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**MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES**

THE UNIVERSITY OF CONNECTICUT

University of Connecticut at Farmington
Hartford Marriott/Farmington
15 Farm Springs Road
Farmington, Connecticut

July 20, 1998

OPEN SESSION

The meeting was called to order at 1:00 p.m. by Chairman Roger A. Gelfenbien. Trustees present were: James Abromaitis, Louise Bailey, Alyssa Benedict, Louise Berry, Brian Collins, John Downey, Peter Ellef, Leonard Jacobs, Claire Leonardi, Frank Napolitano, Irving Saslow, and Jennifer Smith.

Trustees Cicchetti, Heist, and Sergi were absent from the meeting. Trustees Berkley, Ferris, and Treibick joined later, as indicated below.

University Staff present were: President Austin, Chancellor and Provost for University Affairs Emmert, Chancellor and Provost for Health Affairs Cutler, Vice Presidents Allenby and Jones, Vice Chancellor for Business and Administration Dreyfuss, Vice Chancellor for Student Affairs Triponey, Assistant Attorney General Shapiro, Dr. Schurin, and Mr. Schilling were present. Assistant Attorney General for the Health Center, Jane Comerford, and Attorney Timothy Carmody, from the law firm of Carmody and Torrence, were also present.

All actions taken were by unanimous vote of the Trustees present, except as otherwise noted.

EXECUTIVE SESSION

On a motion by Chairman Gelfenbien, seconded by Ms. Leonardi, **THE BOARD VOTED** to go into Executive Session at 1:05 p.m. to discuss matters that would result in the disclosure of public records described in Section 1-19 (b) of the Connecticut General Statutes. The Chairman noted that on the advice of counsel only staff members whose presence was necessary to provide their opinion would be permitted to attend Executive Session.

Trustees present were: Abromaitis, Bailey, Benedict, Berry, Collins, Downey, Ellef, Jacobs, Leonardi, Napolitano, Saslow, and Smith. Trustee Ferris arrived at 1:25 p.m.

I. Matters that would result in the disclosure of public records described in Section 1-19 (b) of the Connecticut General Statutes were discussed. President Austin, Chancellor and Provost for University Affairs Emmert, Chancellor and Provost for Health Affairs Cutler, Vice Presidents Allenby and Jones, Vice Chancellor for Business and Administration Dreyfuss, Vice Chancellor for Student Affairs Triponey, Assistant Attorney General Shapiro, Dr. Schurin, and Mr. Schilling were present for this discussion. Assistant Attorney General for the Health Center, Jane Comerford, and Attorney Timothy R. Carmody, from the law firm of Carmody and Torrence, were also present.

Executive Session ended at 1:50 p.m. and the Board returned to Open Session at 1:51 p.m. Trustees Berkley and Treibick participated by telephone.

Chairman Gelfenbien introduced newly elected Student Trustee Alyssa Benedict to the Board.

There were no members of the public who wished to address the Board.

A. **The Report of the Chairman** included the following items:

1. On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve minutes of the meetings of April 3 and May 27, 1998.
2. On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the following items listed on the Consent Agenda as follows:
 - (a) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the Contracts and Agreement for Storrs and the Health Center (Trustee Downey abstained on this item.) (Attachment 1)
 - (b) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to authorize the administration to grant an easement to the Connecticut Light and Power Company (CL&P) for the purpose of supplying utility service to residences on Old Colony Road, Mansfield, Connecticut. (Attachment 2)
 - (c) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve Medical Staff Appointments for April, May, and June 1998 (previously approved by the Health Affairs Committee) (Attachment 3)
 - (d) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the appointment of Andrew Arnold, M.D. to the Charles E. and Alice Murray-Heilig/Cheryl Heilig Chair in Molecular Medicine commencing August 29, 1997. Dr. Arnold was appointed Professor of Medicine and Director of the Center for Molecular Medicine in 1997. (Attachment 4)
 - (e) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the appointment of Thomas Babor, Ph.D. to the Physicians Health Services Chair in Community Medicine and Public Health Commencing September 1, 1997. Dr. Babor assumed the position of Professor and Chairman of the Department of Community Medicine and Health Care effective September 1, 1997. (Attachment 5)
 - (f) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the appointment of Leighton Huey, M.D. to the Samuel "Sy" Birnbaum/Ida, Louis, and Richard Blum Chair in Psychiatry commencing September 1, 1998. Dr. Huey will assume the position of Professor and Chairman of the Department of Psychiatry effective September 1, 1998. (Attachment 6)
 - (g) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the appointment of Marc Lalande, Ph.D. to the Physicians Health Services Chair in Genetics and Developmental Biology beginning August 31, 1998. (Attachment 7)
 - (h) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the transfer of up to \$2,271,000, for the period July 1, 1998 to June 30, 1999, from UConn Medical Group to the University of Connecticut Health Center Finance Corporation to fund functions consistent with Section 10a-257 of the Connecticut General Statutes. Monies will be transferred to the UCHC Finance Corporation on an as-needed basis during the fiscal year. (Attachment 8)

- (i) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the transfer of up to \$40,000, for the period July 1, 1998 to June 30, 1999, from University Dentists to the University of Connecticut Health Center Finance Corporation to fund functions consistent with Section 10a-257 of the Connecticut General Statutes. Monies will be transferred to the UCHC Finance Corporation on an as-needed basis during the fiscal year. (Attachment 9)
- (j) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the transfer of up to \$11,708,000, for the period July 1, 1998 to June 30, 1999, from the John Dempsey Hospital to the University of Connecticut Health Center Finance Corporation to fund functions as set forth in Section 10a-250 et seq. of the Connecticut General Statutes. This transfer will be accomplished at the rate of \$2,927,000 per quarter. (Attachment 10)
- (k) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to authorize the University of Connecticut Health Center through its clinical activities, operating as the University of Connecticut Health System, to contract with the University of Connecticut Health Center Finance Corporation to support the pharmacy management and purchase of pharmaceuticals for the Correctional Managed Health Care Program, and that the Health Center is further authorized to transfer up to \$8,000,000, for the period July 1, 1998 to June 30, 1999, to finance this contract. Monies will be transferred to the UCHC Finance Corporation on an as-needed basis during the fiscal year. (Attachment 11)
- (l) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to reappoint the accounting firm of Ernst & Young as auditors for the two-year period beginning with 1998. (Attachment 12)
- (m) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to authorize the University of Connecticut Health Center Finance Corporation, on behalf of UConn Medical Group, to enter into a lease with WSP Associates for 1,692 square feet of space, at 533 Cottage Grove Road in Bloomfield, for the period August 1, 1998 through July 31, 2000. (Attachment 13)
- (n) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to authorize the Chancellor to execute a Memorandum of Understanding with the State of Connecticut Board of Parole whereby the University of Connecticut Health Center will provide or arrange for the provision of services in connection with a pilot program for alcohol and drug abuse prevention program for parolees, for which services the State of Connecticut Board of Parole will compensate the University of Connecticut Health Center in the amount of \$650,000, term of the agreement to be for one year beginning July 1, 1998. (Attachment 14)
- (o) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the resolution authorizing the naming of the function/meeting room of the newly renovated ice rink as the Mark Freitas Room. (Attachment 15)
- (p) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to authorize naming the Advanced Science Lab, Room 208, at the new Stamford Campus, the Perkin-Elmer Advanced Science Lab. (Attachment 16)

