

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; 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. 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 36,700 full-time equivalent positions consisting of 22,100 positions that are supported through a combination of State tax dollars and tuition revenues and 14,600 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 2003-04 Executive Budget recommends over \$4.3 billion to support the operations of the State University's campuses, central administration and University-wide programs. In addition to over \$1.0 billion in support from the General Fund (\$891.7 million for operations and \$136.8 million for certain fringe benefit costs), the University's budget includes \$3.3 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.

For 2003-04, \$1.028 billion in taxpayer support is provided for SUNY's State-operated campuses and programs, a reduction of \$183.5 million. A total of \$3.034 billion in special

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revenue support is provided for SUNY, reflecting an increase of \$267.7 million including \$196.9 million in additional appropriation authority for increased tuition revenue. The Executive Budget recognizes the powers of the Board of Trustees to manage resources in a manner that is sensitive to University priorities. The Trustees have the authority to manage resources through actions such as:

- elimination or consolidation of low demand programs and courses;
- increased productivity through technologies such as distance learning, multimedia curricula, and on-line, university-wide administrative systems; and
- reassessment of current activities and programs that may not be central to the core mission of the University.

The 2003-04 Executive Budget also recognizes the authority of the Board of Trustees to establish the tuition levels that are charged at SUNY campuses. Legislation accompanying this Budget will eliminate various existing restrictions on the ability of the Board of Trustees to establish tuition charges. Upon enactment of this legislation, the Trustees will be authorized to establish differential tuition rates among SUNY campuses. SUNY is unique among large public university systems in being prohibited from charging differential tuition by campus. The Trustees will also have the ability to adopt a tuition policy that permits annual incremental adjustments to tuition and maintains an appropriate balance between taxpayer support and student support. Currently, tuition and required fees at SUNY are significantly lower than those charged by peer institutions in other Northeast states. Tuition has not been increased since 1995-96, while the higher education price index has increased 30 percent during that time. This legislation will also enable the Trustees to adopt a tuition increase prior to enactment of the State budget.

For 2003-04, Federal appropriations totaling \$196.6 million will support the Pell grant program and various other student financial aid programs, while fiduciary fund appropriations totaling \$57.8 million support low-interest loans to needy students and the expenditure of earnings on SUNY endowment funds. Supplemental student financial aid provided through the Educational Opportunity Program is recommended for elimination for 2003-04, but funding is continued for academic support services that include tutoring, counseling and mentoring.

SUNY HOSPITALS

The 2003-04 Budget continues the appropriation structure enacted in 2001-02 for the SUNY hospitals. All hospital spending is now 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 \$92.6 million State subsidy for the SUNY hospitals recognizes costs attributable to their State agency status and reflects an increase of \$0.5 million. The State will also make a payment of \$10.5 million as its share of a multi-year effort by the SUNY hospitals and the State to address their accumulated deficit. To address the immediate capital needs and priorities of SUNY's hospitals, \$350 million has been included in the Multi-Year Capital Investment Program recommended in this Budget for SUNY. 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 \$317.5 million reflects a net decrease of \$26.5 million from 2002-03 attributable to: additional funding for enrollment growth (\$20.6 million); a \$345 reduction in operating aid from the current per student rate of \$2,300 to \$1,955 (\$40.6 million); elimination of rental aid for leased space (\$5.6 million) and workforce training support (\$1.0 million). Funding for childcare is continued at the 2002-03 level of nearly \$1.1 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 \$2.9 million in State support for this program.

CAPITAL

The 2003-04 Executive Budget recommends a new \$2.5 billion Multi-Year Capital Investment Program for State University and community college facility and infrastructure improvements. This new program, which builds on the prior multi-year capital program initiated in 1998-99, is primarily targeted toward renovation and reconstruction of existing facilities. The plan also provides SUNY hospitals access to the capital market to initiate revenue-producing projects associated with the hospitals' strategic initiatives; to address accreditation deficiencies; and to meet critical health, safety and preservation needs.

SUNY's bond cap will be increased by \$1.5 billion, for a total bonding authorization of \$4.7 billion, to cover SUNY's planned bond sales for the multi-year period of the new Capital Investment Program and to reflect disbursement-based bonding.

