

THE CITY UNIVERSITY OF NEW YORK

2009-2010 STATE ADOPTED BUDGET

Recommendations



PRELIMINARY ANALYSIS

**University Budget Office and the
Office of Facilities Planning, Construction and Management**

APRIL 7, 2009

THE CITY UNIVERSITY OF NEW YORK
2009-2010 State Adopted Budget Recommendations
Preliminary Analysis – April 7, 2009

SENIOR COLLEGE HIGHLIGHTS

- The FY2010 State Adopted Budget recommendation totals \$1.894 billion, an increase of \$71 million over the current year, a 3.9% increase. State aid is decreased by \$44.6 million and offset by \$115.6 million from additional tuition and fee revenue.
- The budget agreement provides \$20 million in additional funds to offset the Executive Budget’s proposed reduction in funding for non-core activities.
- The Adopted Budget funds all of the University’s projected mandatory needs for FY2009-2010.
- For the first time in state history, a portion of the total revenue generated by the tuition increase will be retained by the University for investment in core activities. The Adopted Budget legislation calls for the percentage of the revenue retained by the University to be 20% in FY2010, growing incrementally in future years to 50% by FY2013.

Senior College Funding by Source
(\$ millions)

	FY2009 Base	FY2010 Adopted	\$ Change from Base	% Change from Base
State Aid	1,141.1	1,096.5	-44.6	-3.9%
City Support*	32.3	32.3	0.0	0.0%
Tuition & Other Revenue	649.1	764.7	115.6	17.8%
Total	1,822.5	1,893.5	71.0	3.9%

* based on FY2010 City Preliminary Budget

- The State Adopted Budget also rejected the Executive proposal to permit differential tuition rates by campus and program for non-New York State residents.

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COMMUNITY COLLEGE HIGHLIGHTS

- The FY2010 State Adopted Budget recommendation totals \$192.1 million in state support, an increase of \$15.0 million over planned FY2009 levels, an 8.5% increase.
 - The \$270-per-FTE reduction proposed in the Executive Budget has been rescinded; \$18.3 million will be sub-allocated through the American Recovery and Reinvestment Act to cover this proposed reduction.
 - Overall base aid funding at the community colleges for FY2010 is increased by \$14.6 million due to projected enrollment growth of 5,500 FTEs.
 - Funding for building rentals is increased by \$0.4 million for new leased space and existing cost escalations.

Community College Funding by Source

(\$ millions)

	FY2009 Base	FY2010 Adopted	\$ Change from Base	% Change from Base
State Aid	177.1	192.1	15.0	8.5%
City Support *	242.3	212.1	(30.2)	(12.5)%
Tuition & Other Revenue *	191.1	200.8	9.7	5.1%
Total	\$610.5	\$605.0	(\$5.5)	(0.9)%

* based on FY2010 City Preliminary Budget

FINANCIAL AID

- Based on the recommendations of the New York State Commission on Higher Education, the Adopted Budget establishes the New York Higher Education Loan Program (NY HELPs). This initiative provides, on an annual basis, a minimum of \$350 million in loans to 45,000 resident students enrolled in a degree-granting program at a college or university in New York State.
- The Adopted Budget adds legislation to include public pension income in Tuition Assistance Program (TAP) award calculations. The pensions of individuals retired from federal, state, and city employment have not historically been used in the calculation of a TAP award.
- The FY2010 Adopted Budget removes all other proposed TAP reductions that were included in the Governor’s Executive Budget proposal.

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CAPITAL BUDGET

The 2009-10 State Adopted Budget includes an amendment, Article VII, that eliminates the 50% city matching requirement for Medgar Evers College. After July 1, 2009, Medgar Evers College will be funded as a senior college for capital spending, with its projects eligible to receive 100% state funding.

The Adopted Budget increases the critical maintenance appropriation for the senior colleges by \$284.2 million and reappropriates \$4.5 billion for the senior colleges and community colleges, for a total of \$4.7 billion for FY2009-10.

❖ The \$284.2 million for senior college critical maintenance projects includes:

- \$146.4 million in campus critical maintenance projects (amounts in thousands):

Baruch College	\$2,705
Brooklyn College	\$3,661
City College	\$27,407
Hunter College	\$14,482
John Jay College of Criminal Justice	\$5,681
Lehman College	\$30,000
NYC College of Technology	\$9,400
Queens College	\$35,567
College of Staten Island	\$9,565
York College	\$7,954

- \$137.8 million in CUNY-wide lump sums (amounts in thousands):

Health and Safety	\$35,000
Preservation of Facilities	\$30,000
ADA	\$1,800
Certificates of Occupancy/Public Assembly	\$10,000
Energy Conservation	\$17,000
Science & Technology Equipment	\$5,000
Educational Technology Initiative	\$5,000
Science Lab Upgrades	\$8,600
Bathroom Upgrades	\$1,700
Asbestos Abatement	\$1,700
Athletic Facilities Upgrades	\$2,000
Mechanical and Infrastructure Upgrades	\$20,000

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CAPITAL BUDGET (CONT'D)

❖ The \$4.5 billion of reappropriated funds includes:

- \$3.8 billion for the senior colleges

Changes to the 2009-10 reappropriation project schedule include:

Project	Additional Funds (amounts in thousands)
Advanced Science Research Ctr. Ph. I and CCNY New Science Facility (combined)	\$109,000
CUNY FIRST	\$ 70,000
Hunter College School of Social Work	\$ 6,318

- \$631.8 million for the community colleges and Medgar Evers College

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2009-2010 State Adopted Budget
Funding Sources
(\$ millions)

	2008-2009 Adjusted Base	2009-2010 State Adopted/ City Prelim Budget	Change	% Change
Senior Colleges				
State Aid	1,141.1	1,096.5	(44.6)	-3.9%
City Support *	32.3	32.3	0.0	0.0%
Tuition and Other Revenue	649.1	764.7	115.6	17.8%
Total Senior Colleges**	1,822.5	1,893.5	71.0	3.9%
Community Colleges				
State Aid	177.1	192.1	15.0	8.5%
City Support	242.3	212.1	(30.2)	-12.5%
Tuition and Other Revenue	191.1	200.8	9.7	5.1%
Total Community Colleges	610.5	605.0	(5.5)	-0.9%
University-wide				
State Aid	1,318.2	1,288.6	(29.6)	-2.2%
City Support	274.6	244.4	(30.2)	-11.0%
Tuition and Other Revenue	840.2	965.5	125.3	14.9%
Total University	2,433.0	2,498.5	65.5	2.7%

Numbers may not add due to rounding

* Includes City share of University Management, and Associate Degree programs at Staten Island, John Jay, NYCCT and Medgar Evers.

** Excludes Income Fund Reimbursables. FY2008-2009 Adjusted Base includes \$40 million for annualized Collective Bargaining costs and \$40 million of additional revenue overcollections.