

THE CITY UNIVERSITY OF NEW YORK

2004-2005 NEW YORK CITY ADOPTED BUDGET AND NEW YORK STATE ADOPTED BUDGET



PRELIMINARY ANALYSIS

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

AUGUST 24, 2004
(subject to revision)

The City University of New York

FY2005 New York State and City Adopted Budgets

Preliminary Analysis -- August 24, 2004

NOTE: THE FOLLOWING ANALYSIS IS BASED ON THE NEW YORK STATE AND NEW YORK CITY'S ADOPTED BUDGETS. IT INCLUDES THE IMPACT OF THE GOVERNOR'S VETOES

TOTAL UNIVERSITY

- The FY2005 State and City Adopted Budget recommendations for the City University total \$1,719.1 million, an increase of \$94.4 million (5.8%) over FY2004. The increase in funding reflects an increase in State aid of \$71.1 million (9.9%), an increase of \$15.3 million (9.5%) in City support, and an increase in the tuition revenue budget of \$8.0 million from projected enrollment growth (1.1%).

Funding by Source
(millions)

	FY2004 Base	FY2005 Adopted	\$ Change from Base	% Change from Base
State Aid	718.9	790.0	71.1	9.9%
City Support	161.6	176.9	15.3	9.5%
Tuition	744.2	752.2	8.0	1.1%
Total	\$1,624.7	\$1,719.1	\$94.4	5.8%

SENIOR COLLEGES

- The FY2005 State and City Adopted Budget recommendations for the senior colleges total \$1.246 billion, an increase of \$69.9 million (5.9%) over FY2004. The increase in funding reflects an increase in State aid of \$61.9 million (10.7%) and an increase in the tuition revenue budget of \$8.0 million from projected enrollment (1.4%).

Funding by Source
(millions)

	FY2004 Base	FY2005 Adopted	\$ Change from Base	% Change from Base
State Aid	580.0	641.9	61.9	10.7%
City Support	32.3	32.3	0.0	0%
Tuition	563.4	571.4	8.0	1.4%
Total	\$1,175.7	1,245.6	\$69.9	5.9%

- The budget provides resources to cover the projected costs increases in fringes benefits and energy, and reflects the veto of \$1.8 million in funding for SEEK and full-time faculty. The increase in State aid is a combination of \$28.6 million contained in the Executive Budget and \$33.3 million added by the Legislature. However, as a result of an assessment by the State's Budget Division that the adopted budget contains significant risks and is not in balance, the Budget Division has advised CUNY that there will be restrictions on the amount of the legislative addition that can be available for spending this year.*

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COMMUNITY COLLEGES

- The FY2005 State and City Adopted Budget recommendations for the community colleges totals \$473.5 million, an increase of \$24.5 million (5.5%) over FY2004. The increase in funding reflects an increase in State aid of \$9.2 million (6.6%) and an increase in City support of \$15.3 million (11.8%).

Funding by Source
(millions)

	FY2004 Base	FY2005 Adopted	\$ Change from Base	% Change from Base
State Aid	138.9	148.1	9.2	6.6%
City Support	129.3	144.6	15.3	11.8%
Tuition	180.8	180.8	0.0	0.0%
Total	\$449.0	\$473.5	\$24.5	5.5%

The **State** budget increase of \$9.2 million includes an increase of \$10.5 million related to enrollment growth at the current rate of \$2,300 per fte; offset by a reduction of \$4.1 million related to a \$65 reduction in the rate of funding per fte; and, an increase of \$2.8 million to support the State's share of building rental costs for the Borough of Manhattan Community College

The adopted **City** budget increase of \$15.3 million reflects an increase of \$8.8 million for projected collective bargaining costs; an increase of \$2.8 million to support the City's share of building rental costs for the Borough of Manhattan Community College, and an increase of \$3.7 million for health insurance and pensions.

The City adopted budget also restored \$4.5 million in planned reductions to the Safety Net financial aid program, \$124,000 for the Hunter Campus Schools, \$227,000 in Adult Literacy Programs, and \$486,000 in City Council Initiatives.

The City Adopted Budget restores the Peter F. Vallone City Council scholarship program that was eliminated in the Executive Budget and increases it by \$1.5 million to \$7.0 million.

