

Connecticut State University System
Board of Trustees

BR#95-51



RESOLUTION

concerning

TUITION AND GENERAL FUND DISTRIBUTION METHODOLOGY

May 5, 1995

- WHEREAS, Pursuant to the provisions of Section 10a-89(a) of the Connecticut general statutes, the board of trustees shall "...Subject to state-wide policy and guidelines established by the Board of Governors of Higher Education,...(1) Make rules for the government of the Connecticut State University system and shall determine the general policies of the university system, including those concerning the admission of students and the expenditure of the funds of institutions under its jurisdiction within the amounts available;..." Further, under the provisions of Section 10a-99(b), "...the board of trustees shall establish an equitable policy for allocation of appropriations from general revenues of the state and tuition revenue deposited in the Connecticut State University System Operating fund...", and
- WHEREAS, Over the past two decades, general funds appropriated to the Connecticut State University system have been distributed on a historical basis with adjustments to institution base amounts as new facilities came on line or new positions were funded, and
- WHEREAS, From 1992 until this year, tuition allocations to the campuses have been made based upon a percentage increase to the prior year's allocation across the system, and
- WHEREAS, The action being proposed is designed to address the concerns of our presidents about what they perceive to be a flawed tuition and general fund distribution methodology, and
- WHEREAS, The proposed distribution methodology distributes funds on an equitable basis, provides a small funding pool from which universities can be recognized for the achievement of institutional goals, and finally, allocates tuition and general funds on a rational principle by allocating tuition on the basis of tuition revenues and general fund dollars on the basis of full-time student headcounts for which state funds are provided, now therefore be it
- RESOLVED, That tuition and the general fund appropriation be distributed on the basis of the principles described below:
- General Fund Allocation - FY1995-96
- The available funds less the base amount provided for system office activities would be allocated on the basis of the current year's full-time headcount.

- The allocation to the system office would be based upon the current allocation to the system office and would increase or decrease annually based upon the change in general fund appropriations provided to the Connecticut State University system.

Tuition Fund Allocation - FY1995-96

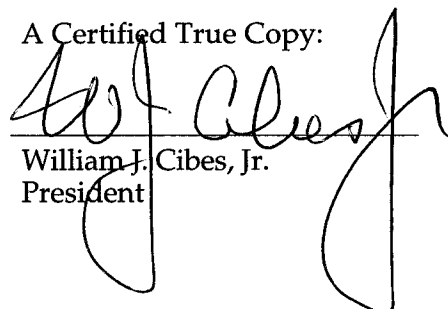
- 70% of projected tuition revenues for the budget year (i.e. FY1995-96) would be distributed among the universities based upon the actual tuition revenues reported for each university one year prior to the budget year.
- The distribution of the remaining 30% balance would be accomplished as follows:
 - 15% of tuition revenue to be distributed to the universities for financial aid, as CSU grants. This amount will be part of the 30% balance indicated above.
 - The FY1994-95 tuition allocation for systemwide and system office activities will serve as the baseline amount. Increases or decreases to the base tuition allocation will be contingent upon determinations by the Board of Trustees.
 - Between four and five percent of tuition revenues will be distributed to the universities to recognize achievement of programmatic goals established by the Trustees in consultation with the universities. This amount will be part of the 30% balance indicated above. The Board of Trustees will determine the awarding of these funds. For FY1995-96, it is recommended that this four to five percent setaside not occur and instead that this amount be distributed in the same proportion as the first 70% described above. The first distribution of four to five percent to recognize achievement of programmatic goals would be in FY1996-97.

It is proposed that the new allocation methodology be implemented over several years so as to minimize the impact of the significant shift of funds among the universities that are caused by the implementation of the new model. Because implementation of this new methodology will impact Eastern and Western Connecticut State Universities' funding, the universities will be required to exercise prudent recourse to the use of their reserves.

The proposed distribution of tuition revenues and general funds for FY1995-96 and related charts are attached, and be it further

RESOLVED, That the new methodology be reviewed over the next year to identify potential refinements to the methodology which may be warranted and that the methodology be reviewed on an on-going basis thereafter.