- (q) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to authorize naming a conference room in the proposed School of Pharmacy building in memory of Charles A. Pergola. (Attachment 17)
- (r) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to accept gifts and donations totaling \$2,374,841 made to the University of Connecticut by third party donors, by the University of Connecticut Foundation, Inc., and by the University of Connecticut Law School Foundation, Inc. for the period July 1, 1997 to December 31, 1997. (Attachment 18)
- (s) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to endorse the UCONN 2000 Matching Gift Guidelines effective for new gifts and pledges received on or after January 1, 1998 in accordance with Sections 10-109a through 10-109y inclusive of the general statutes, as amended by PA 97-293. (Attachment 19)
- (t) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the proposed policies entitled "Policies Regarding Financial Transactions with The University of Connecticut Foundation, Inc." (Attachment 20)
- (u) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the amendment to Article XV, Q., R. (The University Staff) of the University of Connecticut Laws and By-Laws, Twelfth Edition Revised, 1995 to change grievance procedures for faculty at the Health Center. (Attachment 21)
- (v) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to approve the notification to amend Article XI, B (Functions) 5 of the University of Connecticut Laws and By-Laws, Twelfth Edition Revised, 1995. (Attachment 22)
- (w) On a motion by Mrs. Ferris, seconded by Mrs. Berry, **THE BOARD VOTED** to reinstate Christopher Collier as State Historian. (Attachment 23)
3. Chairman Gelfenbien called for nominations for the **Office of Secretary** of the Board of Trustees. Mr. Saslow moved the nomination of Trustee Bailey as Secretary, and Trustee Napolitano seconded it. **THE BOARD VOTED** to close the nominations and to cast a unanimous ballot for Trustee Bailey as Secretary.
4. Chairman Gelfenbien proposed to continue **Committee Assignments** as at present unless Trustees wish to make a change in assignments. Chairman Gelfenbien noted that Student-elect Trustee Alyssa Benedict has been appointed to the Student Life, Financial Affairs, and Health Affairs Committees.

Trustee Ferris asked that she be removed from the Financial Affairs Committee and that her name be corrected under the Strategic Planning Committee. Chairman Gelfenbien asked for a corrected list to be submitted at the next meeting. The List, indicated as agenda **Attachment 24**, is attached to the file copy of the Board minutes.

5. Chairman Gelfenbien asked the Trustees to review the **1998-99 Board Meeting Schedule** and to direct any questions, suggestions or changes to the Executive Secretary of the Board, Dr. Ronald C. Schurin. The Chairman noted that meetings have been formally scheduled for the months of October, January, March, June, and August, but will not be called unless needed. (This avoids the necessity of special Board meetings.) He noted also that the Budget Session is tentatively scheduled for May and that Board members will receive ample notification regarding the details. The Meeting Schedule will be finalized at the September meeting. The Meeting Schedule listed as agenda **Attachment 25** is attached to the file copy of the Board minutes.
6. Chairman Gelfenbien asked Trustees to complete and submit the **Duality and Conflict of Interest** form that was at their places.
7. Chairman Gelfenbien announced that the next **TAFS** (Trustee-Administration-Faculty-Student Committee) meeting will be held at the September 15, 1998 Board meeting.
8. On a motion by Ms. Leonardi, seconded by Ms. Smith, **THE BOARD VOTED** to approve the formal lists of the **awards of promotion and sabbatic leaves**. Background information listed as agenda **Attachment 26** is attached to the file copy of the Board minutes.
9. On a motion by Ms. Leonardi, seconded by Mr. Collins, **THE BOARD VOTED** to **amend** the existing **policy of reimbursement of employee moving expenses** to delegate full authority to approve moving expense reimbursement to the President or Chancellors. Background information listed as agenda **Attachment 27** is attached to the file copy of the Board minutes.
10. Chairman Gelfenbien recognized Mr. Collins who offered the following resolution in recognition of former Student Trustee Michael Bellafiore's service to the Board:

**MICHAEL BELLAFFIORE
1996-1998**

WHEREAS, Michael H. Bellafiore has completed his term as student-elected trustee on June 30, 1998, and served on the Financial Affairs, Institutional Advancement, and Student Life Committees; and

WHEREAS, He has experienced life as an undergraduate, graduate and regional campus student and in so doing has distinguished himself as a spokesman for the students of the University of Connecticut in all academic and financial matters, and in all strategic plans and decisions affecting the quality of student life; and

WHEREAS, He has highlighted the need for the University to produce highly trained graduates to revitalize the state's economy, called for affordable tuition while not sacrificing the quality of education, and has strongly urged students to become more involved in lobbying state legislators to stress the importance of investing in Connecticut's greatest natural resource—the minds of its young students;

THEREFORE BE IT HEREBY RESOLVED, That the Board of Trustees of the University of Connecticut records its gratitude to Michael H. Bellafiore for his outstanding commitment and dedicated service and extends to him its best wishes for the future; and

BE IT FURTHER RESOLVED, That this resolution be spread upon the minutes, with a copy sent to Mr. Bellafiore.

On a motion by Mr. Collins, seconded by Mr. Napolitano, **THE BOARD VOTED** to express its appreciation to Mr. Bellafiore with a copy of this resolution. Although Mr. Bellafiore was not present at the meeting, Chairman Gelfenbien and Mr. Collins expressed their personal sentiments and recalled Mr. Bellafiore's professional manner and thoughtful consideration of student matters.

