

**Budget and Planning Committee
Meeting Agenda
May 20, 2019
1:40-3:00pm – Room 630H**

1. Approval of BPC minutes for 9/6/18 and 9/13/2018 (attached)
2. JJ Year End Budget 2019
3. CUNY's allocation
4. NYS Budget 2020

Budget and Planning Committee Meeting
Minutes
May 20, 2019

Attendees: Karol Mason, Jasmine Awad, Ned Benton, Avi Bornstein, Dara Byrne, Anthony Carpi, Shu-Yuan Cheng, Lynette Cook-Francis, Brian Cortijo, Angela Crossman, Geert Dhondt, Mark Flower, Robert Garot, Karen Kaplowitz, Ben Lapidus, Brian Lawton, Erez Lenchner, Yi Li, Douglas Salane, Michael Scaduto, Monika Son, Robert Till, Steven Titan, and Alison Orlando (recorder)

Guests: Ingrid Cabanilla, Ajisa Dervisevic and Alena Ryjov

1. Approval of Minutes for 9/6/18 and 9/13/2018 – The minutes will be approved at the next meeting that has a quorum.
2. JJ Year End Budget 2019 – Karol M. started by explaining that for the FY 2019 Budget the college has ended the year with a positive balance of \$127,068. She asked the committee if they would like to hear on how we reached a positive balance. Ned B. noted that many things had to happen for the budget to end with a positive balance, and that a lot of hard work went into balancing the budget. Karol M. agreed. She added that the budget didn't work itself out and this couldn't have been done without the hard work of everyone. Steve T. wanted to remind the committee that we actually started last year with a projected deficit of \$12 million, and we worked from that number to get to a positive balance. Karol M. elaborated that it was truly a group effort to balance this year's budget. She added that we will get through this together, and it is up to all of us to figure out how to do the best job we can for our students.
3. CUNY's Allocation – Steve T. explained that CUNY is changing the tuition and fee target methodology, and asked Mark F. to go over the changes in more detail. Mark F. explained that our allocation from CUNY has been based on the revenue target. However, at John Jay we are unable to realize the revenue target because of the TAP Gap issue; he added that John Jay has the largest gap per FTE of the senior colleges. However, he explained that the new methodology for calculating the revenue target takes the TAP Gap into account. Mark F. then went over the handout labeled "FY 2020 Proposed Tuition and Fee Methodology" and explained the way that the new methodology will calculate the revenue target. He then explained that although we know the new methodology for calculating the revenue target, we need to know what our allocation will be and how much CUNY will support us to know the full impact this will have on the budget. Karol M. asked when we will know this information. Steve T. said that he asked and he was told that this information should be available at the Fiscal Affairs Committee meeting on June 3.
4. JJ 2020 Budget and NYS Budget 2020 - Steve T. stated that the John Jay 2020 Budget is based on the old methodology and that the budget will need to be updated once we get all the necessary information on the new methodology. He also noted that the additional \$2 million in Supplemental Operating Support allocated to us from CUNY in FY 2019 is included in this budget. Karol M. said two main items effecting the budget is that the Department of Corrections will not doing their training at North Hall, and the labor reserve. Ned B. asked if we will still be able to rent North Hall for filming as a method of generating revenue. Karol M. said that would be the goal, but there are still discussions about Guttman Community College using North Hall. Karol M. then spoke about how CUNY does allocations across the university system, and how the current system disadvantages John Jay. Jasmine A. asked about the handout "Fiscal Year 2020 State Enacted Budget/City Preliminary Budget Analysis" and how the senior

college increase of \$78.9 million will impact John Jay. Mark F. said that we are not seeing much of the increase as the majority goes into fringe, which does not go into our operating budget. Karol M. spoke about the TAP Gap, and how our message about the TAP Gap is beginning to be heard at that state level and that we are making momentum. Brian C. asked if we know how the Excelsior Gap will affect us as more students become eligible for Excelsior. Mark F. said that he included this in the FY 2020 Budget but we don't know the full amount. Mark F. gave a high level review on how we ended up with a deficit for FY 2020. He talked about items that had a large effect on the budget such as the loss of North Hall, the labor reserve, filling of vacant positions for faculty and staff, increasing adjunct costs, and the loss of CUTRA. Ned B. inquired about faculty and administrative staff hiring, and if there is a growth or decline in lines. The meeting was adjourned at 2:50 pm.

