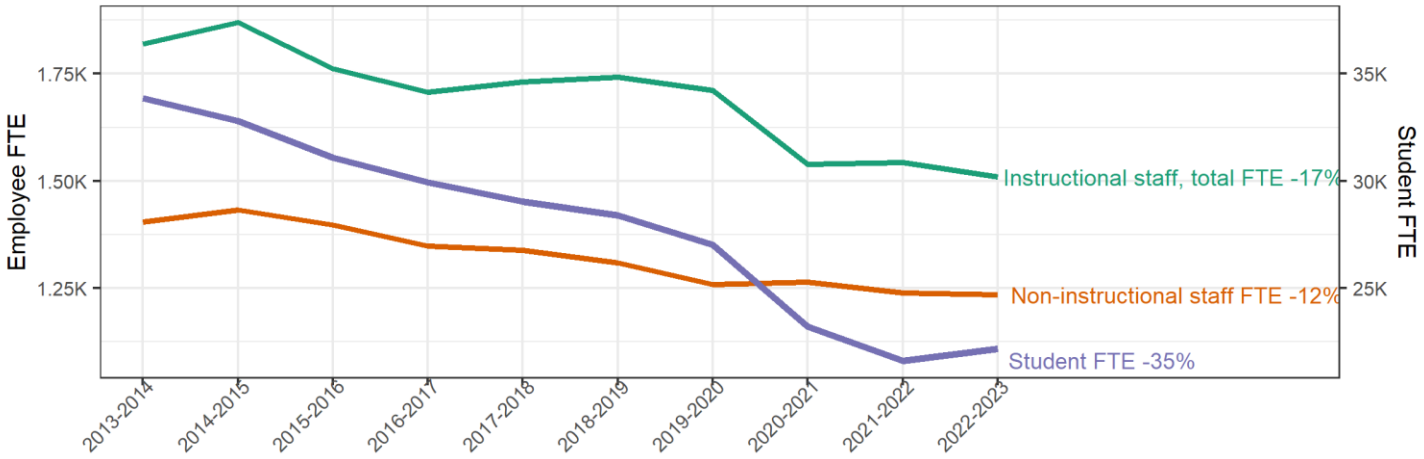
Note: This is the first year that Charter Oak is relying on shared HR services through the Connecticut State Colleges & Universities system office. They revised the query used to count "employees on the payroll of the institution as of November 1, 2021." Charter Oak employes largely part-time employees who may or may not be on the payroll on November 1. The more stringent query undercounts the number of employees who work for the College intermittently throughout the year.

Figure 69. Employee FTE per 100 Student FTE Over Time, Charter Oak State College and Peers



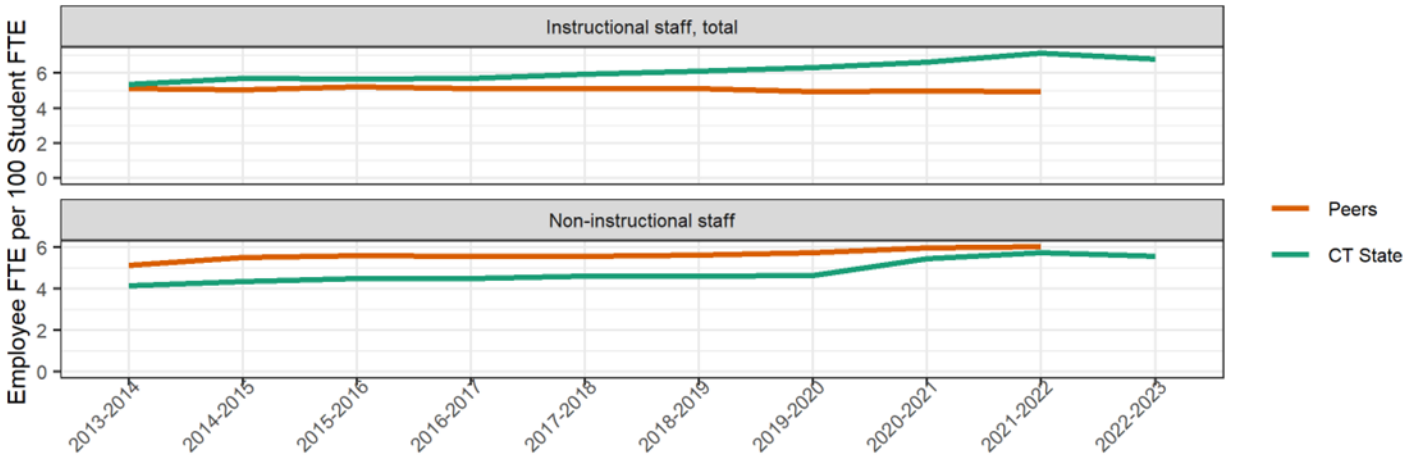
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Figure 70. Connecticut State Community College Employee FTE by Type and Student FTE Over Time



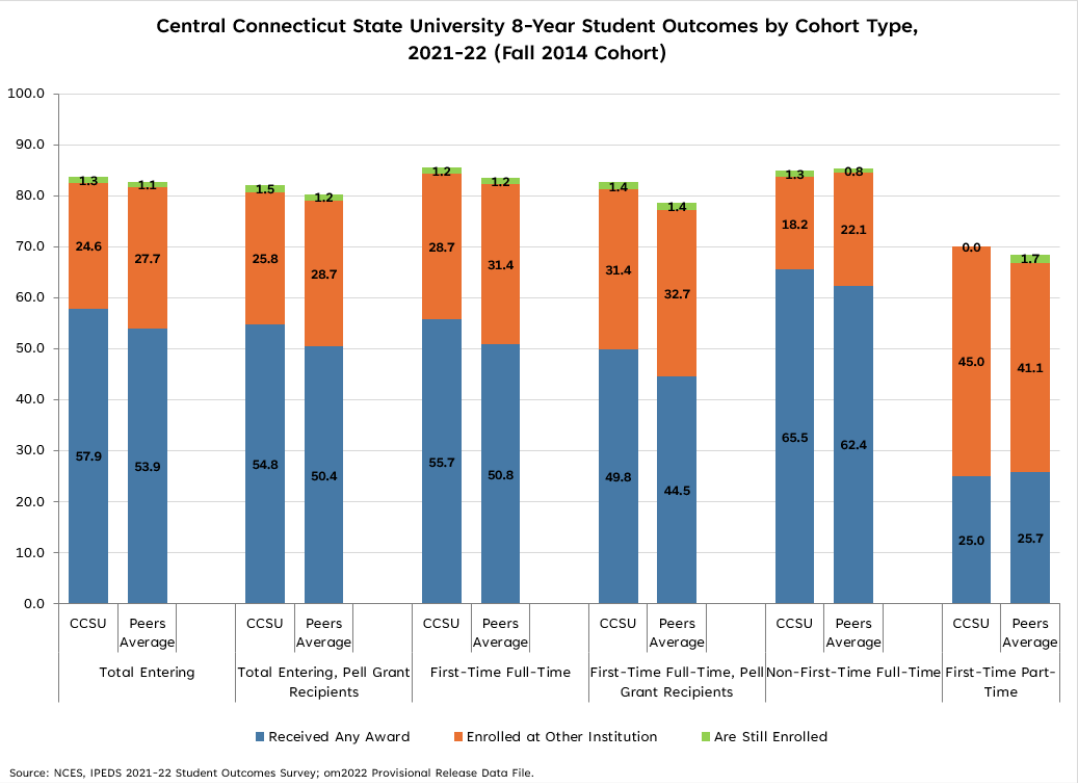
Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