11. Chairman Gelfenbien recognized Mrs. Berry who offered the following resolution in recognition of Dr. Peter McFadden as former Executive Assistant to the President and Executive Secretary to the Board of Trustees:

PETER W. McFADDEN

WHEREAS, Dr. Peter W. McFadden has been a vital and deeply valued member of the University of Connecticut community for nearly fifty years; and

WHEREAS, Dr. McFadden is a native of Stamford, a member of the undergraduate University of Connecticut class of 1954 and graduate class of 1957; and

WHEREAS, Dr. McFadden holds a doctorate in Engineering from Purdue University and distinguished himself at that institution as a teacher of engineering and later as an academic leader; and

WHEREAS, Dr. McFadden returned to his alma mater in 1971, serving with great distinction as Professor of Mechanical Engineering and Dean of the School of Engineering, Assistant Director of the UConn Foundation and as Interim Vice President and Provost; and

WHEREAS, Dr. McFadden accepted the position of Executive Assistant to the President and Executive Secretary of the Board of Trustees in 1989; and

WHEREAS, In that capacity, Dr. McFadden has provided invaluable service to three presidents, three Board chairs, and 36 other Board members, and through them, the University as a whole; and

WHEREAS, In his several positions and over the course of his career, Dr. McFadden has played a central role in this University's emergence as a center of academic excellence; and

WHEREAS, Dr. McFadden has by the force of a compelling personality, a keen wit, and a deep concern for others earned the affection of the entire University community; and

WHEREAS, Dr. McFadden retired from his position in 1997-98, but will, we are sure, continue to contribute to the University whenever he and his lovely wife Shirley are not out on the open seas;

THEREFORE BE IT HEREBY RESOLVED, That the Board of Trustees of the University of Connecticut records its gratitude and deep affection for Peter McFadden for his long and distinguished service, his leadership, and his friendship, and extends its best wishes to him in retirement; and

BE IT FURTHER RESOLVED, That this resolution be spread upon the minutes, with a copy provided to Dr. McFadden.

On a motion by Mrs. Berry, seconded by Mr. Jacobs, **THE BOARD VOTED** unanimously in favor of this resolution. Many Board members expressed deep appreciation for his unparalleled service to the Board and for his dedicated commitment to the University.

Dr. McFadden thanked the Board for its recognition and appreciation.

12. Chairman Gelfenbien recognized Ms. Bailey who offered the following resolution in recognition of Ms. Shirley J. Ryan as former Assistant Executive Secretary to the Board of Trustees:

SHIRLEY J. RYAN

WHEREAS, Ms. Shirley J. Ryan has served as Assistant Executive Secretary of the University of Connecticut Board of Trustees since 1984; and

WHEREAS, In her fourteen years of service she has handled administrative, ceremonial, archival and policy matters with a rare combination of skill, courtesy and intelligence; and

WHEREAS, Ms. Ryan has overseen preparations for more than one hundred regular meetings of the Board of Trustees, and many special meetings as well; and

WHEREAS, Ms. Ryan has greatly helped three Board chairs and no fewer than 51 other Board members fulfill their tasks; and

WHEREAS, Ms. Ryan has been a valued member of the staff of four University Presidents, assisting each in special events and other activities; and

WHEREAS, To the regret of the Board and her colleagues, Ms. Ryan is retiring from her position at the University this year; and

WHEREAS, The Board and her colleagues will miss Shirley Ryan both personally and professionally;

THEREFORE BE IT HEREBY RESOLVED, That the Board of Trustees of the University of Connecticut records its gratitude and friendship for Shirley Ryan, and extends its best wishes to her in retirement; and

BE IT FURTHER RESOLVED, That this motion be spread upon the minutes, with a copy provided to Ms. Ryan.

On a motion by Ms. Bailey, seconded by Mrs. Berry, **THE BOARD VOTED** unanimously to approve this resolution. Several Board members expressed sincere appreciation for her dedicated service and her kind nature.

Ms. Ryan warmly thanked the Board for its appreciation.

B. The **Report of the President** included the following items:

1. President Austin recognized the commitment and dedicated service to the Board of both Dr. Peter W. McFadden and Ms. Shirley J. Ryan and noted that they will both be sorely missed.
2. President Austin introduced Susan A. Locke as Shirley J. Ryan's replacement as Assistant Executive to the Board of Trustees.
3. President Austin announced to the Board that the annual **Fall Convocation** for freshmen and new transfer students will be held on Saturday afternoon, August 29, 1998, at 2:30 p.m. in Gampel Pavilion. President Austin noted that this year's event is modified from programs previously held. This year, Convocation has been designed to encompass students and their parents as part of the University community and to emphasize the importance of the undergraduate education experience. President Austin invited all Board members to take part in this important event, which formally marks the opening of the academic year.

4. President Austin invited all members of the Board to the **Rededication Celebration of the Homer Babbidge Library** on Sunday afternoon, October 18, 1998, at 2:00 p.m. Doris Kearns Goodwin, a former professor of government at Harvard and Pulitzer Prize winner, will be the keynote speaker.
5. The President directed Trustee attention to the resolution **naming the park across the street from the University of Connecticut Stamford Campus in honor of L.C. (Whitey) Heist**. President Austin noted that the Board was notified early this summer because there was no scheduled Board meeting but there was a dedication ceremony for the park in the summer to accommodate his family's schedule. President Austin further noted that the Board unanimously supported the naming recommendation. The President asked the Chairman for a motion for an official vote for this resolution. On a motion by Chairman Gelfenbien, seconded by Mr. Downey, **THE BOARD VOTED** to authorize naming the park on Franklin Street across from the University of Connecticut Stamford Campus in honor of L.C. (Whitey) Heist. Background information listed as agenda **Attachment 28** is attached to the file copy of the Board minutes.
6. President Austin recognized the retirement of Dr. Carmen L. Vance who served in the area of student life with great distinction, which **culminated** in service as Acting Vice Chancellor of Student Affairs. President Austin asked the Chairman for a motion to approve the resolution **granting emeritus status to Dr. Vance**. On a motion by Ms. Bailey, seconded by Mr. Saslow, **THE BOARD VOTED** to award the title of **Associate Vice Chancellor of Student Affairs and Director of Residential Life, Emeritus to Carmen L. Vance**. Background information listed as agenda **Attachment 29** is attached to the file copy of the Board minutes.

Trustee Saslow left the Board meeting at this time.

C. Chairwoman Leonardi's **Report for the Financial Affairs Committee** included the following items:

1. Ms. Leonardi briefly spoke about the Committee's work on the budget process and asked for a motion to put on the table for discussion the **FY 1998-99 Operating Budget**. Ms. Smith, seconded by Mr. Downey, moved to approve the FY 1998-99 Operating Budget of \$478,508,173 (expenditure and mandatory transfers -- \$477,828,173; non-mandatory transfers -- \$680,000) including State support of \$212,650,510 and net Tuition and Fees of \$161,332,367 and unrestricted expenditures and transfers of \$414,140,609 and restricted expenditures of \$64,367,564. The Budget includes the planned drawdown of reserves of \$4,668,943 including \$2,500,000 of planned savings from FY 1997-98 to be used for Education and General Strategic Initiatives and \$2,168,943 million of Auxiliary Enterprise drawdowns primarily for the furnishing of the new South Campus facilities.

