

**Budget and Planning Subcommittees
Meeting Agenda
April 16, 2019
1:40-3:00pm – Room 610 HH**

- 1) Approval of minutes from the 3/11/2019 meeting (attached)
- 2) Update on Budget Plan 2019 (attached; hard copies will be distributed)
- 3) Budget 2020 (attached; hard copies will be distributed)
- 4) Internal Controls

**Joint Meeting: SPS-FPS
Minutes
April 16, 2019**

Present: Steve Titan (*FPS Chair*), Ric Anzaldua, Ned Benton, Avi Bornstein, Kinya Chandler, Brian Cortijio, Angela Crossman, Ajisa Dervisevic, Mark Flower, Erez Lenchner, Dyanna Pooley, Alena Ryjov, Robert Till, Gulen Zubizarreta, and Alison Orlando (*Recorder*)

1. **Approval of Minutes from March 11, 2019.** The minutes will be approved at the next meeting.
2. **Update on Budget Plan 2019.** Steve T. started by explaining that the FY 2019 budget originally had a projected deficit of \$12 million but we were able to end the year with a positive balance of 127,068. He said that the additional allocation of \$2,000,000 from CUNY was a large help in balancing the budget along with efforts made at John Jay. He then asked Mark F. to go over the changes that resulted in the positive year-end balance. Mark F. started by going over the changes in allocations and revenue that helped balance the budget. He explained that we had an increase in allocations of \$2.3 million including \$2 million from the supplemental operating support from CUNY and \$300,000 from an increase in energy savings. Other changes include that the loss of CEEDS revenue was offset by the NYPD Leadership Program, and that an increase in enrollment at the college led to an increase in revenue. He explained that all of these items lead to an increase of \$4,110,970 in our total budget allocation. Mark F. then moved to speak about the changes in expenditures that helped balance the budget. He spoke about savings in personnel services including \$1.8 million in faculty savings due to separations and increased refunds of appropriation. He also mentioned that there was a savings of both \$872,661 in staff costs and \$1,038,202 in OTPS. Mark F. said that all of the changes explained above led to the final positive balance of \$127,068. Ned B. noted that he thinks it's important to understand how the \$12 million deficit became a positive balance to see if anything can be applied to the 2020 budget.
3. **Budget 2020.** Mark F. then went over our FY 2020 Financial Plan, and talked about how the plan differs from the FY 2019 Budget. Mark F. said that the assumption is that for FY 2020 CUNY will increase our revenue target by 3.16% to \$94,939,130 due to the tuition increase. He also noted that the plan assumes that we will maintain the additional allocation in supplemental operating support of \$2,000,000 that CUNY gave us for FY 2019. Mark F. explained that the plan includes a loss of \$2.3 million, as we have been told that the Department of Corrections is not renewing their lease of North Hall after November 30 due to budget cuts they are anticipating. There is also a projected loss of \$ 2 million due to the TAP Gap where the increase in the revenue target exceeds our actual revenue growth. All of these factors will impact the budget and result in a drop in our total budget allocation by \$2,042,523. Mark F. then spoke about changes in the expenditure side from the FY 2019 Budget; these changes include increases in personnel services expenses, and the financial impact of the labor reserve. Mark F. ended by saying that we are projecting a deficit of \$9,973.935 for FY 2020. Kim C. asked when we will start the process of addressing the projected deficit. Steve T. said that they are still figuring out next year's plan of action.
4. **Internal Controls.** The Director of Internal Controls, Gulen Zubizarreta gave a presentation about Internal Controls. She then explained that CUNY has requested that John Jay do a self-assessment on our internal controls. She gave more details about what CUNY requested, and how we will proceed with this request.
5. **New Business.** There was no new business.