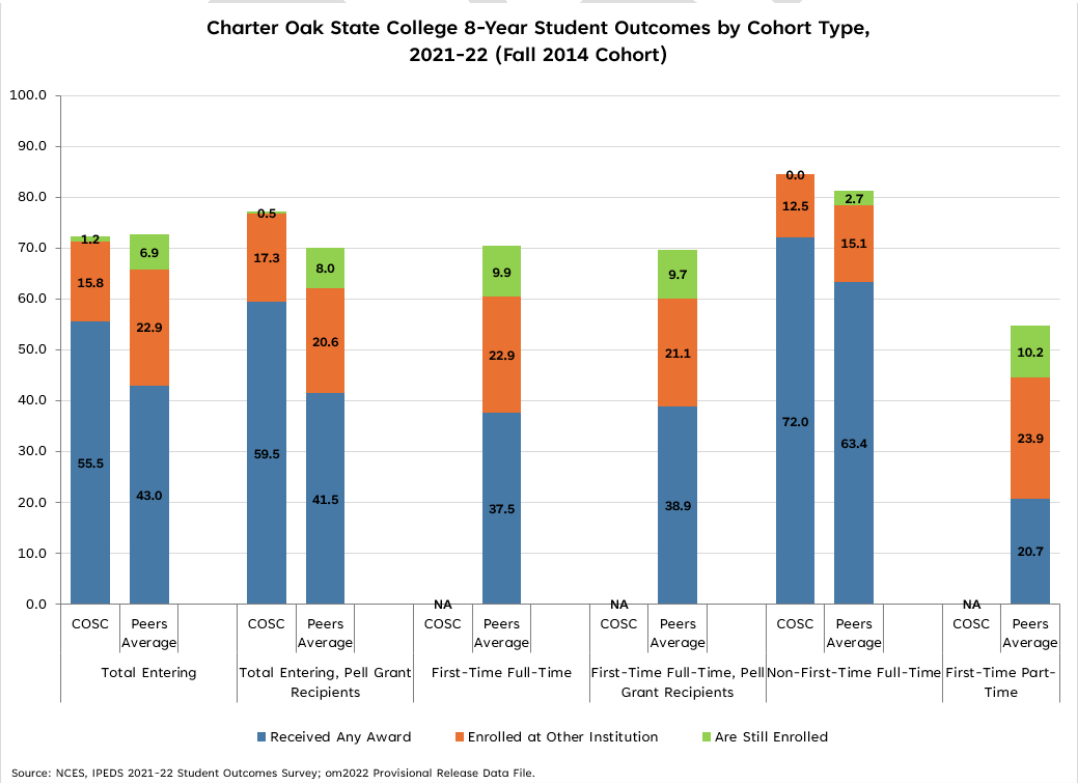
Figure 71. Employee FTE per 100 Student FTE Over Time, Connecticut State Community College and Peers

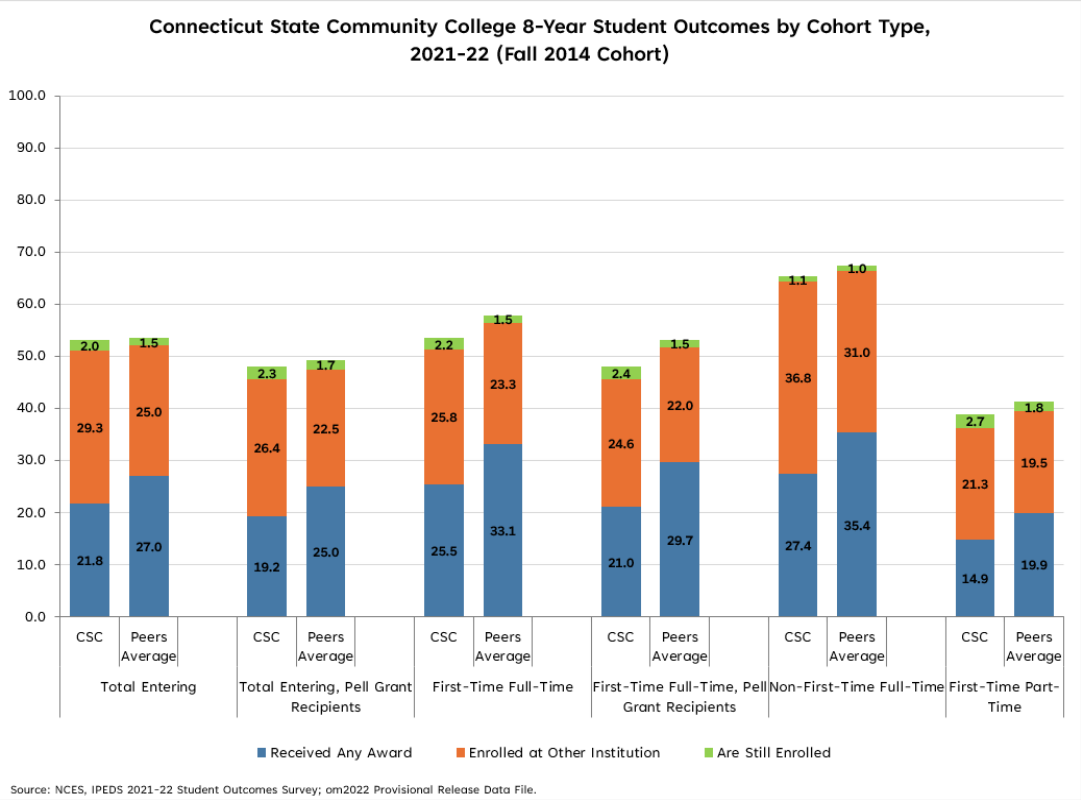


Sources: NCES IPEDS HR survey eapYYYY and 12-Month Enrollment Survey, files efiaYYYY, 2013-2021 final release files; 2022 provisional release. Note: Employee FTE is calculated as FT employees + 1/3 PT employees.