Mr. Ellef indicated that he was not opposed to revenue support but asked if the revenue support represents a 0% tuition increase. He raised concerns regarding the increase in student services expenditures over the last three years, which, he noted, represents \$101.1 million in 1998-99 budget. Mr. Ellef stated that he had already requested more details regarding this issue. He noted that if the increases are left unchanged, the University would run a deficit of \$4.7 million, which will be covered out of the \$7.5 million surplus from last year. Mr. Ellef suggested that the University supplement the reserves with last year's surplus. He further suggested that the administration review expenses, and possibly revenues, to insure that the "revenue stream" is sufficient to cover the costs after adjustments are made.

Chairman Gelfenbien spoke briefly about the order of the sequence of the budget issues. The Chairman noted that he requested a revised three-year plan from the administration this morning. Chairman Gelfenbien then suggested that a motion be made to remove the original motion so that Chancellor Emmert could present a revised plan and then the Board could discuss the plan.

Trustee Smith asked the Board to discuss this issue before a motion was made to take the recommendation off the table.

Chairman Gelfenbien assured Trustee Smith that the motion would be put back on the table after the update. Chairman Gelfenbien further noted that a correct motion would be made after the discussion. Trustee Smith removed her motion to put the FY 1998-99 Operating Budget recommendation on the table.

Chairman Gelfenbien called upon Chancellor Emmert for a report on an alternative model, which was requested by the Chairman. Chancellor Emmert began his report, which included a slide presentation, by noting that the revised plan responds to concerns about fund balances and revenue issues referenced during the Monday morning budget session. Chancellor Emmert reported that the fund balance per proposed budget over the course of the two biennia, beginning with FY 1996-97, proposes an increase of \$4.5 million. More specifically, the proposed budget fund balance for FY 1996-97 increases from \$24.2 million to \$28.7 million over the course of the two biennia. Chancellor Emmert then illustrated that the alternative fund balance proposal ending in FY 2000-2001 was estimated at \$41.3 million. Chancellor Emmert proposed the following additional revenue sources sited in the Alternative Financing Plan:

- 1) the impact of a 10% freshman enrollment increase in FY 1998-99, which is expected to net \$.5 million in tuition revenue. It assumes that these students will remain at UConn for the next two years and it also assumes that in FY 2000-2001 our freshman enrollment rate maintains its 5% freshman growth rate.
- 2) \$1.5 million in expenditure reductions for the current year. This plan revises the FY 1998-99 budget to \$32.9 million.
- 3) 3% tuition increase in FY 1999-2000 and FY 2000-2001, which generates \$2.1 and \$4.3 million, respectively.
- 4) \$1 million in one-time savings from the sale of surplus properties in FY 1999-2000.

Chancellor Emmert concluded that this plan would generate total revisions of \$3.6 million in FY 1999-2000 and \$4.8 million in FY 2000-2001, which amends the fund balance from \$28.7 million to \$41.3 million in FY 2000-2001. This plan would enable the University to fulfill strategic initiatives because the revenues will increase in FY 1999-2000 and FY 2000-2001 due to enrollment growth.

Trustee Leonardi asked Chancellor Emmert to clarify why the University needs to request additional State funding if the alternative model proposes a tuition increase.

Chancellor Emmert indicated that the underlying assumption of the first budget proposal was that the University would ask for \$6 million cumulatively across the biennium in lieu of tuition increases, as occurred in FY 1998-99. Chancellor Emmert stated that those funds would be requested for student financial aid, for example, rather than for tuition freezes. He further stated that the request would be included in the biennial budget.

Trustee Abromaitis asked if the 3% increase was factored into the enrollment increases. Chancellor Emmert said it was.

Trustee Jacobs mentioned the expectations of the Board and the administration in achieving a world-class institution. More specifically, Trustee Jacobs raised concerns about how the administration would reduce expenditures by \$1.5 million and the impact on the product.

Chancellor Emmert indicated that some of the strategic initiatives may have to be phased in more slowly than originally planned or that the administration should seek other opportunities in the existing base budget to eliminate \$1.5 million. Chancellor Emmert told the Board that University operations would be impacted.

Trustee Berkley asked whether the Chancellor felt that the revised budget proposal was more appropriate than the first budget proposal.

Chancellor Emmert supported the original budget proposal put forth during the Monday morning budget session. The Chancellor stated that the alternative plan is in response to the concerns of the Board from the morning budget session and that he would support the alternative plan if the Board approved it.

Trustee Napolitano raised concerns about the reallocation of funds. More specifically, he asked how the University could reduce expenditures by \$1.5 million and continue strategic initiatives.

Mr. Ellef focussed his concerns on the FY 1998-99 budget as opposed to the biennium budget. Mr. Ellef raised a specific concern about a second 10% increase in FY 1998-99, noting that there is a deficit of \$4.7 million. Mr. Ellef stated that he was not uncomfortable with \$473.8 million in revenues, but he would like to see \$473.8 million in expenses. He recommended that the administration carefully review the impact on student services, and suggested that the \$5.9 million surplus from FY 1997-98 be transferred to the reserves.

Trustee Leonardi brought to the Board's attention the fact that the student services area operates under profit or deficit circumstances and funds are not transferred to the academic areas.

Chancellor Emmert agreed with Trustee Leonardi's assessment and noted that the University has always operated this way. He further noted that the majority of student services dollars are auxiliary dollars, which are generated from residential life and food service fees. Chancellor Emmert added that the new South Campus residence halls will impact the University with further growth in these and many other areas. Chancellor Emmert stated that funds generated from student auxiliary enterprises have always reverted back to these areas for maintenance, daily upkeep, etc. Chancellor Emmert further stated that while this has been the University's practice, and a national practice as well, there is no statutory requirement that obligates the University to separate student-generated funds from the general operating funds.

Trustee Leonardi commented that the strategic initiatives were investments for the future in terms of increasing quality and efficiency. She asked if the administration had researched investments in technology.

Chancellor Emmert maintained that he expected the University to operate more effectively, and to a certain extent, more efficiently, because of the strategic initiatives. Chancellor Emmert could not guarantee that a particular investment in a service would yield a particular savings in the future. Chancellor Emmert did, however, make clear that the University's immediate focus was on technology investments for students and for internal management systems. He noted that these investments have front-end costs in this budget year and that savings may accrue in the next biennium.

Senate Representative Karla Fox raised concerns about the impact of the alternative financing plan on proposals designed to restructure academic programs, such as the critical technologies initiative.

Trustee Leonardi recounted the incentive structure of the clinical faculty at the Health Center and questioned whether the structure was viable for traditional faculty members at the Storrs and the regional campuses. She noted that this structure had the potential to create another revenue source.

Chancellor Emmert indicated that a small proportion of our faculty, specifically in the health related areas, have the prospect of seeking additional sources of funding through clinical practices.

