Items for Discussion

2016/17 State Budget Process and Results
   “Traditional” New York State Budget Process
   Starting Point
   Submitted/Adjusted Request
   2016/17 Executive Budget
   2016/17 Enacted Budget Results

Financial Advocacy Efforts During 2016 Legislative Session
2016/17 State Budget Process and Results
The “Traditional” New York State Budget Process

1. **Budget Call Letter**
   - September

2. **Budget Request**
   - November

3. **Executive Budget**
   - Early January

4. **One House Bills**
   - February

5. **Enacted Budget**
   - Early April

**Not shown:**
- Budget Request preparation
- Enacted Budget Implementation
- Legislative Hearings
- Advocacy

**Legislative Session**
2016/17 SUNY Budget Request Starting Point: Financial, Legislative, and Atmospheric

Community Colleges
- Base Aid at $2,597/Student
- Enrollment Normalizing
- Operating Chargeback Phase In to Start in 2016/17
- Outside concern on level of tuition rates

State-operated Campuses
- NY-SUNY 2020 Expiring
- Procurement Flexibility Expiring

University-wide / Categorical Programs
- Opportunity Program Increases
- New Programs / Expanded Programs
2016/17 SUNY Budget Request:
Submitted / Adjusted Request

Community Colleges
- Increase to Base Operating Aid of $250/student
  - Evolved to a $285/student increase
- Increased GAP Program Funding
- Exempting Local Sponsor Support from State Two Percent Property Tax Cap

State-operated Campuses
- Extend NY-SUNY 2020
- Extend Procurement Flexibility
- Base Costs

System-wide
- Diversity Program
- Scholarship Funding
- State Match for Research / Philanthropy
2016/17 Executive Budget:

Community Colleges
- No Base Aid Increase

State-operated Campuses
- Limited Extension of NY-SUNY 2020
- Extended Procurement Flexibility
- Small funding reduction

University-wide / Categorical Programs
- Opportunity Program Increases Retained
- Apprentice SUNY Program
- Clean Energy Workforce Funding
- Community Schools Grants
- Limited Program Reduction / Elimination
## 2016/17 Enacted Budget Overall Direct State Tax Support

<table>
<thead>
<tr>
<th>Category</th>
<th>2015/16 Enacted Budget</th>
<th>2016/17 Enacted Budget</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>State- operated</td>
<td>$730.7</td>
<td>$726.0</td>
<td>$(4.7)</td>
</tr>
<tr>
<td>Statutory Campuses</td>
<td>$133.8</td>
<td>$133.8</td>
<td>$0</td>
</tr>
<tr>
<td>Community Colleges</td>
<td>$498.7</td>
<td>$503.3</td>
<td>$4.6</td>
</tr>
<tr>
<td>Teaching Hospitals</td>
<td>$87.9</td>
<td>$87.9</td>
<td>$0</td>
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<tr>
<td>University-wide Programs</td>
<td>$144.2</td>
<td>$156.4</td>
<td>$12.2</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$1,595.3</strong></td>
<td><strong>$1,607.4</strong></td>
<td><strong>$12.1</strong></td>
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</tbody>
</table>
The 2016/17 New York State Budget Process
For SUNY

1. **Budget Call Letter**
   - September

2. **Budget Request**
   - November

3. **Executive Budget**
   - Early January

4. **Continued Advocacy**
   - January

5. **One House Bills**
   - February

6. **Enacted Budget**
   - Early April

**System-wide Ideas**
- Increased Base Support
- Extended Plans
- Legislative Relief

**No New Base Support**
- 2020 Extended
- No Legislative Relief
- Limited New Programs

**“Big Ideas”**
- No 2020
- Limited Base Support

**No 2020**
- Limited Base Support
### Where Did the Money Go?

#### Higher Education
- CUNY Restored
- Program Adds and Restorations
- Base Aid Increases
- Private / Other College Program Increases (HEOP, STEP/CSTEP, Liberty Partnerships)

#### K-12
- ~$1.5B increase, from $23.5B to $24.8B
  - Varies across 674 School Districts
  - $175M for Community Schools
  - Increased per pupil funding for Charter Schools

