

STATE UNIVERSITY OF NEW YORK

MISSION

Created in 1948, the State University of New York (SUNY) 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; and
- 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. For the coming year, legislation will be advanced that adds a distinguished faculty member, appointed by the Governor, as a voting member of the Board of Trustees. 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 39,400 full-time equivalent positions consisting of 23,300 positions that are supported through a combination of State tax dollars and tuition revenues and 16,100 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 2006-07 Executive Budget recommends \$6.2 billion to support the operations of the State University's campuses, central administration and University-wide programs. In addition to \$2.0 billion in support from the General Fund, the University's budget includes \$4.2 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.

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SUNY's 2006-07 gross operating budget will total \$3.1 billion, an increase of \$115.4 million or 3.9 percent. Within this amount, taxpayer support will total nearly \$2.0 billion, an increase of \$34.3 million or 1.8 percent. SUNY's General Revenue Offset Account will total \$1.1 billion, which reflects a net increase of \$81.0 million or 8.0 percent attributable to an additional revenue authorization of \$85.3 million, increased interest earnings, and fringe benefit recoveries from SUNY's other special revenue accounts, offset by a transfer to the State University Tuition Reimbursement Account for tuition revenue through targeted enrollment growth in 2005-06. The recommended \$85.3 million revenue authorization provides the SUNY Trustees with the flexibility to generate increased revenue to support additional spending, should they so choose.

The 2006-07 Executive Budget also provides greater flexibility to the Board of Trustees to establish the tuition levels that are charged at SUNY campuses. Legislation accompanying this Budget authorizes the Trustees to:

- adopt a tuition policy that permits annual incremental adjustments to tuition, based on an annual inflation index;
- guarantee a fixed tuition rate for a four-year period for entering resident undergraduate students who maintain full-time enrollment and complete their degree programs within four years;
- adjust tuition levels beyond those driven by the annual inflation index and lift the tuition guarantee in the event that State taxpayer support for SUNY State-operated campuses is reduced from the prior year level or is not sufficient to fully fund collectively bargained salary increases or other fixed costs;
- eliminate existing restrictions that prohibit the Trustees from establishing differential tuition rates for like degree programs among SUNY campuses; and
- adopt a tuition increase prior to the enactment of the State budget.

SUNY's special revenue funding, exclusive of the General Revenue Offset Account, will total \$2.9 billion, an increase of \$306.7 million, including:

- an increase of \$151.8 million for the SUNY hospitals reflecting collectively bargained salary increases and support for their revenue-generating strategic and operational initiatives;
- an increase of \$80 million for the Stabilization Account, which has a two-year life and is appropriated every other year;
- an increase of \$25.0 million for the Tuition Reimbursable Account reflecting inflation and an increase to permit the SUNY State-operated campuses to increase tuition revenue through enrollment expansion;
- an increase of \$19.5 million for the General Income Fund Reimbursable (IFR) Account reflecting inflation;
- an increase of \$19.0 million for the University-wide Hospital Reimbursable Account reflecting an increase to allow for expansion of hospital operations, as revenues permit; and
- an increase of \$10.0 million for the Dormitory IFR account reflecting inflation.

For 2006-07, Federal appropriations totaling \$200.5 million will support the Pell grant program and various other student financial aid programs.

A total of \$58.6 million in contingency appropriation authority is provided outside of SUNY's and CUNY's appropriation schedules to cover any extraordinary energy cost increases experienced by our public universities in 2006-07.

The 2006-07 Executive Budget provides \$275,000 to continue the Just for the Kids - New York project. This program is part of the national Just for the Kids project and represents a partnership between the University at Albany's School of Education, the New York State Business Council and various private companies. The project is designed to standardize and disseminate school achievement data and best practices so that schools may identify opportunities for improvement by modeling the successful practices of high performing schools.

EMPIRE INNOVATION PROGRAM

A new \$6.0 million Empire Innovation Program will be established at the SUNY State-Operated campuses to attract 200 new research faculty over three years beginning in 2006-07 and to retain existing faculty. This funding will help SUNY compete for research grants, generate additional revenue through the growth in patents and indirect recoveries and contribute to the economic growth of the surrounding community and the State.

PRIORITY ACADEMIC PROGRAMS

Additional funding of \$3 million is provided to increase the number of students in priority academic programs in areas critical to New York's economy, such as information sciences, engineering, nursing and other allied health professions. This funding will support approximately 420 additional students in these high priority programs. The additional State support will be partially offset by savings of \$2 million generated through a reallocation of funds from lower priority programs for a net State cost of \$1 million.

