



FY 2019 — 2021 Strategic Plan

CHEFA

CHESLA

APPROVED BY THE CHEFA BOARD OF DIRECTORS: April 18, 2018



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Introduction

The Connecticut Health and Educational Facilities Authority (CHEFA) became the parent organization to the Connecticut Higher Education Supplemental Loan Authority (CHESLA) in FY 2012. In the first two cycles of strategic planning after the entities' affiliation, two separate plans were completed, with overlapping strategic goals but separate underlying strategic initiatives. The process and separate evaluations of performance did not promote collaboration or enhance opportunities for synergy between the two organizations. In an effort to achieve those objectives, management suggested that the next cycle of planning be conducted on a combined basis.

Development of the FY 2019-2021 Strategic Plan began with a staff brainstorming session on December 12, 2017. The officers provided an overview of key industry trends and challenges. CHEFA and CHESLA staff were divided into teams and given thought provoking questions to consider and use as a basis for creative thinking. The groups shared their ideas with each other at the end of the day. The staff session was followed about six weeks later by a board strategic planning session. The meeting included the boards of both CHEFA and CHESLA, providing a first-time opportunity for interaction and discussion between the two boards. The boards were divided into two groups (each with representation from each board), with each group given a set of questions derived from those used at the staff brainstorming session. The entire group reconvened near the end of the session to share ideas.

Management used the ideas generated in both the staff and the board sessions to identify general themes which ultimately resulted in five Strategic Pillars, with many of the ideas becoming related initiatives. Continual feedback was sought from staff and board as the ideas were further developed and prioritized. The proposed Strategic Plan that follows is the culmination of this process and builds on the existing Mission, Vision and Values for CHEFA and CHESLA.

Plan Organization

The CHEFA/CHESLA FY 2019 – 2021 Strategic Plan is based on five Strategic Pillars:

- Collaboration;
- Economic and Workforce Development for the Public Good;
- Technology;
- Innovation; and
- Public Engagement and Accountability.

Each Pillar is built on Objectives that describe the Pillar's purpose. Initiatives associated with each Pillar are listed in priority order, with related activities and indicators of success specified. Management expects to provide regular progress reports to the Boards that will detail the status of efforts to successfully implement the initiatives.

Vision and Mission

CHEFA

Vision – Enhance the welfare and prosperity of the citizens of the State of Connecticut by being leaders in public finance

Mission – Provide access to tax-exempt financing and other financial assistance to educational institutions, healthcare providers, childcare providers and other eligible not-for-profit entities, and expand higher educational opportunities for Connecticut students through CHEFA's subsidiary, the Connecticut Higher Education Supplemental Loan Authority

CHESLA

Vision – Serve as Connecticut's leading resource for students as they plan for their college education, not only by providing financing, but by providing information and tools for students to make informed decisions; enhance the competitiveness of Connecticut institutions of higher education by providing grants and additional financing options; encourage interest in higher education to help the State meet its workforce needs; and enhance economic development through innovative higher education programs

Mission – Expand higher educational opportunities and enhance the State's economic development through higher education by providing cost-effective education financing programs and information resources to Connecticut students, alumni and their families

Values

Excellent Service

Timely, responsive and effective service to the public and to our clients, both external and internal

Respect

Recognition through our attitudes and actions of the value of diversity and the worth and dignity of all, including the public, our clients and one another

Can-Do Attitude

A creative, leading-edge, open-minded approach to meeting the needs of the public and of our clients in a constantly changing environment

Transparency

Openness and accountability with respect to all aspects of the Authority and its operations

Professionalism

A commitment to teamwork, to expertise and to personal behavior that projects a positive image of the Authority

Integrity

Maintenance of an internal culture that reinforces the message that personal integrity and ethical behavior are valued and rewarded by the Authority

Pillar I. Collaboration

Work externally and internally with others to identify opportunities and resolve challenges in optimal ways that allow us to share and build on each other’s expertise

OBJECTIVES

- ◆ Broaden the understanding and impact of our work throughout the State
- ◆ Create synergy between CHEFA and CHESLA in ways that will enhance our products

INITIATIVE 1

Encourage CHEFA client collaboration by pooling entities to access financing

YEAR 1 ACTIVITIES

- Conduct client survey
- Coordinate with financial advisors regarding product development.
Seek bank feedback and input
- Assess feasibility and update Board

