



General Assembly

February Session, 2020

Raised Bill No. 5112

LCO No. 1185



Referred to Committee on HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT

Introduced by:
(HED)

***AN ACT CONCERNING THE BUDGET OF THE CONNECTICUT STATE
COLLEGES AND UNIVERSITIES.***

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

1 Section 1. Section 10a-8 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2020*):

3 (a) The provisions of sections 4-77 and 4-78 shall not apply to the
4 constituent units of the state system of higher education, and for the
5 purposes of said sections only, the Board of Regents for Higher
6 Education shall be deemed the budgeted agency for the Connecticut
7 State University System, the regional community-technical college
8 system, [and] Charter Oak State College and the central office of the
9 Connecticut State Colleges and Universities. The Board of Regents for
10 Higher Education shall develop a formula or program-based budgeting
11 system to be used by each institution in preparing operating budgets.
12 The Board of Regents for Higher Education shall prepare a single
13 budget request itemized by the Connecticut State University System, the
14 regional community-technical college system, [and] Charter Oak State

15 College and the central office of the Connecticut State Colleges and
16 Universities using the formula or program-based budgeting system and
17 shall submit such budget request displaying all operating funds to the
18 Secretary of the Office of Policy and Management in accordance with
19 sections 4-77 and 4-78, subject to procedures developed by the Board of
20 Regents for Higher Education and approved by said secretary. The
21 budget request shall set forth, in the form prescribed by the Board of
22 Regents for Higher Education, a proposed expenditure plan which shall
23 include: (1) The total amount requested for such appropriation account;
24 (2) the amount to be appropriated from the General Fund; and (3) the
25 amount to be paid from the tuition revenues of the regional community-
26 technical college system, [and] the Connecticut State University System
27 and Charter Oak State College. After review and comment by the Board
28 of Regents for Higher Education, the proposed expenditure plans shall
29 be incorporated into the single public higher education budget request
30 including recommendations, if any, by said board. Any tuition increase
31 proposed by the regional community-technical college system, [and] the
32 Connecticut State University System, and Charter Oak State College for
33 the fiscal year to which the budget request relates shall be included in
34 the single public higher education budget request submitted by the
35 Board of Regents for Higher Education for such fiscal year, provided if
36 the General Assembly does not appropriate the amount requested by
37 any such system, such system may increase tuition and fees by an
38 amount greater than that included in the budget request in response to
39 which the appropriation was made. The General Assembly shall make
40 appropriations directly to the constituent units. Allotment reductions
41 made pursuant to the provisions of subsections (b) and (c) of section 4-
42 85 shall be applied by the Board of Regents for Higher Education among
43 the appropriations to the constituent units and the central office without
44 regard to the limitations on reductions provided in said section, except
45 that said limitations shall apply to the total of the amounts appropriated.
46 The Board of Regents for Higher Education shall apply such reductions
47 after consultation with the Secretary of the Office of Policy and
48 Management. Any reductions of more than five per cent of the
49 appropriations of any constituent units shall be submitted to the

50 appropriations committee which shall, within thirty days, approve or
51 reject such reduction.

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

59 Sec. 2. Subsection (b) of section 10a-77 of the general statutes is
60 repealed and the following is substituted in lieu thereof (*Effective July 1,*
61 *2020*):

62 (b) The Board of Trustees of the Community-Technical Colleges shall
63 establish and administer a fund to be known as the Regional
64 Community-Technical Colleges Operating Fund. Appropriations from
65 general revenues of the state and, upon request by the board and with
66 an annual review and approval by the Secretary of the Office of Policy
67 and Management, the amount of the appropriations for fringe benefits
68 and workers' compensation applicable to the community-technical
69 colleges pursuant to subsection (a) of section 4-73, shall be transferred
70 from the Comptroller, and all tuition revenue received by the regional
71 community-technical colleges in accordance with the provisions of
72 subsection (a) of this section shall be deposited in said fund. Income
73 from student fees or related charges; the proceeds of auxiliary activities
74 and business enterprises, gifts and donations; federal funds and grants
75 for purposes other than research, and all receipts derived from the
76 conduct by the colleges of their education extension programs and
77 summer school sessions shall be credited to said fund but shall be
78 allocated to the central office and institutional operating accounts which
79 shall be established and maintained for the central office and each
80 community-technical college. If the Secretary of the Office of Policy and
81 Management disapproves such transfer, the secretary may require the
82 amount of the appropriation for operating expenses to be used for

