

**REMARKS BY HOWARD F. SOMMER
PRESIDENT & CEO OF NEW YORK COMMUNITY INVESTMENT COMPANY L.L.C.
("NYCIC")**

GOOD MORNING. I AM PLEASED TO HAVE THIS OPPORTUNITY TO BRIEFLY SHARE WITH YOU THE ACTIVITIES OF NYCIC (NEW YORK COMMUNITY INVESTMENT COMPANY), AN INVESTMENT AND LOAN FUND LOCATED IN MANHATTAN AND SERVICING THE CAPITAL NEEDS OF SMALL BUSINESSES THROUGHOUT THE CITY OF NEW YORK, AS WELL AS COMMENT ON THE IMPORTANT ROLE PLAYED BY CITIBANK IN THAT EFFORT.

NYCIC WAS CREATED IN 1995 AS A NEW YORK CLEARINGHOUSE ASSOCIATION MULTI-BANK EFFORT TO MEET THE LACK OF INSTITUTIONAL SOURCES OF EQUITY CAPITAL AND SUBORDINATED DEBT TO THE SMALL BUSINESS COMMUNITY. TRADITIONAL SOURCES OF SUCH FUNDING- VENTURE CAPITAL FUNDS, SBICs, AND INVESTMENT BANKING FIRMS- ALMOST EXCLUSIVELY FOCUS ON LARGER COMPANIES, WITH RELATIVELY HIGH FUNDING REQUIREMENTS, AND WITH POTENTIAL TO CONVERT TO PUBLIC OWNERSHIP WITHIN A FEW YEARS. THE OVERWHELMING SHARE OF SMALL BUSINESSES, PRIVATELY OWNED, WITH SALES OF \$500,000 OR \$5,000,000, WHOSE FUNDING NEED IS \$100,000 OR EVEN \$1,000,000, WITH NO NEAR-TERM IPO POTENTIAL, BUT WITH POTENTIAL FOR REVENUE GROWTH AND EMPLOYMENT GAINS, HAVE NO CHOICE BUT TO RELY ON LIMITED PERSONAL FUNDS, EXCESSIVE DEBT LEVELS OR, AS IS OFTEN THE CASE, CONCLUDE THAT THEY ARE UNABLE TO PURSUE EXPANSION OPPORTUNITIES. THIS PROBLEM IS EVEN MORE ACUTE AMONG WOMAN AND MINORITY-OWNED BUSINESSES AND THOSE LOCATED IN AND NEAR THE CITY'S LO AND MODERATE-INCOME AREAS.

A RELATED GOAL OF NYCIC IS TO PROVIDE SIMILAR TYPES OF RISK CAPITAL TO NON-BUSINESS ECONOMIC DEVELOPMENT EFFORTS, INCLUDING PRIVATE SECTOR INITIATIVES LAUNCHED BY NOT-FOR-PROFIT GROUPS, AND OTHER COMMUNITY-BASED ACTIVITIES RELATED TO FOSTERING ENTREPRENERIAL ENERGIES.

FOR THE PAST TWO AND ONE-HALF YEARS, NYCIC HAS BEEN IDENTIFYING GROWING SMALL COMPANIES WITH A NEED FOR PATIENT RISK-CAPITAL IN THE RANGE OF \$50,000 TO \$1,000,000. WE ARE CLOSE TO FUNDING OUR TWENTIETH DEAL, PUSHING OUR INVESTMENT LEVEL PAST THE \$5 MILLION LEVEL. EQUALLY IMPORTANT IS THE FACT THAT NYCIC'S MONIES HAS LEVERAGED AN ADDITIONAL \$8 MILLION IN CO-INVESTOR AND BANK SUPPORT, THEREBY CAUSING OVER \$13 MILLION OF INVESTMENT FUNDS TO SUPPORT NEW YORK CITY'S SMALL BUSINESSES. I SHOULD ALSO ADD THAT CLOSE TO 80% OF CLOSED DEALS WERE TO COMPANIES EITHER WOMAN-OWNED, MINORITY-OWNED OR LOCATED IN LMI CENSUS TRACTS.

CITIBANK'S ACTIVE ROLE IN THIS SUCCESS STORY HAS BEEN MOST IMPRESSIVE. CITIBANK COMMUNITY DEVELOPMENT AND ITS DIRECTOR, MARY COSGROVE, PLAYED A PIVOTAL AND LEADING PART DURING THE CONCEPT AND PLANNING STAGES AS EVIDENCED BY MS. COSGROVE'S

ELECTION TO THE POSITION OF VICE-CHAIRMAN. THIS LEADERSHIP ROLE HAS BEEN FURTHER ENHANCED BY CITIBANK'S FINANCIAL SUPPORT, WHERE THE BANK PARTICIPATED AT THE HIGHEST OF THREE LEVELS OF BANK INVESTMENT AT OVER ONE MILLION DOLLARS. CITIBANK COMMUNITY DEVELOPMENT CONTINUES, ON AN ON-GOING BASIS, TO OFFER ITS FINANCIAL, CREATIVE AND PERSONNEL RESOURCES TO ADVANCE NYCIC'S IMPORTANT MISSION. EXAMPLES INCLUDE REFERRALS OF SMALL BUSINESS CLIENTS AND PROSPECTS IN NEED OF LONG-TERM PATIENT CAPITAL AND ACCESS TO AND FUNDING OF A VARIETY OF NYCIC SALES AND MARKETING ACTIVITIES.

EQUALLY IMPORTANT HAS BEEN CITIBANK'S COMMITMENT TO THE SPIRIT OF NYCIC'S MISSION. MY PERSONAL WORKING EXPERIENCE WITH MS. COSGROVE AND OTHER CITIBANK PERSONNEL HAS BEEN CLEARLY EVIDENCED BY A DEVOTION TO THE CAUSE OF COMMUNITY DEVELOPMENT AND, IN NYCIC'S PARTICULAR CASE, TO THE ADVANCEMENT OF ECONOMIC DEVELOPMENT THROUGHOUT THE FIVE BOROUGHES OF THE CITY.

BEFORE CONCLUDING, I MIGHT ADD THAT MORE RECENTLY I HAVE HAD OPPORTUNITY TO WORK WITH THE OTHER PARTY TO THIS MERGER, TRAVELERS GROUP, ON A SIMILAR PROJECT. THE STATE OF NEW YORK RECENTLY PASSED LEGISLATION ESTABLISHING CERTIFIED CAPITAL COMPANIES ELIGIBLE TO RAISE FUNDS FROM THE INSURANCE INDUSTRY FOR VENTURE CAPITAL INVESTING WITHIN THE STATE. NYCIC AND ANOTHER CITY-ORIENTED FUND, THE NEW YORK CITY INVESTMENT FUND, SUCCESSFULLY CO-MANAGED THE FORMATION OF A CAPCO AND RAISED SUBSTANTIAL SUMS TO INVEST IN SMALL BUSINESSES, PRIMARILY IN NEW YORK CITY AND SURROUNDING AREAS. TRAVELERS, THROUGH TRAVELERS INSURANCE AND SALOMON SMITH BARNEY, PLAYED LEADING ROLES IN THIS IMPORTANT ENDEAVOR. THE NEW YORK SMALL BUSINESS FUND, CO-MANAGED BY NYCIC AND NYCIF, WOULD NOT HAVE BEEN CAPABLE OF CREATING A NEW \$30 MILLION SMALL BUSINESS INVESTMENT VENTURE FUND WITHOUT THEIR TIRELESS SUPPORT. ONCE AGAIN, FROM PERSONAL EXPERIENCE, I CAN WITHOUT HESITATION LAUD TRAVELERS', AND CITIBANK'S, COMMITMENT TO THE SPIRIT OF THESE EFFORTS ALONG WITH THEIR TANGIBLE CONTRIBUTIONS.