Trustee Berkley shared with the Board a personal story about a pasta company he started, sold, and bought back because the quality of the product changed drastically over a period of time. He noted that marginal changes made to the product accumulated over time and altered the product considerably, so much so that the company went bankrupt. He noted that at UConn, the product was student services and the danger was cost-cutting measures targeted for these services. Trustee Berkley contended that the University must

simultaneously economize and increase efficiency, while at the same time, maintain the integrity of the institution and focus on ways to become nationally and internationally competitive.

Mr. Ellef suggested that the administration consider a different approach for next year's budget request to the Legislature. Mr. Ellef implied that the Legislature may carefully consider the following questions in regard to the University's request for additional state support: 1) how financially conservative has the University been with its spending practices?, and 2) does the University have the capability to spend within its budget or to exceed its spending limitations?

Chancellor Emmert noted that the majority of additional state support is a function of contract negotiations that were approved by the Legislature. Chairman Gelfenbien concurred with Chancellor Emmert's statement regarding contract negotiations, but stated that the University must consider a tighter control on spending. He noted that the Board has asked the administration to reduce the increase in the proposed budget request, not to reduce the funding already appropriated for current projects.

Chairman Gelfenbien stated that his goal was to submit a budget proposal to the Legislature that projected an increase in reserves. He noted his concern regarding the original budget request, which projected a sizeable increase in State support over last year's projected amount. He concurred with Mr. Ellef that student services will be exempt from any spending cutbacks.

Trustee Leonardi raised concerns over possible cutbacks in the funds for identified strategic projects, and commented upon her concern over a \$4.7 million deficit. Chairman Gelfenbien stated that the \$4.7 million was not a deficit but a carryover of this year into next year's budget.

Trustee Berry asked for more details regarding the \$1.5 million in proposed expenditures for next year. She noted that she was comfortable with the funding committed for contract negotiations but was unsure where the additional support was needed. She asked if additional support would be identified for student scholarships and for tuition reductions for needy students.

Chancellor Emmert explained that underlying the state portion of the budget and the state request are two components: 1) the current services budget as defined by the Office of Policy Management, and 2) the amount needed to offset a tuition increase.

Trustee Napolitano asked whether or not the proposed \$1.5 million in reductions had to occur during this fiscal year, and interrupt ongoing strategic projects, or if they could be imposed during the end of the biennium year proposal.

Chairman Gelfenbien considered this request and indicated that the result would be the same. Chairman Gelfenbien asked Trustee Smith if she would make a motion to return the original FY 1998-99 budget to the table. On a motion by Ms. Smith, seconded by Mr. Collins. **THE BOARD VOTED** to return the FY 1998-99 Operating Budget to the table for further discussion.

Trustee Leonardi reminded the Board that the early retirement incentive had a severe impact on the budget.

Trustee Collins stated that he could understand a tuition increase to offset cost of living increases, but would not support a 3% tuition increase to strengthen the reserves.

Chairman Gelfenbien asked the Board to vote on the FY 1998-99 budget request. On a motion by Ms. Smith, seconded by Mr. Downey, **THE BOARD VOTED** to approve a **FY 1998-99 Operating Budget** of \$478,508,173 (expenditure and mandatory transfers -- \$477,828,173; non-mandatory transfers -- \$680,000) including State support of \$212,650,510 and net Tuition and Fees of \$161,332,367 and unrestricted expenditures and transfers of \$414,140,609 and restricted expenditures of \$64,367,564. The Budget includes the planned drawdown of reserves of \$4,668,943 including \$2,500,000 of planned savings from FY 1997-98 to be used for Education and General Strategic Initiatives and \$2,168,943 million of Auxiliary Enterprise drawdowns primarily for the furnishing of the new South Campus facilities. Mr. Ellef voted in opposition. Background information listed as agenda **Attachment 30** is attached to the file copy of the Board minutes.

2. Trustee Leonardi asked for a motion to put on the table for discussion the biennium operating budget. Mr. Downey, seconded by Ms. Smith, moved to approve the **Biennium 1999-2001 State Appropriation Operating Budget Request** of \$177,124,305 (\$174,488,170 -- Current Services; \$2,636,135 -- Above Current Services) for FY 1999-2000 and \$179,473,547 (\$176,573,002 -- Current Services; \$2,900,545 -- Above Current Services) for FY 2000-01 and no Tuition rate change for the Biennium predicated upon State funding of the requests noted above.

Mr. Ellef raised concerns over the declining reserves beginning with FY 1997-98.

Chairman Gelfenbien reminded the Board that Chancellor Emmert put forth several recommendations that are listed in the Alternative Financing Plan under fiscal years 2000 and 2001, which include tuition increases, sale of surplus properties, and some expenditure reductions.

In response to Trustee Downey's request for more clarification, Chairman Gelfenbien summarized that the \$1.5 million in reallocation/expenditure reductions should be moved from FY 1998-99 to FY 2000-2001, which would result in the same savings at the end of the biennium. Chairman Gelfenbien asked for a motion to modify the proposed budget by the items discussed in the Alternative Financing Plan. Trustee Downey made a motion, but it was not seconded.

Trustee Leonardi asked whether it was realistic to propose a tuition increase when the state appropriated funds to offset a zero percent increase. She summarized the most recent discussion for the Trustees participating by telephone (who had experienced an interruption due to technical difficulties). She noted that Chancellor Emmert proposed an alternative financing scenario which proposed several ways to balance the budget without reducing the reserves. Trustee Leonardi reiterated the following revisions to the biennium operating budget:

- 1) a 10% increase in the 1998-99 freshman class
- 2) \$1.5 million in expenditure reductions over the biennium
- 3) a 3% tuition increase in each of the two years of the biennium
- 4) a \$1 million gain from the sale of surplus properties in the first year of the biennium

Trustee Leonardi concluded that this proposal would increase the reserves to \$41.3 million over three years. She questioned whether the University could expect the State to approve a request for a sizeable increase in state support while we propose a 3% increase in tuition increase in each of the two years of the biennium.

Trustee Treibick agreed with the budget proposal if the administration needs the additional funds to maintain current services.

Chairman Gelfenbien asked Trustee Downey to put a motion on the table to add the proposed changes to the biennium budget request. He then asked Ms. Smith to second the motion.

Trustee Smith asked to discuss the amendments before a motion was made. Chairman Gelfenbien agreed with Trustee Smith and asked Trustee Downey to withdraw his motion.

Chairman Gelfenbien opened the floor for discussion about the biennium budget.

Trustee Abromaitis asked if there were spending restrictions on the reserves. Vice President Jones stated that reserve funds are unrestricted and are at the discretion of the Board. He cautioned, however, that these funds are comprised of carryovers from a variety of programs dealing with entrepreneurial activities and auxiliary enterprise activities. In sum, they are a compilation or a sum total of all unused revenues. Vice President Jones noted also that managers are expected to fund their own projects within strict guidelines. Trustee Abromaitis asked if academic administrators, such as deans, were subject to an incentive proposal.

