



Office of the President

RESOLUTION

concerning

1993-95 BIENNIAL BUDGET REQUEST - GENERAL FUND AND TUITION FUND

July 31, 1992

RESOLVED, That the Board of Trustees for the Connecticut State University for its minimum operating budget for 1993-95 shall request approval for a total amount of \$143,566,805 for 1993-94 and \$144,102,618 for 1994-95, excluding General Fund Fringe Benefits, plus or minus three percent resulting from refinement of calculations and representing an amount exclusive of salary adjustments and related expenses that may result from approved collective bargaining agreements or from any reevaluation of positions applicable to the 1994 and 1995 fiscal years that may be approved by the Bureau of Personnel of the Department of Administrative Services, such total amount to be distributed between the General fund and the Tuition Fund by appropriation designation in approximately the following amounts:

	1993-94		
	<u>General Fund</u>	<u>Tuition Fund</u>	<u>Total</u>
Personal Services	104,440,285	9,388,000	113,828,285
Other Expenses	140,252	13,459,000	13,599,252
Other Current Expenses	1,246,268	-0-	1,246,268
Equipment	-0-	7,885,000	7,885,000
Scholarship Aid & Refunds	-0-	7,008,000	7,008,000
TOTAL	<u>105,826,805</u>	<u>37,740,000</u>	<u>143,566,805</u>

	1994-95		
	<u>General Fund</u>	<u>Tuition Fund</u>	<u>Total</u>
Personal Services	104,883,025	9,587,000	114,470,025
Other Expenses	160,721	12,900,000	13,060,721
Other current Expenses	1,294,872	-0-	1,294,872
Equipment	-0-	7,705,000	7,705,000
Scholarship Aid & Refunds	-0-	7,572,000	7,572,000
TOTAL	<u>106,338,618</u>	<u>37,764,000</u>	<u>144,102,618</u>

GRAND TOTAL	<u>212,165,423</u>	<u>75,504,000</u>	<u>287,669,423</u>
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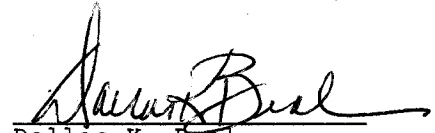


and be it

RESOLVED, That the President shall adjust this request, if necessary, to comply with State Executive directives, and be it

RESOLVED, That the request shall be represented to the Board of Governors by the President of the Connecticut State University, who shall work cooperatively with said Board and its staff to justify the request amount.

A Certified True Copy:

A handwritten signature in cursive script, appearing to read "Dallas K. Beal", written over a horizontal line.

Dallas K. Beal
President

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GENERAL FUND

BUDGET DEVELOPMENT MODEL
1993-95CURRENT SERVICES REQUEST

1992-93 Appropriation (89.4 million)

- Annualization of 1991-92 and 1992-93 wage deferrals
- Operating costs for new facilities as part of current services request

ABOVE CURRENT SERVICES REQUEST

1993-95 Budget Options

- Restoration: transfer of basic support items from Tuition Fund to General Fund e.g.
 - o lecturers
 - o non-salary collective bargaining (e.g. research grants, curriculum development, mentoring, professional development)
- new positions in non-formula areas
 - o financial aid
 - o counseling
 - o security
 - o health services
- new positions generated by budget formulas
 - o instruction
 - o physical plant
 - o library service

TUITION FUND

1992-93 Tuition Fund Allocation 37,400,000

1993-94 37,400,000*

1994-95 37,400,000*

*To be used for developing the 1993-95 Operating Budget. At the time of the budget split-out the allocation will be reviewed in context of actual enrollment data and an update of projected Tuition Fund balance.

