STUDENTS FIRST:

Securing Connecticut's Future through Excellence in Higher Education

I.   Introduction

The Connecticut State Colleges and Universities (CSCU) system is made up of 17 institutions across the state of Connecticut. The institutions include four comprehensive regional universities, 12 community colleges, and its online college. The Connecticut State Colleges and Universities system educates 85,000 students every year. CSCU is the largest and most affordable system of public higher education in the state and the most diverse.

In 2011, the General Assembly created the Connecticut State Colleges and Universities system to maximize access to higher education by making attendance affordable and institutions financially sustainable; retaining more first-year students; graduating more students equipped with career-ready skills and knowledge; and eliminating achievement gaps among ethnic/racial economic, and gender groups.

In keeping with regional and institutional differentiation, and the function of CSCU as a system, its mission and vision vary from the missions of the institutions:

> Vision: The Connecticut State Colleges & Universities will continually increase the number of students completing personally and professionally rewarding academic programs.

> Mission: The Connecticut State Colleges & Universities (CSCU) contribute to the creation of knowledge and the economic growth of the state of Connecticut by providing affordable, innovative, and rigorous programs. Our learning environments transform students and facilitate an ever increasing number of individuals to achieve their personal and career goals.

However, over the past five years, severe fiscal challenges facing Connecticut have required steady budget reductions at the 17 colleges and universities, which has strained their ability to deliver programs and services. With projections of worsening economic conditions in the state and the certainty of further budget reductions, CSCU's ability to fulfill its mission in the future will be further compromised, unless a solution can be implemented that will enable the system's institutions to thrive in this unfavorable economic climate. The failure to take decisive, strategic

action at this point will only necessitate far more draconian measures to cope with budget shortfalls in the future.

Students First: Securing Connecticut's Future through Excellence in Higher Education is a comprehensive proposal to ensure a sustainable financial future for CSCU through the system-wide consolidation of administrative functions and the administrative reorganization of the 12 community colleges. By eliminating unnecessary redundancy and duplication and by achieving greater efficiency through centralization, collaboration, and consolidation, *Students First: Securing Connecticut's Future through Excellence in Higher Education* outlines an affordable pathway for the system's long-term fiscal stability and ensures the provision of high-quality programs and services to students, businesses, and communities. Most importantly, *Students First: Securing Connecticut's Future through Excellence in Higher Education* will realize substantial cost savings without diminishing each institution's capacity to fulfill its core mission to educate and support students
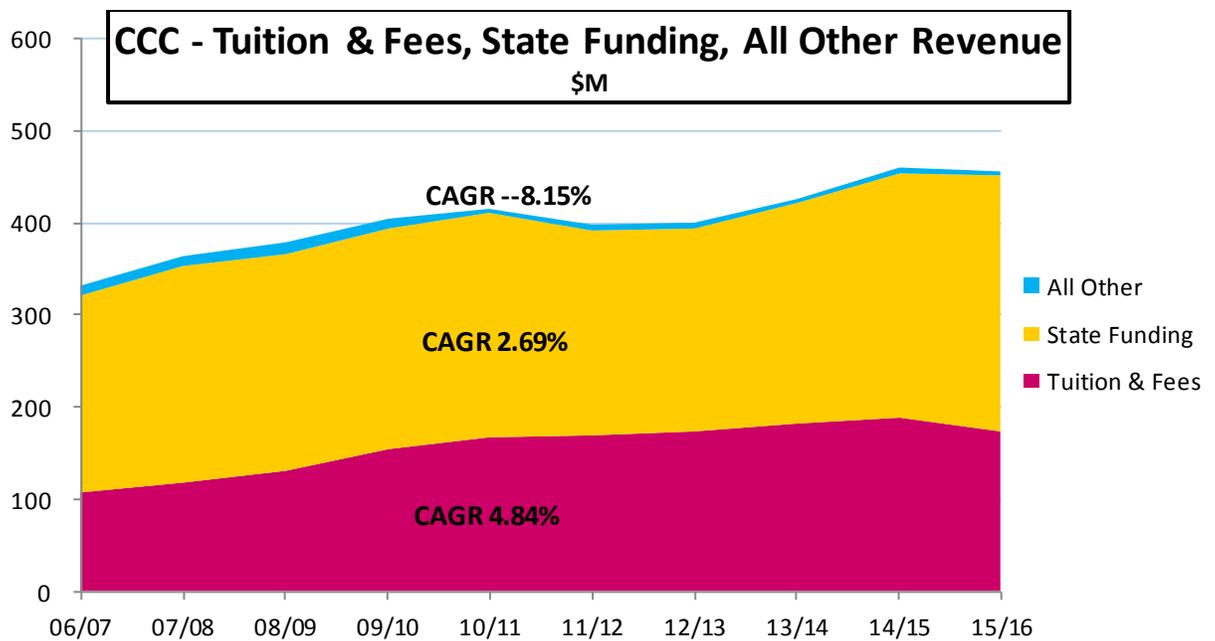
II.   Description of the Problem

