Memorandum to Presidents

Date: May 16, 1973

From: Office of the Chancellor

Subject: Pending Legislation Authorizing Improved Funding for Community Colleges.

I'm addressing this memorandum to the Presidents of the Community Colleges. You'll recall we promised to report to you as soon as possible on this pending legislation, and this is the purpose of this memo and enclosure. As you'll note from the information outlined below, however, we still cannot, for technical reasons, give precise instructions for the revision of 1973-74 budgets. With your help, and with enactment of legislation, we'll prepare more precise information for you just as rapidly as possible.

PENDING LEGISLATION

Enclosed is a copy of Program Bill No. 56, recently introduced as a part of the Governor's Legislative program for higher education for this year. Of special interest to community colleges are the provisions found on pages 10 to 13, inclusive, and on page 19.

The main community college provisions are as follows:

1. Statutory ceilings on state aid.--If the bill should be enacted as introduced, the statutory ceilings on state operating aid would be lifted, effective immediately, from one-third to 35 percent for non-full-opportunity colleges, and from 40 to 42.5 percent for full-opportunity colleges. Effective July 1, 1974, the ceilings would be further raised, by effect of this same bill, from 35 to 37.5 percent and from 42.5 to 45 percent, respectively. As you know, this does not of itself increase state aid to colleges, but does make it legally possible for them to increase their earned state aid to higher proportions of total than before.

2. Special provisions for community colleges in the City of New York.--All community colleges in the City of New York, sponsored by the board of higher education or under trusteeship of the board of higher education, henceforward
Memorandum to Presidents
May 16, 1973

would be treated as a single community college for purposes of budgeting and expending funds and for the purpose of determining eligibility for state financial aid for operating costs.

3. Immediate additional financial aid.--The bill proposes the addition of $7.5 million in the supplemental budget for additional immediate financial aid to community colleges for the year 1973-74. It's our understanding that the main intentions, with respect to these additional funds, are (a) to finance an amendment to the Formula on Limitations in a manner which will assist all community colleges to offset inflation which has occurred since adoption of the Formula; and (b) to support the added cost which will result from calculation of state aid to New York City community colleges on a single-district basis.

4. Formula Revisions by July 1, 1974.--The legislation directs the State University Board of Trustees to promulgate regulations effective July 1, 1974, which may supplement, replace, or amend existing (Formula) provisions, and to establish financial incentives (within the new and higher statutory ceilings of state aid.)

IMPLEMENTATION

If the above legislation, including the immediate funding provision, is enacted, both immediate and long-range steps of implementation will be required.

Immediate implementation, for utilization of the 1973-74 funding, would require adoption of an amendment of the Formula on Limitations by the State University Board of Trustees with approval of the Director of the Budget. This action cannot be taken until and unless (1) the funding is enacted and (2) all colleges have submitted the full operating data requested in the preliminary operating budget request call of July 24, 1972. As of today, these preliminary 1973-74 budget requests have not been received from any New York City community colleges, nor from Columbia-Greene, Erie-Amherst, Erie-City, Fashion Institute, and Onondaga. It is imperative that these data be given to us right away. The Trustees and central staff cannot calculate and draft the amendment to the Formula, with maximum benefit to all colleges, until we have this information. Therefore the sooner all remaining colleges have transmitted data, the sooner an amendment can be drafted and the sooner each college can be advised for the upward revision of 1973-74 budgets.
Working from the supplemental budget amount of $7.5 million, we would hope to draft a formula amendment of maximum benefit to all colleges, and which could still be supported by the appropriation. In order to do this, we must have comparable operating data from all colleges.

Implementation of the long-range provisions of the legislation would require general revision of the formula on limitations as may be needed, with formal adoption of the revised formula by the University Trustees, with approval of the Director of the Budget, by July 1, 1974. The major portion of this work should be done during the coming six months. This is a substantial breakthrough. We now believe that truly major improvements of the formula would be possible, if this legislation is enacted, because it raises the ceilings substantially and, therefore, allows room for wider discretion in formula design. You can be certain that all colleges will be consulted extensively as to the formula improvements most needed.

We promise to move as rapidly as possible toward the immediate additional funding. However, please remember that the funding legislation must first be enacted; and that we must have, at the earliest possible time, the operating data referred to above from those colleges who have not yet provided them.

