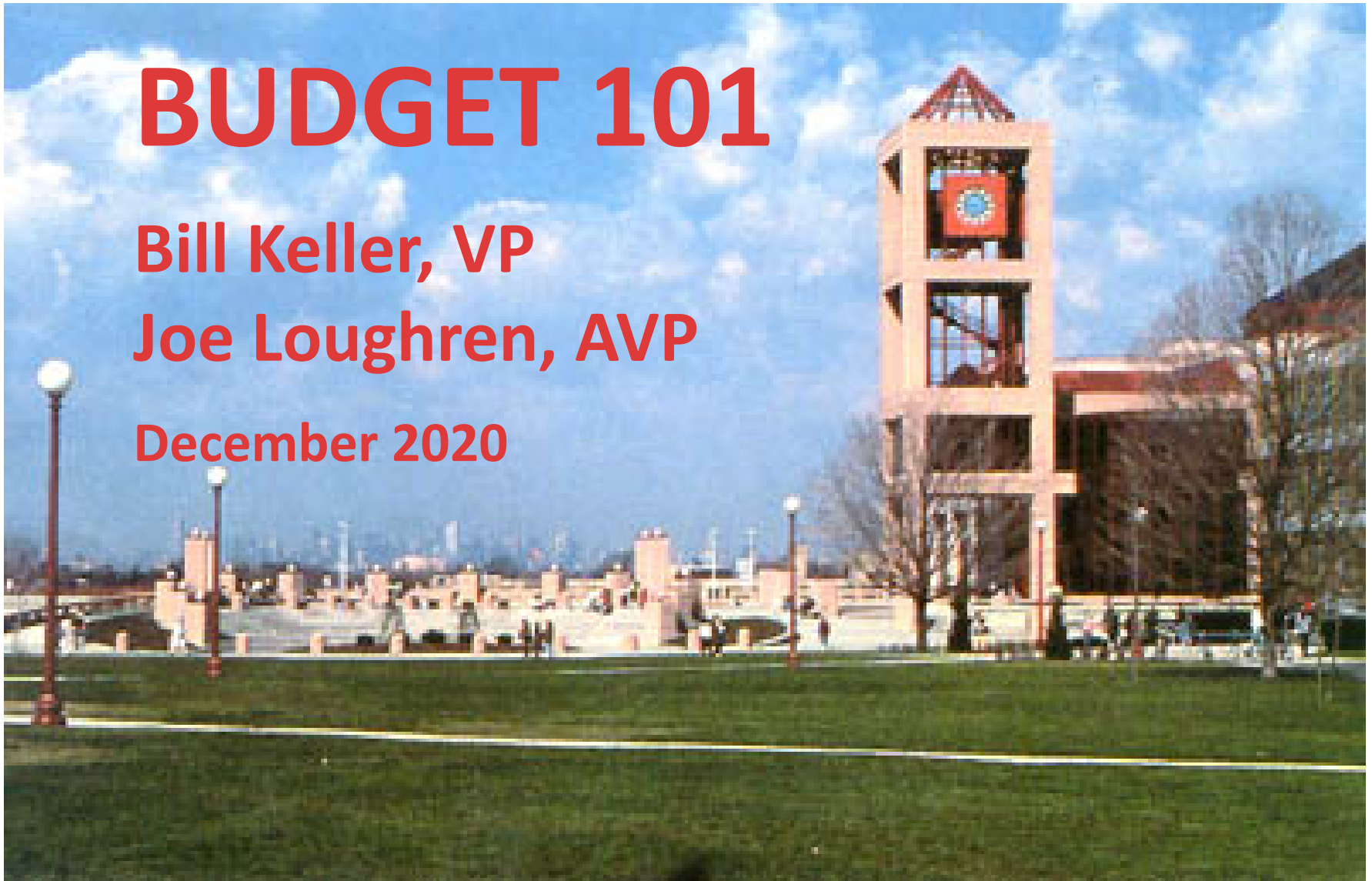


# BUDGET 101

Bill Keller, VP

Joe Loughren, AVP

December 2020



# BUDGET BASICS

- CUNY Fiscal Year July 1 – June 30
  - Fiscal Year identified by June 30 year
    - i.e. current July 1, 2020– June 30, 2021 is FY21
  - QC collaborative budget process to begin January of leading year (i.e. January 2021 for FY22 Budget)
  - Student Fees
    - Student Technology Fee
    - Student Services Corporation
    - Shuttle Bus
    - College Association (student clubs)
-