The unprecedented financial challenges facing CSCU are the result of several converging environmental factors: decreases in state funding for higher education due to continuing budget deficits in Connecticut's economy, declining high school enrollments and graduations in Connecticut resulting in enrollment declines and reductions in tuition revenue at colleges and universities, collective bargaining and fringe benefit cost increases, and an expanding structural budget gap.

The fiscal challenges faced by the State have led to a reduction in CSCU funding in recent years. The chart below illustrates the 12.9% cumulative reduction in state appropriations since Fiscal Year 2015:

	FY15 Appropriation	FY16 Appropriation	FY17 Appropriation	FY18 Proposed	Cumulative Since FY15
State Appropriations	351,985,562	346,238,905	320,856,787	306,701,238	
Delta		(5,746,657)	(25,382,118)	(14,155,549)	(45,284,324)
% Change		-1.6%	-7.3%	-4.4%	-12.9%

In addition to state appropriations, the state funds a proportional amount of CSCU's fringe benefit costs. The cost of fringe benefits for state employees has increased rapidly over several years as a result of the state's commitment to move towards a fully funded pension plan. These costs are passed down to CSCU. For the portion of the system's salaries and wages that are not covered by state funds, the system pays both salaries and wages and related fringe benefits out of other sources of revenue, primarily tuition and fees. This has burdened the fiscal condition of the system over time: even prior to the reductions in Fiscal Year 2015, state support was never sufficient to keep pace with increases in salaries, wages, and fringe benefit costs. As a result, the growth rate of tuition and fees has outpaced the growth rate of state funded wages and fringe benefits. The following graph illustrates the changes in revenue since Fiscal Year 2007.

CCC - Tuition & Fees, State Funding, All Other Revenue
$M

CAGR --8.15%

CAGR 2.69%

CAGR 4.84%

Legend:
■ All Other
■ State Funding
■ Tuition & Fees

Y-axis: 0, 100, 200, 300, 400, 500, 600
X-axis: 06/07, 07/08, 08/09, 09/10, 10/11, 11/12, 12/13, 13/14, 14/15, 15/16

The compound annual growth rate (CAGR) shows the relative increases over time. Tuition and fees have increased at a much more rapid rate than state funding, and the 2.69% increase in state funding over time has not been adequate to cover wage and benefit cost increases over the same period.

Over the course of the past five years, the institutions of the CSCU System have collectively experienced a precipitous decline in headcount enrollment, both full-time and part-time, of undergraduate and graduate students. From fall 2011 to fall 2016, enrollment declined 11.1%, from 95,962 students to 85,318 students. Among the CSCU System's 17 institutions, 16 experienced enrollment declines ranging from 29.4% to 0.6%. Three of the institutions

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experienced declines greater than 20%, while another seven institutions had decreased enrollments between 10% and 19%. Only the smallest institutions in the System experienced positive growth in enrollment from 1,687 students to 1,945 students, a change of +0.3% in full-time students and +24.7% in part-time students.

For the CSCU System as a whole, the decline in the enrollment of full-time students was slightly higher at an aggregated rate of 12.3%, with declines at 15 institutions ranging from 41.6% to 3.0%. Enrollment of undergraduate students declined at an aggregated rate of 12.7%, with declines at 15 institutions. Enrollment of graduate students declined at an aggregated rate of 3.4% among full-time students and 14.9% among part-time students.

CSCU spends approximately 80% of its total costs on employees, including salaries and wages, fringe benefit costs, and contracted labor. 95% of the total full-time and part-time employees are covered by bargaining unit agreements. Wage increases for state employees are negotiated through a coalition (State Employees Bargaining Agent Coalition, or "SEBAC"). The last agreement with SEBAC expired June 30, 2016; the ongoing negotiations would therefore be retroactive. Typically, wages have increased approximately 5% each year, inclusive of promotions and other economic benefits. However, when the prior SEBAC agreement was concluded in 2011, there were two initial years of wage freezes. The cost of fringe benefits has also increased, both proportionate to the wage increases and by an average 4% rate increase due to the rising cost of health care and retirement plans.

