

Legislative History for Connecticut Act

PA 14-117

SB330

House	6959-6962	4
Senate	1844-1849	6
Higher <u>Education</u>	535-557, 616-618	26
		36

H – 1201

**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
2014**

**VOL.57
PART 21
6912 – 7260**

Those absent and not voting 6

DEPUTY SPEAKER GODFREY:

The bill, as amended, is passed.

Representative Aresimowicz.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker.

Mr. Speaker, I move that we immediately transmit to the Senate any items waiting further action.

DEPUTY SPEAKER GODFREY:

Without objection, so ordered.

Representative Aresimowicz, I understand we have another Consent Calendar.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker.

We are. We are about to list off the bills that will be included in our second Consent Calendar for the evening, sir.

DEPUTY SPEAKER GODFREY:

Proceed, sir.

REP. ARESIMOWICZ (30th):

Thank you very much, Mr. Speaker.

I move -- I'd to add the following to the Consent Calendar. Calendar 426, Calendar 308, Calendar 438, Calendar 488 --

SB 281

SB 19

SB 182

SB 330

DEPUTY SPEAKER GODFREY:

Whoa, whoa, whoa.

REP. ARESIMOWICZ (30th):

I apologize, Mr. Speaker. The first number was
427.

DEPUTY SPEAKER GODFREY:

So 427, thank you, sir. Proceed.

REP. ARESIMOWICZ (30th):

Calendar 476, as amended by Senate "A"; Calendar
445, Calendar 514, Calendar 505, as amended by Senate
"A"; Calendar 455, Calendar 456, as amended by Senate
"A"; Calendar 322, Calendar 536, as amended by Senate
"A" and Senate "B"; Calendar 430, Calendar 520, as
amended by Senate "A" and Senate "B"; Calendar 538, as
amended by Senate "A"; Calendar 424, as amended by
Senate "A"; Calendar 439, as amended by Senate "A";
Calendar 482, as amended by Senate "A"; Calendar 325,
as amended by Senate "A."

Calendar 526, as amended by Senate "A"; Calendar
509, as amended by Senate "A"; Calendar 532, Calendar
502, as amended by Senate "A"; Calendar 421, as
amended by Senate "A"; Calendar 431, as amended by
Senate "A"; and Calendar 539, as amended by Senate
"A."

- SB 194
- SB 402
- SB 324
- SB 45
- SB 221
- SB 257
- SB 201
- SB 389
- SB 418
- SB 438
- SB 427
- SB 260
- SB 208
- SB 424
- SB 241
- SB 14
- SB 106
- SB 322
- SB 410
- SB 217
- SB 477
- SB 429

DEPUTY SPEAKER GODFREY:

Is there objection to any of these items being placed on the Consent Calendar? If not, Representative Aresimowicz, would you like to move passage of the Consent Calendar?

REP. ARESIMOWICZ (30th):

Mr. Speaker, I want to remove Calendar 539.

SB429

DEPUTY SPEAKER GODFREY:

Please remove Calendar 539, Mr. Clerk.

REP. ARESIMOWICZ (30th):

Mr. Speaker, I move passage of the bills on the second Consent Calendar of the day.

DEPUTY SPEAKER GODFREY:

The question is on passage of the items on Consent Calendar Number 2.

Staff and guests please come to the well of the House. Members take your seats. The machine will be open.

THE CLERK:

The House of Representatives is voting by roll.

The House of Representatives is voting by roll on the second Consent Calendar of the day, House Consent 2. Please report to the Chamber immediately.

DEPUTY SPEAKER GODFREY:

Have all the members voted? Have all the members
voted?

If all the members have voted, the machine will
be locked.

The Clerk will take a tally.

And the Clerk will announce the tally.

THE CLERK:

Consent Calendar Number 2.

Total Number Voting 147

Necessary for Passage 74

Those voting Yea 147

Those voting Nay 0

Those absent and not voting 4

DEPUTY SPEAKER GODFREY:

The items on the Consent Calendar are passed.

(Speaker Sharkey in the Chair.)

SPEAKER SHARKEY:

The House will please come back to order.

Will the Clerk please call Emergency Certified
Bill 5597.

THE CLERK:

S - 674

**CONNECTICUT
GENERAL ASSEMBLY
SENATE**

**PROCEEDINGS
2014**

**VOL. 57
PART 6
1656 - 1970**

Thank you. Will you remark? Will you remark? If not, Senator Hartley.

SENATOR HARTLEY:

Yes. Thank you, Madam President.

And if there is no objection, I would ask that this be on the Consent Calendar, madam.

THE CHAIR:

Seeing no objection, so ordered, ma'am.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

Madam President, if the Clerk would call as the next two items, first Calendar page 35, Calendar 205, Senate Bill 330, and then, Calendar page 38, Calendar 280, Senate Bill 312.

THE CHAIR:

Mr. Clerk.

THE CLERK:

On page 35, Calendar 205, substitute for Senate Bill Number 330, AN ACT CONCERNING THE BOARD OF REGENTS, Favorable Report of the Committee on Higher Education.

THE CHAIR:

Senator Cassano, good evening.

SENATOR CASSANO:

Good evening.