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# BUDGET BASICS

- Budgeted Categories of Expense
    - Personal Services (PS)
      - Full-time personnel
      - Adjuncts
      - Temporary Services
    - OTPS
      - ‘Other Than PS’
      - Equipment
      - Supplies
      - Contracts
-

# TYPES OF FUNDS

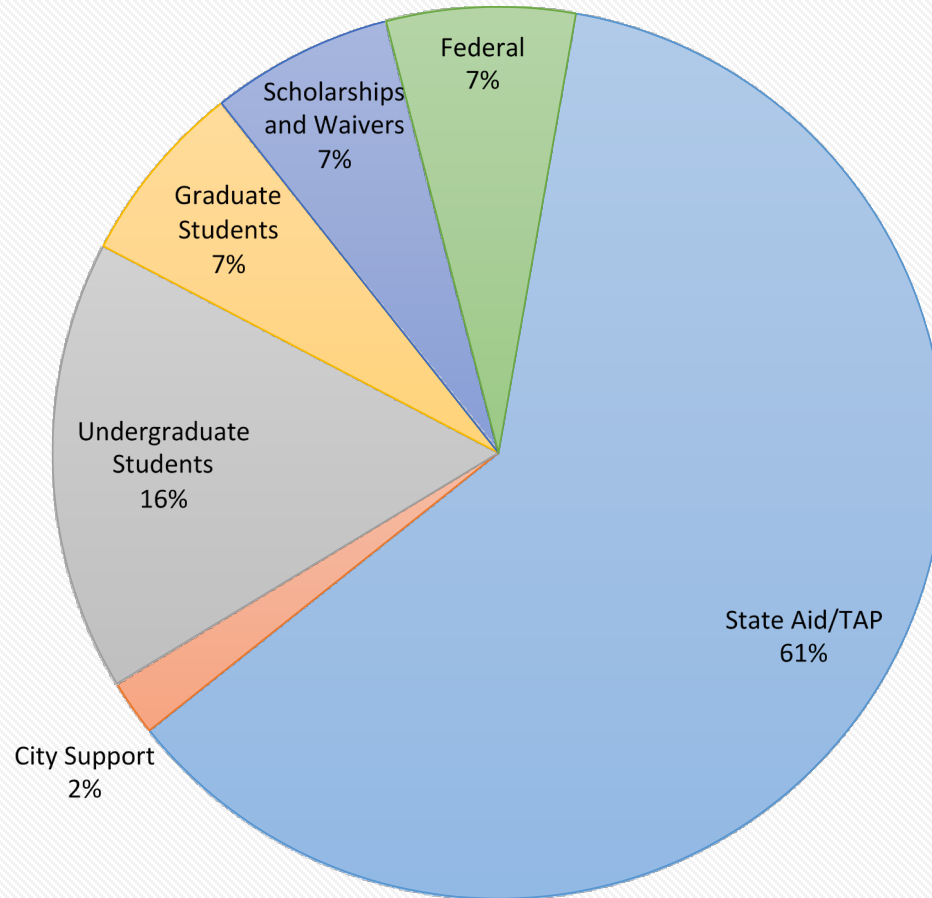
- Tax Levy (TL)
    - Primary Funding Vehicle for College Operations
  - Income Fund Reimbursable (IFR)
    - Self-supporting Funds
  - Non-Tax Levy (NTL)
    - Affiliated Organizations (SSC, AEC, QCA...)
  - Research Foundation (RF)
    - Research Grants (NIH, NSF...)
  - Queens College Foundation (QCF)
    - Gifts, Donations
  - Residential – Summit (QSR)
    - On Campus Housing
  - Capital Projects
    - Educational Facilities Construction/Maintenance; State, City Funds
-

# TAX LEVY BUDGET

- The primary funding vehicle for college operations
  - Funds derive from tuition paid by students coupled with governmental support
  - FY 2020 Tax Levy Budget for Queens College totals ~\$145m (FY20 not significantly affected by COVID)
    - Excludes CUNY-Paid fringe on TL employees, utilities, capital monies (~\$72m)
  - Activity regulated by NYS and CUNY guidelines
-