The compounding of decreased state support and projected increases of wages and fringe benefits has produced a structural budget gap that cannot be resolved through normal budgetary controls. Based on (1) currently proposed state funding, (2) the trend in declining enrollments, and therefore in tuition and fee revenue, (3) expected wage increases beginning in Fiscal Year 2019, and (4) expected continued increases in fringe benefit costs, we have estimated a budgetary shortfall of approximately $38M in Fiscal Year 2018 growing to a shortfall of $51M in Fiscal Year 2019. In addition, the state revenue projections have fallen dramatically since release of a proposed budget, and further reductions in state funding may ensue, leaving the system underfunded by as much as $100M. In subsequent years, the gap diminishes under the presumption that the state begins to provide funding for wage increases beginning in FY 2020. The related chart accompanies this document as an Appendix.

CSCU has long held a position that tuition and fees should be raised at minimally required levels in order to preserve affordability and accessibility, two pillars of the System's mission. In particular, the Connecticut Community Colleges ("CCC") serve some of the poorest citizens who are unlikely to improve their economic circumstances without a postsecondary education. The following is a 10-year chart illustrating tuition and fee increases at the CCC:

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
Tuition and Fees	5.5%	7.2%	6.4%	2.5%	3.1%	5.2%	2.1%	4.3%	3.4%	2.5%

Even with decreases in State support, CSCU took the position that the budget would not "be balanced on the backs of our students" and that we must instead implement structural changes to ensure a sustainable fiscal outlook. Steady increases in tuition and fees would also reduce the afforability of college and result in further enrollment declines.

To contend with decreases in state support and tuition revenue, CSCU has implemented stopgap economic remedies. For the past several years, there have been hiring freezes, and attrition has provided some cost relief. However, attrition creates vacancies without regard for the strategic impact of losing the position and, as such, cannot be a long-term solution to fiscal concerns. In addition, there has been an increased reliance on part-time faculty, especially at the community colleges, to reduce the expense of delivering instruction. This solution, too, is not sustainable because it will eventually deprive students of an optimal blend of full-time and part-time faculty. Despite CSCU's commitment to serving students as a top priority, the necessity of cost containment has resulted in some undesirable compromises, including reduced library hours, weekend campus closures, and unfilled student-facing positions such as academic advisors. Such remedies run counter to CSCU's commitment to "Students First" and cannot continue without degrading the quality of educational offerings and diminishing the college experience of students.

The CSCU President was tasked by the Board of Regents to develop strategic alternatives to counter the impact of reduced state funding and other negatively trending economic factors. The President in collaboration with the management team recommended two strategies, which the BOR endorsed April 6, 2017: (1) an administrative consolidation targeting approximately $13M to come from all constituent groups, and (2) an organizational consolidation of the twelve community colleges into a single Connecticut Community College, eliminating levels of non-teaching personnel with at targeted cost savings of $28M. With moderate tuition and fee increases over the next several years, such savings would allow for a sustainable model, which ultimately returns funds to areas most needed by students, such as additional advisors and full-time faculty.

III.   Requirements for a Proposed Solution

To achieve the goal of a sustainable solution to the fiscal challenges facing the CSCU System, the proposed solution must ensure that student success remains a top priority. To do so, the solution must first enable the CSCU institutions to continue providing affordable access to higher education. The BOR's recent decision to provide students and families with a flat tuition

rate for the next two years is an important first step, but the "Students First" initiative will eventually need to reduce, if not reverse, tuition increases. Second, the proposed solution will need to ensure that students continue to receive a high-quality education. The "Students First" proposal explicitly addresses this requirement by exempting faculty and student support positions from consideration as cost-savings measures. Perhaps most importantly, the sustained savings from the "Students First" plan will eventually permit a reinvestment of savings in hiring more full-time faculty and advisors, which are the key to improving students' retention and graduation rates.

The proposed restructuring must also produce a fiscal balance that considers (1) future wage and benefit cost increases, (2) anticipated enrollment declines in New England over the next two decades, and (3) additional financial pressures that may be experienced by the state and therefore passed on to CSCU.

IV. Description of Proposed Changes

    A. Administrative Consolidation

The CSCU executive staff has identified six functional areas in which the same core services are performed, to varying degrees, at all 17 institutions. These areas consist of Information Technology, Human Resources, Purchasing, Financial Aid Services, Institutional Research and Assessment, and Facilities Management. The administrators of these six areas at the CSCU System Office have been charged with drafting a plan for the more efficient delivery of these core services through consolidation, the elimination of redundancy and duplication, and other economies of scale, while maintaining or improving the level of quality.