Student Outcomes

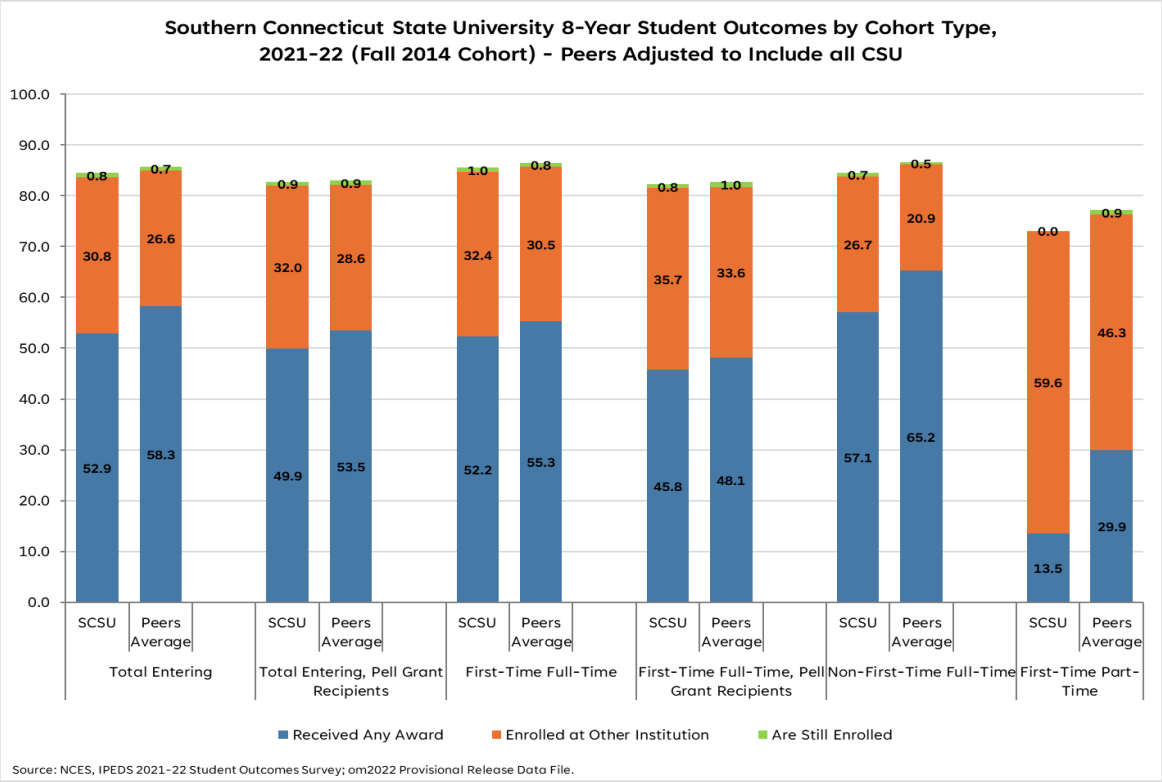




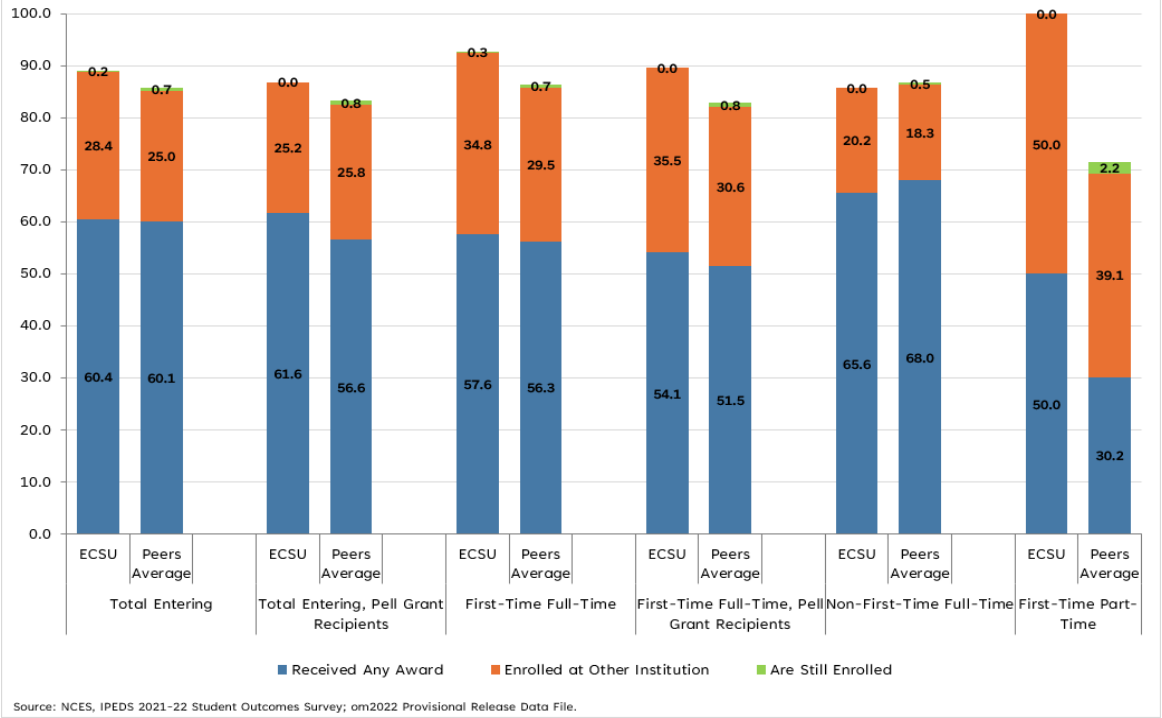


Source: NCES, IPEDS 2021-22 Student Outcomes Survey; om2022 Provisional Release Data File.

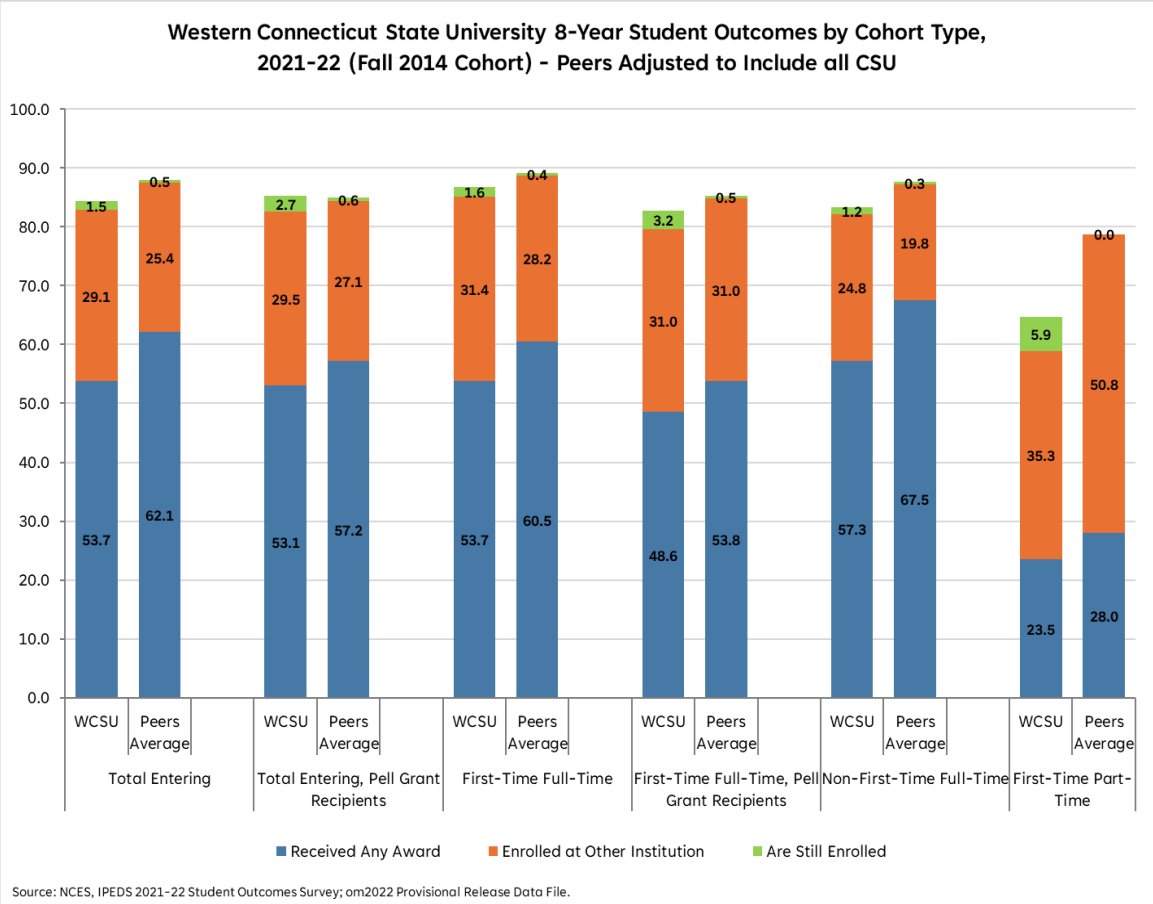
DRAFT



Source: NCES, IPEDS 2021-22 Student Outcomes Survey; om2022 Provisional Release Data File.



