

THE COUNCIL OF THE CITY OF NEW YORK

Hon. Melissa Mark-Viverito
Speaker of the Council

Hon. Inez D. Barron
Chair, Committee on Higher Education



Report of the Finance Division on the
Fiscal 2018 Preliminary Budget and the
Fiscal 2017 Preliminary Mayor's Management Report for the
City University of New York

March 3, 2017

Finance Division

Latonia McKinney, Director
Regina Poreda Ryan, Deputy Director
Nathan Toth, Deputy Director

Paul Scimone, Deputy Director
Jessica Ackerman, Senior Financial Analyst
Eisha Wright, Unit Head

Table of Contents

City University of New York Overview	1
Fiscal 2017 Preliminary Budget Highlights	1
Financial Plan Summary	2
Council Initiatives	3
Revenue	5
Charges for Services	6
State Aid and Grants	6
Other Categorical Grants	8
Intracity Transfers	8
2017-2018 State Executive Budget Highlights	9
Program Areas	11
Community Colleges	11
Hunter Campus Schools	13
Senior Colleges	14
Capital Program	15
Capital Budget Summary	15
Appendix A: Budget Actions in the November and the Preliminary Plans	18
Appendix B: Fiscal 2018 Preliminary Contract Budget	19
Appendix C: Fiscal 2017 Preliminary Mayor’s Management Report Performance Measures	20

City University of New York Overview

The City University of New York (CUNY or the University) provides higher education to more than 270,000 degree and non-degree seeking students and more than 275,000 adult and continuing education students. CUNY consists of 25 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, the CUNY School of Law, the CUNY School of Professional Studies and the CUNY School of Public Health, in addition to the newly opened CUNY School of Medicine at City College. CUNY enrolls students in over 1,700 academic programs, as well as adult and continuing education programs. Courses are taught by approximately 7,000 full-time faculty and 12,000 part-time faculty. In the academic year 2015-2016, CUNY granted an estimated 8,000 graduate and professional degrees, 23,000 baccalaureate degrees, 15,000 associate degrees, 300 certificates and 800 advanced certificates.

This report provides a review of CUNY's Preliminary Budget for Fiscal 2018. The first section presents highlights of the \$1.11 billion Fiscal 2018 expense budget, including initiatives funded by the Council and the impact of proposed State budget actions.

The document then reviews the University's budget by program area and provides analysis of significant changes included in the November and Preliminary Financial Plans, accompanied by a review of relevant sections of the Preliminary Mayor's Management Report for Fiscal 2017. A summary of the proposed capital budget for the University discusses significant changes proposed to both the \$358.8 million Capital Plan for Fiscal 2017-2021 and the University's Ten Year Capital Strategy for Fiscal 2018-2027. Finally, a series of appendices lists the budget actions in the November and Preliminary Plans, as well as the University's Contract Budget.

Fiscal 2018 Preliminary Budget Highlights

The City's Fiscal 2018 Preliminary Budget is \$86.45 billion, \$2.57 billion more than the Fiscal 2017 Adopted Budget of \$83.88 billion. The Fiscal 2018 Preliminary Budget includes \$61.6 billion in City tax-levy funding and \$24.86 billion in non-City funds.

The City University of New York's Fiscal 2018 Preliminary Budget totals \$1.11 billion (including City and non-City funds), representing approximately 1.3 percent of the City's total Budget. The University's Fiscal 2018 Preliminary Budget is \$51.7 million more than the Fiscal 2017 Adopted Budget of \$1.05 billion. This includes an increase of \$59.5 million in Personal Services spending that is offset by a \$7.8 million decrease in Other than Personal Services spending.

Financial Plan Summary

CUNY Financial Summary <i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017- 2018
Spending						
Personal Services	\$673,305	\$703,302	\$723,085	\$783,824	\$782,572	\$59,487
Other Than Personal Services	281,820	315,395	331,872	413,968	324,035	(7,837)
TOTAL	\$955,125	\$1,018,697	\$1,054,957	\$1,197,792	\$1,106,607	\$51,650
Budget by Program Area						
Community Colleges	\$937,914	\$1,001,647	\$1,003,819	\$1,145,485	\$1,053,986	\$50,167
Hunter Campus Schools	17,211	17,050	16,138	17,306	17,621	1,483
Senior Colleges	N/A	N/A	35,000	35,000	35,000	0
TOTAL	\$955,125	\$1,018,697	\$1,054,957	\$1,197,791	\$1,106,607	\$51,650
Funding						
City Funds	N/A	N/A	\$741,869	\$809,894	\$794,647	\$52,778
Other Categorical	N/A	N/A	13,840	13,897	13,541	(299)
State	N/A	N/A	285,655	285,655	285,655	0
Federal - Community Development	N/A	N/A	0	1,046	0	0
Intra City	N/A	N/A	13,593	87,300	12,764	(829)
TOTAL	\$955,125	\$1,018,697	\$1,054,957	\$1,197,791	\$1,106,607	\$51,650
Budgeted Headcount						
Full-Time Positions - Pedagogical	1,916	1,917	1,907	1,907	1,924	17
Full-Time Positions - Non-Pedagogical	4,023	4,232	4,441	4,441	4,441	0
TOTAL	5,939	6,149	6,348	6,348	6,365	17

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The City's Fiscal 2018 Preliminary Budget supports CUNY's seven community colleges and the two Hunter College Campus Schools. An additional \$35 million of the Fiscal 2018 Preliminary Budget represents State funding for CUNY's eleven senior colleges. Funding added since adoption of the Fiscal 2017 Budget reflects the Administration's commitment to expanding successful Citywide initiatives like Accelerated Study in Associate Programs (ASAP) and a universal application fee waiver program to all students in New York City public and charter high schools. This Plan also includes increases as a result of the University's 2016 collective bargaining agreement with faculty and staff, representing their first salary increase in up to six years.