THE CHAIR:

Would you like to stand at ease for a moment, Senator?

SENATOR CASSANO:

Just one second.

THE CHAIR:

Sure. The Senate will stand at ease for a moment.

(Chamber at ease.)

SENATOR CASSANO:

Thank you, Madam President.

I'd like to move acceptance of the Joint Committee report and urge passage of the bill. It's a very --

THE CHAIR:

Motion is on acceptance and passage. Will you remark, sir?

SENATOR CASSANO:

Yes, Madam Chairman. Thank you.

The bill does two things. In fact, I didn't know beforehand, one of the things it does is changes the name for the -- from the Board and State Academic Awards Group, which some of you that have been around may remember, to Charter Oak College; that's the first change.

And the second change, we have two vice-presidents in the Board of -- the Board of Regents system. This would allow two vice-presidents, one to serve the four-year state universities and one vice-president serve from the community colleges. And I move adoption of the bill.

THE CHAIR:

Will you remark? Will you remark on the bill? Will you remark? Seeing none, Senator Cassano.

SENATOR CASSANO:

I believe Senator Boucher had a question.

THE CHAIR:

No. I'm sorry. Senator Boucher.

SENATOR BOUCHER:

Thank you, Madam President.

Madam President, I rise for a little clarification for the Chamber. Through you, please, Madam President.

THE CHAIR:

Please proceed, ma'am.

SENATOR BOUCHER:

Madam President, it would be very helpful, I think, to the body since this is a fairly new reorganization for our state if you might just want to explain briefly the role of each of these two vice-presidents and how distinct their missions would be one from the other. And also, you know, what they -- what those vice-presidents will be doing for us under the Board of Regents. Through you, Madam President.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO:

Thank you. Through you, Madam President, it's really just part of Connecticut history if I think about it. We created the University of Connecticut and then eventually the teachers' colleges became the state university system.

In the 1960s, we created a community college system and then, just a couple of years ago, we merged the community colleges and the four-year system into one. It's like taking an apple and an orange and mixing them.

Well, the apple needs representation and the orange needs representation. And so the vice-president of the community colleges will be able to go back to the community colleges on the issues that are important to the, as well as the vice-president for the four-year colleges will be able to do the same thing.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you very much for that clarification. I think it was very clearly explained and -- and briefly as well, which is really great. I think that we can -- we have all been so used to identifying the program as not the Board of Academic Awards, but, in fact, Charter Oak Community College, so that makes a great deal of sense.

In addition, it is clear that our community colleges and our state university system do have very distinct roles and it's good for them to be differentiated. And from what I understand as well, the choosing of and the recruiting of presidents for those units now is going to reside at the Board of Regents. Is that true? Through you, Madam President.

THE CHAIR:

Senator Cassano.

SENATOR CASSANO:

Yes. I believe that will be the process. And I, through you, Madam Chair, and I appreciate your comments on Charter Oak. I don't think most people recognize that it serves students in 50 states, yet as no campus. It's a unique situation and one we're very proud of.

And it's going to be central, I think. Central to the development of our educational policies and, most important, our attempts for students to complete and

graduate from colleges because of the online services they allow and provide for.

THE CHAIR:

Senator Boucher.

SENATOR BOUCHER:

Thank you very much, Madam President.

I do rise to support the bill and -- but also would send out a cautionary note from the standpoint that this is a fairly new restructure, and that we hope that it serves its purposes well, but at the same time allows the autonomy that our schools should have and -- so that they can pursue their mission individually and well for the needs of their particular institutions.

We don't want to take too much of their local control away and -- as they all have their own endowments as well and work hard for the missions of their particular institution.

So we all look forward to the Board of Regents progressing, doing well, and showing their value added in this new structure. Thank you very much, Madam President.

THE CHAIR:

Thank you. Will you remark? Will you remark?
Senator Cassano.

SENATOR CASSANO:

If there are no other comments, I would urge that this be placed on the Consent Calendar. Wait, I'm sorry. I would like a roll call vote on this particular item.

THE CHAIR:

Okay. At this time, I will call for a roll call vote.

Mr. Clerk, will you please call for a roll call vote and I'll open the machine.

THE CLERK:

Immediate roll call has been ordered in the Senate.
Immediate roll call in the Senate.

THE CHAIR:

If all members have voted, all -- hold on a minute.
If all members have voted, all members have voted, the
machine will be closed.

Mr. Clerk, will you please call the tally.

THE CLERK:

Senate Bill Number 330.	
Total number voting	34
Those voting Yea	33
Those voting Nay	1
Absent and not voting	2

THE CHAIR:

The bill passes. Mr. Clerk.

THE CLERK:

On page 38, Calendar 280, substitute for Senate Bill
Number 312, AN ACT CONCERNING A LONG ISLAND SOUND
RESOURCE AND USE INVENTORY AND A LONG ISLAND SOUND
BLUE -- BLUE PLAN. It's amended by Senate "A".

THE CHAIR:

Good evening Senator Meyer.

SENATOR MEYER:

Good evening, Madam President. I do move acceptance
of the Joint Committee's Favorable Report and passage
of this good bill.

THE CHAIR:

The motion is on acceptance and passage. Will you
remark, sir?