THANK YOU FOR YOUR TIME. I TRUST THESE FEW COMMENTS ARE HELPFUL.

**Federal Reserve Board Public Hearing on Travelers Group/Citicorp Merger
Federal Reserve Bank of New York
June 25, 1998**

**National Academy Foundation Support of Travelers Group/Citicorp Merger
Written Submission of Testimony of John J. Ferrandino**

Description of the NAF and the Academy of Finance

The National Academy Foundation (NAF) is a nonprofit educational organization that combines the knowledge and experience of education, business, and government leaders to better prepare public high school students for their futures: as college students, members of the American workforce, and beyond. NAF accomplishes these goals by seeking out and supporting partnerships between business and public schools. These partnerships take the shape of Academies—essentially, schools within schools—which prepare students for careers in finance, travel and tourism, and public service through a combination of in-school curriculum and work-based paid internships. Each local program has its own advisory board comprising local business leaders and educators who collectively support Academy activities and provide industry training for teachers. All NAF Academies have at least one college partner to provide students with an introduction to college level course work in their chosen Academy field of study.

The first Academy, in the area of finance, opened at one Brooklyn, New York high school in 1982 with 35 students. As of this September 1998, NAF will have nearly 300 Academies in Finance, Travel & Tourism, and Public Service in 33 states across the country, plus the District of Columbia. In just three years, projections indicate a total of 500 NAF Academies in all 50 states. In each of the three subject areas, NAF Academies support career-relevant secondary education and training. Over 90% of NAF graduates continue their education at a two- or four-year college. **Attached is a *General Statistical Overview of the National Academy Foundation* which further illustrates the great success of NAF programs.**

Through its extensive outreach and expansion, NAF is today at the forefront of the school-to-work movement. It is a focus of and model for education reform efforts nationwide. It is the only national organization that successfully builds career academies into the decentralized system of American public education. Of the more than 20,000 students who are or have been NAF Academy students, an estimated 65% have been identified as being at risk of dropping out of school due to their socio-economic circumstances, and over 65% are identified as members of minority populations. NAF's rapid expansion is indicative of a great demand among public schools for a successful reform model.

Travelers Group Support of NAF

The Travelers Group and Sanford I. Weill have served as key factors in the growth and development of the National Academy Foundation from one Academy of Finance in 1982 to a national leader in the school-to-career movement. Roundly acknowledged as the founder of the Academy of Finance, Mr. Weill, then Chairman & CEO of Shearson Loeb Rhodes, approached the New York City Board of Education in 1980 with the goal of developing an educational component that would prepare young people for careers in the

financial services operations. In 1982, when Mr. Weill was the President of American Express, he and American Express helped to open the first Academy of Finance, which was designed by educators as a replicable model appropriate for various industries and geographic regions with measurable benefits to young people, teachers, schools, and the corporate community at large. With this “win-win” proposition in place, the Academy model has grown rapidly, with broad corporate support, nationwide.

After leaving American Express to head Commercial Credit, which became Primerica, which then became Travelers Group, Mr. Weill increasingly supplemented his personal leadership with that of the Travelers Group corporate structure. This has provided NAF and its member programs with Travelers Foundation support, internship placements in all subsidiary companies, and Advisory Board participation from both middle and upper management employees.

From 1990 to the present Travelers Group has donated over \$4.5 million to NAF which has helped to support the development of computerized, industry-validated curriculum, comprehensive staff development (i.e., teacher training), and technical assistance and quality assurance from the NAF national office to its Academy programs nationwide. These essential services that NAF provides to its member programs are the pillars on which successful NAF Academies are built.

Travelers Group Support of Local Academies

In addition to the support provided to NAF’s national activities, Travelers Group -- its subsidiaries, local offices, employees, and The Travelers Foundation -- sponsors paid internships, scholarships, grants to local programs and other services that directly impact the education and improve the lives of the young people involved in NAF Academy programs. In New York City alone, Travelers Group sponsors approximately 100 paid internships for public high school students in the Academy of Finance on an annual basis and provides additional internships for Academy of Finance teachers.

Together, Salomon Smith Barney and The Copeland Companies – both Travelers Group subsidiaries – provide business Advisory Board leadership, paid internships and scholarships for Academy of Finance students in nearly every major city in the United States where NAF has a significant presence. Employees from Primerica Financial Services and other Travelers Group employees serve as guest speakers in Academy of Finance classrooms and Travelers Group employees from all of the subsidiaries have served as mentors and donated vast amounts of time to help students with such things as resume writing and interviewing skills. These same employees may also make personal donations to scholarship funds for Academy students to go on to college.

The Travelers Foundation makes grant funding available for every Academy of Finance program that demonstrates Travelers Group employee involvement. These grants are designed to fund supplemental curriculum materials, student competitions and classroom

simulations, state of the art computers and computer software and financial services related field trips.

Travelers Group Industry Leadership to Support NAF Programs

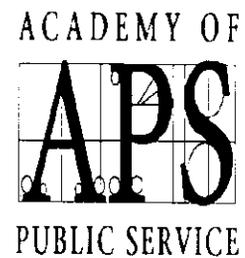
While Travelers Group has made significant contributions to NAF and the Academy of Finance as an individual corporation, its impact on broadening the base of NAF's support to serve more young people has been and, NAF believes will continue to be, one of its major contributions and legacies to American education. Under the leadership of Mr. Weill, the National Academy Foundation's Board of Directors and base of support has expanded to include Merrill Lynch, Inc., Prudential Securities, and Bloomberg Information Services. The addition of these companies as NAF's National Partners is the first in what NAF believes will be a series of steps to ensure that students in the Academy of Finance program will receive paid internships, recognition and employment opportunities from an increasing number of firms in the financial services industry. As the Academy of Finance student population is comprised of over 70% minorities and over 60% female, the continuing efforts of Travelers Group to involve more and more financial services companies with NAF Academies will logically serve to increase minority and female employment and influence in the financial services industry as a whole. NAF believes that the merger between Travelers Group and Citicorp is yet another positive step that will enable NAF to involve more financial services industry firms in its mission to serve all students.

Conclusion

Travelers Group support for the National Academy Foundation has a great and positive impact on more than 13,000 high school students. NAF sincerely believes that the merger between Travelers Group and Citicorp will greatly increase NAF's ability to provide quality educational opportunities to America's young people and will create a more diverse workforce for the financial services industry of the 21st century. It is for these reasons that the National Academy Foundation wholeheartedly supports the merger between Travelers Group and Citicorp. NAF thanks the Federal Reserve Board for the opportunity to express that support.

