

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

COMMITTEE ON
FISCAL AFFAIRS

MINUTES OF THE MEETING
JUNE 4, 2012

The meeting was called to order at 5:09 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. Carol A. Robles-Roman
Prof. Karen Kaplowitz, faculty alternate
President James Muyskens, COP liaison

Ex-officio:

Vice Chairperson Philip Berry

Trustee Observer:

Hon. Sandi E. Cooper
Hon. Kafui K. Kouakou

Trustee Staff:

Senior Vice Chancellor and Secretary of the
Board Jay Hershenson
General Council and Senior Vice Chancellor
Frederick P. Schaffer
Deputy to the Secretary Hourig Messerlian
Mr. Steven Quinn

University Staff:

Chancellor Matthew Goldstein
Executive Vice Chancellor and University Provost
Alexandra Logue
Executive Vice Chancellor and Chief Operating
Officer Allan Dobrin
Associate Vice Chancellor Matthew Sapienza
University Controller Barry Kaufman
University Deputy Executive Controller Miriam
Katowitz
University Associate Controller Thomas Z. Zhou

Cal. No.

DISPOSITION

The agenda items were considered in the following order:

II. INFORMATION ITEM:

B. Report on the 2012-2016 CUNY Master Plan

Associate Vice Chancellor Matthew Sapienza stated that under New York State Education law CUNY is required every four years to submit a Master Plan to the Board of Regents. The last plan which was approved by the CUNY Board of Trustees and by the Board of Regents in 2008 is now expiring, and the University is getting ready to submit a new Master Plan. The Master Plan for the next four years builds on the progress achieved through the last two plans, and is delineated by the University's four major missions.

Mission one is academic excellence. The primary component of this is focusing on full-time faculty and increasing full-time faculty rates. Although the colleges have done a tremendous job of increasing full-time faculty over the last ten years, the University has not been able to keep up with enrollment. The University is also dedicated to the ongoing mission of the Decade of

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Science, the growth and enhancement of academic programs, enhancing library systems, and expanding the use of academic technology.

Mission two is maintaining an integrated system and facilitating articulation. These are the initiatives that help students acclimate to the college life and promote success. The implementation of the Pathways initiative is a big part of this mission, but there are other programs including academic advising, career advising, counseling, and athletics as well.

Mission three is expanding access to quality education for all of our students and the population here in the city. Key areas include college readiness, services for students with disabilities, veteran services, and some of our centers and institutes and initiatives like the Black Male Initiative. A key part of this mission is all the collaborative programs the University has with the New York City Department of Education.

Mission four is remaining responsive to the urban setting. This covers all of those things that would not necessarily be part of what one would look at as a University's mission, but that CUNY does as a part of New York City. Included here are work force and economic development, and important work that all of the campuses do educating teachers, expanding healthcare education, and the sustainability efforts that have been undertaken for the last several years at the University.

Included in the Master Plan is a Financial Plan, and this is the first time that the University has outlined what each of the categories within the four missions are projected to cost. These are aspirational costs, meaning if the University had whole funding available what would be spent on each of these categories. For each of those missions the breakout of the subcategories within these missions is given for the five years starting with next fiscal year. These numbers will be reliant on how much funding is received from the State and City. Given that the University is entering an era of fiscal stability with maintenance of effort on the State and City side, and with the four years of tuition increases that the Board of Trustees has already approved, the administration is confident that the University will be able to fund quite a significant chunk of this. This allows the University to do real multi-year financial planning.

The Academic Committee will vote on the Master Plan today, but the administration wanted to brief the Fiscal Committee and answer any questions or concerns.

Executive Vice Chancellor and University Provost Alexandra Logue added that there is a very lengthy consultation process that is going on in revision, and committee members have also in front of them a document that outlines what has been done in the past year for that purpose.

In response to a question from Trustee Valerie Beal, Dr. Logue noted that CUNY has a pilot program this summer for high school students who are not ready for college to get them ready. CUNY is also going to be further testing and expanding some programs that it has that are extremely successful at getting students who have already graduated high school, but are not college ready to be college ready.

Dr. Sandi E. Cooper stated that, in regards to the language on the consultation process, there was a vote of the University Faculty Senate Executive Committee to revise a document and send it in rather than meeting with the administration. She suggested that the language be modified accordingly.

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I. ACTION ITEMS:

A. APPROVAL OF THE MINUTES OF THE MEETING OF APRIL 2, 2012. The minutes were approved as submitted.

B. POLICY CALENDAR

1. The City University of New York – Award of University-Wide Pouring Rights and Beverage Vending Services Agreement by Request for Proposals.

Executive Vice Chancellor and Chief Operating Officer Allan Dobrin stated that with much of its purchasing, CUNY has been seeking better pricing in supplying the whole University. The idea here is to go to the market and see if somebody is interested in getting pouring rights for the whole University, and it would benefit the University, University-wide pouring rights will be awarded. If it does not benefit the University, University-wide pouring rights will not be awarded.