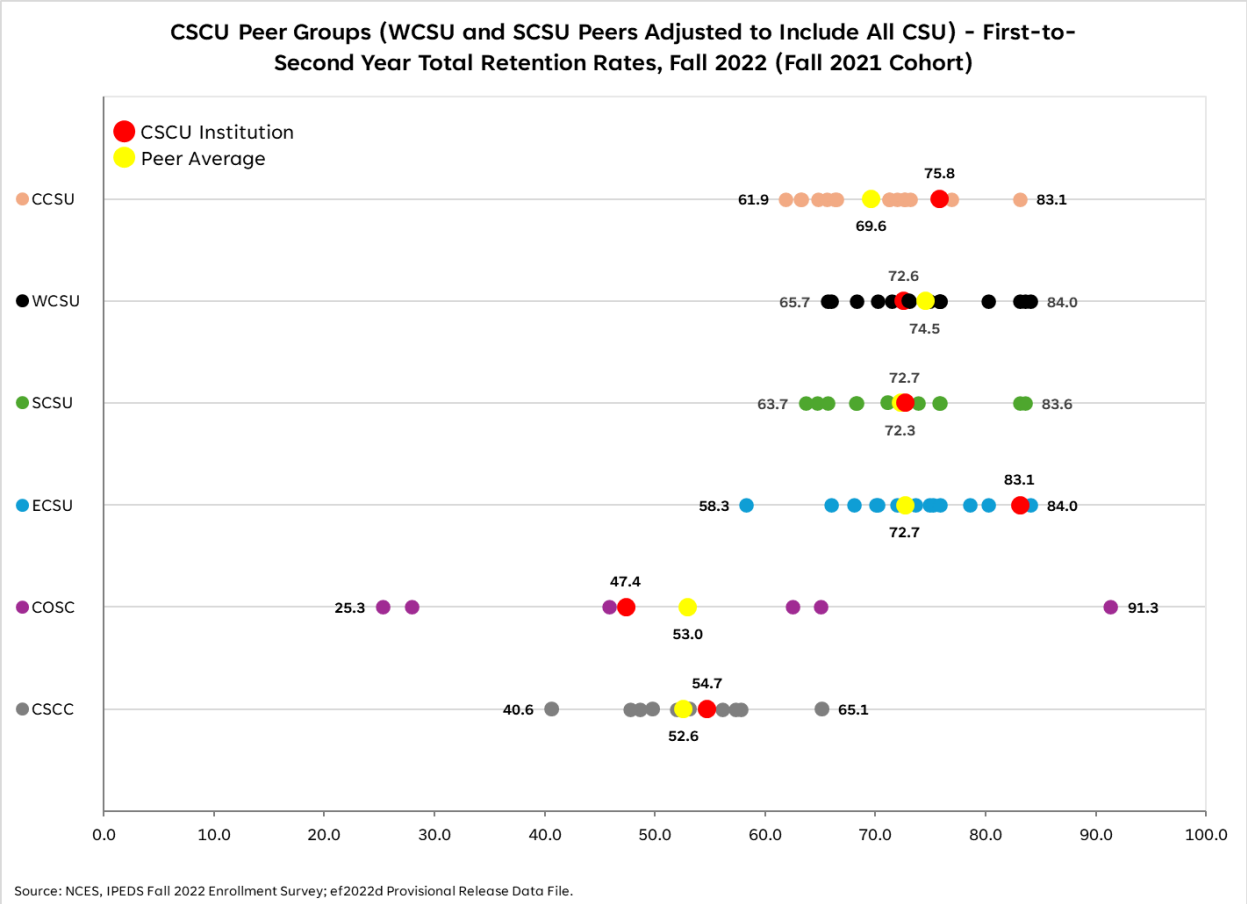
Source: NCES, IPEDS 2021-22 Student Outcomes Survey; om2022 Provisional Release Data File.



Source: NCES, IPEDS 2021-22 Student Outcomes Survey; om2022 Provisional Release Data File.

