

HIGHER EDUCATION FINANCIAL SUSTAINABILITY ADVISORY BOARD

Sen. Catherine Osten
Appropriations Committee
Co-Chairperson

Rep. Toni Walker
Appropriations Committee
Co-Chairperson



Jeffrey Beckham, Secretary
Office of Policy and Management
Co-Chairperson

Meeting Minutes

Monday, September 9, 2024, 2:30 pm

Room 1D and via Zoom

([Link](#) to CT-N Video)

Members in Attendance:

Sen. Osten, Co-Chair
Rep. Walker, Co-Chair
Secretary Beckham, Co-Chair
Rep. Dathan
Sen. Gordon
Rep. Haddad
Rep. Haines
Rep. Kennedy
Sen. Kelly
Rep. Nuccio
Rep. Paris
Rep. Sanchez

Others Present:

John Maduko, President, CT State Community College
Kerry Kelley, Vice President of Finance and Administration, CT State Community College
Steven McDowell, Associate VP of Financial Aid Services, CT State Community College
Brian Prescott, President, National Center for Higher Education Management Systems (NCHEMS)
Dennis Jones, President Emeritus, NCHEMS

The meeting was convened at 2:31 pm by Senator Osten.

Senator Osten asked for a motion to approve the minutes of the August 27, 2024 meeting. The motion was made by Representative Walker, seconded by Representative Haines. The motion carried.

Senator Osten called on John Maduko , President, Connecticut State Community College and his team to give a presentation on the PACT program. President Maduko introduced Steven McDowell, Associate Vice President Financial Aid Services and Title IV Compliance, and Kerry Kelley, Vice President of Finance and Administration and Chief Financial Officer. ([Link](#) to presentation)

Senator Osten asked if the number of students utilizing the PACT program is increasing each semester.

President Maduko replied that the numbers have increased with the support of the expansion of the program eligibility.

Senator Osten then asked if CT State Community College (CT State) has a program that brings faculty to high schools to inform students about PACT. She stated that she hears from high school students that they don't know anything about the free tuition program.

President Maduko responded that the system has looked at the program through the eye of high school students, who didn't know what PACT meant. Starting this academic year, the program is referred to as a free tuition program to help students understand that the program is available for them to access. President Maduko added that the system sends financial aid personnel to its school district partners to advocate, promote and market the free tuition program, as well as the significant investments of the system's marketing dollars that have been made to promote awareness of the free tuition program across the state.

Senator Osten asked at what grade level these outreach efforts are made. President Maduko stated that CT State engages with students as early as the 8th grade to inform them of the benefits of a community college education.

Representative Walker asked if the system is tracking retention of students to ascertain if students are engaged and working towards the completion of their associate degree.

President Maduko stated that every aspect of a student's "academic profile and portfolio", from enrollment semester-over-semester, to credit load, to a student's average GPA is tracked. He added that every metric examined points upward in terms of increases year over year.

Representative Walker requested data that show the retention of the students who have participated in the PACT program over the last 4 years.

Representative Walker then asked if the monies budgeted for an increased number of advisors or counselors had been utilized, and if so, how many additional advisors or counselors had been hired.

President Maduko replied that the system has seen double digit gains in the students who are receiving the guided pathways advising support. With the added benefit of the free tuition program, CT State is seeing a nearly 30% increase in their persistence, meaning that

students are continuing academically with CT State year-over-year, semester-over-semester.

Representative Walker asked for confirmation that there is a requirement that students participating in the free tuition program must apply for a Pell Grant yearly.

Steven McDowell responded that one of the eligibility requirements is that students complete a Federal Student Aid (FAFSA) form annually. He stated that the system strongly encourages students to complete the form annually, but it is ultimately a student's decision. He added that a benefit instituted this year allows students who need to take time away from school to return to the free tuition program when they return to school. He stated that the previous policy of students being unable to return to the program following an academic break caused a lot of hardship for students. AVP McDowell added that 4,300 more students enrolled in CT State for this fall over last fall, which is an indication that the free tuition program is serving significantly more students this year.