Please get in touch with Bill Ingler if you have any questions.

Enclosure

cc: Presidents, State-operated campuses (information only)
Dean McGrath (8 copies)
Chancellor Kibbee
MEMORANDUM

RE: AN ACT to amend the education law, in relation to the membership of the board of trustees of the state university of New York, creating a program of emergency state aid for certain non-public institutions of higher education, the membership of the board of higher education in the city of New York, tuition and fees for non-resident students attending municipal colleges in the city of New York, state assistance to community colleges and the promulgation of regulations with respect thereto, deeming community colleges in the city of New York to be a single community college for certain purposes, state assistance to certain non-public institutions of higher education, providing additional state assistance to the polytechnic institute of Brooklyn, to amend chapter four hundred sixty-three of the laws of nineteen hundred seventy-two, entitled "An Act in relation to the acquisition by the city university construction fund of the heights campus of New York university for the use of the Bronx community college, authorizing an appropriation to facilitate such acquisition and providing for the merger of the appropriate programs and faculty of the New York university school of engineering and science into the polytechnic institute of Brooklyn", in relation to the use of certain property and facilities by the city university of New York, and making an appropriation therefor.

Purpose of the Bill:

To improve the State's system of public and private higher education.
Summary of Provisions of the Bill:

The bill would:

-- Increase the amount of Bundy aid to eligible private colleges for each bachelor's degree conferred from $400 to $800, for each master's degree from $400 to $600 and for each doctorate from $2400 to $3,000;

-- Establish new awards of $200 for each associate's degree conferred at eligible two year private institutions;

-- Establish a special Emergency Fund to aid private dental schools;

-- Continue for an additional year the program of special assistance to the Polytechnic Institute of Brooklyn;

-- Authorize the City University to charge non-resident students sufficient tuition and fees to cover up to two-thirds the operating costs per student and to authorize counties in which such students reside to elect to pay all or a portion of such charges on behalf of the student;

-- Authorize the Chairman of the Board of Trustees of the State University to remain in office after becoming seventy years of age;

-- Reduce the membership of the Board of Higher Education of the City of New York from twenty-one members, appointed by the Mayor, to ten members, one-half appointed by the Mayor and one-half appointed by the Governor, plus the President of the Board of Education, ex officio;

-- Authorize the use by the City University of portions of the New York University Bronx Campus subject to agreement between the State Director of the Budget and the Chancellor of the City University and master plan approval;

-- Deeming community colleges in the City of New York to be a single community college for purposes of budgeting, expending funds and for determination of eligibility for State financial aid for operating costs;
-3-

--- Increase the maximum percentage of community college operating expenses for which State assistance may be provided from 33-1/3% to 35%, effective July 1, 1973 and 37-1/2%, effective July 1, 1974 and for full opportunity community colleges from 40% to 42-1/2% effective July 1, 1973 and 45%, effective July 1, 1974;

--- Require the State University trustees to promulgate regulations effective July 1, 1974 which shall include a code of standards and procedures for the administration and operation of community colleges and financial incentives to achieve compliance therewith; and

--- Appropriately the sum of $27,300,000 to implement the various changes described above.

Statement in Support of the Bill:

The Task Force on Financing Higher Education, chaired by Francis Keppel, the distinguished former United States Commissioner of Education, recently submitted a comprehensive report evaluating the State's present structure of finance and governance of higher education and containing their broad recommendations on policy issues, together with specific proposals for carrying them out.

The Task Force recommended that during 1973, in preparation for implementing actions in 1974, the State undertake detailed planning and cost estimating of the Task Force recommendations. The Governor has directed that this analysis and the development of proposals for necessary implementing action be treated as a high priority item.

In the meantime, however, a number of financial and other problems in the higher education field require immediate action pending the adoption of longer range programs.

Tuition at private colleges has increased approximately forty-two percent during the period from September 1966 to September 1972. Increased tuition is said to be a major factor in creating many of the vacancies that existed in private colleges during 1972-73. The additional financial assistance that would be afforded to private colleges by increasing the level of aid for each bachelor's master's and doctorate degree, the first such change in the basic formula since the Bundy aid program was established in 1968, should help private colleges maintain tuition at existing levels.
New York's two year private colleges, which are also experiencing financial problems, are providing a valuable service to the people of the State. To help stabilize their fiscal situation, this bill would provide a similar benefit based on the number of degrees awarded by such two year colleges.

