

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. Inez Barron
Chair, Committee on Higher Education



Report on the Fiscal 2017 Preliminary Budget and the Fiscal 2016 Preliminary Mayor's Management Report City University of New York

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City University of New York Overview

The City University of New York (CUNY) provides higher education to more than 270,000 degree and non-degree seeking students and over 260,000 adult and continuing education students. CUNY consists of 24 institutions: eleven senior colleges, seven community colleges, the William E. Macaulay Honors College, the CUNY Graduate School and University Center, the CUNY Graduate School of Journalism, CUNY School of Law, the CUNY School of Professional Studies and the CUNY School of Public Health. Fiscal 2017 will see the introduction of a 25th institution, the CUNY School of Medicine. CUNY enrolls students in more than 1,600 academic programs, as well as adult and continuing education programs. Courses are taught by approximately 7,000 full-time faculty and 11,000 part-time faculty. In the 2014-2015 academic year, CUNY granted an estimated 10,000 graduate and professional degrees, 22,000 baccalaureate degrees, 14,000 associate degrees, 300 certificates and 700 advanced certificates.

CUNY offers all levels of training, from certificate programs to doctoral degrees, with an opportunity for students to obtain a quality, affordable education. CUNY serves the uniquely diverse pool of students: more than 30 percent of CUNY students were born outside the US mainland, while more than 50 percent of students report an annual household income of less than \$30,000, and seven in ten students attend the University for free, thanks to federal and State grants, financial aid and scholarships. Last spring, nearly 48,000 new CUNY graduates entered the workforce or began work toward more advanced degrees.

This report provides a review of CUNY's Preliminary Budget for Fiscal 2017. The first section presents the highlights of the \$985.7 million Fiscal 2017 expense budget, including Council-funded initiatives and the impact of State budget actions.

The report then subdivides the University's City budget between its community colleges, Hunter Campus Schools and senior colleges. This section provides analysis of significant activities, discusses changes included in the November and Preliminary Financial Plans, and reviews relevant sections of the Preliminary Mayor's Management Report (PMMR) for Fiscal 2016. This is followed by a review of the proposed capital budget for the University, with a discussion of significant changes proposed to the \$444.5 million Capital Plan for Fiscal 2017-2019. All changes made to CUNY's budget during the course of Fiscal 2016 are shown in Appendix A.

Fiscal 2016 Preliminary Budget Highlights

The City's Preliminary Fiscal 2017 Budget is \$82.1 billion, \$3.6 billion more than the Fiscal 2016 Adopted Budget of \$78.5 billion. The City University of New York's Fiscal 2017 Preliminary Budget totals \$985.7 million (including City and non-City funds) and is approximately \$7.5 million less than the Fiscal 2016 Adopted Budget of \$993.2 million. The City's Budget funds CUNY's seven community colleges, the Hunter College Campus Schools, and it includes a small portion of State funding for senior colleges. Funding for CUNY's senior colleges is provided by the State.

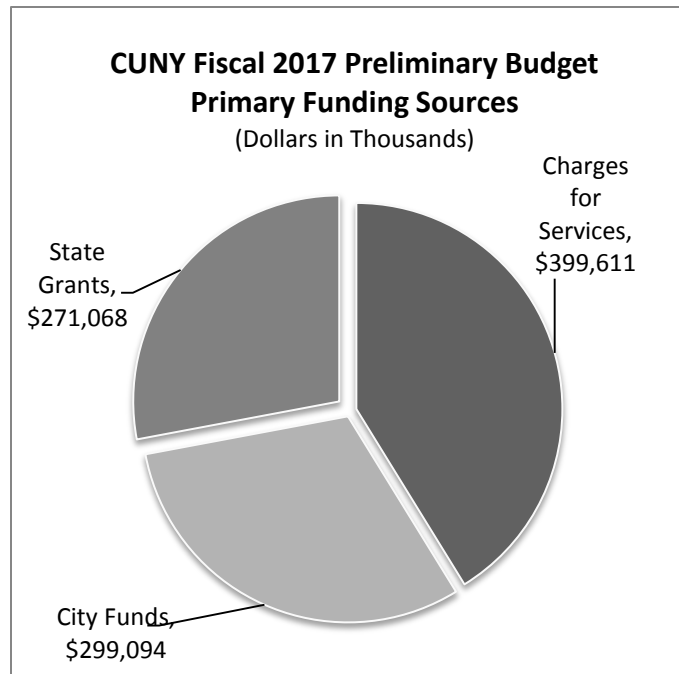
Since adoption of the Fiscal 2016 Budget, Financial Plan updates have introduced several changes to CUNY's Fiscal 2016 and 2017 Budgets. For Fiscal 2016, these include \$169,000 in new needs and \$63.9 million in other adjustments. These reconcile the University to its current modified budget of \$1.06 billion. For Fiscal 2017, budget changes include \$4.9 million in new needs and an overall reduction of \$589,000 in other adjustments, including \$3 million in campus-wide efficiency savings. Much of the funding for new needs is for two components of the Administration's education initiative. However, the Fiscal 2017 Preliminary Budget does not otherwise include significant changes from the Fiscal 2016 Adopted Budget.

