

**Report to the Baruch College Faculty
Submitted by Gabriel Eszterhas
Vice President for Administration and Finance
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Budget and Planning

FY11 Budget Update

The College faces significant fiscal challenges over the coming year. Baruch ended FY10 with no CUTRA (tuition revenue account balance), requiring us to rescind the \$1.6 million of programming supported by CUTRA in the prior year. The local impact of the State's \$88 million reduction to the senior colleges and a further 1.5% percent holdback for additional anticipated cuts required us to identify an additional \$3.5 million in savings, bringing our current spending reduction program to a total of \$5 million. In addition to this recognized loss of resources, the college must substantially increase enrollments to produce the tuition revenue required to support our current plan. In FY10, the college missed its revenue target by close to \$4.5 million. In FY11 Baruch will have to bring increase tuition revenue enough to close this gap as well as meet the FY11 target increase of \$862,000. Neither the University nor the College budget includes a tuition increase at this time, although an increase in the spring with some partial impact on College resources remains a possibility. Fall enrollments are up 3.7 percent and the College is currently planning to bring in a record 17,300 students for the spring semester. Despite this large increase in students served, Baruch will also have to substantially increase Summer and winter session enrollments over FY10 levels if we are to meet our revenue target.

Each school and vice presidential division have submitted their reduction plans and these have been ratified by cabinet. Each area addressed the needed reductions in a manner that seemed to best serve the particular needs of the area while attempting to maintain student services first and then academic services. However the magnitude of the reduction is such that not all student and academic services can be maintained at previous levels.

As State budget conditions for the coming year continue to erode, the college expects the University to require further tightening and more targeted spending of limited resources. Any relief provided would have to come through tuition rate increases

The Baruch College Funds FY11 adopted budget at \$14.3 million is slightly higher than FY10 levels and is a testimony to the generosity of our donors even in these difficult times. That said the fund's FY11 budget is still lower than FY09 and FY08 budgets. Increasingly donors are providing narrowly restricted gifts, which although still beneficial does not allow the College much freedom of maneuver in maintaining or increasing investment in College identified priorities. Less unrestricted funds also represent a reduction in funding to College Advancement, which in turn reduces opportunities to pursue fundraising opportunities.

Budget Reductions: The budget office has reduced its FY11 budget by downgrading and holding open a vacant position.

Finance

On July 1, 2010 Sandy Ho was appointed Acting Bursar Manager and Lee Chee, the College's Tax-levy Accounts Payable Supervisor retired. Any issues or questions relating to Accounts Payable can be addressed by the Controller, Carmine Tedesco. Carmine can be reached at carmine.tedesco@baruch.cuny.edu or (646) 660-6573.

In order to improve service to students new cash registers were installed and computers were updated in the Bursar's Office. In addition CUNY has launched an initiative to provide refunds to students via debit card, rather than mailing them a check. The debit card carries no fees to the students and can be used for any purpose anywhere a debit card is accepted. This not only gets the refund to students more quickly, it reduces processing costs (check writing and postage) for the central finance office.

Staff from the Finance areas continues to work closely with staff from Student Affairs and Enrollment Management and BCTC to improve compliance with Financial Aid disbursement regulations. This fall staff will be attending a presentation on Family Educational Rights and Privacy Act (FERPA).

On January 7, 2011, the College will host CUNY's third annual Minority/Women-owned Business Enterprises procurement conference. This event promotes opportunities for MWBE's to participate in the bidding process for the purpose of supplying goods and services to the University.

Budget Reductions: The finance area has reduced its FY11 budget by dramatically reducing other than personnel expenses (OTPS) across all its offices; is working on completing a plan to almost eliminate central copying except for a few well defined users, at specific times, for specific academic purposes; and will leave certain vacant positions open.

Facilities and Buildings and Grounds

Closure of 25th Street: Baruch has had a preliminary meeting the Department of Transportation (DOT) to express its desire to close the section of 25th Street, between 3rd and Lexington Avenues. DOT indicated that a traffic study is the first step in the process in order to determine the impact on traffic due to the street closure. This is the next step to be accomplished

Annex Building: Negotiations with the owner of the Annex to extend CUNY's lease have failed. CUNY is in the process of negotiating with a nearby landlord for alternate space. Facilities is beginning planning to move all J Building tenants to a space.

Presidential Relocation: Facilities successfully planned and executed a move of the Provost and President (and staff) to the 7th floor of the Administration Building.

The custodial department received high praise at the beginning of the school year because of their successful "summer cleaning project" efforts. Over 7000 work orders were completed this summer by this team.

Budget Reductions: Facilities and building and grounds have reduced their FY11 budget with reductions in OTPS; elimination of several vacant positions; and most noticeably by dramatically decreasing overtime. This last action will have impacts of event scheduling, space utilization and at isolated times cleanliness and speed of repairs to building systems.

Construction and other significant projects –

Field Building at 17 Lex- The architectural firm of Davis, Brody, Bond continues to design the first phase of renovation. Phase one is being planned to fully expect the initial appropriation from the state. However the initial appropriation's size will narrow the initial phase to infrastructure work and this design package is referred to as Phase IA. Construction of Phase IA is planned to begin in summer 2011. The state has also approved the long delayed construction manager contract. The firm Liro was selected through a competitive RFP process. They have joined the project team and are already providing invaluable constructability reviews, suggesting construction methods, and working on phasing the project.

