

BOARD OF TRUSTEES
THE CITY UNIVERSITY OF NEW YORK

COMMITTEE ON
FISCAL AFFAIRS

MINUTES OF THE MEETING
APRIL 6, 2015

The meeting was called to order at 5:01 p.m.

There were present:

Committee Members:

Hon. Joseph J. Lhota, Chair
Hon. Peter S. Pantaleo, Vice Chair
Hon. Valerie L. Beal
Hon. Barry F. Schwartz
Hon. Terrence F. Martell, faculty member
President Felix V. Matos Rodriguez, COP Liaison

University Staff:

Chancellor James B. Milliken
Vice Chancellor Matthew Sapienza
Senior Advisor Marc V. Shaw

Ex-officio:

Hon. Philip A. Berry

Trustee Observer:

Hon. Joseph K. Awadjie

Observer:

Prof. Kay Conway

Trustee Staff:

Senior Vice Chancellor and Secretary of the
Board Jay Hershenson
General Counsel and Senior Vice Chancellor
Frederick P. Schaffer
Ms. Towanda Lewis
Ms. Doris Wang

Cal. No.	DISPOSITION
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The agenda items were considered and acted upon in the following order:

I. ACTION ITEMS:

- A. APPROVAL OF THE MINUTES OF THE MEETING OF FEBRUARY 2, 2015.** The minutes were approved as submitted.
- B. POLICY CALENDAR**
1. Borough of Manhattan Community College – Chiller and Fan Coil Purchase. Committee Chair Joseph Lhota asked for the Committee's approval to authorize BMCC to issue purchase orders to Trane US, Inc. for the main building chiller and fan coil units at 199 Chambers Street. Such purchase shall not exceed a total estimated cost of \$2,630,000. This purchase will result in an annual energy cost savings of over \$308,000, arising from electricity and steam conservation.
 2. Borough of Manhattan Community College – HVAC Upgrade. Committee Chair Lhota asked for the Committee's approval to authorize BMCC to issue purchase orders to Honeywell Building Solutions for the HVAC System upgrade at 199 Chambers Street. Such purchase shall not exceed a total estimated cost of \$966,750. This purchase will have an annual cost savings of \$606,982, arising from energy conservation.

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3. Borough of Manhattan Community College – LED Lighting, 199 Chambers Street Campus. Committee Chair Lhota asked for the Committee's approval to authorize BMCC to issue purchase orders to Graybar Electric Company Inc. for the purchase of LED lights, lighting controls, sensors, and ballasts. Such purchase shall not exceed a total estimated cost of \$780,000. The annual estimated savings from this investment is expected to be \$128,300.
4. Borough of Manhattan Community College – LED Lighting, Murray Street Campus. Committee Chair Lhota asked for the Committee's approval to authorize BMCC to issue purchase orders to Fastenal Company for the purchase of LED lighting fixtures, motion sensors, controls, and energy management. Such purchase shall not exceed a total estimated cost of \$900,900. The integration of the LED fixtures with the Building Management System will allow the college to improve its control of its electrical consumption, resulting in an estimated savings of \$117,209 per year.
5. Borough of Manhattan Community College – LED Instructional Television Studio Equipment Upgrade and Rehabilitation, 199 Chambers Street Campus. Committee Chair Lhota asked for the Committee's approval to authorize BMCC to issue purchase orders for the purchase and installation of studio equipment against New York State Office of General Services Contracts, pursuant to law and University regulations. Such purchase shall not exceed a total estimated cost of \$1,500,000. BMCC will replace obsolete, end-of-life production equipment in its main instructional television studio with professional grade equipment found in today's television and multi-media studios to better prepare students in the Video Arts and Technology Program and the Media Arts Department to enter the broadcasting, film, and television market.

Following discussion, items I.B.1 through I.B.5 were approved for submission to the Board.

II. INFORMATION ITEMS:

A. FY2015-2016 State Budget

REPORT BY VICE CHANCELLOR MATTHEW SAPIENZA

In response to a question from Trustee Barry Schwartz, Vice Chancellor Matthew Sapienza stated that the Fiscal Year 2016 budget is completed; however, as part of the Maintenance of Effort provision that is tied to the Rational Tuition Policy, the University can have discussions with the legislature about how to amend the Maintenance of Effort so that going forward in the out years mandatory costs can be covered through that provision.

In response to another question from Trustee Schwartz, Vice Chancellor Sapienza stated that there are some changes that are being made in other states regarding curriculum that is being put forth at the state level, whether it is at the executive level or the legislative level. In terms of experiential learning, there has not been a lot of that throughout the country. The issue CUNY is going to have to tackle with the colleges is how to roll that out and how to make sure that the University can expand it to all degree-seeking students. This plan takes effect in academic year 2016-2017, so CUNY has a little time to work with Albany to make sure that whatever plans the University develops meet the requirements that they are looking for.