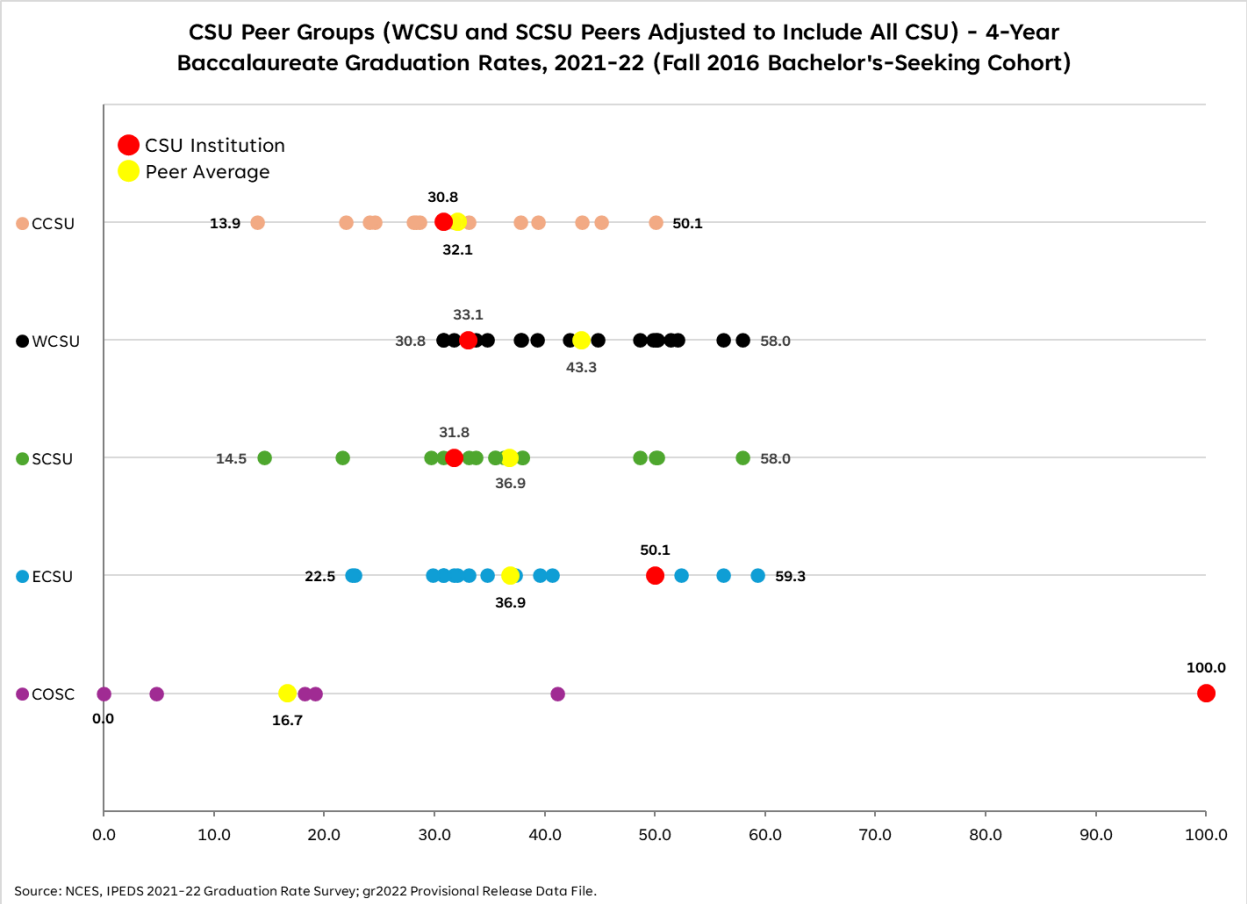
Retention Rates

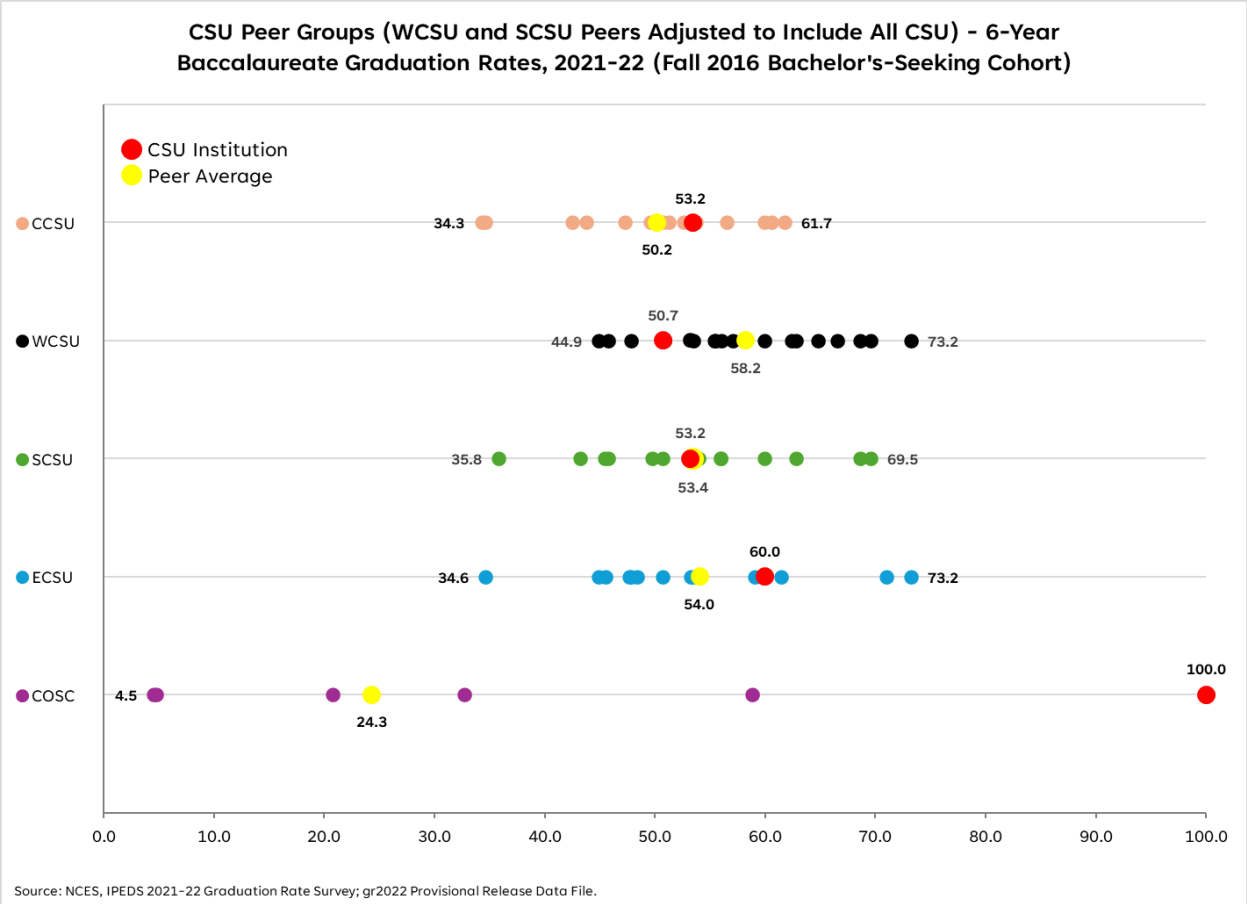
In the following dot charts, the bright red dots indicate where amongst its corresponding peer group the named CSCU institution sits, the yellow dot shows where the peer average is, and each of the other dots (of whatever color) show each of the peer institutions.

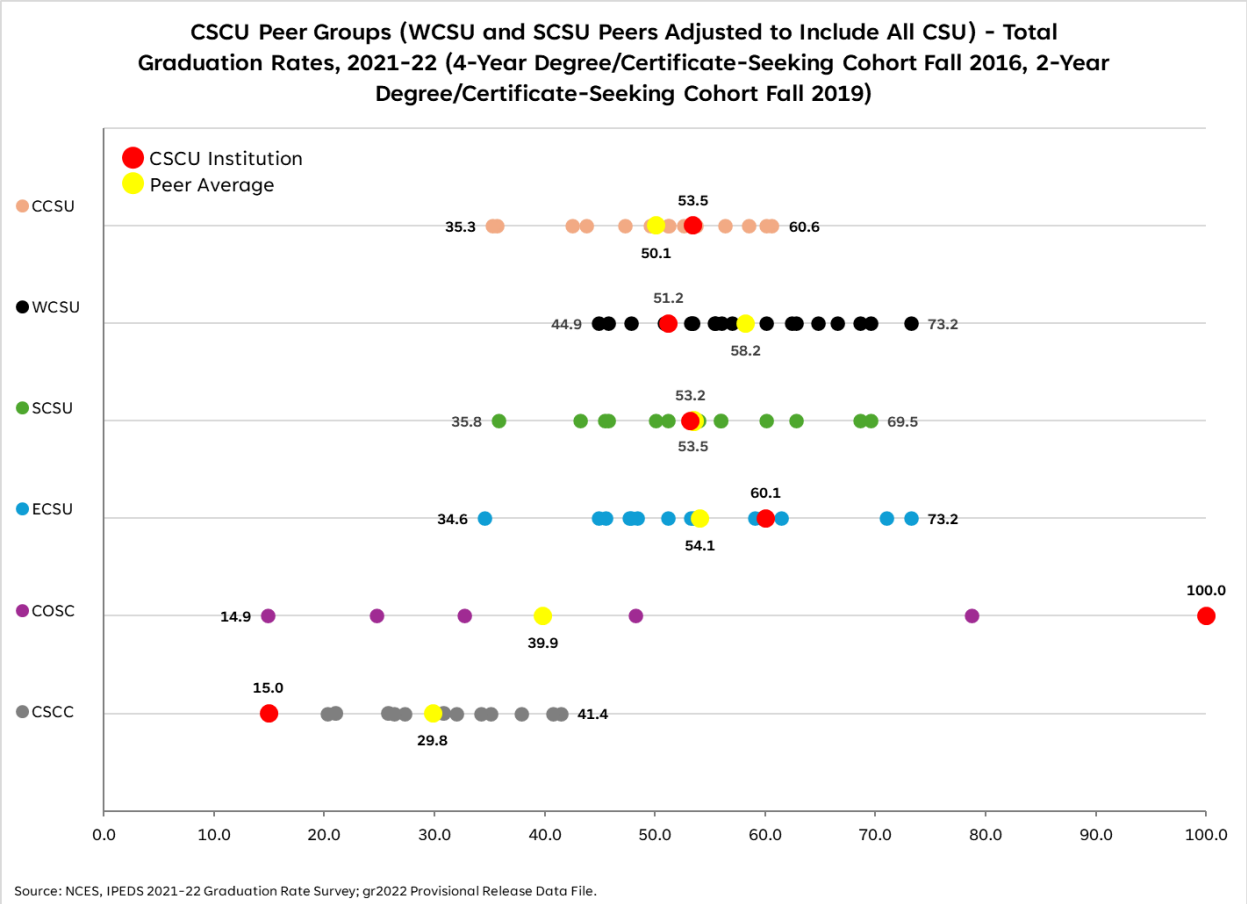


Graduation Rates

In the following dot charts, the bright red dots indicate where amongst its corresponding peer group the named CSCU institution sits, the yellow dot shows where the peer average is, and each of the other dots (of whatever color) show each of the peer institutions.