President Maduko shared that not only have graduation rates increased year-over-year, but that raw data shows that more students are graduating from CT State Community College than in previous years. He stated that the system correlates that trend with the free tuition program and with the wraparound services provided, such as the guided pathways program.

Representative Walker commented that she did not see references to the fields of education or childcare the "Program Highlights" slide. She observed that allied health and nursing, IT and computer sciences, and manufacturing were highlighted, but she would like to see childcare and education addressed, given the workforce shortages in those fields.

Representative Nuccio expressed her support for the community college system, having earned the first of her college degrees from Manchester Community College. She stated her concern for the low numbers of students in shortage areas such as nursing that are receiving free tuition. She asked President Maduko what could be done to increase the number of students in those areas receiving aid.

President Maduko responded that the 8,300 number referenced in his presentation represents the total number of allied health and nursing students enrolled at CT State. The number includes nursing students, tech-related programs, respiratory care, radiology, etc.. He added that there is also a litany of non-credit programs provided, which are not eligible for the free tuition program, thereby excluding a sizable number of students from free tuition.

Representative Nuccio requested a breakdown of how many students in the shortage area programs are eligible for free tuition versus how many are enrolled in certificate programs. She stated that she would like to see what barriers may exist for students to access the free tuition program.

Representative Paris asked President Maduko how the free tuition program helps students avoid or minimize student loan debt throughout the continuum of their academic education. He stated that Connecticut has one of the highest rates of student loan debt in the country.

He added that there has been a significant increase in persistence rates amongst black males and Hispanic Latinas female students when free tuition is combined with advisor support via the wraparound services.

President Maduko stated that African American and Hispanic students predominantly come from a lower socioeconomic or low wealth background. He cited as an example the allied health fields as programs where the majority of students enrolled are black and brown. He stated that those students are succeeding with the support of free tuition and wraparound services. He added that the system is seeing increases of their persistence, retention and graduation, their academic marks, and their outcomes in terms of graduating, becoming licensed and ultimately being gainfully employed. President Maduko further stated that the fight in the “equity battle” is not about the intelligence and worthiness of marginalized communities, rather it's about the opportunities and conditions that are created for students. He feels that the free tuition program establishes those conditions for black and brown CT State students to be successful.

Representative Paris expressed his concerns regarding student loan debt experienced by childcare workers who are required to have degrees and licensures in an industry that is low paying, and the pressures childcare workers experience when trying to pay back their student loans. He further stated that \$19.8 billion of student loan debt is held by half a million borrowers in our State. He asked President Maduko and his team to provide any data that shows how much CT State students who go through the PACT program are leaving the end of their academic education in student loan debt.

AVP McDowell replied that the system has 1,000 fewer borrowers than last fall, and the student volume has been decreased 66%. He commented that while Connecticut is high up on the “student debt ladder”, it is not because of CT State. He stated that the community college system has experienced historically low debt volume over the past 10 to 15 years. AVP McDowell added that when looking at student loan debt, one needs to consider CT State’s counterparts, as there are expensive schools in the state, such as Yale, Wesleyan, Sacred Heart, and Fairfield.

Representative Dathan asked how many employees of the CT State system are responsible for PACT and where the employees are located.

Kerry Kelley responded that the team that most directly works with administering PACT and Title IV Programs is the financial aid team, at the direction of AVP McDowell. She added that while these employees are reflected on the CT State office roster and as a part of the cost for the CT College office, they are located on the campuses so as to work closely with students.

Representative Dathan remarked that she was hearing reports that there was no one on campus at Norwalk Community to help students with their financial aid and PACT dollars. She asked the CT State team to verify that there is staff on the campus to assist students.

Representative Dathan then discussed an op-ed that talked about the PACT program and how it is a last dollar award versus a first dollar award, in that any student regardless of means is eligible for the program. She expressed her concern regarding achieving the goal of the free tuition program legislation, which was to ensure that the largest awards go to students who need the money the most. She asked President Maduko if the assessment conducted by CT State has considered that objective as part of their review.

