



MEMORANDUM

November 5, 2015

TO: Members of the Board of Trustees

FROM: Nancy L. Zimpher, Chancellor

SUBJECT: Approval of the Methodology to Allocate the Investment and Performance Fund

Action Requested

The proposed resolution approves the methodology to be used to allocate the \$18,000,000 Investment and Performance Fund included in the 2015/16 Enacted State Budget.

Resolution

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

Whereas the 2015/16 Enacted State Budget included \$18,000,000 in direct State tax funding to be allocated to the State-operated campuses in support of the creation of the first ever "SUNY Investment and Performance Fund"; and

Whereas this investment, while one-time, represents the first substantial investment by the State of New York in direct State tax support since 2007/08; and

Whereas, in order to maximize the impact of this funding, SUNY augmented this \$18,000,000 by aligning other new, or existing, funding to create an Expanded Investment and Performance Fund totaling \$100,000,000 that was open to all SUNY institutions through a request for proposals (RFP) process; and

Whereas over 200 initial white papers were submitted and reviewed by external experts who then recommended

approximately 150 of these proposals to be submitted as official proposals; and

Whereas those 150 proposals have been further reviewed by the external experts; and

Whereas the Chancellor of the State University, after review and approval of individual Performance Improvement Plans (PIP), and in accordance with available funds, is required to approve a discrete number of proposals to receive a final award; and

Whereas it is in the best interest of the State University to have these proposals approved and funded within a short-time frame to enable the approved institutions to initiate the purposed activities; and

Whereas, pursuant to section 355 of New York State Education Law, the Board of Trustees must approve the allocation of funding, specifically related to the \$18,000,000 SUNY Investment and Performance Fund; now, therefore, be it

Resolved that the \$18,000,000 Investment and Performance Fund will be allocated to institutions with official proposals approved through the RFP process, following approval of their Performance Improvement Plans (PIP), with full Expanded Investment and Performance Fund proposals funded in such amounts as awarded by the Chancellor following the RFP process; and, be it further

Resolved that the Chancellor, or her designee, be, and hereby is, empowered to enter into a memorandum of understanding with each awardee. The terms of such memorandum of understanding may include, but not be limited to: final budget, approved timeline for expenditures, a schedule for assessment and reporting, and requirements for broadly sharing best practices across SUNY sectors, regions, and/or system-wide as appropriate; and, be it further

Resolved that, in acknowledgement of the number of high quality and impressive proposals received through this process, the Chancellor or her designee shall forward a summary of what could be accomplished in future rounds of this grant program – if funded – to the New York State

Division of the Budget (DOB) and appropriate houses of the legislature as part of its 2016/17 Operating Budget Request.

Background

The 2015/16 Enacted Budget included a direct State tax support appropriation of \$18 million to support an “Investment and Performance Fund” that would provide awards to each State-operated campus. These funds can be distributed to campuses based upon a Board of Trustees approved methodology developed by the Chancellor of the State University of New York upon a campus’ successful completion of a Performance Improvement Plan¹.

To leverage this investment, and to open the opportunity to all SUNY institutions, SUNY paired the \$18 million with other funding sources, totaling \$82 million, which included:

- \$55.0M: NY-SUNY 2020 Round Five
- \$ 9.5M: Empire Innovation Program (EIP)
- \$ 9.0M: Enabling Support
- \$ 4.4M: Education Opportunity Program Funding
- \$ 4.1M: Open SUNY Loans

The combination of these resources, \$100 million in total, comprises the Expanded Investment and Performance Fund.

At its June 2015 meeting, the Board of Trustees passed a motion in favor of the Expanded Investment and Performance Fund that included a methodology for allocation that included the formation of a working group comprised of campus presidents and System Administration professionals to create a Request for Proposals (RFP) document that would guide campus submission of proposals for a share of the \$100 million. To guide this process, a Board of Trustees Advisory Group was formed, comprised of the Chairs of the Academic Affairs, Community College, and Finance and Administration Committees as well as the Chairman of the Board of Trustees.

