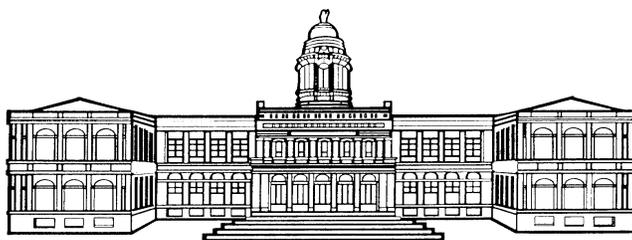


## New York City Council



# HEARING REPORT

## FINANCE COMMITTEE JOINTLY WITH COMMITTEE ON HIGHER EDUCATION

Finance Division

December 2010

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Speaker

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Chair, Committee on Finance

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Chair, Committee on Higher Education

### ***CITY UNIVERSITY OF NEW YORK (042)***

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. CUNY is comprised of twenty-four institutions: 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, the Sophie Davis School of Biomedical Education, and the CUNY School of Public Health, and will soon open an additional community college. CUNY enrolls students in 1,420 academic programs, as well as adult and continuing education programs. Courses are taught by approximately 7,186 full-time faculty members, 10,318 part-time faculty members, and an additional 855 instructors of continuing education. In the 2009-2010 academic year, CUNY granted an estimated 8,944 graduate and professional degrees, 18,453 baccalaureate degrees, 11,203 associate degrees, 352 certificates, and 635 advanced certificates.

CUNY's total budget in Fiscal 2011 is \$2.6 billion, which consists of City funds, State aid, and tuition revenue. City funds total \$295 million, State aid totals \$1.3 billion, and tuition and other revenues total \$1.1 billion. The City's support for CUNY is for the community colleges and associate degree programs at senior colleges. Of the \$295 million in City funds in CUNY's budget, \$263.1 million support the community colleges. The remaining \$32.3 million support two-year degree or associate programs in senior colleges.

## November Plan Overview

The City's Fiscal 2011 budget for CUNY as of the November Plan totals \$772 million. Of this total, \$521.9 million is City funds, \$27.2 million is Intra-City, \$185.9 million is State Aid and \$32.8 million is federal funding as shown in Table 1 below. The \$535.1 million City funds portion of the Fiscal 2011 Adopted Budget is comprised of \$295 million in City support and \$240 million in tuition and other revenue. The November Plan cuts CUNY's Fiscal 2011 City funds budget by \$13 million, reducing the total to \$521.9 million.

<b>Table 1</b>			
<i>CUNY BUDGET OVERVIEW (in \$000s)</i>			
	<b>Agency Funding Sources</b>	<b>Fiscal 2011 Adopted Budget</b>	<b>Fiscal 2011 November Plan</b>
	City	\$535,080	\$521,941
	Other Categorical	\$2,839	\$2,839
	Capital IFA	\$0	\$0
	State	\$187,138	\$185,918
	Community Development	\$1,130	\$1,550
	Federal-Other	\$964	\$32,779
	Intra-City	\$32,779	\$27,224
	<b>Total</b>	<b>\$759,930</b>	<b>\$772,251</b>

Table 2 displays CUNY's budgeted headcount totals for Fiscal 2010 through Fiscal 2011 as of the November 2010 Financial Plan. The budget reductions included in the Plan lower headcount overall by 253 positions in Fiscal 2011. Pedagogical headcount falls by 170 positions. Most of this reduction is among part-time instructional staff. Non-pedagogical employment falls by 43 positions. CUNY's total staff headcount falls from 7,608 to 7,355 positions this year despite the growth of student enrollment.