FY2019 Budget Year End Balance Reconciliation

FY2019 Beginning Projected Deficit	(\$6,234,000)	
Revenue Changes		
Increase in Lump Sum Allocations, Increase in Child Care \$59,176, increase in College Now \$3,956, Increase in SEEK 82,058, Increase in Services for Disabled \$19,007, Decrease in Workforce Development -\$20,000		\$145,000
Increase in additional allocations, Supplemental Operating Support \$2,000,000, Increase in Energy Savings \$300,000		\$2,358,000
Increase in NYC Sponsored Programs, CEEDS reduction of -\$450,000 offset by NYPD leadership now included in tax levy of \$695,000		\$225,000
Increase in Revenue Above Target, Increase in enrollment over projection 11,925 FTE vs 11,795		\$1,384,000
Subtotal Revenue Changes		\$4,112,000
3rd Quarter Ending Balance After Revenue Changes	(\$2,122,000)	
Expenditure Changes		
Changes in Full time Faculty Salaries, Actual salaries lower -\$1,241,323 (separations not included in original projection) and increased refunds of appropriation -\$396,729 (RF release time & Sentencing Commission)		\$1,814,000
Changes in Full time Administrative Salaries, Savings from attrition and not backfilling positions as well as savings from planned savings of vacant positions was \$2M as compared to plan of \$1.2M		\$873,000
Changes in ECP Salaries, Actual refunds of appropriation \$72,000 less than plan		(\$141,000)
Changes in Adjunct Salaries, Increased number of sections and average salary greater than plan and \$600,000 FY18 summer payroll which was paid in FY19		(\$1,695,000)
Changes in Temp Services, Finance & Administration and Student Affairs operating under budget		\$186,000
Changes in OPTS, Reduction of planned CEEDS expenditures -\$757,000, -\$150,000 reduction in Provost allocation, ACE tuition paid from allocation reduction and not OTPS - \$250,000.		\$1,361,000
Subtotal of Expenditure Changes		\$2,398,000
Changes in Year End Balance (CUTRA), Adjustment by CUNY as a result of JJC not hitting IFR revenue target	(\$149,000)	
3rd Quarter Ending Balance after Revenue, Expenditure and CUTRA Changes	\$127,000	

John Jay College
FY 2019 Financial Plan Projection

	FY2019	FY2019 3rd Qtr 4/3/19 Report	Change (3rd Qtr - Plan)	Notes
BUDGET ALLOCATION AND REVENUE				
CUNY Revenue Target	\$92,214,000	\$92,266,000	\$52,000	Adjustment for Maccaulay waivers
Avg Enrollment (Fall + Spring/2)	11,795	11,925	130	Increase in Enrollment
Base Allocation				
Base Allocation:	\$100,846,000	\$100,845,530	(\$470)	Rounding
Add Resources for Collective Bargaining	\$0	\$0	\$0	
Lump Sum Allocations	\$2,153,138	\$2,297,605	\$144,467	Increase in Child Care \$59,176, increase in College Now \$3,956, increase in SEEK 82,058, Increase in Services for Disabled \$19,007, Decrease in Workforce Development -\$20,000
Initial Tax-Levy Allocation (See Allocation Letter)	\$102,999,138	\$103,143,335	\$144,197	
Additional Allocations	\$3,943,348	\$6,301,114	\$2,357,766	Supplemental Operating Support \$2,000,000, Increase in Energy Savings \$300,000
NYC Budget Initiatives (NYPD Exec Leadership & DOC CEEDS)	\$2,346,739	\$2,571,742	\$225,003	CEEDS reduction of -\$450,000 offset by NYPD leadership now included in tax levy of \$695,000
NYC DOC Academy Rental of North Hall	\$3,276,859	\$3,276,859	\$0	
Current Year Gross Tuition Revenue above CUNY Target	\$2,138,996	\$3,523,000	\$1,384,004	Increase in enrollment over projection
TOTAL BASE BUDGET ALLOCATION	\$114,705,080	\$118,816,050	\$4,110,970	
TOTAL BUDGET ALLOCATION	\$114,705,080	\$118,816,050	\$4,110,970	
Personnel Services (PS):	\$90,203,126	\$87,656,761	(\$2,546,365)	
Faculty	\$42,494,748	\$40,680,430	(\$1,814,318)	Actual salaries lower -\$1,241,323 (seperations not included in original projection) and increased refunds of appropriation -\$396,729 (RF release time & Sentencing Commission)
Administrative Staff	\$40,836,257	\$39,963,596	(\$872,661)	Savings from attrition and not backfilling positions as well as savings from planned savings of vacant positions was \$2M as compared to plan of \$1.2M
ECP	\$4,375,121	\$4,535,735	\$160,614	Actual refunds of of appropriation \$72,000 less than plan
2% Labor Reserve	\$2,497,000	\$2,497,000	\$0	
Adjuncts:	\$16,123,348	\$17,818,000	\$1,694,652	Increased number of sections and average salary greater than plan and \$600,000 FY18 summer payroll which was paid in FY19
Temp Services:	\$6,243,104	\$6,056,614	(\$186,490)	
College Assistants	\$5,486,791	\$5,260,841	(\$225,950)	
Non-Teaching Adjuncts	\$756,313	\$795,773	\$39,460	
TOTAL PS	\$112,548,577	\$111,581,375	(\$1,038,202)	
TOTAL OTPS	\$9,452,385	\$8,091,000	(\$1,361,385)	Reduction of planned CEEDS expenditures -\$757,000, -\$150,000 reduction in Provost allocation, ACE tuition paid from allocation reduction and not OTPS - \$250,000.
REFUNDS OF APPROPRIATION/ACCURALS				
TOTAL FINANCIAL PLAN EXPENDITURES	\$122,021,962	\$119,622,375	(\$2,399,587)	
Operational YEAREND BALANCE	(\$7,316,882)	(\$806,325)	\$6,510,557	
Prior Yearend Balance	\$1,082,780	\$933,393	(\$149,387)	Adjustment by CUNY as a result of JJC not hitting IFR revenue target
Total Yearend Balance	(\$6,234,102)	\$127,068	\$6,361,169	
Year End Balnce Without DOC Academy North Hall Rental	(\$6,318,960)	(\$3,148,793)	\$3,169,167	

