



# THE STATE UNIVERSITY of New York

## MEMORANDUM

September 15, 2010

Office of the  
Chancellor

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**To: Members of the Board of Trustees**

**From: Nancy L. Zimpher, Chancellor**

**Subject: Amendments to Part 602 of 8 NYCRR (State Operating Assistance for Community Colleges)**

I recommend that the Board of Trustees adopt the following resolution:

Whereas the adoption on an emergency basis, and the publication of a Notice of Proposed Rulemaking, pursuant to the State Administrative Procedure Act, of amendments to Part 602 of 8 NYCRR, the Code of Standards and Procedures for the Administration and Operation of Community Colleges, is necessary to provide State operating assistance to the community colleges of the State University of New York and the City University of New York for the 2010-2011 college fiscal year; and

Whereas the 2010-2011 enacted budget bill with respect to the State University, Chapter 53 of the Laws of 2010, provides that the formula for State financial assistance for operating expenses of the community colleges of the State University of New York and the City College of New York is to be developed jointly with the Trustees of the City University of New York, subject to the approval of the Director of the Budget; now, therefore, be it

Resolved that the Chancellor, or designee, be, and hereby is, authorized and directed to prepare, in accordance with provisions of the State Administrative Procedure Act, a proposed regulation, to amend subdivision (c) of section 602.8 of said Title 8, to read as follows, subject to the approval of the Director of the Budget (brackets denote old material to be deleted; underlining denotes new material to be added):

**(c) Basic State financial assistance.**

(1) **Full opportunity colleges.** The basic State financial assistance for community colleges, implementing approved full opportunity programs, shall be the lowest of the following:

(i) two-fifths (40%) of the net operating budget of the college, or campus of a multiple campus college, as approved by the State University trustees;

(ii) two-fifths (40%) of the net operating costs of the college, or campus of a multiple campus college; or

(iii) for the current college fiscal year the total of the following:

(a) the budgeted or actual number (whichever is less) of full-time equivalent students enrolled in programs eligible for State financial assistance multiplied by [~~\$2,675~~ \$2,260]; and

(b) up to one-half (50%) of rental costs for physical space.

(2) **Non-full opportunity colleges.** The basic State financial assistance for community colleges not implementing approved full opportunity programs shall be the lowest of the following:

(i) one-third (33%) of the net operating budget of the college, or campus of a multiple campus college, as approved by the State University trustees;

(ii) one-third (33%) of the net operating costs of the college, or campus of a multiple campus college; or

(iii) for the college fiscal year current, the total of the following:

(a) the budgeted or actual number (whichever is less) of full-time equivalent students enrolled in programs eligible for State financial assistance multiplied by [~~\$2,230~~ \$1,884]; and

(b) up to one-half (50%) of rental cost for physical space.

(3) Notwithstanding the provisions of paragraphs (1) and (2) of this subdivision, a community college or a new campus of a multiple campus community college in the process of formation shall be eligible for basic State financial assistance in the amount of one-third of the net operating budget or one-third of the net operating costs, whichever is the lesser, for those colleges not implementing an approved full opportunity program plan, or two-fifths of the net operating budget or two-fifths of the net operating costs, whichever is the lesser, for those colleges implementing an approved full opportunity program, during the organization year and the first two fiscal years in which students are enrolled.

### **Background**

This resolution authorizes the amendment of the existing limitations formula for State financial assistance for operating expense of community colleges of the State University and the City University of New York. Budget legislation enacted on July 2, 2010 (Chapter 53 of the Laws of 2010) authorized a decrease in the operating aid for community colleges of the State University of New York and the City University of New York.

This resolution authorizes the amendment of the existing University regulations, which sets forth the formula for State financial assistance for operating expenses of community colleges of the State University of New York and the City University of New York. Formal rule making is required, and this resolution authorizes both the emergency adoption of the rules and the publication of a Notice of Proposed Rule Making. The amendments implement the requirements of Chapter 53 of the Laws of 2010.

Amendments to the limitation formula are developed jointly with the City University Trustees and are subject to the approval of the Director of the Budget. City University administrators have formally advised of their intention to recommend passage of the amendments to the City University Trustees. Senior staff of the Division of the Budget has advised that they will recommend approval of the amendments by the Director of the Budget upon submission of the amendments after formal action by the State University and City University Boards of Trustees.

Under the provisions of Chapter 53 of the Laws of 2010, basic State financial assistance for operating costs of community colleges for the 2010-2011 community college fiscal year has been decreased from \$2,675 to \$2,260 per full-time equivalent student. This amount will be subject to limitations based upon a calculation of the greater of either the actual full-time

equivalent credit and non-credit remedial enrollment 2009-2010 college fiscal year or the weighted average of college credit and non-credit remedial enrollment for the previous three years. Upon approval of the regulations, the community college base aid payments scheduled for September 2010, December 2010, and March 2011 will reflect the decrease in base aid.

The enacted State budget continues funding for community college childcare, which is distributed to the community colleges in accordance with guidelines, approved by the State University Trustees, and provides funding for contract courses, rental aid, high demand programs and child care centers.

The Emergency Adoption and the Notice of Proposed Rule Making are the first steps in the rule making process. A Notice of Re-adoption and Notice of Final Adoption will be presented to the Board when appropriate.