THE CITY UNIVERSITY OF NEW YORK

Funding History for the City University of New York
Fiscal Year 1991 to Fiscal Year 2005

UNIVERSITY BUDGET OFFICE
October 2005

Introduction

Enclosed is a funding history for the City University of New York from fiscal year 1991 to fiscal year 2005. This report focuses on the three main sources of University funding, tuition and fees, State aid, and City support.

Over the past fifteen years, there has been a significant shift in the proportion of total University funding by source. In current dollars, State support has increased 6.9% since 1991 while City support is up 7.1%. The vast bulk of new revenue has come from a 205% increase in tuition and fees since 1991, providing the University with a 49.3% total funding increase in current dollars.

After inflation[1] is taken into consideration, however, total University funding from these three major sources has actually declined by 7.4%. State and City support have both fallen by more than one third. Inflation has also seriously reduced the purchasing power of increased tuition revenues during this period. This has left the University with significantly fewer total resources in real dollars even as the cost of education for students has risen dramatically.

The analysis is divided in three parts: University-wide funding, senior college funding, and community college funding. Each section includes revenue data by funding source in current and inflation-adjusted dollars; bar charts comparing funding by source for the base year and current year; and line charts detailing funding by source for each of the thirteen years under examination.

[1] This report employs inflation adjustments based on the Higher Education Price Index (HEPI). The HEPI measures "the average relative level in the prices of a fixed market basket of goods and services purchased by colleges and universities through current fund educational and general expenditures excluding expenditures for research." Examples include wages, salaries, fringe benefits, supplies, materials, utilities and library acquisitions.

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University-Wide Funding by Revenue Source 1991-2005

- The FY2005 University budget totaled $1.7 billion. It is funded by tuition revenue ($752 million); State aid ($790 million) and City support ($177 million).

- Since 1991 overall University-wide funding has increased $567.8 million (49.3%) in current dollars. The increased funding has come from $50.7 million in increased State Aid, $11.8 million in increased City aid, and $505.3 million in increased tuition revenue. ***When adjusted for inflation, however, University-wide funding declined $136.7 million (-7.4%).***

  - University-wide State aid rose $50.7 million (6.9%) in current dollars, but declined $401.7 million (-33.7%) after inflation.

  - City support increased $11.8 million (7.1%) in current dollars but declined $89.2 million (-33.5%) after inflation.

  - Tuition revenue more than *tripled* during this period, rising 204.7% from $246.9 million to $752.2 million.

- During this period, the percentage of funding by source has shifted sharply from public support to student tuition payments. In 1991, the City and State's contribution represented 78.5% of the costs of operating the colleges. Today, this share of funding is 56.3%. Tuition payments comprised 21.4% of funding in 1991; today tuition accounts for 43.8% of the budget.

Table 1:
University-Wide Funding by Source 1991 – 2005
(Current Dollars - millions)

	1991	Percent	2005	Percent	Change 1991-2005	% Change 1991-2005
State Aid	739.3	64.2%	790.0	46.0%	50.7	6.9%
City Support	165.1	14.3%	176.9	10.3%	11.8	7.1%
Tuition and Other Revenue	246.9	21.4%	752.2	43.8%	505.3	204.7%
Total	**1,151.3**	**100.0%**	**1,719.1**	**100.0%**	**567.8**	**49.3%**

Table 2:
University-Wide Funding by Source 1991 – 2005
(Inflation Adjusted Dollars (HEPI Index) - millions)

	1991	Percent	2005	Percent	Change 1991-2005	% Change 1991-2005
State Aid	1,191.7	64.2%	790.0	46.0%	-401.7	-33.7%
City Support	266.1	14.3%	176.9	10.3%	-89.2	-33.5%
Tuition and Other Revenue	398.0	21.4%	752.2	43.8%	354.2	89.0%
Total	**1,855.8**	**100.0%**	**1,719.1**	**100.0%**	**-136.7**	**-7.4%**