Committee Chair Lhota stated that experiential learning is unique from his perspective. State government has taken a broad-brush approach to this. It is not necessarily the easiest thing—the process is going to be difficult for the University, and Chancellor James Milliken will determine how this experience will work between now and when CUNY has to make a decision by June 1st. He added that the Committee's response needs to be equally as broad.

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Chancellor Milliken stated that initially this Committee is required to adopt a resolution that would set forth the planning. The first task is a relatively simple one and then it gets immediately more complex in developing the plans. But the new language does include a provision that was not included in the original proposal that calls on the University to study the feasibility of doing both fiscally and operationally as a matter of the curriculum, so this will certainly be fully investigated.

In response to a question from Committee Vice Chair Peter Pantaleo, Vice Chancellor Sapienza stated that as part of the Higher Education Agreement in 2011, the Board was required to do a few things where state legislation did call for the Board to take some action. Those were all reports that needed to be submitted, not anything tied to the curriculum.

Committee Chair Lhota added that this Committee is only being asked to vote on instructing the Chancellery, as well as the Council of Presidents, to put a plan into action in regards to experiential learning.

In response to a question from Trustee Schwartz, Vice Chancellor Sapienza stated that the 2015-2016 State Enacted Budget Preliminary Analysis requires the CUNY and SUNY Board of Trustees to each pass a resolution by June 1st in favor of developing a plan to offer approved experiential/applied learning activities to students.

University Faculty Senate Chair (UFS) and Trustee Terrence Martell stated that there is a huge difference between the original language which states that every degree-seeking student must have learning opportunities. The Trustees are going to have to get their arms around the practical implications of that difference, if CUNY is going to scale up unique learning opportunities for a quarter of a million students, which will become a very expensive process very quickly.

In response to a question from Trustee Schwartz, Vice Chancellor Sapienza stated that the Office of Budget will provide this Committee with the actual language of the 2015-2016 State Enacted Budget.

In response to a question from Chancellor Milliken, Vice Chancellor Sapienza stated that he is only going through a summary report on the budget, not reading the exact language as it appears in the budget document.

Vice Chancellor Sapienza stated that as per UFS Chair and Trustee Martell's remarks, these activities include those related to students' programs of study: service learning activities completed as part of a course, internships, faculty-supervised undergraduate projects and activities leading to publication, and production of performance of creative works.

In response to a question from Committee Vice Chair Pantaleo, General Counsel and Senior Vice Chancellor Frederick Schaffer stated that the Trustees will be guided by their own views in this, as in all other matters.

In response to a question from Trustee Schwartz, Chancellor Milliken stated that the plan will be developed in consultation with the Chancellery and the presidents of the colleges.

Senior Vice Chancellor and Secretary Jay Hershenson added that this item is just to pass a resolution to develop a plan.

Committee Chair Lhota stated that after this Committee approves the plan to implement experiential learning, it will have to go to the Committee on Academic Affairs and Special Programs, and only then will the latter instruct the University—both the Chancellery, as well

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as the presidents—to come forward with a plan on experiential learning, at which point the plan will then be either approved or not.

In response to a question from Committee Vice Chair Pantaleo, Prof. Kay Conway stated that the language of the budget also calls for UFS and the University Student Senate to be consulted with on the budget. She noted that in addition to the points that Committee Vice Chair Pantaleo and Trustee Schwartz were raising, it is crucial for the members of this Committee to examine the feasibility.

Committee Chair Lhota stated that there are federal tax concerns as well because there are no longer unpaid interns in this country. There is going to be a cost to wherever that experience is going to be achieved, if it is outside the University setting in the private sector.

In response to a question from Trustee Beal, Vice Chancellor Sapienza stated that the Rational Tuition Policy that was enacted in 2011 called for a Maintenance of Effort that specifically stated that the state had to provide the same level of funding in any one year to the senior colleges as it did the prior year, which means that CUNY had to get at least the same level of funding as last year. However, the specific language did not call for an increase to the budget for mandatory needs, as the spirit of the agreement was that the state would cover mandatory needs, even though it was not in the legislation and that tuition would not have to be used to cover those mandatory needs.

In response to another question from Trustee Beal, Vice Chancellor Sapienza stated that the FTE student base aid at community colleges is based on enrollment, but on a one-year lag. Community college enrollment was basically flat, but the state was carrying a higher level in its financial plan for next year. It is just bringing the plan back down to the actuals; it was not a real enrollment reduction.

The public meeting was adjourned at 5:28 p.m.