

FY 2013 Budget

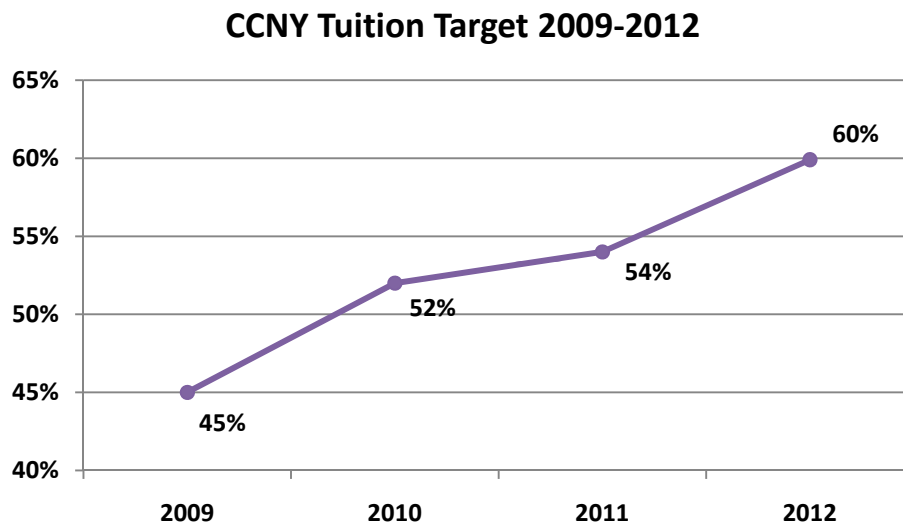
Faculty Briefing

November 29, 2012

Agenda

- Recent Budget History
- Critical Role of Tuition
- Peer CUNY Senior College Comparisons
- FY13 Budget Balancing Principles
- FY13 Budget Deficit
- CUNY Compact
- Budget Reduction Plan and Expected Outcomes

Four Year Financial Analysis



(\$ in millions)

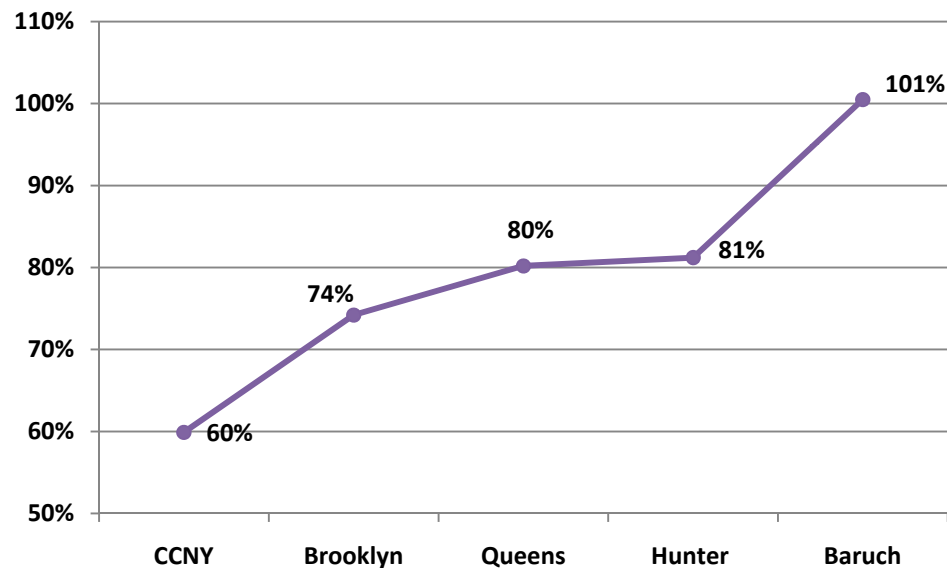
	2009	2010	2011	2012
Total Resources	\$129.4	\$140.0	\$136.2	\$137.2
Tuition Target	\$58.2	\$72.4	\$73.0	\$80.7
Expenditures	\$134.3	\$141.3	\$139.8	\$142.1
Deficit	-\$4.9	-\$1.3	-\$3.6	-\$4.9
Over Collection	\$5.1	\$1.2	\$4.1	\$3.4
CUTRA*	\$0.6	\$0.9	\$1.0	\$2.7
Surplus	\$0.8	\$0.8	\$1.5	\$1.2

* City University Tuition Reserve Account (CUTRA) represents tuition surplus carried from prior year.

