



Fiscal 2009 Executive Budget Hearings

❖ Committee on Finance jointly with the Committee on Higher Education

May 2008

Scheduled To Testify:

- *City University of New York*

*Hon. Christine C. Quinn
Speaker of the Council*

*Hon. David I. Weprin, Chair
Committee on Finance*

*Hon. Charles Barron, Chair
Committee on Higher Education*

*Preston Niblack, Director
Finance Division*

New York City Council Finance Division

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Director

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CITY UNIVERSITY OF NEW YORK (042)**Agency Operations**

The City University of New York (CUNY) provides higher education to more than 217,800 degree-seeking students and over 246,000 adult and continuing education students. CUNY consists of 10 senior colleges, six community colleges, one technical college, a graduate center, a law school and a school of biomedical education. CUNY offers more than 1,450 academic programs, as well as adult and continuing education programs. Approximately 6,000 full-time faculty and 8,200 part-time faculty teach courses. In Fiscal 2005, CUNY granted more than 7,900 graduate and professional degrees, 15,000 baccalaureate degrees, 9,600 associate degrees and 140 certificates.

AGENCY FUNDING OVERVIEW

Agency Funding Sources	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 4/25/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	\$430,955,900	\$430,987,250	\$369,929,260	\$400,320,224
Other Categorical	\$2,839,000	\$2,839,000	\$2,839,000	\$2,839,000
Capital IFA	\$0	\$0	\$0	\$0
State	\$194,629,800	\$194,629,800	\$208,904,800	\$210,982,815
Community Development	\$0	\$0	\$0	\$0
Federal-Other	\$0	\$200,000	\$0	\$0
Intra-City	\$12,797,270	\$52,642,841	\$12,630,270	\$13,042,458
Total	\$641,221,970	\$681,298,891	\$594,303,330	\$627,184,497

HEADCOUNT OVERVIEW

Headcount Pedagogical	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	2,706	2,687	2,674	2,668
Non-City	0	0	0	0
Total	2,706	2,687	2,674	2,668

Headcount Non-Pedagogical	Fiscal 2008 Adopted Budget	Fiscal 2008 Forecast for 6/30/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
City	1,773	1,659	1,518	1,623
Non-City	0	0	0	0
Total	1,773	1,659	1,518	1,623

AGENCY HIGHLIGHTS

The Fiscal 2009 Executive Budget for the community colleges in City support is \$199.8 million. There are a total of \$25.7 million in reductions to the community colleges in Fiscal 2008 and Fiscal 2009. In addition, the City does not match the \$2.7 million for lease space at BMCC provided in the State Adopted Budget due to the loss of Fiterman Hall.

More than \$39 million of initiatives that the City Council restored or added to the Fiscal 2008 Adopted Budget are not in the Fiscal 2009 Executive Budget. Some of those initiatives include: \$14.6 million to the community colleges in various administrative areas; the Safety Net program at \$4.5 million; and \$11.2 million for the Peter F. Vallone Scholarship. Below is a list of other initiatives not funded in Fiscal 2009.

Creative Arts Team	\$598,392
Dominican Studies Institute	\$470,000
Immigration Center	\$335,000
Puerto Rican Studies Institute	\$469,000
Black Male Empowerment Initiative	\$2,500,000
University Center for Worker Education	\$250,000
CUNY Citizenship and Immigration Project	\$600,000
Veteran Resource Center	\$1,000,000
Workforce Development Initiative/Jobs To Build On	\$3,000,000

In addition, the Fiscal 2009 Executive Budget does restore \$10 million for the Center of Economic Opportunity's (CEO) initiatives such as CUNY Prep and the Accelerated Studies in Associate Program (ASAP).

UNITS OF APPROPRIATION

The operating budget of an agency is structured into several levels, each of which provides varying levels of detail on an agency's spending plans. The City Charter requires that U/As represent the amount appropriated for personal services (i.e. salaries) or Other Than Personal Services (i.e. supplies) for a particular program, purpose, activity or institution.