President Maduko referred Rep. Dathan to Appendix E of the presentation. He agreed that at the inception of PACT, the program was serving a greater share of white students compared to non-white students. He stated that as there have been different iterations of the free tuition program, such as the expansion of the eligibility to continuous students, to part-time students, to high school graduates from outside of Connecticut, the system has seen the share of free tuition recipients greater reflect the diversity of CT State, with a sizable increase in Black and Latin Hispanic students who historically come from low wealth and lower socioeconomic backgrounds. President Maduko added that the system believes that they are serving a greater number of students who need the program from a financial need standpoint versus those students that may have a more affluent background.

Representative Dathan asked if continuous enrollment included summer classes. She stated that her assumption regarding continuous enrollment is that classes taken throughout a calendar year would be considered. She asked if continuous enrollment was just the traditional academic year.

AVP McDowell replied that continuous enrollment applies to fall and spring semesters only. He explained that there is language in the statute that specifically excludes summer classes from being eligible for free tuition.

Representative Haddad discussed the student to advisor ratio cited in one of the charts, which indicated that the number is now 221 to 1. He stated that it was his recollection that in the past that number was inconsistent across campuses, and that one of the “promises” of the community college merger was that policymakers could begin to make statewide decisions about allocations of those resources. He asked for assurance that the student to advisor ratio is consistent across the campuses, and that there aren't campuses that lag behind others in terms of the provision of those services.

President Maduko responded that when the system experiences attrition of employees due to retirement or new employment there is an immediate change the student to advisor ratio. He stated that while CT State Community College is a new system, they are actively reassessing the ratios not only in advising, but all of the student support services and academic offerings to ensure that the ratios and the engagement for the students are at levels that are appropriate to “meet students where they are”. President Maduko added that the system has great data in terms of the benefits of the advising program across the institution, and that every campus has seen increases in retention and persistence and success of their students. He added that he recognizes that the system has to make adjustments to ensure that the original spirit of the guided pathways advising model is being followed.

Representative Haddad asked President Maduko to report on what those ratios are, campus by campus. He stated that he wants to make sure that progress is being made across all of the campuses.

Representative Haddad then asked for confirmation that there is still a policy that says that 15% of all tuition dollars is set aside and redistributed as institutional financial aid. He also requested clarification regarding how a financial aid officer for an individual student works through the Pell Grant, the institutional aid allocation and the PACT funding.

AVP McDowell replied that PACT being a last dollar program, the system follows a cascade model where a student would be eligible for their Pell grant, then be eligible for their institutional grant, which is the Connecticut State Grant, and then, if there's a balance in tuition fees beyond that, the free tuition program would kick in.

Representative Haddad asked if he were to look at the allocation of institutional aid to students prior to the institution of PACT, would it look the same as the allocation of institutional aid to the CT State current student body.

AVP McDowell replied that Rep. Haddad was correct, because all the system did was put PACT down as the last dollar. He stated that there is no displacement of the institutional aid dollars. Further, he shared that it was possible to use some of those institutional aid dollars to provide greater help to students who might be ineligible for PACT. He added that the system does revisit this issue at the end of the award year. If there are any funds left over in institutional grants they take a look at the most needy students and redistribute extra funds to make sure that students have the funds to meet their basic needs. He stated that this has helped with student retention.

Representative Haddad inquired about the PACT recipients who move on to take advantage of the transfer and articulation programs (TAP) to a state university in order to earn a 4 year degree. He stated that the free community college program, together with the TAP programs, could effectively reduce the cost of a four year degree by half. He asked if there is any indication that students are taking advantage of those opportunities.