- Tax levy support varies from FY2009 to FY2012
- Tuition as a component of tax levy allocation has increased each year
- Low tuition targets resulted in over collections
- Tuition over collections and CUTRA have enabled college to balance budget

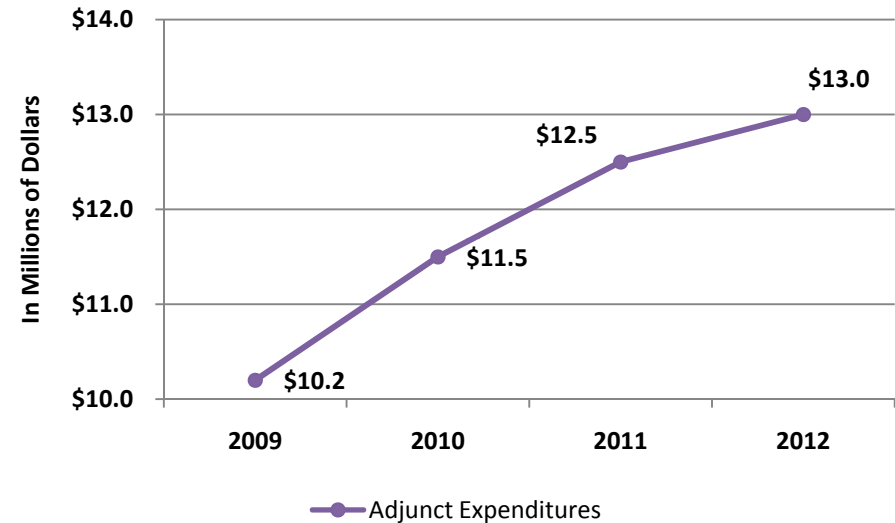
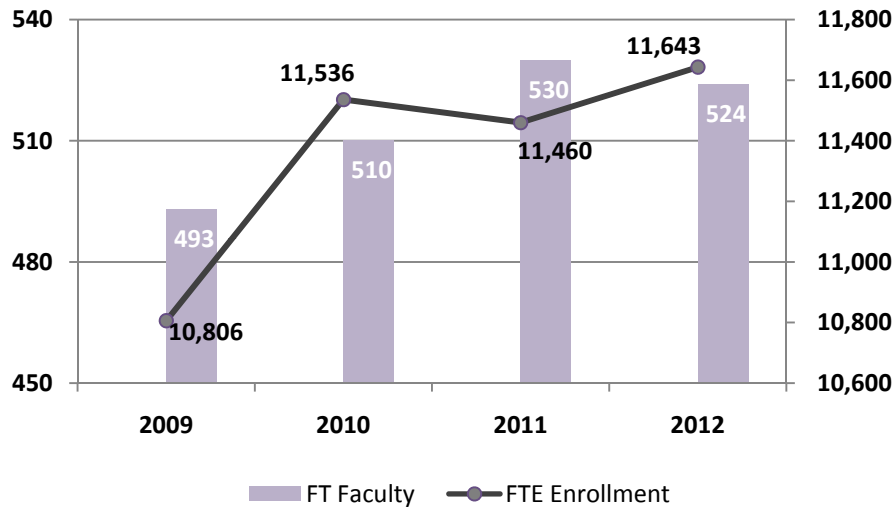
CCNY Tuition Smaller Percent of Total Resources Than Peer Colleges

FY2012 Tuition Revenues as a Percent of Total Resources



- CCNY tuition revenues as a percent of total resources have increased from 45% to 60% from FY2009 to FY2012
- CCNY tuition as a percent of all resources smallest among peer senior colleges

Resources Targeted to F/T Faculty and Adjuncts

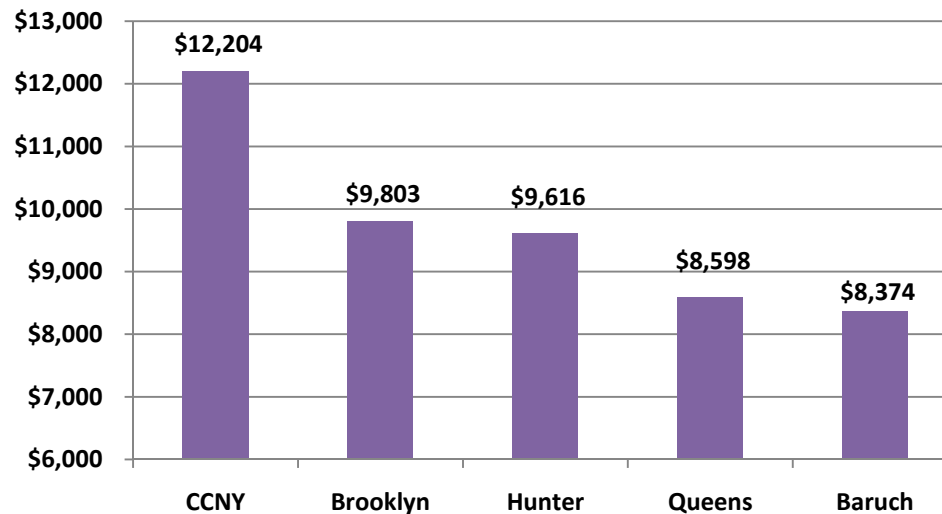


Over Past Four Years FTE Students Increased by 7.7%

- Total resources available increased by 4.4%
- Full-time faculty have grown by 6.3%
- Adjuncts have grown by 27%
- Total staffing at CCNY has remained flat