Chairman Gelfenbien noted that Chancellor Emmert asked the deans to economize and streamline programmatic functions, which will not increase revenues but will defer some of the expenses for several years. Trustee Jacobs raised concerns about sending mixed signals to the Legislature about the University's initial request for additional funding to offset a 0% tuition increase and about the revised request for additional funding along with proposed tuition increases.

Chairman Gelfenbien emphasized that an increase in state subsidies will be utilized for student financial aid and scholarships.

Trustee Smith asked Chancellor Emmert to speak to the top line, state appropriation fund balances for the next three years noted under Attachment 31, Schedule D – 1a. Chancellor Emmert stated that the assumptions that underlie the state budget request are driven by the Office of Policy and Management's (OPM) definition of current services. Chancellor Emmert asked Vice President Jones to describe the definition of a current services budget request. Vice President Jones indicated that a current services budget consisted of the base budget and inflation adjustments at various levels for various kinds of expenditures. The Office of Policy and Management provides the University with inflation adjustments based on our base budget.

Mr. Ellef clarified further that OPM does not create an institution's budget but that it bases the upcoming year's projections on the prior year's budget. Mr. Ellef encouraged the administration to revise its approach to the Legislature.

Trustees Ferris and Treibick asked the Chairman to clarify which proposal is being discussed. Chairman Gelfenbien responded that the base budget for the biennium is on the table for discussion. Chairman Gelfenbien noted that he was responsible for interjecting the modifications proposed by the administration in the form of the Alternative Financing Plan. He further noted that the modifications have not been officially added to the original biennium budget. In an effort to simplify the process, Chairman Gelfenbien suggested that the Board propose an amendment to the proposed budget in order to consider the modifications; then the Board will vote for each item separately. Once it is determined that there will be modifications to the original biennium budget, then the Board will vote on the final budget with the amendments.

Trustee Collins reiterated his concerns regarding a tuition increase to boost the reserves. Chairman Gelfenbien accepted Trustee Collins' comments but disagreed with his interpretation of what the increases will signify.

Senate Representative Barth commented upon Trustee Berkley's letter to the Board, which stated that tuition increases were necessary to keep the University solvent and without increases, the University would suffer a serious shortfall within a couple of years. Chairman Gelfenbien agreed but noted that increases in state support would alleviate that concern. The Chairman and Trustee Berkley noted also that the University should not rely heavily on state aid.

Trustee Jacobs proposed that student-generated funds should be utilized for student services. Chairman Gelfenbien accepted Trustee Jacobs' comments but noted that fund sources are not easily separated.

Chairman Gelfenbien asked the Board to consider voting on individual amendments. Chairman Gelfenbien asked Trustee Downey for a motion to increase tuition by 3% in the fiscal years 2000 and 2001. Mr. Downey, seconded by Mr. Berkley, moved to **amend the State Appropriation Operating Budget Request for the Biennium Fiscal Years 1999-2000 and 2000-2001, to increase tuition by 3% in each of the two years of the biennium.**

The Board discussed this issue further. Trustee Downey, who made the original motion to approve the tuition increase, asked the Board to consider very carefully the message the University would be sending to the community and to the citizens of the State.

Mr. Ellef stated that he was not opposed to a tuition increase in each of the two biennium years, but he was opposed to the University's request for a substantial increase in state support in the first year of the biennium.

Trustee Smith asked the Board to review previous discussions regarding tuition increases as they relate to fiscal years 2000 and 2001. Chairman Gelfenbien indicated that he was not aware that the Legislature or the Governor's Office approved a tuition freeze beyond the current fiscal year.

Trustee Napolitano expressed also his concern about sending the community, especially the students, the wrong message about the tuition increase proposal.

Trustee Berry asked the Board to review more closely the proposal to increase tuition and to review the increases in conjunction with the request for additional state support for the purpose of enhancing scholarship programs for needy students.

Trustee Jacobs pointed out that the University proposed a moderate tuition increase (3%) compared to the average increase (6%) across the nation. Trustee Jacobs noted that the University's proposal would be well below the nation's average, which is a positive message that should be announced to the community.

Trustee Ferris asked the administration how they were able to identify funds last year for additional student aid but had to request funds from the state this year.

Chairman Gelfenbien responded by noting that the University decided to submit the original budget request, with the request for state support, as well as propose a tuition increase, which would provide greater assistance to disadvantaged students.

The Board discussed several ways to discuss and vote on amendments to the biennium budget. Chairman Gelfenbien asked the Board for a final vote on a 3% tuition increase in fiscal year 1999-2000 and 2000-2001. **THE BOARD VOTED** to increase tuition by 3% in each of the two years of the biennium. Those voting in favor were: Trustees Bailey, Benedict, Berkley, Berry, Ferris, Gelfenbien, Jacobs, Leonardi, Napolitano, Smith, and Treibick. Those opposed were: Trustees Collins and Downey. Those who abstained were: Trustees Abromaitis and Ellef.

Chairman Gelfenbien asked the Board to consider the sale of surplus properties. Mr. Treibick, seconded by Mr. Berkley, moved to **amend the budget proposal to reflect the sale of Surplus Properties valued at \$1 million in FY 1999-2000.** Chairman Gelfenbien opened the floor for discussion. Several Board members asked what University properties would be sold. Vice Chancellor Dreyfuss stated that the sale would probably include one piece of surplus real estate, several rental houses, and personal property. Trustee Smith asked what was meant by "surplus property". Vice Chancellor Dreyfuss indicated that

“real property” referred to property for which the University no longer needs and “personal property” refers to obsolete items, such as old classroom desks and chairs, scientific equipment, lawn mowers, etc. **THE BOARD VOTED** to approve the sale of Surplus Properties valued at \$1 million in FY 1999-2000.

Chairman Gelfenbien introduced the next item under the Alternative Financing Plan, which recognized an increase in freshman enrollment for the upcoming academic year. On a motion by Ms. Smith, seconded by Ms. Leonardi, **THE BOARD VOTED** to recognize the impact of a 10% increase in freshman enrollment in 1998-99.

Chairman Gelfenbien introduced the last item for discussion, which proposed **\$1.5 million in expenditure reductions over the biennium**. On a motion by Ms. Smith, seconded by Ms. Leonardi, **THE BOARD VOTED** to amend the budget proposal to reflect \$1.5 million in expenditure reductions over the biennium. In response to Trustee Treibick's question, Chancellor Emmert said that he could not at this time identify a detailed plan for expenditure reductions. Chancellor Emmert did, however, indicate that he would meet with his staff and the deans to determine ways to maximize programmatic functions. The Board further discussed opportunities for savings, including recommendations proposed by the Coopers & Lybrand report. **THE BOARD VOTED** to approve \$1.5 million in expenditure reductions over the biennium.

