

## **College Council Meeting**

February 27, 2013

### **Budget Committee Report**

#### **Mid-Year Financial Report**

The presented Financial Report (Draft) provides analysis of resources, expenditures, enrollment, and staffing data for BMCC as of 12/31/12.

The comparison of projected total expenditures to total resources illustrates financial condition of the college anticipated at the year-end.

The total resources figure includes received and pending tax-levy allocations, philanthropy support portion of the Compact plan, Ledger 3 revenue, Technology Fee and adjustments for revenue collections above the target. Ledger three funds include revenues from Language Immersion program and funding for the Early Childhood Center. Adult and Continuing Education revenue and expenditures are excluded from this report.

Changes in the operating budget of the college are based on the college's ability to meet the enrollment targets established by the university. The college's finances do not raise any concerns for the 2012-13 fiscal year. BMCC's fall 2012 enrollment was 24,537 students and based on the Flash report the enrollment for spring 2013 is 24,485, which is within the target of 24,000 (+/- 500 students) established by the university. As a result of this enrollment, at mid-year Financial report date, BMCC projected to meet and exceed its revenue target by \$1.9 Mil.

Projected year-end expenditures are compared to FY2011-12 expenditures in total and by category. Total expenditures include projects supported by the technology fee and by Compact philanthropy funds.

The overall projected \$8.9 million increase in Regular (full time) Personnel Service is attributed to the cost of contractual salary increases and new hires of which \$1,7 million is an estimated cost of additional 39 full time faculty, academic and student advisors, financed through the Compact budget, and 3.5 Mil is estimated cost of new maintenance and operations, security and IT personnel hired to provide the services at the Fiterman Hall. The net increase of full time faculty from fall 2011 to spring 2013 is about 100. These added full time lines allow the college to keep pace with enrollment growth and reduce the teaching adjunct costs.

The adjunct cost in spring 2013 is projected to be reduced by approximately \$570K. This process of increasing the full-time faculty and reducing the adjunct faculty will ensure the increase of percentage of instructions delivered by full-time faculty from 46% achieved in FY11-12, and allow to maintain the average class size at a level not exceeding 26.5-27.0.

Based on the approved Compact budget the college is hiring 8 administrative support staff for the academic departments and Testing department, 10 academic advisors (6 positions have been filled already) and several student services coordinators.

Temporary Service (College Assistants) expenses projected to remain at the level of the prior fiscal year

Projected increase in OTPS (Other Than Personnel Services) expenses is due to several facilities and infrastructure improvement projects: purchase of new emergency generator, replacement of the ceiling tiles in the hallways, upgrade of the perimeter ventilation system, installation of new 350 ton chiller, upgrading of the IT closets cooling system and others.

The memo regarding OTPS purchases deadlines is distributed to the college community. March 15th is the final day for departments to encumber their OTPS budgets. Any unspent funds will be consolidated and redistributed to fund the college-wide projects in order to ensure that the college's FY 13 budget is fully expended.

The final version of this report will be posted on CUNY website shortly.