NATIONAL ACADEMY FOUNDATION

GENERAL STATISTICAL OVERVIEW



1997-1998 School Year



*Business Partnerships
For
American Education*

PROGRAM SITES 1997 - 1998 Academic Year

NAF Programs are located in:

238 High Schools

117 School Systems

31 States and the District of Columbia



AOF Programs are located in:

136 High Schools

83 School Systems

30 States



AOTT Programs are located in:

90 High Schools

57 School Systems

24 States and the District of Columbia



APS Programs are Located in:

12 High Schools

9 School Systems

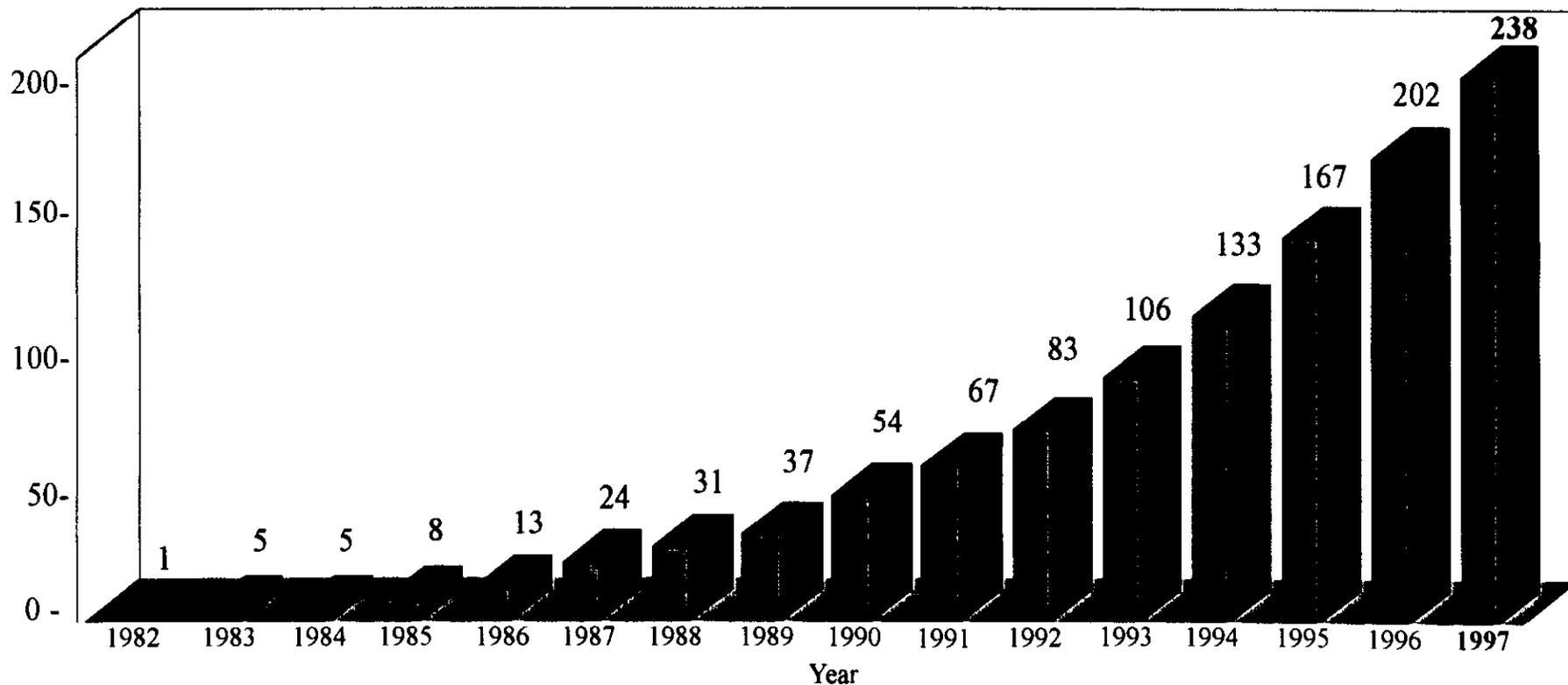
7 States

NATIONAL ACADEMY FOUNDATION

NAF PROGRAM EXPANSION

1982 - 1997

Number of Programs



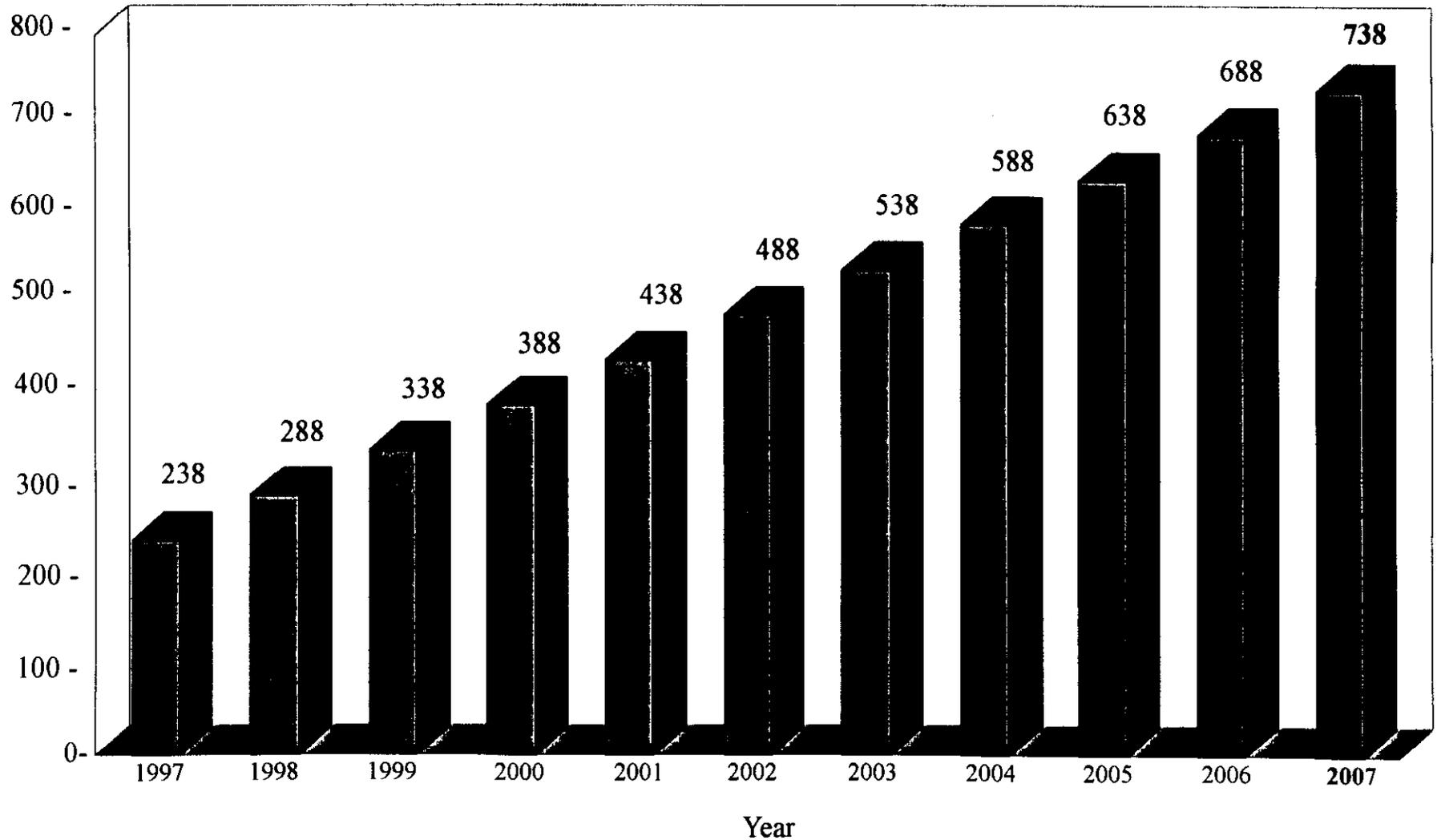
	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
AOF	1	5	5	8	13	22	29	35	45	50	58	60	76	93	114	136
AOTT						2	2	2	8	12	19	38	49	64	78	90
APS									1	5	6	8	8	10	10	12
TOTAL	1	5	5	8	13	24	31	37	54	67	83	106	133	167	202	238