The Keppel Task Force noted that the financial health and stability of private institutions in New York State seem to have improved in the last two years. There are a small number of schools, particularly those offering professional degrees in the health sciences, however, that are experiencing dire fiscal problems. To assist these valuable institutions, this bill would establish a program of special emergency aid for such institutions. The bill would also provide for continued aid on a temporary emergency basis to the Polytechnic Institute of Brooklyn to assist it to move toward renewed financial stability.

The bill would change the charge-back procedure for non-resident students attending the City University of New York since counties are not presently required to share the costs of students attending other four year colleges. While eliminating this mandatory local expense, the bill would allow those counties that are in a fiscal position to do so to continue to pay all or a portion of a resident student's tuition on his behalf.

The bill would reduce the size and change the method of selecting the Board of Higher Education of the City of New York to reflect the large educational and financial involvement of all of the people of the State in this venerable institution of higher learning.

The bill would deem community colleges in the City of New York to be a single community college for certain specified purposes. This may enable these colleges to qualify for additional State assistance under the current formula on limitations and should provide for increased administrative flexibility to allocate resources among the several community colleges.
Finally, the bill would increase the maximum share of community college operating costs for which the State may provide assistance in two stages. On July 1, 1973 the percentage would increase from 40% to 42.5% for full opportunity colleges and from 33-1/3% to 35% for non-full opportunity colleges. It is expected that the State University Trustees, with the approval of the Director of the Budget, will, by the beginning of the 1973-74 community college fiscal year, promulgate amendments to the formula on limitations to increase the base level of support provided such colleges, among other ways.

On July 1, 1974, the maximum share of operating costs would increase again, respectively, to 45% and 37.5%. At the same time, the bill directs the State University to promulgate new regulations for community colleges including a code of standards and procedures, to take effect July 1, 1974. Pursuant to this directive, the Trustees will review the existing formula on limitations as well as devising new financial incentives to achieve compliance with the code of standards and procedures. It is expected that this code will bring about improved standards of academic programs, of campus facilities, and of administrative practices.

Fiscal Implications:

Eliminating the county charge-back for non-City residents at CUNY would result in an annual $3.6 million reduction in county expenditures with approximately 5,000 students paying the amount saved by the counties if such counties do not elect to pay the student's tuition on his behalf. The savings for each county in millions include $2.1 for Nassau, $1.0 for Westchester, $.2 for Rockland and $.2 for Suffolk.

Establishing a program of emergency state aid for dental schools would cost no more than $1.5 million in fiscal 1973-74.

Increasing Bundy aid for bachelor degrees from $400 to $800, for master's degrees from $400 to $600, doctorate degrees from $2,400 to $3,000 and establishing a new $200 award for associate degrees will cost approximately $15.0 million in fiscal 1973-74 and approximately $22 million on a school year basis.

The recommendation for continued emergency assistance to Polytechnic Institute of Brooklyn would cost $3.3 million for 1973-74, which is consistent with the financial plan for fiscal solvency submitted by the Institute to the Regents.

The recommendation for additional assistance for community colleges would cost $5.7 million during the 1973-74 fiscal year and up to an additional $8.9 million during the 1974-75 fiscal year. On a community college year basis, this represents an increase of $8.9 million for 1973-74 and up to an additional $7.1 million for the 1974-75 year.
AN ACT to amend the education law, in relation to the membership of the board of trustees of the state university of New York, creating a program of emergency state aid for certain non-public institutions of higher education, the membership of the board of higher education in the city of New York, tuition and fees for non-resident students attending municipal colleges in the city of New York, state assistance to community colleges and the promulgation of regulations with respect thereto, deeming community colleges in the city of New York to be a single community college for certain purposes, state assistance to certain non-public institutions of higher education, providing additional state assistance to the polytechnic institute of Brooklyn, to amend chapter four hundred sixty-three of the laws of nineteen hundred seventy-two, entitled 'An Act in relation to the acquisition by the city university construction fund of the heights campus of New York university for the use of the Bronx community college, authorizing an appropriation to facilitate such acquisition and providing for the merger of the appropriate programs and faculty of the New York university school of engineering and science into the polytechnic institute of Brooklyn', in relation to the use of certain property and facilities by the city university of New York, and making an appropriation therefor.