<b>Table 2</b>				
<i>CUNY HEADCOUNT OVERVIEW</i>				
<i>(City Funded)</i>				
	<b>Headcount</b>	<b>Fiscal 2010 Actuals</b>	<b>Fiscal 2011 Adopted Budget</b>	<b>Fiscal 2011 November Plan</b>
	Full-time – Pedagogical	3,200	3,173	3,126
	Part-time – Pedagogical (FTE)	2,295	2,176	2,053
	Full-time – Non-Pedagogical	1,750	1,601	1,556
	Part-time – Non-Pedagogical (FTE)	775	658	620
	<b>Total Headcount</b>	<b>8,020</b>	<b>7,608</b>	<b>7,355</b>

## November Plan PEGs

This fall, the Mayor’s Budget Director ordered each agency head to submit proposed Programs to Eliminate the Gap (PEG’s) equal to 5.4 percent of the agency’s City tax-levy budget in Fiscal 2011 and eight percent in Fiscal 2012. CUNY’s PEG totals are shown in Table 3. CUNY’s PEG totals are based on CUNY’s “Maintenance of Effort” budget, not its entire City funds budget. CUNY’s PEG for this year is \$13 million.

<b>Table 3</b>			
<i>CUNY PEGs</i> (\$ in 000's)			
	<b>City Funds Pegable Base</b>	<b>Fiscal 2011 November Plan PEGs</b>	<b>PEG as percentage of Budget</b>
Fiscal 2011	<b>\$241,112</b>	<b>(\$13,019)</b>	<b>5.4%</b>

CUNY’s PEG for Fiscal 2011 would fall primarily on the six community colleges. The colleges would reduce spending in all service areas, with the largest cuts hitting Instruction and Departmental Research as shown in Table 4 below. CUNY’s six community colleges would be adversely impacted by the cuts included in the November Plan. The reduction in City funds will cause a decrease in the number of instructional staff, course offerings, direct student services, and library services. A fall-off in enrollment stemming from these impacts could result in further funding reductions from lower tuition revenues and a potential decrease in enrollment-related State support. In addition, the administrative and facility maintenance reduction could lead to further funding needs. CUNY’s PEG proposals are discussed below.

<b>PEG</b>	<b>FY11 Reduction</b>	<b>FY11 Headcount Reduction</b>
<b>Instruction &amp; Departmental Research</b>	(\$5,454,021)	(231)
<b>Library/Organized Activities</b>	(\$547,491)	(32)
<b>Student Services</b>	(\$1,637,374)	(42)
<b>General Administration</b>	(\$1,348,618)	(24)
<b>Maintenance &amp; Operations</b>	(\$2,136,424)	(33)
<b>General Institutional Services</b>	(\$1,667,072)	(30)
<b>External &amp; Public Services</b>	(\$229,000)	(7)
<b>Totals</b>	<b>(\$13,020,000)</b>	<b>(399)</b>

***Instruction and Departmental Research*****\$5.5 million**

This reduction would result in a loss of 29 full-time instructional staff, 174 part-time instructional staff, 1 full-time support staff, and 27 part-time support staff. The community colleges will also reduce Other Than Personal Services spending by \$401,800. The reduction in instructional staff would result in hundreds fewer class sections being offered in the spring semester and increase the class size of the remaining sections.

***Library/Organized Activities*****\$547,491**

Cuts in library services would total \$547,491 in Fiscal 2011, which would result in the loss of 1 full-time and 31 part-time positions. This would reduce hours in the evenings and on weekends at the community college libraries.

***Student Services*****\$1.6 million**

Student service resources would be cut by \$1.6 million in Fiscal 2011, resulting in a loss of 13 full-time and 29 part-time staff. Student services include tutoring and counseling activities designed to provide critical intervention and support to students at risk, as well as testing, financial aid counseling, and registration.

***General Administration*****\$1.3 million**

This cut would eliminate 24 administrative staff positions. This would limit access to enrollment services.

***Maintenance and Operations*****\$2.1 million**

Of the current 559 maintenance and operations positions, 294 custodial staff maintain 78 buildings on community college campuses. Reductions are targeted at facility maintenance areas and include the elimination of 23 maintenance staff positions as well as an OTPS reduction of \$2 million.

***General Institutional Services*****\$1.7 million**

This reduction would reduce spending on information technology, security, mail and printing, institutional research, public relations, computer and telephone services

***External and Public Services*****\$229,000**

This reduction would eliminate positions in external programs that are considered non-core to the CUNY mission. The programs provide non-instructional services beneficial to individuals and groups that are external to the institution. This includes conference centers, general advisory services, reference bureaus, corporate training programs, small business development centers and services to senior citizens.

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