Since the adoption of the Fiscal 2017 Budget, updates to the City Financial Plan have introduced several changes to CUNY's Fiscal 2017 and 2018 Budgets. For Fiscal 2017, these include \$2.4 million in new needs and \$140.4 million in other adjustments. These reconcile the University to its current budget of \$1.2 billion. For Fiscal 2018, budget changes include \$850,000 in new needs and \$56.4 million in other adjustments, including \$3 million in campus-wide efficiency savings. The overwhelming majority of adjustments for both Fiscal 2017 and Fiscal 2018 represent increases in Personal Services spending as a result of the University's collective bargaining agreement.

The \$59.5 million difference between funding levels for Personal Services in the Fiscal 2017 Adopted Budget and the Fiscal 2018 Preliminary Budget includes the addition of \$55.3 million to support collective bargaining agreements for faculty in both the Community Colleges and the Hunter College Campus Schools, as well as a \$4.3 million increase in support for fringe benefits.

Council Initiatives

The Fiscal 2017 Adopted Budget includes \$24.6 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.

City Council Initiatives at CUNY	
<i>Dollars in Thousands</i>	
Council Initiatives	Amount
Adult Literacy Initiative	\$3,100
City Council Merit-Based Scholarships	17,000
Create New Technology Incubators	1,400
Creative Arts Team	400
CUNY Citizenship NOW! Program	2,000
CUNY Research Institutes	2,140
CUNY Technical Apprenticeship Program	50
Immigrant Opportunities Initiative	24
Joseph S. Murphy Institute for Worker Education and Labor Studies	300
Worker Cooperative Business Development Initiative	94
Subtotal	\$23,408
Local Initiatives	\$1,124
Anti-Poverty Initiative	\$33
Boroughwide Needs Initiative	\$48
TOTAL	\$24,613

- **Adult Literacy Initiative.** In partnership with Mayor de Blasio, the Council substantially increased funding for Adult Literacy programs with a \$12 million allocation for Fiscal Year 2017, of which the Administration contributed \$6 million. Roughly 25.8 percent, or \$3.1 million, supports the development and production of video materials to help immigrants improve their English while learning about key City services.
- **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 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 saw awards granted to 11,700 incoming first-year students. In Fiscal 2016, the second year of the program, Council funding supported awards to 16,525 students, including both incoming first-years and

sophomores who met the requirements for continuation from Fiscal 2015. In the first semester of Fiscal 2017, the Council supported a total of 17,490 scholarships for CUNY students, including first-years, sophomores and juniors. An additional 98 seniors, having entered CUNY as first-year students in Fiscal 2015 but took accelerated course schedules, also received Merit-Based Scholarships this year.

- **Create New Technology Incubators.** The Council allocated \$1.4 million to fund technology incubators in boroughs other than Manhattan to support technology entrepreneurs and promote future growth. The College of Staten Island, Lehman College and Queens College each host an incubator. The newest incubator, at the College of Staten Island, received \$500,000 in Council discretionary funds for Fiscal 2017, while the two existing incubators each received a \$450,000 allocation.
- **Creative Arts Team.** For Fiscal 2017, the Council allocated \$400,000 to the Creative Arts Team (CAT). 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 programs cover a range of topics, including literacy and language development, social-emotional development, HIV prevention and awareness, life skills and college readiness. With Council support, CUNY-CAT serves upwards of 15,000 students, caregivers and teachers each year.
- **CUNY Technical Apprenticeship Program.** The Council added \$50,000 to CUNY's Technical Apprenticeship Program in Fiscal 2017, 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.
- **CUNY Research Institutes.** The Council designated a total of \$2.1 million to support research institutes housed on CUNY campuses in Fiscal 2017. El Centro, the Center for Puerto Rican Studies was founded in 1973 at Hunter College and is dedicated to the study and interpretation of the Puerto Rican experience in the United States. Likewise, the Dominican Studies Institute, founded in 1992 and housed at City College, focuses on the study of people of Dominican descent in the United States and internationally. The Council allocated \$970,000 to each institute for Fiscal 2017, supporting the collection, preservation and interpretation of resources for public display and use. Both the Dominican Studies Institute and El Centro have received Council funding since Fiscal 2005.

An additional \$200,000 supports the New York City Food Policy Center at Hunter College. The Food Policy Center works to develop innovative, evidence-based solutions to preventing diet-related disease and promoting food security in New York City. Council funding supports the development of research briefs for Council Members, monthly policy series and additional public events. The Council has supported the Food Policy Center since Fiscal 2013.

- **Immigrant Opportunities Initiative.** The Council allocated \$3.3 million for the Immigrant Opportunities Initiative. First funded in Fiscal 2002, this initiative assists

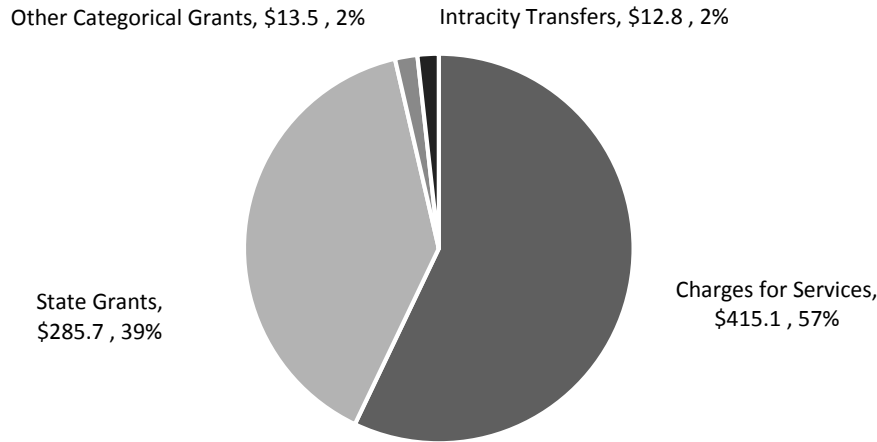
immigrant adults in gaining access to critical information and resources, in addition to strengthening their participation in the democratic process. Specifically, this initiative provides funding for legal services for recent immigrants to assist with applications for citizenship or permanent residency, and various other immigrant related legal services.

