



April 14, 2016

## **President's Report to the College Council**

Good afternoon.

You may recall that I did not attend the last meeting of the College Council in March as I was in Albany lobbying on behalf of CSI concerning the State Budget. Shortly thereafter, on March 31, Governor Cuomo and the New York State Legislature announced their agreement on the 2016-2017 State Budget.

Overall, the budget for senior colleges totaled \$2.36 billion, an increase of \$21.3 million, or 0.9% over the current year, which includes \$16.6 million for fringe benefit cost increases and \$4.7 million for SEEK. All legislative program funding was fully restored for ASAP, Childcare Centers, the Joseph S. Murphy Institute, and the Graduate Center pipeline program. Additionally, \$12 million in funding, which was previously allocated as part of a Performance Improvement Plan process, will now be distributed according to a plan to be approved by our Board of Trustees.

Significantly, because of the efforts of CUNY, the Colleges, faculty and staff unions, and the students, the existential threat to CUNY to shift \$458 expenses for senior colleges from the State to the City, which could have had devastating consequences for the University, was not made part of the agreement. These funds will continue to be provided by the State in accordance with state education law dating back to the 1970s.

The State's fiscal plan for the senior campuses provided \$297 million in capital funding, including \$143 million in critical maintenance, which is \$40 million more than was provided for in the Governor's Executive Budget proposal. This is consistent with the historic 60/40 split in capital funding between SUNY and CUNY.

And now for the challenges, the most significant of which is that the 2016-2017 State Budget agreement does not include the \$240 million for collective bargaining costs. This greatly impacts CUNY's highest priority as repeatedly stated by the Chancellor – to finalize the outstanding contracts with our hard-working dedicated faculty and staff. However, I understand that there may be an opportunity to continue this critical discussion during the remainder of the legislative session through June with the Governor and Legislature. The predictable tuition policy was not extended and will, therefore, expire on July 1. No funds were added specifically in lieu of this expected revenue.

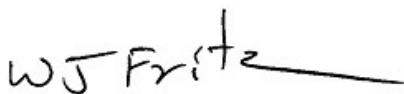
In the simplest of terms, the net effect of the State Budget is that senior colleges will be experiencing a \$27 million shortfall, which translates up to a projected 2% base budget decrease for CSI this year. By comparison last year a \$51.5 shortfall led to 3% cut to the senior campuses.

To prepare for this anticipated reduction, we are implementing a combined strategy of both reductions and investment. To begin with, although we currently have one of the lowest numbers of administrators among senior colleges, I have already planned additional administrative efficiencies. As I have previously advised you, it is anticipated that the continued reorganization of my senior staff will result in significant savings to the College. We have delayed retaining a consultant for assisting us in developing our new *Strategic Plan*. Instead, we will start the process of internal data gathering, which will be needed to engage in a full strategic planning process next year. We have not used any consultants or firms for our current executive position searches. As in the past, any future search consultants will be paid through non-tax levy funds. In terms of investment, we are implementing strategies to boost enrollment including the establishment of CSI St. George to attract new students from the North Shore.

As State education funding faces possible future reductions we will be relying increasingly on alternate sources of funding generated by Continuing Studies, Advancement, Auxiliary Services, the Research Foundation, and our Government Relations operations to supplement the tax levy budget in support of our faculty, staff, and students.

Although I have no doubt that next year will be a challenging one for us, I also have no doubt that though our sound fiscal measures, we will continue to advance academic excellence at the College of Staten Island.

Thank you.

A handwritten signature in black ink that reads "WJ Fritz" followed by a long horizontal line extending to the right.

William J. Fritz, PhD  
President