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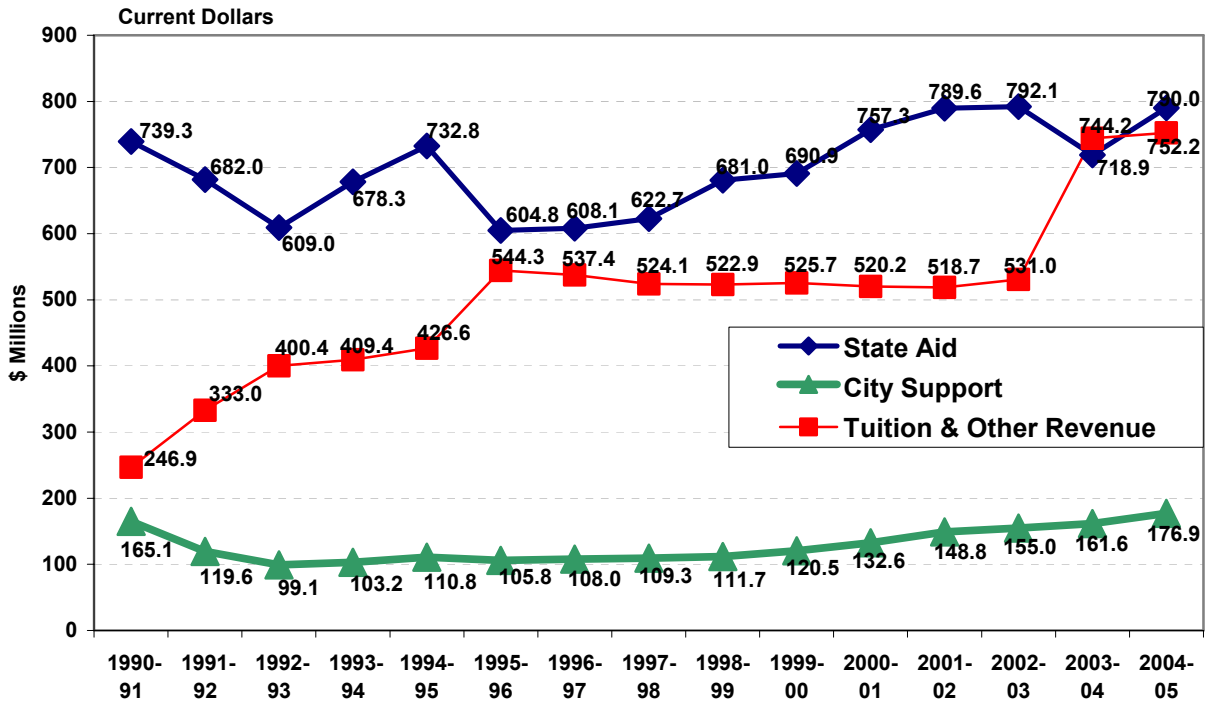
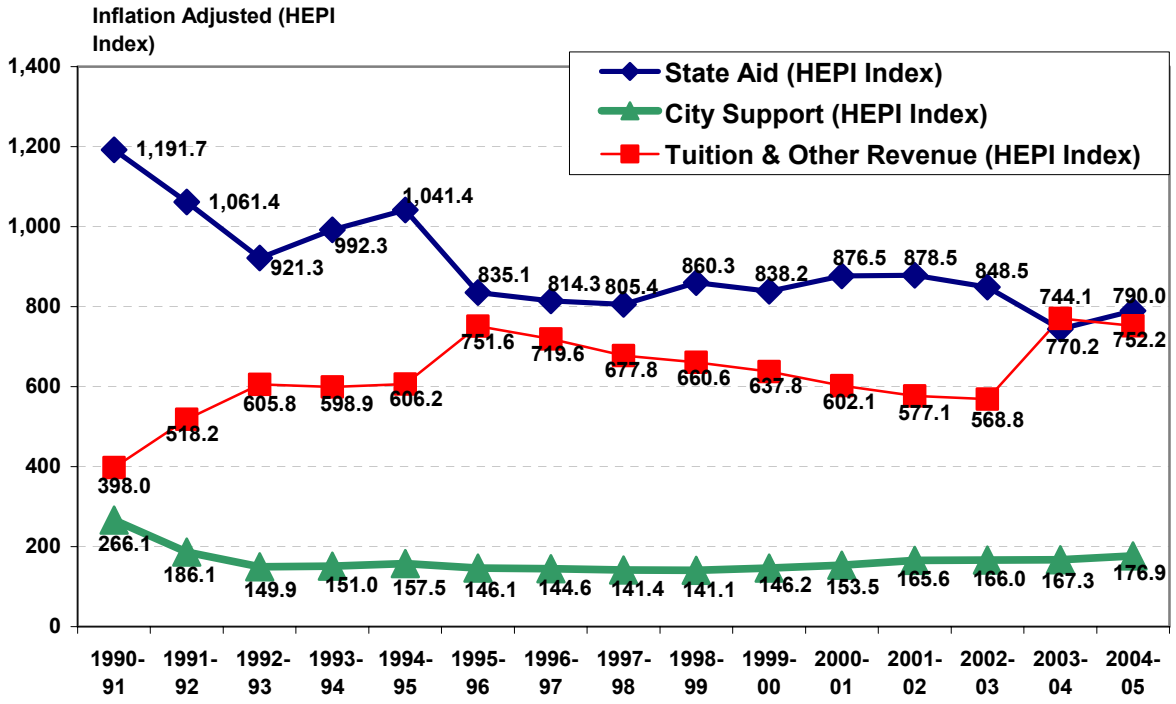
University-Wide Funding by Source - 1991 through 2005





