

FY15 Mid-Year Budget Briefing

March 10, 2015

Agenda

- FY 15 Budget Recap
 - Developing the Budget
 - Budget Reserve (CUTRA)
 - Budget Balancing Plan
- FY 15 Mid-Year Financial Plan
 - YTD Expenses
 - Projections
- State Executive Budget
- Challenges For Next Fiscal Year
 - Enrollment
 - Tuition Target
 - Planning for FY2016

Budget Recap

Developing the Budget

- **Revenue**

- University allocates funding for each College
- Tuition collection is included in funding
- Tuition target increased by CUNY
- Tuition is 63% of budget. Shortfalls result in reduction of expenses, i.e., budget cut
- College determines how to distribute across expense types, schools/divisions, and programs

Developing the Budget

- **Expense**

- PS Regular

- Filled/Active Positions
 - Expected Attrition
 - Vacancies

- Adjuncts

- FY 11 actual expenditures used as base
 - Adjusted for changes in enrollment

Developing the Budget (Cont.)

- **Expense (cont.)**
 - Temporary Services
 - Prior year budget used as base
 - Technical Re-alignments
 - OTPS
 - Prior year budget used as base
 - Technical Re-alignments

Budget Balancing Plan

- Savings of 1.1% across all divisions and departments
 - Re-build budget reserves (CUNY mandated)
 - One-time action
- Other cost saving initiatives
 - Postpone hiring for administrative vacancies
 - Attrition savings for both faculty and administrative staff
 - Enrollment savings of .8% for Academic Divisions
 - Savings target varies based on enrollment change
 - Differential for undergraduate and graduate enrollment changes

FY 15 Budget

| Category | FY15 Estimate |
|------------------|---------------|
| Revenues | \$139.7 |
| less Expenses | -\$138.2 |
| Budget Reserve | \$1.5 |

*Note:
Dollars in millions, tax levy only, excludes compact philanthropy and tech fee.*

Mid-Year Budget Condition

FY15 Mid-Year Tax Levy Condition

| Resources & Expenditures | FY2015 Budget | Year-to-Date | FY2015 Projection |
|-------------------------------|----------------|---------------|-------------------|
| State Aid and Other Resources | \$51.8 | \$54.9 | \$56.3 |
| Tuition | \$87.9 | \$44.2 | \$88.1 |
| Total Resources | \$139.7 | \$99.1 | \$144.4 |
| Full-Time Personnel | \$111.1 | \$56.3 | \$113.5 |
| Adjuncts | \$10.5 | \$6.5 | \$11.2 |
| Temp. Services | \$6.3 | \$3.6 | \$6.6 |
| OTPS | \$10.3 | \$5.2 | \$11.9 |
| Total Expenditures | \$138.2 | \$71.6 | \$143.2 |
| | | | |
| Budget Reserve | \$1.5 | | \$1.2 |

Note: Dollars in millions. Tax levy only, excludes compact philanthropy and tech fee. Increase in State aid is associated with targeted spending.

FY15 Mid-Year Tuition Collection

| Terms/Activities | Collections |
|------------------------------------|----------------|
| Summer 2014 - Spring 2015 | \$48.9 |
| Prior Years | \$1.9 |
| Refunds & Adjustments | (\$6.6) |
| Total YTD Collections | \$44.2 |
| <i>Additional Actions:</i> | |
| Additional Collections | \$37.2 |
| Summer 2015 | \$3.6 |
| Additional Prior Year | \$3.1 |
| Total Projected Collections | \$88.1 |
| Tuition Target | \$88.5 |
| Variance from Target | (\$0.4) |

Note: Dollars in millions.

FY15 Mid-Year Highlights

- Spending generally on pace with budget
- Tax-levy resources generally on pace with estimates
- Tuition largest risk in the budget
 - Enrollment drives tuition revenue
 - Shortfall of \$400k identified
 - Collect tuition debt from prior years