A Certified True Copy:



William J. Cibes, Jr.
President

CONNECTICUT STATE UNIVERSITY SYSTEM

Schedule 1

FY 1995-96 Tuition & General Fund Distribution
(Based upon Historical Methodology)

REVENUES	CENTRAL	EASTERN	SOUTHERN	WESTERN	BOT	SYSTEM-WIDE SUPPORT	SYSTEM TOTAL
State Appropriation **	\$31,730,848	\$13,805,612	\$32,146,953	\$16,370,625	\$2,266,420	-	\$96,320,458
Tuition Balance *	8,902,782	5,072,482	9,216,930	5,628,725	426,675	3,269,750	32,517,344
Subtotal	\$40,633,630	\$18,878,094	\$41,363,883	\$21,999,350	\$2,693,095	\$3,269,750	\$128,837,802
CSU Tuition Set Aside 15%	1,836,273	1,205,055	1,951,040	745,986	N/A	-	5,738,354
TOTAL	\$42,469,903	\$20,083,149	\$43,314,923	\$22,745,336	\$2,693,095	\$3,269,750	\$134,576,156

FT-HC (Annualized)	6,107	2,745	5,958	2,747
\$/FT-HC (Tuition)	\$1,458	\$1,848	\$1,547	\$2,049
\$/FT-HC (GF)	\$5,196	\$5,029	\$5,396	\$5,959
\$/FT-HC (Tuition/GF)	\$6,654	\$6,877	\$6,943	\$8,009

-	17,557
-	-
-	-
-	-

* For FY1995-96 \$38,255,698 has been budgeted for distribution.

** Historical General Fund distribution represents FY1994-95 allocation (level funding) for FY1995-96.

Finance Mac Files

Folder: Proj. Rev. & Exp 94-95

File: Proj & Ex Historical 95-96

3/28/1995 (Revised)

Attachment to BR#95-51

CONNECTICUT STATE UNIVERSITY SYSTEM

Schedule 2

FY1995-96 Tuition and General Fund Distribution

(based upon proposed methodology, if fully implemented in FY1995-96)

REVENUES	CENTRAL	EASTERN	SOUTHERN	WESTERN	BOT	SYSTEM-WIDE SUPPORT	SYSTEM TOTAL
State Appropriation **	\$32,715,712	\$14,705,127	\$31,917,358	\$14,715,841	\$2,266,420	-	\$96,320,458
Tuition Balance *	8,995,062	3,735,669	9,787,720	4,260,537	426,675	3,269,750	30,475,413
Goal Achievement Set-Aside	685,885	284,849	746,326	324,871	-	-	2,041,931
Subtotal	\$42,396,659	\$18,725,645	\$42,451,404	\$19,301,249	\$2,693,095	\$3,269,750	\$128,837,802
CSU Tuition Set Aside 15%	1,836,273	1,205,055	1,951,040	745,986	N/A	-	5,738,354
TOTAL	\$44,232,932	\$19,930,700	\$44,402,444	\$20,047,235	\$2,693,095	\$3,269,750	\$134,576,156

FT-HC (Annualized)	6,107	2,745	5,958	2,747
\$/FT-HC (Tuition)	\$1,473	\$1,361	\$1,643	\$1,551
\$/FT-HC (GF)	\$5,357	\$5,357	\$5,357	\$5,357
\$/FT-HC (Tuition/GF)	\$6,830	\$6,718	\$7,000	\$6,908

-	17,557
-	-
-	-
-	-

* Distribution of Universities - 70%. 30% for Systemwide expenditures, System Office needs, and goal achievement set aside.
(Total distribution \$38,255,698x70% = \$26,778,988).

** GF distributed on 1994-95 Full-Time Headcount basis. (Source: IR - third week enrollment data).

Total projected revenue for 1995-96 is \$38,225,698, distributed on a percentage basis of reported FY1993-94 tuition revenue (actual).

Finance Mac Files

Folder: Proj. Rev. & Exp 94-95

File: Proj & Ex proposed Distribution

3/28/95 (Revised)

Attachment to BR#95-51

CONNECTICUT STATE UNIVERSITY SYSTEM

Schedule 3

FY 1995-96 Tuition & General Fund Distribution

(Based upon Incremental Phase In of New Tuition and General Fund Distribution Methodology)