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Senior College Funding by Revenue Source 1991-2005

- The FY2005 senior college budget totaled $1.25 billion. It is funded by tuition revenue ($571.4 million); State aid ($641.9 million) and City support ($32.3 million).

- Since 1991 overall senior college funding has increased $379.9 million (43.9%) in current dollars. The increased funding has come from $391.5 million in increased tuition revenue and state aid, offset by $11.6 million in reduced City support. ***When adjusted for inflation, however, senior college funding declined $149.8 million (-10.7%).***

  - State aid to the senior colleges increased by $5.5 million (0.9%) in current dollars, but declined $383.9 million (-37.4%) after inflation.

  - **City support *declined* $11.6 million (-26.4%) in current dollars and declined $38.5 million (-54.4%) after inflation.**

  - Tuition revenue more than *tripled* during this period, rising 208.2% from $185.4 million to $386 million.

- During this period, the percentage of funding by source has shifted sharply from State and City support to student tuition payments. In 1991, the State and City contribution represented 78.6% of the costs of operating the colleges. Today, the City and State share of funding is 54.1%. Tuition payments comprised 21.4% of funding in 1991; today tuition accounts for 45.9% of the budget.

Table 1:
Senior College Funding by Source 1991 – 2005
(Current Dollars - millions)

	1991	Percent	2005	Percent	Change 1991-2005	% Change 1991-2005
State Aid	636.4	73.5%	641.9	51.5%	5.5	0.9%
City Support	43.9	5.1%	32.3	2.6%	-11.6	-26.4%
Tuition and Other Revenue	185.4	21.4%	571.4	45.9%	386.0	208.2%
Total	**865.7**	**100.0%**	**1,245.6**	**100.0%**	**379.9**	**43.9%**

Table 2:
Senior College Funding by Source 1991 – 2005
(Inflation Adjusted Dollars (HEPI Index) - millions)

	1991	Percent	2005	Percent	Change 1991-2005	% Change 1991-2005
State Aid	1,025.8	73.5%	641.9	51.5%	-383.9	-37.4%
City Support	70.8	5.1%	32.3	2.6%	-38.5	-54.4%
Tuition and Other Revenue	298.8	21.4%	571.4	45.9%	272.6	91.2%
Total	**1,395.4**	**100.0%**	**1,245.6**	**100.0%**	**-149.8**	**-10.7%**

