

# **STATE UNIVERSITY OF NEW YORK**

## **MISSION**

Created in 1948, the State University of New York is the largest public university system in the nation with 64 campuses offering a complete range of academic, professional and vocational programs. The State University system is uniquely positioned to provide New Yorkers with post secondary educational programs of the highest quality and with the broadest possible access.

## **ORGANIZATION AND STAFFING**

The three major components of the State University's mission — teaching, public service and research — are carried out by:

- Eight campuses (including four health science centers) offering academic programs through the doctoral level and serving as research centers.
- Fourteen comprehensive colleges providing undergraduate education in a variety of academic fields.
- Seven colleges of technology focusing on the development of a workforce with the advanced skills required by an increasingly technology-dependent economy.
- Five statutory and contract colleges at Alfred and Cornell universities that offer nationally-acclaimed programs in ceramics, veterinary medicine, agriculture and life sciences, industrial and labor relations, and human ecology.
- Thirty community colleges offering access to a wide array of higher education opportunities that prepare students for transfer to senior colleges or train them for a variety of technical or paraprofessional occupations.

The University is governed by a Board of Trustees consisting of 16 members, with 15 appointed by the Governor to staggered seven-year terms and approved by the Senate, and one ex-officio trustee representing the student assembly of the State University. The Board oversees the operations of the University's State-operated campuses and also exercises general supervisory authority over the community colleges, which are sponsored by local governments and governed by local boards of trustees.

The chief executive officer of the University is the Chancellor who is appointed by, and serves at the pleasure of, the Board of Trustees. Individual college presidents are also appointed by, and serve at the pleasure of, the Board.

The State University's operating budget supports an estimated 35,000 full-time equivalent positions consisting of 21,900 positions that are supported through a combination of State tax dollars and tuition revenues and 13,100 positions supported by other funds. Community college staff are not included in these totals as they are not employees of the State.

## **FISCAL BACKGROUND AND BUDGET HIGHLIGHTS**

### **STATE-OPERATED COLLEGES**

The 2001-02 Executive Budget recommends over \$3.8 billion to support the operations of the State University's campuses, central administration and University-wide programs. In addition to over \$1.2 billion in support from the General Fund (\$1.1 billion for operations and \$110 million for certain fringe benefit costs), the University's budget includes nearly \$2.6 billion in activities funded by other revenues. Revenue-generating entities and programs include: three teaching hospitals at Brooklyn, Stony Brook and Syracuse; the

Long Island Veterans' Home administered by the Stony Brook Health Science Center; dormitory operations; food services; and tuition-supported activities, including summer session and overseas academic studies.

The State University's general operating budget for the 2001-02 academic year is \$1.784 billion, representing a net year-to-year increase of \$41.8 million. This net amount reflects a \$55.2 million increase which supports collective bargaining requirements, inflation, full-time faculty and other priority increases identified by the Trustees. The campuses also have the ability to supplement their operating budget funds from tuition revenues generated by student enrollment growth.

The Budget anticipates no increase in existing undergraduate resident tuition rates. The Budget also will propose statutory changes to authorize SUNY Board of Trustees to establish campus-based graduate and professional level tuition rates. At the present time, all SUNY campuses are required to charge the same tuition rate for like degree programs, regardless of the cost or demand for such programs at individual campuses.

For 2001-02, federal appropriations totaling nearly \$139 million will support the Pell grant program and various other student financial aid programs, while fiduciary fund appropriations totaling \$58 million support low-interest loans to needy students and the expenditure of earnings on SUNY endowment funds.

### **SUNY HOSPITALS**

The SUNY hospitals, like other teaching hospitals across the nation, have experienced financial pressures caused, in large part, by reductions in Medicare payments and the growth of managed care. The fiscal challenges facing the SUNY hospitals have been further exacerbated by their inability to respond quickly to changing marketplace demands due to their State agency status. In this past year, a nationally recognized health care consulting firm completed its assessment of the financial condition of SUNY's teaching hospitals and recommended a series of actions to ensure the continued fiscal viability of these three hospitals. In response to the consultant's recommendations, the SUNY hospitals have developed financially-driven strategic plans for achieving self-sufficiency over a five-year period. These plans include an array of actions to achieve operational savings, and specific strategic investments to generate additional revenues.

The 2001-02 Budget recommends restructuring the appropriation structure for the SUNY hospitals to display more accurately their operating costs and revenues. All hospitals' spending will be appropriated in one account with the hospitals being responsible for directly paying their fringe benefit and debt service costs. By structuring the hospital appropriations in this manner, the SUNY hospitals will be directly accountable for operating within their available revenues, including a fixed State subsidy amount.