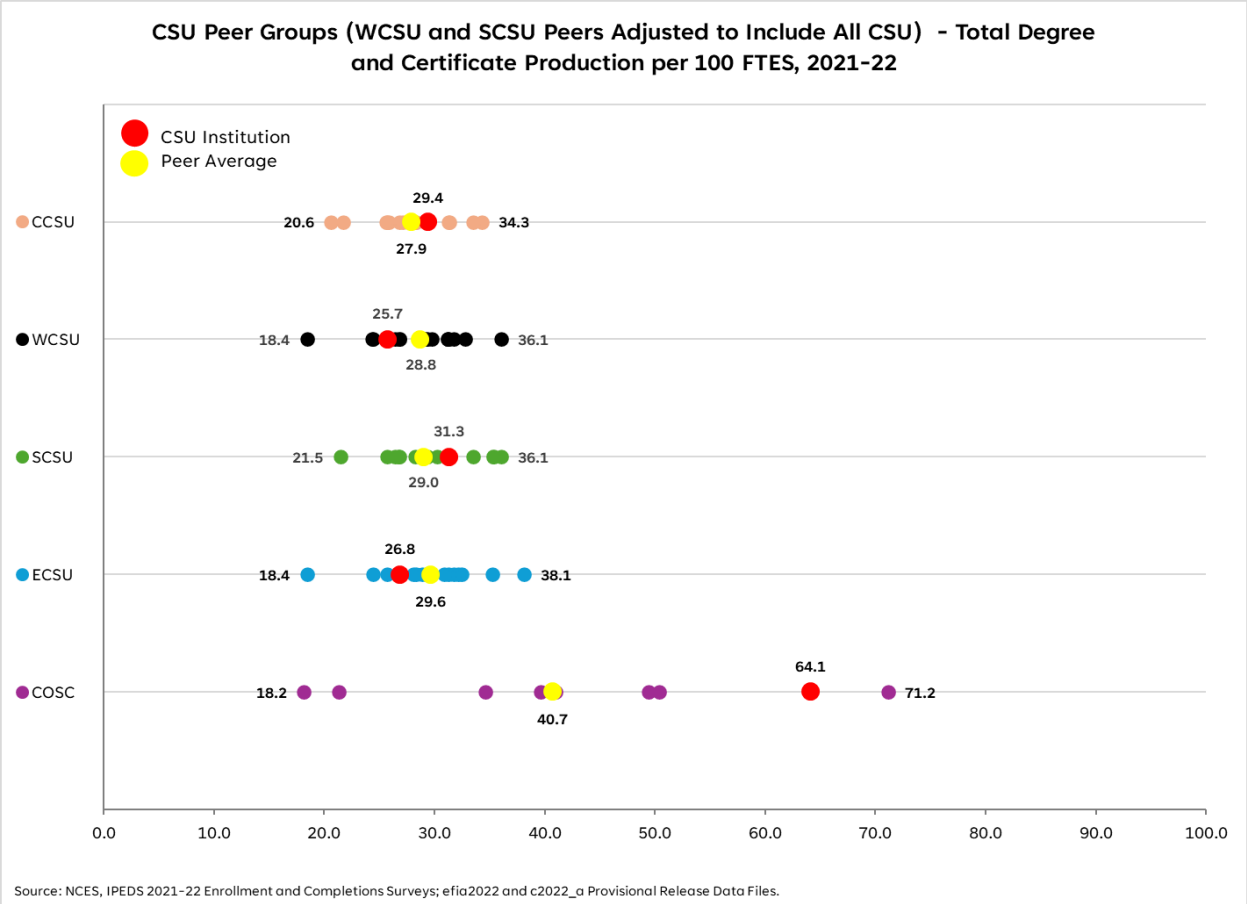

CSU Peer Groups (WCSU and SCSU Peers Adjusted to Include All CSU) - 4-Year Baccalaureate Graduation Rates, 2021-22 (Fall 2016 Bachelor's-Seeking Cohort)
CSU Institution
Peer Average
CCSU
13.9
30.8
32.1
50.1
WCSU
30.8
33.1
43.3
58.0
SCSU
14.5
31.8
36.9
58.0
ECSU
22.5
36.9
50.1
59.3
COSC
0.0
16.7
100.0
0.0
10.0
20.0
30.0
40.0
50.0
60.0
70.0
80.0
90.0
100.0
Source: NCES, IPEDS 2021-22 Graduation Rate Survey; gr2022 Provisional Release Data File.

