



New York City Council

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**Hearing on the Mayor's Fiscal Year 2012 Preliminary Budget &
the Fiscal Year 2011 Preliminary Mayor's Management Report**

City University of New York

March 18, 2011

Committee on Higher Education

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Summary and Highlights

The City University of New York (CUNY) provides higher education to more than 259,000 degree-seeking students and over 262,000 adult and continuing education students. Although CUNY is not a City agency, the City is responsible for supporting CUNY's six community colleges and the two-year programs offered by the senior colleges.

Table 1
CUNY City Budget Summary
Dollars in Thousands

All Program Areas	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference, 2011 – 2012*
Personal Services	\$486,641	\$545,314	\$513,587	\$519,706	\$504,613	(\$8,974)
Other than Personal Services	220,474	219,391	258,539	265,194	216,627	(41,911)
Total Program Budget	\$707,115	\$764,705	\$772,126	\$784,900	\$721,241	(\$50,885)

**Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 Preliminary Plan.*

For Fiscal 2012, the February 2011 Financial Plan includes \$721.2 million for CUNY, a \$50.9 million reduction, as compared to CUNY's Adopted Budget for Fiscal 2011. The most significant reduction is the \$41.9 million reduction in other than personal services ("OTPS") spending as shown in the table above. For Fiscal 2011, CUNY's total City budget of \$772.1 million includes \$513.6 million in spending on personal services ("PS"), and \$258.5 million in other than personal services.

CUNY's University-wide budget is \$2.6 billion for next year and funds the CUNY system and operations. It is given for context in this report (see Table 2). CUNY's University-wide budget includes \$288 million in City funds, \$1.2 billion in State aid, and \$1.1 billion in tuition and other revenues. CUNY's 2011 University-wide budget totals \$2.5 billion: \$288 million in City support; \$1.3 billion in State Aid; and \$1 billion in tuition and other revenues. Overall, CUNY's budget is projected to grow by \$17 million next year.

Of CUNY's University-wide budget only \$721.2 million is in CUNY's City budget. It is this budget that is the focus of this report. It includes \$670.5 million to support the community colleges in Fiscal 2012, and \$56.6 million for two-year degree or associate programs in senior colleges and other program areas which are shown in greater detail in the CUNY Financial Summary Table on page 3.

Table 2
CUNY Funding Sources
Dollars in millions

	2009	2010	2011	Projected 2012	Difference 2011-2012*
University-wide					
State Aid	\$1,314	\$1,236	\$1,252	\$1,217	(\$35)
City Support	275	276	288	288	0
Tuition and Other Revenue	840	1,006	1,002	1,054	52
TOTAL	\$2,429	\$2,571	\$2,542	\$2,559	\$17

**Difference refers to the variance between the Fiscal 2011 Adopted Budget and Projected Fiscal 2012*

SOURCE: CUNY 2011-2012 State Executive Budget Preliminary Analysis

CUNY's University-wide budget consists of City funds, State Aid, and tuition and other revenue. City funds support only the community colleges, two-year degree programs in senior colleges, and a variety of City Council initiatives, and is reflected in the "City Support" row in Table 2.

Highlights

- The Preliminary Fiscal 2012 Budget for CUNY reflects a \$32.8 million reduction in ARRA funding.
- The State Executive Budget for 2011-2012 proposes a \$15.7 million reduction to funding for CUNY's community colleges.

Maintenance of Effort

The Maintenance of Effort (MOE) provision, passed in 1993 by the State, requires the City to maintain a minimum level of support for the community colleges. City support cannot fall below the previous year's funding level. CUNY estimates the amount of City support for the six community colleges for Fiscal 2012 will be \$288 million, as shown in Table 2. This is the same amount the City allocated for the colleges in Fiscal 2011. The MOE only applies to the level of city support provided to CUNY through the community colleges units of appropriation. It does not cover additional City funds that pay for discretionary programs and services such as the Peter F. Vallone Scholarship and the CEO programs.

Moreover, the City uses this provision to keep CUNY's funding to the community colleges stagnant. Specifically, under this provision the City is allowed to keep CUNY's funding level unchanged regardless of any new contractual or inflationary needs CUNY may incur, such as the high enrollment growth as seen in the program area section of the report.

The City University of New York

CUNY consists of eleven senior colleges, six community colleges, the William E. Macaulay Honors College at CUNY, the Graduate School and University Center, the CUNY Graduate School of Journalism, the CUNY School of Law, the CUNY School of Professional Studies and the Sophie Davis School of Biomedical Education and the CUNY School of Public Health. CUNY plans to open a new community college. CUNY enrolls students in 1,420 academic programs, as well as adult and continuing education programs. CUNY also sponsors the Hunter Campus Schools.

University Mission
<ul style="list-style-type: none"> The University works to maintain and expand its commitment to academic excellence and to the provision of equal access and opportunity for students, faculty and staff from all ethnic and racial groups and from both sexes. The University remains responsive to the needs of its urban setting and maintains its close articulation between senior and community colleges.

University Highlights
<ul style="list-style-type: none"> 8,944 graduate and professional school degrees 18,453 baccalaureate degrees 11,203 associate degrees 352 certificates 635 advanced certificates 90 percent of community college graduates are employed within six months 91 percent of all employed CUNY graduates work in NYC CUNY graduates pump \$15 billion a year into NYS economy

SOURCE: Mayor’s Management Report, Preliminary Fiscal 2011.

