

The City University of New York



**Testimony of Vice Chancellor for Budget and Finance Ernesto Malave and
Vice Chancellor for Facilities Planning, Construction and Management
Iris Weinshall
The City University of New York
New York City Council Higher Education Committee
Mayor's Preliminary Budget
March 20, 2009**

Good morning, Chairman Barron and members of the Higher Education Committee. I am Ernesto Malave, vice chancellor for budget and finance. I am joined by my colleague Iris Weinshall, vice chancellor for facilities planning and construction management. We are pleased to have the opportunity to speak with you about the Mayor's Fiscal 2010 Preliminary Budget and its effect on The City University of New York, particularly on our six community colleges—Borough of Manhattan, Bronx, Hostos, Kingsborough, LaGuardia, and Queensborough—as well as Medgar Evers College.

CUNY's six community colleges are now serving more than 81,000 students, an increase of more than 6 percent since just last year. Borough of Manhattan Community College alone experienced an enrollment increase of more than 13 percent and now serves nearly 22,000 students.

These six colleges are the portal for an extraordinary array of academic services. More and more New Yorkers turn to them for academic, professional-development, job-training, and career-ladder opportunities. Each semester, as enrollment grows, the colleges must be able to add multiple sections of core courses, develop cutting-edge training programs, and partner with local schools to increase students' academic readiness. Our community colleges consistently offer responsive, high-quality educational services to the most diverse group of students. But they can continue to do so only with appropriate support. Their capacity will be severely tested in the coming year.

CUNY's overall enrollment is at its highest level since 1975, with more than 244,000 degree-seeking students at the University, an increase of 4.8 percent, or more than 11,000 students, over the previous year. Early data, including an estimated 12 percent increase in fall applications to this point, indicate that we should expect more growth. We are proud that more and more students are choosing CUNY, and that they are succeeding in their educational goals at the University. But the challenge of offering a steadily increasing number of students the first-rate educational experience they deserve is a very real one. Particularly during times of economic instability, New Yorkers turn to

community colleges to re-tool their skills, gain new competencies, and understand the forces that are shaping their future.

The City Preliminary Budget poses serious challenges to CUNY: The FY2010 Financial Plan provides \$212 million in city support for CUNY's community colleges, which is \$30 million less than current-year funding levels.

This diminished funding is in addition to the \$7.7 million reduction in city funding that our community colleges sustained in the current year. This reduction was implemented through a variety of strategies aimed at maintaining our core academic mission and protecting our services to students. An additional \$5.1 million reduction had been proposed in the current year, but these funds were restored during budget negotiations between the Mayor and the City Council. We are extremely grateful to this committee and its chairman, and the entire council, for your continuing advocacy of CUNY's community colleges.

The FY2010 shortfall of \$30.2 million reflects \$16.6 million in funding increases, mainly for mandatory cost increases such as collective bargaining, fringe benefits, and energy, offset by \$46.8 million in reductions. These reductions in direct operating support to the community colleges include all prior year reductions as well as the recent round of new cuts announced by the mayor. Based on the reduction proposals submitted by our colleges as part of the city's PEG initiative, cuts of this magnitude would surely have a harmful impact on our students, as course sections, library hours, and academic support would likely be reduced.

The University has proposed to offset a portion of these reductions through a tuition increase, effective for the Fall 2009 semester. The University's Board of Trustees has authorized an increase of up to \$200 a semester.

In addition to the cuts proposed by the city, the State Executive Budget also recommends a reduction in community-college base aid per FTE by \$270 for FY 2010, or \$16.8

million annually. We are hopeful that negotiations between the Governor and State Legislature, as well as the infusion of federal stimulus funds, will eliminate the need for further reduction at our community colleges at the state level.

In addition to the reductions at the community colleges, the city's FY2010 Preliminary Budget eliminates \$6.7 million in funding for the Peter F. Vallone City Council Scholarships and \$2.5 million for the Black Male Initiative. As you well know, the Vallone scholarships are a vital support vehicle to high-achieving city students, encouraging them to remain in the city for their college education. In addition, the Black Male Initiative continues to be an effective University-wide means of fostering the participation and educational success of under-represented groups in higher education. BMI-related counseling programs and workshops, open to all students, are well under way at CUNY campuses.

It is critical that we address all of these reductions. This is a particularly challenging time to be a student, whether a first-time student or a returning adult. Family budgets are shrinking, jobs are disappearing, and the future is uncertain. It is more important than ever that we work together to enable New Yorkers to successfully complete the education and training they need in a timely way. Their success is ultimately the city's success.

I would now like to ask Vice Chancellor Weinshall to talk about CUNY's capital budget.

Vice Chancellor Weinshall:

Once again I want to take this opportunity to thank the members of this committee, in particular Chairman Barron, for your support of the Fiterman Hall project at Borough of Manhattan Community College, which allowed for the full funding of this critical project. The remediation of the building is progressing, and we expect the deconstruction to begin in late April. The timing of the funding will enable CUNY and our construction partners, the Dormitory Authority, to proceed without interruption. Construction of the new building is expected to begin this fall. We are also very grateful to the council for the generous Reso A health and safety allocations CUNY has received over the last few years

for important projects at all six of our community colleges and Medgar Evers College. They have made a meaningful difference in our efforts to make much-needed upgrades at our campuses.