**JOINT
STANDING
COMMITTEE
HEARINGS**

**HIGHER EDUCATION
AND
EMPLOYMENT ADVANCEMENT
PART 2
359 - 893**

2014

1

March 4, 2014

smj/gbr

HIGHER EDUCATION AND
EMPLOYMENT ADVANCEMENT COMMITTEE

11:00 A.M.

CHAIRMEN: Senator Cassano
Representative Willis

MEMBERS PRESENT:

SENATORS: Bye, Boucher

REPRESENTATIVES: Ackert, Alberts,
Bacchiochi, Candelaria,
Haddad, Lavielle, LeGeyt,
Maroney, McCrory,
Sanchez, Sawyer,
Sayers, Smith, Walker

REP. WILLIS: (Inaudible) Advancement Committee public hearing. We are going to be doing four bills today and I understand that I am supposed to make a public service announcement.

In the interest of safety, I ask that you note the location, the access to the exits of this hearing room on either side of the room. Two doors you entered into are emergency exits. In the event of emergency, please walk quickly to the nearest exit and please quickly exit the building and follow any instructions from the Capital Police. And in the event of a lockdown announcement, please remain in the hearing room and stay away from exit doors until the all clear announcement is heard.

Okay, I've taken care of that business which I'm usually not very good at doing that at all. So, we will start with the public official agency list, and the first one is Ernestine Weaver from the Board of Regents.

ERNESTINE WEAVER: Good morning, Senator Boucher, Representatives Willis and LeGeyt. I -- and members of the Committee. My name is Ernestine

8B330

March 4, 2014

smj/gbr

HIGHER EDUCATION AND

11:00 A.M.

EMPLOYMENT ADVANCEMENT COMMITTEE

Weaver and I am counsel for the Board of Regents for a higher education and I would like to comment briefly on Senate Bill 330, AN ACT CONCERNING THE BOARD OF REGENTS.

I want to thank you for raising these technical items that simply clarify that the Board of Regents can only appoint vice-presidents for the community colleges and State universities and not for any other constituent unit of higher education that is not part of our consolidated system, and to remove obsolete references to the Board of State Academic Award. The purpose of my testimony is to ask for an amendment that allows the Board of Regents central office to regain two abilities that UCONN enjoys for its multiple campuses and that were previously held by the CSU Board System Office. They are, one, to contract at the central office in situations where it makes the most financial and academic sense to do so, and, two, to establish a foundation for the benefit of the entire system.

The first issue truly is more technical. We do currently contract with the understanding and guidance of the Attorney General's Office on behalf of our institution. However, as we continue to look for gains that we can make as a system and as we propose two major systemwide contracts for an IT overhaul and facilities master planning process, ensuring that the BOR can properly execute these contracts is essential. This amendment removes any ambiguity pertaining to our ability to move forward with these items.

I would like to call your attention to a statute currently on the books that recognizes the importance of the ability of the central office to contract. Section 10a-89e states

that, "The Board of Trustees for the Connecticut State University System shall: (1) consolidate the purchasing process for the system at the central office; (2) expedite the purchasing process by adjusting policies and utilizing enabling technologies; and (3) redesign and train central purchasing personnel to focus on customer service, vendor management activities, and the establishment of system contracts."

Second, as part of Transform CSCU 2020, we are looking to establish a regent scholarship fund to provide grants to students that graduate from a community college and transfer to one of our four-year institutions. Besides rewarding committed students and ensuring that they can afford to continue their education, this effort is aimed at attracting some of the 1400 students that get an associate's degree and transfer to an institution outside of our system and sometimes outside of our state. This amendment allows for the establishment of a foundation to support this worthy goal.

I also want to commit to you that individual institution foundations will continue to do the important work that they do in supporting their schools and that we hope to be able to augment their efforts in the future by promoting local campaigns, not supplanting them. The proposed amendment appears in the next page, and I look forward to any questions you may have.

REP. WILLIS: Any questions or comments from members of our Committee? Senator Boucher.

SEN. BOUCHER: Good morning to you. Thank you very much for your testimony. I have some questions about the changes that you're proposing, the two that you just mentioned, particularly the

one having to do with setting up a foundation at the Board of Regents level.

Most institutions seem to enjoy a great deal of success when the fund-raising aspect of a foundation is kept very localized to the individual school or program. My concern is that this effort might, in fact, weaken those efforts on the individual school's part. So, you're talking about not supplanting them, being separate and different for specific purpose, but yet my concern is that it might just do that. And given how difficult the whole fund-raising aspect in Connecticut has become, but that most good fund-raising efforts tend to be with the college or university, the programs -- because those individuals that typically give are either related to the school in some way, whether they be alumni, Board members, community members typically for community colleges that see the value of the program locally.

So, again, tell me the rationale for this thinking and this change.

ERNESTINE WEAVER: Oh, certainly. Thank you for the question. The rationale is that we would not change anything that is currently happening with the particular foundation. You're correct, the schools do do an excellent job with working with their alumni, but the issue that we have is as a system there are opportunities for the system to do things statewide. There are opportunities for us to do things for all levels. And without a foundation to support us, we are actually hindered in our efforts.