FY2019 Budget Year End Balance Reconciliation

FY2019 Beginning Projected Deficit	(\$6,234,000)	
Revenue Changes		
Increase in Lump Sum Allocations , Increase in Child Care \$59,176, increase in College Now \$3,956, Increase in SEEK 82,058, Increase in Services for Disabled \$19,007, Decrease in Workforce Development -\$20,000		\$145,000
Increase in additional allocations , Supplemental Operating Support \$2,000,000, Increase in Energy Savings \$300,000		\$2,358,000
Increase in NYC Sponsored Programs , CEEDS reduction of -\$450,000 offset by NYPD leadership now included in tax levy of \$695,000		\$225,000
Increase in Revenue Above Target , Increase in enrollment over projection 11,925 FTE vs 11,795		\$1,384,000
Subtotal Revenue Changes		\$4,112,000
3rd Quarter Ending Balance After Revenue Changes	(\$2,122,000)	
Expenditure Changes		
Changes in Full time Faculty Salaries , Actual salaries lower -\$1,241,323 (separations not included in original projection) and increased refunds of appropriation -\$396,729 (RF release time & Sentencing Commission)		\$1,814,000
Changes in Full time Administrative Salaries , Savings from attrition and not backfilling positions as well as savings from planned savings of vacant positions was \$2M as compared to plan of \$1.2M		\$873,000
Changes in ECP Salaries , Actual refunds of appropriation \$72,000 less than plan		(\$141,000)
Changes in Adjunct Salaries , Increased number of sections and average salary greater than plan and \$600,000 FY18 summer payroll which was paid in FY19		(\$1,695,000)
Changes in Temp Services , Finance & Administration and Student Affairs operating under budget		\$186,000
Changes in OPTS , Reduction of planned CEEDS expenditures -\$757,000, -\$150,000 reduction in Provost allocation, ACE tuition paid from allocation reduction and not OPTS - \$250,000.		\$1,361,000
Subtotal of Expenditure Changes		\$2,398,000
Changes in Year End Balance (CUTRA) , Adjustment by CUNY as a result of JJC not hitting IFR revenue target	(\$149,000)	
3rd Quarter Ending Balance after Revenue, Expenditure and CUTRA Changes	\$127,000	