NATIONAL ACADEMY FOUNDATION

PROJECTED GROWTH OF ACADEMY SITES

1997 - 2007

Number of
Sites

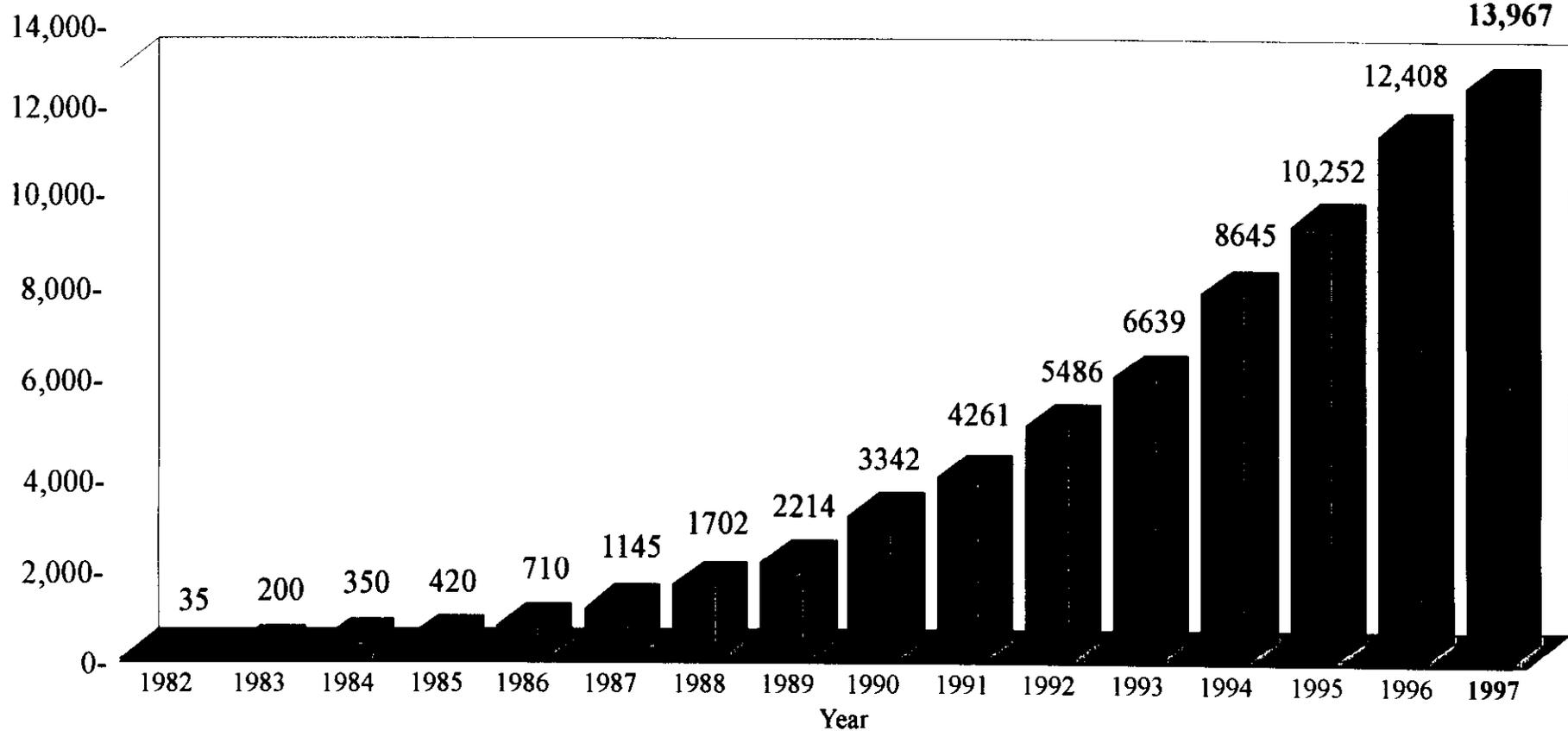


NATIONAL ACADEMY FOUNDATION

NAF STUDENT ENROLLMENT HISTORY

1982 - 1997

Number of
Students

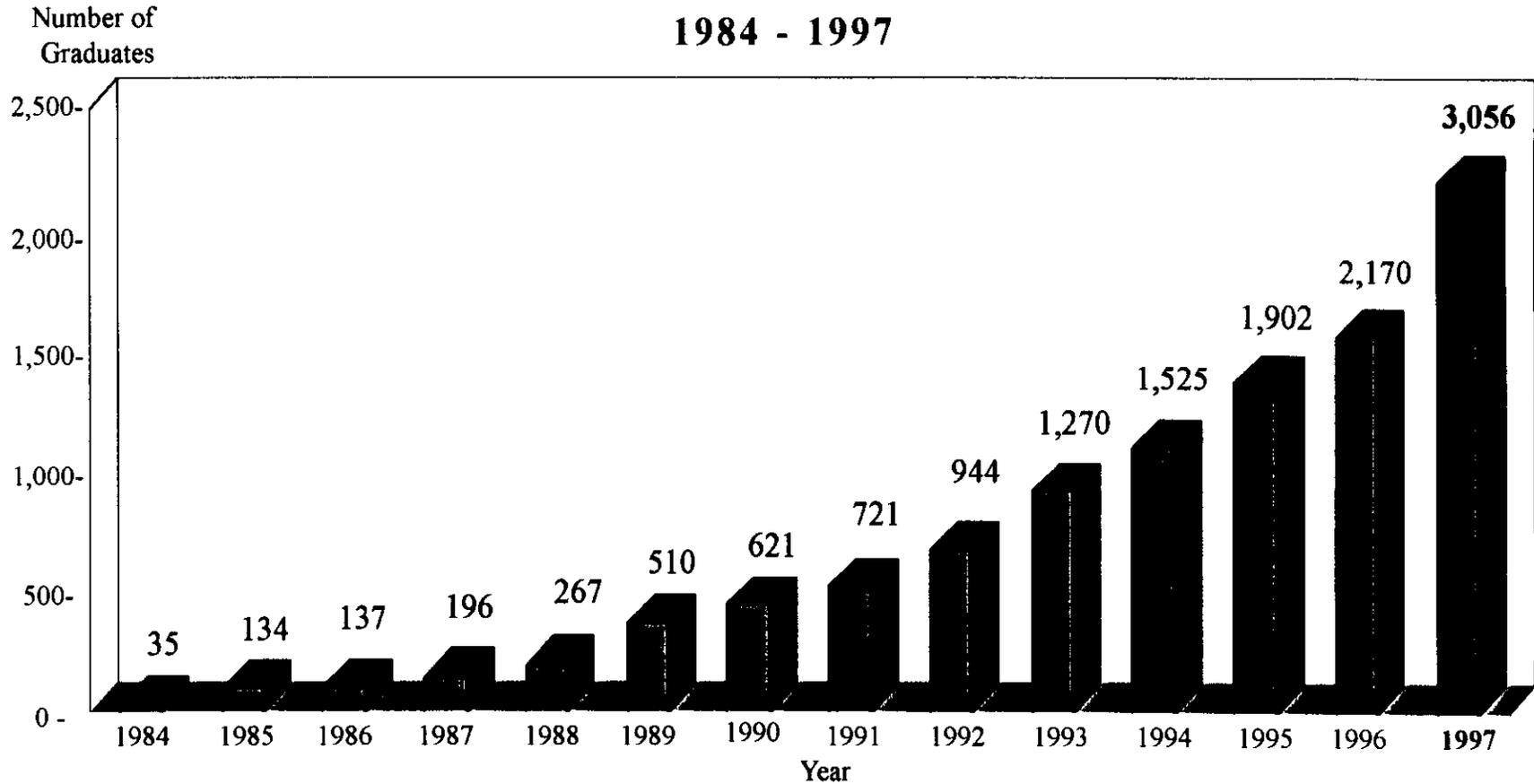


YEAR	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
AOE	35	200	350	420	710	1069	1541	2019	2715	3169	3628	4139	5340	6226	7127	8163
AOTT						76	61	195	564	904	1519	2006	2878	3659	4510	4968
APS									63	188	339	494	427	367	771	836
TOTAL	35	200	350	420	710	1145	1702	2214	3342	4261	5486	6639	8645	10,252	12,408	13,967

NATIONAL ACADEMY FOUNDATION

NAF GRADUATE HISTORY

1984 - 1997



	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
