

New York has an Inequality Crisis.



Pat Arnow

CUNY Is the Solution.

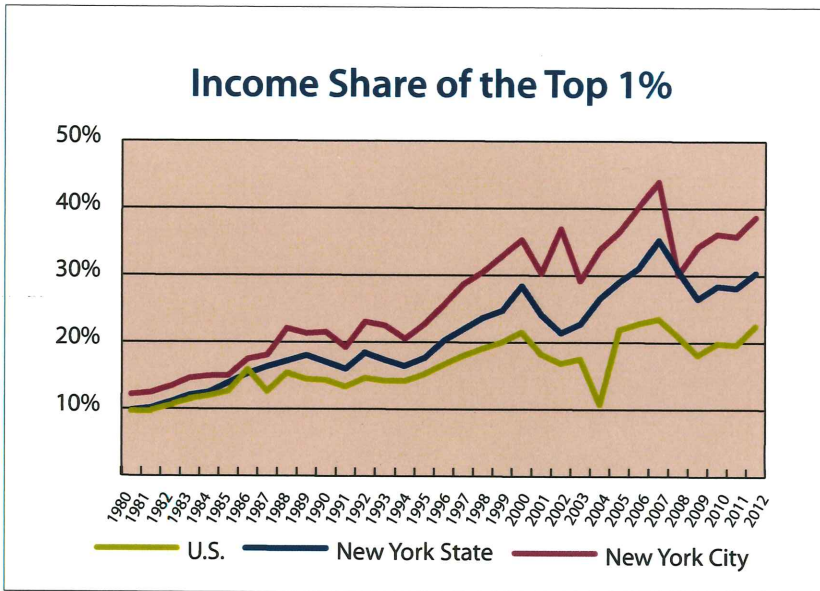


PROFESSIONAL STAFF CONGRESS

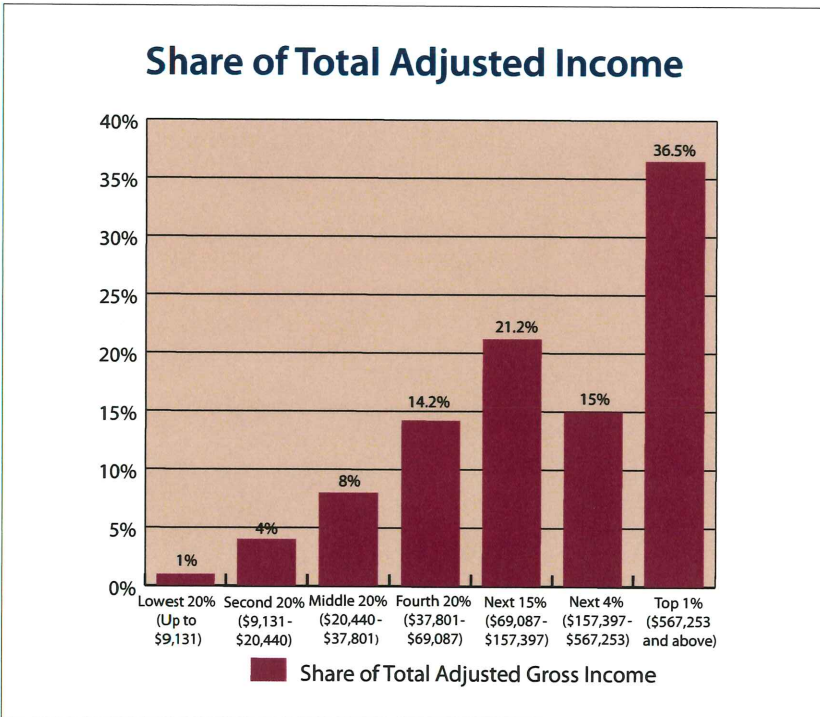
Spring 2014

New York has an inequality crisis.

The state's economy isn't working for most New Yorkers. The income share of the top 1% has risen dramatically while real wages and family incomes haven't changed for most New Yorkers.



Statewide, the top 1%'s share of income has tripled since 1980.



In New York City, the top 1% earns more than the bottom 80% of New Yorkers combined.

