

State University of New York (SUNY) 2014/15 Executive Budget Summary

I. State-Operated and Statutory Colleges

A. Operating Summary:

The 2014/15 Executive Budget appropriates \$4.2B related to the Core Operating Budgets of the 29 State-operated campuses, five Statutory colleges, 37 University-wide programs, and System Administration. The major components of this are displayed below:

- \$ 708.0M: Direct State Tax support for State-operated campuses / System Administration
- \$1,668.2M: Tuition Spending authority
- \$ 131.7M: Direct State Tax support for University-Wide Programs
- \$ 133.2M: Direct State Tax support Statutory Colleges and Cornell Cooperative Extension
- \$ 213.0M: Direct State Tax support for fringe benefit costs paid directly by SUNY
- \$1,389.4M: Authority to be sub allocated to the central NYS "General State Charges"¹
- **\$4,243.5M: Total**

No additional State tax support was provided for collective bargaining costs, or any initiatives requested in the 2014/15 SUNY Budget Request. In addition, a legislative funding addition of \$300K was removed from the Cornell Cooperative Extension program.

However, a year-to-year increase of \$95.0M in tuition spending authority was provided in recognition of Year Four of the NY-SUNY 2020 Rational Tuition Plan and other associated tuition increases.

Self-generated revenue appropriations are appropriated at the same level as the 2013/14 Enacted Budget, with the first year of the two-year Stabilization appropriation being provided at the requested \$15.0M level.

Finally, the operating structure provided within the 2012/13 Enacted Budget (Direct State Tax support provided as a transfer to the revenue offset account) is continued in the 2014/15 Executive Budget.

B. University-wide Programs

Funding was reduced by a total of \$2.2M, reflecting the removal of legislative funding additions for the following programs:

- \$ 994.2K: Advanced Technology Training and Information Networking (ATTAIN)
- \$ 632.4K: Educational Opportunity Program (EOP)
- \$ 333.0K: Marine Animal Lab at Stony Brook
- \$ 250.0K: Cornell Veterinary College (\$250K remains)
- **\$2,209.6K: Total**

¹ This appropriation is intended to be representative of the State's support of SUNY fringe benefit costs.

The 2014/15 Executive Budget does continue the University-wide program language structure as instituted in 2012/13.

C. Maintenance of Effort (MOE)

As you know, S. 5855 / A. 8519 (the "NY-SUNY 2020" bill) included as part of it the "Maintenance of Effort" provision, which reads:

"(iii) the state shall appropriate annually and make available general fund² operating support, including fringe benefits, for the state university in an amount not less than the amount appropriated and made available to the state university in state fiscal year two thousand eleven-two thousand twelve. Beginning in state fiscal year two thousand-twelve-two thousand thirteen and thereafter, the state shall appropriate and make available general fund operating support, including fringe benefits, for the state university in an amount not less than the amount appropriated and made available in the prior state fiscal year; provided , however, that is the governor declares a fiscal emergency, and communicates such emergency to the temporary president of the senate and speaker of the assembly, state support for operating expenses at the state university and city university may be reduced in a manner proportionate to one another, and the aforementioned provisions shall not apply"

The Division of the Budget (DOB) maintains that the requirements of the MOE provided within the NY-SUNY 2020 legislation were met due primarily to the increase in the sub allocated authority, which is appropriated as General Fund support for SUNY, but then sub allocated to another location within the State's budget.

				Change	
Funding Source	Area	2013/14 Enacted	2014/15 Executive	\$	%
Direct State Tax to SUNY	State-operated / System Administration	\$708.0M	\$708.0M	-	-
Direct State Tax to SUNY	University-wide Programs	\$133.9M	\$131.7M	(\$2.2 M)	- 1.6%
Direct State Tax to SUNY	Statutory Colleges/Cornell Coop. Extension	\$133.5M	\$133.2M	(\$0.3 M)	- 0.2%
Direct State Tax to SUNY	Directly Paid Fringe Benefits	\$213.0M	\$213.0M	-	-
Sub allocated from SUNY to GSC	Sub allocated General State Charges	\$1,314.9 M	\$1,389.4 M	\$74.5 M	5.7%
Total		\$2,503.3 M	\$2,575.3 M	\$72.0 M	2.9%

² "General Fund" and "Direct State Tax" are understood to be equal terms for the sake of this summary.