AOF	35	134	137	196	267	458	547	639	757	926	1028	1112	1350	1950
AOTT						52	74	82	187	248	384	654	687	924
APS										96	113	136	133	182
TOTAL	35	134	137	196	267	510	621	721	944	1,270	1,525	1,902	2,170	3,056

TOTAL NUMBER OF ACADEMY GRADUATES = 13,488

NATIONAL ACADEMY FOUNDATION

COLLEGE BOUND NAF ACADEMY GRADUATES 1989 - 1997

	1989	1990	1991	1992	1993*	1994*	1995*	1996*	1997*
Graduates	510	621	721	944	1270	1525	1902	2170	3056
College Bound	464	558	670	861	1139	1393	1708	1953	2719
College Bound	91%	90%	93%	91%	90%	91%	90%	90%	90%

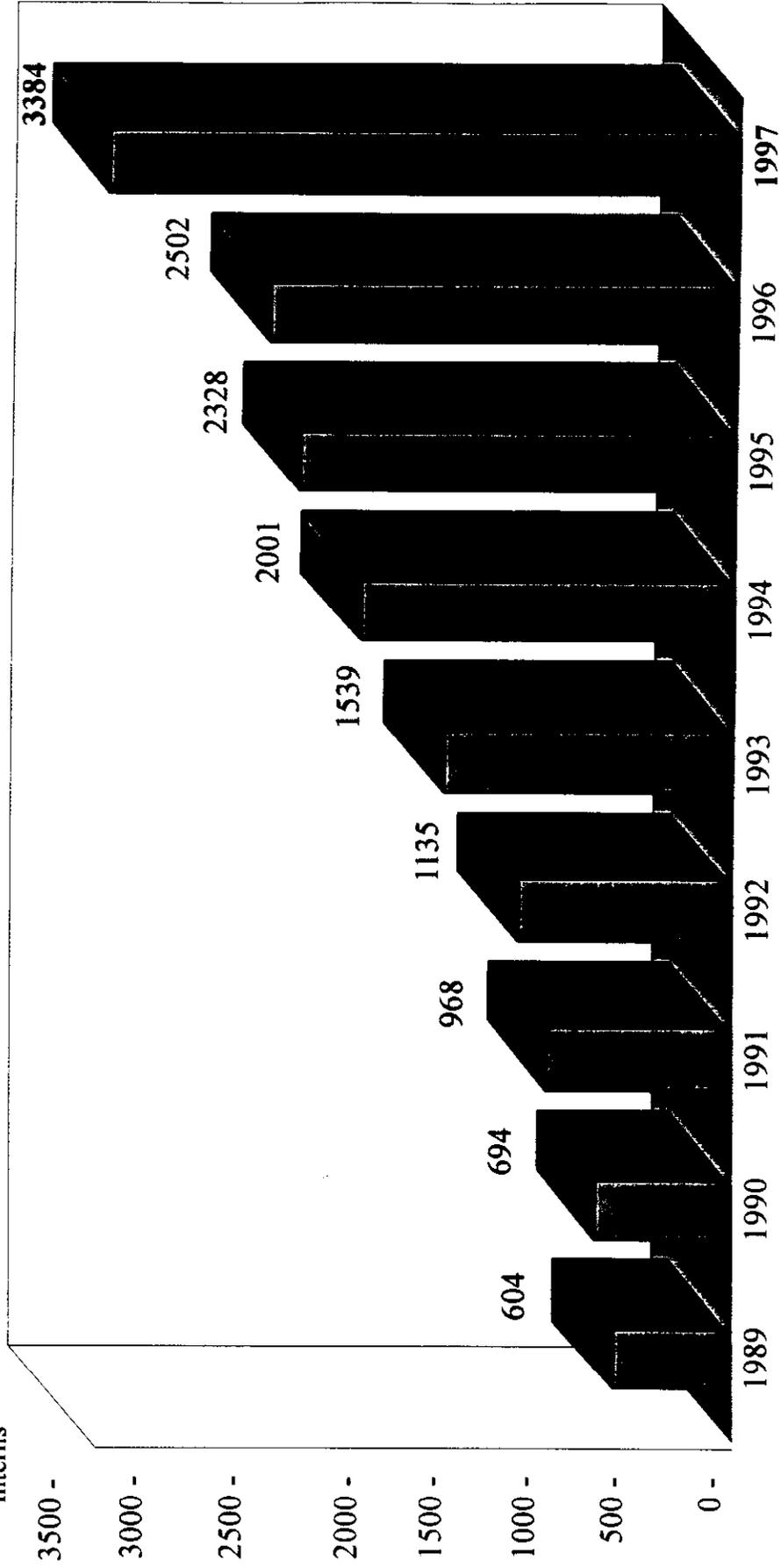
* Figures include Academies of Finance, Travel & Tourism and Public Service graduates