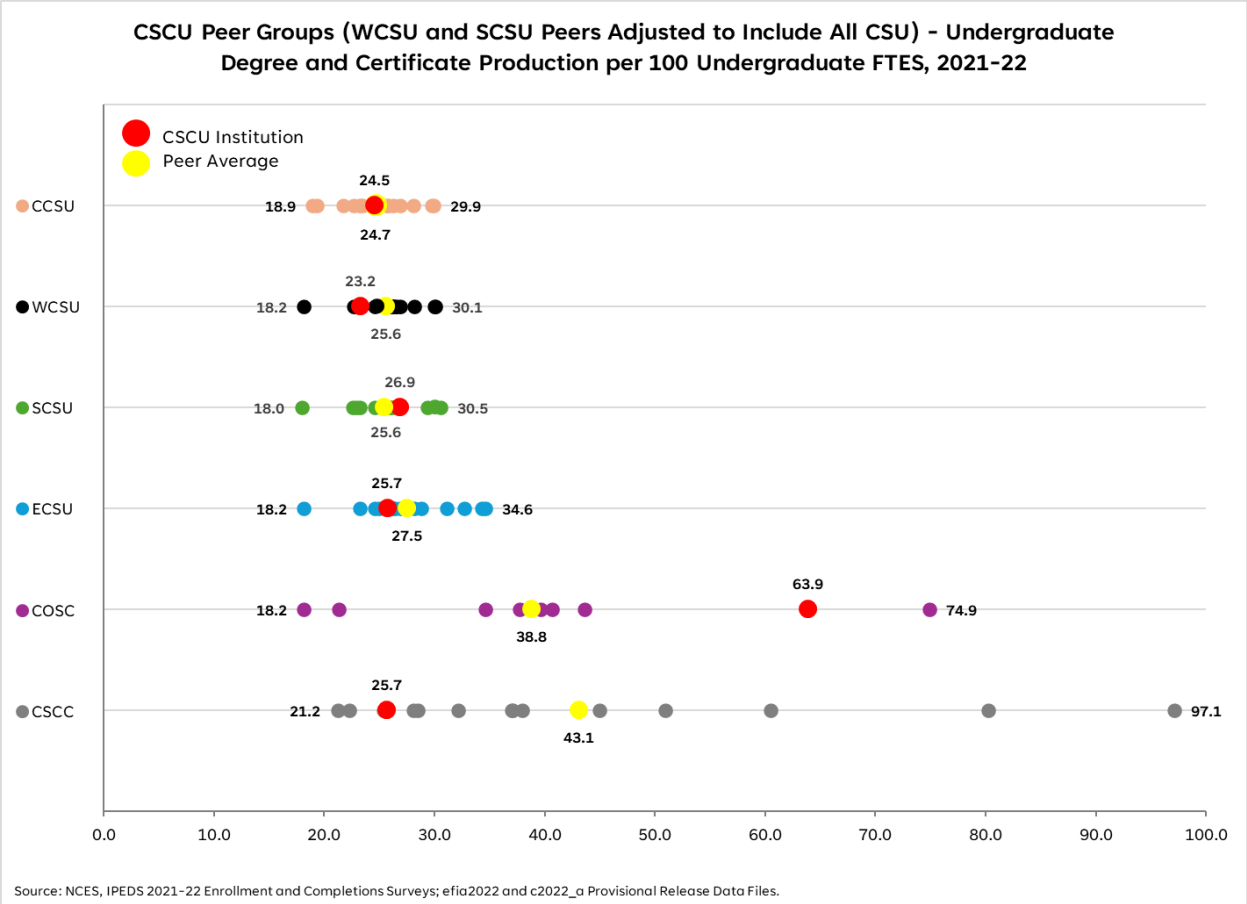

CSU Peer Groups (WCSU and SCSU Peers Adjusted to Include All CSU) - 6-Year Baccalaureate Graduation Rates, 2021-22 (Fall 2016 Bachelor's-Seeking Cohort)
CSU Institution
Peer Average
CCSU
34.3
53.2
50.2
61.7
WCSU
44.9
50.7
58.2
73.2
SCSU
35.8
53.2
53.4
69.5
ECSU
34.6
60.0
54.0
73.2
COSC
4.5
24.3
100.0
0.0
10.0
20.0
30.0
40.0
50.0
60.0
70.0
80.0
90.0
100.0
Source: NCES, IPEDS 2021-22 Graduation Rate Survey; gr2022 Provisional Release Data File.

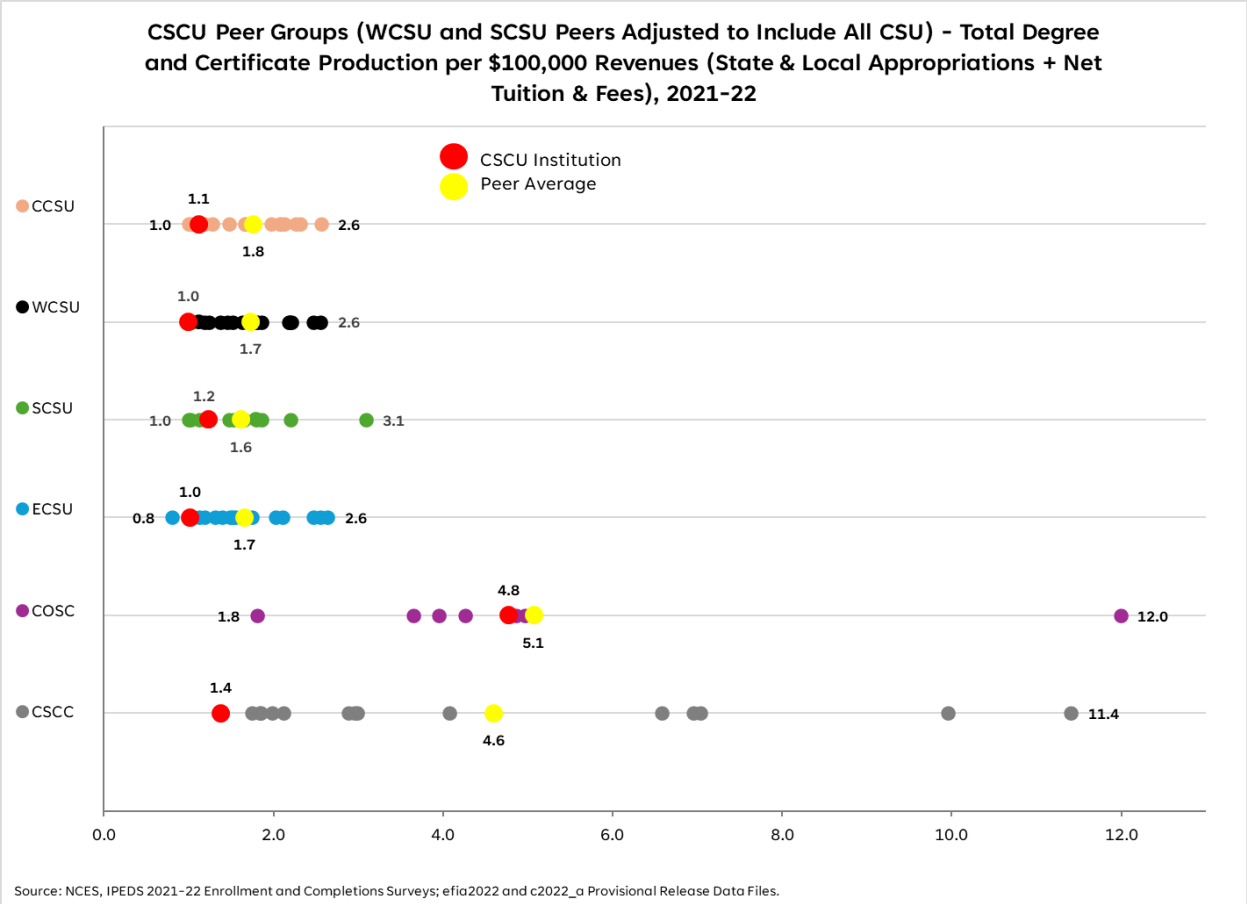


Productivity

In the following dot charts, the bright red dots indicate where amongst its corresponding peer group the named CSCU institution sits, the yellow dot shows where the peer average is, and each of the other dots (of whatever color) show each of the peer institutions.

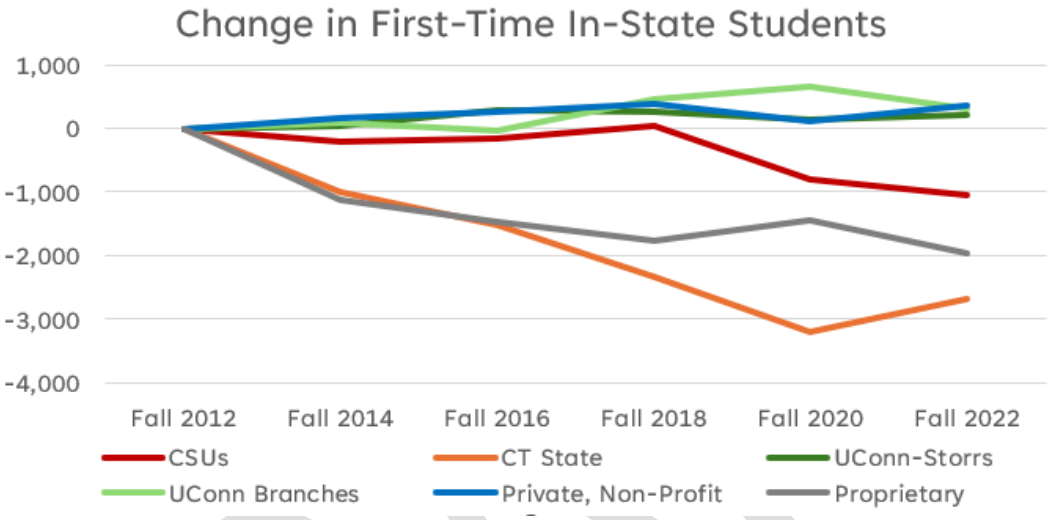

CSU Peer Groups (WCSU and SCSU Peers Adjusted to Include All CSU) - Total Degree and Certificate Production per 100 FTES, 2021-22
CSU Institution
Peer Average
CCSU
20.6
29.4
27.9
34.3
WCSU
18.4
25.7
28.8
36.1
SCSU
21.5
31.3
29.0
36.1
ECSU
18.4
26.8
29.6
38.1
COSC
18.2
40.7
64.1
71.2
0.0
10.0
20.0
30.0
40.0
50.0
60.0
70.0
80.0
90.0
100.0
Source: NCES, IPEDS 2021-22 Enrollment and Completions Surveys; efia2022 and c2022_a Provisional Release Data Files.


