The City
University
of
New York

2006-2007 Operating Budget Request

Investing in Futures

Financing the CUNY Master Plan

Report to Board of Trustees
November 28, 2005

Financing the Master Plan
2006-2007 Budget Request Framework

- The Budget Request is based on the University's 2004-2008 Master Plan. The CUNY Master Plan is part of the New York State Board of Regents' State-wide plan for post-secondary Education. The Plan was adopted by the Board of Regents in July of 2005.

- The CUNY Master Plan is the blueprint that governs the priorities of the colleges and University over the next four years. It calls for significant investments covering a wide range of areas from the classroom to the Child care centers

- The Budget Request is focused on areas critical to implementing the Master Plan and to strengthening CUNY.

  - ***Creating a Flagship Environment***
  - ***Fostering a Research Environment***
  - ***Academic Support***
  - ***Student Services***
  - ***Workforce Development***
  - ***Facility Upgrades***
  - ***Information Management Systems***

2006-2007 Budget Request – THE COMPACT

CUNY proposes a new and comprehensive approach to financing the University's Budget over the next four years.

The plan calls for a COMPACT with the State/City and University where the State and City to commit to providing support to cover 100% of University's "mandatory" costs, (eg. labor contracts, fringe benefits and energy) and at least 20% of the costs of the "Investment" program.

This commitment would amount to the State and City funding nearly 70% of the cost of the Master Plan.

2006-07 Budget Request – THE COMPACT

The University commits to funding the balance of the "Investment" program, or 30% of the Master Plan, through a combination of sources that include:

1. An unprecedented focus on philanthropy as a permanent feature of revenue in support of programmatic initiatives.

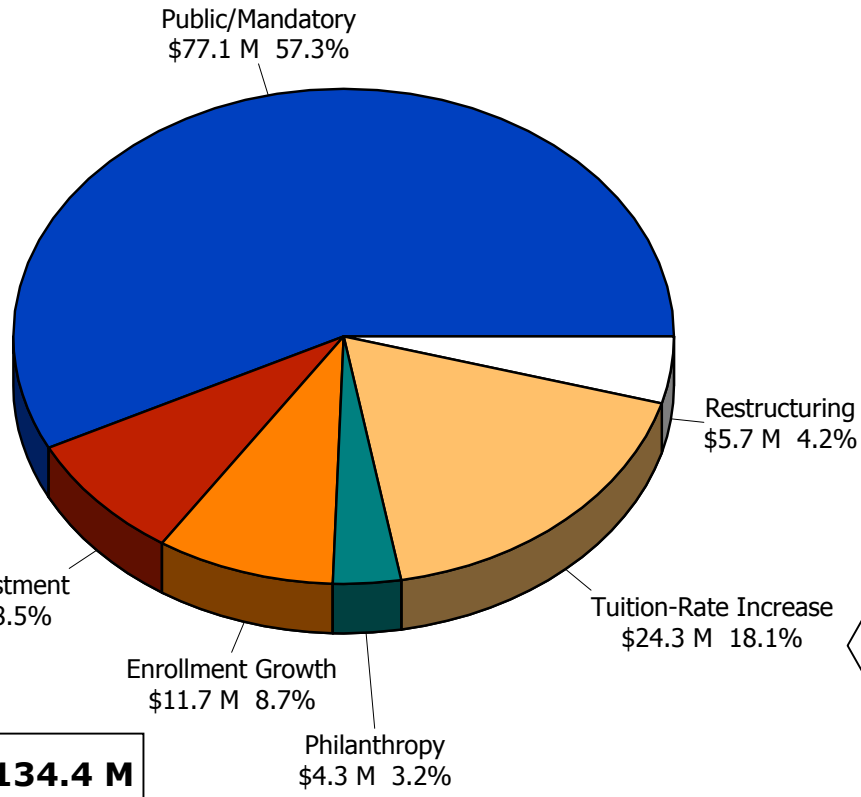
2. Revenue from continued enrollment growth that will be directed toward funding the investments.

3. The redeployment of the University's resources to achieve greater efficiencies and opportunities, with the continuation and expansion of CUNY's Productivity Initiative.