REVENUES	CENTRAL	EASTERN	SOUTHERN	WESTERN	BOT	SYSTEM-WIDE SUPPORT	SYSTEM TOTAL
State Appropriation **	\$31,829,334	\$13,895,564	\$32,123,993	\$16,205,147	\$2,266,420	-	\$96,320,458
Tuition Balance *	8,344,331	4,614,021	8,687,104	5,133,532	426,675	3,269,750	30,475,413
Goal Achievement Set-Aside	636,267	353,265	661,538	390,861			2,041,931
Subtotal	\$40,809,932	\$18,862,850	\$41,472,635	\$21,729,540	\$2,693,095	\$3,269,750	\$128,837,802
CSU Tuition Set Aside 15%	1,836,273	1,205,055	1,951,040	745,986	N/A	-	5,738,354
TOTAL	\$42,646,205	\$20,067,905	\$43,423,675	\$22,475,526	\$2,693,095	\$3,269,750	\$134,576,156

FT-HC (Annualized)	6,107	2,745	5,958	2,747
\$/FT-HC (Tuition)	\$1,366	\$1,681	\$1,458	\$1,869
\$/FT-HC (GF)	\$5,212	\$5,062	\$5,392	\$5,899
\$/FT-HC (Tuition/GF)	\$6,578	\$6,743	\$6,850	\$7,768

	-	17,557
	-	-
	-	-
	-	-

* Distribution of Universities - 70%. 30% for Systemwide expenditures, System Office needs, and goal achievement set aside.
(Total distribution \$38,255,698x70% = \$26,778,988).

** GF distributed on 1994-95 Full-Time Headcount basis. (Source: IR - third week enrollment data).

Total projected revenue for 1995-96 is \$38,225,698, distributed on a percentage basis of reported FY1993-94 tuition revenue (actual).

Finance Mac Files

Folder: Proj. Rev. & Exp 94-95

File: Incremental Phase 95-96

3/28/95 (Revised)

Attachment to BR#95-51

CONNECTICUT STATE UNIVERSITY SYSTEM

Schedule 4

	A	B	C	D	E	F	G	H	I	J	K
	1995-96 (1) General Fund Historical Distribution	Proposed (2) (Distribution) Based on FT HC (1994-95)	(B - A) General Fund Difference	(C * 10%)	(C * 35%) (3) General Fund Diff. w/Fringe	Tuition Fund 1995-96 (4) Historical % Distribution	Based on % (5) Distribution of Actual FY 1993-94 Revenue	(G - F) Tuition Difference	(H * 10%)	(D + I) Total Impact	(E * 10% + I) Total Impact with Fringe
Central	\$31,730,848	\$32,715,712	\$ 984,864	\$ 98,486	\$ 1,329,566	\$ 8,902,782	\$ 9,680,947	\$ 778,165	\$ 77,816	\$ 176,302	\$ 210,773
Eastern	13,805,612	14,705,127	899,515	\$ 89,952	1,214,345	5,072,482	4,020,518	(1,051,964)	\$ (105,196)	\$ (15,244)	16,238
Southern	32,146,953	31,917,358	(229,595)	\$ (22,960)	(309,953)	9,216,930	10,534,046	1,317,116	\$ 131,712	\$ 108,752	100,717
Western	16,370,625	14,715,841	(1,654,784)	\$ (165,478)	(2,233,958)	5,628,725	4,585,408	(1,043,317)	\$ (104,332)	\$ (269,810)	(327,728)
BOT	2,266,420	2,266,420	-	-	-	426,675	426,675	-	-	-	-
System-Wide Support	-	-	-	-	-	3,269,750	3,269,750	-	-	-	-
CSU Grants	-	-	-	-	-	5,738,354	5,738,354	-	-	-	-
	<u>\$96,320,458</u>	<u>\$96,320,458</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$38,255,698</u>	<u>\$ 38,255,698</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

- (1) Historical General Fund distribution represents 1994-95 allocation (Level funding) for 1995-96.
- (2) Full-time headcount taken from figures released through BOT Institutional Research office.
- (3) Fringe benefits calculated @ 35%.
- (4) Historical Tuition represents 1994-95 allocation distribution percent applied to projected 1995-96 revenue.
- (5) Tuition distribution of \$28,820,919 for Universities was based on actual 1993-94 reported revenue. (See below)

Calculation of Distribution %

1993-94 Reported Revenue

Central	\$ 11,786,831	33.59%
Eastern	4,897,110	13.95%
Southern	12,826,894	36.55%
Western	<u>5,584,211</u>	<u>15.91%</u>
	\$ 35,095,046	100.00%

Finance Mac Files
 Folder: Proj. Rev. & Exp 94-95
 File: GF & TF Analysis A
 3/28/1995 (Revised)

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