

University Faculty Senate Plenary

May 6, 2016
The College at Brockport, Brockport, New York



Items for Discussion

2016/17 State Budget Process and Results

“Traditional” New York State Budget Process

Starting Point

Submitted/Adjusted Request

2016/17 Executive Budget

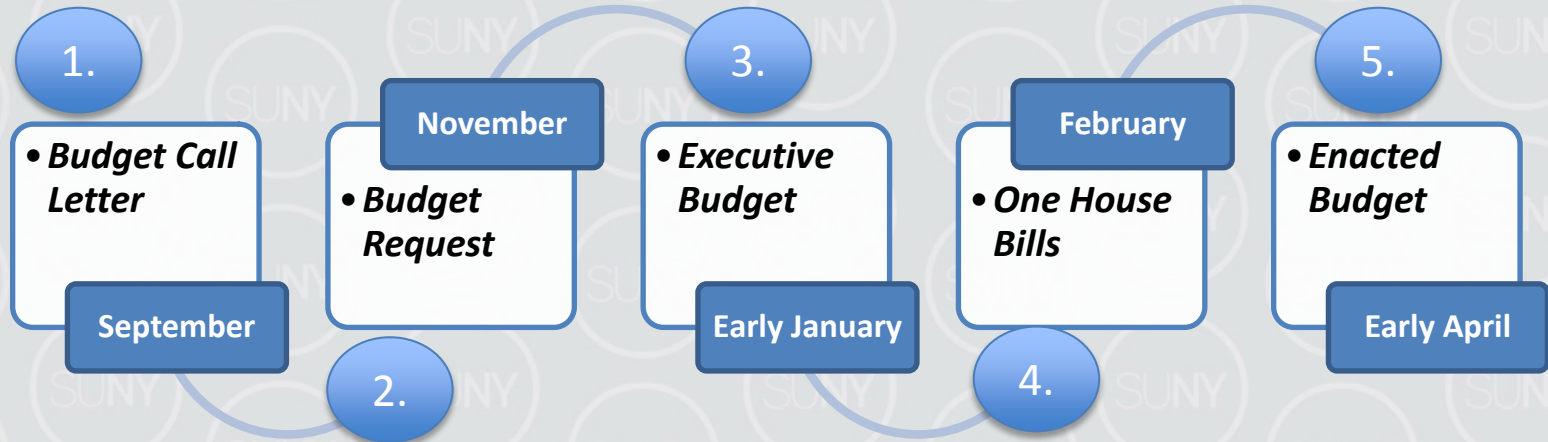
2016/17 Enacted Budget Results

Financial Advocacy Efforts During 2016 Legislative Session

2016/17 State Budget Process and Results



The “Traditional” New York State Budget Process



Not shown:

Budget Request preparation
Enacted Budget Implementation
Legislative Hearings
Advocacy

Legislative Session

2016/17 SUNY Budget Request Starting Point: *Financial, Legislative, and Atmospheric*

Community Colleges

- *Base Aid at \$2,597/Student*
- *Enrollment Normalizing*
- *Operating Chargeback Phase In to Start in 2016/17*
- *Outside concern on level of tuition rates*

State-operated Campuses

- *NY-SUNY 2020 Expiring*
- *Procurement Flexibility Expiring*

University-wide / Categorical Programs

- *Opportunity Program Increases*
- *New Programs / Expanded Programs*

2016/17 SUNY Budget Request:

Submitted / Adjusted Request

Community Colleges

- *Increase to Base Operating Aid of \$250/student*
 - *Evolved to a \$285/student increase*
- *Increased GAP Program Funding*
- *Exempting Local Sponsor Support from State Two Percent Property Tax Cap*

State-operated Campuses

- *Extend NY-SUNY 2020*
- *Extend Procurement Flexibility*
- *Base Costs*

System-wide

- *Diversity Program*
- *Scholarship Funding*
- *State Match for Research / Philanthropy*

2016/17 Executive Budget:

Community Colleges

- *No Base Aid Increase*

State-operated Campuses

- *Limited Extension of NY-SUNY 2020*
- *Extended Procurement Flexibility*
- *Small funding reduction*