John Jay College
FY 2019 Financial Plan Projection

	FY2019	FY2019 3rd Qtr 4/3/19 Report	Change (3rd Qtr - Plan)	Notes
<u>BUDGET ALLOCATION AND REVENUE</u>				
CUNY Revenue Target	\$92,214,000	\$92,266,000	\$52,000	Adjustment for Maccaulay waivers
Avg Enrollment ((Fall + Spring)/2)	11,795	11,925	130	Increase in Enrollment
Base Allocation				
Base Allocation:	\$100,846,000	\$100,845,530	(\$470)	Rounding
Addl Resources for Collective Bargaining	\$0	\$0	\$0	
Lump Sum Allocations	\$2,153,138	\$2,297,805	\$144,667	Increase in Child Care \$59,176, increase in College Now\$3,956, Increase in SEEK 82,058, Increase in Services for Disabled \$19,007, Decrease in Workforce Development -\$20,000
Initial Tax-Levy Allocation (See Allocation Letter)	\$102,999,138	\$103,143,335	\$144,197	
Additional Allocations	\$3,943,348	\$6,301,114	\$2,357,766	Supplemental Operating Support \$2,000,000, Increase in Energy Savings \$300,000
NYC Budget Initiatives (NYPD Exec Leadership & DOC CEEDS)	\$2,346,739	\$2,571,742	\$225,003	CEEDS reduction of -\$450,000 offset by NYPD leadership now included in tax levy of \$695,000
NYC DOC Academy Rental of North Hall	\$3,276,859	\$3,276,859	\$0	
Current Year Gross Tuition Revenue above CUNY Target	\$2,138,996	\$3,523,000	\$1,384,004	Increase in enrollment over projection
TOTAL BASE BUDGET ALLOCATION	\$114,705,080	\$118,816,050	\$4,110,970	
TOTAL BUDGET ALLOCATION	\$114,705,080	\$118,816,050	\$4,110,970	
Personnel Services (PS) :	\$90,203,126	\$87,656,761	(\$2,546,365)	
Faculty	\$42,494,748	\$40,680,430	(\$1,814,318)	Actual salaries lower -\$1,241,323 (seperations not included in original projection)and increased refunds of appropriation -\$396,729 (RF release time & Sentencing Commission)
Administrative Staff	\$40,836,257	\$39,963,596	(\$872,661)	Savings from attritition and not backfilling positions as well as savings from planned savings of vacant positions was \$2M as compared to plan of \$1.2M
ECP	\$4,375,121	\$4,515,735	\$140,614	Actual refunds of of appropriation \$72,000 less than plan
2% Labor Reserve	\$2,497,000	\$2,497,000	\$0	
Adjuncts:	\$16,123,348	\$17,818,000	\$1,694,652	Increased number of sections and average salary greater than plan and \$600,000 FY18 summer payroll which was paid in FY19
Temp Services:	\$6,243,104	\$6,056,614	(\$186,490)	
College Assistants	\$5,486,791	\$5,260,841	(\$225,950)	
Non-Teaching Adjuncts	\$756,313	\$795,773	\$39,460	
TOTAL PS	\$112,569,578	\$111,531,375	(\$1,038,203)	
TOTAL OTPS	\$9,452,385	\$8,091,000	(\$1,361,385)	Reduction of planned CEEDS expenditures -\$757,000, -\$150,000 reduction in Provost allocation, ACE tuition paid from allocation reduction and not OTPS - \$250,000.
REFUNDS OF APPROPRIATION/ACCURALS				
TOTAL FINANCIAL PLAN EXPENDITURES	\$122,021,962	\$119,622,375	(\$2,399,587)	
Operational YEAREND BALANCE	(\$7,316,882)	(\$806,325)	\$6,510,557	
Prior Yearend Balance	\$1,082,780	\$933,393	(\$149,387)	Adjustment by CUNY as a result of JJC not hitting IFR revenue target
Total Yearend Balance	(\$6,234,102)	\$127,068	\$6,361,170	
Year End Balnce Without DOC Academy North Hall Rental	(\$9,510,961)	(\$3,149,791)	\$6,361,170	