NATIONAL ACADEMY FOUNDATION

ACADEMY INTERNS

1989 - 1997

Number of
Academy
Interns



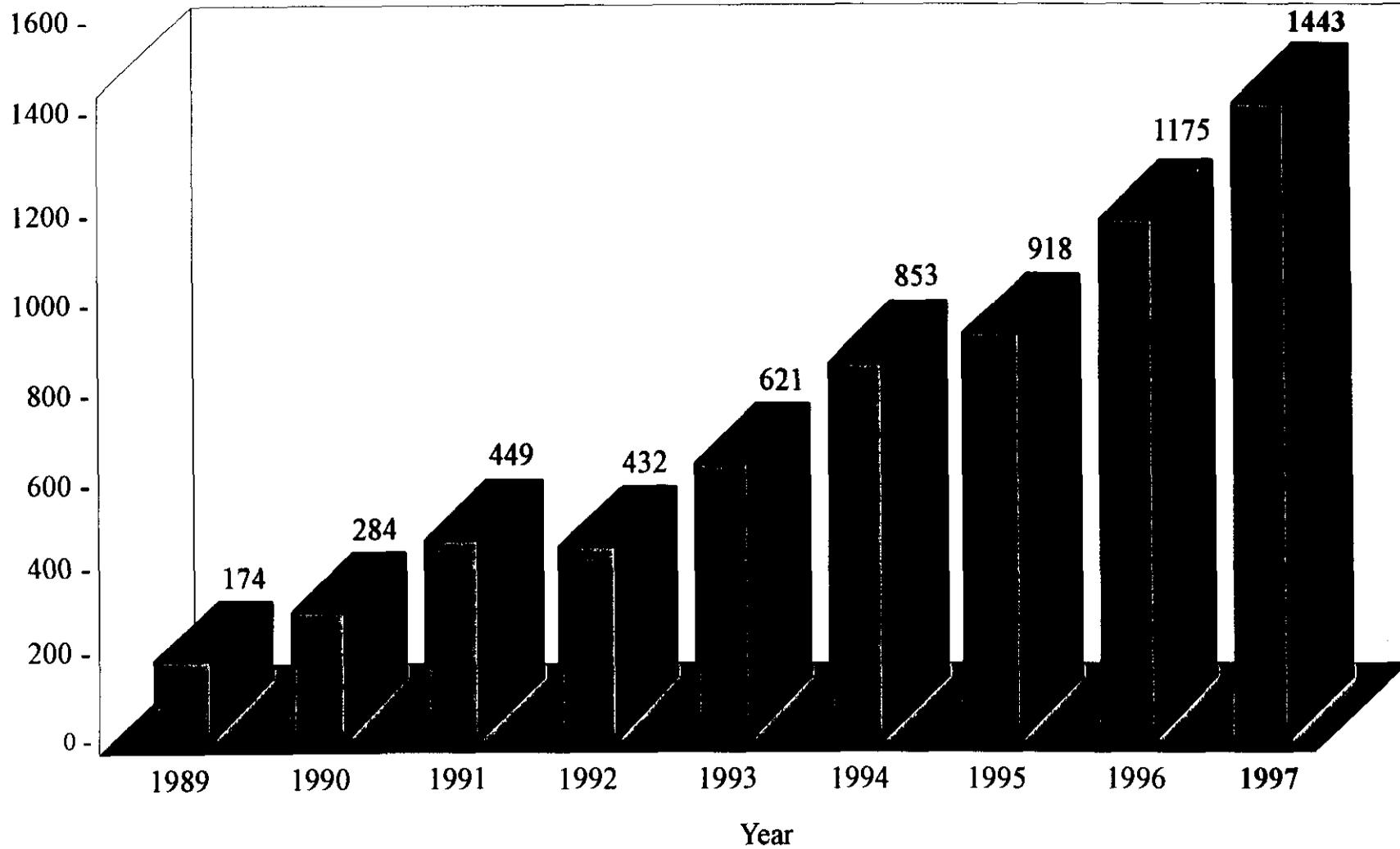
Year

NATIONAL ACADEMY FOUNDATION

INTERNSHIP PROVIDERS

Number of
Companies

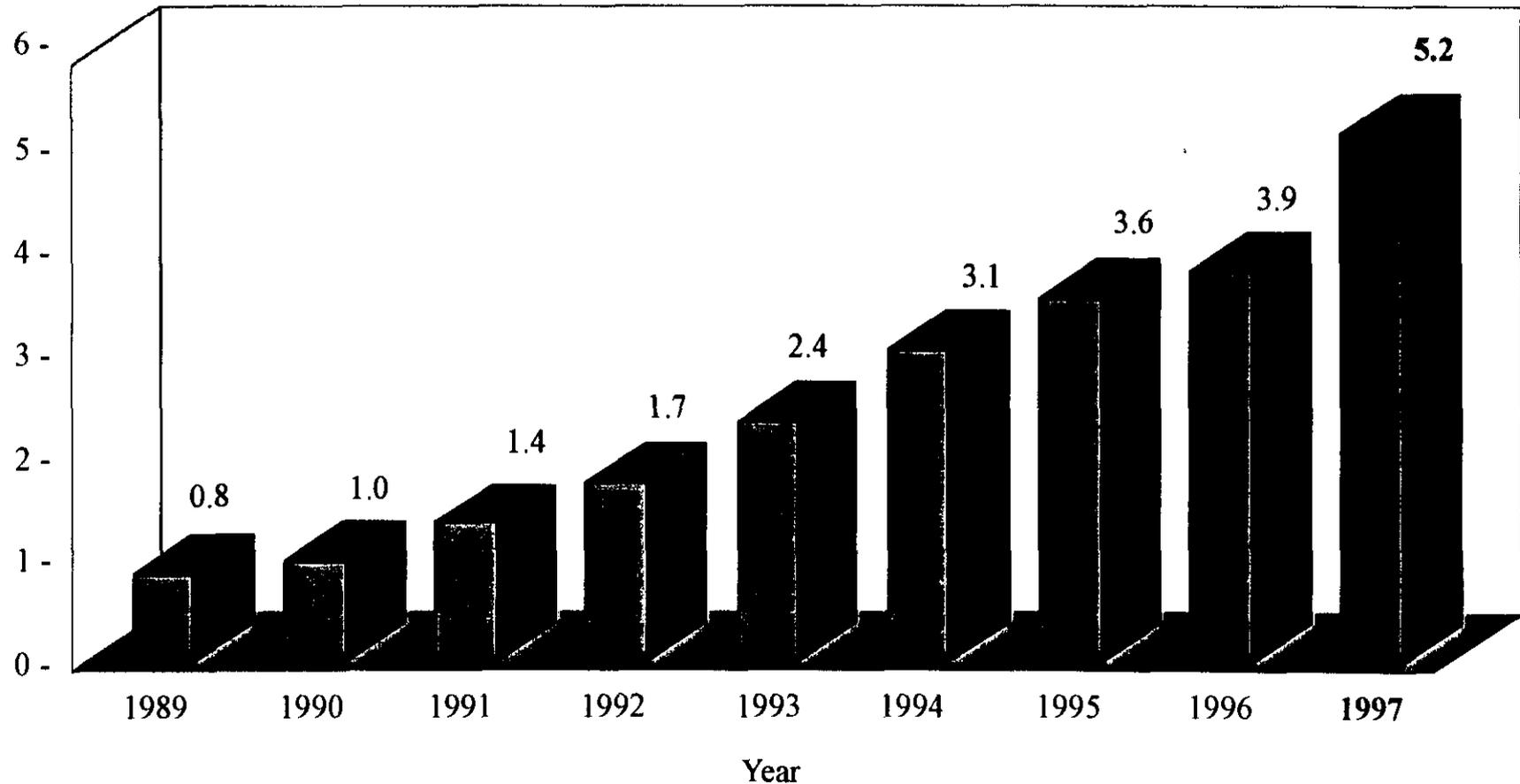
1989 - 1997



NATIONAL ACADEMY FOUNDATION INTERNSHIP EARNINGS

1989 - 1997

Dollars Earned
(in millions)