#### Infrastructure
- Bridge NY / Pave NY / Extreme Weather Infrastructure Hardening Program
- Freezing of Thruway tolls

#### Tax Cuts
- Paid Family Leave
- Middle Class Tax Cut
## State-operated Campuses
### Year – to – Year Direct State Tax Support

<table>
<thead>
<tr>
<th>Event / Action</th>
<th>Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16 Enacted Budget</td>
<td>$730.7</td>
</tr>
<tr>
<td>Executive Reductions Salary Support</td>
<td>$(4.7)</td>
</tr>
<tr>
<td>Enacted Adds / Restorations None</td>
<td>$0</td>
</tr>
<tr>
<td>2016/17 Enacted Budget</td>
<td>$726.0</td>
</tr>
<tr>
<td>$ Change</td>
<td>$(4.7)</td>
</tr>
<tr>
<td>% Change</td>
<td>(0.6)%</td>
</tr>
</tbody>
</table>
Year-to-Year Financial Impact for SUNY

State-operated Campuses

- Loss of $4.7M in salary support (average loss of 0.2 percent)
- State Maintenance of Effort removed
- University Centers can raise non-resident tuition 10 percent
- No resident undergraduate tuition increases
- Full state coverage of fringe benefit costs
- Majority of debt service costs covered
- Minimum wage change
State-operated Campus Funding Trend

State and Student Support Funding Amounts
2009/10 to 2016/17
($M)

- Direct State Support
- Tuition/Pooled Offset
- Indirect Support
State-operated Campuses Funding Trend

Percentage of Total

State and Student Percentage of Overall “Core” Funding

2009/10 to 2016/17

<table>
<thead>
<tr>
<th>Year</th>
<th>Direct State Support</th>
<th>Tuition/Pooled Offset</th>
<th>Indirect Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009/10</td>
<td>23.0%</td>
<td>32.6%</td>
<td>44.4%</td>
</tr>
<tr>
<td>2010/11</td>
<td>20.3%</td>
<td>33.1%</td>
<td>46.7%</td>
</tr>
<tr>
<td>2011/12</td>
<td>18.3%</td>
<td>34.7%</td>
<td>47.0%</td>
</tr>
<tr>
<td>2012/13</td>
<td>17.0%</td>
<td>35.3%</td>
<td>47.7%</td>
</tr>
<tr>
<td>2013/14</td>
<td>15.8%</td>
<td>35.1%</td>
<td>49.1%</td>
</tr>
<tr>
<td>2014/15</td>
<td>15.3%</td>
<td>36.0%</td>
<td>48.8%</td>
</tr>
<tr>
<td>2015/16</td>
<td>15.1%</td>
<td>37.6%</td>
<td>47.4%</td>
</tr>
<tr>
<td>2016/17</td>
<td>14.9%</td>
<td>37.8%</td>
<td>47.3%</td>
</tr>
</tbody>
</table>
## Statutory Campuses
### Year – to – Year Direct State Tax Support

<table>
<thead>
<tr>
<th>Event / Action</th>
<th>Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16 Enacted Budget</td>
<td>$133.8</td>
</tr>
<tr>
<td>Executive Reductions</td>
<td>$(0.6)</td>
</tr>
<tr>
<td>Harvest NY CCE Reduction</td>
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</tr>
<tr>
<td>Enacted Adds / Restoritions</td>
<td>$0.6</td>
</tr>
<tr>
<td>Harvest NY CCE Restoration</td>
<td></td>
</tr>
<tr>
<td>2016/17 Enacted Budget</td>
<td>$133.8</td>
</tr>
<tr>
<td>$ Change</td>
<td>$0</td>
</tr>
<tr>
<td>% Change</td>
<td>0%</td>
</tr>
</tbody>
</table>
## Teaching Hospitals
### Year – to – Year Direct State Tax Support

