The meeting was called to order at 5:05 p.m.

There were present:

**Committee Members:**
Hon. Joseph J. Lhota, Chair  
Hon. Peter S. Pantaleo, Vice Chair  
Hon. Valerie L. Beal  
Hon. Judah Gribetz  
Hon. Kathleen M. Pesile  
Hon Terrence F. Martell, faculty member  
President James Muyskens, COP liaison

**Ex-officio:**
Vice Chairperson Philip A. Berry

**University Staff:**
Chancellor Matthew Goldstein  
Executive Vice Chancellor and Chief Operating Officer Allan H. Dobrin  
Senior Vice Chancellor Marc V. Shaw  
Associate Vice Chancellor Matthew Sapienza  
University Controller Barry Kaufman  
Chief Investment Officer Janet Krone  
University Deputy Executive Controller Miriam Katowitz  
Deputy Budget Director Catherine Abata

**Trustee Observer:**
Hon. Kafui K. Kouakou

The meeting, which was chaired by Committee Vice Chair Peter S. Pantaleo at the request of Committee Chair Joseph J. Lhota, was called to order at 5:05 p.m. The agenda items were considered in the following order:

I. **ACTION ITEMS:**

A. **APPROVAL OF THE MINUTES OF THE MEETING OF SEPTEMBER 5, 2012.** The minutes were approved as submitted.

B. **POLICY CALENDAR**

1. **Consideration of the FY2013-2014 Operating University Budget Request.**

***ASSOCIATE VICE CHANCELLOR MATTHEW SAPIENZA GAVE A PRESENTATION ON THE FISCAL YEAR 2013-2014 OPERATING UNIVERSITY BUDGET REQUEST***

In response to a question from Board Vice Chairperson Philip Berry, Associate Vice Chancellor Matthew Sapienza noted that CUNY has provided for 880 full-time faculty lines since fiscal year 2007 to the campuses’ budgets for new faculty. The University would like to add 425 in fiscal 2014 if it is successful in obtaining the funding for it. Despite the difficulties with establishing search committees and identifying viable candidates, the colleges have done a terrific job over the last 10 years in adding
additional full-time faculty. AVC Sapienza added that the 880 lines funded through the Compact, came in an environment where from fiscal 2009 through fiscal 2012 the University had over $300 million in budget reductions from the state, and the community colleges lost about $75 million in reductions. CUNY would have loved to have done more faculty hiring in that time, especially due to growing enrollments during that same time period. He added that as the budget process plays out at the state and city levels CUNY may have to restructure that full-time hiring goal of 425.

Chancellor Matthew Goldstein stated that from fiscal 2000 to the present time the University has probably hired about 1,800 new faculty.

Prof. Terrence Martell stated that the University Faculty Senate (UFS) is not always supportive of all items that are discussed by this committee. On this particular issue UFS has been a strong supporter of the Compact. The committee needs to understand that for a major public university system like CUNY to be hiring at this juncture of time and space is very close to unique. This is the perfect storm from a very positive perspective because when the dust settles, people that CUNY will be able to hire will be very strong.

In response to a question from Trustee Kafui Kouakou, AVC Sapienza stated fiscal 2013 represents the first year that the University decentralized the energy budgets to the senior colleges. Historically, the energy budget has been managed centrally. There is a lot of activity going on at the campuses to find ways to be more energy efficient. This is the right thing to do and the University is very confident that efficiencies will be found in its budget to bring down energy costs. He explained that this does not mean that the total amount spent on energy overall is going to go down because energy costs are increasing, but it is certainly expected that the rate of increase is going to slow down because of the terrific things the campuses are doing to be more energy efficient.

In response to a question from Vice Chairperson Berry on the distinctive advantage that CUNY's budget has over that of SUNY's, AVC Sapienza stated that when it comes to the state budget the University is always tied to SUNY in terms of decisions that are made in Albany, not only at the executive level, but at the assembly and senate level. There is always a certain pot of money set aside for higher education that is going to be distributed amongst CUNY and SUNY, and for TAP and other programs. CUNY has collaborated with SUNY regarding the community college request. The University will be onboard with SUNY, as there is strength in numbers when lobbying legislators. But, at the end of the day there are going to be decisions made in Albany about how much of the higher education pot goes to CUNY or SUNY. The University is confident that its request is reasonable and realistic in terms of what it is asking the state and city to cover, but that it also moves the University forward in the ways outlined in the recent Master Plan.

Chancellor Goldstein stated that on the capital side, CUNY is perceived to be in a weakened position relative to SUNY because so much of the funds that have been put into the capital process is motivated by economic development and imperatives in areas of Upstate New York where some SUNY campuses are located. CUNY's environment has not been perceived of as needing that same kind of assistance, although it is in serious discussions with Albany about getting the kind of initiative that was given to SUNY last year.
In response to a question from Trustee Gribetz, AVC Sapienza stated that CUNY is asking for an addition of $209 million to the $2.8 billion appropriation that would bring the overall budget up to slightly over $3 billion. He added that the University is asking the state and city to pick up its mandatory needs, which they have historically done, and which CUNY continues to expect them to do. The University is only asking the state and city to pick up $14.7 million of its programmatic initiatives. The rest will be funded through the University’s self-financing component. CUNY is trying to be reasonable in its request, but at the same time, it is an economic engine in both the city and the state and whatever is invested in CUNY will give a good return on investment, and help the economy at both the local and state levels.

Trustee Gribetz stated that the University should have some way of recognizing what the city and state are faced with in its budget request document. AVC Sapienza noted that this will be clearly stated in the cover letter accompanying CUNY’s budget request.

Chancellor Goldstein noted that both the Governor and the state legislature acknowledge that when CUNY came forward with the Compact it was a clarion call for the University’s obligation to help fund its needs unlike in the past. Philanthropy and restructuring is an obligation that CUNY continues to do. The state has always acknowledged that when fringe benefits go up, they are appropriated. The only thing that the University is asking for in addition to the $226 million is approximately $30 to $40 million in programmatic needs and in community college base aid.

Following discussion the item was approved for submission to the Board.

2. **NYCCT Facilities Renovation Services.**

Following discussion the item was approved for submission to the Board.

3. **Contract for Examination Program Management Services.**

AVC Sapienza explained that CUNY has had a contract in place with Cooperative Personnel Services (CPS) for many years. They provide examination services to the Office of Human Resources for civil service personnel. This contract has been put out for bid in the past and CPS has been the only vendor that has applied. They are a quasi-public agency in California, that provides a unique service to CUNY in developing the civil service personnel exams, and they have developed software specifically for CUNY. If a new firm applied it would have to start from scratch in making changes to their software that CPS has already developed. Whenever CUNY puts out a new contract with CPS it is placed in the state contract reporter and in the City Record to put it out there publicly.

Following discussion the item was approved for submission to the Board.

4. **[ADDED ITEM] Intellectual Property Rights Legal Services.**

AVC Sapienza stated that the initial contract was a little above $400,000. At the time, because it was below $500,000, the University did not have to bring it to this committee for approval, but CUNY has been using the services of this vendor and needs to utilize services additionally above the contract level, bringing the contract up to $600,000, which
requires Board approval. He noted that this resolution would be revised to reflect the
differential in the contract amount prior to going to the full Board.

Following discussion the item was approved for submission to the Board.

The meeting was adjourned at 5:47 p.m.