D. Capital Summary:

The Executive Budget recommends the following capital support for the State-operated and Statutory institutions:

- \$500.0M: Critical Maintenance funding for 2014/15, distributed to each campus based on the existing allocation methodology.
 - However, spending from the new appropriation is not accompanied by an increase in the disbursement target for 2014/15, meaning that spending will continue to be carefully monitored in the upcoming State fiscal year for compliance with the State fiscal plan
- \$10.0M: For activities related to a new school of pharmacy at the University at Binghamton
- \$150.0M: Appropriation to support campus-funded or other externally funded projects (384 appropriation)
- \$15.0M: Provided through the Division of Homeland Security and Emergency Services for a new facility to house the College of Emergency Preparedness, Homeland Security and Cybersecurity
- \$55.0M: Provided through the Urban Development Corporation to support SUNY 2020 Phase IV
 - Priority will be given to plans that use technology to improve academic success and job opportunities for students, leverage public/private partnerships through the START-UP NY program, and better connect students to the workforce.
- \$180.0M: Provided through the Urban Development Corporation for Nano Utica at SUNY Institute of Technology
- \$50.0M: Provided through the Urban Development Corporation for the New York Genome Center at the University at Buffalo

In addition, State-operated Residence Halls received \$50.0M in “pay-as-you-go” appropriation and clarifying legislation was added to allow the back-and-forth transfer of funds between the collection and self-funded capital accounts.

Campuses are also eligible to apply for funding through the local Regional Economic Development Councils which received \$150.0M in new funding in the Executive Budget.

II. Community Colleges

A. Operating Summary

The 2014/15 Executive Budget recommends State tax support totaling \$468.7M as follows:

- **\$448.6M for Base Operating Aid / Funded Full-Time Equivalent (FTE)**
 - This holds FTE funding flat at 2013/14 Enacted levels (\$2,422/FTE)
 - In addition, there is a cash flow issue that System is working with DOB to clarify and resolve
- **\$3.0M for the NY Job Linkage funding**
 - Maintained at 2013/14 Enacted levels

- Additional funding of \$300K is provided within the Department of Labor (DOL) budget for programs related to the Job Linkage initiative. We will share more details as they become available
- **\$11.6M for Rental Aid**
 - Maintained at 2013/14 Enacted levels
- **\$1.9M for Contract Courses**
 - Maintained at 2013/14 Enacted levels
- **\$1.7M for High Needs Programs**
 - Maintained at 2013/14 Enacted levels
 - High needs funding included in the University-wide Programs was also maintained at 2013/14 Enacted levels
- **\$1.0M for Child Care**
 - Reduced by \$653K from 2013/14 Enacted Budget levels (due to removal of legislative add)
- **\$940.0K for Support for Low Enrollment Colleges**
 - Maintained at 2013/14 Enacted levels

Funding for the Graduate, Achievement, and Placement (GAP) Program (\$1.7M) provided in the 2013/14 Enacted Budget was removed, and no funding was made available for the FIT Chargeback (\$7.8M requested) or increased Job Linkage funding (\$3.0M requested).

B. Capital Summary:

\$32.15M representing the State's 50 percent funding share was provided for critical maintenance projects that obtained local sponsor support for 50 community college projects at 20 colleges.

\$57.3M State share funding for 13 strategic initiative or related critical maintenance projects at 9 colleges was **not included** although the colleges obtained local sponsor support.

Language changes necessary to allow use of existing appropriation for proposed projects at Monroe and Jamestown were not included.

The Executive Budget also recommends \$55.0M in funding from the Urban Development Corporation to support another round of NYSUNY 2020. Priority will be given to plans that use technology to improve academic success and job opportunities for students, leverage public/private partnerships through the START-UP NY program, and better connect students to the workforce.

Campuses are also eligible to apply for funding through the local Regional Economic Development Councils which received \$150.0M in new funding in the Executive Budget.

III. Other Programs / Items of Interest

A. Open SUNY

The Governor included "Open SUNY" in the Budget in response to the Chancellor's announcement made at the State of the University speech. Open SUNY was added to the approved uses of three "University-wide" programs appropriated within the State-operated campuses budget. The use of

these funds for this purpose will be decided upon following analysis of the full impact of the 2014/15 Enacted Budget on the SUNY System. Moreover, as will be described below, Open SUNY was added to the newly expanded NY-SUNY 2020 Challenge Grant program.