U/A#	U/A Name	Fiscal 2008 Adopted Budget	Fiscal 2008 Current Mod. as of 1/24/2008	Fiscal 2009 Preliminary Budget	Fiscal 2009 Executive Budget
002	Community Colleges	\$388,245,252	\$396,159,063	\$406,134,146	\$421,685,523
004	Hunter Schools	\$12,756,292	\$12,756,292	\$13,075,564	\$13,075,564
	Total PS	\$401,001,544	\$408,915,355	\$419,209,710	\$434,761,087
001	Community Colleges	\$193,357,911	\$225,521,021	\$139,568,752	\$156,907,875
003	Hunter Schools	\$697,515	\$697,515	\$524,868	\$515,535
005	Educational Aid	\$11,165,000	\$11,165,000	\$0	\$0
012	Senior College OTPS	\$35,000,000	\$35,000,000	\$35,000,000	\$35,000,000
	Total OTPS	\$240,220,426	\$272,383,536	\$175,093,620	\$192,423,410
	Total Agency	\$641,221,970	\$681,298,891	\$594,303,330	\$627,184,497

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FUNDING ANALYSIS

The increase in funding for the personal services unit of appropriations reflects collective bargaining cost and health insurance rate increases. The decrease in funding for the community colleges, Hunter Schools, and Educational Aid units of appropriation reflects the various reductions due to the City's cost-savings efforts and the absence of the Council initiatives.

EXECUTIVE BUDGET ACTIONS (\$000)

Description	Fiscal 2008			Fiscal 2009		
	City	Non-City	Total	City	Non-City	Total
Agency Budget as per the Preliminary Plan	\$423,703	\$253,440	\$677,143	\$369,929	\$224,374	\$594,303
New Needs						
Community College Health Insurance Adjustment	\$1,143	\$0	\$1,143	\$1,020	\$0	\$1,020
Tuition & Fees	\$5,336	\$0	\$5,336	\$5,337	\$0	\$5,337
Total New Needs	\$6,479	\$0	\$6,479	\$6,357	\$0	\$6,357
Program to Eliminate the Gaps (PEGs)						
Community College Reduction Program	\$0	\$0	\$0	(\$4,308)	\$0	(\$4,308)
University-wide Initiative Reduction Program	\$0	\$0	\$0	(\$248)	\$0	(\$248)
Total PEGs	\$0	\$0	\$0	(\$4,556)	\$0	(\$4,556)
Other Adjustments						
Fuel	(\$109)	\$0	(\$109)	(\$112)	\$0	(\$112)
Heat, Light, and Power	(\$225)	\$0	(\$225)	\$2,598	\$0	\$2,598
Lease Adjustment	\$0	\$0	\$0	\$797	\$0	\$797
Reserve for Community College Collective Bargaining	\$0	\$0	\$0	\$10,000	\$0	\$10,000
Adult Literacy Adjustment	\$0	\$0	\$0	\$310	\$0	\$310
FY09 Exec-CEO (CUNY Prep)	\$0	\$0	\$0	\$3,500	\$0	\$3,500
FY09 Exec-CEO (CUNY Pathways to Success)	\$0	\$0	\$0	\$6,500	\$0	\$6,500
FY09 Exec-CEO (Civic Justice Corps)	\$0	\$0	\$0	\$4,463	\$0	\$4,463
FY09 Exec-CEO (Voc Ed for Disconnected Youth)	\$0	\$0	\$0	\$535	\$0	\$535
Solar Energy Program	\$0	\$200	\$200	\$0	\$0	\$0
Miscellaneous	\$0	\$264,507	\$264,507	\$0	\$226,864	\$226,864
Total Other Adjustments	(\$334)	\$264,707	\$264,373	\$28,591	\$226,864	\$255,455
Total Executive Plan Budget Changes	\$6,145	\$264,707	\$270,852	\$30,392	\$226,864	\$257,256
Agency Budget as per the Executive Budget	\$429,848	\$264,707	\$694,555	\$400,321	\$226,864	\$627,185

EXECUTIVE BUDGET ACTION ANALYSIS

New Needs

- **Community College Health Insurance Adjustment.** CUNY is increasing its budget by \$1 million in Fiscal 2009 and Fiscal 2010, and \$1.1 million in Fiscal 2011, and \$4.7 million in Fiscal 2012 for health insurance costs.
- **Tuition and Fees.** CUNY anticipates an increase of \$5.3 million in Fiscal 2009 and in the outyears as a result of enrollment growth.