University-wide / Categorical Programs

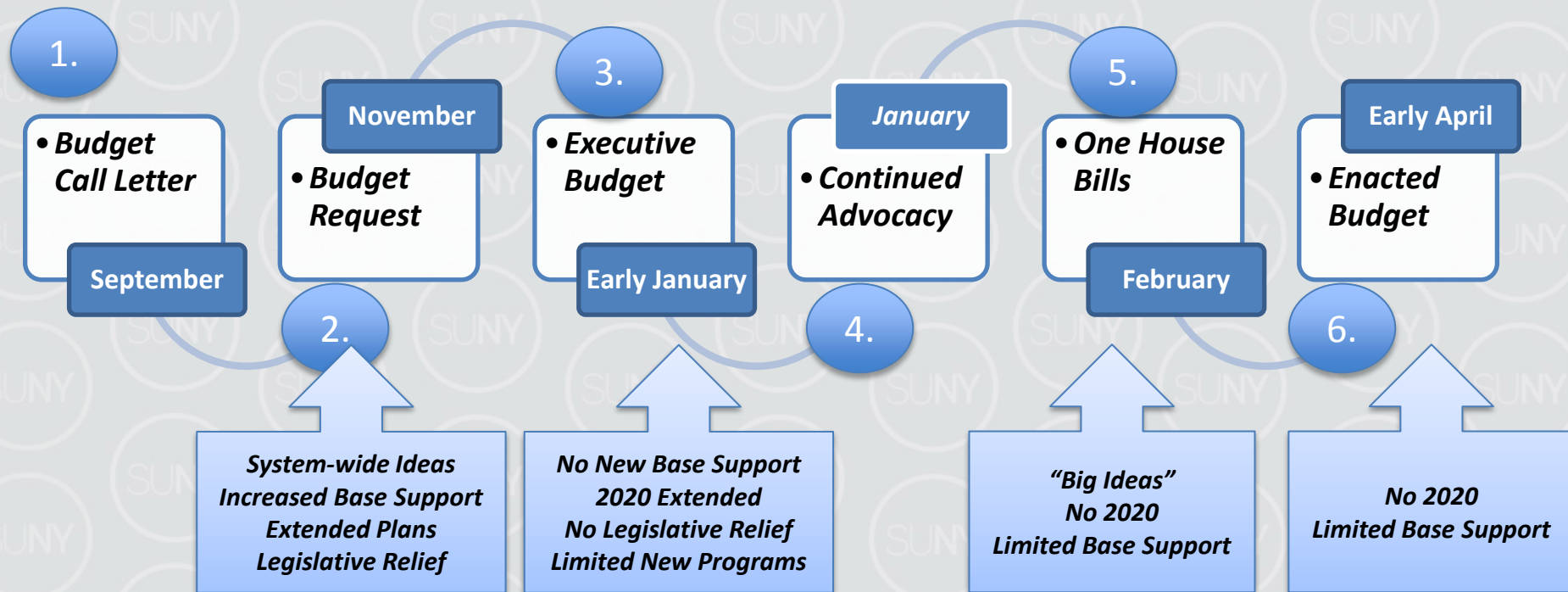
- *Opportunity Program Increases Retained*
- *Apprentice SUNY Program*
- *Clean Energy Workforce Funding*
- *Community Schools Grants*
- *Limited Program Reduction / Elimination*

2016/17 Enacted Budget Overall Direct State Tax Support

Category	2015/16 Enacted Budget	2016/17 Enacted Budget	Difference
State- operated	\$730.7	\$726.0	\$(4.7)
Statutory Campuses	\$133.8	\$133.8	\$0
Community Colleges	\$498.7	\$503.3	\$4.6
Teaching Hospitals	\$87.9	\$87.9	\$0
University-wide Programs	\$144.2	\$156.4	\$12.2
Total	\$1,595.3	\$1,607.4	\$12.1

The 2016/17 New York State Budget Process

For SUNY



Where Did the Money Go?