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

2. The City University of New York – University-Wide Facilities Contracts.

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

3. The City University of New York – Discontinuation of the Accelerated Study Fee.

Associate Vice Chancellor Sapienza stated that there is currently a fee charged to students who take more than eighteen credits. The more credits over eighteen a student takes, the more the fee goes up. The administration looked at this and consulted with the Council of Presidents and with the campuses, and there was a consensus that it is time to eliminate this fee, as the decision on whether students are able to take more than eighteen credits really should be an academic decision, and there should not be a financial penalty that determines whether a student takes more than eighteen credits. Instead, when students want to register for more than eighteen credits, they will meet with their academic advisor who will then determine whether the student can handle that course load. In terms of overall revenues across all campuses, the accelerated study fee generated a little less than \$300,000 per year, so it is not a big lift for each individual campus in terms of revenue. This is a better operational policy for the University's students.

Prof. Karen Kaplowitz noted that many colleges do not have sufficient academic advisers to meet the needs of the students. At John Jay for example, there are 15,000 students and around five academic advisors. She agreed that students who have financial challenges should not be disadvantaged in terms of how many credits they can register for. Currently the process does enable there to be an intervention. If this resolution is passed, there is no requirement that there be any conversation.

Committee Chair Joseph J. Lhota explained that the explanation of the resolution states that a student has to get someone from the academic department that they are in to sign off to allow them to take more than eighteen credits. Further, he agreed with Chancellor Matthew Goldstein that this requirement would be added to the resolution.

BOARD OF TRUSTEES
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COMMITTEE ON
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MINUTES OF THE MEETING
JUNE 4, 2012

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

II. INFORMATION ITEMS (continued):

A. Report by Associate Vice Chancellor Matthew Sapienza

Associate Vice Chancellor Sapienza stated that since the Committee last met, the City's Executive Budget was released. The Mayor's proposal for fiscal 2013 complies with the maintenance of effort provision that calls for the City to provide the University with the same level of funds in any one year as it did in the previous year, and this is a positive development. Usually that provision is met upon the budget's adoption. Now CUNY can spend its time lobbying at the City Council to talk about new initiatives and additional funding rather than just what is required to meet maintenance of effort. There were some City Council funded items that were not approved in the Mayor's Executive Budget. It is expected that the Council will fund those items as they have for the last several years. An adopted budget is expected to be in place within the next couple of weeks for fiscal 2013.

Associate Vice Chancellor Sapienza stated that last week the University issued its fiscal 2013 initial allocations to the senior colleges. The State Budget came through early this year and so the administration was able to issue the allocations earlier than it ever has. The allocations include a significant Compact investment plan of \$57 million at the senior colleges next year. \$41 million of that is generated from the \$300 tuition increase that will begin this fall and the dollars go back to the colleges dollar for dollar in terms of how much tuition is generated by each college. There is also a \$7 million self-financed component of the Compact from philanthropy and \$5 million from additional productivity and efficiencies. In addition, there is \$1.5 million that will be generated from enrollment increases at the senior colleges next year. That number is much smaller than in previous Compact plans and is a direct result of enrollment growth starting to slow down at the senior colleges over the last few years and being projected to grow at a much lower rate next year as well.

Associate Vice Chancellor Sapienza noted that the Compact plan for next year gives the colleges the most flexibility they have ever been given. In past Compact plans the dollars were very prescribed in how they were used, targets were given for student services, full time faculty, academic support, facilities, maintenance, and all of the various categories of a campus' budget. This year the colleges are getting just a dollar amount and they will come back to tell the administration how they are going to spend it. The campuses are being given a recommended minimum faculty hiring level because that is the University's most important goal. The compact plan includes a total of 230 additional faculty at the senior colleges and again that is a recommended minimum level, so it could be that campuses will come in with more. If campuses come in with less there will be a discussion to try to understand why they are planning on less than the recommended minimum.

Associate Vice Chancellor Sapienza noted that included in the allocation for next year is the \$5 million student financial aid initiative approved by the Board of Trustees. Proceeds from the tuition dollars are being used to fund the student financial aid initiative, with \$3 million of that at the senior colleges and \$2 million at the community colleges. There are three main targeted areas for the initiative. One is providing straight scholarships in tuition waivers for students whose matriculation is at risk because of the tuition increase. The second is purchasing books and making them available on loan in the libraries for students so that they will not have to purchase textbooks. The third is enhancing the federal work study program and having a CUNY institutional

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COMMITTEE ON
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JUNE 4, 2012

work study program to give students, whose matriculation may be at risk due to the tuition increase, opportunities to work on the campuses.

Associate Vice Chancellor Sapienza added that once the City Budget is adopted within the next week or two, the administration will be issuing allocations to the community colleges. A significant Compact initiative similar to the senior colleges will be included in the community college allocation as well.

The meeting was adjourned at 5:35 p.m. to go into the Fiscal Affairs Subcommittee on Audit meeting.