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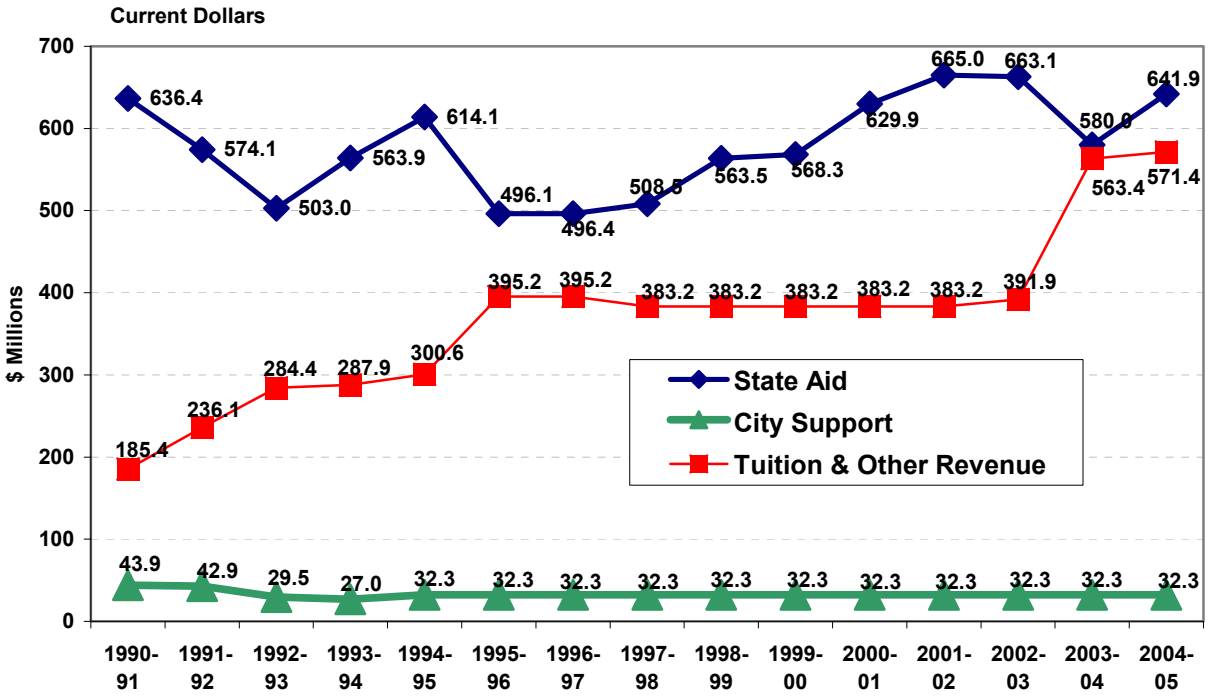
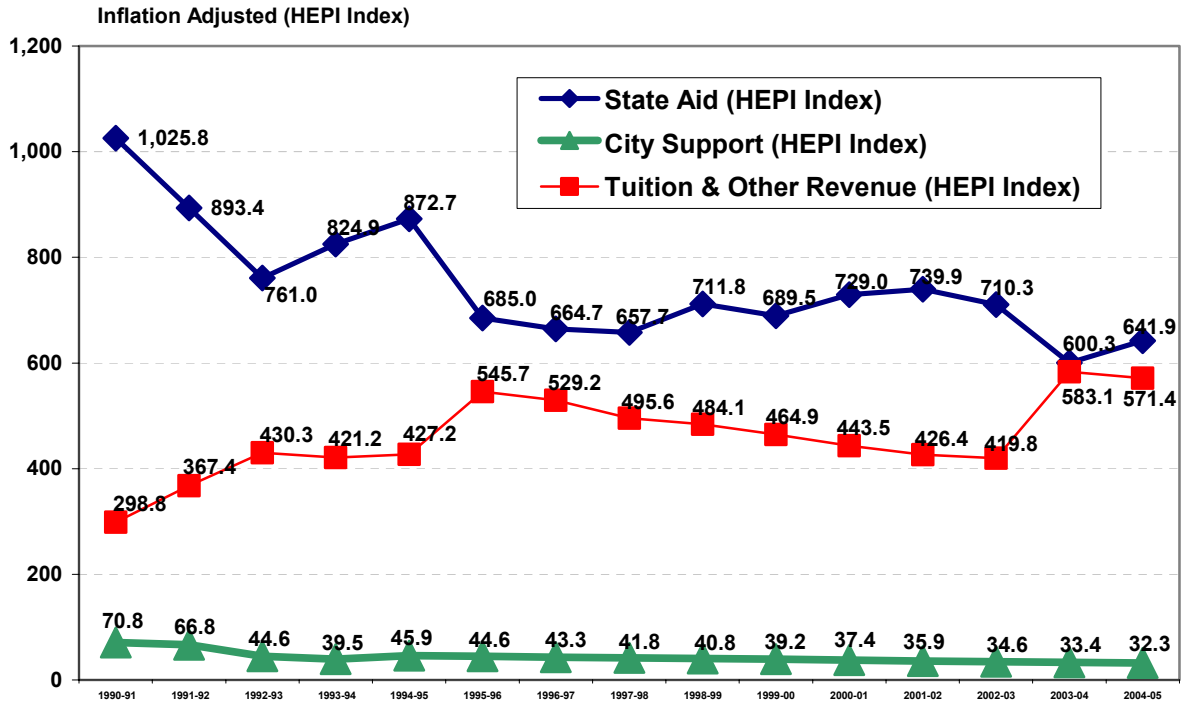
Senior College Funding by Source - 1991 through 2005