# TAX LEVY BUDGET

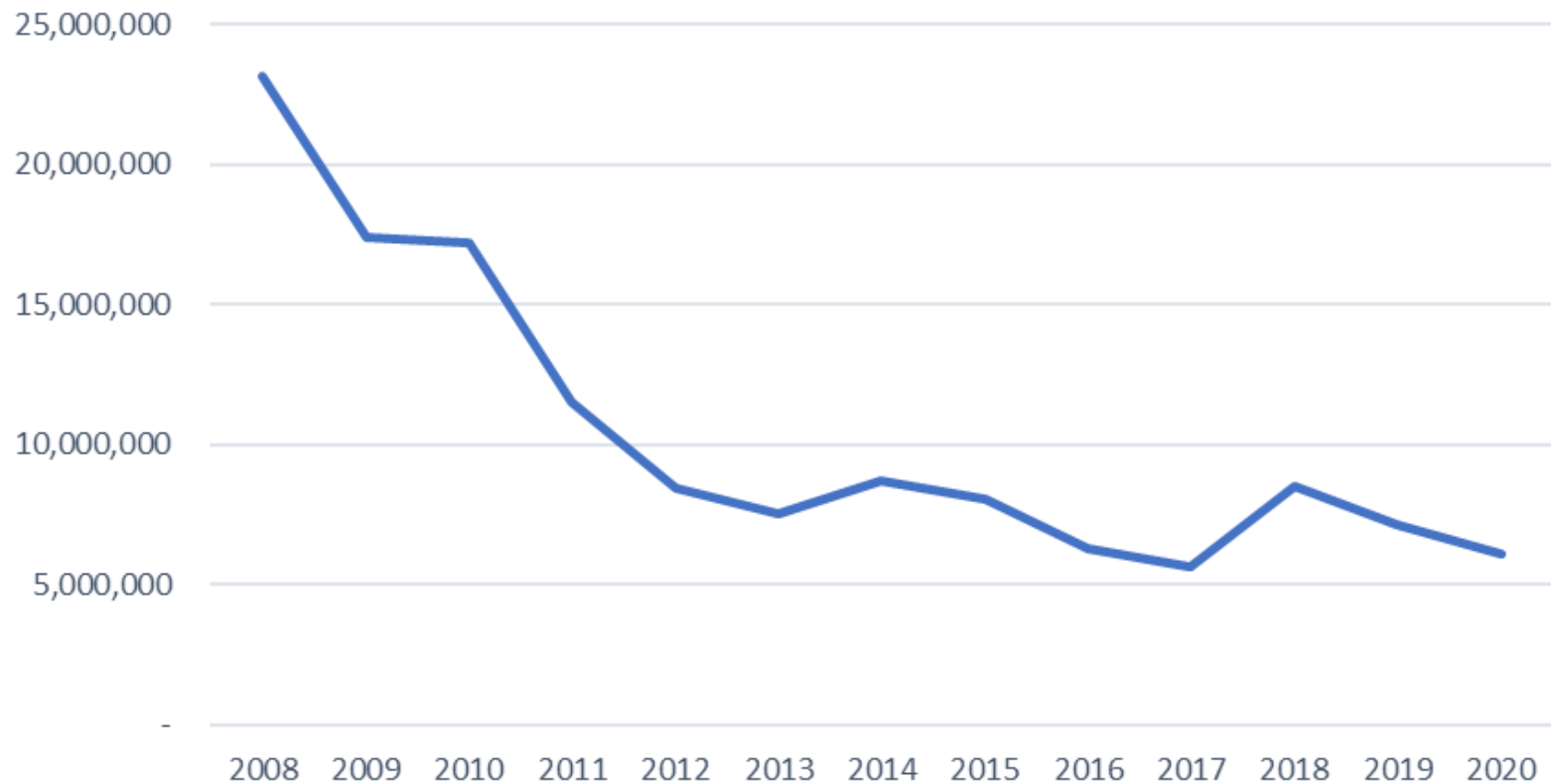
## CUNY Senior Colleges Funding Sources



|  |                                |                      |                          |
|--|--------------------------------|----------------------|--------------------------|
| <b>TAX LEVY BUDGET CONDITION - FY 2020</b> |                                |                      |                          |
| <b>FYE PROJECTED</b>                       |                                |                      |                          |
| <b>September 30, 2020</b>                  |                                |                      |                          |
|  |                                |                      |                          |
| <b>\$ 000s</b>                             |                                |                      |                          |
|  | <b>FYE 2019</b>                | <b>FY 2020</b>       | <b>CUNY FYE</b>          |
|  | <b><u>FINAL</u></b>            | <b><u>Budget</u></b> | <b><u>Projection</u></b> |
| <b><u>RESOURCES:</u></b>                   |                                |                      |                          |
| <b>Tax Levy Allocation</b>                 | <b>138,133</b>                 | <b>140,410</b>       | <b>146,672</b>           |
|  |                                |                      |                          |
| Revenue Target                             | 118,980                        | 122,374              | 122,374                  |
| Revenue Collections                        | 119,854                        | 123,227              | 120,528                  |
| <b>Revenue Condition</b>                   | <b>874</b>                     | <b>853</b>           | <b>(1,846)</b>           |
|  |                                |                      |                          |
| Prior Year CUTRA                           | 4,733                          | 5,240                | 2,951                    |
| <b>TOTAL RESOURCES</b>                     | <b>143,740</b>                 | <b>146,503</b>       | <b>147,777</b>           |
|  |                                |                      |                          |
| Labor Reserve                              | -                              | (8,051)              | -                        |