4. Modest tuition increases with no increase greater than the Higher Education Price Index.

Financing the Master Plan
2006-2007 Budget Request — THE COMPACT

Financing of Budget Priorities by Source (millions)



Represents Rate Increase of 3.3% at the Senior Colleges and 4.3% at the Community Colleges

Total Budget Priorities = $134.4 M

2006-2007 Budget Request Summary

(Millions)

Appropriations

(millions)

	2005-2006 Adjusted Base	2006-2007 Request	$ Change	% Change
Senior Colleges	$1,366.8	$1,459.6	$92.8	6.8%
Community Colleges	$489.9	$521.6	$31.7	6.5%
Total University	$1,856.7	$1,981.2	$124.5	6.7%

2006-07 Budget Request – Financing the Request

Requested Increases in Appropriations

(millions)

	Senior	Community	Total
State Aid	$64.5	$18.3	$82.7
City Support	0	$5.7	$5.7
Sub-total Public Support	***$64.5***	***$24.0***	***$88.5***
Tuition	$28.3	$7.7	$36.0
Total	**$92.8**	**$31.7**	**$124.5**

*Numbers may not add due to rounding

Financing the Master Plan
2006-2007 Budget Request – Financing of Budget Priorities
(millions)

	Senior	Community	Total
■ Creating a Flagship Environment	23.5	4.4	27.9
■ Fostering a Research Environment	1.0	-	1.0
■ Academic Support	5.5	2.5	8.0
■ Student Support	8.4	2.1	10.5
■ Workforce Development	1.0	0.5	1.5
■ Management Information Systems	1.7	0.9	2.6
■ Facilities	4.0	2.0	6.0
Total Program Needs	$45.1	$12.3	$57.4
Productivity/Tuition Revenue/Philanthropy	***($36.2)***	***($9.8)***	***($46.0)***
Net Program Request	$8.9	$2.5	$11.4
Mandatory Needs	$55.6	$21.5	$77.1
Total State/City Tax Levy Request	**$64.5**	**$24.0**	**$88.5**

*Numbers may not add due to rounding

Financing the Master Plan
2006-2007 Budget Request

- **Creating a Flagship Environment: ($27.9 M)**

  Strengthening the Flagship Environment with the hiring of additional full-time faculty is the University's top priority. Over the next four years, the University will invest in 800 new full-time faculty toward bringing the percentage of instruction taught by full-time faculty to 70 percent.

  Other Flagship Environment priorities include faculty support, the Honors College, improvements to undergraduate and graduate education, teacher preparation, and support for the School of Professional Studies and Graduate School of Journalism.

- **Fostering a Research Environment ($1.0 M)**

  - The University will enhance its research capabilities by investing in such enterprises as the new university-wide CUNY Advanced Science Research Center.

Academic Support ($8.0 M)

Academic support improvements include the investing in libraries, strengthening of collaborative programs with the NYC Department of Education, and freshman year programs.

Student Services ($10.5 M)

The University will make critical investments in student services to enhance such areas as advising and counseling, services for students with disabilities, career services, child care, health services, athletics, and special opportunity programs.

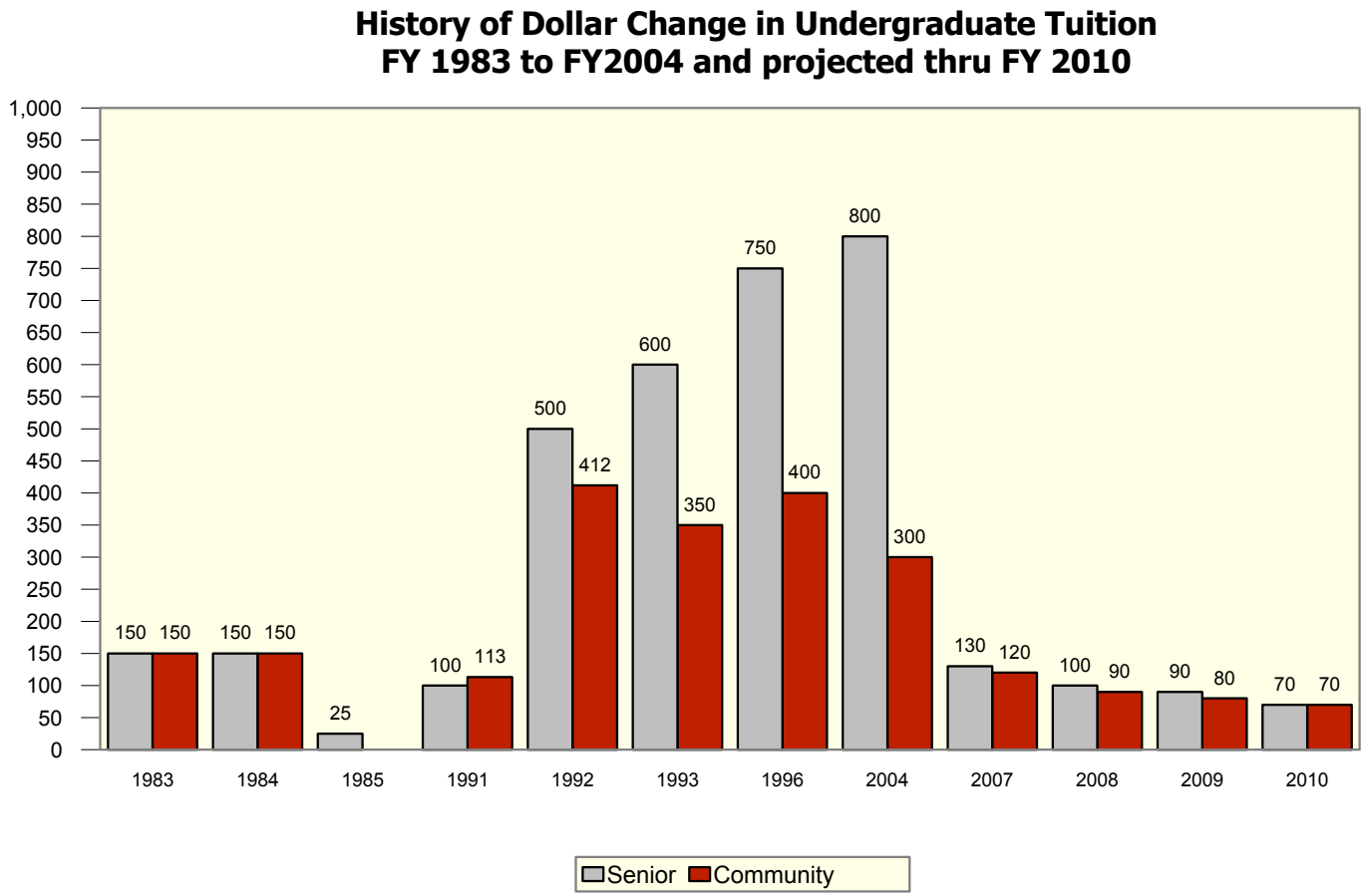
- **Management Information and Infrastructure ($8.5 M)**