Table 3
CUNY Financial Summary

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011–2012*
Unit of Appropriation						
001 & 002 - Community Colleges- OTPS & PS	\$679,829	\$745,526	\$715,454	\$728,228	\$670,567	(\$44,886)
005 - Educational Aid – OTPS	12,750	3,500	6,000	6,000	0	(6,000)
012 - Senior Colleges- OTPS			35,000	35,000	35,000	0
003 & 004 - Hunter Campus Schools- PS and OTPS	14,536	15,679	15,672	15,672	15,674	1
TOTAL	\$707,115	\$764,705	\$772,126	\$784,900	\$721,241	(\$50,885)
Funding						
City Funds	NA	NA	\$534,758	\$531,966	\$499,497	(\$35,261)
<i>Memo: Council Funds</i>	NA	NA	31,836	35,836		
Other Categorical	NA	NA	2,839	2,839	2,839	0
State	NA	NA	187,138	185,918	204,264	17,127
Federal – CD	NA	NA	964	1,550	964	0
Federal – Other	NA	NA	32,779	32,847	0	(32,779)
Intra-City	NA	NA	13,648	29,781	13,677	29
TOTAL	\$707,115	\$764,705	\$772,126	\$784,900	\$721,241	(\$50,885)
Positions						
Pedagogical Positions	2,993	3,201	3,179	3,157	3,129	(50)
Non-Pedagogical Positions	1,676	1,751	1,595	1,551	1,565	(30)
TOTAL	4,669	4,669	4,774	4,708	4,694	(80)

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 Preliminary Budget.

The City's budget for CUNY includes six units of appropriations: UAs 001 and 002 Community Colleges OTPS and PS; UA 012 Senior Colleges; UA 005 Educational Aid; and UAs 003 and 004 Hunter Campus Schools. Table 3 reflects CUNY's City budget by Units of Appropriation and funding source. It also shows CUNY's budgeted headcount.

The Fiscal 2012 Preliminary Budget for CUNY is \$721.2 million, which is \$50.9 million dollars less than the Fiscal 2011 Adopted Budget. Of that total reduction, \$44.9 million is cut from the community college UAs. The remaining \$6 million cut to Educational Aid eliminates all funding for the Peter F. Vallone Scholarship.

As shown in the funding summary, the budget cut is due to a drop in both City and Federal funds. The \$35.3 million City funds reduction is due to a Program to Eliminate the Gap ("PEG") that cuts \$16.1 million from CUNY's budget in Fiscal 2012 and the elimination of the \$35.8 million in City Council initiatives provided in Fiscal 2011. These cuts are offset by increases tuition revenue of \$6 million in Fiscal 2011 and \$12 million in Fiscal 2012. The Federal aid reduction is due to the expiration of the *American Recovery and Reinvestment Act* (ARRA) Funding. State aid grows by \$17.1 million in Fiscal 2012. This net increase results from the State's backfill of ARRA funding and State budget cuts totaling \$15.7 million.

Headcount

The budgeted headcount for the CUNY drops by 50 pedagogical positions and 30 non-pedagogical positions in Fiscal 2012 as compared to the Fiscal 2011 Adopted Budget. Headcount reduction details will be discussed further in the "Faculty Trends" section.

City Council Funding

Historically, the City Council has provided funding for CUNY to restore operational reductions and to create programmatic initiatives like the Peter F. Vallone Scholarship. Support from the City Council has bolstered CUNY's budget for the community colleges over the years. Below is an overview of the City Council's restoration to operational funding for the community colleges since Fiscal 2007.

Fiscal Year	Amount
<i>Dollars in Thousands</i>	
2007	\$12,343
2008	\$14,596
2009	\$19,846
2010	\$21,400
2011	\$21,400
Total Funding:	\$89,585

In the Adopted Budget for Fiscal 2011 the City Council included \$31.8 million to support initiatives at CUNY and partially reverse a PEG. This funding amounted to three percent of CUNY's City-funds budget for community colleges. In addition, the City Council restored \$4 million of CUNY's \$13 million in PEGs for Fiscal 2011 that were included in the November 2010 Financial Plan. These restorations and initiatives were for Fiscal 2011 only. The Fiscal 2011 initiatives are listed in Table 5 below.

Table 5
FY 2011 Council Changes Initiatives and Restorations
Dollars in Thousands

Community Colleges	
Community Colleges PEG Restoration	\$21,400
Creative Arts Team	400
Dominican Studies Institute	250
Puerto Rican Studies Institute	250
Black Male Empowerment Initiative	2,250
Local Initiatives	1,286
November 2010 PEG Restoration	4,000
Subtotal	\$29,836
Educational Aid	
Peter Vallone Scholarship	\$6,000
Subtotal	\$6,000
TOTAL	\$35,836

Contract Budget

The New York City Charter mandates the preparation of a Contract Budget to identify expenditures for contractual services, which are defined as any technical, consultant or personal service provided to the City by means of a contract. The Contract Budget is actually a subset of the Other Than Personal Services (OTPS) portion of the City’s Expense Budget. The Administration prepares a Contract Budget twice each fiscal year. In January, it is prepared with the Departmental Estimates, and in late April it is submitted to the Council with the Executive Budget.