| <b>TOTAL NET RESOURCES</b>                 | <b>143,740</b>                 | <b>138,452</b>       | <b>147,777</b>           |
| Net of Labor Reserves                      |                                |                      |                          |
|  |                                |                      |                          |
| <b><u>EXPENSE:</u></b>                     |                                |                      |                          |
| PS Regular and Exec.                       | 104,930                        | 105,353              | 111,615                  |
| Adjuncts                                   | 18,070                         | 17,220               | 20,162                   |
| Temporary Service                          | 8,392                          | 7,417                | 8,436                    |
| <b>Total Personal Service</b>              | <b>131,392</b>                 | <b>129,990</b>       | <b>140,213</b>           |
|  |                                |                      |                          |
| UWI  | 1,306                          | 1,904                |                          |
| Academic Excellence                        | 147                            | 270                  |                          |
| QC OTPS                                    | 5,655                          | 5,160                |                          |
| <b>Total OTPS</b>                          | <b>7,108</b>                   | <b>7,334</b>         | <b>6,195</b>             |
|  |                                |                      |                          |
| <b>TOTAL EXPENSE</b>                       | <b>138,500</b>                 | <b>137,324</b>       | <b>146,408</b>           |
|  |                                |                      |                          |
| <b>CONDITION:</b>                          | <b>5,240</b>                   | <b>1,128</b>         | <b>1,369</b>             |
|  |                                |                      |                          |
|  | <b>DUE FROM TAP:</b>           |                      | <b>285</b>               |
|  |                                |                      |                          |
|  | <b>QC PROJECTED CONDITION:</b> |                      | <b>1,654</b>             |