SUNY HOSPITALS

The 2006-07 Budget continues the appropriation structure enacted in 2001-02 for the SUNY hospitals. All hospital spending is appropriated in one account with the hospitals being responsible for direct payment of their fringe benefit and debt service costs. Under this appropriation structure, the SUNY hospitals will continue to be directly accountable for operating within their available revenues, including a fixed State subsidy amount.

The recommended State subsidy for the SUNY hospitals, which recognizes costs attributable to their State agency status, is increased by \$10.1 million to a total of \$139.5 million to reflect collectively bargained salary increases and costs attributable to employee fringe benefits. The State will also make a payment of \$8.3 million for its share of a multi-year effort to address the accumulated deficit of the hospitals. To address the capital needs and priorities of SUNY's hospitals, \$350 million has been provided as part of the existing Multi-Year Capital Investment Program enacted in the 2003-04 Budget. These capital projects, which are either in the design or construction phase, include the vertical expansion at Syracuse which will provide 135 adult medical, surgical, and intensive care beds as well as a 70 bed pediatric unit; the construction of a new ambulatory care pavilion at Stony Brook which will enable the development of a multi-disciplinary comprehensive cancer center; and a variety of upgrades for specialized services at Brooklyn. In addition, legislation will be advanced to restructure the SUNY hospitals as private not-for-profit corporations to better position them to compete in today's health care environment.

COMMUNITY COLLEGES

SUNY community colleges have three primary funding sources — State aid, support from local government sponsors and tuition revenue. Recommended State funding for community colleges of \$407.8 million reflects an increase of \$22.5 million from 2005-06 attributable to: a \$100 per full-time student base aid increase (\$12.4 million); enrollment growth and reconciliation of actual enrollment for prior years (\$4.8 million); annualization of the \$115 per full-time equivalent student base aid increase provided in 2005-06 (\$4.7 million) and an increase in rental aid for leased space (\$0.6 million). Funding for childcare and contract courses for workforce development is continued at \$1.1 million and \$1 million respectively.

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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 \$3.7 million in State support for this program.

CAPITAL

The 2006-07 Executive Budget recommendations include additional capital projects totaling \$440.0 million to supplement the \$3.4 billion Multi-Year Capital Investment Program first enacted in 2004-05. The additional \$440.0 million consists of \$350.0 million to construct and renovate dormitory facilities over a multi-year period and \$90.0 million for critical maintenance and specific priority projects including: \$22.3 million to design a new academic facility at Old Westbury, \$6.0 million to supplement existing funds and construct a new \$13.0 million Center for Distance Learning at Empire State College; a \$20.0 million lump sum for critical maintenance and other high priority projects; and \$41.7 million to provide for the State share of various community college projects.

In 2005-06, the University received additional capital funding totaling \$784.5 million for various projects. These funds, when combined with the \$1.8 billion capital investment authorized in 2004-05 and the \$895 million enacted as part of the 2003-04 capital budget provides over \$3.4 billion for SUNY over a multi-year period. Re-appropriations allow this continuing investment to support the ongoing revitalization of SUNY facilities; ensure the ability of campuses to successfully meet the needs of students, faculty and residents; and enable the University to maintain its competitive edge.

SUNY's bond cap for educational facilities will be increased by \$600.0 million, for a total bonding authorization of \$6.6 billion, to cover SUNY's planned bond sales for the multi-year period of the Capital Investment Program.

PROGRAM HIGHLIGHTS

The State University of New York is the nation's largest comprehensive public university, offering 6,688 degree programs at the research universities, community colleges, medical schools and colleges of technology that comprise its 64 campuses. The State University enrolls over 40 percent of college-bound students graduating from New York State high schools. Almost 412,000 full-time and part-time SUNY students — 205,000 at State-operated campuses and 207,000 in community colleges — are pursuing studies ranging from one-year certificate programs to doctorates.

The academic profile of incoming students continues to grow stronger at SUNY campuses. More than half of all students that enrolled at SUNY University Centers in fall 2005 had SAT scores above 1200 and grade point averages above 90, comparable to admission profiles found at top public flagship institutions in California, Michigan, Texas and North Carolina.

The State University is also working to expand the volume of scholarly research conducted by its faculty, and is more aggressively seeking Federal and other external support for research. As a result, funding for SUNY sponsored research is expected to reach an all-time high of nearly \$900 million in 2005, a growth of 5 percent from 2004. SUNY grants now underwrite over 10,500 projects, which directly support more than 18,600 full and part-time jobs across New York State. In addition, the State University, for the second year in a row, surpassed other top-ranked universities in the amount of income received from patent royalties coming from faculty research and joined IBM, Corning, and GE among the top recipients of patents in New York State.