The Contract Budget sets forth anticipated contractual spending for each agency by unit of appropriation, broken down by object codes, number of contracts per category and the corresponding dollar value anticipated to be expended in each category. The Contract Budget is a plan -- an agency's blueprint or forecast of what services it anticipates it will need to purchase during the next fiscal year. The following table provides CUNY’s \$13.1 million contract budget for Fiscal 2012.

Table 6 - CUNY Contracts Budget for Fiscal 2012				
<i>Dollars in 000's</i>				
Category	Number	Budgeted	Percent of Total	Percent Change from 2011 Adoption
600 - CONTRACTUAL SERVICES GENERAL	3	\$3,276	25.0%	0.9%
602 - TELECOMMUNICATIONS MAINT	4	221	1.7%	0.0%
607 - MAINT & REP MOTOR VEH EQUIP	2	21	0.2%	0.0%
608 - MAINT & REP GENERAL	10	1,778	13.5%	0.5%
612 - OFFICE EQUIPMENT MAINTENANCE	11	550	4.2%	0.3%
613 - DATA PROCESSING EQUIPMENT	13	706	5.4%	0.0%
615 - PRINTING CONTRACTS	7	642	4.9%	0.0%
619 - SECURITY SERVICES	6	2,010	15.3%	-20.4%
624 - CLEANING SERVICES	4	1,485	11.3%	0.1%
652 - DAY CARE OF CHILDREN	6	673	5.1%	0.0%
671 - TRAINING PRGM CITY EMPLOYEES	2	1,457	11.1%	0.0%
676 - MAINT & OPER OF INFRASTRUCTURE	3	312	2.4%	2.6%
686 - PROF SERV OTHER	1	1	0.0%	0.0%
Preliminary Budget TOTAL	72	\$13,131	100%	-3.6%

As shown in the table above, CUNY's contract budget is spent mostly on General Contractual Services, Cleaning Services, Maintenance and Repairs, and Security Services. CUNY's funding for Security Services contracts was reduced by 20.4 percent since the Adopted Budget.

Revenue Budget

The Fiscal 2012 Revenue Budget for CUNY is \$483.2 million, not including Intra-city funding. This is a \$3.7 million or one percent decrease when compared to CUNY's Fiscal 2011 Adopted Revenue Budget of \$486.9 million.

Table 7

CUNY Revenue Overview

<i>Dollars in 000s</i>				
Agency Revenue Sources	Fiscal 2011 Adopted Budget	Fiscal 2011 Modified as of 2/17/2011	Fiscal 2012 Preliminary Budget	*Difference 2011-2012
Charges for Services	\$264,333	\$264,333	\$276,333	\$12,000
Miscellaneous	\$185	\$185	\$185	0
Federal Grants-Categorical	\$32,779	\$32,847	\$0	(\$32,779)
State Grants-Categorical	\$187,138	\$187,138	\$204,265	\$17,127
Non-Governmental Grants	\$2,500	\$2,500	\$2,500	0
Total Revenue w/o Intra-City	\$486,935	\$487,003	\$483,283	(\$3,652)
Intra-City Revenue	\$13,648	\$29,801	\$13,677	\$28
TOTAL REVENUE	\$500,583	\$516,805	\$496,959	(\$3,624)

The largest source of revenue for CUNY is Charges for Services, which are the tuition and fees paid by Community College students. The February Plan shows a \$12 million increase which is due to a five percent tuition increase imposed in January 2011. The Revenue Budget also shows a drop in Federal Aid, which is due to the elimination of all ARRA funding. State Revenue increases to make up for the loss of ARRA funding, as mentioned on page 5. This increase offsets the \$15.7 million reduction in State Aid for Fiscal 2012 included in the State Executive Budget.

Tuition Increase

CUNY imposed a five percent tuition increase in the Spring 2011 semester. The increase will generate \$6 million this year and \$12 million next year for the community colleges. CUNY estimates that this initial five percent increase will increase tuition revenue from \$761.1 million to \$801 million for senior colleges and from \$242.2 million to \$253.3 million for community colleges in Fiscal 2012. The CUNY Board of Trustees has also approved an additional tuition increase of up to two percent for next semester. This would generate \$5 million for CUNY community colleges in Fiscal 2012. The State must recognize this two percent increase, however before CUNY can collect any additional tuition revenue. It is unlikely that CUNY will implement this increase without State action.

Table 8*Dollars in Thousands*

Fiscal Year	Annual Tuition Rates	
	Community Colleges	Senior Colleges
1995	\$2,100	\$2,450
1996	\$2,500	\$3,200
1997	\$2,500	\$3,200
1998	\$2,500	\$3,200
1999	\$2,500	\$3,200
2000	\$2,500	\$3,200
2001	\$2,500	\$3,200
2002	\$2,500	\$3,200
2003	\$2,500	\$3,200
2004	\$2,800	\$4,000
2005	\$2,800	\$4,000
2006	\$2,800	\$4,000
2007	\$2,800	\$4,000
2008	\$2,800	\$4,000
2009	\$2,800	\$4,000
2010	\$3,150	\$4,600
2011	\$3,300	\$4,830

Table 8 presents the tuition rates at CUNY schools since 1995. Since the Fall semester of 1995, tuition at the senior colleges has grown from \$2,450 to \$4,830, an increase of 97 percent. For the community colleges, tuition has grown from \$2,100 to \$3,300, an increase of 57 percent.