The SUNY hospitals will be provided a State subsidy of approximately \$92 million — an increase of \$51 million to recognize costs attributable to their State agency status. The State will also provide \$15 million as its share of a multi-year effort by the SUNY hospitals and the State to address the accumulated hospital deficit.

With the enactment of Chapter 363 of the Laws of 1998, the SUNY hospitals were given additional tools — the authority to enter into networking and managed care contracts and greater autonomy in contracting for management services and purchasing goods and services — to improve their competitiveness and enhance their revenues. This legislation represented a step forward in providing operational flexibility for the SUNY hospitals. However, even greater flexibility is needed to assure that the SUNY hospitals are able to achieve self-sufficiency. Accordingly, legislation accompanying this budget proposes specific flexibility measures to promote improved hospital cost-efficiency. In addition, SUNY will be developing approaches for providing the hospitals with enhanced access to capital financing.

**COMMUNITY COLLEGES**

SUNY community colleges have three primary funding sources — State aid, support from local sponsors and tuition revenue. Recommended State aid of \$325 million includes an increase of \$5.8 million to fully fund the \$125 per full-time student base aid enhancement provided for the 2000-01 academic year as well as an increase of \$3.5 million to reflect enrollment growth at the community colleges.

The overall year-to-year funding is a net increase of \$1.4 million when factoring in the proposed elimination of the Fashion Institute of Technology (FIT) chargeback reimbursement program (\$3.1 million) and legislative adds (\$5.0 million). Components of State aid include: basic operating aid (\$315 million), rental aid (\$4.9 million), child care (\$1.1 million), workforce training (\$1.0 million) and reimbursement to counties outside New York City for remaining 1999-2000 payments made to FIT (\$3.1 million).

**CORNELL COOPERATIVE EXTENSION**

County cooperative extension associations — funded by State, county and federal contributions — provide specialized information and assistance in community development, agricultural technology, 4-H youth development, and consumer and family education. The Executive Budget recommends nearly \$3.9 million in continued State support for this program.

**CAPITAL**

The 2001-02 Executive Budget recommendations represent the fourth year of the Governor's Capital Investment Program that will provide over \$2 billion for facility and infrastructure improvements at SUNY State-operated and community college campuses, consistent with needs and priorities established by the University. In addition, the Executive Budget includes \$185 million in new appropriation authority for the first year of a new multi-year capital investment program for SUNY's Residence Hall Program. This new capital investment — which is entirely supported by dormitory room rents — will enable SUNY campuses to continue with needed dormitory repairs and renovations, as well as the retrofitting of older dormitories with integrated fire/smoke detection and alarm systems consistent with recommendations of the Governor's Task Force on Campus Fire Safety.

Overall capital recommendations for State-operated and community colleges total nearly \$501 million, including nearly \$429 million in bonded projects and \$72 million in hard dollar capital funding for academic and other facilities. Within overall bonded funding, \$394 million is provided for State-operated campuses, consisting of \$239 million for educational facilities and SUNY hospitals and \$155 million for residence hall projects. Recommended capital spending will address critical health, safety and preservation needs, as well as the construction and renovation of facilities necessary to meet the educational mission of the University.

Community college capital projects are funded through State aid and direct sponsor support. Recommendations for 2001-02 total \$40 million, including \$35 million in high priority bonded projects for which financial commitments have already been obtained from local sponsors. The remaining \$5 million will fund hard dollar projects addressing critical health, safety and preservation issues.

**PROGRAM HIGHLIGHTS**

The State University of New York is the nation's largest comprehensive public university, offering 5,600 degree programs from research universities, community colleges, medical schools and colleges of technology among its 64 campuses. The State University

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enrolls over 40 percent of college-bound students graduating from New York State high schools. More than 373,000 full-time and part-time SUNY students — 192,800 at State-operated campuses and 180,300 in community colleges — are pursuing studies ranging from one-year certificate programs to a doctorate.

More than ever before, the University is focusing its attention on the pursuit of educational excellence and academic achievement. SUNY has recently completed a comprehensive review of the academic missions and goals of each of its 64 institutions, from community colleges to university centers. This effort has established individual goals for campuses in terms of enrollment, student mix, retention and graduation rates, research, and other key indicators of institutional vitality and success. The University implemented a new general education curriculum in the Fall of 2000, and is continuing its efforts to facilitate student transfer from SUNY community colleges to baccalaureate level institutions.

The University is also working to raise the profile and volume of the scholarly research conducted by its faculty, and is more aggressively — and successfully — seeking federal and other external support for research.

The State University has also embarked upon significant initiatives in the area of technology that will place it at the forefront of higher educational institutions across the nation. For example, *SUNY Connect* is a path-breaking project which will electronically tie together all the University's library resources, creating a single university-wide "virtual library" that can be accessed anytime, anywhere at the touch of a computer key pad. Additionally, the SUNY Learning Network, a national leader in online learning, will offer 1,500 courses via the Internet this year and more than 30 degree programs completely online. In 2000-01, over 8,800 students have taken coursework through this innovative network.