John Jay College
FY 2020 Financial Plan DRAFT

Initial

BUDGET ALLOCATION AND REVENUE	FY2019 Third-Quarter FR - 4.3.19	FY 2020 Plan DRAFT	Projected Change	FY 2020 Note
CUNY Revenue Target	\$92,266,000	\$94,999,130	\$2,673,130	CUNY increases Revenue Target by their projected increase due to tuition increase
Avg Enrollment ((Fall + Spring)/2)	11,925	11,925	0	
Base Allocation				
Base Allocation:	\$100,945,530	\$103,518,560	\$2,673,130	FY19 increase allocation of \$2M moved into base. Base also includes \$2.7M for tuition increase
Lump Sum Allocations:	\$2,297,805	\$2,297,805	\$0	
Initial Tax Levy Allocation	\$103,143,335	\$105,816,465	\$2,673,130	
Additional Allocations	\$6,301,114	\$6,051,114	(\$250,000)	No Admissions Pilot
NWC Budget Initiatives (NYFD Exec Leadership & DOC CEEDS)	\$2,571,742	\$2,571,742	\$0	
NWC DOC Academy Rental of North Hall	\$3,276,859	\$903,034	(\$2,373,825)	Current DOC contract Expires 11/30/19
Current Year Gross Tuition Revenue above CUNY Target	\$3,523,000	\$1,431,172	(\$2,091,828)	Increase in revenue target exceeds actual revenue growth due to Tap Gap
TOTAL BUDGET ALLOCATION	\$118,816,056	\$116,773,527	(\$2,042,529)	
Personnel Services (PS) :	\$87,656,760	\$93,479,674	\$5,772,913	Planned new hires and reclassifications
Faculty	\$40,680,430	\$41,716,154	\$1,035,725	
Administrative Staff	\$39,963,596	\$42,160,750	\$2,197,154	Annualized cost of approved vacancies
ECP	\$4,515,735	\$4,407,951	(\$107,784)	Reduction of 1 VP position
2% Labor Reserve	\$2,497,000	\$5,144,819	\$2,647,819	
Adjuncts:	\$17,818,000	\$18,928,653	\$1,110,653	
Teaching Adjuncts / CLTs	\$17,818,000	\$18,928,653	\$1,110,653	Workload reduction increases number of adjunct sections
Term Services:				
College Assessments	\$6,056,614	\$6,425,205	\$368,591	2% increase
Non-Teaching Adjuncts	\$5,260,841	\$5,518,694	\$257,853	2% increase
TOTAL PS	\$111,531,374	\$118,783,531	\$7,252,157	
TOTAL OIPs (see note below)	\$8,091,000	\$8,091,000	\$0	rollover budget
TOTAL FINANCIAL PLAN EXPENDITURES	\$119,622,374	\$126,874,531	\$7,252,157	
Operational YEAREND BALANCE	(\$806,374)	(\$10,101,004)	(\$9,294,630)	
Prior YEAREND Balance	\$933,393	\$127,069	(\$806,324)	
Total YEAREND Balance	\$127,069	(\$9,973,935)	(\$10,101,004)	