President Maduko stated that the system is experiencing an increase in student success and that the majority of credit based students are seeking to transfer or continue at a four year institution. He shared that though there have been increases in student success and increases in their outcomes in terms of transfer, he acknowledges that there is more work to be done. President Maduko spoke of the negative effect that the pandemic had on community college transfers not only in the State, but nationally. He stated that there has to be stronger policy and advocacy as it pertains to CT State courses being accepted and applied to degrees at the state universities, Charter Oak State College, UConn, and other four year institutions. He added that Chancellor Cheng has the expectation of all institutional presidents to make the transfer system better and more seamless for students.

Having completed the discussion with President Maduko, Senator Osten informed members that they should submit any additional questions to the Administrator. She then thanked President Maduko and his team for their presentation.

Senator Osten called on Brian Prescott to present on behalf of NCHEMS.

Mr. Prescott explained that NCHEMS is a nonprofit organization in Boulder, Colorado that works to provide data and evidence to postsecondary strategic decision making by state agencies, legislatures, systems, and institutions. He shared that NCHEMS is currently under contract with the Office of Policy and Management (OPM) to do a study of the Connecticut State College and University system against the backdrop of declining enrollment. Mr. Prescott explained the project is to examine the organizational structure of the system, to draw comparisons with peer systems as well as institutions, and to make recommendations to the CSCU system and to OPM regarding plans aimed at improving the financial sustainability of CSCU over time, and to boost student outcomes and address workforce needs. ([Link](#) to NCHEMS presentation)

Senator Osten spoke regarding the opinion of young people today that having a four year degree is not giving them the return on the investment of dollars or the time that they made toward attending college. She stated that many students are now choosing to enroll in non-accredited courses like manufacturing. She asked Mr. Prescott if he had data that looked at this trend.

Mr. Prescott replied that there is no publicly available source of data that would allow NCHEMS to address her question. He suggested that CSCU and UConn may have some of the data she is looking for. He added that he has done some work concerning the degree to which students are enrolling in programs that are directly related to high wage and in-demand jobs, and that he has some concerns about the equity of how those enrollments and subsequent degrees are working out relative to the demand.

Representative Walker asked Mr. Prescott to comment on the increase in minority populations discussed by CT State and how that was captured in his presentation, if at all.

Mr. Prescott replied that the presentation focuses primarily on the overall numbers, but that underneath those numbers there's been a lot of change in the racial and ethnic makeup of the populations that are coming out of high school, as well as generally. He stated that those changes are being reflected to some degree in the enrollments in institutions like Connecticut State, where underrepresented minorities tend to be more heavily concentrated than in more selective institutions generally. He shared that the NCHEMS data is not as recent as the data presented by President Maduko, so he anticipates upticks in some of the enrollment figures as more data become available for Fiscal Years 23 and 24, some of which is going to be driven by increasing diversity.

Representative Walker remarked that private schools are part of the higher education equation in Connecticut, as represented in one of the charts offered, and that many of those private schools are much more expensive than state schools. She offered that more

students are becoming aware that they have to get a postsecondary education in order to earn a living wage. She spoke of the correlation between the amount of money the State expends in the higher education system and the cost of living in the Connecticut. Representative Walker added that the increases in the minimum wage are causing more people to focus on specific areas or industries in order to be employed in jobs that will sustain a family. She stated that Connecticut needs to make more changes in how it provides higher education and to elevate those educational systems that have been overlooked.

Representative Haddad remarked that when looking at the chart entitled "Educational Appropriations and Public Net Tuition Revenue per FTE" it shows that Connecticut is high in terms of its educational appropriations and is similar to Alaska, Wyoming, and the District of Columbia. He added that those states are among the lowest in public net tuition revenue, which seems to correlate that the greater the subsidy the lower the cost to students. He observed, however, that it's not the case in Connecticut, as there is both a high level of appropriation and a relatively high public net tuition. Representative Haddad asked Mr. Prescott if he has information about what makes Connecticut such an outlier in terms of the amount the State expends on public higher education.