New City Council funded programs in the adopted budget include:

- \$335,000 - Immigration Center at Medgar Evers College;
- \$134,000 – Center for Creative Arts at Graduate Center;
- \$470,000 – Dominican Studies Institute at City College;
- \$469,000 – Center for Puerto Rican Studies at Hunter College

FINANCIAL AID

- The budget provides for the full funding of the TAP (Tuition Assistance Program) and rejects the proposal to defer one-third of the award.
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CAPITAL BUDGET

SENIOR COLLEGE HIGHLIGHTS

The State Budget provides a new \$1.115 billion Five Year Capital Investment Plan for Senior Colleges and \$97 million in funds reappropriated from the previous five-year plan, for a total of \$1.212 billion for the Senior Colleges.

- \$1.095 billion for Major Bonded Projects
- \$20 million for Minor Rehabilitation Projects (hard dollar)
 - The approved Five Year Capital Plan funding includes \$346 million for ongoing CUNY-wide programs such as health and safety and facilities preservation, and projects to meet mandated EPA, ADA and energy conservation policies.
 - \$40 million is specified for CUNY-wide Information Systems upgrades.
 - \$216 million is included to complete several major projects already underway, specifically the John Jay College expansion, Brooklyn College West Quad building, the City College School of Architecture, and renovation of the Roosevelt House for Hunter College.
 - A significant portion of the five-year plan (\$394 million) supports the University's initiative to upgrade science facilities. These include the first phase of an Advanced Science Research Center (Center for Bio-Sensing) that will serve multiple colleges (\$176 million), science facility upgrades at Queens College (\$30 million), and the first phase of science projects planned for City College (\$60 million), Hunter College (\$68 million) and Lehman College (\$60 million).
 - Funds are also provided (\$86 million) for the first stages of a new state-of-the-art facility at New York City College of Technology, which could be substantially increased through public/private partnership development opportunities.

The Borough Presidents and City Council have provided \$18.5 million for minor renovation and equipment Projects at the Senior Colleges. Included in these projects are health and safety projects at CSI, CUNY Law, The Graduate Center and York and classroom, laboratory and technology upgrades at various colleges.

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COMMUNITY COLLEGE HIGHLIGHTS

In addition to the \$1.212 billion capital plan for the Senior Colleges, the State Budget reappropriates \$119 million for the Community Colleges and Medgar Evers College, consisting of \$64 million from the State's previous five-year capital plan and \$55 million from FY 2003-04.

- \$114 million for Major Bonded Projects
- \$5 million for Minor Rehabilitation Projects (hard dollar)
- When matched by the City of New York, this will provide \$238.7 million for Community Colleges and Medgar Evers College
- The total approved funding includes \$19.8 million (\$39.6 million when matched by the City) for ongoing CUNY-wide programs such as health and safety and facilities preservation, and projects to meet mandated EPA, ADA and energy conservation policies.
- \$58.85 million (\$117.70 million when matched by the City) is provided for the Medgar Evers Academic Building I.
- The remaining \$35.7 million (\$71.4 million when matched by the City) will begin design for new facilities at Bronx and Queensborough Community Colleges; continue renovations in Center 3 at LaGuardia Community College, 199 Chambers Street at Borough of Manhattan Community College, and the 500 Grand Concourse Building at Hostos Community College; and upgrade infrastructure at Kingsborough Community College.

The Borough Presidents and City Council have provided \$17 million for minor renovation and equipment projects at the Community Colleges. Included in these projects are support for the North Instructional Building at Bronx Community College; the Holocaust Center at Queensborough Community College; Student Services and Study Area at Borough of Manhattan Community College; renovations at Center 3 for LaGuardia Community College; and classroom, laboratory and technology upgrades at various colleges.

CITY UNIVERSITY TOTALS

The \$1.212 billion 2004-2009 Senior College capital plan and the reappropriated \$119 million for the Community Colleges and Medgar Evers College represent a State sponsored five-year plan of \$1.331 billion. When the Community College/Medgar Evers State recommended funds are matched by the City of New York, the next five-year CUNY Capital Budget Plan totals \$1.45 billion.