Financial Summary

CUNY Financial Summary						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services	\$645,567	\$673,305	\$699,838	\$683,253	\$715,584	\$15,746
Other Than Personal Services	246,290	281,820	293,364	374,044	270,121	(23,243)
TOTAL	\$891,857	\$955,125	\$993,202	\$1,057,297	\$985,705	(\$7,497)
Budget by Program Area						
Community Colleges	\$875,097	\$937,914	\$942,021	\$1,006,116	\$934,527	(\$7,494)
Hunter Campus Schools	16,760	17,211	16,181	16,181	16,178	(3)
Senior Colleges	0	0	35,000	35,000	35,000	0
TOTAL	\$891,857	\$955,125	\$993,202	\$1,057,297	\$985,705	(\$7,497)
Funding						
City Funds			\$702,508	\$718,233	\$698,754	(\$3,754)
Other Categorical			3,185	3,185	3,358	173
State			271,068	271,068	271,068	0
Federal - CD			916	1,357	0	(916)
Intra City			15,524	63,454	12,524	(3,000)
TOTAL	\$891,857	\$955,125	\$993,202	\$1,057,297	\$985,705	(\$7,497)
Budgeted Headcount						
Full-Time Positions - Pedagogical	3,849	4,023	4,357	4,357	4,391	34
Full-Time Positions - Non-Pedagogical	1,905	1,916	1,855	1,856	1,864	9
TOTAL	5,754	5,939	6,212	6,213	6,255	43

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

CUNY's budget is divided into three program areas: Community Colleges, Hunter Campus Schools and Senior Colleges. The \$7.5 million difference between CUNY's Fiscal 2016 Adopted Budget and Fiscal 2017 Preliminary Budget falls almost exclusively under Community Colleges. This difference is mainly due to the inclusion of Council initiatives in Fiscal 2016 only. Hunter Campus Schools see a minor reduction of \$3,000 in funding. Senior Colleges receive a flat rate of \$35 million in State Aid; the Fiscal 2017 Preliminary Budget maintains this funding level.



The majority of funds for CUNY are levied through the City. The Fiscal 2017 Preliminary Budget includes \$698.8 million in City funds across the University's three program areas. Funds from New York State, including base aid for community colleges, comprise another 27.4 percent of CUNY's budget, while the remaining \$15.9 million reaches the University from a variety of sources, including intracity changes; however, \$12.5 million of the Fiscal 2017 Preliminary Budget comes from likely intracity transfers for paid student internships in City agencies and professional development offered to City employees.

Funding Summary

The City University of New York relies on three primary sources of funding: City funds, State categorical grants and tuition and fees for services. Together, these three sources provide CUNY with \$969.8 million, or 98.4 percent of its Fiscal 2017 Preliminary Budget. The above chart outlines the breakdown of funds as received from the City, State and charges for services.

Charges for Services

Forty-one percent of CUNY's funding comes from charges for services. These charges consist predominantly of student tuition and fees. For the 2015-2016 academic year, full-time students enrolled at the CUNY community colleges pay \$4,800 per year in tuition. Additional student fees cover the use of campus technology services, such as email accounts and on-campus internet use, as well as the use of athletic facilities and participation in non-instructional campus activities. Technology fees for full-time students across campuses are \$300 per year, and all full-time students are charged \$2.90 per year to support Student Senate activities. Other charges for full-time students vary by campus, ranging between \$153.50 and \$164 per year.

City Funds

City funds account for another 31 percent, or \$299.1 million, of CUNY's expense budget. This money supports general operating expenses, including faculty and staff salaries, and Administration initiatives impacting community colleges. These are outlined in more detail in the Community Colleges program area discussion. City funds reflected in the Fiscal 2017 Preliminary Budget do not include Council funding tied to initiatives, which totaled \$20.4 million in Fiscal 2016 and appear in the adopted budget for each fiscal year.

State Aid

Funds from New York State comprise the remaining 28 percent, or \$271.1 million, from CUNY's main funding sources. This figure matches the Fiscal 2016 Adopted Budget and does not take into account the Governor's proposed assumption by the City of 30 percent, or \$485 million, of operating costs for the CUNY senior colleges.

During the City's fiscal crisis of the 1970s, nearly all operational costs and debt service expenses for CUNY's senior colleges were assumed by the State. While not technically part of the State University of New York system, CUNY senior colleges represent New York City's only public four-year institutions outside of the Fashion Institute of Technology (FIT). The State still controls 60 percent of CUNY's Board of Trustees. The 2016-2017 proposed State Executive Budget argues that, because the City of New York retains control over 30 percent of the Board and is no longer experiencing the same level of fiscal crisis it had 35 years ago, the City should resume funding for 30 percent of the senior colleges' operational costs. For Fiscal 2017, this is estimated at \$485 million. Contingent upon the City assuming these costs, the 2016-2017 State Executive Budget would allocate \$240 million to support salary increases of four percent for CUNY faculty and staff retroactive to 2010, when they last had an active contract with the University.

Were the City to assume these costs, the impact would total an estimated \$485 million in Fiscal 2017 alone. The Governor's proposed budget does not recommend transferring the share of operational costs for any other public four-year institution to any other municipality in the State. Likewise, no other municipality or metropolitan area nationwide provides this level of support to a local university or four-year college. The Fiscal 2017 Preliminary Budget does not include additional operating funds for CUNY senior colleges, and the Governor has announced that his funding plan should not ultimately affect the City. The City Administration will wait until further details are announced before making any changes to its financial plan.

In testimony presented to the State Assembly on February 8, 2016, CUNY Chancellor James Milliken told lawmakers that should neither the City nor the State assume responsibility for the \$485 million, CUNY would be forced to either close colleges or implement a 30 percent budget reduction across the University system.¹ Further, the proposed \$240 million figure for salary increases is one year out of date and does not include all CUNY faculty and staff. To cover the cost of retroactive salary increases beginning July 1, 2016 for all faculty and staff, CUNY would require an estimated \$325 million.

