Budget Committee Meeting April 16th Zoom meeting with Provost Parish, AVP Serrano, Chief of Staff Wallace; Professors Cumiskey, Milligan, Sanchez, and Verzani; and HEO DeMeglio

The meeting was called to discuss a few things, as the current budget picture for the next fiscal year is uncertain.

## The State Enacted Budget.

On April 3rd, the state adopted an enacted budget for the next fiscal year. Unlike most years, this budget gives little clarity as to the financial picture for CUNY, as the budget reserves 3 periods in which the state budget director (CUNY Trustee R. Mujica) can reassess the financial outlook and suggest budget cuts. With projections of an at least 10B shortfall, this would seem all but certain.

The budget committee reviewed a spread sheet prepared by AVP Serrano that showed the CUNY allocation in the state enacted budget. There were two increases for CUNY totaling ~86M: an increase to cover fringe benefit increases and around 30M in new money from a proposed tuition increase. This budget does not cover contractual increases for FT faculty, the accompanying increase in fringe benefits due to this, and has none of the requested 75+M for strategic investments.

The CUNY allocation is one part of our budget, but that always included a revenue target. We learned that, despite promising mid-term numbers, the coronavirus closure of the campus has led to a decline in the collection rate for spring 2020, which would lead to a shortfall. We learned that some policies related to holds, sending past due balances to collection agencies, etc. will be relaxed from recently adopted policies. Though these have proven needed to increase collection rates, they are problematic given the circumstances now.

## The Cares Act

We discussed the impact of the Federal Cares Act, reviewing some materials provided by ACE. Half that money will be used for direct emergency aid to students. CUNY will be administering this, and there is some belief the college will see about 3% of this to be directed by the campus. We learned that there are issues of communication between the IPEDS data base that tracks students per campus and the Pell grant distribution system (which will be leveraged to distribute these funds).

We heard that the remaining half of the 12.6M amount award to CSI is unclear. Guidelines are being developed at the nation level.

It was agreed to that faculty and staff should be alerted that their covid-related expenses might be reimbursable through these funds and that an email would be sent instructing them of this possibility (so that receipts, etc. could be saved).

## Enrollment

We learned that though summer enrollment is up 4% from last year. We discussed that identifying all summer courses as online was being addressed that day.

More troubling, we learned that Fall enrollment is currently 10% off from last year. Retention was one explanation noted. A conversation on the tough choice the college and CUNY faces ensued: faculty would like to have a determination for the fall (at least some signal to the students that the college will accommodate coronavirus related disruptions through smaller meeting groups, or more lenient absence policies due to illness, etc) versus the realization that enrollment will likely be greater if we have face to face meetings, so we should push off any announcements that may signal to the student classes will be online until we no longer can. It was mentioned that the college should be planning for classes where social distancing guidelines are practical, such as not planning jumbo sections, perhaps have staggered hybrid sections. Further, we should be promoting extreme flexibility whereby every student is given the opportunity to complete their course work online if they needed.

## Contingency planning

There was concern expressed about the impact of the loan CUNY extended to make the mid-year projections balance. We heard that it is unclear what will become of that obligation, as other fiscal matters have taken priority.

Some concern was expressed that the 10B shortfall **may** lead to about a ~6.8% reduction to CUNY's allocation. This will likely be handled through a lessened allocation or an allocation with a large reserve. Either way, if it does happen, this amount is essentially the size of the non-personnel spending on campus. It can not be managed by driving this to zero, as that is not practical. There will need to be contingency planning. The committee firmly requested that college governance and representative stake holders be consulted during any planning regarding personnel reductions.