Trustee Leonardi suggested that the Board discuss the request for additional support from the state. She summarized Mr. Ellef's earlier statements, which proposed that the University adopt a different marketing strategy. She referred to the growth and development of the Health Center over the last five years. Trustee Leonardi noted that the University has not adequately justified the need for additional state support.

Vice President Jones stated that the state appropriated amounts noted under Attachment 31, Schedule D, 1a are primarily current services with no enhancements included in the figures.

Mr. Ellef commended the Board for improving the budget process but informed the Board that the next Legislative session will be different because the State's debt is a major concern. He suggested that the administration send a clear message to the Legislature that the University has defined and enhanced its strategic initiatives and objectives to further reinforce its position in the community.

Trustee Berkley and Vice President Jones discussed the possibility of investing the University's reserve funds in the debt of the State. Vice President Jones stated that this was not possible because the University was obligated to invest its reserves in the State's short-term investment funds managed by the State Treasurer.

Chairman Gelfenbien asked Mr. Ellef to propose an amendment. Mr. Ellef, seconded by Mr. Downey, moved to amend the budget proposal to **reduce State support from \$25.4 million to \$17.6 million over the biennium**. The Board held an exhaustive discussion regarding an \$8.8 million increase in each of the two years of the biennium. Mr. Ellef cautioned University officials about negotiating with the State. He strongly encouraged University officials to submit a fair and reasonable request for state support based on what the University actually needs. Trustee Treibick asked Chancellor Emmert to comment upon the needs of the University. Chancellor Emmert responded by reminding the Board that the Legislature has already approved \$8.1 million for a mandatory pay period in fiscal year 2000 and \$8.3 million for collective bargaining and fringe benefit costs.

The Board continued its discussion regarding the proposal to reduce State support. The Board considered several issues but focussed upon the impact reduced state support would have on student aid, including the role of the UConn Foundation in assisting with student aid, and on the strategic initiatives. Chairman Gelfenbien concluded the discussion by asking the Board to vote on the proposal to reduce the amount of State support from \$25.4 million to \$17.6 million, which incorporates an \$8.8 million increase in FY 2000 and an additional \$8.8 million in FY 2001. **THE BOARD DEFEATED the proposal.** Those voting in the affirmative were: Trustees Abromaitis, Berry, Downey, Ellef, Ferris, and Jacobs. Those opposed were: Trustees Bailey, Benedict, Berkley, Collins, Gelfenbien, Leonardi, Napolitano, Smith, and Treibick.

Chairman Gelfenbien opened the floor to discuss the main motion to approve the biennial budget request as amended.

Trustee Berry asked Vice President Allenby for a commitment to support student financial aid through foundation funds. Vice President Allenby noted that he was committed to make student financial aid one of the Foundation's top priorities for its endowment drive.

On a motion by Mr. Downey, seconded by Ms. Smith, **THE BOARD VOTED** to approve a **Biennium 1999-2001 State Appropriation Operating Budget Request** of \$177,124,305 (\$174,488,170 -- Current Services; \$2,636,135 -- Above Current Services) for FY 1999-2000 and \$179,473,547 (\$176,573,002 -- Current Services; \$2,900,545 -- Above Current Services) for FY 2000-01, reflecting: a Tuition rate increase of 3% in each of the two years of the Biennium; the anticipated sale of surplus University properties valued at \$1 million in FY 1999-2000; the impact of a 10% increase in freshman enrollment in 1998-1999; and \$1.5 million in expenditure reductions over the Biennium. Those voting in favor were: Trustees Bailey, Benedict, Berkley, Collins, Gelfenbien, Jacobs, Leonardi, Napolitano, Smith, and Treibick. Those voting in opposition were: Trustees Abromaitis, Berry, Downey, Ellef, and Ferris. Background information listed as agenda **Attachment 31** is attached to the file copy of the Board minutes.

3. On a motion by Ms. Smith, seconded by Mr. Downey, **THE BOARD VOTED** to approve **adjustments to ten fees for the 1999-00 fiscal year and seven fees for the 2000-01 fiscal year.** Background information listed as agenda **Attachment 32** is attached to the file copy of the Board minutes.
4. **THE BOARD REMOVED** the **1999-00 and 2000-01 Rental Rates for Residential Properties**, which was presented as a handout at the meeting because of a printing error in **Attachment 33.** The **Handout** is attached to the file copy of the Board minutes.

D. Chairwoman Smith's Report for the Health Affairs Committee activities included the following items:

1. On a motion by Ms. Bailey, seconded by Mr. Jacobs, **THE BOARD VOTED** to ratify the **General Fund Operating Budget of \$66,549,351 for the University of Connecticut Health Center for Fiscal Year 1998/99.** Background information listed as agenda **Attachment 34** is attached to the file copy of the Board minutes.
2. On a motion by Ms. Bailey, seconded by Mr. Jacobs, **THE BOARD VOTED** to ratify the **Health Center's request for additional Strategic Plan funding for \$2,216,000 for Fiscal Year 1998/99.** Background information listed as agenda **Attachment 35** is attached to the file copy of the Board minutes.
3. On a motion by Mr. Jacobs, seconded by Ms. Bailey, **THE BOARD VOTED** to approve the **John Dempsey Hospital Proposed Operating Budget for the Fiscal Year ending September 30, 1999.** Background information listed as agenda **Attachment 36** is attached to the file copy of the Board minutes.

4. On a motion by Ms. Bailey, seconded by Mr. Jacobs, **THE BOARD VOTED** to authorize the **University of Connecticut Health Center to enter into a lease with Physicians for Women's Health for approximately 3,500 sq. ft. (\$17 per sq. ft.) at 230 Farmington Avenue, Farmington, Connecticut.** This lease will begin no earlier than November 1, 1998 and go through July 31, 2000. Chairwoman Smith noted that the **resolution was amended as indicated above to include the cost of \$17 per square foot of space.** Background information listed as agenda **Attachment 37** is attached to the file copy of the Board minutes.
5. On a motion by Ms. Bailey, seconded by Mr. Collins, **THE BOARD VOTED** to approve a **Health Center faculty, managerial and confidential employee salary increase program for FY 1998/99 of 3.21%.** Background information listed as agenda **Attachment 38** is attached to the file copy of the Board minutes.

E. Chairwoman Berry's Report for the Academic Affairs Committee activities included the following items:

1. Chairwoman Berry noted that the Committee has not met since May but has prepared a revised **Regional Campus Role and Scope Statement.** She noted that the proposal was revised to change the programs offered. Chairwoman Berry referred to page 3, part B., the Program section of the proposal, which referred to a partnership with other public higher education institutions. Chairwoman Berry commended Chairman Gelfenbien, President Austin, Chancellor Emmert, and Vice Chancellor Maryanski for their hard work and dedication in collaborating with the leadership of the Connecticut State University System and the Connecticut Community-Technical College systems.

