

Higher Education

*State University of New York
City University of New York
State University Construction Fund
Higher Education Services Corporation*

I. Overview

This Budget maintains support for higher education, allows for additional spending authority from previously authorized tuition increases and provides capital grants that will catalyze economic development at SUNY campuses.

Each year, New York State's higher education institutions educate more than 1.3 million students. The State University of New York (SUNY) and the City University of New York (CUNY) administer 47 four-year colleges and graduate schools that provide over 400,000 full- and part-time students with an array of undergraduate, graduate, and first professional educational opportunities. SUNY and CUNY also support 36 community colleges, serving more than 325,000 students. In addition, more than 540,000 students attend one of the more than 100 private colleges and universities across New York State. Over the past 10 years, total enrollment at New York's institutions of higher education has increased by 20 percent or more than 214,000.

The State University Construction Fund (SUCF), City University Construction Fund (CUCF) and the Dormitory Authority of the State of New York (DASNY) administer and oversee a capital program for over 3,000 academic, research, hospital, dormitory and multi-use facilities, which make up the physical plants of the university system.

To help students afford and obtain a college education, the Higher Education Services Corporation (HESC) provides financial aid services. HESC oversees State-funded aid programs, including the Tuition Assistance Program (TAP), the Aid for Part Time Study (APTS) program, and 16 scholarship and award programs. HESC also partners with the Office of the State Comptroller in administering the College Choice Tuition Savings Program. Over the past 10 years, State spending for TAP has increased by \$182 million or 27 percent.

II. History / Context

Governor Cuomo's groundbreaking NYSUNY 2020 Challenge Grant Program instituted a rational and predictable tuition plan that allows each SUNY and CUNY campus to raise tuition by \$300 per year for five years, replacing an era of unpredictable and often extreme

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tuition increases — usually during times of economic stress when such increases were least affordable — with a system that is predictable and empowers students and parents to plan for college expenses.

NYSUNY 2020 also includes a maintenance of effort provision, which requires General Fund support to be continued at prior-year levels. The predictable tuition increases, in concert with the maintenance of effort provision, will help SUNY and CUNY campuses add more faculty, decrease class sizes, increase course offerings, and improve academic performance and graduation rates.

The NYSUNY 2020 Challenge Grant Program also maintains higher education affordability by augmenting the State's TAP program. Utilizing a portion of the additional tuition revenue, students currently receiving TAP awards will receive financial aid assistance in the form of tuition credits ensuring that students with limited economic resources continue to have access to education opportunities.

Additionally, NYSUNY 2020 provides \$80 million for capital grants that will catalyze economic development at the SUNY university centers at Albany, Binghamton, Buffalo and Stony Brook. In December 2011, Governor Cuomo approved funding applications from Buffalo and Stony Brook. The capital investment related to these projects will total \$570 million and create more than 5,800 construction jobs. The University of Buffalo project to relocate the School of Medicine and Biomedical Sciences to the Buffalo Niagara Medical Campus, and the Stony Brook University project to construct a first class medical research building, will position both campuses to be national leaders amongst public medical research universities. As a result, these projects will create over 4,000 new full time jobs through research grants, expanded patient services, start-up companies, and partnerships with private industry. The NYSUNY 2020 Challenge Grant Program is still open, and review of the Albany and Binghamton plans are forthcoming.

III. Proposed 2012-13 Budget Actions

Consistent with the provisions in the NYSUNY 2020 Challenge Grant Program, the Executive Budget maintains General Fund operating support for SUNY and CUNY colleges at prior-year levels. The Executive Budget also accommodates authorized 2012-13 tuition increases by providing \$113.2 million in additional spending authority for SUNY and \$66.6 million for CUNY.

The Executive Budget maintains base operating aid funding for community colleges at 2011-12 levels of \$2,122 per full-time equivalent student. The modest year-to-year decrease in spending (-0.03 percent) reflects the net impact of enrollment changes and the full year impact of 2011-12 budget actions.

No Budget actions are proposed for HESC's TAP and Scholarship Programs. The modest year-to-year decrease in spending (-0.03 percent) reflects the full year impact of 2011-12 actions, offset by the impact of SUNY and CUNY tuition increases.

IV. Summary of Spending (General Funds)*

Category	AFY 2012 (\$ in millions)	AFY 2013 (\$ in millions)	Change	
			Dollar (in millions)	Percent
Higher Education	3,123	3,131	8	0.03
SUNY Operating Budget	968	968	0	0
CUNY Operating Budget	510	523**	13	2.5
Community Colleges	620	618	(2)	(.03)
SUNY Hospital Subsidy	60	60	0	0
HESC	965	962	(3)	(0.3)

* Excludes directly appropriated fringe benefit funding, and includes comparability adjustment for General Fund support through transfer.

** Increase reflects a technical adjustment for a one-time \$13 million reduction in 2011-12 that was related to mid-year actions in 2010-11. Absent this adjustment, 2010-11 reductions would impact CUNY twice as much as SUNY.

V. Major Initiatives

- **New and Expanded Round of NYSUNY 2020.** The budget includes \$30 million of capital funding for the Executive's share of a new round of NYSUNY 2020 Challenge Grants. When combined with an equal share from SUNY, the University's 60 non-university center campuses will compete for three \$20 million challenge grants.