- **Murphy Institute for Worker Education and Labor Studies.** For Fiscal 2017, the Council awarded \$300,000 for the Joseph S. Murphy Institute for Worker Education and Labor Studies. Council funding traditionally supports the LEAP-to-Teacher (LTT) program, housed within CUNY's School of Professional Studies and offered in collaboration with the Department of Education (DOE) and the United Federation of Teachers (UFT). LEAP-to-Teacher targets paraprofessionals taking undergraduate and graduate courses at CUNY schools and offers support services that include tutoring sessions, academic and career advisement, professional development opportunities, and test preparation. The Council has supported programming at the Murphy Institute since Fiscal 2006.
- **Worker Cooperative Business Development Initiative.** The Council designated \$94,000 to 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.

Revenue

The City University of New York relies on four primary sources of revenue: charges for services, State grants, private grants, and intracity transfers from other agencies. Together, these sources provide CUNY with \$726.2 million, or 65.6 percent, of its Fiscal 2018 Preliminary Budget. The remaining \$380.4 million in the University's Fiscal 2018 Preliminary Budget represents direct City investment in operating expenses. The following chart breaks down the University's revenue by source.

CUNY Primary Revenue Sources, Fiscal 2018 Preliminary Budget (Dollars in Millions)



Charges for Services

Fifty-seven percent, or \$415.1 million, of CUNY's revenue comes from charges for services. These consist predominantly of student tuition and fees. For the 2016-2017 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 pay an additional \$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.

State Aid and Grants

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. Maintained separately from the rest of the State University of New York (SUNY) system, CUNY senior colleges represent New York City's only public four-year institutions outside of the Fashion Institute of Technology (FIT). However, the City has retained partial responsibility for the seven community colleges and the Hunter College Campus Schools, funds from New York State still comprise \$285.7, or approximately 39 percent, of CUNY's projected revenue for Fiscal 2018. State Aid in the Fiscal 2018 Preliminary Budget includes 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 using weighted enrollment averages from the previous three fiscal years.

The current per-capita base aid rate for full-time equivalent (FTE) community college students is \$2,697. While the Fiscal 2017-2018 State Executive Budget maintains this

rate, it includes a provision to reduce community college aid in the event of unforeseen cuts to federal funding for State programs over the next fiscal year.

- **State Aid to Senior Colleges.** The Fiscal 2018 Preliminary Budget passes \$35 million in State aid to CUNY's senior colleges through the City budget. This funding level is consistent with previous years.
- **Community College Rent Support.** The second largest pool of State aid for community colleges supports rent costs associated with on-campus space limitations. Areas requiring rented space include Guttman Community College, currently occupying space at 50 W. 40th Street in Manhattan, as well as those campuses supporting ASAP, whose enrollment continues to increase. The Fiscal 2018 Preliminary Budget includes \$8.9 million, maintaining Fiscal 2017 funding levels, to support rental expenses.
- **Community College Child Care.** A total of \$3.6 million supports the provision of child care on community college campuses. As the Committee on Higher Education recently discussed at a February 14, 2017 hearing on the subject, the availability of affordable, high-quality child care increases accessibility to higher education for parents of young children. Currently, child care services are available to students at 16 of the University's 25 schools. Students whose schools do not host child care centers are eligible to apply for slots on other campuses, where available.

The 2017-2018 State Executive Budget proposes to cut \$900,000 in State funding to CUNY child care centers. Such a proposal is not uncommon, however, and has routinely been reversed by the time a State budget is enacted. In anticipation of such a reversal, the Fiscal 2018 Preliminary Budget does not recognize a cut.

- **Hunter College Campus Schools.** Because the Hunter College Campus Schools operate independently of the New York City Department of Education (DOE), the State funds them separately from the DOE. The Fiscal 2018 Preliminary Budget includes \$1.8 million in operational support for the lower and upper schools.
- **Accelerated Study in Associate Programs.** Launched in 2007, ASAP is a nationally-recognized, comprehensive program for students pursuing full-time associate degrees at six of CUNY's seven community colleges: Borough of Manhattan, Bronx, Hostos, Kingsborough, LaGuardia, and Queensborough Community Colleges.¹ In addition, ASAP operates on the campuses of three senior colleges that also offer associate degrees: College of Staten Island, Medgar Evers College and the New York City College of Technology, both in Brooklyn. The program offers academic, social and financial support services to full-time students with the goal of earning an associate degree in three years or less.

The 2017-2018 State Executive Budget proposes to cut the State's \$2.5 million allocation to support ASAP. The City anticipates that this proposal, like that for early child care, will be reversed in the 2017-2018 Enacted Budget and thus includes a restoration in its Fiscal 2018 Preliminary Budget.

¹ Guttman Community College is CUNY's newest and smallest community college, enrolling its first cohort in Fall 2012 and enrolling 823 students for the 2015-2016 academic year. It does not currently have a permanent campus and, thus, is unable to host a full ASAP program at this time.

- **College Discovery.** The Fiscal 2018 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.