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision one of section three hundred fifty-three of the education law, as last amended by chapter one hundred nineteen of the laws of nineteen hundred fifty-one, is hereby amended to read as follows:

1. The state university shall be governed and all of its corporate powers exercised by a board of trustees. Such board shall consist of fifteen members appointed by the governor by and with the advice and consent of the senate, one of whom shall be designated by the governor as chairman and one as vice-chairman. The term of office of each trustee shall be for ten years provided, however, that of the members first appointed, two shall be appointed for a term which shall expire on June thirtieth, nineteen hundred fifty-two, one for a term which shall expire on June thirtieth, nineteen hundred fifty-three, two for
a term which shall expire on June thirtieth, nineteen hundred fifty-four: one for a term which shall expire on June thirtieth, nineteen hundred fifty-five: two for a term which shall expire on June thirtieth, nineteen hundred fifty-six; one for a term which shall expire on June thirtieth, nineteen hundred fifty-seven: two for a term which shall expire on June thirtieth, nineteen hundred fifty-eight: one for a term which shall expire on June thirtieth, nineteen hundred fifty-nine: two for a term which shall expire on June thirtieth, nineteen hundred sixty; and one for a term which shall expire on June thirtieth, nineteen hundred sixty-one. No person shall hold the office of trustee longer than until and including the last day of December in the year in which he shall be seventy years of age except that the member designated as chairman may continue in office beyond such date. Vacancies shall be filled for the unexpired term in the same manner as original appointments. Trustees shall receive no compensation for their services but shall be reimbursed for their expenses actually and necessarily incurred by them in the performance of their duties under this article.
§ 2. Such law is hereby amended by adding thereto a new section, to be section three hundred fifty-eight-a, to read as follows:

§ 358-a. Emergency state aid for certain non-public institutions of higher education. 1. In addition to any other assistance that may be available, the board of trustees is hereby authorized to apportion for each annual period commencing July first, nineteen hundred seventy-three and to pay to any private institution of higher education that is experiencing severe financial problems and that meets the requirements of subdivision two of this section such amount as may be approved pursuant to subdivision five of this section.

2. Eligibility. In order to qualify for state aid apportionments pursuant to this section, an institution of higher education must meet each of the following requirements:

a. The institution must be a non-profit college or university incorporated by the regents or by the legislature.

b. The institution must maintain an earned degree program culminating in a doctoral degree in dentistry.

c. The institution must meet such standards of educational quality applicable to comparable public institutions of higher education, as may be from time to time established by the trustees.

d. The institution must be eligible for state aid under the provisions of the constitution of the United States and the constitution of the state of New York.

3. Amount. The amounts apportioned and paid pursuant to this section shall be limited to the annual appropriation made
for the purposes of this section.

4. Need. In order for an institution to be eligible to receive such aid it must demonstrate that it is experiencing severe financial problems which cannot be met with available financial resources by submitting such financial reports and information as may be required by the chancellor and approved by the director of the budget. Such reports must also contain a viable administrative plan of action by the institution which could realistically make the institution financially independent over a period of time, without continued emergency support.

5. Approval of aid. The chancellor shall review the data submitted in accordance with subdivision four of this section and shall recommend to the director of the budget annually on July first which, if any, institutions are in need of such aid and the amount of such aid. The aggregate amount of this recommendation shall not exceed the annual appropriation made for this purpose. This recommendation shall include the rationale for each institution recommended for assistance including appropriate financial information utilized in making the recommendation. The director of the budget shall review the information supplied and shall approve aid to those institutions that have demonstrated an actual need for assistance. The director of the budget shall then notify the chancellor of his decision and forward copies of his approval specifying the institutions and amounts to the assembly ways and means committee and the senate finance committee.