The University's initiatives in the area of technology have placed it at the forefront of higher educational institutions across the nation and recently earned it the Award for Excellence in Institution-Wide Asynchronous Learning Networks (ALN) Programming by

the Alfred P. Sloan Foundation for the promotion of anytime/anywhere learning. The Sloan Foundation recognized the SUNY Learning Network, citing its primary goal of bringing SUNY's diverse, high-quality instructional programs within the reach of learners everywhere. In the 2004-05 academic year, the SUNY Learning Network reached over 100,000 enrollments in 4,300 online courses. The 40 SUNY campuses participating in the SUNY Learning Network offer complete online degree and certificate programs.

Several SUNY campuses are key partners in the State's five University-based Centers of Excellence, a high-technology initiative that will enable New York State to become a worldwide leader in university-based research, business creation and job development, including:

- Albany Center of Excellence in Nanoelectronics, a semiconductor research center at SUNY-Albany known as International SEMATECH, a consortium of the 12 major computer chip manufacturers in the world;
- Buffalo Center of Excellence in Bioinformatics which includes the Life Sciences Complex used for super-computing, pharmaceutical research and workforce development; and
- Long Island Center of Excellence in Wireless Internet and Information Technology which, in tandem with several other high-tech research projects such as the Bioinformatics Research Center at Cold Spring Harbor Laboratory, will create thousands of new high-skilled and high-wage jobs across Long Island.

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. SUNY has established a strategic plan to strengthen the University's 30 community colleges. The goals of the strategic plan are to achieve greater efficiency by coordinating and facilitating system-wide activities, achieving broader recognition and promotion of the SUNY community colleges, developing the role of SUNY community colleges in workforce and economic development, expanding a common framework for joint program development and delivery, and ensuring performance effectiveness and measurable outcomes.

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)**

Category	Available 2005-06	Appropriations Recommended 2006-07	Change	Reappropriations Recommended 2006-07
State Operations	5,782,735,600	6,204,831,000	422,095,400	216,340,000
Aid To Localities	388,913,250	411,436,000	22,522,750	0
Capital Projects	784,445,000	440,000,000	(344,445,000)	4,023,715,000
Total	<u>6,956,093,850</u>	<u>7,056,267,000</u>	<u>100,173,150</u>	<u>4,240,055,000</u>

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ALL FUND TYPES PROJECTED LEVELS OF EMPLOYMENT BY PROGRAM FILLED ANNUAL SALARIED POSITIONS

Program	Full-Time Equivalent Positions (FTE)		
	2005-06	2006-07	FTE Change
	Estimated FTEs 03/31/06	Estimated FTEs 03/31/07	
All State University Colleges and Schools			
General Fund	23,300	23,300	0
Special Revenue Funds - Federal	4	4	0
Special Revenue Funds - Other	16,096	16,096	0
Total	<u>39,400</u>	<u>39,400</u>	<u>0</u>

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

Fund Type	Available 2005-06	Recommended 2006-07	Change
General Fund	1,922,129,000	1,956,475,000	34,346,000
Special Revenue Funds - Federal	200,500,000	200,500,000	0
Special Revenue Funds - Other	3,648,106,600	4,035,856,000	387,749,400
Internal Service Funds	12,000,000	12,000,000	0
Total	<u>5,782,735,600</u>	<u>6,204,831,000</u>	<u>422,095,400</u>

Adjustments:

Recommended Deficiency	
State University of New York	
General Fund	(29,100,000)
Transfer(s) From	
Special Pay Bill	
General Fund	(6,972,000)
Special Revenue Funds - Other	(472,600)
Appropriated 2005-06	<u>5,746,191,000</u>

STATE OPERATIONS ALL FUNDS FINANCIAL REQUIREMENTS BY PROGRAM APPROPRIATIONS (dollars)

Program	Available 2005-06	Recommended 2006-07	Change
All State University Colleges and Schools			
General Fund	1,053,996,000	1,057,585,000	3,589,000
Special Revenue Funds - Federal	200,500,000	200,500,000	0
Special Revenue Funds - Other	3,648,106,600	4,035,856,000	387,749,400
Internal Service Funds	12,000,000	12,000,000	0
Employee Fringe Benefits			
General Fund	868,133,000	898,890,000	30,757,000
Total	<u>5,782,735,600</u>	<u>6,204,831,000</u>	<u>422,095,400</u>

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**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF PERSONAL SERVICE APPROPRIATIONS AND CHANGES
2006-07 RECOMMENDED
(dollars)**