For example, as I mentioned, the regent scholarship, that would be something that could

be applied to all of this body of students. We're not able to tap into nor do we want to touch the funds that are at the individual entities, the individual foundations, but this would be a vehicle to allow the Board to actually do something on a broader level, reaching the students that are at the two-year schools and the four-year schools, and over the entire state, which is something that none of the individual foundations can do.

SEN. BOUCHER: And who would your target audience and donors be?

ERNESTINE WEAVER: I do not have the answer to that particular question, but I can find out for you. I believe a lot of it is through grant funding.

SEN. BOUCHER: Thank you.

REP. WILLIS: Representative Lavielle.

REP. LAVIELLE: Thank you, Madam Chair. Thank you for your testimony. Good morning -- good afternoon -- morning.

Further to the questions on the foundation, who would actually be in charge of running and administering it?

ERNESTINE WEAVER: The Foundation -- if we were able to be a constituent unit per Chapter 47, then we would be under the purview of all of those requirements. It would be required that we would have the independent Foundation Board. That Foundation Board would be working with the Board of Regents President.

REP. LAVIELLE: And the Board would be in charge of doing the actual fund-raising? I guess my

question is who would actually do the work?

ERNESTINE WEAVER: The Foundation would have a separate board as far as who would actually be doing the work, I would assume, but I -- that it would be the Board of the Foundation. The foundation would be a separate entity that would be created for the purpose of supporting the Board of Regents. We have a difficulty with the names, I'm sorry.

REP. LAVIELLE: Well, I guess I ask the question because usually a foundation structure, you do have a board that approves major decisions and things like that and who tries to attract money. But it's -- fund-raising is very difficult, as you know, and you made that point. And unless there is a staff, an executive director, somebody -- usually more than one person for something of this magnitude that actually does the work, it's difficult. It has to be -- it has to be followed on a daily basis and I can't -- it is hard for me to imagine putting something like this in place without providing for some staff positions and the costs that go along with them.

ERNESTINE WEAVER: Well, at this point what we're doing is looking for the ability to even create such a thing. Right now the Board of Regents or ConnSCU or CSCU does not have the ability to create a foundation. So, by having our name -- by having it be a constituent unit for this purpose, we could actually even explore whether or not that is something we would be able to do. This change does not create a foundation, it just allows us to explore whether we should create a foundation which I believe is the direction that they think would be beneficial.

REP. LAVIELLE: Do you have any perspective today --

I have looked this up before, but I have to admit sitting here I don't remember. Do you have any perspective on the relative success so far of the four constituent units in growing their foundations?

ERNESTINE WEAVER: No, I do not have any particular questions (inaudible).

REP. LAVIELLE: I think that it probably is something they are seeking to speed up and build on as quickly as possible. And I have a worry about the resources necessary -- your intent is very, very admirable, but I find the necessary resources and the amount of what's already taken up out there rather difficult to conceive of at this point. But it's certainly an admirable intent, but I am somewhat skeptical. Thank you very much for your answers.

REP. WILLIS: Ernestine, I have a question. Without -- would it be possible for, under the current system for the Board of Regents to solicit grant money without the statutory change? In other words, could you contact a national foundation or could you contact a statewide corporation to fund this kind of entity now? What's the -- because my understanding is that, that the Board of Regents solicits foundation money for grants today.

ERNESTINE WEAVER: It's a difficult process in that when we solicit funds, we always are doing it on behalf of a constituent unit. So, say, for example, we have a particular fund, it is on behalf of the community colleges. It is on behalf of the CSUs. It cannot be on behalf of the BOR itself as it exists, and that's one of the issues which is why we were trying to have

the name -- having the BOR. And part of it is the difficulty with the name. I'm going to use the Board, BOR, and then I'm also going to use CSCU. The Board -- and that is part of the difficulty with the issue.

The Board in and of itself cannot, it should not, but it can do so when it's operating on behalf of CSCU. CSCU, however, is an entity that is consolidated. And as it is a consolidated entity, we have to split it off between the community colleges or Charter Oak or the State universities when we're doing grant writing, when we're doing contracting. The Board of Regents in and of itself does not have the authority to do that. It can only do that when it's operating on behalf of one of those entities, which is why we were looking to have this technical change so that way the BOR could actually perform those functions in its own right as opposed to always having to determine that it's for the CPCs, the community colleges, or the CSU or Charter Oak because one of the other difficulties is when funds come in, they have to be divvied out, or they can only be requested for a particular purpose or a particular segment. And as we're trying to have the CSCU operate more as a system, the consolidated System Office needs to be able to do these things on behalf of it, which is the BOR, which is also the name of the Board.

REP. WILLIS: As I've heard this explained by Dr. Gray, what you're trying to raise funds with -- certainly seems to be his primary effort is to raise funds for transfer students, to encourage transfers from the community colleges to the State University System, that that would be the primary function of this fund-raising. I can tell you that the foundations and the different colleges are very

concerned about the competition. So, they articulated that. And in full disclosure, I'm a member of a Foundation Board, of one of the community colleges.

