

BOROUGH OF MANHATTAN COMMUNITY COLLEGE
The City University of New York

COLLEGE COUNCIL

Agenda

**September 22, 2010
2:00 p.m.
N-402**

- I. CALL TO ORDER
- II. ATTENDANCE
- III. APPROVAL OF MINUTES:
 - A. May 26, 2010 College Council Meeting
 - B. May 26, 2010 College Council Organizational Meeting
- IV. Senior Vice President Bragg - Welcome
- V. STANDING COMMITTEE REPORTS
 - A. Budget Committee (See Attachment # 1.)
 - B. Campus Facilities and Security Committee
- VI. OLD BUSINESS:
- VII. NEW BUSINESS:
- VIII. ADJOURNMENT

College Council Meeting

September 22, 2010

Budget Committee Report

At the end of July BMCC received its FY 10-11 budget allocation. The following provides an overview of this year's financial plan.

The FY 10-11 CUNY Community Colleges Financial Plan totals \$691.1 million, a net increase of \$22.8 million, or 3.4% over the prior year plan. Compare this to the net increase of \$55.1 million or 8.7% in a year before.

The change in NYS support reflects a decrease in per FTE funding of \$18.9 million (per FTE funding was reduced by \$185, to \$2,260), offset by an increase in funding of \$20.5 million which reflects a modest enrollment growth. NYC support for Community Colleges has increased by \$21.2 million. The increase in overall Community Colleges funding covers the costs of mandated, continuing obligations, such as salary increases, fringe benefits and energy. However, as a result of the NYS aid per FTE reduction, the budget model is funded at only 90%, while usually it was funded at 92-93%. In addition, there is no additional Compact funding for FY 10-11. Only the funds from prior year Compact plan are included in our budget allocation.

As a result of these changes, BMCC's total financial resources in FY 10-11 are projected to be about \$3.4 million lower than in the prior year. Plus, our full-time personnel services cost is projected to be higher than in the prior year by \$2.7 million due to salary increases and vacancies being filled. We hope that a stable enrollment will generate at least \$2 million of revenue overcollections, which will reduce an overall budget deficit. Based on these assumptions we are projecting a budget gap of about \$4 million, which constitutes about 28% reduction in OTPS (other than personnel services expenses).

Of this total amount the immediate problem is \$1.7 million, by which we have to reduce the OTPS budgets already allocated to the departments. To limit the impact of the budget shortfall on OTPS expenses to 15%, the budget office proposed a 7% reduction of temporary services (college assistants) college wide.

Collectively, we need to understand and take seriously our present economic condition. We need to re-evaluate how and what we do, and do things better, smarter, more efficiently. For example, we need to use less paper and postage, utilize the overtime hours and services of college assistants more cost-effectively, and make better use of technology.

Next year, only 9 months from now, our financial situation promises even more hardship as the State's estimated shortfall grows from \$9 billion in current year to \$16 billion in next year. The City also is projecting a \$3.3 billion budget gap.