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GENERAL FUND BUDGET CONSIDERATIONS

1993-95

1. The General Fund expenditure base for 1992-93 is \$89.4 million. This total includes the \$3.1 million add-back approved by the Legislature in May.
2. The cost of the 1991-92 General Fund salary deferrals is being absorbed in the \$89.4 million appropriation as well as part of the 1992-93 wage deferral which becomes effective in Spring of 1993.
3. The remainder of 1992-93 wage deferral costs are included in the 1993-94 budget request as well as the annualization costs of positions partially funded in 1992-93.
4. Except for annual increments for classified staff, there are no new collective bargaining increases provided for in the 1993-95 biennial budget request per direction of OPM.
5. The recommended present level or current services increase for 1993-94 over 1992-93 is \$11.4 million or 12.7%. The recommended above current services for 1993-94 is \$5.1 million representing a 5.6% hike. The total recommended increase for 1993-94 over 1992-93 is \$16.4 million (18.3%). An analysis of the 1993-94 operating budget request is found on Schedule A.
6. The recommended above current services request for 1994-95 is \$5.6 million or 5.6% higher than the 1993-94 current services request. An analysis of the 1994-95 operating budget request is found on Schedule B.
7. The recommended increase for the budget formulas in FY94 and FY95 (instruction, physical plant, library) is based on a ten-year phase-in of the position shortfalls generated by the formulas.

#105

CONNECTICUT STATE UNIVERSITY SYSTEM

SCHEDULE A

General Fund
Operating Budget Request
1993-95

% Change Over
FY93 Approp. of
\$89,476,693

CURRENT SERVICES
1993-94

Full-Time Present Level		\$84,750,640	
Salary Increases *	5,673,506		
Annualization of Salary Increases	2,126,631		
AAUP Increase (7/9/93)	3,811,435		
A.I.'s - FY94	<u>188,319</u>		
Sub-total		<u>11,799,891</u>	
FULL-TIME FY94 PRESENT LEVEL		\$96,550,531	7.9%
Other Personal Services **	4,093,902		
New Facilities	<u>183,917</u>		
Sub-total		<u>4,277,819</u>	
FY94 TOTAL CURRENT SERVICE REQUEST		<u>\$100,828,350</u>	12.7%

ABOVE CURRENT SERVICES

Budget Option: Restoration

Shift lecturers from T.F. to G.F.	\$2,449,516
Shift non-salary coll. barg. costs from T.F. to G.F.	1,246,268

Budget Options:

Positions - Non-formula

Financial Aid (4)	132,000
Security (4)	113,000
Counseling (2)	82,000

Positions - Formula

Instruction (10)	400,240
Physical Plant (14)	263,231
Library (10)	<u>312,200</u>

Sub-total Above Current Services	\$4,998,455	5.6%
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1993-94 TOTAL REQUEST	<u>\$105,826,805</u>	<u>18.3%</u>
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* Salary deferrals for FY92 and FY93 paid in 1992-93.

** Vac/Sick Payout; Longevity; Overtime.

CONNECTICUT STATE UNIVERSITY SYSTEM

SCHEDULE B

General Fund
Operating Budget Request
1993-95

CURRENT SERVICES
1994-95

% Change Over
FY94 Curr. Serv.
Request

1993-94 Total Current Service Request		100,828,350	
1994-95 Collective Bargaining/AI's	491,092		
1994-95 New Facilities	46,200		
1994-95 Other Personal Services	<u>(1,571,025)*</u>		
Sub-total		<u>(1,033,733)</u>	
TOTAL CURRENT SERVICES 1994-95		\$99,794,617	-1.0%

ABOVE CURRENT SERVICES

Budget Options 1994-95:

Restoration Options from 93-94	\$3,907,659		
Non-formula new pos. option 93-94 (10)	327,000		
Formula options 93-94 (36)	<u>975,671</u>		
Sub-total 93-94 options		\$5,210,330 **	5.2%

New options for 1994-95:

Positions - Non-formula

Counseling (5)	208,000
Security (2)	65,000
Health Services (2)	64,000
Financial Aid (1)	21,000

Positions - Formula

Instruction (10)	400,240
Physical Plant (14)	263,231
Library (10)	<u>312,200</u>

Sub-total 94-95 options		\$1,333,671	1.3%
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1994-95 TOTAL REQUEST		<u>\$106,338,618</u>	5.5%
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Overall Increase 92-93 to 94-95: 18.8%

* Savings from discontinuation of Vac/Sick payout to early retirement employees.