Higher Education

- *CUNY Restored*
- *Program Adds and Restorations*
- *Base Aid Increases*
- *Private / Other College Program Increases (HEOP, STEP/CSTEP, Liberty Partnerships)*

K-12

- *~\$1.5B increase, from \$23.5B to \$24.8B*
 - *Varies across 674 School Districts*
- *\$175M for Community Schools*
- *Increased per pupil funding for Charter Schools*

Infrastructure

- *Bridge NY / Pave NY / Extreme Weather Infrastructure Hardening Program*
- *Freezing of Thruway tolls*

Tax Cuts

- *Paid Family Leave*
- *Middle Class Tax Cut*

State-operated Campuses

Year – to – Year Direct State Tax Support

Event / Action	Value (\$M)
2015/16 Enacted Budget	\$730.7
<u>Executive Reductions</u> Salary Support	\$(4.7)
<u>Enacted Adds / Restorations</u> None	\$0
2016/17 Enacted Budget	\$726.0
\$ Change	\$(4.7)
% Change	(0.6)%

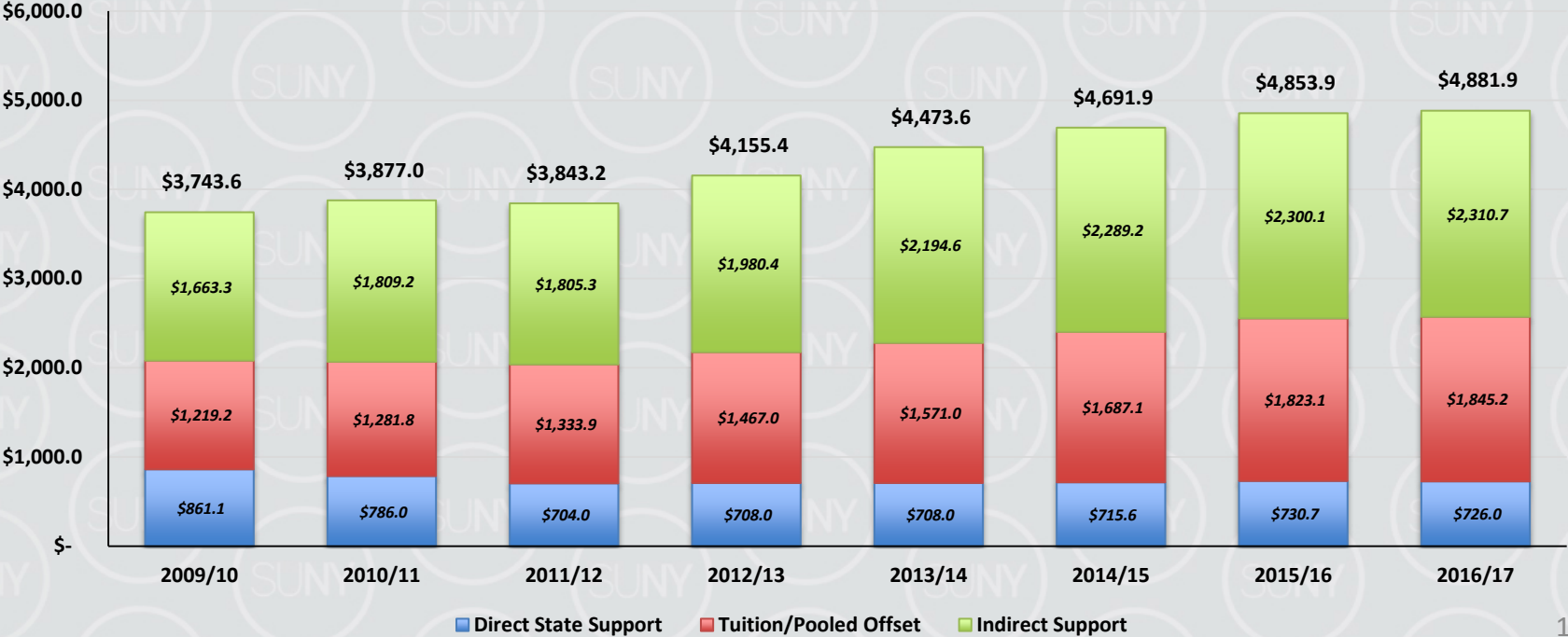
Year-to-Year Financial Impact for SUNY

State-operated Campuses

- *Loss of \$4.7M in salary support (average loss of 0.2 percent)*
- *State Maintenance of Effort removed*
- *University Centers can raise non-resident tuition 10 percent*
- *No resident undergraduate tuition increases*
- *Full state coverage of fringe benefit costs*
- *Majority of debt service costs covered*
- *Minimum wage change*