YEAR 2 ACTIVITIES

- Review results with clients for further feedback
- Finalize product proposal if feasible
- Seek Board final approval
- Launch

Indicators of Success

- ◆ *New product established as a result of client feedback*

Pillar I. Collaboration

INITIATIVE 2

Collaborate with the State, other quasi-public agencies, and/or other stakeholders

YEAR 1 , 2, 3 ACTIVITIES

- **Maintain and develop relationships by increasing interaction with entities such as:**
 - ◊ **NACUBO, CHA, CAPFAA, CAIS**
 - ◊ **CT Green Bank, CT Innovations**
 - ◊ **Hartford Foundation for Public Giving**
 - ◊ **Governor's office, State agencies, Legislators**
- **Identify opportunities to work together with above entities on specific projects**

Ongoing projects include:

- * **Pay For Success – Community Care Team Project**
- * **CHESLA/CHET joint marketing efforts**

Future projects include:

- * **Investor Conference with State Treasurer's Office**

Indicators of Success

- ◊ *Successful completion of Pay For Success feasibility study*
- ◊ *Increased use of CHESLA products*
- ◊ *Continuing requests for Authority participation in new initiatives*

Pillar I. Collaboration

INITIATIVE 3

Facilitate cross-marketing of Authority product lines and programs

YEAR 1 , 2, 3 ACTIVITIES

- Improve communication between CHESLA, CHEFA grants and CHEFA transaction management to identify common opportunities
- Develop and distribute marketing materials by business line
- Educate clients with follow up conducted by area with direct responsibility

Indicators of Success

- ◆ *New clients for CHEFA/CHESLA product lines that result from cross-marketing*

INITIATIVE 4

Offer educational services that meet CHEFA client and grantee needs and create opportunities for client engagement

YEAR 1 ACTIVITIES

- Incorporate question regarding educational interests into client survey to determine needs

YEAR 1 , 2, 3 ACTIVITIES

- Webinars
- Client Conference
- Sector specific seminars
- One-on-one visits

Indicators of Success

- ◆ *Strong client participation in educational offerings*
- ◆ *Educated clients with fewer instances of non-compliance*

Pillar II. Economic and Workforce Development for the Public Good

Enhance the State’s economy and develop and broaden its workforce through nonprofit infrastructure financing and through programs to finance post-secondary education.

OBJECTIVES

- ◆ Demonstrate our value to the State through measurable economic impacts
- ◆ Increase the pool of in-state qualified applicants for STEM related jobs
- ◆ By supporting nonprofits throughout the State, help ensure the availability of needed social services for CT citizens
- ◆ Enhance opportunities for new entrants to the workforce in Connecticut, including supporting non-traditional types of post-secondary education that will help address diverse workforce needs (adult learners, certificate programs, community colleges, and vo-tech programs)

INITIATIVE 1

**Expand CHEFA financings to more sectors
(e.g., charter schools, the arts, community colleges)**

YEAR 1 ACTIVITIES

- Expand outreach to relevant trade associations
- Meet with CSU representatives concerning opportunities for community college financing
- Develop improved marketing materials
- Relationship building with potential clients, including customized educational programs

Indicators of Success

- ◆ *Transaction executed in a new sector*

Pillar II. Economic and Workforce Development for the Public Good

INITIATIVE 2

Develop targeted student loan and loan refinance products (e.g., STEM loans and targeted grad school loans; Refi CT as a corporate recruiting tool for new companies)

YEAR 1 ACTIVITIES

STEM Loan Product

- Define product
- Meet with relevant parties (e.g., employers, schools, State agencies such as DECD) to gather feedback and further refine the product
- Discuss funding sources with financial advisor
- Update Board and seek feedback

YEAR 2 ACTIVITIES

STEM Loan Product

- Launch if product determined to be feasible

Refi CT

- Conduct outreach activities to educate parties on the product (DECD, CBIA, SHRM, Metro Hartford Alliance, etc.) and discuss its potential as a workforce development tool

YEAR 3 ACTIVITIES

Grad Student Initiatives

- Confer with financial advisor to determine if interest can be capitalized on undergraduate loans while student is in graduate school in order to minimize cash flow burden
- Seek feedback from financial aid offices
- Propose to Board if feasible
- Launch product