When you put together a Foundation Board, you're putting people on it who know where to go to raise money. Either they're going to contribute it or they know people who are going to contribute it. So, assuming that everyone on the Foundation Board is from Connecticut, you are tapping into the same people we're trying to tap into locally. There's just no getting around it. I mean, and I think for some people it's going to be very confusing that they're being asked, you know, from within the same system.

But that being said, do any of the foundations -- and I think actually ours does -- give scholarships to students who are presently in the Community College System and moving on to the State University System? Is there --

ERNESTINE WEAVER: I do not know the answer to that question, but I can find out for you.

REP. WILLIS: Yeah, because I know we talked about it once at a, at a Foundation Board meeting whether or not we'd have that caveat, but we'd continue giving the money to a student who moved on. So, it has been part of the discussion to encourage students to continue to get a B.S. or a B.A.

In order to do that, assuming we -- you set up a Foundation Board for whatever you're going to call it -- CSU system -- once you -- do you have to be designated as a constituent unit to do that?

ERNESTINE WEAVER: Yes, we do.

REP. WILLIS: And there's no other statutory way to do that, to get around that designation, to give you an authority to set up a foundation?

ERNESTINE WEAVER: I am not certain if there is absolutely no other way to do that, but I think --

REP. WILLIS: Okay. Well, I think we need to have that conversation because most reluctant to call an office a constituent unit, and you are an office, you know. You work for the colleges, not the other way around. And that's sometimes a concept that gets lost. You think, you know, you're there to serve the needs of all our colleges and you're an office. And we expect that you're going to do all these thing and consolidation that's described as a way of vendor services, contracting, technologies, that that is a clearinghouse and that lowers costs and helps facilitate that for the colleges and universities that don't have the resources to do that on their own. So, that's the purpose of an office. And the BOR and whatever it is now is just an office.

So, that's my concern and we'll have to massage this idea a little more. I know that there are questions of members from our Committee.

Representative Alberts.

REP. ALBERTS: Thank you, Madam Chair. Again, thank you for your testimony.

You know, I'm betwixt and between in terms of the establishment of the scholarship fund that you're looking to do, establishment of the

foundation, because I do recognize what the goal -- and I think it's a very noble one, but as the Chairman mentioned, several of us have served on foundations. I served on the Eastern Connecticut State University Foundation for many years and I'm just concerned that at some point foundation balances could be slipped or rolled into one master category. And I understand what you are testifying, that it's -- that's not the goal, it's not to supplant them. It's to -- not to replace them or take them over. But I'm just hesitant to go down that slippery slope with new legislation when it could very easily be done by some future General Assembly. So, I'm hopeful that we can come up with something creative that safeguards the State University Foundations' independence and ensures that they have full control over their wherewithal. So, again, thank you for bringing this forward and I think what you're doing is a worthy goal, but we need to have some safeguards in here.

Thank you, Madam Chair.

REP. WILLIS: Thank you. Represent LeGeyt.

REP. LeGEYT: Thank you, Madam Chair.

Good morning.

ERNESTINE WEAVER: Good morning.

REP. LeGEYT: I'm interested in exploring for just a minute the fundamentals or the logistics of how this would work compared to what's available and possible already, considering that there is no foundation at the Board of Regents level. And there was a question asked about competition between the Board of Regents foundation and foundations for the various

constituent units that presently exist.

Would the intent of this be to funnel funds to each constituent unit outside of their own respective foundations, or would there be another category that -- for which donated funds to the BOR Foundation would be used for?

ERNESTINE WEAVER: Currently there is no -- there is a CSUS system foundation. The CSUS system had its own foundation. The BOR has no foundation.

REP. LeGEYT: Right.

ERNESTINE WEAVER: As far as what we were trying to do here is to establish or have the ability to establish a foundation that the BOR could use for all of the CSCU. It would not necessarily -- there have been no plans, so, I cannot say what -- where the intent is how the foundation would operate because the conversation has not received or reached that level. At this point we were simply trying to make it possible for the BOR to operate on behalf of the institutions that it supports.

Right now the BOR is a -- technically it is a State agency. It is not an office of the -- the System Office is not an office of the colleges and the universities. It cannot do the things that the System Office used to do before the change was made. Right now it does it only on behalf of but not in its own right because the BOR does not exist in the same manner that the System Office existed previous to the legislative change. And, so, we were trying to simply change and allow the System Office to operate on behalf of, as a part of the constituent unit that the other institutions are.

REP. LeGEYT: So, how many foundations exist presently, one for each of the constituent units?

ERNESTINE WEAVER: I believe that each of the constituent units have a foundation, and that would be each of the 12 community colleges, the four CSUs, the System Office of the CSU. There is no System Office foundation for the community colleges and I do not know the situation at the Charter Oak.

REP. LeGEYT: And, so, absent, absent a foundation structure for the Board of Regents itself, donations could be solicited, donations could be received, but donations could not be held by the Board of Regents. They'd have to be passed through to whatever constituent unit the donor preferred to have it go to as opposed to the Board of Regents making those decisions.

ERNESTINE WEAVER: Right, donative intent, of course, controls with these foundations. So, even though, as I was saying, there is a CSU foundation which is held by the System Office cannot use that for whatever we choose. It has to be limited to CSU. We're looking to do things more broadly that could help all of the institutions across the state. That was the intent, not simply dealing with one particular thing but having a more statewide interest.