The 2017-2018 State Executive Budget proposes to cut \$225,000 in State support for College Discovery. The City anticipates that this proposal, like those for early child care and ASAP, will be reversed before the enactment of a State budget. Thus, the Fiscal 2018 Preliminary Budget includes the full \$1.2 million.

Other Categorical Grants

The Fiscal 2018 Preliminary Budget anticipates \$13.5 million in other categorical, or private, grant revenue, reflecting a \$300,000 difference from the Fiscal 2017 Adopted Budget. Other categorical grants include health benefit reimbursements for faculty and staff, as well as other non-governmental and private grants. Other categorical revenue represents approximately two percent of anticipated revenue in CUNY's Fiscal 2018 Preliminary Budget.

Intracity Transfers

The City University of New York offers a variety of services to other City agencies, ranging from space rentals to program evaluations and training services. The Fiscal 2018 Preliminary Budget includes \$12.8 million in anticipated Intracity transfers from other agencies into CUNY, reflecting a difference of \$829,000 from the Fiscal 2017 Adopted Budget of \$13.6 million for Intracity revenue. However, both the Fiscal 2017 Adopted Budget and Fiscal 2018 Preliminary Budget amounts fall far below likely actuals. The Preliminary Plan brings total Intracity revenue at CUNY to \$87.3 million, whereas last year, the Fiscal 2016 Preliminary Plan included \$63.5 million. For now, Intracity revenue is anticipated to account for two percent of University revenue in the Fiscal 2018 Preliminary Budget.

2017-2018 State Executive Budget Highlights

The 2017-2018 State Executive Budget includes additional proposals with potential implications for the City University of New York, as outlined below.

- **Excelsior Scholarship Program.** A key feature of the Governor's 2017-2018 State Executive Budget, the Excelsior Scholarship Program would essentially extend free public college tuition to any New York State resident whose family income falls under \$125,000. Designed as a "last-dollar" scholarship, the Scholarship would cover any tuition costs remaining for eligible students at State University of New York (SUNY) or CUNY schools after the application of federal Pell or State Tuition Assistance Program (TAP) grants.

Under the current proposal, the State would introduce the Excelsior Scholarship in phases over the next three years, impacting those families earning under \$100,000 annually for the 2017-2018 academic year. Scholarship eligibility would expand to include students in families earning less than \$110,000 for the 2018-2019 academic year, and would finally include students with families earning less than \$125,000 for the 2019-2020 academic year. Additional requirements for eligibility include the following:

- Graduation from either a high school or high school equivalency program in New York State within five years prior to first-time college enrollment;
- Full-time enrollment in a SUNY or CUNY community college, senior college or university; and
- Maintenance of at least the minimum grade point average necessary to full complete a course of study. This last requirement may vary between institutions.

The proposed model extends eligibility for a maximum of four years, with a two-year limit on eligibility in associate programs.

Estimated costs vary, as do estimates around the number of students likely to be affected. Whereas the Governor announced that more than 940,000 New York residents could take advantage of the current scholarship model, the New York State Senate and Assembly have released significantly lower estimates, ranging from 30,000 to 200,000. Further, while the 2017-2018 State Executive Budget projects a \$51 million price tag for the Scholarship's first year of implementation, the Fiscal 2018 Executive Budget Financial Plan suggests that the cost may be closer to \$71 million.

- **New Predictable Tuition Increase Plan.** The 2011-2012 State Budget established SUNY 2020 and CUNY 2020, a five-year tuition increase plan across all public community and senior colleges. Over the course of CUNY 2020, tuition for full-time, in-state students at the CUNY community colleges increased from \$3,300 in Fiscal 2011 to \$4,800 in Fiscal 2016, and from \$4,830 to \$6,330 for similar students at the CUNY senior colleges over the same time frame. Fiscal 2017, encompassing the 2016-2017 academic year, represents the first year without a tuition increase since Fiscal 2009.

The 2017-2018 State Executive Budget proposes to reinstate predictable tuition plans for both community and senior colleges, allowing SUNY and CUNY to increase annual

tuition for in-state students in increments of \$250 over five years. For the City University of New York, this would add an estimated \$33 million in tuition revenue across its eleven senior colleges each year.

- **New York State DREAM Act.** The 2017-2018 State Executive Budget reintroduces the proposed 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 undocumented 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. The DREAM concept has not moved forward at the federal level and is unlikely to do so under current House and Senate leadership. A New York State DREAM Act would at least grant 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.

Program Areas

In general, agency program areas can provide insight into what programs are priorities and on how the budget impact programs outcome. For the City University of New York, the Fiscal 2018 Preliminary Budget is divided into three program areas, each representing one of the three types of schools that receive City funds. This helps to more clearly delineate between funds for the Hunter College Campus Schools and Senior Colleges versus those supporting Community Colleges, which comprise more than 95.2 percent of the City's budget for the University. The following section describes funding within each of CUNY's program area.

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.

In addition to associate degree programs, each campus provides a variety of programs including adult literacy, continuing education and pre-college remediation.