Increases to both senior and community college tuitions were imposed by CUNY in 1996, 2004, 2010, and in 2011. The percentage increases for tuition in senior colleges were 31 percent in 1996, 25 percent in 2004, 15 percent in 2010 and 5 percent in 2011. The percentage increases for tuition in community colleges were 19 percent in 1996, 12 percent in 2004, 13 percent in 2010, and 5 percent in the Spring 2011 semester.

State Executive Budget for 2011-2012

The State Executive Budget for 2011-2012 includes significant reductions to CUNY's senior and community colleges. The February Plan reflects the changes proposed in the State budget for community colleges for Fiscal 2012.

- **Reduce Base Aid for CUNY Community Colleges.** The State Executive 2011-2012 Budget would reduce CUNY community college base aid by imposing a 10 percent, or \$226 per fulltime equivalent (FTE) student reduction. This would lower per full-time equivalent student funding from \$2,260 to \$2,034. State aid would drop from \$185 million to \$169.4 million next year, an 8.4% or \$15.7 million decrease.
- **Tuition Increase.** The Governor's Executive Budget does not recognize CUNY's Board of Trustees approved two percent tuition increase that could take effect this coming September, as mention in the "Revenue Summary" section of this report.

- **Proposed Changes to the Tuition Assistance Program.** The State Executive Budget proposes to maintain most of the TAP provisions that were included in the 2010-11 State Budget. It would also restore the maximum TAP award to \$5,000 and eliminate the \$75 reduction that is currently in place for all TAP awards. Changes in TAP would have no direct impact on CUNY's budget because awards are made directly to students. TAP awards used to pay for tuition, however, comprise a significant source of funding for CUNY.
- **Childcare Centers.** The State Executive Budget proposes a \$0.7 million reduction in Federal Temporary Assistance for Needy Families (TANF) funding for CUNY's Child Care Centers. CUNY currently has 17 licensed campus-based child care programs that provide service to 1,600 student parents and 2,400 children.
- **Students with Disabilities.** The State Executive Budget also proposes a decrease of \$2 million in the CUNY Linking Employment, Academics, and Disability Services, (CUNY LEADS), a program in which CUNY partners with the New York State Department of Education to facilitate academic and career outcomes for students with disabilities.

CUNY's expense budget includes six units of appropriation that include funds appropriated to support a particular program or set of related functions. In the next four sections of this report CUNY's budget is reviewed by unit of appropriation.

Community Colleges

Units of Appropriation 001 and 002 -- OTPS and PS

Funds budgeted in the community colleges are appropriated to provide education and support services at the six community colleges: Borough of Manhattan Community College; Bronx Community College; Hostos Community College; Kingsborough Community College; LaGuardia Community College; and Queensborough Community College. In addition to the degree programs these schools also provide special programs including adult literacy, college discovery, adult continuing education, pre-freshmen summer basic skills and state-funded categorical programs.

Table 9
UAs 001 & 002 Community Colleges
Spending

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011-2012*
Spending						
Personal Services	\$472,361	\$530,226	\$498,781	\$504,901	\$489,806	(\$8,975)
Full-Time Salaried - Pedagogical	210,069	238,571	121,260	235,287	117,728	(3,532)
Full-Time Salaried – Non-Pedagogical	70,540	73,896	35,292	73,571	37,761	2,469
Other Salaried and Unsalariated	97,429	109,815	194,789	86,427	185,317	(9,472)
Additional Gross Pay	2,560	3,145	27,511	1,581	27,511	0
Overtime - Civilian	4,794	5,060	1,014	3,023	1,014	0
Fringe Benefits	87,006	99,802	82,524	102,499	84,083	1,559
Amounts to be Scheduled	0	0	36,391	2,513	36,390	(1)
Other	(37)	(63)	0	0	0	0
Other than Personal Services	\$207,468	\$215,300	\$216,273	\$223,327	\$180,762	(\$35,511)
Supplies and Materials	16,095	16,610	94,541	44,741	59,486	(35,055)
Property and Equipment	20,792	22,169	6,806	15,708	6,671	(135)
Other Services and Charges	100,870	102,474	66,107	97,321	65,712	(395)
Contractual Services	34,921	37,599	13,618	28,627	13,131	(487)
Fixed and Misc Charges	34,790	36,448	35,600	36,931	35,762	162
TOTAL	\$679,829	\$745,526	\$715,454	\$728,228	\$670,568	(\$44,886)

Table 9 (Con't)	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011-2012*
Funding						
City Funds	NA	NA	\$514,896	\$512,104	\$485,633	(\$29,263)
Other Categorical	NA	NA	2,829	2,829	2,829	0
State	NA	NA	150,338	149,117	167,465	17,127
Federal – CD	NA	NA	964	1,550	964	0
Federal – Other	NA	NA	32,779	32,847	0	(32,779)
Intra-City	NA	NA	13,648	29,781	13,677	29
TOTAL	\$679,829	\$745,526	\$715,454	\$728,228	\$670,568	(\$44,886)

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 Preliminary Plan.

The Fiscal 2012 Preliminary Budget includes \$670.6 million for the community colleges, which is a \$44.9 million reduction from the Fiscal 2011 Adopted Budget total of \$715.5 million, as shown in the table above. This overall \$44.9 million reduction stems from a \$29.2 million reduction in City funds a \$32.8 million loss of all ARRA funding, and an increase \$17.1 million in State funding.

Of CUNY's community colleges \$44.8 million budget reduction, there is an \$8.9 million projected reduction in CUNY's total personal services funding, which includes a \$3.5 million reduction spending on full-time salaried pedagogical staff.