The Fiscal 2017 Preliminary Budget also makes no reference to the Governor's proposed enactment of the New York State Development, Relief and Education for Alien Minors (DREAM) Act. The DREAM Act of 2011, proposed at the federal level, would have allowed immigrant students meeting certain qualifications to apply for temporary legal status and apply for U.S. citizenship after either attending college or serving in the military, as well as allowing states to grant in-state tuition to students regardless of immigration status. While the DREAM concept has so far failed to move forward at the federal level, the 2016-2017

¹ Skelding, Conor, "CUNY head offers worst-case scenario, but isn't planning for it," *Politico New York* (last accessed February 18, 2016: www.capitalnewyork.com/article/albany/2016/02/0890524/cuny-head-offers-worst-case-scenario-isnt-planning-it).

State Executive Budget calls for the enactment of a New York State DREAM Act, granting eligibility for State financial assistance programs and in-state tuition rates to college students who are New York State residents without regard to immigration status. Any impact that this would have on the City budget is uncertain at this time.

Finally, the Fiscal 2017 Preliminary Budget does not recognize the Governor's proposed expansion of CUNY 2020. CUNY 2020 was first passed as part of the Fiscal 2011-2012 State Budget and allowed for "predictable" annual tuition increases of \$300 at all of the CUNY community and senior colleges over a five-year period. The current academic year represents the last phase of CUNY 2020's original tuition increase schedule. Under the proposed extension, CUNY would be permitted, but not required, to extend the same tuition increase model by another five years, through the 2020-2021 academic year. In a November 2015 announcement, the University's Board of Trustees confirmed that CUNY will not increase tuition rates at the community colleges for Fiscal 2017, regardless of whether CUNY 2020 is extended in the Fiscal 2016-2017 State Budget.²

The State Aid included in the Fiscal 2017 Preliminary Budget are the following:

- **Base Aid.** Comprising the bulk of State funding for CUNY, \$216.1 million represents base aid for the community colleges. The State provides aid to each community college based upon likely enrollment for the coming fiscal year. Projections for likely enrollment are calculated based on weighted enrollment averages from the previous three fiscal years.

With the implementation of tuition increase plans by SUNY and CUNY schools, the State committed to increasing its contributions to schools via per-student base aid. However, over the past several years, the growth of per-capita base aid has not been commensurate with the size of tuition increases. The City's Fiscal 2017 Preliminary Budget and the State's 2016-2017 Executive Budget include a rate of \$2,597 per full-time equivalent (FTE) community college student. However, this rate is still \$78 less than that implemented in Fiscal 2009, \$2,675. CUNY has submitted requests to the Governor and the State Assembly to increase the level of base aid by \$250, with the potential to generate as much as \$26.3 million in added support for the community colleges.

- **Community College Rent Support.** The second largest area of State funds for community colleges supports rent costs associated with on-campus space limitations. The Fiscal 2017 Preliminary Budget includes \$8.9 million to assist with rental costs.
- **Community College Child Care.** A total of \$3.6 million supports the provision of child care on community college campuses. The availability of affordable, high-quality child care increases accessibility to higher education for parents of young

² The City University of New York, "CUNY Plans to Hold Community College Tuition at Current Levels, Seeks Authority to Extend Predictable Tuition Policy," November 3, 2015 (last accessed February 18, 2016: www1.cuny.edu).

children, who might otherwise be unable to manage either the financial or time costs of continued studies.

- **Hunter College Campus Schools.** Because the Hunter Campus Schools operate independently of the New York City Department of Education (DOE), the State provides separate funding for these two institutions. The Fiscal 2017 Preliminary Budget includes \$1.8 million for the schools' operations.
- **College Discovery.** The Fiscal 2017 Preliminary Budget includes \$1.2 million in support of College Discovery, an umbrella program for eligible students at the University's seven community colleges that offers extra financial, instructional and counseling support. First established in 1964, College Discovery serves nearly 2,100 students each year, improving overall retention, graduation and senior college transfer rates among participants.

Council Initiatives

Fiscal 2016 Council Changes at Adoption	
<i>Dollars in Thousands</i>	
Council Initiatives	
Adult Literacy Initiative	\$28
Anti-Gun Violence - Evaluation	250
Center for Puerto Rican Studies	970
City Council Merit-Based Scholarships	17,000
City Council Merit-Based Scholarships - FIT	375
Create New Technology Incubators	1,400
Creative Arts Team	372
CUNY Citizenship NOW! Expansion	1,000
CUNY Technical Apprenticeship Program	50
Dominican Studies institute	970
Immigrant Opportunities Initiative	24
Murphy Institute Center for Worker Education	100
New York City Food Policy Center at Hunter College	200
Technical Assistance for Child Care Providers (CUNY PDI)	500
Worker Cooperative Business Development Initiative	94
Subtotal	\$23,333
Anti-Poverty Initiative	\$15
Borough Allocations	81
Local Initiatives	1,031
TOTAL	\$24,460

The Fiscal 2016 Adopted Budget includes \$24.5 million provided by the Council to support a number of initiatives. These initiatives serve students and New York City residents across the five boroughs and reflect the priorities of the Council.

- **Adult Literacy Initiative.** The Council allocated approximately \$28,000 to CUNY under the Adult Literacy Initiative, supporting additional basic literacy, English for Speakers of Other Languages and Graduate Equivalent Degree classes for adults who cannot read, write or speak English. The program also supports services such as counseling and case management.
- **Anti-Gun Violence – Evaluation.** The Council provided \$250,000 to support efforts to measure the results of programs under the Anti-Gun Violence Initiative and their impact on gun violence in the neighborhoods served.
- **Center for Puerto Rican Studies.** The Council provided \$970,000 to Centro, CUNY's Center for Puerto Rican Studies, based out of Hunter College. Founded in 1973, Centro is a research institute dedicated to the study and interpretation of the Puerto Rican experience in the United States. Funds from the Council support the collection, preservation and interpretation of resources documenting Puerto Rican history and culture.
- **City Council Merit-Based Scholarships.** The Council's Merit-Based Scholarship Program has offered scholarships of up to \$800 per year to eligible students at the Fashion Institute of Technology (FIT) and CUNY colleges since Fiscal 2015. The

scholarship has been designed to motivate students to maintain excellence over the length of their undergraduate careers and is automatically awarded to incoming students who meet the following requirements:

- Reside in New York City;
- Graduate from a New York City high school (public, private or parochial) with a minimum College Academic Average (CAA) of 80; and
- Enroll as a full-time student within one year of high school graduation as a first-time college student.