Refi CT

- Implement as an employee benefit with selected employers

Indicators of Success

- ◆ *Products defined*
- ◆ *Products launched, if feasible; sustainable loan volume achieved*

Pillar II. Economic and Workforce Development for the Public Good

INITIATIVE 3

Take a leading role in developing a Pay For Success project that has economic as well as social impact

YEAR 1 ACTIVITIES

- Administrative data analysis with Urban Institute regarding Community Care Teams (CCTs) and reduction of high frequency emergency department use
- Conduct feasibility study using administrative data

YEAR 2 ACTIVITIES

- Review results of feasibility study with Board to determine if CCT Pay for Success pilot program is feasible
- Plan for pilot program implementation if feasible

Indicators of Success

- ◆ *Feasibility study completed*
- ◆ *Pilot program implementation*

Pillar II. Economic and Workforce Development for the Public Good

INITIATIVE 4

Engage firm to conduct economic impact study of Authority programs

YEAR 2, 3 ACTIVITIES

- Identify consultant; finalize report and share with various constituencies

Indicators of Success

- *Report completed and distributed*

INITIATIVE 5

Seek to expand CHEFA’s impact on the not-for-profit sector

YEAR 1, 2, 3 ACTIVITIES

- Raise awareness of CHEFA grant program through press releases, grant award events, and other outreach
- Identify ways to broaden impact of CHEFA grant dollars, with focus on opportunities with community foundations, Connecticut Council of Philanthropy, and workforce investment boards

Indicators of Success

- ◆ *Increased number of new CHEFA grant applicants*
- ◆ *Increased funding by other organizations for CHEFA identified initiatives*
- ◆ *Successful results achieved by CHEFA grant recipients*

Pillar II. Economic and Workforce Development for the Public Good

INITIATIVE 6

Explore options to offer CHESLA loan forgiveness that mirrors the federal program

YEAR 1 ACTIVITIES

- Legislative outreach to assess State’s interest in financially supporting such an effort

YEAR 2 ACTIVITIES

- If there is State interest, work with financial advisor to conduct cash flow modelling and feasibility

YEAR 3 ACTIVITIES

- Launch if feasible

Indicators of Success

- ◆ *Program launched and is sustainable*
- ◆ *Increased number of students entering workforce in nonprofit public service fields with more manageable levels of student debt*

Pillar III. Technology

Use technology as a tool to create operating efficiencies, inform and educate the public about CHEFA/CHESLA initiatives, and enhance customer service.

OBJECTIVES

- ◆ Keep our customers informed and engaged
- ◆ Be an information resource in our areas of expertise

INITIATIVE 1

Continue to broaden CHESLA’s use of technology to facilitate loan applications and enhance awareness of CHESLA programs

YEAR 1 ACTIVITIES

- “Go live” with new Firstmark online application
- Investigate use of aggregate lending platforms (e.g., Lending Tree)

YEAR 2 ACTIVITIES

- Implement use of new aggregate platform if feasible

Indicators of Success

- ◆ *Broad use of new Firstmark online application with minimal user complaints*
- ◆ *Increasing number of new loans derived from aggregate lending site*

Pillar III. Technology

INITIATIVE 2

Drive more traffic to Authority websites through relevant content, use of social media and search

YEAR 1 ACTIVITIES

- Include website content questions in CHEFA client survey
- Identify needed site updates\Identify ways to enhance use of social media to broaden awareness of CHEFA/

YEAR 2 ACTIVITIES

- Implement steps to keep content relevant and current
- Expand use of social media

Indicators of Success

- ◆ *Data analytics—visitors to site, followers, “likes”, etc.*

INITIATIVE 3

Enhance and expand existing CHEFA client portal used for annual data submission

YEAR 1 ACTIVITIES

- Explore platform and necessary resources
- Initiate development phase

YEAR 2 ACTIVITIES

- Complete development phase and testing

YEAR 3 ACTIVITIES

- Client roll-out

Indicators of Success

- ◆ *Number of users taking advantage of platform and having successful experience*

Pillar IV. Innovation

Work creatively to move toward our Vision, inspiring development of new ideas, approaches, products, and services that will impact the citizens of Connecticut.