6. Distribution of aid. Upon receipt of the director of the budget's approval, the chancellor shall prepare vouchers for submission to the comptroller of the state of New York for payment in accordance with the provisions of this section.
§ 3. Section sixty-two hundred one of such law, is hereby amended to read as follows:

§ 6201. Function and membership of board of higher education. (1) The board of higher education in the city of New York is hereby continued. Such board of higher education shall govern and administer that part of the public school system within the city which is of collegiate grade and which leads to academic, technical and professional degrees. Such board shall consist of twenty-one citizens who are residents of the city, who shall be appointed by the mayor. The president of the board of education of such city shall also be a member ex-officio of the board of higher education. There shall be and continue to be upon the board of higher education at least four members from each of the two boroughs of the largest population as determined by the most recent state census, at least one member from the borough of smallest population and at least three members from each of the remaining boroughs. The present members shall continue in office until the end of their respective terms and on or before the first day of June prior to the expiration of the term of office of any member appointed by the mayor the mayor shall appoint his or her successor for a full term of nine years from the first day of July following. The mayor shall fill any vacancy existing in the board of higher education, other than the president of the board of education, by the appointment of a member to hold office for the unexpired term

eleven members, five of whom shall be appointed by the mayor of

the city of New York including one from each of the boroughs of

such city, five of whom shall be appointed by the governor, by

and with the advice and consent of the senate, and one of whom

shall be the president of the board of education of such city,

ex-officio. Members, except the ex-officio member, shall serve

for a term of five years, except that of the members first
appointed, one of the members appointed by the mayor and one
I appointed by the governor shall serve for a term of five years,
T one of the members appointed by the mayor and one appointed by
A the governor shall serve for four years, one of the members
L appointed by the mayor and one appointed by the governor shall
I serve for three years, one of the members appointed by the
C mayor and one appointed by the governor shall serve for two
S years, and one of the members appointed by the mayor and one
of the members appointed by the governor shall serve for one year.

Each member of the board of higher education appointed by the
mayor or the governor shall take the oath of office required by
the constitution of the state. [Any resignation from the board
of higher education of a member appointed by the mayor shall be
made to the mayor.] In the event of a vacancy occurring in the
office of a member by death, resignation or otherwise, a successor
shall be chosen in the same manner as was the member whose office
became vacant, to serve for the balance of the unexpired term.
Any member of the board appointed by the mayor may be removed
by the mayor and any member appointed by the governor may be
removed by the governor upon proof either of official misconduct
or neglect of official duties or of any conduct in any manner
connected with his official duties or otherwise which tends to
discredit his office, or the school system, or for mental or
physical inability to perform his duties, but before such re-
moval he shall receive due and timely notice in writing of the
charges and a copy thereof and shall be entitled to a hearing on
like notice before the mayor or the governor and to the assistance
of counsel on such hearing.
(2) The mayor shall designate the chairman of the board who shall preside over all meetings of the board and shall have such other duties as the members of the board may direct. The governor shall designate the vice-chairman of the board who shall preside over all meetings in the absence of the chairman and shall have such other duties as the members of the board may direct.

(3) The members of the board shall serve without salary, but each member shall be reimbursed for his actual and necessary expenses incurred in the performance of his official duties as a member of the board.

§ 4. Paragraphs b, c and d of subdivision 3 of section sixty-two hundred sixteen of such law, as added by chapter six hundred eighty-one of the laws of nineteen hundred seventy-one, are hereby amended to read as follows:

b. The municipal colleges may, with the approval of the board of higher education, charge students who are not residents of New York city sufficient tuition and fees to cover [one-third] up to two-thirds of the operating costs per student. [The municipal colleges may elect to charge to and collect from each county within the state which has issued a certificate or certificates of residence pursuant to paragraph c of this subdivision on the basis of which non-resident students are attending the municipal colleges, one-third of the operating costs per student; or, where non-resident students come from communities which have agreed to pay the students' third of the operating costs, such third shall, with the approval of the board of higher education, also be charged to and collected from such committees.]
Counties in which such students reside may elect to pay all or a portion of such tuition and fees on behalf of such students. Where such an election has been made, the municipal colleges may charge to and collect from each county within the state that has issued a certificate or certificates of residence pursuant to paragraph c of this subdivision the amount so elected by such county.