CCNY Expenditures per Student Greater Than Peer Colleges

FY 2012 Expenditures Per FTE



Senior College	Full Time Equivalents	Expenditures	Expenditures per FTE
City	11,643	\$142.1 M	\$12,204
Brooklyn	12,210	\$119.7 M	\$9,803
Hunter	16,567	\$159.3 M	\$9,616
Queens	14,794	\$127.2 M	\$8,598
Baruch	13,865	\$116.1 M	\$8,374

CCNY Has Lower Student/Faculty Ratio

FY 2012 Comparison of Senior College Student/Faculty Ratios

(Fall 2011 Full-Time Faculty)

Senior College	Full Time Equivalents	Full Time Faculty	Full Time Adjunct Faculty	Total Full Time Equivalents	Student/Faculty Ratio
City	11,643	524	494	1,018	11.4/1
Hunter	16,567	630	824	1,454	11.4/1
Queens	14,724	552	546	1,098	13.5/1
Brooklyn	12,210	488	413	901	13.6/1
Baruch	13,865	421	494	915	15.2/1

➤ City and Hunter have lower student/faculty ratios than their peer senior colleges

Guiding Principles in Building FY13 Budget

- Primary Objective to Balance Budget
 - Give Deans Flexibility to Manage Schools' Budgets and Spending
- Tuition Increases Targeted for Program Expansion (CUNY Compact)
- Fully Fund All Full-Time Staff
 - Faculty Positions Increased
 - Non Faculty Positions Kept Flat
- Tuition Targets Set Higher Lowering Probability of Over Collections
- Budget Balanced with Permanent Spending Reductions

Budget Savings Primarily Generated by Reduced Spending

- Natural Savings from Timing of Full-Time Hiring and Turnover
- Reduce Non-Teaching Funding in Temporary Services by 25%
- Reduce Adjunct Spending by 10%
- Reduce Other Than Personal Services (OTPS) Spending by 6%

Budget Deficit Grows in FY13

Dollars in Thousands

Resources and Expenditures	FY12 Year End Est.	FY13 Base Conditon
Tax Levy Allocation	\$ 130,826.8	\$ 129,363.6
All Other	\$ 11,281.9	\$ 11,970.7
Total Resources	\$ 142,108.7	\$ 141,334.3
PS Regular	\$ 104,085.4	\$ 108,196.6
Adjuncts	\$ 13,005.8	\$ 13,005.8
Temporary Service	\$ 9,098.2	\$ 9,126.5
OTPS	\$ 17,333.5	\$ 19,330.3
Total Expenditures	\$ 143,522.9	\$ 149,659.2
Resources over/(under) Expenditures	\$ (1,414.2)	\$ (8,324.9)
CUTRA	\$ 2,783.9	\$ -
Total	\$ 1,369.7	

The budget deficit increases from \$1.4 million to \$8.3 million in fiscal year 2013

- Salary expenses rise by 4% accounting for all positions on payroll
- Total resources decline less than 1%. However tuition as a percent of total resources grows to 62%.
- OTPS spending increases 12% funding tuition increases for students over TAP.
- An allowance needs to be made for CUTRA reserve, between 1%-3% of budgeted tuition revenue
- COMPACT not included in base condition

Note: FY12 is a projection performed before the close of the fiscal year. CUNY reports some expenses and revenues on a net basis while College tracks expenses and revenues on a gross basis.

Budget Balancing Measures for FY13

Dollars in Millions

Budget Balancing Measure	Description	Amount	% Reduction
PSR	Savings expected from attrition and turnover	\$3.068	2.7%
OTPS	Across the board reduction	\$0.857	6.2%
Temp Services	Fully-funded PSR to reduce TS need. Departments to develop TS Plans	\$2.064	25.1%
Adjunct	Additional faculty to reduce reliance on Adjuncts	\$1.301	10%
Energy Savings	Modest savings from decreased consumption and CCNY Green program.	\$0.100	
IFR Savings	ACE funding switch	\$0.135	
Additional Tuition Above Target	Improved collections	\$0.800	
Total		\$8.325	

- Reductions taken prior to addition of Compact related expenditures
- Budget balancing measures result in a CUTRA balance for FY 13 of \$1.4 M or ~2%.