Mr. Prescott responded that the graph referenced by Rep. Haddad is adjusted for cost of living as well as for enrollment mix, and the graph that followed is also adjusted for inflation in an attempt to get at some of the things that separates Connecticut from other entities. He offered that there are some substantial things that change the way different states approach how they fund higher education, and the environment for labor is one of those important things. He shared that Alaska and Wyoming do not have some of the same protections for labor that Connecticut does, and that there is a substantial amount of non-salary compensation costs that are included in all of Connecticut's higher education institutions that don't exist in some other states. Mr. Prescott further explained that the graph shows a number that is based on full-time equivalents (FTEs), so that anytime the FTEs fall, the numbers increase, which is the only way to make reasonable comparisons across states. He also spoke of the significant investment Connecticut has made in higher education in recent years.

Representative Haddad then spoke to the slide entitled "Causes of Decline for College-Going Rates" that lists the climate on campus. He stated that while he doesn't disagree that campus climate might have an impact on some families' decisions about whether to send their students to college, he was surprised that the overall cost of a college education isn't included on the list. He speculated that the issue might be embedded in questions about the value of a degree, positing that "as college has gotten more and more expensive, isn't that just a barrier itself to going to college?".

Mr. Prescott confirmed that the issue is embedded in the point about the value of a degree, and agreed with Rep. Haddad regarding the effect of the rising cost of college. He stated that people used to understand that higher education was an investment that was almost certain to pay off and that people do not have that understanding now. He offered that when a state offers a program like the free tuition program, it doesn't solve for the living

costs experienced by students while they're enrolled. He believes, however, that the program has made a compelling argument for some form of affordable access for students of all kinds in the state, although the program doesn't work for the CSCUs or for UConn. Mr. Prescott spoke to the points Representative Walker made about whether or not the word "free" is the right word. He shared his thought that using "free" is a powerful statement and a meaningful message.

Representative Dathan asked Mr. Prescott if NCHEMS does any sort of return on investment analysis for the states used in their comparisons with Connecticut, looking at starting salaries of graduates to see if the educational opportunities provided to these students is producing a higher wage or a higher return for a state investment in higher education.

Mr. Prescott replied that NCHEMS does some of that kind of work. He added that the question quickly gets into how complicated and precise to be regarding what level of degree and what fields. He shared that with the work NCHEMS is doing at CSCU there is an intention to have better data to really understand what the post graduate employment outcomes look like. Mr. Prescott offered that he believes NCHEMS has the data on the median wages for bachelor's and associate degree holders for different states.

Representative Dathan asked if NCHEMS looks at the composition of in-state versus out-of-state students when comparing Connecticut to other states.

Mr. Prescott responded that there is a lot of mobility in New England, in part because students have many out-of-state options that are easily accessible. He stated NCHEMS also looks at the differential impact regarding revenue, as a nonresident rate tends to be greater than the full cost of enrollment, with nonresidents cross subsidizing resident students. He added that it's a part of understanding the marketplace for traditional age college students particularly, but for all students regarding where that balance of trade is among student enrollments.

Dennis Jones added that the out-of-state conversation really doesn't apply much to the CSCUs and Connecticut State; rather, it applies to UConn as that's where the competition for in-state and out-of-state students is much keener.

Representative Haines asked if NCHEMS has done research in regard to retraining of workers. She observed that a lot of data seems to be more geared toward a high school to college path. She asked if there is data regarding individuals who are seeking retraining opportunities to pursue other careers.

Mr. Prescott replied that NCHEMS does have the research on adult participation in Connecticut higher education institutions. He stated that Connecticut has some work to do in that area relative to other states. He referenced President Maduko's comments regarding the role of non-credit training programs and the interest by students in seeking these kinds of upscaling or reskilling programs. He added that nationally there is a dire need for getting better at data collection around this issue.

Senator Osten announced that the next advisory board meeting will be held on Monday, September 30, 2024 at 10 am in Room 1D and via Zoom.

Seeing no further discussion, Senator Osten adjourned the meeting at 3:59 pm.

Respectfully submitted,

Susan Keane, Administrator