

BOARD OF TRUSTEES  
THE CITY UNIVERSITY OF NEW YORK

COMMITTEE ON  
FISCAL AFFAIRS

MINUTES OF THE MEETING  
FEBRUARY 2, 2015

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. Barry F. Schwartz  
Hon. Terrence F. Martell, faculty member  
Ms. Mariam Jakhashvili, student alternate  
President Felix Matos Rodriguez, COP Liaison

**University Staff:**

Chancellor James B. Milliken  
Executive Vice Chancellor and Chief Operating  
Officer Allan H. Dobrin  
Vice Chancellor Matthew Sapienza

**Ex-officio:**

Hon. Benno Schmidt

**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  
Mr. Anthony Vargas

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<b>Cal. No.</b>	<b>DISPOSITION</b>
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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 JANUARY 5, 2015.** The minutes were approved as submitted.

**B. POLICY CALENDAR**

1. The City University of New York – Veterans' Tuition Rate. Committee Chair Joseph Lhota asked for the Committee's approval to enable eligible veterans, as well as eligible spouses and dependents of certain service members, to be charged the same tuition rate as New York State residents to the extent required under federal and/or state law. While CUNY already has a similar policy, this new resolution will put CUNY's Veterans' Tuition Policy strictly in line with the new federal and state requirements, which were issued this past August. This policy supersedes the June 24, 2013 policy. It will be effective June 1, 2015 so it can start with the Summer 2015 term.

In response to a question from Committee Chair Lhota, Vice Chancellor Matthew Sapienza stated that in June 2013, the University enacted a new policy that stated that nonresident veterans had eighteen months to establish residency in New York State and then therefore be charged the in-state rate. Since June 2013, the State and federal government have both

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changed their regulations, making it more flexible for nonresident students to be charged the in-state rate.

In response to another question from Committee Chair Lhota, Vice Chancellor Sapienza stated that the Office of Student Affairs estimates that CUNY has a little over 4,000 student veterans and reservists throughout the University community.

In response to a question from Trustee Barry Schwartz, Vice Chancellor Sapienza stated that the University will be consistent with state and federal law during implementation of this policy in the Summer 2015 term.

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

2. CUNY School of Law – Purchase of Goods and Services. Committee Chair Lhota asked for the Committee's approval to authorize the CUNY School of Law to purchase goods and services for the upgrade of the audiovisual system in the Law School's Dave Fields Auditorium and the addition of video teleconferencing and lecture capture systems from a vendor authorized under existing New York State Office of General Services contracts, pursuant to law and University regulations. Such project shall not exceed \$800,000, chargeable to the appropriate CUNYfirst code for the Law School.

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

**II. INFORMATION ITEMS:**

**A. Review of FY2015-2016 State Executive Budget**

\*\*\*REPORT BY VICE CHANCELLOR MATTHEW SAPIENZA\*\*\*

In response to a question from Trustee Barry Schwartz, Vice Chancellor Sapienza stated that the \$8 million for the salary step increments will be added on to the \$25 million shortfall that the University will receive during the adoption of the Executive Budget on April 1<sup>st</sup> with a flat fringe benefits budget.

In response to a question from University Faculty Senate (UFS) Chair and Trustee Terrence Martell, Vice Chancellor Sapienza stated that building rentals, salary increments, fringe benefits—mandatory cost increases—are not included in the Executive Budget. Building rentals are due to go up by \$8 million and energy cost is due to go up as well. On the energy side, two years ago, the University decentralized those budgets to the colleges, and the senior colleges have been doing a terrific job in managing those costs, ensuring that they are staying within the plan; however, CUNY does not want tuition to be used to cover mandatory cost increases.

In response to another question from UFS Chair and Trustee Martell, Vice Chancellor Sapienza stated that for both CUNY and SUNY, ten percent of their operating budgets will be held in reserve until their Performance Improvement Plans are submitted. Once the plans are submitted the 10% will be released.

In response to a question from Committee Chair Lhota, Vice Chancellor Sapienza stated that SUNY has the same requirement as CUNY. SUNY senior colleges have \$18 million available to them, and CUNY has \$12 million.

In response to another question from Committee Chair Lhota, Vice Chancellor Sapienza stated that two \$500,000 school grants have been made available as part of the Executive

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Budget for the CUNY community colleges. He added that three grants were made available to SUNY as well, also for \$500,000 each.

In response to another question from Committee Chair Lhota, Vice Chancellor Sapienza stated that Governor Cuomo proposed to achieve efficiencies through consolidations from state and city systems.

In response to a question from Trustee Schwartz, Vice Chancellor Sapienza stated that the Governor launched a new financial aid program—Get on Your Feet Loan Forgiveness Program—that helps reduce the federal debt that students have after they graduate from a college in New York State and earn less than \$50,000 per year. The federal Pay as You Earn Program states that the state would cover the difference for the first two years of principle and interest, so essentially graduates would not pay any debt after graduation.

In response to another question from Trustee Schwartz, Vice Chancellor Sapienza stated that legislature add-ons are automatically deleted from the Executive Budget because of the assumption that the legislature is going to put it back. Only in extremely rare situations will that not happen.

In response to a question from Ms. Mariam Jakhashvili, Vice Chancellor Sapienza stated that the current tuition increase policy for CUNY will expire. The last of the five year increases will take effect in fall 2015, a \$300 increase. He added that the rates for tuition increase for nonresident students will also increase proportionally to the \$300 value.

In response to a question from Chairperson Benno Schmidt, Vice Chancellor Sapienza stated that the \$300 tuition increase that was approved by the Board is for both senior and community colleges. He added that the Executive Budget proposal includes the appropriation for these funds for next year.

In response to another question from Chairperson Schmidt, Vice Chancellor Sapienza stated that the University will begin the process of tuition discussion as part of this legislative session with the Governor, even though the law does not expire until next year.

In response to a question from Committee Chair Lhota, Vice Chancellor Sapienza stated that for the past five years tuition increases have gone up uniformly so the thought is for CUNY to go back to the legislature and the Governor to create another program to ensure that everyone is aware of the tuition level limits.

The public meeting was adjourned at 5:34 p.m.