c. The chief fiscal officer, as defined in section 2.00 of the local finance law, of each county that has elected to pay such tuition and fees shall, upon application and submission to him of satisfactory evidence, issue to any person desiring to enroll in a municipal college as a non-resident student, a certificate of residence showing that said person is a resident of said county. If the chief fiscal officer of a county refuses to issue such a certificate on the ground that the person applying therefor is not a resident of such county, the person applying may appeal to the secretary of state. The secretary of state shall make a determination after a hearing, upon ten days notice to such chief fiscal officer of the county, and such determination shall be final and binding on the county. Such person shall, upon his registration for each college year, file with the college such certificate of residence issued not earlier than two months prior thereto, and such certificate of residence shall be valid for a period of one year from the date of issuance.

d. If, pursuant to paragraph b of this subdivision, a municipal college elects to charge to and collect up to two-thirds of the operating costs per student from each
county which has issued a certificate or certificates of residence pursuant to paragraph e of this subdivision, on the basis of which non-resident students are attending such municipal college] non-resident student, the president of such municipal college shall, within [ten] thirty-five days after the commencement of each college term, submit to the chancellor of the municipal college system of the city of New York a list of non-resident students attending such college [on the basis of such certificates of residence and] as of the twenty-fifth day after the commencement of the college term who have submitted certificates of residence and, on the basis of the portion of the tuition and fees which the counties specified in such certificates have elected to share, a statement of the amount due and payable by each county. The chancellor of the municipal college system of the city of New York shall bill the chief fiscal officer of each county for the amount due and payable by such county as set forth in such [certificate] statement. The amount billed to the chief fiscal officer of each county shall be paid to the chief fiscal officer of such municipal college by the billed county no later than sixty days after the county receives said billing.
§ 5. Paragraph a of subdivision one of section sixty-three hundred four of such law, as last amended by chapter four hundred sixty-four of the laws of nineteen hundred seventy-two, is hereby amended to read as follows:

a. State financial aid shall be [one-third] thirty-five percent and, effective the first day of July, nineteen hundred seventy-four for community college fiscal years beginning on or after such date, shall be thirty-seven and one-half percent, of the amount of operating costs, as approved by the state university trustees. [Operating costs shall not include any payment of debt service or rentals or other payments by a local sponsor to the dormitory authority pursuant to any lease, sublease or other agreement entered into between the dormitory authority and a local sponsor.] Such aid for a college shall, however, be for [two-fifths] forty-two and one-half percent and, effective the first day of July, nineteen hundred seventy-four for community college fiscal years beginning on or after such date, shall be forty-five percent of operating costs for any fiscal year of the college during which it is implementing a program of full opportunity provided a plan has been approved by the state university trustees. Such plan, which shall be submitted by the college only after approval by the board of trustees and the local sponsor or sponsors, shall

(i) establish a policy of offering acceptance in an appropriate program of the college to all applicants residing in the sponsorship area who graduated from high school within the prior year and to applicants who are high school graduates and who were released from active duty with the armed forces of the United States within the prior year,

(ii) provide for full implementation of such policy by the fall semester of nineteen hundred seventy or, if the college demonstrates to the state university trustees that full implementation by such time would not be feasible and in the best interests of the college, provide for a timetable to achieve such full implementation within five years which provides
for substantial growth in registration each year:

(iii) make provision for and contain adequate assurances of the expenditure of funds by the sponsor or sponsors at a level pursuant to state university regulations, at least that necessary to implement the plan;

(iv) provide for adequate programs of remediation, instruction and counselling to meet the needs of all students to be served by the college. The trustees may require periodic reports or certifications from colleges which have submitted plans which have been approved and may, in appropriate cases, revoke such approval in case a college is in default of implementing its plan. [Such costs shall be subject to such maximum limitations and regulations as shall be prescribed by the state university trustees with the approval of the director of the budget. Such limitations shall be based upon maximum allowances per student for each student in attendance in the case of operating costs, or in accordance with such other factors or bases as may be deemed appropriate.]

§ 6. Paragraphs b and c of subdivision one of section sixty-three hundred four of such law are hereby renumbered to be paragraphs c and d, respectively, and a new paragraph, to be paragraph b, is added thereto, to read as follows:

I b. Operating costs shall not include any payment of debt service or rentals or other payments by a local sponsor to the dormitory authority pursuant to any lease, sublease or other agreement entered into between the dormitory authority and a local sponsor. Such operating costs shall be subject to such maximum limitations and regulations as shall be prescribed by the state university trustees with the approval of the
director of the budget. Such limitations shall be based upon
maximum allowances per student for each student in attendance
in the case of operating costs, or in accordance with such other
factors as may be deemed appropriate.