  The University will also make targeted improvements in information management systems, and facilities infrastructure, areas that support the backbone of the university and the communities that we serve.

- **Mandatory Cost Increases ($77.1 M)**

  - **Fringe Benefits -- $39.7**
  - **Energy -- $17.1**
  - **Building Rental/New Buildings – $3.8**
  - **Salary Increments/OTPS Inflation -- $16.5**

Financing the Master Plan
2006-2007 Budget Request



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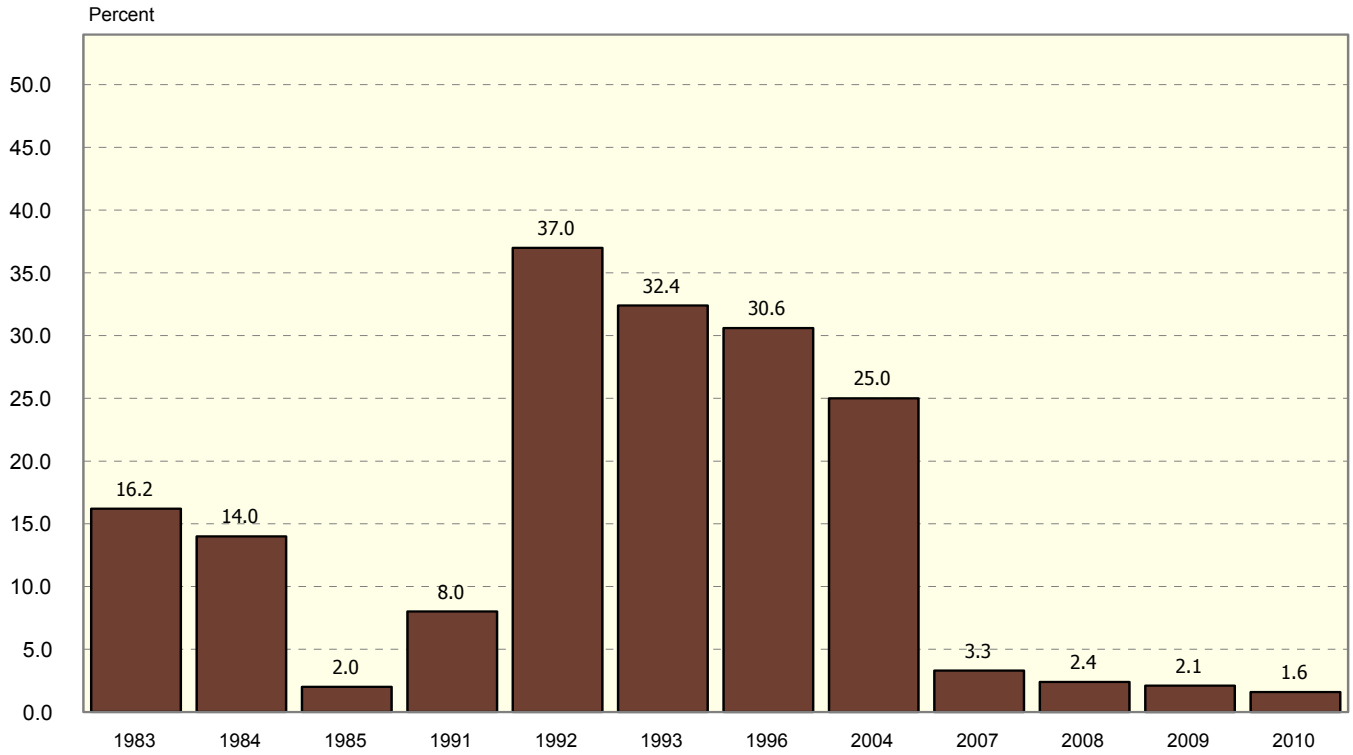
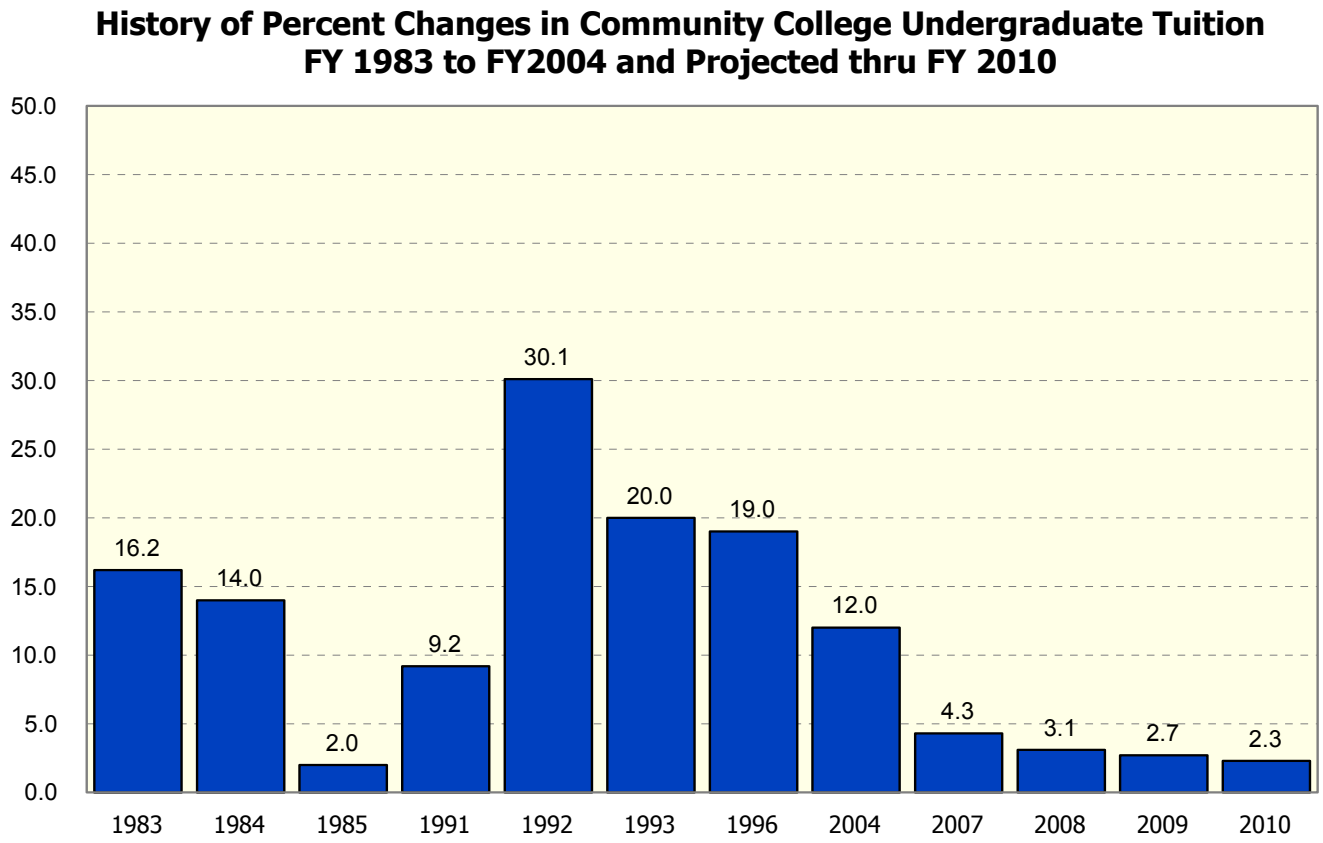
History of Percent Changes in Senior College Undergraduate Tuition
FY 1983 to FY2004 and Projected thru FY 2010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