Information Technology (IT)
To fulfill the charge of streamlining the delivery of IT services, the CSCU Chief Information Officer has assembled a committee of standing members from the CSCU IT Governance Structure and additional members from the CSCU community. In May and June 2017, the IT committee will review all software applications and staffing models to determine any overlap or duplication of services. The audit of applications will focus on administrative software, such as CRM or Anti-Virus, to determine if there is any duplication and redundant costs. To identify opportunities for administrative consolidation, the committee will align a review of 24-hour strategic services with staffing models at each campus. The opportunities identified for consolidation or elimination of duplication will be presented to the Steering Committee and University Presidents for further review.

Human Resources (HR)
Under the existing organizational configuration, human resources services are both fragmented and redundant. Human resources offices are located on each of the 17 CSCU institutions, as well as at the System Office. The administration of HR is largely decentralized, with the exception of collective bargaining agreements, which are negotiated by the System Office. No revisions to the collective bargaining structure or process are contemplated by this initiative.

To improve efficiency and reduce redundancy, this initiative proposes to design and implement a Strategic Human Resources Management Program for CSCU, whereby a single unit will supply a full range of personnel services to all campuses through a combination of matrixed reporting relationships and shared services, while maintaining a physical presence at all CSCU locations. This objective will be supported by the three following strategies: (1) establish an appropriate human resources staffing ratio within the organization; (2) revise the organizational structure so that all human resources personnel will have direct accountability to the System Office; and (3) establish a design committee to develop the structure that will support the CSCU Strategic Human Resources Program and monitor its installation. We envision that full implementation of this reorganization will require up to two fiscal years.

Purchasing
The goal of consolidating purchasing systems throughout the CSCU System has been deterred in the past by incompatible Enterprise Resource Planning (ERP) systems operating at different institutions. However, a determination was made in early 2016 that improvements could be made despite that obstacle. At a week-long Lean event, which included purchasing, accounting, and contracts personnel from throughout CSCU, three teams were formed to flowchart the current processes and propose improved processes to eliminate wasted steps and lost time: (1) Contracting and RFPs, (2) Purchase through Payment cycle, and (3) Capital Purchasing. Each team produced a plan to improve and streamline procurement processes.

Many of the recommendations from those plans can now be implemented to consolidate purchasing throughout the CSCU System. The CSCU Finance Office has also identified a software package that will solve the problem of incompatible systems by enabling communication among separate ERP instances. The implementation is expected to take about one year. The results will include the ability to consolidate purchases and leverage the CSCU System's formidable purchasing power, and to allow effective and efficient system-wide purchasing using fewer people. By providing a better understanding of purchasing behaviors and enhanced analytical capabilities, the consolidation of CSCU purchasing will also expand opportunities to collaborate with the University of Connecticut and the University of Connecticut Health Center.

Financial Aid Services

Staffing levels in the Financial Aid offices at the CCC are far below those recommended by the National Association of Student Financial Aid Administrators (NASFAA). As a result, understaffed financial aid offices have struggled to keep pace with a steady increase in student applications for financial aid. Over the past decade, the average packaging rates for community college students who submitted financial aid applications has declined 14% and the completion rate for Verifications has dropped 17%. In the current economic climate, there are no additional resources to solve this problem with increases in staffing. The alternative solution under consideration is to reduce the personnel and time required to process financial aid applications by consolidating back-end administrative functions.

Procedures that are currently performed at each college could be centralized and automated at the CSCU System Financial Aid Office, thereby relieving colleges from having to perform these functions. Financial aid functions—such as packaging, satisfactory academic progress evaluations, file transmissions to 3rd party agencies, and required reporting to other agencies— could be managed from a central location. The CSCU System Financial Aid Office has already successfully implemented a centralized approach to federal data management at two community colleges and plans to do so for other colleges this summer. Centralizing federal data management will reduce not only processing time but also the risk of exposing personally identifiable information (PII) and other sensitive data.

Under the current structure, the CSCU System's financial aid database is spliced thirteen ways to accommodate a unique "view" for each college that does not release any other college's data, and a "system view" for the system office to view all data for all colleges. Consolidating financial aid data will require only a single view, which will significantly reduce the resources needed to manage the database. Discussions are underway with the colleges about the software customizations that must be amended or discontinued to accommodate a single view.

