



THE AMERICAN ASSOCIATION OF UNIVERSITY PROFESSORS, INC.

Public Testimony

HIGHER EDUCATION AND EMPLOYMENT ADVANCEMENT COMMITTEE

Colleges and Universities Re-Opening Listening Session

Mary Ellen Junda
President, UConn-AAUP

Thursday August 13, 2020

Chair Haskell, Ranking Members Hall and Hwang, Vice Chairs Flexor and Turco, and esteemed members of the Higher Education and Employment Advancement Committee,

My name is Mary Ellen Junda. I am a Professor of Music at the University of Connecticut and currently serve as President of the UConn Chapter of the American Association of University Professors (UConn-AAUP), representing 1800 faculty members and coaches in collective bargaining.

Thank you for this opportunity to address the Committee regarding Re-Opening at UConn. I am here to encourage you to support the University by providing funds to cover financial losses due to COVID-19.

UConn, like all higher education institutions in our country, has been significantly affected by the recent pandemic. Protecting the health of our students, faculty and staff is paramount in this moment; yet the drastic changes needed to respond to the pandemic have disrupted our financial stability.

On May 20, 2020, President Katsouleas and Executive Vice President for Administration and CFO Scott Jordan apprised the Board of Trustees that the University will have a potential deficit for the fall semester of between \$47 and \$129 million due the impact of the COVID-19 pandemic at the Storrs and regional campuses. Two specific areas cited for the deficit were out of the University administrative control: 1) loss of revenue from reducing housing and dining to comply with the gating conditions required by the "Higher Education Subcommittee" of the Reopen CT Task Force, established by Governor Lamont, and 2) the loss of tuition from both graduate and undergraduate international students who are unable to return to UConn due to federal travel restrictions. The total loss from these two areas alone was projected to be \$29.4 million; however, since that time numbers for campus housing have decreased and this week, to further de-densify the campus as recommended by the Department of Public Health, President Katsouleas announced that an additional 800 out-of-state students who are enrolled in only online courses will not be permitted to live in University housing during the fall 2020 semester. These reductions will increase UConn's deficit.

The lost revenue due to COVID compounds the University's pre-existing financial difficulties. The State continues to bill UConn for unfunded accrued pension liability, even though the State as a whole accrued that liability. (The State currently reimburses UConn for the fringe benefit cost of only those employees whose salaries are paid from the State appropriation for the University, or "block grant". More than half of UConn's employees are paid from other sources -- chiefly tuition, clinical revenue, and research grants -- which must then be tapped to pay not only for the employee's fringe benefit but also for a portion of the State's accrued unfunded liability.)

Clearly, a significant part of the FY21 budget deficit incurred by UConn is a result of circumstances beyond the control of the UConn administration.

Meanwhile, Connecticut's rainy-day fund is approaching \$2.8 billion. Connecticut was able to generate such a surplus mainly because of the 2017 SEBAC agreement, in which state employees (including UConn faculty and staff), through pay freezes and benefit reductions, saved the state \$1.7 billion in the first biennium and about \$1 billion per year thereafter. The rainy-day fund grew significantly in just the last month due to increased tax returns posted just prior to the July 15th extension deadline. The Governor has also reduced his spending and the estimated savings are \$544.1 million. This puts the state in a position to provide critical support to the University in this moment of crisis.

Therefore, UConn-AAUP respectfully asks for financial assistance from the State, to make up for the significant lost revenue due to COVID-19 and the costly protocols required to safeguard the health of our faculty, staff, and students.

Sincerely,

Mary Ellen Junda
President
UConn-AAUP

Cc. Katsouleas, T.
Jordan, S.
Bailey, M