CSCU Peer Groups (WCSU and SCSU Peers Adjusted to Include All CSU) - Undergraduate Degree and Certificate Production per 100 Undergraduate FTES, 2021-22
CSCU Institution
Peer Average
CCSU
18.9
24.5
24.7
29.9
WCSU
18.2
23.2
25.6
30.1
SCSU
18.0
26.9
25.6
30.5
ECSU
18.2
25.7
27.5
34.6
COSC
18.2
38.8
63.9
74.9
CSCC
21.2
25.7
43.1
97.1
0.0
10.0
20.0
30.0
40.0
50.0
60.0
70.0
80.0
90.0
100.0
Source: NCES, IPEDS 2021-22 Enrollment and Completions Surveys; efia2022 and c2022_a Provisional Release Data Files.

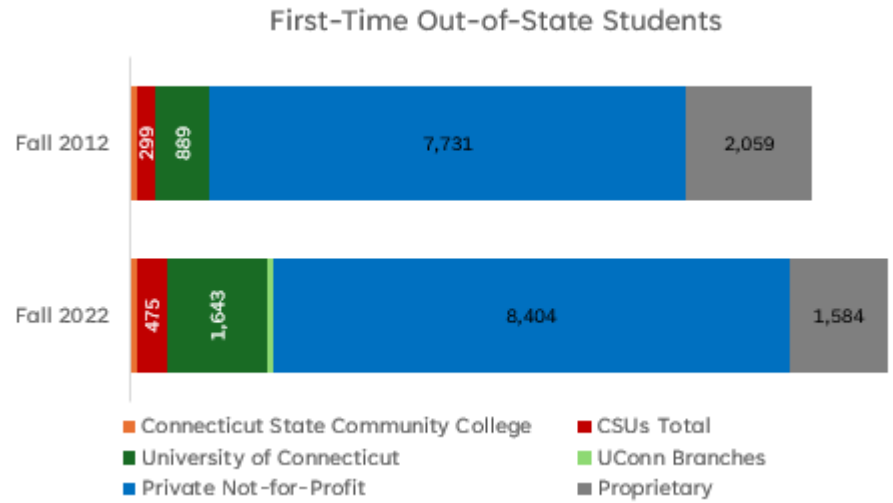

CSCU Peer Groups (WCSU and SCSU Peers Adjusted to Include All CSU) - Total Degree and Certificate Production per $100,000 Revenues (State & Local Appropriations + Net Tuition & Fees), 2021-22
CSCU Institution
Peer Average
CCSU
WCSU
SCSU
ECSU
COSC
CSCC
1.1
1.0
2.6
1.8
1.0
2.6
1.7
1.2
1.0
3.1
1.6
1.0
0.8
2.6
1.7
4.8
1.8
12.0
5.1
1.4
11.4
4.6
0.0
2.0
4.0
6.0
8.0
10.0
12.0
Source: NCES, IPEDS 2021-22 Enrollment and Completions Surveys; efia2022 and c2022_a Provisional Release Data Files.

ENDNOTES

[1] National Student Clearinghouse Research Center, *Current Term Enrollment Estimates* reports.
[2] These data are provided by SHEEO SHEF. It is difficult to standardize capital appropriations in a manner that enables effective comparisons across states due to variances in the sources and timing of the use of appropriated funds. The project-specific nature of capital expenditures also means that the use of FTEs also yields results that cannot be appropriately compared among states.
[3] While Figure 11 illustrates the change in market share, the figure below shows the same data in terms of numbers of students.



[4] The graph below shows first-time out-of-state students at Connecticut's institutions. It is clear that CSCU institutions are minor players in this market, which is dominated by the private, non-profits, proprietary institutions, and, to a lesser degree, the University of Connecticut Storrs campus. Proprietary institutions in both graphs include Title IV-eligible institutions authorized to operate in Connecticut by OHE.



[5] This graph excludes students enrolled at private, for-profit institutions.
[6] Changes since 2022-23 are not reflected in our data, but interviews with CT State suggest renewed efforts to bring staffing into closer alignment with enrollment.

[7] Using more detailed data than IPEDS provides for its study on WCSU in 2022, NCHEMS found that WCSU was losing unusually large numbers of students who had accumulated substantial credits. These drop outs and stop outs occurred after their second year, and federal data does not track student losses beyond first-to-second year retention.
[8] The data in this figure are for total expenses on fringe benefits, excluding the System Office (as the figure notes mention). In FY2023, the state reimbursed CSCU $348M out of a total expense of $444M (including the System Office) for fringe benefits. In FY2022, CSCU recovered $325M of its fringe benefit expenses from the state.
[9] In addition, non-tenured faculty and employees who haven't achieved continuing appointment can be either renewed or not renewed.
[10] Currently, some campus-level leaders carry the title of "President" and others are titled "Campus CEO."
[11] The NASH survey went into the field in March 2024. NASH and NCHEMS are continuing to gather data and conduct analyses. To date, NCHEMS has responses from about two dozen systems. NASH's membership is about 45 systems.
[12] SEBAC earned the right to negotiate on behalf of its union members in 1986 through Conn. Acts 86-411 for healthcare and retirement benefits. Although there does not appear to be statutory authorization permitting SEBAC to negotiate wages in a similar manner, historic practices are that the state negotiates a framework with SEBAC for wages that becomes incorporated in the agreements reached by CSCU and its institutions with the bargaining units they respectively oversee. (Sources: "About SEBAC", https://www.ccsu.edu/suoaf/about-sebac; SEBAC 2022 Agreement, https://hr.media.uconn.edu/wp-content/uploads/sites/1421/2022/05/2022-SEBAC-Agreement.pdf)
[13] Phillips, Erica E. (2023, Nov. 14). "CT spent $8.4M fixing up a college building – but hasn't paid to staff it." *Connecticut Mirror.* Retrieved June 5, 2024 from https://ctmirror.org/2023/11/14/ct-tunxis-community-college-manufacturing-center-budget/.
[14] During NCHEMS' prior engagement with CSCU to study WCSU and its specific challenges, WCSU objected to excluding the other CSUs from their peer group. We therefore included all CSUs in the peer groups for each individual CSU. The differences these inclusions made does not substantially change any of the analyses since they are based on peer medians and averages.
[15] The source for the graphs in this section is CSCU System Office.
[16] The source for the graphs in this and subsequent sections is NCES IPEDS.
[17] The Higher Education Cost Adjustment, an adjustment developed by SHEEO. The definition can be found at https://shef.sheeo.org/data-definitions/#data-adjustments.