# TAX LEVY OTPS REDUCTIONS

QC OTPS EXPENDITURE BY FISCAL YEAR



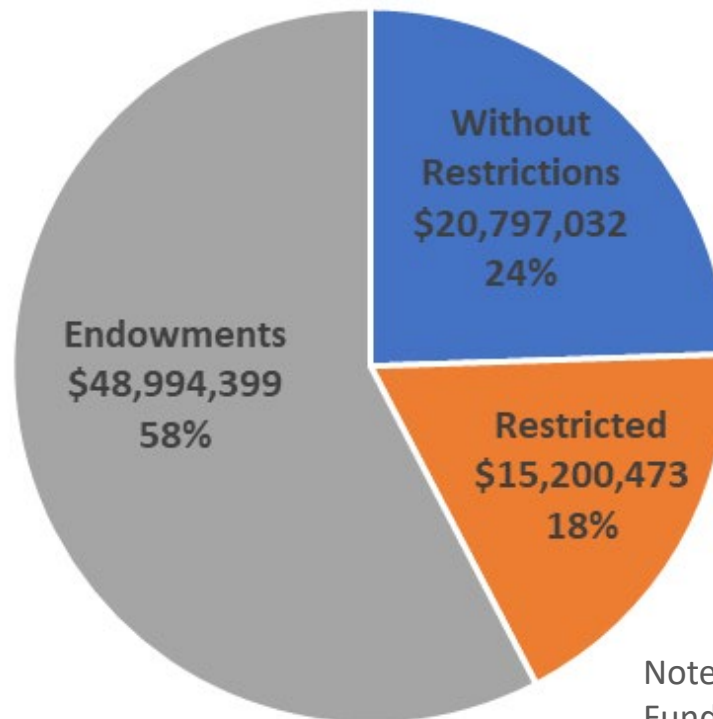


# STUDENT FEES

- Athletics and Recreation
    - \$820k collected from Fees; \$5.3m total budget
  - College Association
    - \$680k collected from Fees; \$1.6m total budget
  - Student Services Corporation
    - \$2.7m collected from Fees; \$3.6m total budget
  - Student Technology Fee
    - \$4.2m collected from Fees; \$4.2m total budget
-

# Queens College Foundation

## QC FOUNDATION NET ASSETS - FYE 2020



Total Net Assets:  
\$84,991,904

Note: 'Without Restrictions'  
Funds fund operating costs and  
scholarships

# RESIDENTIAL SUMMIT

- Revenue for 510-bed Residential Operation is primarily funded by fees paid by students living at Summit
    - ~\$7 million/year in bed revenue
  - Expense supports building, residential safety, staffing, and programming
  - Cost of Summit Building
    - Debt Service of per year \$4.1m/year
  - Challenges with reduced occupancy due to COVID
-

# CAPITAL PROJECTS

- ~\$95m in various state bonded projects in progress
  - ~\$20m in NYC Resolution A ('Reso A' grants from City Council/Borough Presidents) projects in progress
  - ~\$2m in various NYS Facilities Grants (CCAP/SAM)
  - ~\$5-6m in annual critical maintenance capital fund
  - ~\$390m in Deferred Maintenance currently
-

# CAPITAL PROJECTS

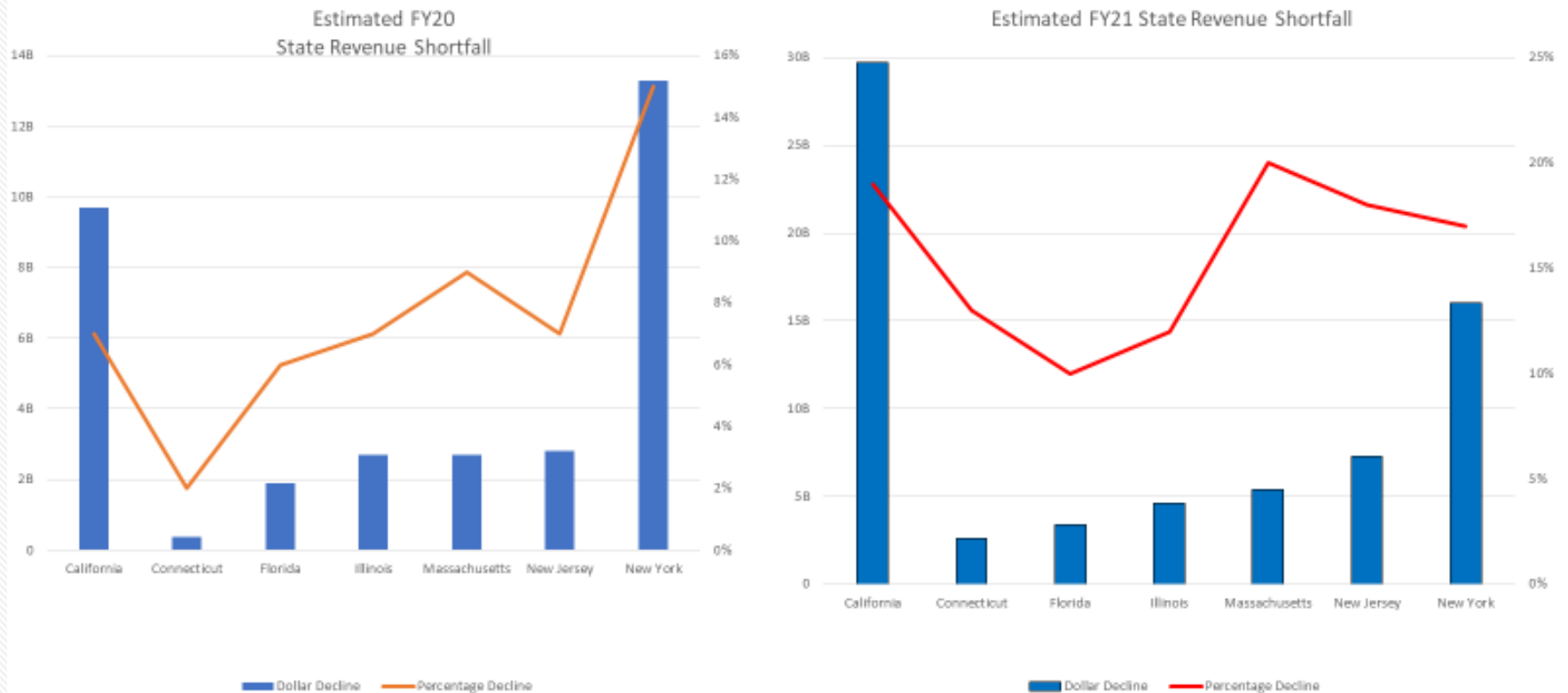
- New Roof for Gym
  - New Chiller Plant (1<sup>st</sup> Phase)
  - New labs for Physics & Anthropology
  - Boiler Plant Upgrades
  - New Phone System
-