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Community College Funding by Revenue Source 1991-2005

- The FY2005 community college budget totals $473.5 million. It is funded by tuition revenue ($180.8 million); State aid ($148.1 million) and City support ($144.6 million).

- Since 1991 overall community college funding has increased $187.9 million (65.8%) in current dollars. The increased funding has come from $45.2 million in increased state aid, $119.3 million in tuition revenue, and $23.4 million in City support. ***When adjusted for inflation, however, community college funding increased $13.1 million (2.8%).***

  - State aid to the community colleges rose $45.2 million (43.9%) in current dollars, but declined $17.8 million (-10.7%) after inflation.

  - City support *increased* by $23.4 million (19.3%) in current dollars but declined $50.8 million (-26%) after inflation.

  - Tuition revenue almost *tripled* during this period, rising 194% from $61.5 million to $180.8 million.

- During this period, the percentage of funding by source has shifted sharply between State and City support and student tuition payments. In 1991, the State and City contribution represented 78.4% of the costs of operating the colleges. Today, the State and City's share of funding is 61.8%. Tuition payments comprised 21.6% of funding in 1991; today tuition accounts for 38.2% of the budget.

Table 1:
Community College Funding by Source 1991 – 2005
(Current Dollars - millions)

	1991	Percent	2005	Percent	Change 1991-2005	% Change 1991-2005
State Aid	102.9	36.0%	148.1	31.3%	45.2	43.9%
City Support	121.2	42.4%	144.6	30.5%	23.4	19.3%
Tuition and Other Revenue	61.5	21.6%	180.8	38.2%	119.3	194.0%
Total	**285.6**	**100.0%**	**473.5**	**100.0%**	**187.9**	**65.8%**

Table 2:
Community College Funding by Source 1991 – 2005
(Inflation Adjusted Dollars (HEPI Index) - millions)

	1991	Percent	2005	Percent	Change 1991-2005	% Change 1991-2005
State Aid	165.9	36.0%	148.1	31.3%	-17.8	-10.7%
City Support	195.4	42.4%	144.6	30.5%	-50.8	-26.0%
Tuition and Other Revenue	99.1	21.6%	180.8	38.2%	81.7	82.4%
Total	**460.4**	**100.0%**	**473.5**	**100.0%**	**13.1**	**2.8%**

