MEMORANDUM

September 10, 2015

TO: Members of the Board of Trustees

FROM: Nancy L. Zimpher, Chancellor

SUBJECT: Amendments to Part 600 of 8 NYCRR (State Operating Assistance for Community Colleges)

Action Requested

The proposed resolution authorizes the final adoption of the regulations regarding State operating aid for community colleges as set forth in the 2015/16 Enacted State budget.

Resolution

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

Whereas the final adoption of amendments to Part 602.8(c) of Title 8 of the Official Compilation of Codes, Rules and Regulations of the State of New York (“NYCRR”), 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 2015/16 college fiscal year; and

Whereas Chapter 53 of the Laws of 2015 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, which approval has been given; and

Whereas at its June 2015 meeting, the SUNY Board of Trustees approved the formula for State financial assistance for operating expenses of the community colleges of the State University of New York and authorized the publication of the proposed
amendments to the regulation under 8 NYCRR section 602.8(c), implementing such formula, which publication has been accomplished; now, therefore, be it

Resolved that 8 NYCRR section 602.8(c) be, and hereby is, amended as set forth below (brackets denote old material to be deleted; underlining denote 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 [$2,497] $2,597; 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 [$2,081] $2,165; 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 final adoption of the amendments to the existing limitations formula for State financial assistance for operating expenses of community colleges of the State University and the City University of New York. The amendments implement the requirements of the Enacted State budget (Chapter 53 of the Laws of 2015) and were developed jointly with the City University Trustees and approved by the Director of the Budget. At its June 16, 2015 meeting, the Board approved these amendments and, pursuant to formal rulemaking under the State Administrative Procedure Act, authorized publication of the emergency and notice of proposed regulations.

Under the provisions of Chapter 53 of the Laws of 2015, basic State financial assistance for operating costs of community colleges for the 2015/16 community college fiscal year has been increased from $2,497 to $2,597 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 for the 2015/16 college fiscal year or the weighted average or 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 2015, December 2015, and March 2016 will reflect the increase 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, The Next Generation NY Job Linkage program, and the Graduation, Achievement, and Placement (GAP) program.