City University of New York
FY2020 Proposed Tuition and Fee Target Methodology

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	FY2019 Net Billed Tuition and Fees	Estimated FY2020 Total Billed Tuition and Fees	Estimated TAP Waivers	FY2020 Estimated MHC Waivers	Estimated Other Waivers	Estimated FY2020 Net Billed Tuition and Fees	Collection Rate	FY2020 Collection Target	FY2020 Projected Cash Collection	FY2020 Projected Cash O/U Target
Baruch	141,274,608	156,101,215	(7,245,318)	(1,763,986)	(2,361,984)	144,729,928	98%	141,835,329	144,473,792	2,638,463
Brooklyn	114,801,602	131,876,495	(8,032,788)	(1,505,436)	(4,794,708)	117,543,562	98%	115,192,691	116,108,879	916,188
City	106,629,243	122,351,087	(7,780,219)	(1,454,771)	(3,915,902)	109,200,195	98%	107,016,191	108,092,486	1,076,295
Hunter	160,384,896	182,234,925	(9,262,004)	(2,265,364)	(6,323,344)	164,384,214	98%	161,096,530	163,389,646	2,293,117
John Jay	97,376,951	112,085,834	(8,993,282)	(350,746)	(3,156,364)	99,585,442	97%	96,597,879	97,722,127	1,124,248
Lehman	84,995,153	98,976,448	(7,062,848)	(346,752)	(4,586,382)	86,980,467	97%	84,371,053	83,403,850	(967,203)
Medgar Evers	35,768,975	43,256,380	(3,712,748)	-	(2,991,800)	36,551,832	96%	35,089,759	35,939,518	849,760
NYCCT	89,530,466	103,368,742	(8,532,860)	-	(3,288,062)	91,547,821	96%	87,885,908	89,492,026	1,606,118
Queens	121,829,091	137,952,338	(7,525,909)	(1,352,982)	(4,201,953)	124,871,494	98%	122,374,064	123,227,304	853,239
Staten Island	78,242,789	89,800,428	(6,258,410)	(863,168)	(2,583,160)	80,095,689	98%	78,493,775	81,409,984	2,916,208
York	42,680,731	52,917,655	(4,092,152)	-	(5,190,183)	43,635,319	97%	42,326,260	43,422,395	1,096,136
Graduate	3,007,092	3,631,453	-	-	(543,641)	3,087,811	97%	2,995,177	3,485,592	490,415
Law	8,105,079	9,141,564	-	-	(795,722)	8,345,842	99%	8,262,384	9,055,942	793,558
Journalism	2,889,987	2,979,203	-	-	(8,718)	2,970,485	99%	2,940,780	2,995,576	54,796
Professional Studies	15,080,429	16,684,589	(266,002)	-	(924,206)	15,494,381	99%	15,339,437	15,489,856	150,418
Public Health	4,448,032	4,752,188	-	-	(172,257)	4,579,930	99%	4,534,131	4,355,655	(178,476)
Labor and Urban Studies	1,405,892	1,555,344	-	-	(107,741)	1,447,603	99%	1,433,127	1,607,460	174,333
SC Total	1,108,451,017	1,269,665,888	(78,764,540)	(9,903,204)	(45,946,127)	1,135,052,017		1,107,784,476	1,123,672,088	15,887,613
BMCC	121,026,119	123,073,206	-	-	(2,047,087)	121,026,119	96%	116,185,074	116,873,309	688,234
Bronx	42,721,882	44,014,768	-	-	(1,292,886)	42,721,882	96%	41,013,007	42,255,000	1,241,993
Guttman	4,065,923	4,203,855	-	-	(137,933)	4,065,923	96%	3,903,286	4,483,000	579,714
Hostos	28,023,160	29,023,160	-	-	(1,000,000)	28,023,160	96%	26,902,233	28,152,000	1,249,767
Kingsborough	45,424,018	52,786,263	-	-	(7,362,245)	45,424,018	96%	43,607,057	45,269,551	1,662,494
LaGuardia	64,383,812	72,175,716	-	-	(7,791,904)	64,383,812	96%	61,808,459	62,030,000	221,541
Queensborough	58,332,300	62,138,211	-	-	(3,805,911)	58,332,300	96%	55,999,008	59,657,400	3,658,392
CC Total	363,977,214	387,415,178	-	-	(23,437,965)	363,977,214		349,418,125	358,720,260	9,302,135
University Total	1,472,428,231	1,657,081,066	(78,764,540)	(9,903,204)	(69,384,091)	1,499,029,231		1,457,202,601	1,482,392,348	25,189,747

*FY2020 cash projection includes FY2019 Q3 projection with FY20 tuition increase and estimated FY20 TAP waiver adjustment

Fiscal Year 2020 State Enacted Budget / City Preliminary Budget Analysis

Senior College Summary

- The FY2020 State Enacted Budget for the senior colleges totals \$2.6 billion, an increase of \$78.9 million, or 3%, over the current year.
 - The senior college increase of \$78.9 million includes:
 - \$47.7 million to fund projected fringe benefits cost increases.
 - \$31.3 million in revenue appropriations to accommodate a \$200 annual tuition increase to resident undergraduate tuition and proportionate increases to other tuition categories.
 - The continuation of \$4 million in funding for Open Education Resources.
 - \$250,000 for the Small Business Center at Brooklyn College
 - Legislative funding of \$4.7 million for SEEK, \$1.5 million for the CUNY School of Labor and Urban Studies, and \$50,000 for the Community Legal Resource Network were restored. \$250,000 for the Graduate Pipeline Program was not continued.