In addition to increasing efficiency in performing financial aid functions, consolidation offers several direct benefits for students. A single set of forms, policies, and procedures would ensure a uniform experience for students. Centralizing and automating financial aid functions will reduce wait time for students, from application processing to awarding and enrollment. Instead of maintaining 12 separate Policy and Procedure manuals, a common Policies and Procedures manual would be developed to standardize and simplify the student experience and all administrative functions across the campuses and system office. Students would select a single college code as opposed to considering which community college to send their application.

Centralizing administrative functions will relieve financial aid officers at the community colleges of the responsibilities that detract from student interactions. Centralizing administrative functions will enable financial aid officers to devote more time to helping students complete their financial aid applications, to promoting financial literacy, or to increasing their effectiveness through professional development. Freeing financial aid officers to spend more time interacting directly with students will ultimately improve student retention and progress toward a degree.

Opportunities should also be explored for financial aid services at the four CSUs to achieve greater efficiencies and cost savings through standardization and the centralization of back-office functions. Financial aid processes, such as cost of attendance, application deadlines, awarding policies and practices, and eliminating noncompliance issues and audit exceptions, could be coordinated and standardized across the four CSUs. The CSUs could standardize and coordinate the use of forms and manuals and eliminate the collection of unnecessary forms and reduce the duplication of services. Although the four CSUs currently rely on separate instances of Banner, the efficiency of their financial aid operations could be improved by leveraging the use of technology. Maximizing the utilization of the financial aid Banner system, including the 24/7 self-service for students and parents, and developing a centralized document imaging system with electronic signatures for documents could enable the CSUs to establish seamless, paper-free processes.

The feasibility of centralizing the back-office functions of the CSU financial aid offices should also be explored. Centralized functions could include determining student eligibility for financial aid, managing official communications, completing the verification process, administering financial aid programs, and completing federal and state reports. As with the community colleges, centralizing common functions would enable campus-based financial aid officers to devote more time to advising, counseling, and educating students about financial aid opportunities.

Institutional Research and Assessment (IR)
To ensure that our organizational structure responds to increasing demands for data supporting a wide array of educational, managerial, and policy decisions, we propose to designate the Office of Research and System Effectiveness (ORSE) as the chief information clearinghouse for the CCC. ORSE will fulfill institutions' compliance reporting requirements and conduct research on students, faculty, and staff to promote ongoing institutional self-assessment. The overarching charge of ORSE will be to provide internal and external constituencies with an accurate and complete understanding of how the various components of the CSCU are advancing their missions. ORSE will provide information and analytical support to the CSCU's decision makers, enhancing strategic planning, policy development and evaluation, and operational

processes. This proposed reorganization will help ensure consistency in system-wide reporting and reduce duplicative and redundant processes.

The proposed reorganization envisions a redeployment of IR personnel throughout the 12 community colleges. Campus IR personnel would report directly to ORSE and, simultaneously, have a dotted line reporting relationship with their campus president or designee. Cost efficiencies will be achieved primarily through recent and anticipated attrition, and by reducing reliance on part-time employees presently at the campus level. The new organizational structure will enable a higher level of service to be delivered with fewer resources.

As a first step, an inventory of the IR/Assessment activities at all institutions will be conducted. This will be done to determine the amount of commonality of tasks and deliverables from one institution to another.

The inventory is expected to identify considerable overlap in the services performed on each campus, such as IPEDS and other forms of compliance and common reports. This exercise will identify opportunities to perform these services more efficiently for all institutions at the same time. The inventory is also expected to identify campus-specific tasks that reflect distinctive institutional missions and priorities, as well as community-based initiatives.

A hybrid organizational structure will be configured to enable common services to be performed more efficiently, while ensuring that campus-specific needs continue to be met. Functional teams will be created to meet reporting requirements common to the 12 community colleges, and individuals at each institution will be delegated responsibility for continuing to meet campus-specific reporting requirements. Consequently, IR professionals will serve on one or more functional teams but remain on their assigned campus to serve its information needs, as well as the needs of other campuses to which they may be assigned. Listed below are suggestions for organizing functional teams.