<table>
<thead>
<tr>
<th>Event / Action</th>
<th>Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16 Enacted Budget</td>
<td>$87.9</td>
</tr>
<tr>
<td><strong>Executive Reductions</strong></td>
<td></td>
</tr>
<tr>
<td>Hospital Support Reduction</td>
<td>$(18.6)</td>
</tr>
<tr>
<td><strong>Enacted Adds / Restorations</strong></td>
<td></td>
</tr>
<tr>
<td>Hospital Support Restoration</td>
<td>$18.6</td>
</tr>
<tr>
<td>2016/17 Enacted Budget</td>
<td>$87.9</td>
</tr>
<tr>
<td>$ Change</td>
<td>$0</td>
</tr>
<tr>
<td>% Change</td>
<td>0%</td>
</tr>
</tbody>
</table>
Year-to-Year Financial Impact for SUNY

Hospitals

- Flat year-to-year state tax support
  - $87.9M
- No current impact on DSH revenue
- Future match by the State for DSH revenue in question
- Minimum wage change
### Community Colleges
#### Year – to – Year Direct State Tax Support

<table>
<thead>
<tr>
<th>Event / Action</th>
<th>Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015/16 Enacted Budget</td>
<td>$498.7</td>
</tr>
<tr>
<td>Executive Reductions</td>
<td>$(3.9)</td>
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<tr>
<td>Executive Add/Other</td>
<td>$2.5</td>
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<tr>
<td>Enacted Adds / Restorations</td>
<td>$5.9</td>
</tr>
<tr>
<td>2016/17 Enacted Budget</td>
<td>$503.3</td>
</tr>
<tr>
<td>$ Change</td>
<td>$4.6</td>
</tr>
<tr>
<td>% Change</td>
<td>0.9%</td>
</tr>
</tbody>
</table>
$100/FTE Base Aid Increase
- 21 Colleges lose state support on a year-to-year basis
- 9 Colleges projected to increase state support on a year-to-year basis
- Colleges retain authority to raise tuition rates
- State share of debt service costs covered
- Minimum wage change
<table>
<thead>
<tr>
<th>Year</th>
<th>NYC: Large Business*</th>
<th>NYC: Small Business**</th>
<th>Nassau / Suffolk / Westchester</th>
<th>Rest of State</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2016</td>
<td>$11.00 / Hour</td>
<td>$10.50 / Hour</td>
<td>$10.00 / Hour</td>
<td>$9.70 / Hour</td>
</tr>
<tr>
<td>12/31/2017</td>
<td>$13.00 / Hour</td>
<td>$12.00 / Hour</td>
<td>$11.00 / Hour</td>
<td>$10.40 / Hour</td>
</tr>
<tr>
<td>12/31/2018</td>
<td>$15.00 / Hour</td>
<td>$13.50 / Hour</td>
<td>$12.00 / Hour</td>
<td>$11.10 / Hour</td>
</tr>
<tr>
<td>12/31/2019</td>
<td>TBD</td>
<td>$15.00 / Hour</td>
<td>$13.00 / Hour</td>
<td>$11.80 / Hour</td>
</tr>
<tr>
<td>12/31/2020</td>
<td>TBD</td>
<td>TBD</td>
<td>$14.00 / Hour</td>
<td>$12.50 / Hour</td>
</tr>
<tr>
<td>12/31/2021</td>
<td>TBD</td>
<td>TBD</td>
<td>$15.00 / Hour</td>
<td>“Indexed Schedule”</td>
</tr>
<tr>
<td>12/31/2022+</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>“Indexed Schedule”</td>
</tr>
</tbody>
</table>

Also included is a “Safety Valve”, starting in 2019, that will include an analysis of each region to see if increases should continue and at what rate.

