

Budget and Planning Committee Meeting
Minutes
July 20, 2023

Attendees: Karol Mason, Cat Alves, Justin Barden, Anthony Carpi, Shu-Yuan (Demi) Cheng, Susannah Crowder, Ajisa Dervisevic, Mark Flower, Oswald Fraser, Karen Kaplowitz, Erica King-Toler, Vicente Lecuna, Jean Mills, Allison Pease, Andrew Sidman, Ellen Sexton, Nancy Velazquez-Torres, Alison Orlando, Kinya Chandler, Aiisha Qudusi, Brian Kerr, Daryl Wout, Gail Garfield, Glenn Corbett, Heath Grant, John Gutierrez, Maxwell Mak, Michael Brownstein, Ned Benton, Rulisa Galloway-Perry, Shweta Jain, Stephen Russell, Tony Chambers, and Alena Ryjov (recorder)

1. Approval of minutes for March 16, 2023 meeting: The minutes were approved as proposed.

2. FY2024 Budget Proposal: Karol M. started the meeting and highlighted some of the key points of the budget discussion. She said that the federal money is running out, and that CUNY is requesting to present a deficit reduction plan for campuses that face budget deficits. She said that we initially anticipated to face financial challenges starting year 2026, however, due to lower than projected enrollment, we will be in a budget deficit starting year 2025. In the FY2024, we will still have a balanced budget. We have been lobbying the State legislature for investment in CUNY and we did well this year, but this was not enough to address the structural issues that CUNY has. Over the years, there has been a significant disinvestment in CUNY. Thanks to the federal bailout we have been able to navigate that most recently, but JJ has had a perpetual structural deficit for years. Karol described the actions the college had taken to address the deficit, such as maximizing seat capacity, increasing collection rates, enrollment initiatives, etc. She mentioned that because the community colleges are struggling with a low enrollment as well, we have a big challenge with a pipeline of transfer students. She reminded that CUNY requires a financial plan that goes through 2027, and asked Mark F. to begin his budget presentation.
Mark started by thanking Ajisa D. for the hard work that went into the budget work. He said that the budget is due to CUNY on July 24, 2023. He explained the process of how budget planning works and said there's no more formula in terms of how colleges are allocated money, but a roll over from a year to year. He walked the committee through each category of allocation, such as utilities, fringe costs, TAP waivers, etc. He said that our enrollment plays a significant role in our revenue. Because we missed our enrollment target, we also missed our revenue target, therefore CUNY lowered our revenue target, but also lowered our allocation by \$7.2M. He then focused on discussing the impact of enrollment in more details. He said that our enrollment generated 87% of our total allocation in FY2022. We are projecting that our enrollment will be down next year, but that it is projected to increase in 2025, 2026, and 2027. He then moved to discuss the overall budget and emphasized the importance of increasing enrollment. Brian K. said that it is important to consider retention when talking about enrollment, and efforts are ongoing to strengthen our retention of students. Karol added that we enroll students we expect to graduate, and therefore the enrollment number of our freshman students is capped at 2,000, because this is the number we know we can serve appropriately and successfully. Our opportunities are in transfer students and retention. Karol mentioned that we had some struggles with retention during COVID, but she hopes that the situation will normalize. She said that Financial Aid, Academic Affairs and Student Affairs play a great role in supporting retention and they should continue their work towards that goal. Mark proceeded with his presentation and talked about the expense side categories, including faculty lines, admin lines, sub lines, adjunct costs, number of sections, temp services, step increases, etc. He said CUNY

advised not to include the cost of collective bargaining into the projections, therefore the final expenditure numbers will be higher. Karol emphasized that we are being very rigorous in deciding what positions to fill. In all, our projected expenses for the year total \$134M. Out total revenue is \$122.5M. The difference represents a structural deficit of \$12.2M, without the collective bargaining increases. Mark said that the good news is that we are ending the FY24 year in a positive CUTRA balance of \$14M due to HERRF money, which will help us end the FY2024 with a \$1.9M balance. This balance will be carried over to the next year, but unfortunately it will not be enough to balance the budget. In 2025, 2026, and 2027, we will have a projected deficit of \$11.6M, \$26M, and \$40.7M respectively, absent any significant changes either in enrollment or on our expense side. In response to questions, Mark explained how enrollment projections were developed. then Mark and Karol spoke about collection rates and a new strategy for collecting outstanding balances, which was effective to a degree, but we still had over \$6M in outstanding balances. Karol spoke about fundraising work and programs supporting students, and she said that the college is working hard on making sure all funds are awarded. Unfortunately, our philanthropic dollars are not enough to cover all financial needs, therefore we need to also socialize the idea of federal student loans. Aiisha Q. asked about the scholarship programs and ways to increase awareness about them. She offered the help of the Student Council to spread awareness about those programs. Gail G. asked what the enrollment projections are based on. Karol said we rely heavily on research and historical data provided by the Institutional Research. Our goal is 12,500 FTE and we strive to be conservative in our enrolment projections to make sure we can effectively support students we enroll. Gail then asked if JJ is doing active recruitment. Brian K. answered yes. Karol added that we are currently rethinking our outreach efforts because this generation is different. Ned asked if we are fully using opportunities for online education. Karol answered that, while we are ahead of the curve compared to some CUNY schools, we do need to work towards filling seats to capacity in grad online programs. She also mentioned the fully online CJ BS program going live this fall. Allison added that we are starting with a modest number to make sure we can manage all aspects of it well. Karol mentioned an importance of attracting more veterans and NYPD population. Karen K. spoke on behalf on the Faculty Senate and talked about the FS resolution to vote to adopt the College's budget plan. Karol emphasized that she will continue to ask legislature to increase investment in CUNY. She asked the committee for their thoughts and ideas on the narrative that would effectively get the point across with the State to address the structural deficit. Karen Kaplowitz made a motion to adopt the budget. Anthony Chambers seconded it. The motion was passed unanimously. The meeting was adjourned.