Community Colleges						
<i>Dollars in Thousands</i>						
	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$83,953	\$86,027	\$83,342	\$124,290	\$97,035	\$13,693
Full-Time Salaried - Pedagogical	295,406	310,732	336,314	350,507	375,325	39,011
Other Salaried and Unsalariated	128,153	131,907	109,221	135,980	110,237	1,016
Additional Gross Pay	3,067	3,488	2,721	7,107	2,721	0
Overtime - Civilian	7,573	7,318	1,542	1,652	1,542	0
P.S. Other	(40)	(61)	0	0	0	0
Fringe Benefits	139,327	147,836	172,931	148,276	177,216	4,285
Amounts to be Scheduled	0	0	2,206	36	2,206	0
Subtotal	\$657,439	\$687,247	\$708,277	\$767,848	\$766,282	\$58,005
Other Than Personal Services						
Supplies and Materials	\$18,791	\$19,350	\$158,867	\$39,860	\$150,007	(\$8,860)
Fixed and Misc. Charges	41,580	43,410	38,264	41,364	38,264	0
Property and Equipment	26,071	23,782	10,144	17,343	10,144	0
Other Services and Charges	171,052	198,427	78,063	245,456	79,085	1,022
Contractual Services	22,981	29,431	10,204	33,614	10,204	0
Subtotal	\$280,475	\$314,400	\$295,542	\$377,637	\$287,704	(\$7,838)
TOTAL	\$937,914	\$1,001,647	\$1,003,819	\$1,145,485	\$1,053,986	\$50,167
Funding						
City Funds			\$727,541	\$794,397	\$778,836	\$51,295
Other Categorical			13,830	13,887	13,530	(300)
State			248,855	248,855	248,855	0
Federal - Community Development			0	1,046	0	0
Intra City			13,593	87,300	12,764	(829)
TOTAL	\$937,914	\$1,001,647	\$1,003,819	\$1,145,485	\$1,053,986	\$50,167

<i>Dollars in Thousands</i>	2015	2016	2017	Preliminary Plan		*Difference
	Actual	Actual	Adopted	2017	2018	2017 - 2018
Budgeted Headcount						
Full-Time Positions - Civilian	1,894	1,893	1,826	1,826	1,843	17
Full-Time Positions - Pedagogical	3,879	4,085	4,301	4,301	4,301	0
TOTAL	5,773	5,978	6,127	6,127	6,144	17

*The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.

*Continuation from previous page

The Fiscal 2018 Preliminary Budget includes \$1.05 billion for community colleges, reflecting an increase of \$50.2 million from the Fiscal 2017 Adopted Budget. This includes an increase of \$58 million for Personal Services, including wage increases negotiated in the University's collective bargaining agreement, as well as a decrease of \$7.8 million in Other than Personal Services. An increase of \$59.6 million in the Fiscal 2017 Budget reflects the initial impact of the negotiated salary increases. For Fiscal 2018, the resulting increase in City funds masks the absence of the \$24.6 million in Council funding currently supporting initiatives on CUNY campuses.

Financial Plan Actions

CUNY's Fiscal 2018 Preliminary Budget includes the following new needs for community colleges:

- **Application Fee Waivers for Public High School Students.** The Fiscal 2018 Preliminary Budget includes a baselined increase of slightly more than \$150,000 to increase the number of application fee waivers available to students in New York City public high schools, including both DOE-operated schools and charter schools. This adds to the \$2 million annual allotment that had previously been designated for application fee waivers.
- **Department of Corrections Training at John Jay.** The Fiscal 2018 Preliminary Budget also includes a one-time enhancement of \$701,000 to support a Department of Correction (DOC) training program at John Jay College of Criminal Justice. The Department has been partnering with John Jay to offer an Executive Master's Degree program and a one-year pilot certificate program in Police Leadership. For Fiscal 2018, additional funds will support rental costs for classroom space.
- **Efficiency Savings.** The Fiscal 2018 Preliminary Budget includes \$3 million in cost savings at community colleges. In prior years, individual campuses have negotiated their own contracts with vendors of standard bulk items, such as cleaning products. By combining efforts across campuses and purchasing under a single contract, the University expects to save \$3 million in Fiscal 2018.

Performance Measures

The following table presents performance measures outlined in the Fiscal 2017 Preliminary Mayor's Management Report. The data presented demonstrates relatively consistent performance across the seven community colleges.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Instructional FTEs taught by full-time faculty - CUNY community colleges	50.8%	53.4%	53.6%	*	*	N/A	N/A
Number of full-time faculty employed by CUNY community colleges	2,011	2,092	2,165	*	*	N/A	N/A
One-year (fall to fall) retention rate of full-time, first-time freshmen - CUNY associate degree programs	67.1%	67.9%	66.3%	68.0%	68.0%	N/A	N/A
Six-year systemwide graduation rate - CUNY associate degree students	31.7%	30.5%	31.8%	33.0%	33.0%	N/A	N/A
CUNY associate degree recipients who transfer to a CUNY baccalaureate program within one year	51.5%	54.0%	54.8%	56.0%	56.0%	N/A	N/A
CUNY associate degree recipients who continue their education or are working	92.5%	95.3%	92.4%	*	*	N/A	N/A
Total headcount, CUNY community colleges	97,751	99,958	99,045	*	*	N/A	N/A
Enrollment of first-time freshmen in CUNY community colleges	17,742	19,322	19,022	*	*	N/A	N/A
Enrollment of first-time freshmen in CUNY community colleges who are recent graduates of NYC public high schools	12,758	13,790	13,769	*	*	N/A	N/A
Annual tuition at CUNY community colleges (full-time NYS resident)	\$4,500	\$4,800	\$4,800	*	*	N/A	N/A
Expenditures per student (FTE) at CUNY community colleges	\$11,818	\$12,058	\$12,443	*	*	N/A	N/A
Percentage of CUNY community college students receiving federal financial aid (Pell)	63.10%	64.00%	61.90%	*	*	N/A	N/A

Performance indicators in the Preliminary Mayor's Management Report (PMMR) highlight areas of observed improvement in instruction and graduation rates for associate programs in CUNY community colleges. The PMMR further shows a positive three-year trend in graduates of associate programs transferring to CUNY senior colleges within one year. Overall student enrollment at CUNY community colleges sees a decline of 1.6 percent, with only a minor, 0.2 percent difference in enrollment of recent graduates of New York City public schools.