** Budget options requested in 1993-94 "Roll into" 1994-95.

TUITION FUND CONSIDERATIONS

1. The Tuition Fund balance on 6/30/91 was \$11.6 million. The uncommitted balance on 6/30/92 was \$8.8 million representing a \$2.8 million depletion of reserves.
2. The Tuition Fund allocation for 1992-93 is \$37.4 million. Assuming a 3% drop in full-time enrollment, the projected fund balance on 6/30/92 is \$5.5 million.
3. For projection purposes, a ten per cent increase in the tuition rate is assumed for each year of the 1993-95 biennium.
4. Except for an increase in student aid to offset the tuition increase, the Tuition Fund spending level for each year of the biennium will remain level with the 1992-93 allocation (\$37.4 million).
5. Assuming (a) the spending level stated in item 4 and (b) and a drop of 3% in full-time enrollment in 1993-94 and again in 1994-95, the projected fund balance for 6/30/94 is \$4.0 million and \$4.9 million for 6/30/95. A \$4.9 million fund balance represents a 13% reserve level.
6. Two key factors would improve the balance in the Tuition Fund. First, the attainment of full-time enrollment levels comparable to 1991-92. Second, OPM and legislative approval of the 1993-94 budget option which calls for the transfer of adjunct faculty and other basic operating costs from the Tuition Fund back to the General Fund.
7. The Tuition Fund spending levels for FY94 and FY95 may be adjusted based on actual enrollment and an update of the Tuition Fund balance.

CONNECTICUT STATE UNIVERSITY
TUITION FUND ACTUAL/PROJECTED FINANCIAL OPERATIONS

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	(1) FY 1990 Actual	(2) FY 1991 Actual	(3) FY 1992 Estimated	(4) FY 1993 Projected	(5) FY 1994 Projected	(6) FY 1995 Projected
<u>Revenues & Expenditures</u>						
Tuition Revenue	20,624,621	24,066,839	30,130,775	33,756,397	36,024,000	38,447,000
Expenditures:						
Additional Financial Aid***					340,000 ***	364,000 ***
Expenditures	19,947,199	23,941,202	29,597,156	41,682,844 **	37,400,000	37,400,000
Total Expenditures	19,947,199	23,941,202	29,597,156	41,682,844	37,740,000	37,764,000
Net Gain (Loss) from Operations	677,422	125,637	533,619	(7,926,447)	(1,716,000)	683,000
<u>Working Reserve</u>						
Fund Balance & Reserves						
Beginning of Year	8,344,918	10,329,965	11,654,157	13,121,939	5,507,492	4,018,492
Net Gain (Loss) from Operations	677,422	125,637	533,619	(7,926,447)	(1,716,000)	683,000
Investment Earnings	1,307,625	1,198,555	934,163	312,000	227,000	282,000
Fund Balance						
End of Fiscal Year	10,329,965	11,654,157	13,121,939 *	5,507,492	4,018,492	4,983,492
Annual Tuition Rate						
In-State Undergraduate	920	1,060	1,380	1,594	1,754	1,930
Percent Increase Over Previous Year		15.2 %	30.2 %	15.5 %	10.0 %	10.0 %
Annualized Headcount Enrollment		19,329	18,877	18,310	17,760	17,227

* Includes committed funds of \$4,282,844.

** Budgeted allocation of \$37,400,000 plus carry forward of \$4,282,844 from 1991-92 (\$33,880,000 - 29,597,156).

*** Additional financial aid is based on 15% of additional revenue generated by 10% tuition increase.

(4) Assumes a 3% student enrollment reduction from FY 92.

(5) Assumes a 3% student enrollment reduction from FY 94, a 10% tuition rate increase, and no increase in expenditures over FY 93.

(6) Assumes a 3% student enrollment reduction from FY 94, a 10% student rate increase, and no inflationary increase over FY 94.