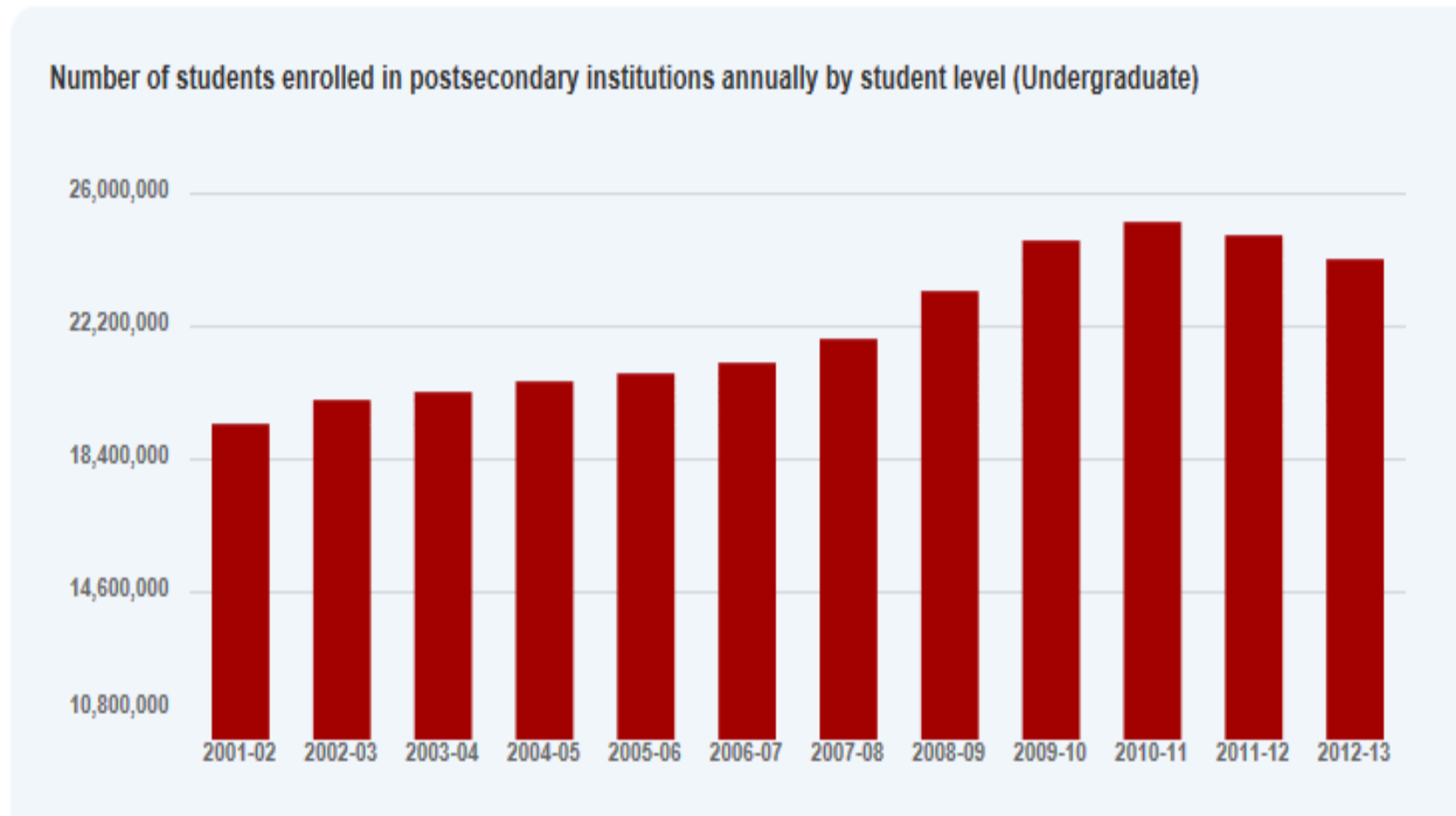
Plan to Improve Enrollment and Tuition Collections

- Expand Summer session
- Expand Winter session
- Develop strategies to increase enrollment for Fall and Spring semesters
 - On-line course offerings
 - International students
 - Post-baccalaureate/certificate programs
- Continue to pursue all available collection tools
 - Targeted email campaigns
 - Targeted phone call campaigns
 - Utilization of collection agency
 - Bursar holds and de-registration

