

Budget Report to UFS

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The typical budget cycle at CUNY involves a board vote on campus allocations for the next fiscal year (July 1-June 30) in June. This vote would follow after both the state and city budgeting announcements had been made.

This year, of course, is atypical.

The state did pass a budget declaration around April 1, but reserved the right to make adjustments on 4/30, 6/30, and 12/30. At the first opportunity it was announced that unless federal funds were forthcoming, the state would need to institute cuts. The state agencies, like CUNY, would be asked to share among the anticipated 8.3B in cuts. On average this was about a 10-14% cut. On 6/30, no new changes to this were announced, though it was announced that state revenues were down from the already reduced target. (The state estimate for losses in late April was 13.3B and this was pushed to 14.2B.)

As of 9/1, the state allocation to CUNY, and other state agencies have not been announced. Rather, the state has been allocating money at 80% of last year's amount for July, August, and September. It is a widely shared belief that the state is waiting on the federal government to announce additional COVID related funding before finalizing allocations for the fiscal year. It is also hoped that by the end of this financial quarter this will be done, but that is increasingly unlikely.

CUNY has followed suit, by allocating to the campuses 80% of the average monthly allocation from the past fiscal year. During the summer months, where the costs of adjunct instruction are less, this was sufficient to cover payroll. However, in FY18-19 allocations for campuses was \$2,408,211,000 and PS Regular and adjuncts costs were 87.2% of that. Adjunct costs have increased by about 20% since then. As such, 80% is insufficient to cover payroll costs, were they to remain the same. This point was raised at the last budget advisory committee.

The City did several things to impact the funding of the Community Colleges. First, there was a reduction in the allocation for the past fiscal year of around 21M. Then, there were reductions of 46.3M in city funding in the form of "efficiencies" and a reduction to ASAP. Some of the ASAP funding was restored, but not all. It was stated that CUNY would try to find the saving elsewhere, so the actual impact on the ASAP initiative is not clear.

The City has threatened that if it does not get spending authority from the state (direct or through a loan), that upwards of 22,000 employees would be dismissed. We were told that CUNY has not been among the agencies from which a target for layoffs has been requested.

The state had been requested to allow an additional \$250/fte increase, as it has supported the prior fiscal year, but this was reduced to \$200.

Outside of the impact on enrollment (which bodes quite poorly) the community college picture is clearer than the Sr. college picture and in theory allocations could be made so that campuses have some clarity. This has not been done, as it is felt the board would like one vote on this, not two; the enrollment picture may be quite significant; and the CARES funding might make a difference. In any scenario, it looks like a devastating fiscal picture for the CCs.

CARES funds

The CARES funds came in two parts. The direct support to the students was distributed near the end of the spring semester. The remaining \$132M has not been distributed. CUNY did eventually receive approval for its distribution plan from the state, but has held off on moving forward with that plan. Though not public, in public comments by the Chancellor, it has been learned that about 1/3rd of the funds are earmarked as going to campuses to meet costs; the remaining 2/3rds going to students presumably to ensure they would be able to spend it on tuition and or residence halls (to stabilize enrollment). The PSC filed a lawsuit saying the money had an obligation to ensure no personnel were

let go and pointed to an anticipated \$30M in savings through adjunct reduction that was not in compliance. A court ruling did not honor the request for an injunction. (Though is the case still pending?)

CUNY Budget Measures

Early, CUNY put in place a hiring freeze, with all exceptions to be reviewed by a vacancy review board. The BAC has not seen a tally on savings by this move, but in a typical year about 2-5% of personnel separate for various reasons so this could lead to significant overall savings.

CUNY has made several quiet suggestions to the campuses to reduce expenses. The Chancellor is now quick to point out that no full time personnel have been let go as a result of CUNY's funding position. However, part-time personnel are a different matter.

At some campuses it was reported that there was a significant number of PT faculty not reappointed. What hasn't been made clear is how many of those have subsequently been reappointed. This is accomplished by a combination of consolidation of sections and class size increases.

As for College Assistants, the university has suggested month-to-month reappointments. This has continued through August, and September.

Contingencies

There appears to have been consideration of a list of actions generated by the fiscal scenarios committee late last spring. No faculty were involved in the development of this list.

Speculation on some scenarios discussed might include early retirement buyouts, furloughs, gradual deferral of salary payments (deferring a week or two of payroll until retirement -- has been held, but again, this would require union agreement.

CUNY has the authority to raise tuition and seek a wellness fee. The state has authorized this for the Senior and Comprehensive campuses. However we do not know whether this will be implemented by the BOT for spring.

SUNY

Enrollment at SUNY's 64 campuses fell nearly 6% for this fall semester compared to last year amid the COVID-19 pandemic, continuing a downward trend of enrollment at New York public colleges over the past decade, new figures showed. SUNY enrollment is now down 16% over the past decade — and 30% at community colleges.

Overall, SUNY enrollment was at about 394,500 this fall, a drop of nearly 24,000 students since last year and almost 77,000 since 2010, according to the data released by SUNY officials at its Board of Trustees meeting this week.

SUNY officials say the decline this semester is actually less than they expected as they feared the coronavirus would keep more students from enrolling in classes, whether in-person or online. The majority of students are online only this fall, the data showed.