

THE CITY UNIVERSITY OF NEW YORK

2009-2010 CITY PRELIMINARY BUDGET Recommendations



PRELIMINARY ANALYSIS

University Budget Office

FEBRUARY 23, 2009

**THE CITY UNIVERSITY OF NEW YORK
NEW YORK CITY PRELIMINARY BUDGET
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The City Preliminary Budget includes changes covering the current fiscal year (FY2009) and the next fiscal year, beginning July 1 (FY2010).

FY2009

Community Colleges

- For the current fiscal year, the Preliminary Budget recommends City Support for Community Colleges of \$242.3 million, an increase of \$2.9 million from the City Adopted Budget. Increases include: \$2.5 million for increased Pensions costs and \$0.4 million for the Joseph S. Murphy Institute.

Reduction Program

- As part of the budget negotiations between the City Council and the Mayor, the Reduction Program proposed for the University in November has been fully restored (\$5.1 million).
- The Governor's Executive Budget had proposed a 10% reduction in community college base aid for the fourth quarter of the University's current academic year, resulting in a projected loss of \$4.2 million in State Aid. This proposal, however, has been rejected by the State Legislature.

FY2010

Community Colleges

- The FY2010 State Executive and City Preliminary Budgets recommend total support for the community colleges of \$586.7 million, which is \$23.8 million less than the current FY2009 budget. This diminution in funding is comprised of decreases of \$3.3 million in State Aid and \$30.2 million in City support, offset by an increase in tuition revenue of \$9.7 million.
- The Mayor's FY2010 Preliminary Budget recommends City support for the community colleges of \$212.1 million, or \$30.2 million less than the recommended FY2009 budget. The Preliminary Budget includes \$16.6 million in year-to-year increases, more than offset by reductions totaling \$46.8 million:

Community College Funding by Source
(millions)

	FY2009 Base	FY2010 Preliminary	\$ Change from Base	% Change from Base
State Aid	177.1	173.8	(3.3)	(1.9)%
City Support*	242.3	212.1	(30.2)	(12.5)%
Tuition & Other Revenue	191.1	200.8	9.7	5.1%
Total	\$610.5	\$586.7	(\$23.8)	(3.9)%

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Community Colleges (continued):

- Year-to-year increases total \$16.6 million and consist of:
 - \$12.8 million for incremental collective bargaining costs.
 - \$ 3.4 million for additional fringe benefits and pensions costs.
 - \$ 0.4 million for increased building rentals costs at BMCC.
- FY2010 reductions total \$46.8 million and include:
 - \$23.8 million in Community College Operating Support from prior years reduction initiatives.
 - \$ 9.5 million in November Plan reductions.
 - \$12.7 million in new reductions.
 - \$ 0.5 million for the Veterans' Resource Center.
 - \$ 0.3 million for the ASAP Initiative.
- The City's Preliminary Budget for FY2010 includes \$9.7 million in additional tuition revenue to offset the new reductions. This revenue will be generated by a tuition increase of up to \$200 per semester at the community colleges, as approved by the Board of Trustees.

Commission on Economic Opportunity

- The Mayor's FY2010 Preliminary Budget includes funding for the following Commission on Economic Opportunity (CEO) initiatives:
 - Accelerated Studies in Associate Programs (ASAP) - \$6.2 million
 - Civic Justice Corps - \$4.4 million
 - CUNY Prep - \$3.5 million

Senior Colleges/Other

- In addition to the above changes in City support for the community colleges, the FY2010 Preliminary Budget eliminates funding for the following initiatives:
 - \$ 6.8 million for the Peter F. Vallone City Council Scholarships.
 - \$ 2.5 million for the University's Black Male Empowerment Initiative.
 - \$ 0.9 million for Centers and Institutes
 - \$ 0.5 million for Vocational Education for Disconnected Youth.
 - \$ 0.4 million for the Creative Arts Team.