Programs to Eliminate the Gap (PEGs)

- **Community College Reduction.** The Fiscal 2009 Executive Budget proposes a total reduction of \$4.3 million in Fiscal 2009 and the outyears for the community colleges. For Fiscal 2009, these reductions include \$1.5 million that will be eliminated from institutional and departmental research services resulting in the elimination of two full-time positions, \$492,000 will be eliminated from library services resulting in the elimination of one full-time position, \$548,000 will be cut from student services resulting in a loss of three full-time positions, \$165,000 will be cut in external and public services resulting in a loss of one full-time position, \$715,000 will be cut in general institutional services resulting in a loss of seven full-time positions, and \$877,000 will be cut from administration and maintenance/operations resulting in a loss of eight full-time positions. In total, 22 positions will be eliminated if this funding is not restored. All positions will be eliminated through attrition.
- **University-wide Reduction Program.** The Fiscal 2009 Executive Budget reflects a decrease to CUNY's budget by \$248,000 in Fiscal 2009 and in the outyears. This decrease is a reduction to several City-funded initiatives, which include the Long-Term Unemployment program and the John Jay Certification program.

Other Adjustments

- **Reserve for Community College Collective Bargaining.** CUNY anticipates an additional \$10 million to cover prospective labor contracts in Fiscal 2009 and in the outyears.
- **Adult Literacy Adjustment.** There is \$310,000 in Fiscal 2009 and \$200,000 in the outyears for various adult literacy programs.
- **CEO – CUNY Prep.** CUNY would receive \$3.5 million in Fiscal 2009 only from the Center for Economic Opportunity to fund the CUNY Prep program. This program helps high school dropouts obtain their high school diploma and provides college preparatory instruction.
- **CEO - CUNY Pathways to Success (ASAP).** CUNY would receive \$6.5 million in Fiscal 2009 only from the Center for Economic Opportunity to fund the CUNY Pathways to Success (ASAP) program. Accelerated Study in Associate Program (ASAP) provides

community college students career preparation assistance through close integration of education and work environments along with support services and peer counseling.

- **CEO – Civic Justice Corps.** CUNY would receive \$4.4 million in Fiscal 2009 only from the Center for Economic Opportunity to fund the Civic Justice Corps program. This program is a collaboration between the New York City Department of Correction and John Jay College to provide short-term public works employment to ex-offenders coming back to various low-income neighborhoods.
- **CEO – Vocational Education for Disconnected Youth.** CUNY would receive \$535,000 in Fiscal 2009 only from the Center for Economic Opportunity to fund the Vocational Education program for youth.
- **Fuel.** Based on re-estimates, CUNY's anticipates a decrease in fuel costs of \$109,000 in Fiscal 2009 and \$113,000 in the outyears.
- **Heat, Light, and Power.** Based on re-estimates, CUNY anticipates an increase of \$2.6 million in Fiscal 2009 and in the outyears for heat, light, and power costs.
- **Lease Adjustment.** CUNY anticipates an increase in lease costs of \$797,000 in Fiscal 2009 and in the outyears.

State Issues and Highlights

The 2008-2009 State Adopted Budget provides a total of \$178 million for CUNY's community colleges, an increase of \$1.6 million over the Fiscal 2008 adjusted budget. This increase includes shared funding with the entire CUNY system of \$1 million for nursing programs, funding for a tuition benefit of up to \$4,350 for veterans of the Vietnam, Afghanistan, and Persian Gulf conflicts, and \$2.7 million for Borough of Manhattan Community College lease costs due to the loss of Fiterman Hall.

Furthermore, the 2008-2009 State Adopted Budget does not recommend a tuition increase for any CUNY institution.

The State Adopted Budget authorizes an endowment for the SUNY and CUNY institutions. However, the funding source for the endowment is yet to be determined.