First-year students retain their eligibility for the length of their first academic year, after which time scholarships are awarded on a semester basis contingent upon students maintaining a minimum 3.0 grade point average (GPA) and a minimum course load of 12 credits. Students pursuing associate's degrees are eligible for scholarship awards over a maximum of six semesters; students pursuing bachelor's degrees are eligible for a maximum of eight semesters.

The first year of the Merit-Based Scholarship Program made awards to 11,700 incoming first-year students. Fiscal 2016, the second year of the program, made awards to 16,250 students, including both incoming first-years and sophomores who had met the requirements for continuation from Fiscal 2015. The Council supported these scholarships with a total of \$17.4 million across CUNY and FIT.

- **Create New Technology Incubators.** The Council allocated \$1.4 million to launch new technology incubators in the outer boroughs to support technology entrepreneurs and promote future growth.
- **Creative Arts Team.** The Council provided \$200,000 to the Creative Arts Team (CAT), a program that challenges at-risk youth with participatory drama workshops and residencies fostering important learning skills and social development. Funded by the Council since Fiscal 2005, CAT develops grade- and age-appropriate programming for a wide range of student populations, including children enrolled in grades pre-K through 12, English Speakers of Other Languages (ESOL) classes, special education, college and alternative schools. CAT serves more than 2,800 students each year.
- **CUNY Citizenship NOW! Expansion.** The Council allocated \$1 million to support the expansion of the CUNY Citizenship NOW! Program, which provides free immigration legal services to assist immigrants on their path to U.S. citizenship.
- **CUNY Technical Apprenticeship Program.** The Council added \$50,000 to CUNY's Technical Apprenticeship Program, offering supplemental targeted classroom and lab instruction to students in computer science and related programs. With support from the Council beginning in Fiscal 2013, the program aims to prepare students to join the City's technology workforce by improving their technical abilities, business acumen, project management and communication skills. Components of the Technical Apprenticeship Program include intensive programming courses, case studies and guest lectures by industry professionals.

- **Dominican Studies Institute.** The Council allocated \$970,000 to the Dominican Studies Institute (DSI), housed within City College. Established in 1992, DSI is the nation's first university-based research institute devoted to the study of Dominican history and culture. Council funds support DSI's ongoing research projects, event series and maintenance of collections.
- **Immigrant Opportunities Initiative.** The Council provided \$24,000 to CUNY under the Immigrant Opportunities Initiative, which assists immigrant adults in gaining access to information and resources, strengthening their participation in the democratic process. Specifically, this initiative provides funding for English Speakers of Other Languages (ESOL) classes, legal services for recent immigrants to assist with applications for citizenship or permanent residency, and various other immigration-related legal services.
- **Murphy Institute Center for Worker Education.** The Council awarded \$100,000 for the Joseph S. Murphy Institute for Worker Education and Labor Studies, housed within CUNY's School of Professional Studies. Council funding traditionally supports the LEAP-to-Teacher (LTT) program, which trains paraprofessionals to support high-need areas in education, including special education, bilingual education, math and science classes. LTT provides an array of comprehensive services to meet the needs of paraprofessionals pursuing teaching careers. The Murphy Institute has received funding from the Council since Fiscal 2006.
- **New York City Food Policy Center at Hunter College.** The Council budgeted \$200,000 for the New York City Food Policy Center, a research institute working to develop innovative, evidence-based solutions to preventing diet-related disease and promoting food security in New York City. Council funds support the development of research briefs for council members, monthly policy series and other events hosted by the Center. The Council has funded the Center since Fiscal 2013.
- **Technical Assistance for Child Care Providers (CUNY PDI).** The Council allocated \$500,000 to support the CUNY New York Early Childhood Professional Development Institute, which provides technical assistance and quality improvement support to current baselined and non-baselined childcare providers. CUNY PDI helps providers participate in QUALITYstarsNY, a statewide project to establish quality standards and assessment methods.
- **Worker Cooperative Business Development Initiative.** The Council designated \$94,000 for CUNY under the \$2.1 million Worker Cooperative Business Development Initiative, which supports the creation of jobs in worker cooperatives by coordinating education and training resources and providing technical, legal and financial assistance. The initiative funds a comprehensive citywide effort to reach cooperative entrepreneurs, provide for the startup of new worker cooperative small businesses, and assist existing cooperatives. The Worker Cooperative Business Development Initiative offers workforce development and concrete skills for unemployed, underemployed and discouraged workers in high-need neighborhoods.

Additional Areas of Interest

- The Black Male Initiative (BMI), while no longer funded as a Council initiative, remains a priority to council members. Baselined in Fiscal 2014 at a budget of \$2.5 million, BMI encompasses 28 programs offered at 20 of CUNY's 24 campuses, as well as programs offered at a University-wide scale. Program budgets range between \$17,500 and \$388,400 and cover topics such as parenting and career planning. University-wide events include speaker series and an annual conference, which most recently welcomed more than 1,100 attendees. New activities introduced in the Fiscal 2015-2016 academic year have included the development of a CUNY BMI best practices document and the Guttman Community College United Men of Color program.