Senior College Funding by Source (\$ millions)

	FY2019	FY2020	Change	% Change
State Support	\$1,552.6	\$1,600.2	\$47.6	4%
City Support	\$53.3	\$53.3	\$0.0	0%
Student Tuition	\$592.8	\$624.1	\$31.3	5%
Scholarships/Waivers	\$164.1	\$164.1	\$0.0	0%
Federal Funding	\$166.3	\$166.3	\$0.0	0%
Total Senior Colleges	\$2,529.0	\$2,608.0	\$78.9	3%

Notes: State Support includes TAP. Federal Funding and Scholarships/Waivers amounts are based on FY18 actuals

Community College Summary

State Enacted Budget

- The FY2020 State Enacted Budget includes \$251.3 million in operating aid for the community colleges, a decrease of \$7.8 million from the FY2019 level.
 - Per FTE student base aid was increased to \$2,947, an increase of \$100. Continuing community college enrollment declines result in a base aid realignment of \$9.7 million.
 - FY2020 legislative funding is restored for ASAP support, child care centers, and College Discovery to prior-year levels. CUNY in the Heights funding of \$100,000 was not continued.
 - \$2 million is provided for Family Empowerment Community College pilot program to help close the gender wage gap. The innovative program will support single parents with on-campus childcare, intensive personalized advisement, educational supports.

City Preliminary Budget

FY2019

- The City Preliminary Budget funds the following items for the current year:
 - \$4.0 million for DC37 collective bargaining salary increases.
 - \$1.9 million for building rental costs.
 - \$0.9 million for Hunter Campus UFT salary increases.
 - \$0.8 million for City Council member item reallocations.

FY2020

- The City Preliminary Budget provides \$464.0 million for the community colleges, a net increase of \$14.3 million, or 3%, over the FY2019 level.
- The net change of \$14.3 million is a result of the following:
 - Incremental increases to programs funded in prior financial plans, including \$2.9 million in combined increases for Algebra for All, CUNY Tutor Corps, College Visits Initiative, and 12th Grade Proficiency Program.
 - Increases of \$13 million for fringe benefits and \$2.0 million for collective bargaining
 - Remediation/Development Education funding of \$2.0 million, Child Care funding of \$0.6 million, and lease/rental funds of \$1.0 million are not continued

Community College Funding by Source (\$ millions)

	FY2019	FY2020	Change	% Change
State Support	\$362.7	\$355.0	-\$7.8	-2%
City Support	\$449.7	\$464.0	\$14.3	3%
Student Tuition	\$125.4	\$125.4	\$0.0	0%
Scholarships/Waivers	\$37.8	\$37.8	\$0.0	0%
Federal Funding	\$119.5	\$119.5	\$0.0	0%
Total Community Colleges	\$1,095.1	\$1,101.6	\$6.5	1%

Notes: State Support includes TAP. Federal Funding and Scholarships/Waivers amounts are based on FY18 actuals

City Preliminary Budget – Other Programs

FY2020

- **The City's January plan does not continue funding** in FY2020 for the following items:
 - \$14.3 million for Vallone Scholarships
 - \$3.3 million for NYC Office of Economic Opportunity programs, including \$1.78 million for the Accelerate, Complete, Engage (ACE) program
 - \$2.5 million for Citizenship Now
 - \$1.4 million for Technology Incubators
 - \$1.2 million for Department of Correction program at John Jay College
 - \$1.1 million for the Center for Puerto Rican Studies
 - \$1.0 million for the Dominican Studies Institute
 - \$1.0 million for the CUNY School of Labor and Urban Studies
 - \$285,000 for the Haitian Studies Institute
 - \$285,000 for the Mexican Institute

Financial Aid

- The State Enacted Budget includes the third phase of the Excelsior Scholarship, the first-in-the-nation program that provides free tuition for middle class families **at New York's public colleges and universities**. For the 2019-20 academic year, the Excelsior scholarship income eligibility threshold will increase, giving New Yorkers with household incomes of up to \$125,000 the opportunity to apply. The state executive budget includes \$119 million to support free tuition for an estimated 30,000 students.
 - The State Enacted Budget includes \$27M in funds to implement the Jose Peralta NYS DREAM Act, allowing undocumented students seeking to attend a higher education institution to be eligible for general awards, performance-based awards or Tuition Assistance Program (TAP) funds if they have attended an approved NYS high school and are applying to attend a NYS college or university within five years of receiving their diploma. These students are eligible for in-state tuition at SUNY and CUNY colleges.
 - The State Budget does not include any changes to the Tuition Assistance Program (TAP).
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CAPITAL BUDGET

State Enacted Budget

The FY 2019-20 State Enacted Budget recommends \$389.5 million in new funding: \$284.2 million in senior college capital infrastructure appropriations; \$68.3 million in matching appropriations for community college projects that have already received funding from the City of New York; \$37 million for operating expenses incurred by the capital construction program of the University; and \$55 million in CUNY2020 Challenge Grant funding. The budget re-appropriates \$2.4 billion for the senior and community colleges, and \$259.9 million for CUNY 2020 Challenge Grant Funding, for a total of \$3.1 billion available in appropriations for CUNY in FY 2019-20.