February 2011 Financial Plan Changes

- The February 2011 Financial Plan includes a variety of changes that collectively cut CUNY's Fiscal 2012 Budget by \$3.3 million. These actions as well as those introduced in the November 2010 Plan are listed in Appendix A.
- The February 2011 Plan includes a \$4 million PEG restoration that partially reversed \$13 million in Fiscal 2011 PEGs imposed by the Administration in the November 2010 Financial Plan. This restoration averted major cuts to the part-time teaching staff, increases in class size, and mid-year reductions to a variety of student services and programs.
- The Fiscal 2012 Preliminary Plan recognizes \$12 million in Fiscal 2012 and the out years and \$6 million in Fiscal 2011 in additional revenue generated by the five percent increase to tuition imposed on students in the Spring semester.
- Anticipated State budget cuts will lower per full-time equivalent student funding for community colleges next year. The February Plan includes a \$15.7 million reduction in State aid for Fiscal 2012 to reflect this cut.
- The February Plan added \$7.8 million to the CEO programs in Fiscal 2012. The Civic Justice Corps was increased by \$3.3 million, funding for CEO subsidized jobs rose by \$200,000, CUNY Jobs Plus increased by \$430,000, ASAP Pathways to Success (Accelerated Studies in Associate Program), which provides support to fast track associate degree students grew by \$300,000, and \$3.6 million was added for the CUNY Prep program. This collection of CEO programs are funded by the Administration and intended to provide pathways to economic self-sufficiency and prosperity to disadvantaged New Yorkers.

Fiscal 2012 PEGs

- The November 2010 Financial Plan included PEGs totaling \$16.2 million for CUNY in Fiscal 2012. CUNY would achieve these savings by imposing across the board reductions to its community colleges and cutting administrative spending. The reductions would include the following:
 - \$7 million would be cut from institutional and departmental research services;
 - \$632,000 would be cut from library services;
 - \$2.3 million would be cut from student services;
 - \$369,000 would be cut in external and public services and \$1.9 million would be cut in general institutional services; and
 - \$4.3 million would be cut from general administration and maintenance and operations;
- The February 2011 Financial Plan cuts CUNY's FTE headcount by 66 positions in the current Fiscal year and by 80 positions through attrition in Fiscal 2012. Headcount reductions from the February 2011 Plan are shown on Table 3, on page 3.

State Funding Highlights

Almost all of CUNY’s State Aid is budgeted in the Community Colleges Units of Appropriation, 001 and 002. The changes proposed in the State Executive Budget impact only these units of appropriation. The February 2011 Financial Plan includes a \$15.7 cut in State aid, reflecting the proposed State cut to State per-pupil funding. A base-lined state funding increase to backfill the loss of ARRA funding in Fiscal 2012 offsets the State cut, leaving a net increase of \$17.1 million.

Below are performance measures for CUNY’s community colleges from the Preliminary Fiscal 2011 Mayor’s Management Report.

Performance Measures – CUNY’s Community Colleges

	FY 08	FY 09	FY 10	FY 11 4-Month Actual	Target FY 12
One-year (fall-to-fall) retention rate of full-time first-time freshmen enrolled in an associate program at a CUNY community college	64.8%	66.1%	66.7%	*	*
Six-year graduation rate of full-time first-time freshmen seeking an associate degree at a CUNY community college	28.6%	28.5%	NA	*	*
Instructional hours delivered by full-time faculty (Fall) - Community colleges (%)	46.1%	43.3%	45.6%	*	*
Enrollment of first-time freshmen in CUNY community colleges	13,935	15,269	17,220	*	*
Number of students transferring to a CUNY baccalaureate program within two years of leaving a CUNY associate program	5,605	5,989	6,754	*	*

Enrollment Growth

Student enrollment for the entire CUNY system is steadily increasing. At the six community colleges there are now more than 68,500 students, 4 percent more than last year as shown in the table below. This translates to a full-time equivalent (FTE) enrollment growth of 2,498 in the 2010-2011 academic year for the community colleges.

Academic Year	FTE Enrollment	% Change
Fall 2007	53,728	5%
Fall 2008	58,601	9%
Fall 2009	66,051	13%
Fall 2010	68,549	4%

Faculty Trends

As CUNY's enrollment increases, so does the need for an increase in full-time faculty. Here are the current full-time faculty numbers: 17,504 full-time faculty members work for the entire University; 1,874 full-time faculty members and 3,354 part-time faculty members work for the community colleges, a total 5,228 faculty members for community colleges.

Table 12 - Full-time Faculty Trends - Community Colleges

	Academic Year									
	2005		2006		2007		2008		2009	
	#	%	#	%	#	%	#	%	#	%
Full-Time Faculty	1,662	38.2	1,665	38.2	1,709	37.6	1,725	36.9	1,874	35.8
Part-Time Faculty	2,687	61.8	2,691	61.8	2,835	62.4	2,950	63.1	3,354	64.2
Total	4,349	100%	4,356	100%	4,544	100%	4,675	100%	5,228	100%

**Source: "CUNY Comparison of Full-Time and Part-Time Faculty, Fall 2005-2009"*

The number of total faculty members has risen between 2007 and 2009, but the University's part-time faculty has increased much more. Part-time faculty comprises a larger share of faculty. CUNY has explained that this trend continues.