Data Governance & Administration – lead the management of institutional/system data with regard to data policy, governance, access, integration, standards, and quality.	Assessment • Student learning within courses • Student learning across courses • Assessing courses • Assessing programs • Assessing the campus
Accountability Reporting • State • Complete College America	Statistical and Technical Services • Predictive Analytics and Modeling • IRDB Updating • Banner coordination

IPEDS Collection/Coordination	Student Longitudinal Data Systems (P20 WIN)
Standard campus research commitments; i.e., Campus Fact Sheet; Common Data Set; Peer Analysis; new course needs assessment	Alumni Data
Survey research	Policy Evaluation
Student Data	Departmental/Campus Productivity
Faculty/Staff Data	Ad hoc research/special topics

The opportunities to consolidate IR operations at the four Connecticut State Universities are more challenging because, unlike the community colleges, each university has a separate instance of Banner. In addition, those systems have not been developed in a uniform fashion.

Efforts have recently begun by CSCU IT to lift all five versions of Banner into the Cloud, and to standardize data across instances. This will take time and, until then, the ability to leverage IR human resources across the four-year institutions will be limited.

In the short term, we are considering an organizational structure such that CSU IR personnel will continue to report to campus management but establish a strong dotted-line relationship with ORSE. This new strong relationship with ORSE would facilitate greater standardization across campuses and identify opportunities to collaborate on common reporting requirements, thereby reducing duplications and redundancies and increasing cost efficiencies.

Facilities Management
The CSCU Facilities Department is a fully staffed unit that establishes capital program budgets and supports the oversight and administration of capital improvements from conception through completion of construction throughout the system. The CSCU Facilities Department currently has the capacity to assume greater responsibility for the administration of capital programs at the 12 community college. A projected first stage of administrative reorganization will entail shifting to the CSCU Facilities Department the responsibilities of senior college staff who are presently involved in capital programs. Following a benchmarking exercise against similar higher education institutions to establish a system-wide standard for day-to-day staffing, a second stage of reorganization will focus on shifting the management of college facilities and maintenance operations to the CSCU Facilities Department. It is anticipated that efficiencies will be realized through attrition, the realignment of staff, and retraining, which can be accomplished in a timely manner. The third stage of the projected reorganization will focus on transitioning to facilities-based software that will streamline all functions of funding, processing, tracking, and

administering both capital and operating functions. Implementing the projected reorganization will eliminate redundancies among community college capital programs and enable most programs to be administered with fewer staff members; the reorganization can be completed within two years. At this time, no modifications are envisioned for the larger CSU facility departments, which oversee both capital and operating programs on their respective campuses.

B. Community College Integration

Given the budget challenges described above, the Connecticut Board of Regents for Higher Education has approved a planning process to reorganize the administration of the 12 separately accredited institutions of the CCC into a single accredited institution, pending formal approval by the Commission on Institutions for Higher Education (CIHE).   The goal is to put the community colleges on a more sustainable financial path forward that will allow them to continue offering an affordable, high-quality education, despite the continuing reductions in state funding.

The community colleges may have begun as separate institutions with independent governance structures, but by 1971 they operated under one board toward the same mission. The Connecticut Community Colleges are governed by the following common mission statement:

> As part of the Connecticut State Colleges & Universities (CSCU) system, the twelve Connecticut Community Colleges share a mission to make excellent higher education and lifelong learning affordable and accessible. Through unique and comprehensive degree and certificate programs, non-credit life-long learning opportunities and job skills training programs, they advance student aspirations to earn career-oriented degrees and certificates and to pursue their further education. The Colleges nurture student learning and success to transform students and equip them to contribute to the economic, intellectual, civic, cultural and social well-being of their communities. In doing so, the Colleges support the state, its businesses and other enterprises and its citizens with a skilled, well-trained and educated workforce.

The 12 community colleges have a rich history of collaboration and centralized administration that will continue and be strengthened by the proposed administrative reorganization. Many of the administrative functions that individual campuses lack the resources to manage—such as the Banner Student Information System, course management platforms, legal affairs, financial aid, etc.—have historically been carried out by a strong CSCU central office. The 12 colleges have established faculty councils that meet monthly throughout the academic year to discuss curriculum and alignment. These groups have successfully led the way on large-scale initiatives such as the reform of developmental education, common course numbering, and transfer pathways.

For the past five years, the community colleges have engaged with the four Connecticut state universities (CSUs) and Charter Oak State College (COSC) to develop the faculty-led Transfer Articulation Program (TAP). TAP guarantees community college students who complete a prescribed curriculum 60-63 credits of transferrable credit that will directly apply to their baccalaureate degree at one of the CSUs or COSC. Each TAP transfer degree has been collaboratively developed by disciplinary faculty at all 17 institutions. These pathway degrees are reviewed through campus-based and system governance processes, with formal approval by the Board of Regents for Higher Education. This faculty-led approach to common associate's degrees across the community colleges will become the model for future academic program review.