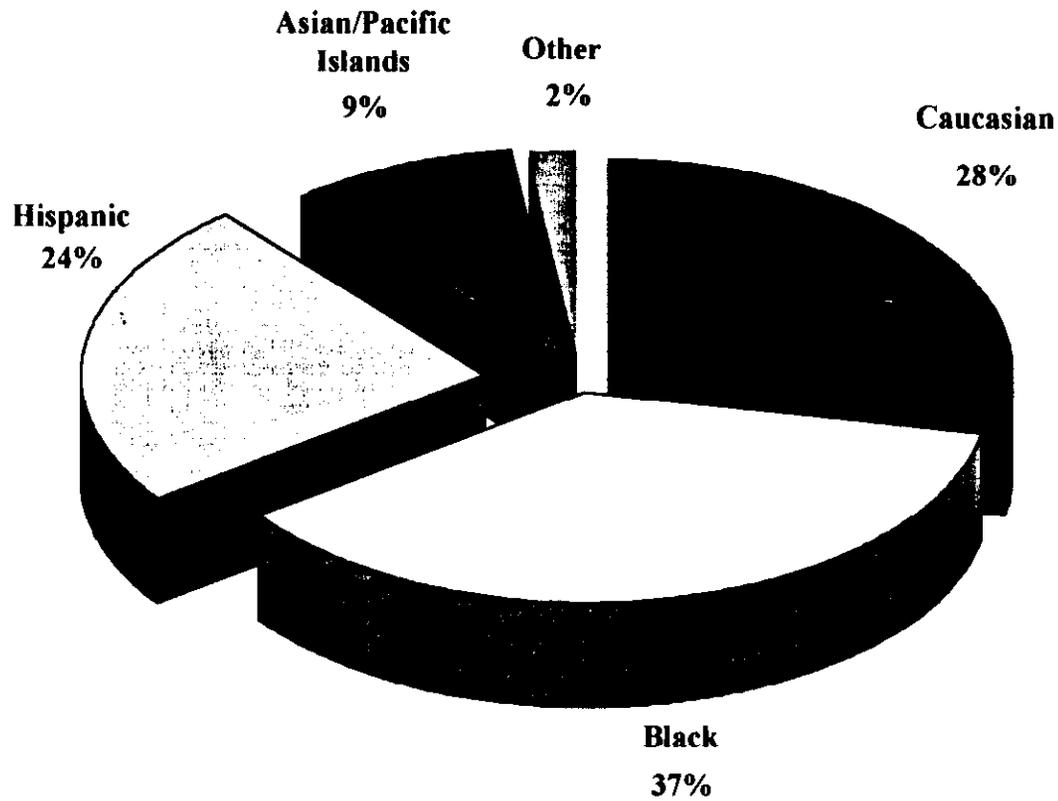


*Salaries for 1989, 1990 and 1991 valued at \$5 per hour for 7 weeks
1992-1997 figures calculated at \$5.50 per hour for 7 weeks

NATIONAL ACADEMY FOUNDATION

NAF ETHNIC/RACIAL COMPOSITION

1997 - 1998 Academic Year



FEMALE = 62% MALE = 38%

NATIONAL ACADEMY FOUNDATION

NEW PROGRAM SITES 1997 - 1998 Academic Year

ACADEMY OF FINANCE

ACADEMY OF TRAVEL & TOURISM

<u>Program Sites</u>	<u># of Programs</u>	<u>Program Sites</u>	<u># of Programs</u>
Montgomery, AL	1	Broward County, FL	1
San Jose (East), CA	1	Atlanta, GA	3
Stamford, CT	1	Chicago, IL	1
Bay County, FL	1	Jefferson Parish, LA	2
Brevard County, FL	1	Orleans Parish, LA	1
Broward County, FL	1	Anne Arundel County, MD	1
Dade County, FL	1	Berkshire County, MA	1
Volusia County, FL	1	Newark, NJ	1
Chicago, IL	1	New York, NY	1
Jefferson Parish, LA	1	Charlotte, NC	2
Calvert County, MD	1	Woonsocket, RI	1
St. Paul, MN	2	Nashville, TN	1
Kansas City, MO	1	Dallas, TX	1
St. Louis, MO	1	Salt Lake City, UT	1
Albany, NY	1		
Middletown, NY	1	TOTAL NEW AOTT	18
West Seneca, NY	1		
Las Vegas, NV	1		
Warwick, RI	1		
East Providence, RI	1		
Beaufort County, SC	1	ACADEMY OF PUBLIC SERVICE	
Nashville, TN	1	<u>Program Sites</u>	<u># of Programs</u>
San Antonio, TX	1	Anne Arundel County, MD	2
TOTAL NEW AOF	24	TOTAL NEW APS	2

TOTAL NEW SITES: 44

ACADEMY OF FINANCE

PROGRAM SITES 1997 - 1998 Academic Year

<u>Program Sites</u>	<u># of Programs</u>	<u>Program Sites</u>	<u># of Programs</u>
Montgomery, AL	1	Prince George's County, MD	4
Burbank, CA	1	Boston, MA	1
Los Angeles, CA	6	Detroit, MI	1
San Francisco, CA	7	St. Paul, MN	2
San Jose (East), CA	3	Kansas City, MO	1
San Jose (Unified), CA	1	St. Louis, MO	1
Denver, CO	1	Omaha, NE	3
East Hartford, CT	1	Las Vegas, NV	1
Hartford, CT	1	Jersey City, NJ	1
Stamford, CT	1	Red Bank, NJ	1
Wilmington, DE	1	Albany, NY	1
Alachua County, FL	1	Buffalo, NY	1
Bay County, FL	1	Middletown, NY	1
Brevard County, FL	1	New Hyde Park, NY	1
Broward County, FL	7	New York City, NY	11
Dade County, FL	3	Northport, NY	1
Duval County, FL	1	West Seneca, NY	2
Hillsborough County, FL	1	Yonkers, NY	1
Lee County, FL	1	Charlotte, NC	2
Orange County, FL	2	Cumberland County, NC	1
Osceola County, FL	1	Durham, NC	1
Palm Beach County, FL	1	Iredell County, NC	1
Polk County, FL	1	Union County, NC	1
St. John's County, FL	1	Wake County, NC	1
St. Lucie County, FL	1	Cincinnati, OH	1
Seminole County, FL	1	Cleveland, OH	1
Volusia County, FL	1	East Providence, RI	1
Clayton County, GA	3	Providence, RI	1
Henry County, GA	1	Warwick, RI	1
Honolulu, HI	2	Anderson County, SC	1
Chicago, IL	2	Beaufort County, SC	1
Indianapolis, IN	1	Oconee County, SC	1
Jefferson County, KY	2	Pickens County, SC	1
Mercer County, KY	1	Chattanooga, TN	1
Jefferson Parish, LA	4	Nashville, TN	1
Orleans Parish, LA	2	Dallas, TX	1
Anne Arundel County, MD	1	San Antonio, TX	1
Baltimore, MD	1	Salt Lake City, UT	3
Baltimore County, MD	2	Gloucester, VA	1
Calvert County, MD	1	Seattle, WA	3
Montgomery County, MD	2		