Educational Aid

UA 005 - OTPS

Unit of Appropriation 005 - Educational Aid includes funding for the Peter F. Vallone Scholarship only. This merit-based scholarship is awarded to all New York City high school students who graduated with a “B” or better average and attends a CUNY school. Currently, the award is \$500 a year. Since Fiscal 1999, there have been approximately \$96 million in scholarship awards given to more than 196,651 students through Fiscal 2011.

Table 13
UA 005 Education Aid Spending in City Funds

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011-2012*
Spending						
Other than Personal Services	\$12,750	\$3,500	\$6,000	\$6,000	\$0	(\$6,000)
Other Services and Charges	12,750	3,500	6,000	6,000	0	(6,000)
TOTAL	\$12,750	\$3,500	\$6,000	\$6,000	\$0	(\$6,000)
Funding						
City Funds	\$12,750	\$3,500	\$6,000	\$6,000	\$0	(\$6,000)
Other Categorical	NA	NA	NA	NA	0	NA
State	NA	NA	NA	NA	0	NA
Federal – CD	NA	NA	NA	NA	0	NA
Federal – Other	NA	NA	NA	NA	0	NA
Intra-City	NA	NA	NA	NA	0	NA
TOTAL	\$12,750	\$3,500	\$6,000	\$6,000	\$0	(\$6,000)

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 Preliminary Plan.

There are no initiatives in the February 2011 Financial Plan related to UA 005.

Senior Colleges

UA 012 - OTPS

Funding in this area allows CUNY to pre-fund senior college expenses funded by the State due to the different funding cycles of the City and the State.

Table 14

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011-2012*
Spending						
<i>Other than Personal Services</i>	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$0
TOTAL	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$0
Funding						
<i>State</i>	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$0
TOTAL	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$0

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 January Plan.

There are no actions for the senior colleges in the City's Preliminary Budget Plan. Below are performance measures for CUNY's Senior Colleges from the Preliminary Fiscal 2011 Mayor's Management Report.

Performance Measures – CUNY's Senior Colleges

Table 15

	FY 08	FY 09	FY 10	FY 11 4-Month Actual	Target FY 12
One-year (fall-to-fall) retention rate of full-time first-time freshmen enrolled in a baccalaureate program at a CUNY college	84.6%	84.7%	85.0%	*	*
Six-year graduation rate of full-time first-time freshmen seeking a baccalaureate degree at a CUNY college	49.3%	49.6%	NA	*	*
Instructional hours delivered by full-time faculty (Fall) - Senior colleges (%)	43.2%	41.8%	43.3%	*	*
Baccalaureate degree seeking students admitted who enroll (%)	52.5%	51.7%	49.6%	*	*

Hunter Campus Schools

UAs 003 & 004 -- OTPS and PS

Funding budgeted in these units of appropriation are appropriated to provide for the education of all preschool, elementary and secondary students who attend the Hunter Campus elementary and high schools. These schools are a comprehensive educational school for gifted children sponsored by CUNY's Hunter College.

Table 16

<i>Dollars in Thousands</i>	2009 Actual	2010 Actual	2011 Adopted	2011 Feb Plan	2012 Feb Plan	Difference 2011-2012*
Spending						
Personal Services	\$14,280	\$15,088	\$14,806	\$14,806	\$14,807	\$1
Full-Time Salaried –Pedagogical	9,315	9,315	8,200	8,389	8,100	(100)
Full-Time Salaried – Non-Pedagogical	1,014	1,014	1,190	1,190	1,190	0
Other Salaried and Unsalariated	668	668	2,427	1,145	2,541	114
Additional Gross Pay	749	749	558	900	558	0
Overtime - Civilian	50	50	50	50	50	0
Fringe Benefits	2,484	2,691	2,367	3,387	2,368	1,019
Other than Personal Services	\$256	\$591	\$866	\$866	\$866	\$0
Supplies and Materials	174	574	592	580	592	12
Property and Equipment	6	6	0	6	6	0
Other Services and Charges	56	4	248	248	248	0
Contractual Services	20	13	20	32	20	(12)
TOTAL	\$14,536	\$15,679	\$15,672	\$15,672	\$15,673	\$1
Funding						
City Funds	NA	NA	\$13,862	\$13,862	\$13,863	\$1
Other Categorical	NA	NA	10	10	10	0
State	NA	NA	1,800	1,800	1,800	0
Federal – CD	NA	NA	0	0	0	0
Federal – Other	NA	NA	0	0	0	0
Intra-City	NA	NA	0	0	0	0
TOTAL	\$14,536	\$15,679	\$15,672	\$15,672	\$15,673	\$1

*Difference refers to the variance between the Fiscal 2011 Adopted Budget and the Fiscal 2012 January Plan.

There are no actions for the Hunter Campus Schools in the Preliminary Plan.

Capital Program

Agency Overview

CUNY operates and maintains the largest urban system of higher education facilities in the country. CUNY's 21 campuses contain approximately 26 million gross square feet of space comprising 290 separate buildings and thousands of square yards of walks and plazas. The Community College facilities comprise just under 30 percent of the University's space in their six campuses and just over half of CUNY's classroom square footage. CUNY's capital budget supports construction, repair and upgrade projects at the Community Colleges. The City and State share the cost of the capital program.