REP. LeGEYT: Thank you.

REP. WILLIS: Thank you.

A follow-up question, but this isn't -- the CSU had a foundation for all of the four colleges, universities, and that no longer exists. And did they have a board?

ERNESTINE WEAVER: It still exists. The CSU has a foundation. It still exists. Each of the CSUs also have foundations. They each have their own boards.

REP. WILLIS: I know that, but -- so, today there are members of a CSU Foundation Board today. And, so, what you're saying is -- and that CSU Foundation Board they a constituent unit?

ERNESTINE WEAVER: The CSU is a constituent unit. So, they're able to have a Foundation Board. CSUS, the Connecticut State University System, is a constituent unit.

REP. WILLIS: So, when we talk about Connecticut having 17 constituent units, we really have 18 today?

ERNESTINE WEAVER: Or because the unit -- it depends on how we want to -- we have -- depending on how you want to talk about that, the four CSUs are one constituent unit because they are not separate in their constituent unit status. They are one, while the community colleges are 12, even though there are four CSUs.

REP. WILLIS: And does the CSU Foundation function today in terms of fund-raising?

ERNESTINE WEAVER: Yes.

REP. WILLIS: Okay. Could I -- could we get a copy of the members of the board for that foundation? And also how much -- do we have access to their resources, how much they raised, how much they have in the foundation?

ERNESTINE WEAVER: I am not certain in that they are a private entity, but I will find out --

REP. WILLIS: We've gone down that road with UCONN.
So much for Freedom of Information.

Okay, there are other questions. Senator Cassano -- oh, I know, I have one follow-up question. Do other states who have System Offices as we do in Connecticut now presently, do they have a setup like this where they establish their own fund-raising arm? Do other states do this? Is there a way to find out?

ERNESTINE WEAVER: I will try to find out for you.

REP. WILLIS: Okay, I just wanted to see if this is unique or not.

Okay, Senator Cassano.

SENATOR CASSANO: Thank you, Madam Chair.

Just a couple comments on the bill in general, first of all. I think there are some really good things in the bill. I think clearing up the definition of the vice-president is a good start right in the very beginning. I'm a little concerned particularly with the questions that my Co-Chair asked.

If the CSU system already has a foundation and we create a BOR foundation for the system, I don't understand how we cannot have competition between the existing system and the new system. Will the new system be absorbed or will it absorb -- excuse me, the CSU system?

ERNESTINE WEAVER: We're not trying to absorb or -- we're just trying to create something that we can apply broadly. Every foundation is driven by their own donative intent. I would assume, and it's an assumption, that most of the money that is raised at each of those constituent

units can only be used for those particular specific things for those particular specific institutions.

SENATOR CASSANO: Okay. But if we have --

ERNESTINE WEAVER: And CSUs, of course, can -- CSU system can be used on the CSU -- for the four CSUs, but right now we have nothing that allows us to do anything broadly for the community colleges.

SENATOR CASSANO: But each college has its right to raise funds.

ERNESTINE WEAVER: They have their right to raise funds, but there's nothing within the System Office at that level that allows for something to be broadly spread across the 12.

SENATOR CASSANO: And your goal is to create a foundation so you can do the same things that the community colleges or the CSUs are doing as far as scholarships and so on. Now, historically this Committee has always been a little edgy because of -- UCONN has a foundation. In that is athletic, there's a whole variety of things, and so on. Are there restrictions -- are we talking about the same broad opportunities that UCONN has here at the BOR, or are we talking about a scholarship program at the BOR? What are the goals of raising this money and how is it to be distributed?

ERNESTINE WEAVER: I don't know what UCONN has to make a comparison. Right now at the present, we were talking about scholarship funds.

SENATOR CASSANO: Strictly scholarship funds?

ERNESTINE WEAVER: But I don't know if that's the limitation, but that's what we were discussing.

SENATOR CASSANO: I think that would go a long way in this bill if that was clarified because much of your athletic program at UCONN is included in the foundation, which is fine for UCONN. I don't think we're looking to get to that level, quite honestly.

You also have in each of the community colleges, most of their foundations are to help people get through the system so they can go on to the next system and, so, there's a lot of money currently spent. And I'm on the MCC, Manchester Foundation as well. You know, we grant a lot of money to students to keep students in school so they can transfer to one of the four-year universities or wherever they might want to be. You would be doing the same thing. Are we competing?

Why would I donate to the BOR Foundation if I want to donate money to Norwalk Community College or Housatonic or whatever? Why wouldn't I just donate to them? That's what I don't understand.

ERNESTINE WEAVER: I doubt that we would be competing. And first off, when it -- people often don't have the interest in donating to a system. They donate to their institution that they have their fond memories and have had their experiences and have their loyalties to. Systems don't generally generate that kind of warm and fuzzy feeling.

SENATOR CASSANO: Right.

ERNESTINE WEAVER: It's more of a case for us in being able to write the grants, have a place to

put the money, and then be able to give it generally -- not just simply give it to the CSUs because they have a vehicle that we have access to, but to do it broadly, especially since we have no vehicle to deal with the community colleges at the System Office level.