Program Areas

Community Colleges

The largest program area within CUNY's budget, Community Colleges includes all Personal Services and Other than Personal Services related to the University's seven community colleges:

1. Borough of Manhattan Community College;
2. Bronx Community College;
3. Guttman Community College;
4. Hostos Community College;
5. Kingsborough Community College;
6. LaGuardia Community College; and
7. Queensborough Community College.

Alongside associate's degree programs, each campus provides adult literacy, continuing education, pre-college remediation and a variety of State-funded categorical programs.

Community Colleges						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Full-Time Salaried - Pedagogical	\$279,732	\$295,406	\$329,428	\$302,708	\$336,869	\$7,441
Full-Time Salaried - Non-Pedagogical	82,276	83,953	79,743	76,434	78,516	(1,227)
Other Salaried and Unsalariated	124,866	128,153	106,887	135,679	107,090	203
Additional Gross Pay	3,043	3,066	2,721	2,968	2,721	-
Overtime	6,953	7,573	1,542	2,093	1,542	-
P.S. Other	(50)	(40)	0	0	0	-
Fringe Benefits	133,114	139,327	162,504	146,358	171,832	9,328
Amounts to be Scheduled	0	0	2,206	2,206	2,206	-
Subtotal	\$629,934	\$657,438	\$685,031	\$668,446	\$700,776	\$15,745
Other Than Personal Services						
Supplies and Materials	\$16,605	\$18,791	\$80,661	\$55,574	\$95,432	\$14,771
Fixed and Misc. Charges	39,888	41,580	38,189	41,638	38,264	75
Property and Equipment	25,281	26,071	10,144	15,517	10,144	0
Other Services and Charges	142,277	171,052	117,792	194,907	79,706	(38,086)
Contractual Services	21,113	22,981	10,204	30,035	10,204	0
Subtotal	\$245,164	\$280,475	\$256,990	\$337,671	\$233,750	(\$23,240)
TOTAL	\$875,098	\$937,913	\$942,021	\$1,006,117	\$934,526	(\$7,495)
Funding						
City Funds			\$688,138	\$703,862	\$684,386	(\$3,752)
Other Categorical			3,175	3,175	3,348	173
State			234,268	234,268	234,268	0
Federal - Community Development			916	1,357	0	(916)
Intracity			15,524	63,454	12,524	(3,000)
TOTAL	\$875,098	\$937,913	\$942,021	\$1,006,117	\$934,526	(\$7,495)
Budgeted Headcount						
Full-Time Positions - Pedagogical	3,700	3,879	4,217	4,217	4,251	34
Full-Time Positions - Non-Pedagogical	1,881	1,894	1,774	1,775	1,783	9
TOTAL	5,581	5,773	5,991	5,992	6,034	43

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

The Fiscal 2017 Preliminary Budget includes \$934.5 million for community colleges, reflecting an increase of \$15.7 million in Personal Services and a decrease of \$23.2 million in Other than Personal Services from the Fiscal 2016 Adopted Budget. Within the budget for Personal Services, a transfer of \$26 million from Full-Time to Unsalariated Staff suggests that the University is currently relying more heavily on adjunct faculty than it had anticipated last June.

Financial Plan Actions

New needs included in the Fiscal 2017 Preliminary Budget are:

- **ASAP Building Rentals.** Launched in 2007 with funding from the Center for Economic Opportunity (CEO), ASAP is a comprehensive support program for full-time students pursuing associate's degrees at CUNY. Designed to help students complete degrees within three years, the program's key features include a consolidated block schedule with cohorts organized by major, limited class sizes, and comprehensive personalized advising. Program participants receive financial benefits including tuition waivers, textbook assistance and monthly MetroCards. ASAP has demonstrated unprecedented success in improving student graduation rates. A longitudinal study conducted by New York-based research organization MDRC found that 40 percent of program participants graduated within three years, compared with only 22 percent of traditional CUNY community college students.³ To make services available to as many students as possible, the Fiscal 2016 Adopted Budget reflects increased baselined funding for ASAP, with \$13 million in Fiscal 2017, which goes up to \$42 million by Fiscal 2019. This funding came following the inclusion of \$50.9 million for STEM- and ASAP-related support services by Fiscal 2017 in the Fiscal 2015 Adopted Budget. In Fiscal 2016, ASAP serves a total of 8,000 students.

The increase of funding in Fiscal 2017 will expand services to include 15,000 students. While programming for ASAP expands to include more students, some campuses will run short on space, particularly to house support services like dedicated academic advising. The Fiscal 2017 Preliminary Budget includes baselined funding of \$3 million to cover rental costs across the University associated with the ongoing ASAP expansion.

- **Department of Education (DOE) Initiatives.** The Fiscal 2017 Preliminary Budget includes two items for CUNY tied to broader initiatives within the New York City Department of Education. As part of its push to introduce New York City students toward goals in higher education, the Administration includes \$169,000 in the Fiscal 2016 and \$1.2 million in the Fiscal 2017 Preliminary Budget to support college visits for City middle school students. The Fiscal 2017 Preliminary Budget also includes \$538,000 to support teacher training in the Administration's Algebra for All initiative.

³ Scrivener, Susan et al, *Doubling Graduation Rates: Three-Year Effects of CUNY's Accelerated Study in Associate Programs (ASAP) for Developmental Education Students* (New York: MDRC, 2015).

- **Rental Aid.** An addition of \$181,000 to the Fiscal 2017 Preliminary Budget covers increasing rental costs associated with spaces already used by CUNY's community colleges.

Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Instructional full-time equivalents (FTEs) taught by full-time faculty (%) - Community Colleges	44.80%	50.80%	53.40%	*	*	NA	NA
One-year (fall-to-fall) retention rate of full-time first-time freshmen enrolled in CUNY associate degree programs	66.60%	67.10%	67.90%	67.00%	67.00%	NA	NA
Six-year systemwide graduation rate (%) - CUNY associate degree students	30.10%	31.70%	30.50%	31.00%	31.00%	NA	NA
CUNY associate degree recipients who transfer to a CUNY baccalaureate program within one year (%)	52.30%	51.50%	54.00%	54.00%	54.00%	NA	NA
CUNY associate degree recipients who continue their education or are working (%)	92.40%	92.20%	93.20%	*	*	NA	NA
Total headcount enrollment at CUNY community colleges	96,500	97,751	99,958	*	*	NA	NA
Enrollment of first-time freshmen in CUNY community colleges	18,434	17,742	19,322	*	*	NA	NA
Enrollment of first-time freshmen in CUNY community colleges who are recent graduates of NYC public high schools	11,682	10,493	11,165	*	*	NA	NA
Expenditures per student (full-time equivalent) at CUNY community colleges	\$11,193	\$11,818	\$12,058	*	*	NA	NA

Indicators in the Preliminary Mayor's Management Report (PMMR) indicate general improvement across the community colleges; however, they do not include any four-month actual data. The University's community colleges demonstrate growth in the ranks of full-time faculty over the past three fiscal years, with the most significant increase reflected between Fiscal 2013 and Fiscal 2014. Overall student enrollment has continued to increase, as have retention rates of first-time freshmen and the percentage of associate degree recipients who either transfer to a CUNY baccalaureate program. This coincides with the introduction of the Council's Merit-Based Scholarships in Fiscal 2015 and would appear to suggest some correlation. The overall percentage of associate degree recipients who either continue their education or are employed has also increased, reversing a slight decreasing trend from the previous fiscal year.

Hunter Campus Schools

The Hunter Campus Schools program area includes all funding for the Hunter College Campus Schools, publicly funded elementary and high schools serving gifted and talented students. Admission to both schools is competitive and selective based on an entrance exam, and admission is limited to students entering each school's youngest grade. The elementary school, serving 336 students from Manhattan, includes kindergarten through sixth grade; the high school, with 1,200 students in grades 7-12, serves students from across the five boroughs. The Hunter College Campus Schools are chartered by the CUNY Board of Trustees and operated by Hunter College.

Hunter Campus Schools						
<i>Dollars in Thousands</i>						
	2014	2015	2016	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2016	2017	2016 - 2017
Spending						
Personal Services						
Full-Time Salaried - Pedagogical	\$9,955	\$10,055	\$8,100	\$8,100	\$8,100	\$0
Full-Time Salaried - Non-Pedagogical	1,051	1,089	1,190	1,190	1,190	0
Other Salaried and Unsalariated	725	637	2,541	2,541	2,541	0
Additional Gross Pay	786	806	558	558	558	0
Overtime - Non-Pedagogical	41	24	50	50	50	0
Fringe Benefits	3,075	3,255	2,368	2,368	2,368	0
Subtotal	\$15,633	\$15,866	\$14,807	\$14,807	\$14,807	\$0
Other Than Personal Services						
Supplies and Materials	\$543	\$588	\$944	\$727	\$941	(\$3)
Property and Equipment	10	10	6	12	6	0
Other Services and Charges	521	678	403	503	403	0
Contractual Services	52	69	20	132	20	0
Subtotal	\$1,126	\$1,345	\$1,373	\$1,374	\$1,370	(\$3)
TOTAL	\$16,759	\$17,211	\$16,181	\$16,181	\$16,178	(\$3)
Funding						
City Funds			\$14,371	\$14,371	\$14,368	(\$3)
Other Categorical			10	10	10	0
State			1,800	1,800	1,800	0
TOTAL	\$16,759	\$17,211	\$16,181	\$16,181	\$16,178	(\$3)
Budgeted Headcount						
Full-Time Positions - Pedagogical	149	144	140	140	140	0
Full-Time Positions - Non-Pedagogical	24	22	81	81	81	0
TOTAL	173	166	221	221	221	0

*The difference of Fiscal 2016 Adopted Budget compared to Fiscal 2017 Preliminary Budget.

Senior Colleges

The vast majority of funding for CUNY's senior colleges and graduate programs currently falls within the New York State Budget. However, approximately two percent of their overall budget flows through the City of New York. The Fiscal 2017 Preliminary Budget includes \$35 million in State operating support.

Performance Measures

Performance Indicators	Actual			Target		4-Month Actual	
	FY13	FY14	FY15	FY16	FY17	FY15	FY16
Instructional full-time equivalents (FTEs) taught by full-time faculty (%) - Senior Colleges	42.30%	41.80%	43.90%	*	*	NA	NA
One-year (fall-to-fall) retention rate of full-time first-time freshmen enrolled in CUNY baccalaureate degree programs	86.50%	86.60%	87.30%	88.00%	88.00%	NA	NA
Six-year systemwide graduation rate (%) - CUNY baccalaureate students	51.00%	52.60%	52.70%	52.00%	52.00%	NA	NA
Annual tuition at CUNY senior colleges (full-time NYS resident)	\$5,730	\$6,030	\$6,330	*	*	NA	NA

Similarly to the community colleges, PMMR indicators for senior colleges fail to include data around four-month performance actuals. Senior colleges have seen an increase between Fiscal 2014 and Fiscal 2015 in the retention rate of full-time, first-time first year students, once again suggesting some correlation between retention and the implementation of the Council's Merit-Based Scholarships. Over the same period, the colleges have also increased the overall percentage of students who are taught by full-time or full-time equivalent (FTE) faculty.