The state university trustees shall promulgate regula-
tions, effective the first day of July, nineteen hundred seventy-
four, which shall include a code of standards and procedures
for the administration and operation of community colleges and
financial incentives to achieve compliance therewith. Such code
of standards and procedures, may include, but not be limited to,
minimum and maximum standards for academic curricula, minimum
and maximum qualitative and quantitative standards for
facilities, and standard administrative procedures, which may
include schedules and formats for the preparation and submission
of annual budgets by the boards of trustees and the local
sponsors to the state university trustees, schedules for
local sponsors' disbursements to the community colleges of their
provided shares of operating costs and systems of accounts for
use by the boards of trustees and the local sponsors of the
community colleges. Such regulations may supplement, replace or
amend any limitations and regulations then in existence pro-
mulgated pursuant to this section.

§ 7. Section sixty-three hundred four of such law
is hereby amended by adding thereto a new subdivision, to be
subdivision one-b, to read as follows:

l-b. For the purpose of budgeting and expending funds
and for the purpose of determining eligibility for state financial
aid for operating costs pursuant to subdivision one of this
section, subject to rules and regulations of the state university
trustees and the approval of the director of the budget, the community colleges in the city of New York sponsored by the board of higher education or by the city of New York where the board of higher education has been designated as the trustees of such colleges, shall be treated as a single community college.

§ 8. Subdivisions one, two and three of section sixty-four hundred one of such law, as added by chapter six hundred seventy-seven of the laws of nineteen hundred sixty-eight, are hereby amended to read as follows:

1. Notwithstanding the provisions of any general special or local law to the contrary, the commissioner is hereby authorized to apportion for each annual period commencing July first nineteen hundred sixty-nine, and to pay to any private institution of higher education within the state which meets the requirements of subdivision two of this section, upon application by such institution, such amounts of state aid as are
authorized to be paid by subdivision three of this section.

2. In order to qualify for state aid apportionments pursuant to this section, any institution of higher education must meet each of the following requirements:
   a. The institution must be a non-profit college or university incorporated by the regents or by the legislature.
   b. The institution must maintain one or more earned degree programs, culminating in [a baccalaureate] an associate or higher degree.
   c. The institution must meet such standards of educational quality applicable to comparable public institutions of higher education, as may be from time to time established by the regents.
   d. The institution must be eligible for state aid under the provisions of the constitution of the United States and the constitution of the state of New York.

3. Degree awards. The amount of such annual apportionment to each institution meeting the requirements of subdivision two of this section shall be computed by multiplying by two hundred dollars the number of earned associate degrees, by [four] eight hundred dollars the number of earned bachelor's [and master's] degrees, [and] by six hundred dollars the number of earned master's degrees, and by [twenty-four hundred] three thousand dollars the number of earned doctorate degrees, conferred by such institution during the twelve-month period next preceding the annual period for which such apportionment is made, provided that there shall be excluded from any such computation the number of degrees earned by students with respect to whom state aid other than that established by this section is granted directly to the institution, and provided further that the amount apportioned for an associate degree shall be awarded only to two-year institutions qualifying under subdivision two of this section. The regents shall promulgate rules defining and classifying professional degrees for the purposes of this section.
§ 9. Section one of chapter four hundred sixty-three of the laws of nineteen hundred seventy-two, entitled "An Act in relation to the acquisition by the city university construction fund of the heights campus of New York university for the use of the Bronx community college, authorizing an appropriation to facilitate such acquisition and providing for the merger of the appropriate programs and faculty of the New York university school of engineering and science into the polytechnic institute of Brooklyn," is hereby amended to read as follows:

Section 1. Legislative findings. The legislature finds and declares that the continued viability of the state's system of higher education is threatened by the fiscal crisis facing New York university, the largest private institution of higher education in the state. Emergency action is clearly needed to preserve this outstanding institution and to permit it to continue to serve the educational needs of the people of the state. To provide such emergency action, the legislature has determined that the city university construction fund should acquire and develop the Bronx campus of New York university solely for the Bronx community college, except that such property and facilities as may be agreed upon by the state budget director, the chancellor of the city university of New York, and the board of higher education in the city of New York and approved pursuant to section two hundred thirty-seven of the education law, and that appropriate programs and faculty of the New York university school of engineering and science should be merged into the polytechnic institute of Brooklyn.