SENATOR CASSANO: So, your solicitation may be more in the area of grants and not necessarily going out to individuals throughout the state of Connecticut and New England or graduates or whatever it might be which you will have access to every one of their names. It's not a -- it's a different solicitation.

ERNESTINE WEAVER: It is a different solicitation in that people -- an Eastern grad has been in the CSU system, but they have no loyalty to the System Office.

SENATOR CASSANO: True.

ERNESTINE WEAVER: Their loyalty would be to the institution. So, I don't believe it would be personal contacts with individuals in that sense because we simply won't have the same level of interest in the population or just not that interest (inaudible).

SENATOR CASSANO: Okay, that clarifies it a little for me. Thank you.

ERNESTINE WEAVER: Thank you.

REP. WILLIS: Thank you. Representative Ackert.

REP. ACKERT: Thank you, Madam Chair. And thank you for your testimony. Way over here in this corner.

And I can understand in a way -- I served as a

trustee for the community colleges prior to the Board of Regents being developed. One of the struggles that we had -- we had this similar conversation, actually, about actually having all the community colleges kind of create a pool for the System Office because some, some of the community colleges did a very, very good job of fund-raising. And I can think -- Representative Willis can probably comment on that, too. You know, like Norwalk did a wonderful job. They had an enormous pool of dollars -- still do, I believe. They did a great job down there. But Quinebaug Valley Community College struggled with fund-raising. So, they were looking for a means to be able to support some of those that didn't have the ability, whether their District was -- you know, didn't have the dollars. So, I understand the intent because we talked about it about probably six years ago, the same idea. So, I do like to see -- I would like to see if other systems, though -- and I believe Dr. Gray came from the SUNY system. Is that the term?

ERNESTINE WEAVER: (Inaudible) he's from California.

REP. ACKERT: So, if there is a means that shows some example of similar -- I believe Representative Willis asked the same -- (inaudible) that it's done the same place because Connecticut, there is only so many donors that are out there. We're not going to create more donors typically, so, we will be fighting at Board. But I see the value of it to help some of those -- some of those districts that don't have the ability to have that pool of money like some of the colleges that do a great job of fund-raising. So, I see the value, but I'd like to see an example, too. So, thank you for your testimony.

Thank you, Madam Chair.

ERNESTINE WEAVER: Thank you.

REP. WILLIS: Thank you. Any other questions or comments from -- Senator Cassano, a second time.

SENATOR CASSANO: Just one follow-up. I initially -- I have some concern about the constituent unit philosophy, basically because we give UCONN a block grant, and however they want to spend it they spend it. I don't want to get into the detail of spending the money at UCONN, but I sure would like to know how it's being spent in some kind of a quarterly something that tells me where the money is going that we're giving them.

What assurances could we get that if we created that same situation here -- we'll in effect be giving you a block grant which I think is probably necessary to do what you need to do. I understand the role of the constituent unit, but you have a Board of Education, a Board of Regents, you have a Commission -- a Committee of Higher Education. Each needs to know what each other is doing. And just to give you money and then have you come back next year for next year's budget and say, "Here's what we need," doesn't work. And if there's any message -- if this is going to happen, that has got to be -- it's got to be a partnership. I want to know how well things are going. I want to know if there's issues. I want to know where successes are.

You're bringing together a four-year system, a Community College System, totally different goals, and now Charter Oak which I think is going to be the catalyst for all of this, quite

honestly, in many, many ways. That's exciting. But it's not very exciting if we don't know about it and you guys just do it and don't communicate back. So, and I've had that conversation with Dr. Gray. I feel it's very, very important that if we're not part of the process -- we have the ability to change legislation if we have to. So, should keep that in the back of their mind because we're not just going to stand by and watch it be spent without knowing.

Thank you.

REP. WILLIS: Thank you. Oh, Senator Boucher. Last time.

SEN. BOUCHER: For the second time, thank you so much. You've heard a number of concerns about the proposal to create a foundation at the Board of Regents level and I think the concerns are really valid. The original intent when this legislation came forward was to be very, very careful and clear about the division of responsibility, power, and so forth in that this was an area that was purposely considered a place not to go to keep the fund-raising foundations at the local level. And in many places throughout the country, whether a Board of Regents or that there not have Board of Regents, it's usually not both. There is not a foundation at the Board of Regents level and also foundation at the school level.

What typically will happen is the Board of Regents has the entire foundation arm for all of the (inaudible) or they don't and it's left at the school level. So, there's concern -- I have concerns that this might be something that might grow. And where you might decide to do this for a specific purpose, at the end of the

day it may end up being that the Board of Regents may want to just take over all of it and have it just -- and argue the fact that, well, we'll get economies of scale if we do it in one big pool of assets, and that we'll get better investment managers, and what have you. And before you know it, all of the fund-raising is taken away from the individual schools, done centrally, and they lose that ability to really customize what they do with the -- and have that level of closeness and familiarity because that's one of the best ways to get donations, is to have that close connection between the school, their students, their donors, the parents even sometimes donate, or businesses or entrepreneurs that do know, that believe in them, particularly at the community college level. They believe in what they're doing to grow the workforce, and so on. That very close connection really comes through that whole foundation process.