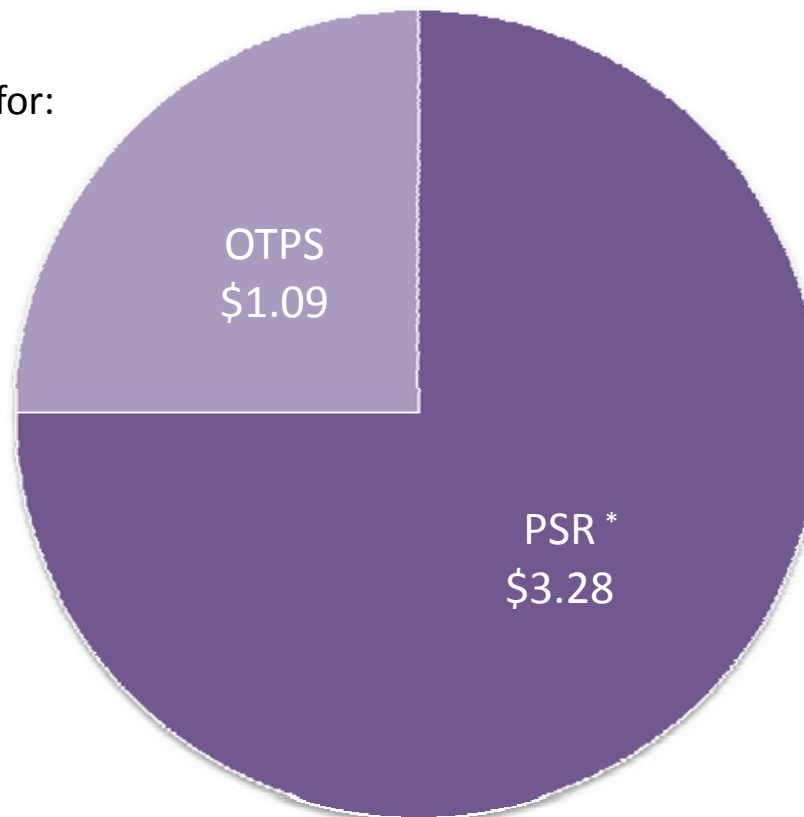
Compact Plan

Dollars in Millions

Proposed Compact Budget

OTPS Funding Available for:

- Tuition Waivers
- Textbooks
- Equipment
- Campus Improvements
- Technology Initiatives



PSR Funding Available for:

- 26 Academic Positions
- 5 Student Affairs

*Includes Fringe Benefits

Waivers will cover tuition above \$5,000 TAP level.

Elements of FY13 Balanced Budget

- Savings of \$8 M made to address structural deficit and balance the budget.
- Budget includes new Compact funding of \$4.3M, \$3.3M in full-time lines and \$1.1M in OTPS.
- Departmental budgets allocated by major spending categories and monitored on a monthly basis.
- Preserves current full-time staff levels (PSR)- 1,375 HC plus 31 Compact-related hires .

Proposed FY13 Budget in Balance

Dollars in Thousands

Resources and Expenditures	FY12 Year End	FY13 Base Conditon	FY13 Budget Changes	FY13 Compact Increase	FY13 Proposed Budget
Tax Levy Allocation	\$ 130,826.8	\$ 129,363.6	\$ 100.0	\$ 4,372.0	\$ 133,836
All Other	\$ 11,281.9	\$ 11,970.7	\$ 935.0	\$ -	\$ 12,906
Total Resources	\$ 142,108.7	\$ 141,334.3	\$ 1,035.0	\$ 4,372.0	\$ 146,741
PS Regular	\$ 104,085.4	\$ 108,196.6	\$ (3,067.0)	\$ 3,279.0	\$ 108,409
Adjuncts	\$ 13,005.8	\$ 13,005.8	\$ (1,300.0)	\$ -	\$ 11,706
Temporary Service	\$ 9,098.2	\$ 9,126.5	\$ (2,064.0)	\$ -	\$ 7,063
OTPS	\$ 17,333.5	\$ 19,330.3	\$ (859.0)	\$ 1,093.0	\$ 19,564
Total Expenditures	\$ 143,522.9	\$ 149,659.2	\$ (7,290.0)	\$ 4,372.0	\$ 146,741
Resources over/(under) Expenditures	\$ (1,414.2)	\$ (8,324.9)	\$ 8,325.0	\$ -	\$ 0
CUTRA	\$ 2,783.9	\$ -			
Total	\$ 1,369.7				

Measures to Ensure Fiscal Balance

- Improved controls in hiring process (PSR)
- Planning and monitoring of Temporary Services, Adjunct, and OTPS Budgets
- Overtime control plan to be developed
- PSR spending controlled through Headcount
- Monthly budget meetings with Deans and Division Heads