Regarding CUNY's capital program, no changes occurred in the January Preliminary Budget update. Today we delivered to OMB our 30% reductions for Fiscal Year 2010-2019, per the requirements of the Mayor's Fiscal Year 2010 Executive Budget announcement. CUNY is required to reduce its plan by \$25.5 million over a five-year period and \$33.5 million over 10 years. As always, when asked to make cuts, our first priority is to preserve safety and health projects, and then ongoing capital work, in order to ensure efficiency. Because funds in the current fiscal year were not included in the reduction program, CUNY's major construction projects—such as Fiterman Hall at BMCC, the North Instructional Building at Bronx Community College, and the Academic 1 Building at Medgar Evers College—were not impacted, as their funding is included in fiscal year 2009. This is fortunate, as these projects mean jobs for the construction industry in difficult times.

I would also like to update you on CUNY's efforts regarding President Obama's federal stimulus program. In order to coordinate the state's efforts, Governor Paterson convened an "Economic Recovery Cabinet" of state commissioners and other high-level officials to address stimulus bill opportunities. I represent CUNY on this cabinet, and staff members throughout CUNY are participating in subcommittees. The goal is to maximize funding opportunities for New York State participants by disseminating information about opportunities quickly and assisting one other with any obstacles. This is a very important effort. Significant funding was allocated through formulas to New York State, and there are billions of dollars in competitive grants for which different areas of the University are now preparing to apply. At the top of that list are science and technology research grants. Energy, workforce development, and other types of opportunities are also available. Internally, CUNY has created a stimulus task force and designated an administrator to provide assistance to areas that will apply for funds.

Chairman Barron and members of the committee, we have always appreciated your support in ensuring that our community-college students receive the best education possible. Your assistance is especially important now, as more and more New Yorkers, facing serious economic challenges, look to the University for the job training and increased career security they need. It is CUNY's skilled graduates, the vast majority of whom stay and work in New York, who truly stimulate our economy. Thank you for continuing to be the champion of the city's community-college students. We look forward to continuing to work with you on their behalf.

Higher Education Committee
Preliminary Budget Hearings Fiscal Year 2010

Investment in NYC GED Testing
Testimony Provided by Jacqueline Cook

March 20, 2009

Thank you Chairperson Barron and members of the Higher Education Committee for this opportunity to testify at the Preliminary Budget Hearings for Fiscal Year 2010. My name is Jacqueline Cook and I'm a literacy specialist, researcher and recognized leader in the field. I will comment on the vital importance of the GED diploma and the critical need for investment by the City Council in a key basic infrastructure piece of the NYC GED Testing System – the development of a GED Test Information and Registration website portal.

Keeping in mind the critical importance of the GED diploma, I would like to start by providing some general information on the GED and GED testing in New York City.

1. In New York City there are 1.6 million people sixteen years-of-age or older who are out-of-school and lack a high school diploma.
2. Last year, 61,057 students enrolled in NYC adult education programs operated by colleges of the City University of New York; the public libraries; the Department of Education, Office of Adult and Continuing Education; and community-based organizations in all five boroughs.
3. 27,301 people took the GED test in New York City in one of 50 test centers in 2007. Only one out of three of those test-takers attended a preparation program prior to the exam.
4. Of the 27,301 test candidates, only 13,128 people passed. This 49% pass rate is one of the very lowest in the country.
5. The inefficient decentralized application system results in a six-month wait for an appointment at some testing centers while, at the same time, over 54% of the seats at test centers citywide are left empty.

6. While test candidates are able to re-take the exam 3 times in a given year, and many say that the test can be used as practice, the evidence shows that inability to pass the exam reinforces the sense of failure and only 17% of test candidates re-take the exam in a given year.
7. Individuals lacking a high school diploma are far more likely to spend their lives periodically unemployed, on government assistance, or cycling in and out of the prison system. For those working, their annual income is 36% less than the salary of workers with a high school diploma.
8. According to most economists, in our competitive global economy there is a growing demand for individuals with skills that require college-level education. For the 1.6 million New Yorkers without a high school diploma, the GED diploma is the only avenue to college. Approximately 4,000 GED students enter CUNY degree programs each year as freshmen. However, even with a growing population in need of a college education, the number of GED students enrolling at CUNY is declining and in further jeopardy because of the systemic barriers that limit access to the GED exam.

Given the critical importance of this issue for our city's economy, and its implications for social equity and quality of life, it's imperative that we focus on how to strengthen our GED testing system.

While the State implements reforms in testing policy and support, and the private sector may support system development and public awareness, the critical piece – the development of a GED test information and registration website – urgently needs City Council support.

- **A relatively modest one-time investment of \$500,000 would dramatically improve the efficiency of the GED test application system and improve the readiness of test-takers.**
- **As a result, the cost per test-taker would decrease by 30% and, moreover, the number of individuals with a GED diploma would increase three-fold.**

At a time when post-secondary education and high-level skills are key to obtaining a living wage, this investment is essential to the economic vitality of our city and the lives of over a million New York City residents.