Capital Program

Capital Budget Summary

CUNY's 2017 Preliminary Capital Commitment Plan includes \$444.5 million in Fiscal 2016-2019 for all 24 campuses within the University (including City and Non-City funds). This represents less than one percent of the City's total \$57.2 billion Capital Plan for Fiscal 2016-2019. CUNY's Preliminary Commitment Plan for Fiscal 2016-2019 is 1.2 percent more than the \$439.0 million scheduled in the September 2015 Commitment Plan, an increase of \$5.5 million.

The majority of the capital projects span multiple fiscal years and it is therefore common practice for an agency to roll unspent capital funds into future fiscal years. In Fiscal 2015, the City University of New York committed \$55 million or just 17.6 percent of its annual capital plan. Therefore, it is assumed that a significant portion of CUNY's \$236.7 million Fiscal 2016 Capital Plan will be rolled into Fiscal 2017, thus increasing the size of the Fiscal 2017-2020 Capital Plan. Since adoption last June, the citywide total Capital Commitment Plan for Fiscal 2016 has increased from \$19.3 billion in the September Capital Commitment Plan to \$19.7 billion in the Preliminary Capital Commitment Plan, an increase of \$415 million or 2.2 percent.

CUNY 2016-2019 Capital Commitment Plan: Adopted and Preliminary Budget					
<i>Dollars in Thousands</i>					
	FY16	FY17	FY18	FY19	Total
Adopted					
Total Capital Plan	\$236,696	\$82,015	\$49,961	\$70,355	\$439,027
Preliminary Plan					
Total Capital Plan	\$236,696	\$87,515	\$49,961	\$70,355	444,527
Change					
Level	\$0	\$5,500	\$0	\$0	\$5,500
Percentage Change	0%	7%	0%	0%	1.3%

Preliminary Capital Plan Highlights

The Preliminary Capital Plan for the City University of New York for Fiscal 2016-2019 remains essentially unchanged since Adoption of the Fiscal 2016 Budget. The minor increase of \$5.5 million is allocated for various community college improvements. The Overarching goals of CUNY's capital plan are to rehabilitate and update existing facilities; renovate campus plants to increase efficiency; improve accessibility for students with physical disabilities; and strengthen fire protection, life safety and health facilities on its campuses. Critical projects to maintain state-of-good repair are a priority, as the average building owned or operated within CUNY is at least 50 years old. As a result, repair and replacement projects such as roof replacements, electrical system upgrades and façade repair are of primary importance to campuses' continued functionality.

CUNY's capital plan can be divided into eight categories of projects. The chart below displays the mix of projects by category. As shown, almost all of CUNY's capital funding is planned for "Miscellaneous Construction" projects. Projects of this type total \$369.5 million, or 83.1 percent, of CUNY's total Fiscal 2016-2019 Capital Commitment Plan. Listed below is a description of each of the eight categories of projects and significant projects that fall within each.

1. Miscellaneous Reconstruction, which includes:

- **199 Chambers Street Building (Borough of Manhattan Community College).** 199 Chambers Street requires a series of renovations, including an upgraded HVAC system, repairs to the façade and pedestrian walkways, and improvements to bathrooms to meet ADA requirements. CUNY has recently completed the first phase of these renovations and plans to move into the second phase this coming spring.
- **500 Grand Concourse Building (Hostos Community College).** B Building at 500 Grand Concourse is undergoing a phased renovation process that allows the majority of the building to remain open for use throughout the length of the project. Bidding will shortly be underway for designs. The Capital Commitment Plan anticipates spending \$1.6 million in Fiscal 2016.
- **Building Façade (LaGuardia Community College).** The façade of the 100-year-old Shenker Hall at LaGuardia Community College is in the midst of replacement, now rendered critical to maintaining the integrity of the building as a whole. Using an imitation terra cotta product that will be more durable than the building's previous materials, the budget is projected to cost \$124 million. The project is currently underway and expected to take between two and three years.
- **Cafeteria and Kitchen Facilities (Queensborough Community College).** An existing courtyard at the center of the Science Building will be enclosed with a transparent roof to offer an indoor cafeteria and open student space at Queensborough Community College. A kitchen will be added to offer dining services, using renovated space in the basement of the building's east wing. The first phase of this project is scheduled to be completed this spring, while designs for the second phase are currently underway. The project is projected to cost \$10 million, with \$3.1 million from the Council.
- **Campus Maintenance Projects (Bronx Community College).** CUNY has nearly completed Phase 3 of a six-phase campuswide maintenance project, finishing the installation of piping, a mechanical vault, and ancillary electrical network and electric conduit banks at Bronx Community College. The overall upgrade, projected to cost between \$150 and \$160 million, is currently funded through Phase 4. Phases 5 and 6 of the maintenance plan are projected to cost \$40 million and \$25 million, respectively.

2. Data Processing and Other Equipment. This is the second largest category within CUNY's Capital Commitment Plan, and it area includes \$36.4 million tied to University-wide upgrades to technology systems.