# FISCAL CHALLENGES

- COVID-19
    - More than 60% of QC Budget from NYS
      - NYS Revenues Down Significantly
        - \$14.5 billion projected revenue decline for FY 2021
        - \$62 billion total loss as a result of COVID-19 now projected through FY 2024
      - CARES Act (Subsequent Slide)
  - Maintenance of Effort/Labor Cost Increases
  - Funding Designations
    - Cannot co-mingle funds
    - Must use funds only for designated purposes
      - RF, QCF, Student Fees, Summit, etc.
-

# BUDGET CHALLENGES

## COVID ACROSS THE U.S.



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# FISCAL CHALLENGES

- Tax Levy Funds
    - Potential 15-20% Allocation Reduction
      - Correlates to NYS Revenue Deficits
      - \$20+ million potential allocation reduction
    - Potential Reductions in Enrollment; returning students down
    - Lowered Student Collection Rate
  - Athletics Funds
    - Summer Camps potential \$2.5m revenue loss; \$1m net
    - Facilities Rental and Use potential \$1.2m revenue loss
  - Residential Operations
    - Loss of Residential Occupancy/Revenue
      - CUNY guarantor on debt service
      - Partial CARES support
-



# FISCAL CHALLENGES

- Federal CARES Act
    - \$16.7 million in Funding to Queens College
      - \$8.35 million Direct Students Aid
      - \$8.35 million Institutional Aid
        - Provides limited and specific funding to reimburse/cover: Tuition & Fee Revenue Loss; Health and Wellness; Technology for Instruction
        - \$4.1 million identified through June 30, 2020
        - Does not provide relief against NYS revenue losses, loss of CUNY allocation, most residential occupancy losses, or associated potential expense reductions, if necessary.
  - Additional Federal Aid Packages??
-

# BUDGET 101

- Your Part as a member of the QC Community
    - Understand Budgets and Budget Processes
      - Stay Informed
      - Queens College Financial Data page:
        - QC.edu -> VP for Finance and Administration -> Financial Data  
<https://www.qc.cuny.edu/about/administration/FinanceAdmin/Pages/QCAEC.aspx>
    - Understand the value of Queens College:
      - Approx 85% of QC students graduate debt free
      - Economic Impact Study
        - <https://www.qc.cuny.edu/about/MajorReports/Pages/EconomicImpactAnalysis.aspx>
    - Maintain dialogue with QC Budget and Finance
    - Serve as a Conduit to Faculty and Staff
-



# BUDGET 101

## Thank You Chance for Dialogue