Role of Tuition in the Budget

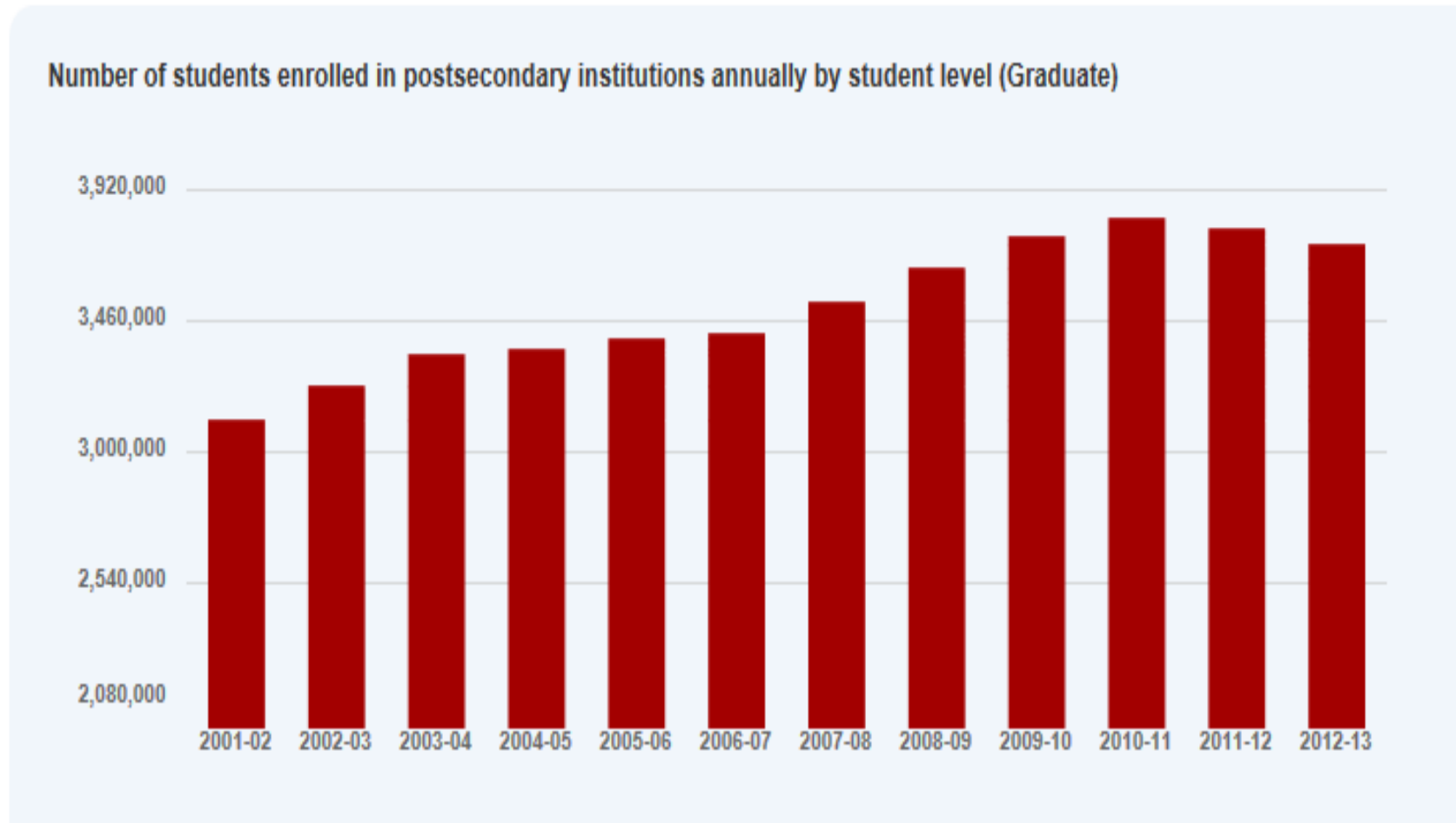
- Enrollment is a critical component
- Enrollment fluctuates while budgets remain flat or decrease
- Tuition targets increased each year tuition rates increase
- Ratio of undergraduate to graduate enrollment is important determinant
- Enrollment decreases magnify budget shortfalls during periods of increased tuition targets

U.S. College Enrollment Trends



Source: [National Center for Education Statistics: Integrated Postsecondary Education Data System \(IPEDS\)](#)

U.S. College Enrollment Trends



Source: [National Center for Education Statistics -- Integrated Postsecondary Education Data System \(IPEDS\)](#)

Governor's Executive Budget for Fiscal Year 2015-2016

Impact of NYS Executive Budget

What is not in the budget?

- No Increases for Mandatory Needs
 - Fringe Benefits
 - Health benefits
 - Pension
 - Energy
 - Building Rentals
 - Salary Increments
- New Collective Bargaining Agreement
- Funding for Specialized Programs
 - SEEK, Child Care, Single-Stop

Impact of NYS Executive Budget

What is in the budget?

- College Performance Improvement Plans
 - Pay for Performance
 - Access
 - Graduation Rates
 - Post-graduate Success
 - Research
 - 10% Hold Back of Allocation
- Experiential Learning (unfunded mandate)
- Tuition Increase (final year)
- Financial Aid

Challenges for Next Fiscal Year

- Tuition target will increase again
- Enrollment continues to be a challenge
 - Enrollment projections will impact available resources
- Funding for collective bargaining contract
- Maintain budget reserves
- Implications of new State budget