B. Expanding NYSUNY 2020 Challenge Grant Program

The Governor and Chancellor started NY-SUNY 2020 in 2011 which is a competition based challenge grant program to improve academic excellence and economic growth at the center of the State's regionally based economic revitalization strategy. The Executive Budget includes \$55.0M to expand and launch another round of the NY-SUNY 2020 challenge grant proposals. The new round specifically adds new criteria raised during our Refresh meetings in November and December including: the use technology to improve academic success and job opportunities for students (including Open SUNY), leverage public private partnerships through the START-UP NY and other research programs, and better connect students to the workforce by offering co-ops and other experiential learning opportunities.

C. Increased State Tax Support for SUNY Hospitals

The Executive Budget increases the level of direct State tax support from \$60.0M in the 2013/14 Enacted Budget to \$69.3M.

D. Focus on STEM

• STEM Scholarships

Funding is provided within the Higher Education Services Corporation (HESC) budget for the "New York State Science, Technology, Engineering and Mathematics (STEM) Incentive Program". As mentioned in the Governor's State of the State, this program is intended to provide funding equivalent to SUNY tuition to students who meet specific criteria³ over the course of four-to-five years dependent on the required length of the program. This funding may be reduced by other educational grants or scholarships.

The STEM scholarship will be turned into a loan for students who:

- Do not complete an approved STEM program,
- Change majors to program not within the STEM field, OR
- Fail to complete five years of employment in the STEM field while living in NYS upon completion of their program

• P-TECH Early College High Schools Expansion

The Executive Budget provides \$5.0M to expand the Pathways in Technology and Early College High School (P-TECH) program included in last year's Enacted Budget. SUNY is the backbone of the

³ Prospective students must:

- Graduate from a high school located in NYS during or after 2013/14.
- Graduate within the top ten percent of his or her high school class.
- Enroll in full-time study each academic year starting the fall term after high school graduation in an approved STEM field at a SUNY or CUNY institution.

statewide P-Tech program. P-TECH schools offer grades 9 to 14 education and focuses on the knowledge and skills students need for STEM careers, targeting high-performing, at risk students. Students receive both a high school diploma and an associate's degree at no cost to the students' families and are first in line for a job after graduation.

E. A New School of Pharmacy at Binghamton University

The Executive Budget includes \$10.0M in capital resources to fund initial planning and development costs for a new School of Pharmacy at Binghamton University. This initiative will help Binghamton continue to build its stature as a premier research university; expand enrollment; create jobs and increase economic activity in the region; and help meet health care workforce needs.

F. Create a College of Emergency Preparedness, Homeland Security and Cybersecurity.

The Executive Budget includes \$15.0M in capital resources to fund initial planning and development costs for a new College of Emergency Preparedness, Homeland Security and Cybersecurity within SUNY. The College will create the world's most comprehensive academic programs, research, and training opportunities for aspiring professionals, policy leaders, emergency managers and first responders. Through its affiliation with SUNY, the College can also serve as an economic driver for the State through the development of new companies and industries under the START-UP NY program.

G. Create the NY Genomic Medicine Network

The Executive Budget will provide funding for the University at Buffalo to partner with the NY Genome Center in New York City in a network that connects the medical community in New York City with the computational infrastructure at the University at Buffalo and the research community at Roswell Park Cancer Institute. This initiative will lead to job creation and significant advances in the emerging field of genomic medicine, and develop Upstate New York as a national center for genomic research and jobs.

H. Connect the NY Youth Works Program to Community Colleges

To encourage more employers to hire inner city youth, the Executive Budget will tie the occupational training component of the NY Youth Works Program—a program that offers tax credits to companies that hire unemployed young people in high poverty areas throughout the State—to the Job Linkage Program. Businesses that want to hire under the NY Youth Works Program, but need training, could partner with a community college that will offer a specialized certification under the Job Linkage program.

I. Establish a Student Protection Unit

The Executive Budget proposes establishing a Student Protection Unit within Department of Financial Services to serve as the consumer watchdog for New York's students. The Unit will be responsible for investigating student loan abuses and monitoring student health insurance plans, and other student financial projects.

J. START-UP NY Goes Global

The Executive Budget includes funding to attract international investment to Upstate and help New York companies export their products to international markets. In addition, a new international marketing campaign will leverage the powerful incentives of the START-UP NY program to grow the State's foreign exports and encourage direct foreign investment.

K. Tuition Assistance Program (TAP)

No changes to the current TAP program were proposed in the Executive Budget.