§ 10. Section two of such chapter is hereby amended to read as follows:
§ 2. The city university construction fund [is] and the dormitory authority are hereby authorized to enter into a contract or contracts with New York university and the dormitory authority to acquire the real property owned by New York university and the dormitory authority located in the county of the Bronx, city and state of New York, and known as the New York university heights campus and all buildings, structures and improvements thereon including fixtures, equipment and other personal property which are related to the continued use of the facility for educational purposes, for the sole use by the Bronx community college except that such property and facilities as may be agreed upon by the state budget director and the chancellor of the city university of New York may be used by the city university of New York subject, as appropriate, to a modification to the master plan for the city university of New York submitted by the board of higher education in the city of New York and approved pursuant to section two hundred thirty-seven of the education law.

The provisions of this act shall apply to the acquisition of the New York university heights campus and to any such contract, notwithstanding and in addition to the provisions of any other law.

§ 11. Subdivision b of section three of such chapter is hereby amended to read as follows:

b. The contract for purchase shall provide that title to such property shall vest in the [city of New York acting by and through the city university construction fund] dormitory authority, and possession of such property shall be transferred to the city university construction fund and/or the board of higher education in the city of New York no later than September.
first, nineteen hundred seventy-three and that the full purchase price shall be due and payable not more than five years from the date of execution of such contract;

§ 12. Notwithstanding any inconsistent provision of law, general, special, or local, the terms of the present members of the board of higher education in the city of New York shall expire on the effective date of this act.

§ 13. In order to help insure the continuation of the operation of the polytechnic institute of Brooklyn, special assistance shall be provided during the year commencing July first, nineteen hundred seventy-three to such institute, and subsequently to the successor to such institute as may be formed by the merger between the New York university school of engineering and science and such institute, pursuant to section three hundred fifty-eight of the education law within the amount appropriated therefor and in such manner and on such terms and conditions as may be provided by the regents subject to the approval of the director of the budget.
§ 14. The several amounts named in this section, or so much as shall be sufficient to accomplish the purpose designated by the appropriation, are hereby appropriated and authorized to be paid as hereinafter provided, to the respective public officers for the purpose of providing aid to certain institutions of higher education in accordance with the following schedule:

Aid to certain institutions of higher education. The following sum is hereby transferred to the education department from the funds appropriated to all state departments and agencies for services and expenses of programs to provide for the financing of higher education under section one of chapter fifty of the laws of nineteen hundred seventy-three to provide additional state assistance to certain institutions of higher education to carry out the provisions of section eight of this act.................15,000,000

Emergency state aid to certain institutions of higher education. To the state university of New York out of any moneys in the state treasury in the general fund to the credit of the state purposes fund not otherwise appropriated to carry out the provisions of section two of this act to create a program of emergency state aid for certain non-public institutions of higher education....................... 1,500,000

State assistance to the polytechnic institute of Brooklyn. To the education department out of any moneys in the state treasury in the
general fund to the credit of the state purposes fund not otherwise appropriated to carry out the provisions of section thirteen of this act to provide additional state assistance to the polytechnic institute of Brooklyn.......................... 3,300,000

State aid to community colleges. To the state university of New York out of any moneys in the state treasury in the general fund to the credit of the state local assistance fund not otherwise appropriated to carry out the provisions of section seven of this act to provide for treating community colleges in the city of New York as a single community college and to supplement the appropriation made under chapter fifty-three of the laws of nineteen hundred seventy-three to provide state assistance for operating expenses for community colleges........ 7,500,000

Total of schedule........................................27,300,000

§ 15. This act shall take effect on the first day of July, nineteen hundred seventy-three, except that section five shall take effect on the first day of July, nineteen hundred seventy-three and shall apply to community college fiscal years beginning on or after that date, and sections nine, ten and eleven shall take effect immediately.