

MINUTES

SPECIAL MEETING OF THE FINANCIAL AFFAIRS COMMITTEE

University of Connecticut
Telephone Meeting
March 15, 2021

TRUSTEES PARTICIPATING: Andy Bessette, Mark Boxer, Shari Cantor, Justin Fang, Marilda Gandara, Kevin O'Connor, Thomas Ritter, Philip Rubin, Daniel Toscano, and Ethan Werstler

STAFF PARTICIPATING: Lloyd Blanchard, Patricia Casey, Debbie Carone, Laura Cruickshank, Greg Daniels, Nathan Fuerst, Gail Garber, Nicole Gelston, Scott Jordan, Thomas Katsouleas, Michael Kirk, Carl Lejuez, Susan Locke, Stephanie Reitz, Rachel Rubin, and Margaret Selleck

SENATE REPRESENTATIVES PARTICIPATING:
Robert Bird, Carol Polifroni

Vice-Chair Bessette convened the meeting of the Financial Affairs Committee via teleconference at 3:01 p.m. He asked for a roll call of Trustees and University Senate members on the telephone and asked if there was anyone from the public who wished to speak on the agenda items presented.

Scott Jordan, Executive Vice President for Administration and Chief Financial Officer, stated that during the February 24, 2021 Board of Trustees meeting the University administration had proposed adjustments to the FY22 tuition and fee rates. The fee proposal included an increase in the Student Health fee to pay for additional mental health resources for students; the Student Activity fee to pay for increases in yearbook printing costs; and the Transit Fee to pay for increased costs of the UPass program. The proposal included a reduction in the previously Board approved FY22 tuition increase. The Board of Trustees voted to table the recommended tuition and fee adjustments to a later date pending additional discussion.

Mr. Jordan provided a PowerPoint presentation entitled, "Budget Update" which detailed deficit projections for FY22-FY25 based on three tuition scenarios for FY22; COVID impacts and aid received and anticipated from the State and Federal government. He indicated that lost revenue and increased expenses due to COVID is approximately \$108 million; and the University has received approximately \$53 million in Federal assistance; leaving a \$41 million COVID related deficit. It is anticipated that the University may receive funds from the American Rescue Plan of \$25-\$30 million. There are no details currently available on those funds. Federal programs that offer relief to the University also provide relief to our students. The relief funds are expected to be substantial and reduce the University's deficit for next fiscal year; as well as provide substantial relief to our students.

Mr. Jordan confirmed that a decision on tuition and fees is not needed immediately, as the billing date for fall student bills is June 1 and any decision made by the May board meeting would allow for adjustments to the fee bill, if needed.

President Katsouleas stated his support for continued deferral of the tuition and fees proposal as the University financial landscape is changing in light of the potential Federal COVID relief.

Trustee Bessette recommended continuing to defer the tuition and fees until more information on the University's financial situation is confirmed allowing the committee to make an informed decision.

Trustee Boxer inquired how the upcoming anticipated retirement "bubble" will affect the University's finances. Mr. Jordan responded that retirements are expected in 2022 due to changes in the SEBAC agreement pertaining to retirement healthcare which may advantage individuals who will be advantaged to retire before a specific date in 2022. These retirements are not anticipated to have a financial impact effecting the tuition decision for the next academic year.

Trustee Ritter recommended a continued discussion of University finances with Trustees and stakeholders; as well as deferring a decision on tuition and fees until after the State budget is determined. Chairman Toscano indicated his support of the plan.

Mr. Jordan stated that the Committee may be asked for a vote on the fee request in May in order to get the fee bills to students on time for the fall semester. The mental health services needs are addressed as part of the fee request and that is important to have in place for the fall semester. He confirmed that the administration will continue to provide financial updates to the Committee and confirmed a Financial Affairs Committee meeting scheduled for March 24, 2021 to address contracts and project budgets for approval.

There being no items for committee vote or additional agenda items for review the meeting was adjourned at 3:32 p.m. on a motion by Trustee Cantor and seconded by Trustee Rubin.

Respectfully submitted,

Debbie L. Carone

Debbie L. Carone,
Secretary to the Committee