



Financial Planning Subcommittee

Meeting Agenda

November 9, 2020

2:00-3:00pm – Zoom (details are in the calendar invite)

1. Approval of Minutes for October 22, 2020 meeting
2. Current status of FY2021 Budget
3. Full-time Headcount analysis
4. Academic Excellence Fees

**FPS
Minutes
November 9, 2020**

Present members: Mark Flower (FPS Chair), Yi Li, Ned Benton, Karen Kaplowitz, Erica King-Toler, Jay Gates, Brian Cortijo, Kim Chandler, Andrew Sidman, Andrew Berezhansky, Saaif Alam

Guests: Franklyn Bernabe, Alison Orlando, Allison Pease, Ajisa Dervisevic, Roger Szajngarten, Rulisa Galloway-Perry, John Paul Narkunas, Janet Winter, Henry Chan, Alena Ryjov (*Recorder*)

1. **Approval of Minutes from October 22, 2020 meeting:** the minutes were approved unanimously.
2. **Current Status of FY2021 Budget:** Mark F. began a meeting with a reference to the Chancellor's memo, and said that we don't have any further details. He also mentioned that JJ submitted its CARES funds documentation for money allocated to the campus. The funds will be applied to the outstanding debt to the EHS for the unused dorms. JJ also requested funds for IT needs to support remote work and teaching. The plan will be shared with the subcommittee after the meeting. Ned B. ask for a clarification regarding student activity fees and tuition and fees funds and reimbursement. Mark provided an explanation. Ned B. then asked a question regarding the EHS debt and whether it is the Aux Corp's debt or the college's. Mark F. said that the debt is Aux Corp's and explained how the process of paying the debt would work. Ned requested to see a breakdown of CARES money and how these funds would be used to cover the college's needs and debt in other areas. Mark said it can be done. Paul N. asked if other CUNY campuses are using their CARES funds for similar purposes and whether such uses are appropriate. Mark said that other campuses that have dorms are also doing this, and this is an appropriate use of funds, per CARES guidelines. Ned added that this is particularly the case in SUNY with large dorms on every campus. Mark said that we are still in a holding pattern and is getting concerned about our ability to close the gaps as the time passes. He hopes that the coming months will provide some clarity.
3. **Full-Time Headcount Analysis:** Mark acknowledged the concerns and questions regarding the current headcount, and proposed this item as a recurring one for the future meetings. He said that his office is still working on analyzing and reconciling the data. Allison P. suggested that the report should be revised to provide more clarity. Mark said that the team is working to figure the reporting format that would make sense. Ned proposed the approach for the report on faculty positions, and Yi said that Academic Affairs should be able to provide such report. Ned asked if such reports could be provided on a quarterly basis. The discussion followed on the feasibility and ways to do this. Mark proposed to share a report which Business Office compiles based on CUNYfirst records. The committee agreed.
4. **Academic Excellence Fees:** Mark provided an overview of academic excellence and differential tuition fees, how they work and the departments that have them. He also provided an update on the departments' work to develop projections for enrollment, tuition and plans to spend the fees, based on the BOT proposal on how to use and spend AEFs. There's a subcommittee to review the spending proposals, which are then approved by the Provost and incorporated into the financial plan. Ned said that it would be helpful to understand the basis for budget developing process for programs. Kim provided an explanation. The discussion will be continued at the next FPS meeting. Dean of Graduate Studies will join the discussion.

From: Chancellor Matos Rodríguez <ChancellorCommunications@cuny.edu>
Subject: Fall Fiscal and Budget Update
Date: November 4, 2020 at 3:35:00 PM EST
To: Mark Flower <mflower@jjay.cuny.edu>
Reply-To: "ChancellorCommunications@cuny.edu"
<ChancellorCommunications@cuny.edu>



OFFICE OF THE CHANCELLOR

Dear CUNY faculty and staff:

As we await the final outcome of yesterday's presidential election, and following my last [letter about our financial situation](#), I wanted to share the latest news about CUNY's budget process and the fiscal outlook that informs it.

It pains me to report that CUNY faces a budget shortfall of millions for the current fiscal year ending in June 2021. As a result of the economic fallout from the COVID-19 pandemic, the University has experienced reductions in revenue, seen public funding significantly reduced and been obliged to take on unplanned emergency expenditures. We have been forced to make decisions that only months ago seemed unthinkable.

This is an overview of the various fiscal hurdles we face:

- The City's recently adopted FY21 budget reduced CUNY funding by \$46.3 million, or about 9 percent of the

total operating budget of all of our community colleges.

- CUNY spent almost \$75 million on unplanned emergency costs related to the pandemic, expenses that included the purchase of laptops and iPads for students, the cost for deep cleaning buildings, overtime costs for public safety and facilities personnel, the purchase of PPEs, cleaning products, signage and other costs associated with the transitioning to distance learning across the system.

