

OFFICE OF FISCAL ANALYSIS

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SR-14

RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN CHARTER OAK STATE COLLEGE AND THE CONGRESS OF CONNECTICUT COMMUNITY COLLEGES, SEIU LOCAL 1973.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Board of Regents for Higher Education	OF - Cost	323,434	323,434
State Comptroller - Fringe Benefits ¹	GF - Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The resolution proposes approval of an agreement between the Board of Regents for Higher Education (BOR) on behalf of Charter Oak State College (COSC) and the Congress of Connecticut Community Colleges, SEIU Local 1973. It results in an annual cost to BOR of \$323,434 beginning in FY 26. The agreement covers approximately 250 adjunct faculty who teach two or more college-level credits. This agreement covers one fiscal year for the period of July 1, 2024 - June 30, 2025. The FY 25 General Fund block grant for COSC was approximately \$3.2 million which is 17% of its total budget.

The provisions of the contract include the following changes for adjunct teaching faculty:

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

- 1) 6.49% wage increase for undergraduate faculty,
- 2) 5.45% wage increase for graduate faculty,
- 3) 10% wage increase (from \$40 to \$44 per hour) for ad-hoc hourly assignments provided by the provost,
- 4) \$300 one-time payment for new hires who complete orientation,
- 5) \$20,000 professional development fund, and
- 6) Faculty Team Lead stipend of \$2,000 per year.

The table below contains a summary of the provisions of the agreement and the associated costs to Charter Oak State College.

Component	Current Expenditures	Expenditures With Contract	Difference \$	Difference %
Wages	3,350,168	3,596,653	246,485	7.4%
Work Assigned by Provost	55,340	61,043	5,703	10.3%
New Faculty Orientation	-	9,315	9,315	
Professional Development	-	20,000	20,000	
Tuition Waivers	-	12,731	12,731	
Faculty Team Leads	-	30,000	30,000	
Course Leads	19,000	-	(19,000)	
Program Leads	1,000	-	(1,000)	
Discipline Leads	2,000	-	(2,000)	
Subtotal before Fringe	3,427,508	3,729,742	302,234	8.8%
Fringe Benefit Impact			21,200	
Total			323,434	

Fringe benefit related costs will be incurred on the wage related provisions negotiated in the contract. These benefits include Social Security, Medicare, and group life insurance at a rate of 7.86%, totaling \$21,200 annually.² To the extent the faculty is eligible for retirement benefits, there is an additional cost of 11.51% of payroll.

The agreement is retroactive to the fall 2024 semester which will require catch up payments made upon ratification of the agreement.

The Out Years

² Pursuant to PA 23-204, higher education constituent units are responsible for the costs of group life insurance, Social Security, and Medicare for all active employees, totaling an estimated non-pension fringe benefit rate of 7.86% of payroll in FY 26. A minimal cost is also incurred by the Office of the State Comptroller's Fringe Benefit account associated with employee participation in a state-offered retirement plan.

The cost increase indicated above would continue into the out years.