State-operated Campus Funding Trend

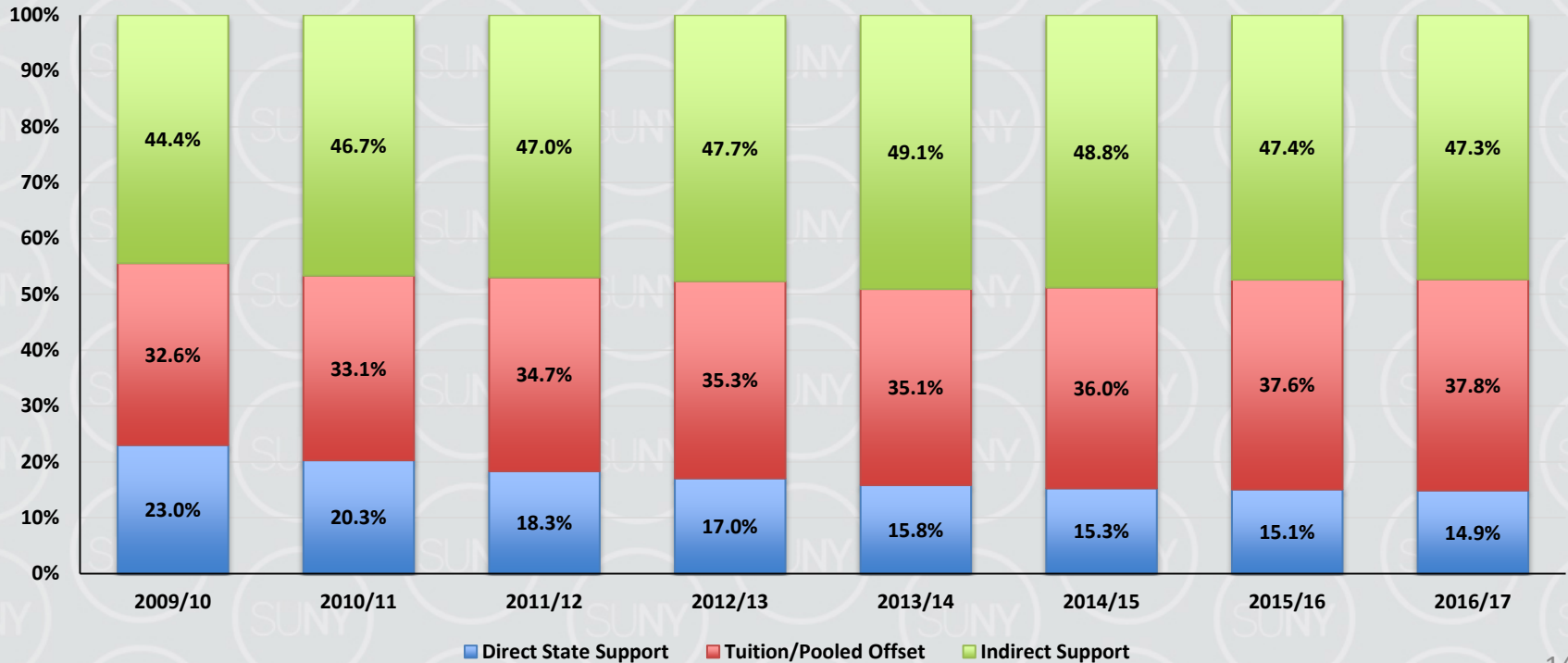
State and Student Support Funding Amounts
2009/10 to 2016/17
(\$M)