- The State is temporarily withholding 20 percent of senior college aid, community college FTE (full-time equivalent) aid, and TAP. If there is no additional assistance from the federal government for New York State, we are facing a real risk of a permanent cut.

- CUNY's 5.1 percent decline in University-wide enrollment seen so far will result in a \$52 million loss of revenue for the University this year.

- CUNY lost \$32 million in revenue for the Spring 2020 semester due to a reduction in tuition and other revenue collections.

In light of the uncertainties created by the absence of federal funding, we delayed the presentation and approval process of the 2020-21 CUNY budget, a practice that would have otherwise taken place in May or June. In the absence of a finalized budget, we have delayed Board consideration of a number of potential actions, including the proposed predictable tuition increase and student health and wellness fee. In the meantime, the University has taken the following measures to help shore up the University's finances and support its students, faculty and staff:

- The Vacancy Review Board, established in April following a hiring and spending freeze, has reduced payroll costs by keeping vacant or consolidating the responsibilities of existing positions, saving the University \$33 million in

annualized costs as of September. The University's total full-time staffing level has been reduced by 468 positions since the hiring freeze was announced.

- After the initial authorization of our colleges to cover only short-term expenses and operate on a month-by-month basis, we have now approved semester-based budgets for colleges. In accordance with current state budget management practice mentioned above, the University continues to withhold 20 percent of state funding from all college budgets and Central offices.

- The federal government allocated \$250 million to CUNY earlier this year as part of the CARES Act. That included \$118 million in direct aid to students, almost all of which has been distributed to 197,000 students so far. The remaining \$132 million is to be distributed as part of the University's FY 2021 budget. We recently allocated \$41 million of the funds to cover colleges' reimbursement for student tuition and fees, health and wellness expenses and IT infrastructure expenses.

- As a result of our sustained transition to distance learning, we have reduced costs through the consolidation of campus space; the reduction of part-time personnel hours; the elimination of travel; and enhanced energy savings. The increase of 16% in our Summer Session enrollment also generated additional revenue that has helped defray costs incurred this fall.

While CUNY, along with state and city officials have lobbied the federal government to exercise leadership and provide the level of aid needed to stave off deep cuts to academic programs and student support services, my team has worked with the Board of Trustees to offset the losses and ensure the University's uninterrupted operation.

Unfortunately, with no sign of relief from the federal government, I am announcing an additional spending control

measure:

- All managerial employees under the Executive Compensation Plan (ECP), committed administrators who serve at the highest levels of leadership throughout the University, will be furloughed five days this fiscal year. As ECP members, the furloughs also impact myself and college presidents and deans. Guidance on how the furloughs will work will be forthcoming.

We all have had to make sacrifices this year, and unfortunately, I expect more potentially difficult decisions in the near term. The elections will very likely have an impact on the financial situation of our state and city. We will work closely with our partners to understand the implications to CUNY and make adjustments in our decisions as needed.

I thank you for your understanding, and will continue to keep you apprised as the way forward becomes clearer and we consider additional strategies to stabilize our University and drive it onward.

Sincerely,

Felo

Final FY2020 Expenses

Campus-Program	Total YTD Revenue	PS Regular	Adjuncts	Temp Service	Waivers	OTPS	Total	Balance	Explanation for unspent funds
John Jay College MA Criminal Justice	285	91	4	73		30	198	87	Funds were not spent due to covid-19. We will roll over this program budget balance available to FY2021.
John Jay College Graduate Psychology Programs	266	130	2	55		71	258	8	Funds were not spent due to covid-19.

CRJ Excellence Fee**80102.10184**

Revenue **284,959.00**

PS

PS Regular 91,444.15

PS Adjunct 3,720.57

PS Temp 73,438.68

Total PS **168,603.40**

OTPS

NPS Supplies and Materials 12,510.28

NPS Travel 4,279.36

NPS Misc Contractual Services 9,425.00

NPS Equipment Acquisitions 3,607.53

Total OTPS **29,822.17**

Total Expenditure **198,425.57**

FY 2020 Year End Balance **86,533.43**

Psychology Excellence Fee	10245.10184
Revenue	265,875.00
PS	
PS Regular	129,640.43
PS Adjunct	1,967.40
PS Temp	55,428.14
Total PS	187,035.97
OTPS	
NPS Supplies and Materials	8,988.83
NPS Misc Contractual Services	61,874.38
NPS Equipment Acquisitions	433.29
Total OTPS	71,296.50
Total Expenditure	258,332.47
FY 2020 Year End Balance	7,542.53

The City University of New York
2019-2020 Third Quarter Financial Report
Academic Excellence Fee Summary (\$000)

Campus- Total YTD Revenue	Year-to-Date Projected Expenses		Total	Balance	
	PS Regular	OTPS			
John Jay	285	115	25.3	140.3	145
John Jay	266	122	66	188	78
Total	551	237	91.3	328.3	223

JJC note
We will roll over