* More than 11 employees
** Less than 11 employees
## Enacted Minimum Wage Schedule Compared to Board of Trustees Approved Schedule

<table>
<thead>
<tr>
<th></th>
<th>12/31/16</th>
<th>12/31/17</th>
<th>12/31/18</th>
<th>12/31/19</th>
<th>12/31/20</th>
<th>12/31/21</th>
<th>12/31/22+</th>
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</thead>
<tbody>
<tr>
<td><strong>SUNY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td><strong>NYC</strong></td>
<td>$12.00</td>
<td>$13.50</td>
<td>$15.00</td>
<td>$15.00</td>
<td>$15.00</td>
<td>$15.00</td>
<td>$15.00</td>
</tr>
<tr>
<td><strong>Rest of State</strong></td>
<td>$10.75</td>
<td>$11.75</td>
<td>$12.75</td>
<td>$13.75</td>
<td>$14.50</td>
<td>$15.00</td>
<td>$15.00</td>
</tr>
<tr>
<td><strong>Enacted Schedule</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NYC: Small</strong></td>
<td>$10.50</td>
<td>$12.00</td>
<td>$13.50</td>
<td>$15.00</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>NYC: Large</strong></td>
<td>$11.00</td>
<td>$13.00</td>
<td>$15.00</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Nassau/Suffolk/WC</strong></td>
<td>$10.00</td>
<td>$11.00</td>
<td>$12.00</td>
<td>$13.00</td>
<td>$14.00</td>
<td>$15.00</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Rest of State</strong></td>
<td>$9.70</td>
<td>$10.40</td>
<td>$11.10</td>
<td>$11.80</td>
<td>$12.50</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Difference</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>NYC: Small</strong></td>
<td>$1.50</td>
<td>$1.50</td>
<td>$1.50</td>
<td>-</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>NYC: Large</strong></td>
<td>$1.00</td>
<td>$0.50</td>
<td>-</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Nassau/Suffolk/WC</strong></td>
<td>$0.75</td>
<td>$0.75</td>
<td>$0.75</td>
<td>$0.75</td>
<td>$0.50</td>
<td>-</td>
<td>TBD</td>
</tr>
<tr>
<td><strong>Rest of State</strong></td>
<td>$1.05</td>
<td>$1.35</td>
<td>$1.65</td>
<td>$1.95</td>
<td>$2.00</td>
<td>TBD</td>
<td>TBD</td>
</tr>
</tbody>
</table>
### $18.1M: New Funding

- **$15.0M:** Clean Energy Workforce ($10.0M State-operated Campuses / $5.0M community colleges)
- **$ 3.0M:** Apprentice SUNY
- **$ 0.1M:** U. Albany Latino Research and Resources Network
- **$16.0K:** Rockland CC Veterans Financial Literacy

### $13.4M: Funding Added

- **$7.0M:** Educational Opportunity Centers (EOC) / ATTAIN, 12 percent increase
- **$5.4M:** Educational Opportunity Program (EOP), 20 percent increase
- **$1.0M:** Round Two of Community Schools Grants, N/A

### $5.2M: Funding Restored

- **$1.5M:** Small Business Development Centers, (full restoration)
- **$1.5M:** GAP, (full restoration)
- **$1.1M:** Child Care, (full restoration)
- **$0.6M:** Graduate Diversity Fellowships, (full restoration)
- **$0.3M:** Cornell Veterinary College, (full restoration)
- **$0.1M:** American Chestnut Program, (full restoration)
- **$97.0K:** Orange County Bridges, (partial restoration)

### $0.3M: Funding Eliminated

- **$0.3M:** Stony Brook Marine Animal Disease Lab, (full elimination)
Financial Advocacy During Legislative Session
Schedule of Events

1. April 1
   - Budget Passed

2. April 18
   - Presidents’ Meeting

3. May 3/4
   - SUNY BOT Meeting

4. June 16
   - End of Session

5. June 21/22
   - SUNY BOT Meeting

6. September
   - SUNY BOT Meeting
Remaining Legislative Session Request Items

Revenue Items
- Statewide Offset Program Returns
- MTA Tax Relief for Community Colleges

Efficiency Items
- Expanded Procurement Flexibility
- Reduction in Required Reporting
- SUNY Managed Fringe Benefit Payments

Competitiveness Items
- Border State Tuition Rates
- Market Based Graduate and Other Rates
- Non-Resident Alumni “Legacy” Tuition Rate

Investment Items
- Restore Maintenance of Effort
- Community College / Property Tax Cap
- Increased State Match for CC Capital
- Create a SUNY-wide Endowment