This RFP, which was shared with the entire university system and the Board of Trustees, included a two-step process (phases) for proposal submission, as well as the designation of a discrete group of outside “experts” who would work to review these submissions and make recommendations on both phases of the process.

¹ Chapter 50 of the Laws of 2015, Page 657, lines 32-48

The first phase, the development of one-to-two page “White Papers” resulted in over 200 White Papers being submitted for review. These submissions came from all segments of SUNY’s sectors and 61 campuses.

After external review, approximately 150 White Paper proposals were recommended for the second phase, the submission of “Official Proposals”. These Official Proposals have also been reviewed, both internally and externally, and recommendations for approval have been shared with the Chancellor. Final approval of these recommendations will occur pursuant to the final approval of campus Performance Improvement Plans.

Summary information related to each phase of the Expanded Investment and Performance Fund process can be found in the attached.”

Attachments

White Paper Phase

211 Proposals reflecting **\$464M** in total proposal value:

- \$336M related to **NY-SUNY 2020 Round Five**
- \$ 69M related to the **Investment Fund and Performance Fund**
- \$ 28M related to the **Empire Innovation Program (EIP)**
- \$ 18M related to the **Enabling Fund**
- \$ 11M related to the **Educational Opportunity Program (EOP)**
- \$ 3M related to **Open SUNY Loans**

Official Proposal Phase

152 Proposals reflecting **\$419M** in total proposed value:

- \$313M related to **NY-SUNY 2020 Round Five**
- \$ 63M related to the **Investment Fund and Performance Fund**
- \$ 21M related to the **Empire Innovation Program (EIP)**
- \$ 15M related to the **Enabling Fund**
- \$ 5M related to the **Educational Opportunity Program**
- \$ 2M related to **Open SUNY Loans**

- **108 Official Proposals totaling \$309M**
 - 33 related to **NY-SUNY 2020 Round Five**
 - \$234M in value versus \$55M
 - 53 related to the **Investment and Performance Fund**
 - \$45M in value versus \$18M available
 - 16 related to the **Empire Innovation Program (EIP)**
 - \$16M in value versus \$9.5M
 - 8 related to the **Enabling Fund**
 - \$8M in value versus \$9M
 - 14 related to the **Educational Opportunity Program**
 - \$4M in value versus \$4.4M available
 - 6 related to **Open SUNY Loan**
 - \$2M in value versus \$4.1M available



Official Proposals Rated “Excellent” or “Very Good”

Community Colleges - \$63.4M total (18 proposals)

- \$57.5M from **NY-SUNY 2020** (9 requests)
- Not eligible* for the **Investment Fund**
- No **EIP** requests
- \$5.0M from **Enabling Fund** (5 requests)
- \$912K from **EOP** (7 requests)
- No **Open SUNY Loans** requests

Comprehensives - \$63.0M total (34 proposals)

- \$40.5M from **NY-SUNY 2020** (7 requests)
- \$18.3M from **Investment Fund** (24 requests)
- \$583K from **EIP** (2 requests)
- \$460K from **Enabling Fund** (2 requests)
- \$1.7M from **EOP** (4 requests)
- \$1.5M from **Open SUNY** loans (3 requests)

Technology Colleges - \$74.2M total (20 proposals)

- \$65.6M from **NY-SUNY 2020** (9 requests)
- \$8.3M from **Investment Fund** (13 requests)
- No **EIP** requests
- No **Enabling Fund** requests rated E or VG
- No **EOP** requests rated E or VG
- \$241K from **Open SUNY** loans (1 request)

Doctoral - \$108.0M total (36 proposals)

- \$70.3M from **NY-SUNY 2020** (9 requests)
- \$18.5M from **Investment Fund** (16 requests)
- \$15.5M from **EIP** (14 requests)
- \$2.3M from **Enabling Fund** (1 request)
- \$1.0M from **EOP** (3 requests)
- \$480K from **Open SUNY** loans (2 requests)



* **Community Colleges are not eligible for Investment Fund by statute.**

Note: Figures are rounded and each proposal may have more than one funding source request.