Interestingly, the PMMR shows a 2.1 percent drop in the number of CUNY community college students eligible for and receiving Pell grants. This statistic does not align with the schools' six-year graduation rates, suggesting either increased enrollment of students whose family incomes disqualify them from Pell eligibility, or increased enrollment of students returning to school.

Hunter Campus Schools

The Hunter Campus Schools program area includes all funding for the Hunter College Campus Schools, a publicly funded primary and secondary laboratory school serving gifted and talented students. Admission to each school is competitive and highly selective, with school entry limited to the kindergarten and seventh grade classes. The elementary school serves no more than 50 Manhattan students (25 girls and 25 boys) per grade, offering kindergarten through sixth grade. Hunter College 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>						
	2015 Actual	2016 Actual	2017 Adopted	Preliminary Plan		*Difference
				2017	2018	2017 - 2018
Spending						
Personal Services						
Full-Time Salaried - Civilian	\$1,089	\$1,095	\$1,190	\$1,363	\$1,412	\$222
Full-Time Salaried - Pedagogical	10,055	10,082	8,100	9,083	9,360	1,260
Other Salaried and Unsalaries	637	743	2,541	2,552	2,541	0
Additional Gross Pay	806	835	558	558	558	0
Overtime - Civilian	24	22	50	50	50	0
Fringe Benefits	3,255	3,278	2,368	2,368	2,368	0
Amounts to be Scheduled	0	0	0	1	0	0
Subtotal	\$15,866	\$16,055	\$14,807	\$15,975	\$16,289	\$1,482
Other Than Personal Services						
Supplies and Materials	\$588	\$270	\$941	\$744	\$941	\$0
Property and Equipment	10	167	6	47	6	0
Other Services and Charges	678	439	363	454	363	0
Contractual Services	69	119	20	85	20	0
Subtotal	\$1,345	\$995	\$1,330	\$1,330	\$1,330	\$0
TOTAL	\$17,211	\$17,050	\$16,138	\$17,306	\$17,621	\$1,482
Funding						
City Funds			\$14,328	\$15,496	\$15,811	\$1,483
Other Categorical			10	10	10	0
State			1,800	1,800	1,800	0
TOTAL	\$17,211	\$17,050	\$16,138	\$17,306	\$17,621	\$1,482
Budgeted Headcount						
Full-Time Positions - Civilian	22	24	81	81	81	0
Full-Time Positions - Pedagogical	144	147	140	140	140	0
TOTAL	166	171	221	221	221	0

**The difference of Fiscal 2017 Adopted Budget compared to Fiscal 2018 Preliminary Budget.*

The Fiscal 2018 Preliminary Budget includes \$17.6 million for the Hunter College Campus Schools, reflecting an increase of \$1.5 million from the Fiscal 2017 Adopted Budget. This change reflects wage increases negotiated in the University's collective bargaining agreement. An increase of \$1.3 million in the Fiscal 2017 Budget reflects those same salary increases.

Senior Colleges

Nearly all funding for CUNY's senior colleges and graduate programs currently falls within the New York State Budget. However, as a carryover from the City's management of the senior colleges, \$35 million in State operating support traditionally flows through the City of New York. The Fiscal 2018 Preliminary Budget includes \$35 million in State operating support.

Performance Measures

The following table presents performance measures outlined in the Fiscal 2017 Preliminary Mayor's Management Report. The data presented demonstrates relatively consistent performance across the eleven senior colleges.

Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
Instructional FTEs taught by full-time faculty - CUNY senior colleges	41.8%	43.9%	43.4%	*	*	N/A	N/A
One-year (fall to fall) retention rate of full-time, first-time freshmen - CUNY baccalaureate degree programs	84.8%	87.3%	86.8%	88.0%	88.0%	N/A	N/A
Six-year systemwide graduation rate - CUNY baccalaureate degree students	52.6%	52.7%	53.9%	55.0%	55.0%	N/A	N/A
Annual tuition at CUNY senior colleges (full-time NYS resident)	\$6,030	\$6,330	\$6,330	*	*	N/A	N/A

Six-year graduation rates for CUNY senior colleges appear to follow an upward three-year trend, increasing from 84.8 percent to 86.8 percent between Fiscal 2014 and Fiscal 2016. However, one-year retention rates for full-time, first-time freshmen enrolled in CUNY senior colleges have seen a slight decline of 0.5 percent between Fiscal 2015 and Fiscal 2016. The percent of full-time and equivalent students taught by full-time faculty in the senior colleges has also fallen slightly.

Capital Program

Capital Budget Summary

The Fiscal 2018 Preliminary Capital Commitment Plan includes \$488.4 million in Fiscal 2017-2020 for the City University of New York (including City and Non-City funds). This represents approximately 0.8 percent of the City's total \$64 billion Preliminary Capital Commitment Plan for Fiscal 2017-2020. The University's Preliminary Commitment Plan for Fiscal 2017-2020 is unchanged since the September 2016 Commitment Plan. The Preliminary Ten-Year Capital Strategy for the University totals \$358.8 million over ten years (2018-2027).

In Fiscal 2016, CUNY committed \$40.4 million, or just 17.1 percent of its annual capital plan. Therefore, it is assumed that a significant portion of the agency's Fiscal 2017 Capital Plan will be rolled into Fiscal 2018, thus increasing the size of the Fiscal 2018-2021 Capital Plan. The University expects to commit \$64 million in Fiscal 2017.