The NSF-funded College of Technology illustrates how close collaboration among community colleges has created seamless career pathways for students to earn certificates and degrees in engineering and technology. Students start with an associate's degree in Engineering Science or Technology Studies from a CSCU community college and finish with a bachelor's degree in an aligned pathway at one of five partner universities in Connecticut.

Similarly, the Connecticut Community College Nursing Program (CT-CCNP), established in 2008 and offered at six CSCU community colleges, prepares students for both career and educational advancement. With a common curriculum and a central admissions process, the CT-CCNP prepares graduates for entry-level practice as a registered nurse and facilitates advancement to the baccalaureate degree with seamless educational pathway agreements. To date, 14 agreements have been signed with 13 universities in CT and beyond, and others are under development.

As a final example, collaboration among the CSCU community colleges has led to the establishment of programs in advanced manufacturing at six community colleges. With $17.8 million in state bonds, three community colleges were able to establish advanced manufacturing centers modeled on the one at Asnuntuck Community College. With an additional $15 million U.S. Department of Labor grant, three more community colleges were able to offer expanded manufacturing education.

The proposed administrative reorganization of the CSCU community colleges aims to realize financial savings that will allow the CSCU community colleges to sustain their high level of service to students and communities by building on their legacy of collaboration and consolidation.

The following organizational structure is under consideration as a starting point for discussions about ensuring a sustainable financial future for the CSCU community colleges:

- Designate one CSCU president as CEO of the Community College of Connecticut
- Manage the 12 colleges through a regional structure, with four regions, geographically grouped, with oversight provided by four regional presidents, reporting directly to the CSCU President.
- Appoint a CEO for each campus, most likely a campus provost, responsible for day-to-day operations, including academic affairs and administration. The campus provost will be supported by a team composed of enrollment management/student affairs, workforce development, institutional development/community relations and human resources.
- Create a new governance structure that builds upon what we have now, ensuring that faculty and staff have a major role in continuing to develop and shape academic programs that serve the local regions around each campus.

While the CSCU system seeks one institutional accreditation for its 12 community college campuses, the proposed administrative reorganization will enable each campus to preserve its unique culture and regional identity. Each college campus has a service region of towns with which it primarily interacts and from which it draws students. Each campus has cultivated long-standing relationships with community organizations with which it partners to deliver educational services. Each of the 12 colleges also has an independent community college foundation that supports the campus with fundraising for scholarships and cultural events. CSCU System President Mark Ojakian recently reassured the community college presidents that the foundations will not be affected by the consolidation and that each campus will continue to engage in fundraising and community engagement.

In addition to preserving institutional identities, the proposed reorganization will also ensure that specialized academic programs retain external accreditations (see Appendix for a list of external program accreditations). In the short-term, the specialized accreditations will remain campus-based, as many of these programs exist on only a small number of campuses. For example, nursing is offered on only six campuses and veterinary technology is offered on only three. Our intent is to form a workgroup in each specialized area to review the individual policy requirements of these program accreditations, and notify the accrediting agency of our plan to reorganize the 12 community colleges into a single institution. As required by each accrediting agency, we will begin submitting requests to each agency to change the accredited programs that exist at each of the 12 colleges to a single institutional accreditation.

To ensure compliance with the regional accreditation standards of the Commission on Institutions of Higher Education—especially those dealing with planning and governance, the academic programs, faculty, students and institutional effectiveness—the faculty at each of the 12 campuses will maintain responsibility for the curriculum and academic programs.

A steering committee for the consolidation process has been established, along with workgroups in each of the main areas associated with the consolidation. These workgroups are composed of cross-functional representatives from across the 12 campuses, who can bring the necessary expertise to plan through the multitude of steps that are needed. The committee also is charged with determining an appropriate governance and IT structure.

V.   Planning and Implementation Processes

We recognize that we cannot fulfill our mission within the current operational model. We seek to establish structural change to achieve a vibrant, diverse and financially sustainable public higher education system in Connecticut.

Effective planning requires the broadest possible exchange of information and opinions, shared collaboratively and transparently, to ensure constituencies have an opportunity to contribute to decision-making processes. These discussions will ultimately lead to a set of recommendations for moving the system forward.