Final Proposals Rated “Excellent” or “Very Good”

Capital Region - \$20.3M total (9 proposals)

- \$10.0M from **NY-SUNY 2020** (1 request)
- \$6.8M from **Investment Fund** (5 requests)
- \$500K from **EIP** (1 request)
- \$2.4M from **Enabling Fund** (1 request)
- \$398K from **EOP** (2 requests)
- \$200K from **Open SUNY** loans (1 request)

Central Region - \$51.7M total (16 proposals)

- \$38.4M from **NY-SUNY 2020** (9 requests)
- \$9.8M from **Investment Fund** (12 requests)
- \$1.0M from **EIP** (1 request)
- \$2.3M from **Enabling Fund** (1 request)
- No **EOP** requests rated E or VG
- \$241K from **Open SUNY** loans (1 request)

Finger Lakes Region - \$21.1M total (12 proposals)

- \$17.6M from **NY-SUNY 2020** (2 requests)
- \$2.9M from **Investment Fund** (7 requests)
- \$250K for **EIP** (1 request)
- No **Enabling Fund** requests rated E or VG
- \$238K from **EOP** (2 requests)
- \$100K for **Open SUNY** loans (1 request)

Long Island Region - \$45.9M total (10 proposals)

- \$30.1M from **NY-SUNY 2020** (3 requests)
- \$9.2M from **Investment Fund** (3 requests)
- \$3.8M from **EIP** (4 requests)
- No **Enabling Fund** requests
- \$1.5M from **EOP** (2 requests)
- \$1.3M from **Open SUNY** loans (2 requests)



Final Proposals Rated “Excellent” or “Very Good”

Mid-Hudson Region - \$24.5M total (4 proposals)

- \$24.0M from **NY-SUNY 2020** (3 requests)
- No **Investment Fund** requests
- No **EIP** requests rated E or VG
- \$450K from **Enabling Fund** (1 request)
- \$96K from **EOP** (1 request)
- No **Open SUNY** loans requests

Mohawk Valley Region - \$30.5M total (11 proposals)

- \$28.4M from **NY-SUNY 2020** (5 requests)
- \$1.9M from **Investment Fund** (7 requests)
- No **EIP** requests
- \$130K from **Enabling Fund** (1 request)
- No **EOP** requests rated E or VG
- No **Open SUNY** loans requests

North Country Region - \$30.7M total (15 proposals)

- \$23.8M from **NY-SUNY 2020** (3 requests)
- \$5.3M from **Investment Fund** (7 requests)
- \$333K from **EIP** (1 request)
- \$658K from **Enabling Fund** (2 requests)
- \$308K from **EOP** (2 requests)
- \$368K from **Open SUNY** loans (1 request)

NYC Region - \$5.0M total (4 proposals)

- No **NY-SUNY 2020** requests rated E or VG
- \$2.0M from **Investment Fund** (3 requests)
- \$3.0M from **EIP** (1 request)
- No **Enabling Fund** requests
- \$93K from **EOP** (1 request)
- No **Open SUNY** loans requests



Final Proposals Rated “Excellent” or “Very Good”

Southern Tier Region - \$27.2M total (11 proposals)

- \$23.6M from **NY-SUNY 2020** (3 requests)
- \$2.3M from **Investment Fund** (5 requests)
- \$1.3M from **EIP** (3 requests)
- No **Enabling Fund** requests
- \$38K from **EOP** (1 request)
- No **Open SUNY** loans requests

Western Region - \$51.5M total (16 proposals)

- \$40.0M from **NY-SUNY 2020** (4 requests)
- \$4.9M from **Investment Fund** (4 requests)
- \$5.9M from **EIP** (4 requests)
- \$1.8M from **Enabling Fund** (2 requests)
- \$935K from **EOP** (3 requests)
- No **Open SUNY** loans requests