Program	Total		Personal Service Regular (Annual Salaried)	
	Amount	Change	Amount	Change
All State University Colleges and Schools	1,626,383,450	84,611,000	1,626,354,250	84,611,000
Total	<u>1,626,383,450</u>	<u>84,611,000</u>	<u>1,626,354,250</u>	<u>84,611,000</u>

Program	Temporary Service (Nonannual Salaried)		Holiday/Overtime Pay (Annual Salaried)	
	Amount	Change	Amount	Change
All State University Colleges and Schools	1,500	0	27,700	0
Total	<u>1,500</u>	<u>0</u>	<u>27,700</u>	<u>0</u>

**STATE OPERATIONS - GENERAL AND OFFSET FUNDS
SUMMARY OF NONPERSONAL SERVICE AND MAINTENANCE UNDISTRIBUTED
APPROPRIATIONS AND CHANGES
2006-07 RECOMMENDED
(dollars)**

Program	Total		Supplies and Materials	
	Amount	Change	Amount	Change
All State University Colleges and Schools	527,057,550	0	3,456,500	0
Employee Fringe Benefits	898,890,000	30,757,000	0	0
Total	<u>1,425,947,550</u>	<u>30,757,000</u>	<u>3,456,500</u>	<u>0</u>

Program	Travel		Contractual Services	
	Amount	Change	Amount	Change
All State University Colleges and Schools	12,000	0	523,581,550	0
Employee Fringe Benefits	0	0	0	0
Total	<u>12,000</u>	<u>0</u>	<u>523,581,550</u>	<u>0</u>

Program	Equipment		General State Charges	
	Amount	Change	Amount	Change
All State University Colleges and Schools	7,500	0	0	0
Employee Fringe Benefits	0	0	898,890,000	30,757,000
Total	<u>7,500</u>	<u>0</u>	<u>898,890,000</u>	<u>30,757,000</u>

**STATE OPERATIONS - OTHER THAN GENERAL FUND AND OFFSET FUNDS
SUMMARY OF APPROPRIATIONS AND CHANGES
2006-07 RECOMMENDED
(dollars)**

Program	Total		Personal Service	
	Amount	Change	Amount	Change
All State University Colleges and Schools	3,152,500,000	222,727,400	2,477,992,500	281,727,400
Total	<u>3,152,500,000</u>	<u>222,727,400</u>	<u>2,477,992,500</u>	<u>281,727,400</u>

Program	Nonpersonal Service		Maintenance Undistributed	
	Amount	Change	Amount	Change
All State University Colleges and Schools	606,638,900	(59,000,000)	67,868,600	0
Total	<u>606,638,900</u>	<u>(59,000,000)</u>	<u>67,868,600</u>	<u>0</u>

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

Fund Type	Available 2005-06	Recommended 2006-07	Change
General Fund	388,913,250	411,436,000	22,522,750
Total	<u>388,913,250</u>	<u>411,436,000</u>	<u>22,522,750</u>

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

Program	Available 2005-06	Recommended 2006-07	Change
Community Colleges			
General Fund	385,243,250	407,766,000	22,522,750
County Cooperative Extension Program - Cornell University			
General Fund	3,670,000	3,670,000	0
Total	<u>388,913,250</u>	<u>411,436,000</u>	<u>22,522,750</u>

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

Comprehensive Construction Program	Available 2005-06	Recommended 2006-07	Change	Reappropriations 2006-07
Senior Universities				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	22,533,000
Capital Projects Fund - Advances	731,175,000	48,300,000	(682,875,000)	2,931,126,000
State University Capital Projects Fund				
State University Capital Projects Fund	0	0	0	243,643,000
State University Residence Hall Rehabilitation Fund				
State University Residence Hall Rehabilitation Fund	0	0	0	83,724,000
SUNY Dorms (Direct Auth Bonds)	0	350,000,000	350,000,000	235,000,000
Subtotal	<u>731,175,000</u>	<u>398,300,000</u>	<u>(332,875,000)</u>	<u>3,516,026,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	0	0	36,629,000
Capital Projects Fund - Advances	53,270,000	0	(53,270,000)	101,394,000
Cap Proj Fund - SUNY CC (Direct Auth Bonds)	0	41,700,000	41,700,000	350,000,000
New Facilities				
Capital Projects Fund - Advances	0	0	0	19,666,000
Subtotal	<u>53,270,000</u>	<u>41,700,000</u>	<u>(11,570,000)</u>	<u>507,689,000</u>
Total	<u>784,445,000</u>	<u>440,000,000</u>	<u>(344,445,000)</u>	<u>4,023,715,000</u>