Details of the appropriations for CUNY include:

- \$284.2 million for critical maintenance at senior colleges;
- \$68.3 million for critical maintenance projects at the community colleges, to match funding received from the City;
- \$37 million appropriated for operating expenses incurred by The Dormitory Authority of the State of New York (DASNY) and the City University Construction Fund (CUCF) while overseeing construction **activities for CUNY's facilities; includes \$21 million for DASNY and \$16 million for CUCF;**
- \$55 million for CUNY2020 Challenge Grant
- \$2.69 billion in re-appropriations consisting of :
 - \$2 billion re-appropriated for senior colleges;
 - \$430 million re-appropriated for community colleges;
 - \$259.9 million re-appropriated for CUNY 2020 Challenge Grant Program.
- The budget includes a workforce development grant initiative similar to the CUNY 2020 Challenge Grant Program that will draw from CUNY 2020 appropriations (details forthcoming).

City FY 2020 Preliminary Five-Year Budget

CUNY's FY 2020 five year Preliminary Capital Budget includes \$606.3 million in city funding and \$11.3 million in state funding over the FY 2019 through FY 2023 period for a total of \$617.6 million. Of the city funding, **\$6.2 million is provided by the city's Department of City Administrative Services through their Accelerated Conservation and Efficiency (ACE) program.** The ACE program funds projects that reduce energy costs and greenhouse gas emissions at the community colleges and the Hunter College Campus School.

The chart below summarizes the FY20 preliminary five-year capital plan by year and funding source:

(Dollars in thousands)

Funding Source ¹	FY '19	FY '20	FY '21	FY '22	FY '23	Total
Mayoral	\$ 59,471	\$ 69,133	\$ 32,441	\$ 67,978	\$ 60,968	\$ 289,991
City Council	76,694	88,581	47,175	21,173	1,615	235,238
Borough Presidents	26,053	34,666	14,607	5,127	644	81,097
Non-City	6,942	4,316	65	-	-	11,323
Grand Total	\$ 169,160	\$ 196,696	\$ 94,288	\$ 94,278	\$ 63,227	\$ 617,649

Notes:

1.) Funds allocated by NYC DCAS's Accelerated Conservation and Efficiency (ACE) program are included.

Table and Figures

University-wide Funding by Source (\$ millions)

	FY2019	FY2020	Change	% Change
Senior Colleges				
State Support	\$1,552.6	\$1,600.2	\$47.6	3%
City Support	\$53.3	\$53.3	\$0.0	0%
Student Tuition	\$592.8	\$624.1	\$31.3	5%
Scholarships/Waivers	\$164.1	\$164.1	\$0.0	0%
Federal	\$166.3	\$166.3	\$0.0	0%
Total Senior Colleges	\$2,529.0	\$2,608.0	\$79.0	3%
Community Colleges				
State Support	\$362.7	\$355.0	-\$7.8	-2%
City Support	\$449.7	\$464.0	\$14.3	3%
Student Tuition	\$125.4	\$125.4	\$0.0	0%
Scholarships/Waivers	\$37.8	\$37.8	\$0.0	0%
Federal	\$119.5	\$119.5	\$0.0	0%
Total Community Colleges	\$1,095.1	\$1,101.6	\$6.5	1%
University-wide				
State Support	\$1,915.3	\$1,955.2	\$39.9	2%
City Support	\$502.9	\$517.3	\$14.3	3%
Student Tuition	\$718.3	\$749.6	\$31.3	4%
Scholarships/Waivers	\$201.8	\$201.8	\$0.0	0%
Federal	\$285.7	\$285.7	\$0.0	0%
Total University	\$3,624.1	\$3,709.6	\$85.5	2%

Notes: State Support includes TAP. Federal Funding and Scholarships/Waivers amounts are based on FY18 actuals