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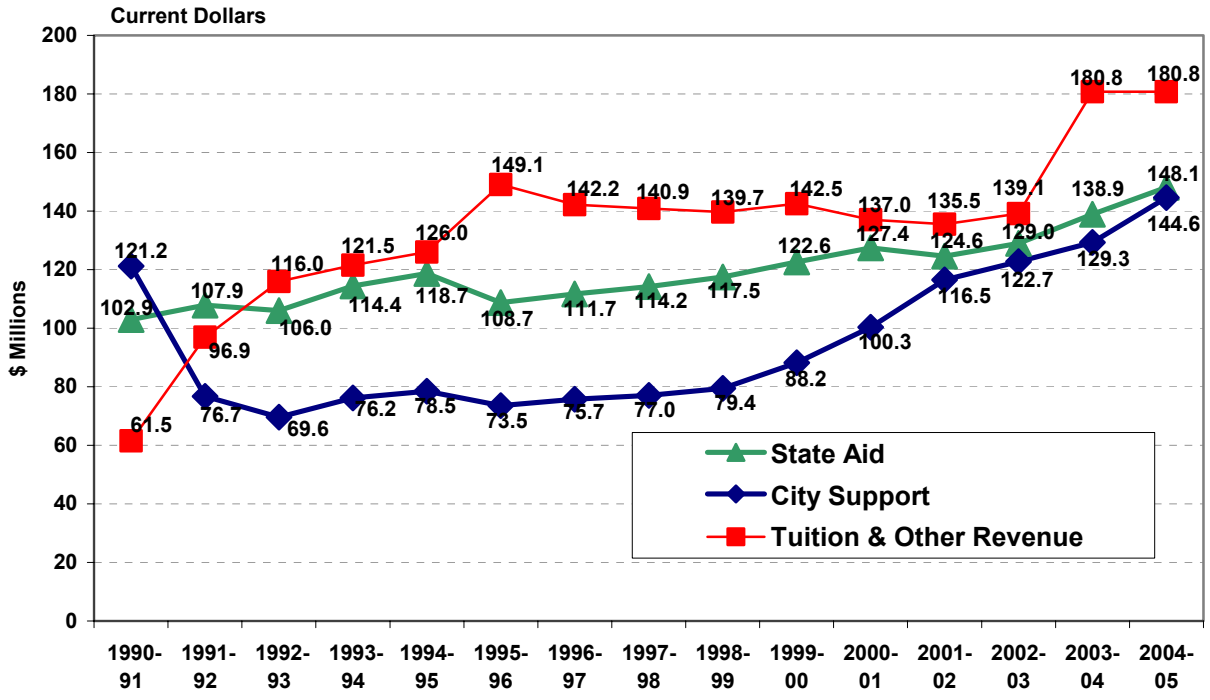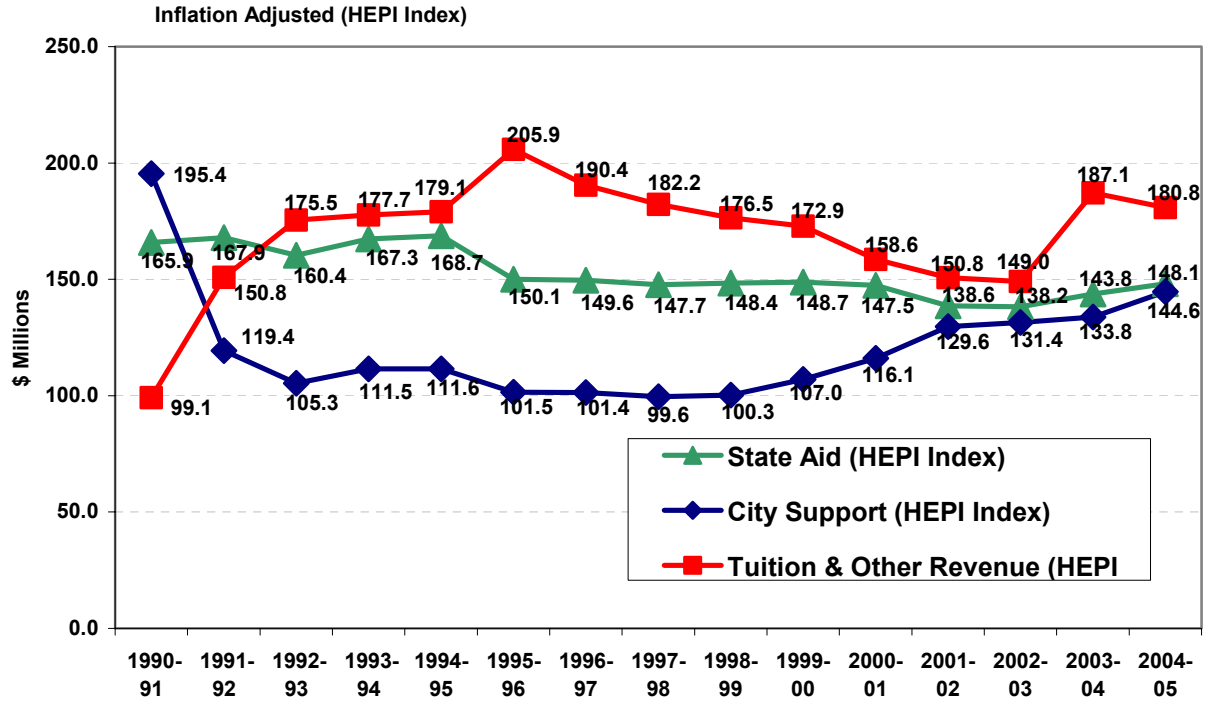
Community College Funding by Source - 1991 through 2005