The State University's 30 locally-sponsored community colleges serve as an essential source of skilled employees and play a critical role in the State's efforts to attract and retain businesses seeking an able workforce. Through their policy of open admissions, the community colleges also ensure access to post-secondary education. The five colleges of technology of the State University of New York have joined forces in a new management structure that will allow each campus to operate more efficiently, while helping these schools fulfill the increasing demand for highly-skilled technicians.

From the curriculum and instruction in its classrooms, research in its laboratories, support from its alumni and its appeal to a growing number of college-bound students, the State University continues to elevate its ranking among the nation's finest public universities.

### ALL FUNDS APPROPRIATIONS (dollars)

<u>Category</u>	<u>Available 2000-01</u>	<u>Appropriations Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations Recommended 2001-02</u>
State Operations	3,682,055,000	3,860,063,000	178,008,000	92,200,000
Aid To Localities	328,061,000	328,485,000	424,000	0
Capital Projects	0	185,000,000	185,000,000	2,067,149,000
Total	<u>4,010,116,000</u>	<u>4,373,548,000</u>	<u>363,432,000</u>	<u>2,159,349,000</u>

**STATE OPERATIONS  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	1,194,139,000	1,231,198,000	37,059,000
Special Revenue Funds - Federal	136,150,000	138,650,000	2,500,000
Special Revenue Funds - Other	2,295,643,000	2,426,415,000	130,772,000
Internal Service Funds	5,000,000	6,000,000	1,000,000
Fiduciary Funds	<u>51,123,000</u>	<u>57,800,000</u>	<u>6,677,000</u>
Total	<u>3,682,055,000</u>	<u>3,860,063,000</u>	<u>178,008,000</u>

Adjustments:

Recommended Deficiency			
State University of New York			
Special Revenue Funds - Other	(96,800,000)		
Transfer(s) From			
General State Charges			
General Fund	(81,285,000)		
Special Pay Bill			
General Fund	(44,542,000)		
Special Revenue Funds - Other	(20,956,000)		
Expendable Trust Funds	(23,000)		
Agency Trust Funds	(4,687,000)		
State University of New York			
General Fund	(24,911,000)		
Special Revenue Funds - Other	(116,200,000)		
Transfer(s) To			
State University of New York			
General Fund	116,200,000		
Special Revenue Funds - Other	<u>24,911,000</u>		
Appropriated 2000-01	<u>3,433,762,000</u>		

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY FUND TYPE  
APPROPRIATIONS  
(dollars)**

<u>Fund Type</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
General Fund	328,061,000	328,485,000	424,000
Total	<u>328,061,000</u>	<u>328,485,000</u>	<u>424,000</u>

**AID TO LOCALITIES  
ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM  
APPROPRIATIONS  
(dollars)**

<u>Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>
Community Colleges			
General Fund	323,253,400	324,622,000	1,368,600
County Cooperative Extension Program - Cornell University			
General Fund	3,862,600	3,863,000	400
Community Projects			
General Fund	<u>945,000</u>	<u>0</u>	<u>(945,000)</u>
Total	<u>328,061,000</u>	<u>328,485,000</u>	<u>424,000</u>

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## CAPITAL PROJECTS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

<u>Comprehensive Construction Program</u>	<u>Available 2000-01</u>	<u>Recommended 2001-02</u>	<u>Change</u>	<u>Reappropriations 2001-02</u>
Senior Universities				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	128,211,000
Capital Projects Fund - Advances	0	0	0	1,435,442,000
Program Changes - Expansion and Improvements				
Capital Projects Fund - Advances	0	0	0	0
State University Capital Projects Fund				
State University Capital Projects Fund	0	0	0	120,287,000
State University Residence Hall Rehabilitation Fund				
State University Residence Hall Rehabilitation Fund	0	185,000,000	185,000,000	81,484,000
Subtotal	<u>0</u>	<u>185,000,000</u>	<u>185,000,000</u>	<u>1,765,424,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	26,898,000
Capital Projects Fund - Advances	0	0	0	255,161,000
State University Residence Hall Rehabilitation Fund				
Capital Projects Fund - Advances	0	0	0	0
New Facilities				
Capital Projects Fund - Advances	0	0	0	19,666,000
Subtotal	<u>0</u>	<u>0</u>	<u>0</u>	<u>301,725,000</u>
<b>Total</b>	<u><u>0</u></u>	<u><u>185,000,000</u></u>	<u><u>185,000,000</u></u>	<u><u>2,067,149,000</u></u>