So, what you're hearing is a lot of concern that this may be a creeping kind of takeover of that entire function. And although you may, you know, think that that may be unwarranted, that concern, but it's real and it's valid and there will be others coming along that -- over time that may see this differently and may grow. It's just an experience, and I work with in my private sector job, and many other states in the country, and know of many colleges and universities' foundation work and it appears that that's sort of the trend. It's one or the other, and I think Connecticut struck out in this where there was great deal of controversy about the consolidation under a Board of Regents to begin with, that this can undermine that trust or credibility when it was stated that this is a separation of -- and your roles differentiate and now all of a sudden we're

back here not long thereafter to expand some of those roles that were specifically excluded at the beginning when this was -- and got a buy in more unanimously. If they knew maybe in advance that that would change, that model, maybe there wouldn't be as much support at the beginning. And that's just, just a reflection and some comments that you can take back with you. Thank you.

ERNESTINE WEAVER: Thank you.

REP. WILLIS: Thank you. And I'm sure we'll have further conversations about how to skin this cat.

ERNESTINE WEAVER: Thank you.

REP. WILLIS: Thank you.

ERNESTINE WEAVER: Thank you very much.

REP. WILLIS: Next is Jane Ciarleglio.

JANE CIARLEGLIO: Good morning.

REP. WILLIS: Good morning, Jane. It's always such a pleasure to see you.

JANE CIARLEGLIO: Oh, my goodness, it's continuing.

REP. WILLIS: Of course, we haven't heard what you have to say yet, so, we'll see.

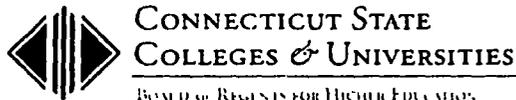
JANE CIARLEGLIO: Good morning. I have with me Pat Santora who is the Director of Academic Affairs for our office.

HB5361

Senator Cassano, Representative Willis, Senator Boucher, Representative LeGeyt and distinguished members of the Higher Education

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**Testimony by Ernestine Weaver,
 Counsel**
 Board of Regents for Higher Education
 Before the Higher Education and
 Employment Advancement Committee
 March 4, 2014



Good morning Senators Cassano and Boucher, Representatives Willis and LeGeyt, and members of the Committee. My name is Ernestine Weaver and I am Counsel for the Board of Regents for Higher Education. I would like to comment briefly on **SB 330: An Act Concerning the Board of Regents**.

I want to thank you for raising these technical items that simply clarify that the Board of Regents (BOR) can only appoint vice presidents for the community colleges and state universities, and not any other constituent unit of higher education that is not a part of our consolidated system, and to remove obsolete references to the Board for State Academic Awards.

The purpose of my testimony is to ask for an amendment that allows the Board of Regents central office to regain two abilities that UConn enjoys for its multiple campuses, and that were previously held by the CSU Board system office. They are: (1) to contract at the central office in situations where it makes the most financial and academic sense to do so, and (2) to establish a foundation for the benefit of the entire system.

The first issue truly is more technical. We currently do contract, with the understanding and guidance of the Attorney General's office, on behalf of our institutions. However, as we continue to look for gains that we can make as a system, and as we propose two major system-wide contracts for an IT overhaul and a facilities master planning process, ensuring that the BOR can properly execute these contracts is essential. This amendment removes any ambiguity pertaining to our ability to move forward with these items.

I would like to call your attention to a statute currently on the books that recognizes the importance of the ability of the central office to contract. Sec. 10a-89e states that "The Board of Trustees for the Connecticut State University System shall: (1) Consolidate the purchasing process for the system at the central office; (2) expedite the purchasing process by adjusting policies and utilizing enabling technologies; and (3) redesign and train central purchasing personnel to focus on customer service, vendor management activities and the establishment of system contracts.

Second, as part of Transform CSCU 2020, we are looking to establish a Regent's Scholarship fund, to provide grants to students that graduate from a community college and transfer into one of our four-year universities. Besides rewarding committed students and ensuring they can afford to continue their education, this effort is aimed at attracting some of the 1400 students that get an associate's degree and transfer to an

institution outside of our system, and sometimes outside of our state. This amendment allows for the establishment of that foundation to support this worthy goal.

I will also commit to you that individual institution foundations will continue to do the important work they do in supporting their schools, and we hope to be able to augment their efforts in the future by promoting local campaigns, not supplanting them.

The proposed amendment appears on the next page, and I look forward to any questions you may have.

Sec. 10a-1: There shall be a state system of public higher education to consist of (1) The University of Connecticut and all campuses thereof, (2) the state colleges, which shall be known collectively as the Connecticut State University System, (3) the regional community-technical colleges, (4) the Board for State Academic Awards, and (5) [the staff of the Board of Regents for Higher Education] the Board of Regents for Higher Education consolidated system office for the regional community technical colleges, Connecticut State University System, and Charter Oak State College as established pursuant to section 10a-1a. "Constituent units" as used in the general statutes means those units in subdivisions (1) to (4), inclusive, of this section. "Constituent unit" as used in chapters 47, 58, 60, 61, 62 and of the General Statutes means those units in subdivisions (1) to (5), inclusive, of this section.