Other projects

- **Escalator Replacement Project in the Vertical Campus:** a vendor (Kone) has been selected and has begun assembling escalators. The first two escalator replacements will begin installation at the end of October, 2010 (basement levels of the ARC). The remaining eight escalator replacements will occur over the next year and the project completion will be October, 2011.
- **25th Street exterior lighting installation:** CUNY is awaiting authorization to proceed with this project from the state.
- **135 East 22nd Street Fire Alarm System:** This building's fire alarm system is scheduled to receive some required upgrades. A vendor has been selected and specifications of the work are complete. We expect this work will happen within the next six months.
- **24th Street Canopy installation:** CUNY/DASNY is about to award the project to a general contractor and construction should begin this winter.
- **The fan replacement project in the Library/Infotech Building** has been completed. As a result we expect the building will maintain proper cooling and ventilation during the summer months.
- **We will begin design of a package of enhancements to BPAC** shortly, utilizing funds generously provided by our local elected officials.

Human Resources - Benefits

Early Retirement Incentive 2010: CUNY is participating in the state's Early Retirement Incentive. We have been responding to inquiries regarding the program. We currently have 21 participants. There continue to be ERI informational meetings scheduled by CUNY. The most recent event was held on October 15th.

Benefits Fair: The fourth annual Benefits Fair was held on October 19th. A total of 25 vendors were scheduled to participate. This fair has been a success in the past four years and we anticipate another record turnout.

Open Enrollment: Open enrollment will be this fall. A general email announcement with specific dates for each plan will be sent out shortly. This is the one time during the year when employees can change medical plans and elect to put pre-tax funds into an account to pay for non-reimbursable medical, dental, and dependent care expenses.

Retirement Information Sessions: We have had representatives for the 457 deferred compensation plans, TIAA-CREF and MetLife on campus to provide one on one counseling sessions with our employees this semester. We will continue to provide this resource during the rest of the academic year.

Paid parental Leave: CUNY recently implemented this 8 week paid benefit for Instructional Staff members. In 2010 thus far we have had 20 participants.

Dedicated Sick Leave Program: The program was just rolled out this past summer. It allows employees to donate their sick leave to colleagues who have serious medical conditions and has depleted their sick leave allotments.

Human Resources - Training and Development

Learning Opportunities: Three programs were offered in the spring semester and over the summer, "Customer Service," "Civility and Violence," and "Domestic Violence and the Workplace." In addition to on-campus learning opportunities, Human Resources staff have communicated to the campus and facilitated the enrollment in various training opportunities through the CUNY Office of Professional Development and Learning Management and the Citywide Training Center.

Customer Service: The "Customer Service" call was a joint program offered by Continuing and Professional Studies and the Office of Human Resources. Over 100 staff from 19 departments attended a full-day session. The course design was an experiential workshop that covered both internal and external customer service, utilizing role-plays and participants' real life examples to enhance learning.

Domestic Violence Prevention: The Domestic Violence Liaison along with members of the Domestic Violence Prevention Committee continued to provide education regarding intimate partner violence in the workplace. Several sessions of "Domestic Violence and the Workplace" were conducted for faculty and staff to address this growing area of concern. All faculty and staff who have supervisory responsibilities are required to attend a session. A total of 144 faculty and staff have attended this mandatory course. We are currently working toward full compliance with the CUNY policy on domestic violence.

Civility and Violence: As a public employer, CUNY is required by the New York State Workplace Violence Prevention Law to develop and implement a program to prevent workplace violence. All faculty and staff are required to attend mandatory training on how to recognize signs of potentially violent situations. Currently, over 850 faculty and staff have attended one of the sessions. Full compliance with this law means all faculty and staff must attend a training session on the topic and complete an annual retraining requirement. In addition to helping the College reach full compliance, everyone who attends gains awareness of this important issue and the importance of addressing concerns early, thereby helping to eliminate or minimize threatening incidents to maintain a secure, safe and healthy campus environment.

Budget Reductions: Human Resources has reduced its FY11 budget by downgrading and holding open vacant full time positions, reducing college assistants and reducing OTPS.

CUNYfirst

Human Capital Management

Human Resources has been working closely with school/division business managers on the procedures and work flow the College will utilize in the human resources module of CUNYfirst. We have conducted a fit-gap of current practice to system capabilities, trained concepts of system use, and completed approximately 75% of data clean up required.

Student Information Systems

The college's bursar, admissions, registrar, financial aid, and testing staff have been monitoring the implementation of campus solutions (student information system) at Queens and Queensborough. Once those colleges' implementations are complete, we will join the queue for campus implementations. Although Baruch's implementation is a year or two away, once the first CUNY implementation are completed, there will be data conversion and data cleaning tasks for us to undertake.

Finance

CUNY continues to evaluate procurement and accounts payable modules implementation. Any further implementation will occur at the beginning of new fiscal years. We expect some more functionality to be implemented for July 1, 2011.