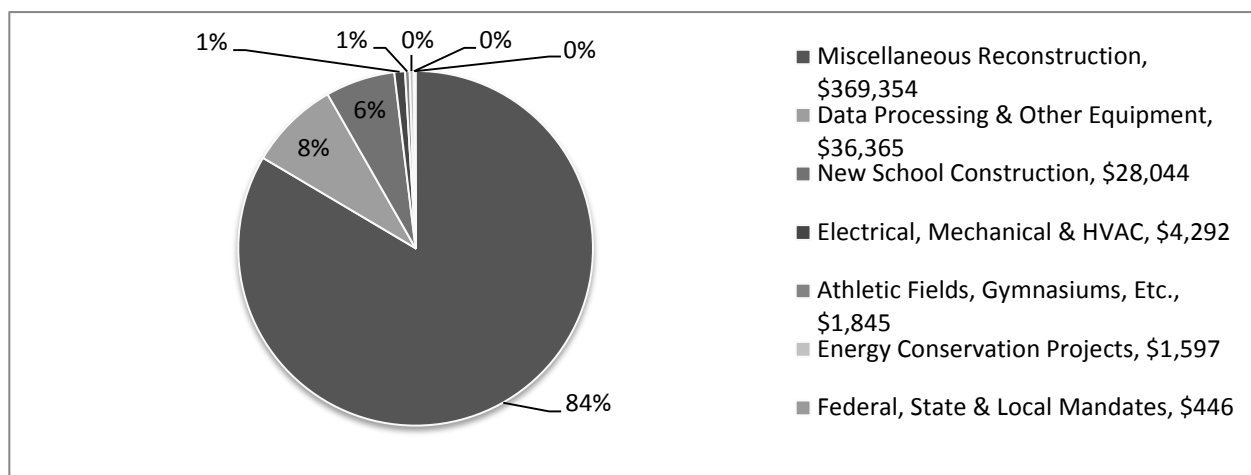
3. New School Construction. The New School Construction category represents any construction of brand-new, permanent space on a CUNY campus. Fiscal 2016-2019 Capital

Commitment Plan includes \$28 million for new school construction on the Bronx Community College and Hostos Community College campuses.

- **Allied Health Science Building (Hostos Community College).** With completion anticipated for September 2020, the Allied Health and Science Building will address space deficits on campus and replace outdated facilities with state-of-the-art classrooms and science labs, supporting allied health programs in dental hygiene, radiological technology and nursing as well as its growing engineering and natural science programs. This project is currently in the design phase, with \$4.5 million slated to be spent in Fiscal 2016.
- 4. **Electrical, Mechanical and HVAC.** The \$4.3 million budgeted within this category is directed toward upgrades to electrical and ventilation systems at Bronx Community College, Queensborough Community College and Hostos Community College.
- 5. **Athletic Fields, Gymnasiums, Etc.** This category includes \$1.8 million in spending for the development of new athletic space at Kingsborough Community College, which is in the midst of a major overhaul, addressing state-of-good-repair issues. Currently, CUNY is working through the approvals process for replacement of the campus marina, which took significant damage during Superstorm Sandy in 2012.
- 6. **Energy Conservation Projects.** This category includes \$1.6 million in Fiscal 2017 to support overall campuswide energy conservation.
- 7. **Federal, State and Local Mandates.** This category includes \$446,000 and pertains primarily to compliance with the federal Americans with Disabilities Act (ADA) and ensuring accessibility on CUNY campuses. Current funds are designated toward projects at Hostos Community College, Kingsborough Community College and Queensborough Community College.
- 8. **Security Systems.** Spending in this area supports the maintenance and improvement of campus security and monitoring technology. The Fiscal 2016-2019 Capital Commitment Plan includes \$333,000 for projects at Hostos Community College, Queensborough Community College and the College of Staten Island.

CUNY’s 2016-2019 Preliminary Capital Commitment Plan

Dollars in Thousands 000’s



Appendix A: Budget Actions in the November and the Preliminary Plans

<i>Dollars in Thousands</i>	FY 2016			FY 2017		
	City	Non-City	Total	City	Non-City	Total
CUNY Budget as of the Adopted 2016 Budget	\$702,509	\$290,693	\$993,202	\$694,422	\$286,950	\$981,372
New Needs						
Algebra for All	\$0	\$0	\$0	\$538	\$0	\$538
ASAP Building Rentals	0	0	0	3,000	0	3,000
College Visits	169	0	169	1,202	0	1,202
Rental Aid	0	0	0	181	0	181
Subtotal, New Needs	\$169	\$0	\$169	\$4,921	\$0	\$4,921
Other Adjustments						
Ceasefire Project and Evaluation Services	\$0	\$371	\$371	\$0	\$0	\$0
CEO Program Directors	0	0	0	180	0	180
Civic Justice Corps	0	0	0	1,400	0	1,400
Collective Bargaining Agreements	496	0	496	533	0	533
CUNY ATP & Mentoring Project	0	50	50	0	0	0
CUNY Next Steps Program	0	1,737	1,737	0	0	0
CUNY Tech Talent Pipeline	0	150	150	0	0	0
DACA Legal Services	0	4,014	4,014	0	0	0
Efficiency Savings	0	0	0	(3,000)	0	(3,000)
Housing Recovery Program Funds	0	441	441	0	0	0
Internships, Fellowships and Work Study	0	12,405	12,405	0	0	0
LaGuardia Rent	(2,300)	0	(2,300)	(2,300)	0	(2,300)
Member Items	15	0	15	0	0	0
Miscellaneous Intracity Transfers	0	8,628	8,628	0	0	0
MOUs	0	2,743	2,743	0	0	0
Object Code Transfers	0	310	310	0	0	0
OMH State Aid Letter	0	67	67	0	0	0
Paycheck Plus Demonstration	145	0	145	2,298	0	2,298
plANYC Funds	0	3,130	3,130	0	0	0
Research Foundation	0	150	150	0	0	0
Tech Fees Collections	5,486	0	5,486	0	0	0
Tuition & Fees Collections	11,314	0	11,314	0	0	0
Veterans Benefits	0	2,053	2,053	0	0	0
Workforce Training & Professional Development	0	12,010	12,010	0	0	0
YMI Funds	400	108	508	300	0	300
Subtotal, Other Adjustments	\$15,556	\$48,367	\$63,923	(\$589)	\$0	(\$589)
TOTAL, All Changes	\$15,725	\$48,367	\$64,092	\$4,332	\$0	\$4,332
CUNY Budget as of the Preliminary 2017 Budget	\$718,234	\$339,064	\$1,057,297	\$698,754	\$286,950	\$985,705