State-operated Campuses Funding Trend

Percentage of Total

State and Student Percentage of Overall “Core” Funding
2009/10 to 2016/17



Statutory Campuses

Year – to – Year Direct State Tax Support

Event / Action	Value (\$M)
2015/16 Enacted Budget	\$133.8
<u>Executive Reductions</u>	\$(0.6)
Harvest NY CCE Reduction	
<u>Enacted Adds / Restorations</u>	\$0.6
Harvest NY CCE Restoration	
2016/17 Enacted Budget	\$133.8
\$ Change	\$0
% Change	0%

Teaching Hospitals

Year – to – Year Direct State Tax Support

Event / Action	Value (\$M)
2015/16 Enacted Budget	\$87.9
<u>Executive Reductions</u>	\$(18.6)
Hospital Support Reduction	
<u>Enacted Adds / Restorations</u>	\$18.6
Hospital Support Restoration	
2016/17 Enacted Budget	\$87.9
\$ Change	\$0
% Change	0%

Year-to-Year Financial Impact for SUNY

Hospitals

- *Flat year-to-year state tax support*
 - *\$87.9M*
- *No current impact on DSH revenue*
- *Future match by the State for DSH revenue in question*
- *Minimum wage change*

Community Colleges

Year – to – Year Direct State Tax Support

Event / Action	Value (\$M)
2015/16 Enacted Budget	\$498.7
Executive Reductions	\$(3.9)
Executive Add/Other	\$2.5
Enacted Adds / Restorations	\$5.9
2016/17 Enacted Budget	\$503.3
\$ Change	\$4.6
% Change	0.9%

Year-to-Year Financial Impact for SUNY

Community Colleges

- *\$100/FTE Base Aid Increase*
 - *21 Colleges lose state support on a year-to-year basis*
 - *9 Colleges projected to increase state support on a year-to-year basis*
- *Colleges retain authority to raise tuition rates*
- *State share of debt service costs covered*
- *Minimum wage change*

Enacted Minimum Wage Schedule

Year	NYC: Large Business*	NYC: Small Business**	Nassau / Suffolk / Westchester	Rest of State
12/31/2016	\$11.00 / Hour	\$10.50 / Hour	\$10.00 / Hour	\$9.70 / Hour
12/31/2017	\$13.00 / Hour	\$12.00 / Hour	\$11.00 / Hour	\$10.40 / Hour
12/31/2018	\$15.00 / Hour	\$13.50 / Hour	\$12.00 / Hour	\$11.10 / Hour
12/31/2019	TBD	\$15.00 / Hour	\$13.00 / Hour	\$11.80 / Hour
12/31/2020	TBD	TBD	\$14.00 / Hour	\$12.50 / Hour
12/31/2021	TBD	TBD	\$15.00 / Hour	"Indexed Schedule"
12/31/2022 +	TBD	TBD	TBD	"Indexed Schedule"

Also included is a "Safety Valve", starting in 2019, that will include an analysis of each region to see if increases should continue and at what rate

* More than 11 employees

** Less than 11 employees

Enacted Minimum Wage Schedule Compared to Board of Trustees Approved Schedule

	12/31/16	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22+
SUNY							
NYC	\$12.00	\$13.50	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Rest of State	\$10.75	\$11.75	\$12.75	\$13.75	\$14.50	\$15.00	\$15.00
Enacted Schedule							
NYC: Small	\$10.50	\$12.00	\$13.50	\$15.00	TBD	TBD	TBD
NYC: Large	\$11.00	\$13.00	\$15.00	TBD	TBD	TBD	TBD
Nassau/Suffolk/WC	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00	TBD
Rest of State	\$9.70	\$10.40	\$11.10	\$11.80	\$12.50	TBD	TBD
Difference							
NYC: Small	\$1.50	\$1.50	\$1.50	-	TBD	TBD	TBD
NYC: Large	\$1.00	\$0.50	-	TBD	TBD	TBD	TBD
Nassau/Suffolk/WC	\$0.75	\$0.75	\$0.75	\$0.75	\$0.50	-	TBD
Rest of State	\$1.05	\$1.35	\$1.65	\$1.95	\$2.00	TBD	TBD

Results: University-wide / Categorical

Restorations, Limited Additions, and Eliminated Programs

\$18.1M: New Funding

- **\$15.0M:** Clean Energy Workforce (\$10.0M State-operated Campuses / \$5.0M community colleges)
- **\$ 3.0M:** Apprentice SUNY
- **\$ 0.1M:** U. Albany Latino Research and Resources Network
- **\$ 16.0K:** Rockland CC Veterans Financial Literacy