Capital Budget Summary

The Preliminary 2012 Capital Commitment Plan includes \$308.6 million in Fiscal 2011 through Fiscal 2014 for CUNY, (including City and Non-City funds), which represents less than one percent of the City's total \$33.2 billion in the City's Four-Year Capital Plan. CUNY's February Commitment Plan is \$20.1 million or 6.1 percent less than the \$328.7 million scheduled in the September Commitment Plan. The reduction is comprised of cuts to City funds of \$14.0 million in the current year, \$6.3 million in Fiscal 2013 and \$682,000 in Fiscal 2014. State aid for CUNY's capital program climbs by just less than \$1 million over the plan period.

Over the past five fiscal years, (2006-2010), CUNY has committed only an average of 30 percent of its annual capital plan. Therefore, it is assumed that a large portion of the Fiscal 2011 capital plan will be rolled into Fiscal 2012 thus greatly increasing the size of the Fiscal 2012-2015 capital plan. Since adoption last June, the Capital Commitment Plan for Fiscal 2011 has dropped from \$275.5 million to \$261.4 million, a decrease of \$14.0 million or 5.1 percent increase.

Currently, appropriations for CUNY total \$329.3 million for Fiscal 2011. These appropriations are to be used to finance CUNY's \$261.4 million City funded Fiscal 2011 Capital Commitment Plan. The agency has \$67.9 million or 26 percent more funding than it needs to meet its entire Capital Commitment Program for the current fiscal year.

The Capital Commitment Plan does not include any capital funding for CUNY in Fiscal 2012, as the Administration determines CUNY's Capital Budget based on funds not spent in the preceding fiscal year. Funds remaining in CUNY's Capital Budget at Fiscal 2012 Adoption will be used to determine CUNY's City Capital Budget in the Fiscal 2012 Capital Commitment Plan.

Table 18
2011-2014 Commitment Plan: Adopted and Preliminary Budget
Dollars in Thousands

	FY 2011	FY 2012	FY 2013	FY 2014	TOTAL
Sept. Plan					
City	\$265,300	\$0	\$49,760	\$3,410	\$318,470
Non-City	\$10,184	0	0	0	\$10,184
Total	\$275,484	\$0	\$49,760	\$3,410	\$328,654
Prelim. Plan					
City	\$251,257	\$0	\$43,505	\$2,728	\$297,490
Non-City	10,184	0	\$870	\$55	\$11,109
Total	\$261,441	\$0	\$44,375	\$2,783	\$308,599
Difference					
City	(\$14,043)	\$0	(\$6,255)	(\$682)	(\$20,980)
Non-City	\$0	0	\$870	\$55	\$925
Total	(\$14,043)	\$0	(\$5,385)	(\$627)	(\$20,055)
Percent Change	-5.10%	0%	-10.82%	-18.39%	-6.10%

CUNY’s Preliminary Ten-Year Strategy for Fiscal 2012-2021

CUNY’s Preliminary Ten-Year Strategy for Fiscal 2012-2021 is \$69.0 million. Of this total, \$60 million will be for miscellaneous reconstruction, which includes the rehabilitation and replacement of roofs, windows, elevators; renovation of the interior and exterior of buildings; and electrical, drainage, heating, ventilation and air conditioning upgrades for the colleges. Miscellaneous reconstruction projects are the only projects funded by both city and state capital funds.

CUNY Preliminary Ten-Year Capital Strategy

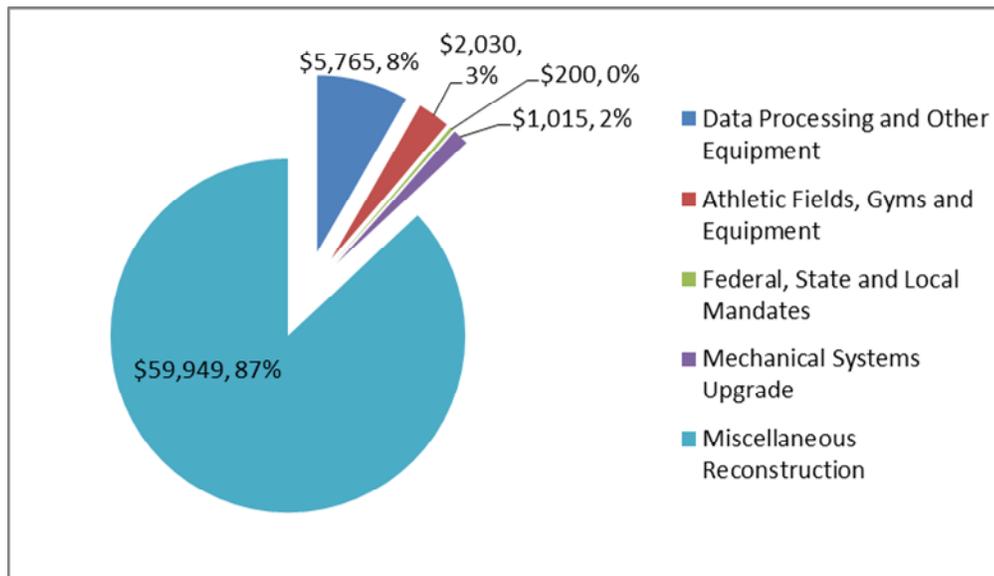


Table 19
Preliminary 2012-2021 Ten-Year Strategy

<i>Dollars in Thousands</i>	2012	2013	2014	2015	2016-2021	Total 2012-2021 Plan
Data Processing And Other Equipment	\$0	\$5,765	\$0	\$0	\$0	\$5,765
Athletic Fields, Gymnasiums, and Equipment	0	2,030	0	0	0	2,030
Federal, State And Local Mandates	0	0	0	0	200	200
Electrical, Mechanical And HVAC	0	1,015	0	0	0	1,015
Miscellaneous Reconstruction	0	35,365	2,783	2,869	18,732	59,949
TOTAL	\$0	\$44,375	\$2,783	\$2,869	\$18,932	68,959