83 personal services and fringe benefits to be excluded from said fund. The
84 State Treasurer shall review and approve the transfer prior to such
85 request by the board of trustees. The board shall establish an equitable
86 policy, in accordance with section 10a-8, as amended by this act, for
87 allocation of appropriations from general revenues of the state, fringe
88 benefits transferred from the Comptroller and tuition revenue deposited
89 in the Regional Community-Technical Colleges Operating Fund. At the
90 beginning of each quarter of the fiscal year, the board shall allocate and
91 transfer, in accordance with said policy, moneys for expenditure in such
92 institutional operating accounts, exclusive of amounts retained for
93 central office operations and reasonable reserves for future distribution.
94 All costs of waiving or remitting tuition pursuant to subsection (f) of this
95 section shall be charged to the Regional Community-Technical Colleges
96 Operating Fund. Repairs, alterations or additions to facilities supported
97 by operating funds and costing one million dollars or more shall require
98 the approval of the General Assembly, or when the General Assembly
99 is not in session, of the Finance Advisory Committee. Any balance of
100 receipts above expenditures shall remain in said fund, except such sums
101 as may be required for deposit into a debt service fund or the General
102 Fund for further payment by the Treasurer of debt service on general
103 obligation bonds of the state issued for purposes of community-
104 technical colleges.

105 Sec. 3. Subsection (b) of section 10a-99 of the general statutes is
106 repealed and the following is substituted in lieu thereof (*Effective July 1,*
107 *2020*):

108 (b) The Board of Trustees of the Connecticut State University System
109 shall establish and administer a fund to be known as the Connecticut
110 State University System Operating Fund. Appropriations from general
111 revenues of the state and upon request by the Connecticut State
112 University System and with the annual review and approval by the
113 Secretary of the Office of Policy and Management, the amount of the
114 appropriations for fringe benefits pursuant to subsection (a) of section
115 4-73, shall be transferred from the State Comptroller and all tuition
116 revenue received by the Connecticut State University System in

117 accordance with the provisions of subsection (a) of this section shall be
118 deposited in said fund. Income from student fees or related charges, the
119 proceeds of auxiliary activities and business enterprises, gifts and
120 donations, federal funds and grants, subject to the provisions of sections
121 10a-98 to 10a-98g, inclusive, and all receipts derived from the conduct
122 by a state university of its education extension program and its summer
123 school session shall be credited to said fund but shall be allocated to the
124 central office and institutional operating accounts which shall be
125 established and maintained for the central office and each state
126 university. Any such gifts and donations, federal funds and grants for
127 purposes of research shall be allocated to separate accounts within such
128 central office and institutional operating accounts. If the Secretary of the
129 Office of Policy and Management disapproves such transfer, he may
130 require the amount of the appropriation for operating expenses to be
131 used for personal services and fringe benefits to be excluded from said
132 fund. The State Treasurer shall review and approve the transfer prior to
133 such request by the university. The board of trustees shall establish an
134 equitable policy, in accordance with section 10a-8, as amended by this
135 act, for allocation of appropriations from general revenues of the state,
136 fringe benefits transferred from the State Comptroller and tuition
137 revenue deposited in the Connecticut State University System
138 Operating Fund. At the beginning of each quarter of the fiscal year, the
139 board shall allocate and transfer, in accordance with said policy, moneys
140 for expenditure in such institutional operating accounts, exclusive of
141 amounts retained for central office operations and reasonable reserves
142 for future distribution. All costs of waiving or remitting tuition pursuant
143 to subsection (f) of this section shall be charged to the Connecticut State
144 University System Operating Fund. Repairs, alterations or additions to
145 facilities supported by the Connecticut State University System
146 Operating Fund and costing one million dollars or more shall require
147 the approval of the General Assembly, or when the General Assembly
148 is not in session, of the Finance Advisory Committee. Any balance of
149 receipts above expenditures shall remain in said fund, except such sums
150 as may be required for deposit into a debt service fund or the General
151 Fund for further payment by the Treasurer of debt service on general

152 obligation bonds of the state issued for purposes of the Connecticut
153 State University System.

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| This act shall take effect as follows and shall amend the following sections: | | |
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| Section 1 | <i>July 1, 2020</i> | 10a-8 |
| Sec. 2 | <i>July 1, 2020</i> | 10a-77(b) |
| Sec. 3 | <i>July 1, 2020</i> | 10a-99(b) |

Statement of Purpose:

To require the Board of Regents for Higher Education to include the central office in the itemization of its budget request.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]