OBJECTIVES

- ◆ Be visionary in developing our products and services, focusing not only on what is needed, but on what can be done to make things better/easier/more efficient, now and in the future
- ◆ Motivate others to take action through energetic and engaging outreach

INITIATIVE 1

Pursue legislative changes that will allow us to undertake new activities to serve our clients

YEAR 1 ACTIVITIES

- Identify desired changes for CHEFA and CHESLA (e.g. cross-border financing for CHEFA)
- Propose to Board by November 2018
- Seek informal feedback from key legislators
- Discuss with aides; submit proposals

Indicators of Success

- ◆ *Revised legislation in place*

Pillar IV. Innovation

INITIATIVE 2

Enhance CHESLA’s brand recognition by making CHESLA scholarship a CHESLA administered program

YEAR 2 ACTIVITIES

- Research the possibility and develop proposal for Board review

YEAR 3 ACTIVITIES

- Launch if feasible

Indicators of Success

- ◆ *Program launched*

INITIATIVE 3

Explore the creation of a CHESLA endowment for need-based scholarships

YEAR 1 ACTIVITIES

- Explore options—e.g., CSLF as fundraising arm, working with community foundations, CHESLA golf tournament

YEAR 2 ACTIVITIES

- Identify most promising option and conduct feasibility study

YEAR 3 ACTIVITIES

- Implement if feasible

Indicators of Success

- ◆ *Endowment fund established*

Pillar IV. Innovation

INITIATIVE 4

Create a CHEFA enterprise portal that would bring together potential borrowers and potential lenders

YEAR 1 ACTIVITIES

- Client survey to assess need and focus of portal
- Consult with financial advisors
- Coordinate with bankers to refine concept

YEAR 2 ACTIVITIES

- Establish critical data components of platform

YEAR 3 ACTIVITIES

- Develop end user design
- Develop application and testing
- Launch

Indicators of Success

- ◆ *Portal implemented. Stakeholders satisfy financing needs more effectively in transparent market space*

Pillar IV. Innovation

INITIATIVE 5

Use sector analyses as a new product (e.g., share with clients, executive summary for media)

YEAR 1 ACTIVITIES

- Develop format suitable for external dissemination
- Develop communication strategy and disseminate

Indicators of Success

- ◆ *Positive client feedback on product*

INITIATIVE 6

Explore program for micro-loans; consider creating a revolving loan pool

YEAR 1 ACTIVITIES

- Get feedback from client survey to assess interest
- Identify source of funds
- Research other models
- Assess feasibility and update Board

YEAR 2 ACTIVITIES

- Develop legal framework
- Market product if feasible

YEAR 3 ACTIVITIES

- Launch

Indicators of Success

- ◆ *Loan pool created*

Pillar V. Public Engagement and Accountability

Reach out to all CHEFA and CHESLA constituencies to build awareness, understanding, and confidence in the capability and integrity of our organizations so that we are better positioned to sustainably achieve our Mission

OBJECTIVES

- ◆ Be well run and respected organizations
- ◆ Communicate effectively to increase awareness of what we do
- ◆ Increase legislative support for our activities
- ◆ Maintain and meet high ethical standards

INITIATIVE 1

Promote adherence to organizational identity and culture (e.g., organizational values and ethical standards)

YEAR 1 , 2, 3 ACTIVITIES

- Continue annual Day of Service
- Continue to acknowledge staff who exemplify organizational values
- Engage in team-building activities
- Assess staff satisfaction

Indicators of Success

- ◆ *High level of staff engagement and satisfaction*
- ◆ *Audit outcomes indicative of ethical culture*

Pillar V. Public Engagement and Accountability

INITIATIVE 2

Maintain sustainable organization

YEAR 1 , 2, 3 ACTIVITIES

- Maintain updated business continuity plans
- Maintain updated Management succession plans
- Foster professional development and cross-training to ensure continuity of operations
- Maintain proper controls and accountability
- Encourage Board education and development

Indicators of Success

- ◆ *Audit outcomes that indicate effectiveness*
- ◆ *Continuity and successor plans in place*

INITIATIVE 3

Develop comprehensive communications and marketing strategy for all key stakeholders

YEAR 1 ACTIVITIES

- Engage firm and develop strategy that will apply across all products (this will overlap with efforts on other initiatives)

YEAR 2 ACTIVITIES

- Consider development and distribution of electronic annual reports

Indicators of Success

- ◆ *Increased use of CHEFA and CHESLA product offerings*
- ◆ *Increased use of CHEFA/CHESLA expertise by legislature and administration*