CUNY 2017-2020 Capital Commitment Plan: Adopted and Preliminary Budget					
<i>Dollars in Thousands</i>					
	FY17	FY18	FY19	FY20	Total
Adopted					
Total Capital Plan	\$297,814	\$106,964	\$59,410	\$24,167	\$488,355
Preliminary Plan					
Total Capital Plan	\$297,814	\$108,464	\$59,410	\$24,167	\$489,855
Change					
Level	\$0	\$1,500	\$0	\$0	\$1,500
Percentage Change	0%	1.40%	0%	0%	0.31%

The City University of New York operates in 314 buildings spanning 28.6 million square feet. Of these buildings, 271 are owned by the University, whereas 43 are leased from other

entities. The seven community colleges use space in 103 of these buildings, 93 of which are owned and ten of which are leased by CUNY.

CUNY's capital plan goals include rehabilitating and upgrading existing facilities; renovating campus plants to increase efficiency; improving accessibility for students with physical disabilities; and strengthening fire protection, life safety and health facilities on the campuses. Major categories of construction include new school construction; energy conservation; federal, state and local mandates; data processing and other equipment; and miscellaneous reconstruction, electrical mechanical upgrades and HVAC system upgrades.

Capital projects for the City University of New York adhere to a unique set of requirements among City agencies. While the City retains primary responsibility for expense budgets at the community colleges, it shares responsibility for capital projects with the State. Thus, any capital project that receives City funding qualifies for an equal match in State funds. However, because the City and State operate on different fiscal calendars; because the State requires any project to have all matching funds in-hand before releasing its own share of funding; and because any capital project eligible for State funding must be fully funded before getting underway, any capital project at a CUNY community college that receives City funding must wait until enactment of the next New York State Budget to proceed. As a result, CUNY capital projects often experience longer and more frequent delays than capital projects in other City agencies.

Preliminary Ten-Year Capital Strategy

The City's Ten-Year Capital Strategy for Fiscal 2018-2027 totals \$89.56 billion in all funds. For CUNY, the Preliminary Ten-Year Capital Strategy provides \$358.8 million in Fiscal 2018-2027 for capital construction and reconstruction projects. The University's capital funding is divided into five categories of need, as illustrated by the following chart.

CUNY FY2018-2027 Preliminary Ten-Year Capital Strategy											
<i>Dollars in Thousands</i>											
	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY2023	FY2024	FY2025	Total
Miscellaneous Reconstruction	\$97,320	\$59,410	\$23,807	\$23,327	\$22,202	\$23,394	\$23,506	\$23,622	\$24,345	\$25,109	\$346,042
Energy Conservation					1,228						1,228
New School Construction			100								100
Data Processing	11,143	-	260	-	69	-	-	-	-	-	11,472
Security Systems	1				2						3
Total	\$108,464	\$59,410	\$24,167	\$23,327	\$23,501	\$23,394	\$23,506	\$23,622	\$24,345	\$25,109	\$358,845

The Ten-Year Capital Strategy is meant to allow City agencies to map out long-term capital goals. For CUNY, the Strategy focuses almost entirely on maintenance efforts to keep facilities in a state of good repair, but does not include additional funds to account for inflation over time. The Ten-Year Capital Strategy also does not include significant plans for new construction across community colleges. The Administration has added no new funds to support capital projects at CUNY.

Major projects supported by the Ten-Year Capital Strategy include the following.

- **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. The first phase of renovations to all student bathrooms is currently underway, at a cost of \$6.3 million. Overall, the building has \$100 million in active, funded capital projects in various stages of design and construction underway.

- **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, with completion anticipated in one to two 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. Phase 1 of this two-phase project was recently completed, providing students with usable open space. Phase 2, representing the addition of the new kitchens, is now in the design phase. The project is anticipated to cost \$10 million, with \$3.1 million from the Council.
- **Campus Maintenance Projects (Bronx Community College).** In October, CUNY completed Phase 3 of a six-phase campuswide maintenance project involving the installation of piping, a mechanical vault, and ancillary electrical network and electric conduit banks at Bronx Community College. The campus quad, which was heavily disrupted in the installation and replacement process, has recently reopened for public use. 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.

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

<i>Dollars in Thousands</i>	FY 2017			FY 2018		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as of the Adopted 2017 Budget	\$741,869	\$313,088	\$1,054,957	\$738,481	\$311,718	\$1,050,199
New Needs						
Application Fee Waivers	\$150	\$0	\$150	\$150	\$0	\$150
John Jay/DOC Training Program	2,273	0	2,273	701	0	701
Subtotal, New Needs	\$2,423	\$0	\$2,423	\$851	\$0	\$851
Other Adjustments						
Adult Literacy We Are New York DYCD Transfer	\$3,063		\$3,063			\$0
Collective Bargaining	60,707		60,707	55,335		55,335
COMPASS DYCD Scholars		50	50		50	50
CUNY College Success MOU FY17		1,000	1,000			0
CUNY COPE EDGE Intracity Transfer		6,581	6,581			0
CUNY Intracity Fellowship		525	525			0
CUNY Intracity Internship Programming		4,688	4,688			0
CUNY Mental Health Corps Funding		17,328	17,328			0
CUNY Next Steps II Program		2,000	2,000			0
CUNY Workforce Programs		3,377	3,377			0
CUNY/MOIA Intracity Transfer		6,548	6,548			0
Demand Response Team		57	57			0
DOE Application Fee Waivers	1,000		1,000	1,000		1,000
Efficiency Savings - Business Process Redesign			0	(2,100)		(2,100)
Efficiency Savings - Facilities Management			0	(1,000)		(1,000)
Energy Management Training		2,697	2,697			0
FY16 CUNY Intracity Transfer		2,432	2,432			0
FY17 CUNY Intracity Transfer		1,534	1,534			0
FY17 CUNY J-School		1,000	1,000			0
FY17 CUNY Work Force Mod.		9,965	9,965			0
HRO Housing Recovery Program		1,046	1,046			0
Intracity Funding for CUNY Veterans		2,920	2,920			0
John Jay Cadet Program (DOC Transfer)	792		792	2,080		2,080
Member Item Reallocations	(226)		(226)			0
Miscellaneous Additional Intracity Transfers		6,876	6,876		67	67
Miscellaneous Intracity Data/Software Services		1,189	1,189		125	125
Miscellaneous Intracity Evaluation Services	265	55	320			0
Miscellaneous Intracity Staff Transfers		5	5			0
Miscellaneous Intracity Training Offerings		2,613	2,613			0
Peer Mentoring Adjustment	(270)		(270)			0
Research Foundation Adjustments		327	327			0
Teacher Recruitment Paid Media	270		270			0
Subtotal, Other Adjustments	\$65,601	\$74,813	\$140,414	\$55,315	\$242	\$55,557
TOTAL, All Changes	\$68,024	\$74,813	\$142,837	\$56,166	\$242	\$56,408
Agency Budget as of the Preliminary 2018 Budget	\$809,894	\$387,898	\$1,197,792	\$794,646	\$311,960	\$1,106,606