Capital recommendations include: \$1,640 million for academic facilities; \$350 million for hospitals; \$210 million for community colleges and \$335 million for residence halls. The capital plan largely focuses on addressing critical health/safety and preservation needs as well as the phased revitalization of campuses through rehabilitation of existing buildings.

The recommendations also enable the University to maximize revenues by authorizing \$250 million for projects supported by private donations and other sources through the SUNY Capital Projects Fund.

SUNY's capital program for 2003-04 provides approximately \$500 million to support the first year of the Multi-Year Capital Investment Program.

PROGRAM HIGHLIGHTS

The State University of New York is the nation's largest comprehensive public university, offering 5,600 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. More than 402,000 full-time and part-time SUNY students — 203,300 at State-operated campuses and 198,800 in community colleges — are pursuing studies ranging from one-year certificate programs to doctorates.

More than ever before, the University is focusing its attention on the pursuit of educational excellence and academic achievement. SUNY has 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 State University is also working to raise the profile and volume of the 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 reached an all-time high of more than \$700 million in 2002, a growth of 18 percent from 2001. In addition, the State University was recently ranked in the Top 10 of all institutions nationally in the number of patents issued each year and in the Top 15 for royalties earned on inventions by research universities by *IP Worldwide* magazine.

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

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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 2001-02 academic year, the SUNY Learning Network enabled more than 40,000 student enrollments in 2,500 online courses. The 55 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 recently established a three-year 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 2002-03	Appropriations Recommended 2003-04	Change	Reappropriations Recommended 2003-04
State Operations	4,207,045,000	4,326,131,000	119,086,000	26,565,000
Aid To Localities	350,252,762	320,319,000	(29,933,762)	0
Capital Projects	155,000,000	2,561,000,000	2,406,000,000	1,756,217,000
Total	4,712,297,762	7,207,450,000	2,495,152,238	1,782,782,000

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

Fund Type	Available 2002-03	Recommended 2003-04	Change
General Fund	1,211,999,000	1,028,530,000	(183,469,000)
Special Revenue Funds - Federal	163,165,000	196,550,000	33,385,000
Special Revenue Funds - Other	2,766,581,000	3,034,251,000	267,670,000
Internal Service Funds	7,500,000	9,000,000	1,500,000
Fiduciary Funds	57,800,000	57,800,000	0
Total	<u>4,207,045,000</u>	<u>4,326,131,000</u>	<u>119,086,000</u>
Adjustments:			
Prior Year Deficiency			
State University of New York			
General Fund	4,800,000		
Special Revenue Funds - Federal	10,000,000		
Appropriated 2002-03	<u>4,221,845,000</u>		

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

Fund Type	Available 2002-03	Recommended 2003-04	Change
General Fund	350,252,762	320,319,000	(29,933,762)
Total	<u>350,252,762</u>	<u>320,319,000</u>	<u>(29,933,762)</u>
Adjustments:			
Prior Year Deficiency			
State University of New York			
General Fund	3,500,000		
Appropriated 2002-03	<u>353,752,762</u>		

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

Comprehensive Construction Program	Available 2002-03	Recommended 2003-04	Change	Reappropriations 2003-04
Senior Universities				
General Maintenance and Improvements				
Capital Projects Fund	0	115,000,000	115,000,000	77,886,000
Capital Projects Fund - Advances	0	1,651,000,000	1,651,000,000	908,512,000
State University Capital Projects Fund				
State University Capital Projects Fund	20,000,000	250,000,000	230,000,000	121,870,000
State University Residence Hall Rehabilitation Fund				
State University Residence Hall Rehabilitation Fund	135,000,000	335,000,000	200,000,000	360,467,000
Subtotal	<u>155,000,000</u>	<u>2,351,000,000</u>	<u>2,196,000,000</u>	<u>1,468,735,000</u>
Community Colleges				
General Maintenance and Improvements				
Capital Projects Fund	0	35,000,000	35,000,000	19,583,000
Capital Projects Fund - Advances	0	175,000,000	175,000,000	248,233,000
New Facilities				
Capital Projects Fund - Advances	0	0	0	19,666,000
Subtotal	<u>0</u>	<u>210,000,000</u>	<u>210,000,000</u>	<u>287,482,000</u>
Total	<u>155,000,000</u>	<u>2,561,000,000</u>	<u>2,406,000,000</u>	<u>1,756,217,000</u>