\$13.4M: Funding Added

- **\$7.0M:** Educational Opportunity Centers (EOC) / *ATTAIN, 12 percent increase*
- **\$5.4M:** Educational Opportunity Program (EOP), *20 percent increase*
- **\$1.0M:** Round Two of Community Schools Grants, *N/A*

\$5.2M: Funding Restored

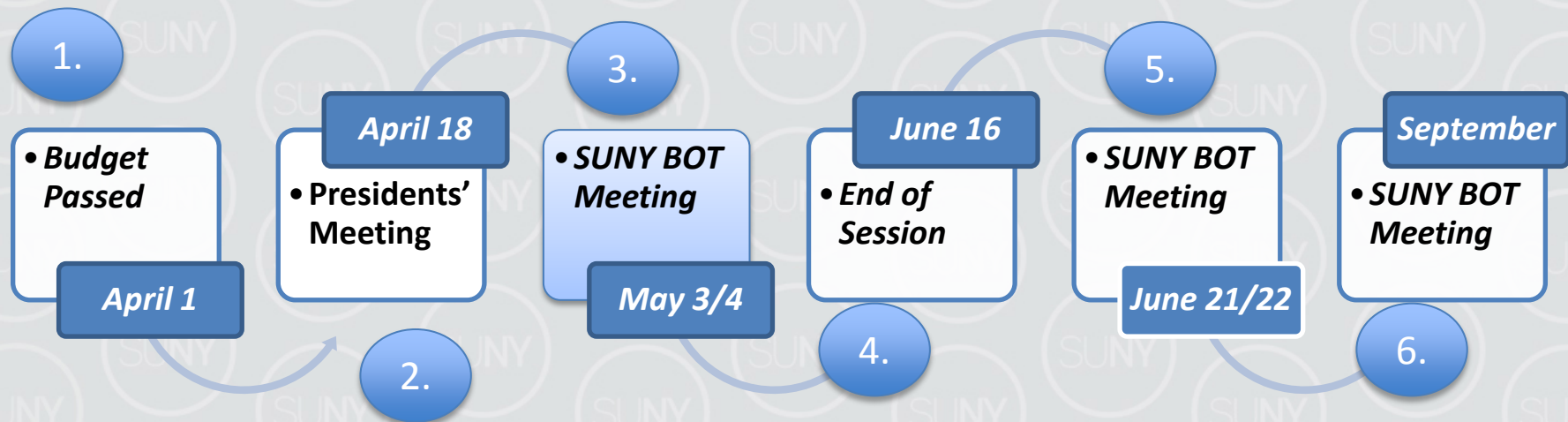
- **\$1.5M:** Small Business Development Centers, (full restoration)
- **\$1.5M:** GAP, (full restoration)
- **\$1.1M:** Child Care, (full restoration)
- **\$0.6M:** Graduate Diversity Fellowships, (full restoration)
- **\$0.3M:** Cornell Veterinary College, (full restoration)
- **\$0.1M:** American Chestnut Program, (full restoration)
- **\$97.0K** Orange County Bridges, (partial restoration)

\$0.3M: Funding Eliminated

- **\$0.3M:** Stony Brook Marine Animal Disease Lab, (full elimination)

Financial Advocacy During Legislative Session

Schedule of Events



Remaining Legislative Session Request Items

Revenue Items

- *Statewide Offset Program Returns*
- *MTA Tax Relief for Community Colleges*

Efficiency Items

- *Expanded Procurement Flexibility*
- *Reduction in Required Reporting*
- *SUNY Managed Fringe Benefit Payments*

Competiveness Items

- *Border State Tuition Rates*
- *Market Based Graduate and Other Rates*
- *Non-Resident Alumni “Legacy” Tuition Rate*

Investment Items

- *Restore Maintenance of Effort*
- *Community College / Property Tax Cap*
- *Increased State Match for CC Capital*
- *Create a SUNY-wide Endowment*

Questions?