Trustee Downey offered comments about the structure of the Tri-Campus Initiative. He noted that the primary thrust was to increase efficiency by coordinating the resources for the Hartford, Torrington, and Waterbury campuses. He noted that a senior director will oversee the enrollment management activities, coordination of scheduling, program development, and marketing endeavors. He further noted that there will be an on-site director at each facility to monitor the day-to-day operations and to boost community outreach. Trustee Downey encouraged the administration to employ individuals in the respective communities who are effective educational leaders, who actively participate in the community, and who have the vision and foresight for success.

Mr. Ellef questioned whether all the constituents involved supported this endeavor and whether the proposed budget for this year and the biennium can support this initiative. He commended Chairman Gelfenbien, President Austin, Trustee Berry, Chancellor Emmert, and many others for their hard work and persistence.

Chairman Gelfenbien asked Trustee Berry to clarify a statement in the proposal, which refers to a formal agreement that must be reached before programs listed in Phase 2 can be offered. Trustee Berry asked Vice Chancellor Maryanski to discuss this at length. Vice Chancellor Maryanski indicated that the formal agreement has not been elaborated on beyond what is in the proposal, according to his most recent discussion with Commissioner DeRocco. He noted that a mechanism must be established to develop a uniform approach to identify successful programs and to determine the best method of offering those programs in a particular region utilizing all the resources available in the public higher education system. Vice Chancellor Maryanski further noted that details will be established by the Department of Higher Education after the passage of this proposal. In response to the Chairman's question, Vice Chancellor Maryanski indicated that the proposal before the Board was designed to create the administrative entity of the Tri-Campus Initiative. He noted that this proposal, once ratified, will be submitted along with the two previously approved proposals for Stamford and Avery Point to the Department of Higher Education for approval. Then all of the University's regional campuses will offer four-year programs. Vice Chancellor Maryanski further noted that the administration will review the tri-campus degree programs to determine which programs are the most critical and financially viable for a particular region. President Austin commented that there are some unresolved issues but that this proposal was sound.

President Austin moved briefly to a different topic. He recounted the events of the budget retreat, noting the Board's request for a more detailed presentation, which described ways to streamline and improve efficiency without adversely impacting the strategic goals and initiatives. The administration, in turn, presented an alternative plan that was consistent with the expectations of the Board. The President noted that he has been very aware that the current Board has disapproved of previous budget presentations and he hoped that the events of the weekend reflected a transitional period.

President Austin further noted that the administration proposed \$1.5 million in expenditure reductions as part of the alternative plan. He indicated that this will not be a simple task - the administration must systematically analyze programmatic functions while taking into account the recommendations proposed by Coopers & Lybrand, as well as other studies that are underway.

In addition, The President expressed concern over the perception of a connection between tuition increases and the reserves. He emphasized the importance of the quality of student services in relation to the University's quest for administrative efficiency, additional state support, enhanced private endowments, and in the future, more aggressive federal research grants and contracts.

Chairman Gelfenbien concluded this portion of the Board meeting by commending those who contributed extraordinary amounts of time and effort modifying the way information is presented to the Board. He noted, however, that more work is needed to put the University's objectives into more specific terms so that the Board can measure the effectiveness of the programs.

Chairman Gelfenbien returned the discussion to the Tri-Campus Initiative to obtain an official vote. Chancellor Emmert reminded the Board that the Department of Higher Education did not want to review any of the role and scope statements, even those that were previously approved, until all three regional campus role and scope statements were approved by the Board. On a motion by Ms. Leonardi, seconded by Mr. Downey, **THE BOARD VOTED** to approve the **role and scope statement for the Tri-Campus Initiative**. The **Handout** is attached to the file copy of the Board minutes.

Chairman Gelfenbien commended Chairwoman Berry and others for the hard work and dedication put forth for this important endeavor.

F. Chairwoman Bailey's **Report for the Student Life Committee** activities included the following items:

1. Chairwoman Bailey noted that the Student Life Committee met on June 18, 1998. She referred to the minutes of the meeting, which have been included in the agenda. Chairwoman Bailey highlighted the following discussion items from the Committee minutes:
 - a. Chairwoman Bailey introduced Vice Chancellor Triponey to the Committee.
 - b. Chairwoman Bailey noted that Vice Chancellor Triponey reported the following to the Committee:
 1. South Campus will be ready for incoming students in the fall.
 2. All levels of discussions surrounding the plans for fraternal housing on University land have been very successful.
 3. University Weekend Update
 - a. meetings have taken place both on and off campus regarding activities over the course of the weekend.
 - b. the Chancellor will establish a Blue Ribbon Committee, whereby Vice Chancellor Triponey will serve as Chair.
 - c. the University will provide a report of the conduct violations to the student population and to the community.

Chairman Gelfenbien asked about the status of the Blue Ribbon Committee. Chairwoman Bailey asked Chancellor Emmert to speak about the special task force. Chancellor Emmert indicated that the task force has been formed with Vice Chancellor Triponey serving as Chair. The Chancellor expected the task force to make a preliminary report to the Board by the September Board meeting.

Trustee Collins reported that he and Student-elect Trustee Alyssa Benedict will send out a letter to incoming students regarding the University Weekend activities and discussions.

Trustee Napolitano requested that the Board consider a moratorium on University sanctioned events for 1999, while the work of the task force continues. Chairman Gelfenbien asked that all Board members remain open minded about the issue of University-sanctioned events next year.

G. Chairman Treibick deferred his report on the Institutional Advancement Committee to Vice President Allenby. Vice President Allenby's Report included the following items:

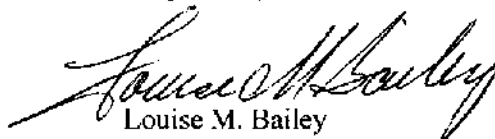
1. Vice President Allenby presented a **Gift report** detailing activities over the past year. A slide presentation accompanied his report. He reported that the Foundation raised \$20.4 million in fiscal year 1998, despite staffing issues in the Development Office and the difficulty in estimating when individuals will make their first gift during the campaign period. Vice President Allenby reviewed the asset growth over the last four years and noted that the Foundation anticipates a 50% increase between this fiscal year and fiscal year 2001. The **Handout** is attached to the file copy of the Board minutes.

Chairman Gelfenbien congratulated Vice President Allenby and his staff.

The next meeting of the Board of Trustees is scheduled for **Tuesday, September 15, 1998 at 1:00 p.m. at the University of Connecticut at Storrs, Student Union Ballroom, Storrs, Connecticut.**

No further business appearing, the Board meeting was adjourned at 4:55 p.m.

Respectfully submitted,


Louise M. Bailey
Secretary