Changes from 2010-2019 Ten-Year Capital Program to 2012-2021 Ten-Year Program

The 2010-2019 Ten-Year Capital Strategy for CUNY's City capital budget was \$159 million: \$112 million in city capital funds and \$47 million in non-city funds. This included project types such as Data Processing and Other Equipment, Athletic Fields, Gymnasiums and Equipment, Federal, State, and Local Mandates, Electrical, Mechanical and HVAC System Upgrading, New School Construction, Miscellaneous Reconstruction, and Security Systems.

The Preliminary 2012-2021 Ten-Year Capital Strategy, is \$90 million, or 130 percent less than the \$159 million planned in 2010-2019 Ten-Year Capital Strategy. The Preliminary Ten-Year Capital Strategy totals \$69 million: \$68 million in city capital funds and \$1 million in non-city funds. CUNY's project types now only include: Data Processing and Other Equipment, Athletic Fields, Gymnasiums and Equipment, Federal, State, and Local Mandates, Electrical, Mechanical and HVAC System Upgrading, Miscellaneous Reconstruction. There are no longer capital funds committed to New School construction or Security System project types.

Highlights

- The City Council provided \$95 million in Reso A funding in Fiscal 2011 for capital projects at senior and community colleges. Funds from Council Reso A funding are sometimes used to match funds with the State.
- The State Executive 2011-2012 Budget committed a total of \$31.2 million in appropriations for various community college projects and \$284.2 million in appropriations for senior colleges for critical maintenance projects.

Issues

- CUNY's senior and community colleges have critical maintenance needs that total \$284.2 million in senior colleges and \$45 million in community colleges. These needs include building repairs, façade and bathroom renovations, science labs upgrades, mechanical system upgrades. As CUNY's student enrollment is at an all-time, maintenance needs across their campuses are crucial to the utilization of their buildings.
- The State and City split the financial responsibility equally for capital funding of the six community colleges. Capital funding from the State cannot be used until it is matched fully by the City; there are approximately \$90 million in unmatched State appropriated funds for CUNY for Fiscal 2011 to Fiscal 2014.

Appendix A: Budget Actions in the November and February Plans

<i>Dollars in Thousands</i>	FY 2011			FY 2012		
	City	Non-City	Total	City	Non-City	Total
CUNY Budget as of July 2011 Plan	\$535,080	\$237,479	\$772,559	\$495,933	\$237,508	\$733,441
PEG Restorations						
Instructional and Departmental Research PEG Restoration	\$3,000	\$0	\$3,000	\$0	\$0	\$0
Library and Organized Activities Restoration	500		500	0	0	0
Student Services Restoration	500		500	0	0	0
Total Restoration	\$4,000	\$0	\$4,000	\$0	\$0	\$0
PEGs						
CEO Programs	(\$1,254)	\$0	(\$1,254)	\$0	\$0	\$0
General Administration	(1,349)	0	(1,349)	(1,820)	0	(1,820)
Maintenance & Operations	(2,136)	0	(2,136)	(2,531)	0	(2,531)
General Institutional Services	(1,667)	0	(1,667)	(1,900)	0	(1,900)
External & Public Services	(229)	0	(229)	(369)	0	(369)
Student Services	(1,637)	0	(1,637)	(2,271)	0	(2,271)
Library and Organized Activities	(547)	0	(547)	(632)	0	(632)
Instructional & Departmental Research	(4,200)	0	(4,200)	(6,633)	0	(6,633)
Total PEGs	(\$13,019)		(\$13,019)	(\$16,156)	\$0	(\$16,156)
New Needs						
HIP HMO Rate Increase	\$0	\$0	\$0	\$1,000	\$0	\$1,000
Community College HIP HMO Rate Decrease	0	0	0	(792)	0	(792)
Total New Needs	\$0	\$0	\$0	\$208	\$0	\$208
Other Adjustments						
All Other Adjustments	(\$81)	\$8,296	\$8,215	\$0	(\$111)	(\$111)
All Intra-City Changes	0	2,838	2,838	0	0	0
All Mobility Tax Adjustments	249	0	249	169	0	169
All PlaNYC Changes	0	1,537	1,537	0	0	0
BEGIN Programs	0	984	984	0	0	0
CEO Programs	0	0	0	3,884	0	3,884
MOER Green Jobs Admin	0	518	518	3,875	0	3,875
PlaNYC Program Changes	0	60	60	0	0	0
State Aid Cut	0	0	0	0	(15,652)	(15,652)
Tuition Increase	6,000	0	6,000	12,000	0	12,000
Total Other Adjustments	\$6,168	\$14,233	20,401	\$19,928	(\$15,763)	4,165
TOTAL CHANGES	(\$2,851)	\$14,233	\$11,382	\$3,980	(\$15,763)	(\$11,783)
Agency Budget as of February 2012 Plan	\$531,966	\$252,935	\$784,901	\$499,497	\$221,745	\$721,242