Appendix B: Fiscal 2018 Preliminary Contract Budget

CUNY Fiscal 2018 Preliminary Contract Budget				
<i>Dollars in Thousands</i>				
Category	Fiscal 2017 Adopted	Number of Contracts	Fiscal 2018 Preliminary	Number of Contracts
Cleaning Services	\$832	4	\$832	4
Contractual Services - General	1,406	3	1,406	3
Data Processing Equipment Maintenance	415	13	415	13
Day Care of Children	805	6	805	6
Maintenance, Operation of Infrastructure	268	3	268	3
Maintenance and Repairs - General	1,604	10	1,604	10
Maintenance and Repairs - Motor Vehicles	30	2	30	2
Office Equipment Maintenance	697	11	697	11
Printing Services	639	7	639	7
Prof. Services - Computer services	160	1	160	1
Prof. Services - Engineering, Architectural	0	1	0	1
Prof. Services - Legal	5	1	5	1
Security Services	2,036	6	2,036	6
Telecommunications Maintenance	69	4	69	4
Temporary Services	22	1	22	1
Training Program for City Employees	1,226	2	1,226	2
Transportation Services	10	1	10	1
TOTAL	\$10,224	76	\$10,224	76

Appendix C: Fiscal 2017 Preliminary Mayor's Management Report Performance Measures

CUNY Performance Indicators	Actual			Target		4-Month Actual	
	FY14	FY15	FY16	FY17	FY18	FY16	FY17
CUNY courses offered online	4.9%	5.7%	6.8%	8.0%	8.0%	N/A	N/A
Instructional FTEs taught by full-time faculty - CUNY senior colleges	41.8%	43.9%	43.4%	*	*	N/A	N/A
Instructional FTEs taught by full-time faculty - CUNY community colleges	50.8%	53.4%	53.6%	*	*	N/A	N/A
CUNY Student/faculty ratio - overall	17:1	17:1	17:1	*	*	N/A	N/A
Number of full-time faculty employed by CUNY community colleges	2,011	2,092	2,165	*	*	N/A	N/A
Students earning Grade C or better in CUNY Freshman Composition courses	68.9%	68.6%	68.4%	*	*	N/A	N/A
One-year (fall to fall) retention rate of full-time, first-time freshmen - CUNY associate degree programs	67.1%	67.9%	66.3%	68.0%	68.0%	N/A	N/A
One-year (fall to fall) retention rate of full-time, first-time freshmen - CUNY baccalaureate degree programs	84.8%	87.3%	86.8%	88.0%	88.0%	N/A	N/A
Six-year systemwide graduation rate - CUNY associate degree students	31.7%	30.5%	31.8%	33.0%	33.0%	N/A	N/A
Six-year systemwide graduation rate - CUNY baccalaureate degree students	52.6%	52.7%	53.9%	55.0%	55.0%	N/A	N/A
CUNY students passing the Nat. Council Licensure Examination for Registered Nurses	74.8%	76.4%	80.1%	*	*	N/A	N/A
CUNY associate degree recipients who transfer to a CUNY baccalaureate program within one year	51.5%	54.0%	54.8%	56.0%	56.0%	N/A	N/A
CUNY associate degree recipients who continue their education or are working	92.5%	95.3%	92.4%	*	*	N/A	N/A
High school students participating in CUNY College Now	30,025	30,606	31,105	*	*	N/A	N/A
Total CUNY headcount enrollment	269,897	175,132	274,357	*	*	N/A	N/A
Total CUNY FTEs	199,958	203,996	204,418	*	*	N/A	N/A
Total headcount, CUNY community colleges	97,751	99,958	99,045	*	*	N/A	N/A
Enrollment of first-time freshmen in CUNY community colleges	17,742	19,322	19,022	*	*	N/A	N/A
Enrollment of first-time freshmen in CUNY community colleges who are recent graduates of NYC public high schools	12,758	13,790	13,769	*	*	N/A	N/A
Annual tuition at CUNY community colleges (full-time NYS resident)	\$4,500	\$4,800	\$4,800	*	*	N/A	N/A
Annual tuition at CUNY senior colleges (full-time NYS resident)	\$6,030	\$6,330	\$6,330	*	*	N/A	N/A
Expenditures per student (FTE) at CUNY community colleges	\$11,818	\$12,058	\$12,443	*	*	N/A	N/A
Percentage of CUNY community college students receiving federal financial aid (Pell)	63.10%	64.00%	61.90%	*	*	N/A	N/A