Since the start of President Ojakian's tenure in September 2015, constituent participation has been wide ranging and highly representative of all stakeholders. He held listening tours in his first quarter on the job, hearing of both the system's strengths and its challenges. He met regularly with the Board of Regents' Faculty and Student Advisory Committees to hear about their concerns and ideas for improving the system.   He encouraged public comment at all Board of Regents meetings to ensure that faculty, staff and students had an opportunity to share their viewpoints.

In recognition of the need to continue our progress in working together as a system and to address a number of areas for restructuring and/or improvement that have been raised by stakeholders across the CSCU system, President Ojakian created the six following work groups last summer: Branding and Marketing, Compliance Issues, Enrollment and Retention Strategies, Financial Aid, Human Resources, and Purchasing/Contracts With declining revenues and the need to maximize the system's resources to promote innovation, strategic alliances, strength and growth, it was an opportune time to put forward recommendations to the Board focused on streamlining processes and practices and fostering greater organizational effectiveness.

These groups, composed of college and university presidents, faculty and staff, and system office leaders shared a set of recommendations in December 2016 with the BOR concerning system improvements and potential savings of $5 million. This effort provided foundational knowledge of the challenges facing the system administratively and helped to inform the development of the "Students First" strategies.

In February 2017 it became clear that more integration of functions was needed to address state budget cuts. After research into other state models and careful deliberation, President Ojakian proposed the two strategies outlined above that the BOR voted to endorse. The first is an administrative consolidation across all institutions and system office of non-student facing/administrative personnel.   The target savings of the first strategy, which aims to eliminate redundancies across our campuses, leverage the expertise of our talented staff, and allow better coordination and consistency of non-student facing activities, is approximately $13 million. The savings target for the second strategy, which calls for the significant reduction of campus leadership and management in addition to the administrative consolidation, is approximately $28 million.

After approval of the strategies at the April Board meeting, President Ojakian embarked on a town hall series visiting each of the 17 campuses to explain the strategies and the savings targets, gather feedback on the proposals, and solicit engagement in the planning process. Additionally, he encouraged individuals at the town hall sessions and through email correspondence system-wide to send him their recommendations and concerns. Through the town halls and email messages, he has heard from thousands of faculty and staff, students, community members, and college and university foundation leaders.

To design and implement these strategies, a wide group of stakeholders will be engaged through a planning process commencing in May 2017 with the goal of initial implementation by July 1, 2018, and full implementation by July 1, 2019.

Strategy I: Administrative Consolidation

Six administrative teams are being established with representation of staff and faculty from the 17 campuses, as well as system office leaders. These teams include Information Technology, Human Resources, Fiscal Affairs, Financial Aid Processing, Institutional Research and Assessment, and Facilities Management.   The charge to each group is to identify a sustainable structure for providing these services to the campuses while leveraging and optimizing both human and financial resources. Recommendations will be made to a system-wide Steering Committee led by President Ojakian and composed of representation from the university and

college presidents, faculty, staff, and students. Through this process, the system strives to eliminate or reduce the structural budget gap through expense reduction and revenue growth.

Strategy II: Community College Integration

Under the leadership of President Michael Rooke, a community college integration team of the twelve community college presidents has been formed to determine the best path toward one centrally managed college. A subcommittee of the presidents and deans of administration and academic and student affairs will fine tune the model to ensure that it meets the needs of individual campuses, as well as those of NEASC and other professional program accrediting bodies. The recommendations of the integration team will be made to the Steering Committee, which will make the final recommendation to the BOR on any plans going forward. By statute, the BOR has the legal authority to approve "merging and closing institutions" (CGS 10a-6).

VI.   Guiding Principles

In pursuing these two strategic initiatives, the following principles will guide the discussions and will be considered equally in the analysis: 1. Ensure students are at the center of all decisions. 2. Prioritize teaching, learning, and high-quality academic programming. 3. Preserve and enhance student support services. 4. Safeguard educational access and affordability. 5. Be conscientious stewards of the institution's and state's resources. 6. Ensure campuses are positioned to build partnerships with the state's businesses and other enterprises to prepare a highly skilled and well-educated workforce. These principles will guide our work as we navigate unchartered waters to sustain CSCU.

Appendix

Plans to Meet *Standards of Accreditation*

To ensure that the Commission's *Standards of Accreditation* are met, at least one member of the implementation team will have knowledge of NEASC research-driven standards. As we begin the planning process to transform from twelve separately accredited institutions of the Connecticut Community Colleges, with CIHE's approval, to a single accredited institution with regional managerial oversight, heightened focus will be paid to the following standards:

2.1

2.3

3.12

3.13

3.14

3.15

4.3

4.36

4.5

8.0