AOF TOTAL: 136

ACADEMY OF TRAVEL & TOURISM

PROGRAM SITES 1997 - 1998 Academic Year

<u>Program Sites</u>	<u># of Programs</u>	<u>Program Sites</u>	<u># of Programs</u>
Deer Valley, AZ	1	Orleans Parish, LA	3
Burbank, CA	1	Anne Arundel County, MD	1
Culver City, CA	1	Baltimore, MD	1
Los Angeles, CA	2	Berkshire County, MA	1
Monterey, CA	1	Boston, MA	1
San Francisco, CA	2	Detroit, MI	1
San Jose (East), CA	1	Minneapolis, MN	1
Sweetwater Union, CA	1	Newark, NJ	2
Denver, CO	2	Nassau County, NY	1
Washington, DC	1	Las Vegas, NV	1
Broward County, FL	4	New York City, NY	6
Dade County, FL	3	Westchester County, NY	1
Duval County, FL	1	Charlotte, NC	3
Lee County, FL	1	Chariho, RI	1
Martin County, FL	1	Cranston, RI	1
Orange County, FL	1	Newport, RI	1
Osceola County, FL	1	Providence, RI	1
Palm Beach County, FL	1	Warwick, RI	1
St. Lucie County, FL	1	Woonsocket, RI	1
Seminole County, FL	1	Beaufort/Jasper County, SC	1
Volusia County, FL	1	Hilton Head Island, SC	1
Atlanta, GA	3	Chattanooga, TN	1
Honolulu, HI	1	Nashville, TN	1
Kauai, HI	1	Dallas, TX	6
Maui, HI	3	Jordan, UT	1
Chicago, IL	3	Salt Lake City, UT	2
North Chicago, IL	1	Roanoke, VA	1
Fayette County, KY	1	King County, WA	1
Jefferson Parish, LA	4		

AOTT TOTAL: 90

ACADEMY OF PUBLIC SERVICE

PROGRAM SITES 1997 - 1998 Academic Year

<u>Program Sites</u>	<u># of Programs</u>
Mobile, AL	1
San Jose (East), CA	1
Hillsborough County, FL	1
Tallahassee, FL	1
Anne Arundel County, MD	2
Boston, MA	1
Buffalo, NY	1
New York City, NY	3
Chattanooga, TN	1

APS TOTAL: 12

**Federal Reserve Board Public Meeting on Travelers Acquisition of Citicorp
Thursday, June 25, 1998
Federal Reserve Bank of New York
New York City
11:25 a.m.**

**Mark A. Emmert
Chancellor
University of Connecticut**

Testimony:

I am Mark A. Emmert, chancellor of the University of Connecticut. I welcome the opportunity provided by the Federal Reserve Board to participate in this public meeting regarding the proposal by Travelers Group Inc. to acquire Citicorp. I would like to speak specifically of Travelers' record of corporate responsibility as manifested in its relationship with the University of Connecticut and in its support of education and community development in the City of Hartford and the State of Connecticut.

The University of Connecticut, founded in 1881, is a Land Grant and Sea Grant university as well as a Space Grant consortium institution. It is one of only two Research 1 public universities in New England and the only Ph.D. granting public university in the State. It is designated in the State Constitution as Connecticut's flagship university. There are some 22,000 students at the University, studying in 17 schools and colleges offering more than 100 undergraduate and some 80

graduate and professional degree programs. The main campus is in Storrs. Additionally there are five undergraduate regional campuses [in Avery Point, Greater Hartford, Stamford, Torrington, and Waterbury], Schools of Social Work and Law in Greater Hartford, and a complex of health and educational facilities comprising the University of Connecticut Health Center in Farmington.

The University, given its mission, has a specific role in fulfilling the needs of the State, its citizens, and its economic institutions. Further, it has a strategic goal of fostering a sense of partnership with various entities in the State. The success of the University in meeting Connecticut's educational, economic, and social needs depends on its developing active, mutually supportive partnerships.

The University's already substantial contributions—in supplying an educated citizenry, in economic development, social outreach, the arts, and scientific advances, among others—can only be enhanced through partnerships such as that which exists between the University and Travelers.

Earlier this year [on January 6], the University and Travelers announced a major agreement under which Travelers donated 30,000 square feet of space in the Travelers Education Center in Hartford to the University for three years.

[Travelers values this donation at \$1.7 million.] The Travelers Education Center gives the University a superior platform from which to offer courses and programs which will enhance the vitality of Hartford's insurance, financial services and managed care industries. It also permits the University to extend

our educational activities in Connecticut's urban business centers. It also enables us to offer additional courses with a solid information technology base. Travelers' participation in this public-private partnership is not only direct evidence of its sense of corporate responsibility, it is also another example of the confidence to meet their needs that business leaders have shown in the University.

The Travelers Education Center is a superior educational facility—with computer laboratories, classroom space, Internet access, and potential for distance learning—for offering business-related courses and programs. Under the Education Center agreement with Travelers we are able to offer undergraduate general studies courses in information systems/operations management as well as MBA level courses. We have just decided to offer our recently-approved Master of Science in Accounting Program in two Hartford area venues including the Travelers Education Center. In this way we are able to use resources more effectively and to serve a larger market. Both the University and those who employ accountants win. Other classes to be offered will include professional insurance certification courses and computer programming. Future course offerings will be market-driven and will respond to employer demand for well-trained employees in Greater Hartford's information technology, health care, insurance, and financial service industries.

Travelers Group Chairman and Chief Executive Officer Sanford Weill announced the Education Center agreement in the context of a call for educational development as the engine of economic growth in the Hartford, Connecticut region. He said, "the central strategy for developing a healthy, vibrant economy in a community is the creation of a well-educated pool of professionals." Travelers' corporate good sense acknowledges that "a reliable flow of talent" is attractive to corporations and creates new jobs.

Travelers' efforts to foster economic development are multipartite. Higher educational and corporate goals come to a confluence once again in its promoting the business education of talented high school students through its continuing support of the Academy of Finance programs in two Hartford area high schools. Since its founding in 1982 by Sanford Weill and the New York City Board of Education, the Academy of Finance program has had excellent success: more than 90 percent of its students continue their education at two-or four-year colleges and more than 50 percent of those eventually go on to work in the financial services industry. The University will match the scholarship commitment supported by the \$150,000 endowed Travelers Scholarship Fund by offering tuition scholarships to several Academy of Finance graduates attending the University.

These most recent actions on the part of Travelers are extensions of the University's long history of partnership with the company. Travelers has

supported numerous programs at the University including the School of Education, the School of Business Administration, Actuarial Sciences, the Law School and the Health Center. Its nearly \$2 million in contributions to the University--beyond the recent Education Center donation--include the Travelers Chair in Geriatrics and Gerontology at the Health Center, continuing support for the Travelers Center on Aging, scholarships, and a variety of contributions to the University's Research Foundation to assist faculty efforts in high school writing and math/science laboratories, corporate training, small business development, pharmacy studies, and evaluation of tutorial programs for Hispanic school children.

I am pleased, on behalf of the higher education community and the University of Connecticut, to come before you today to give testimony to Travelers well-defined and productive sense of corporate responsibility and to underline the positive impact it is having on education and community development in Connecticut.

Thank you.