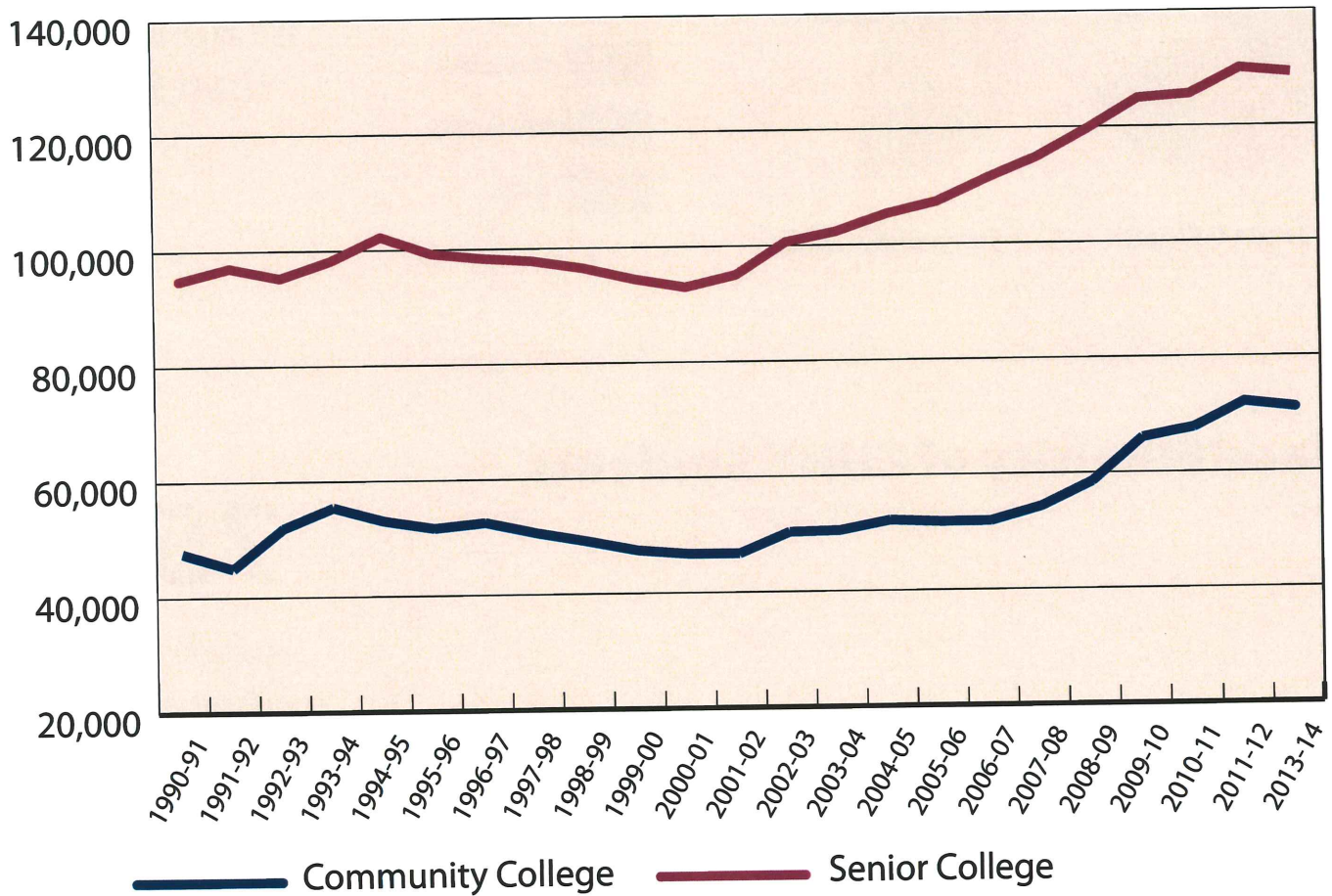
CUNY can be a catalyst for shared prosperity in an economy with well-educated workers and good-paying jobs.

Sources: Piketty and Saez analysis for top 1% income share for the US, Fiscal Policy Institute analysis for top 1% income share NYS and NYC; Fiscal Policy Institute analysis for income group share of total adjusted gross income.

Record numbers of New Yorkers are turning to CUNY for a chance at a better life.

Full-time equivalent (FTE) student enrollment at CUNY has increased by 40% since 1990-91 and by 12% since 2000-01.

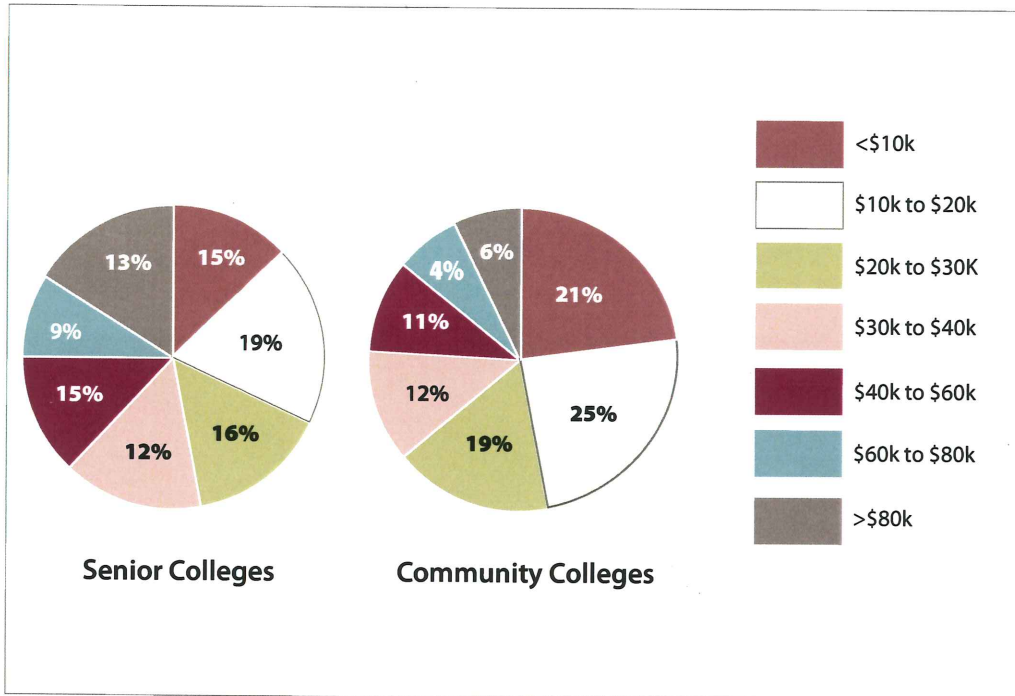
CUNY FTE Enrollment (Fall 1990 - Fall 2013)



Headcount enrollment at CUNY in Fall 2013
 Senior Colleges: 171,657; Community Colleges: 98,409

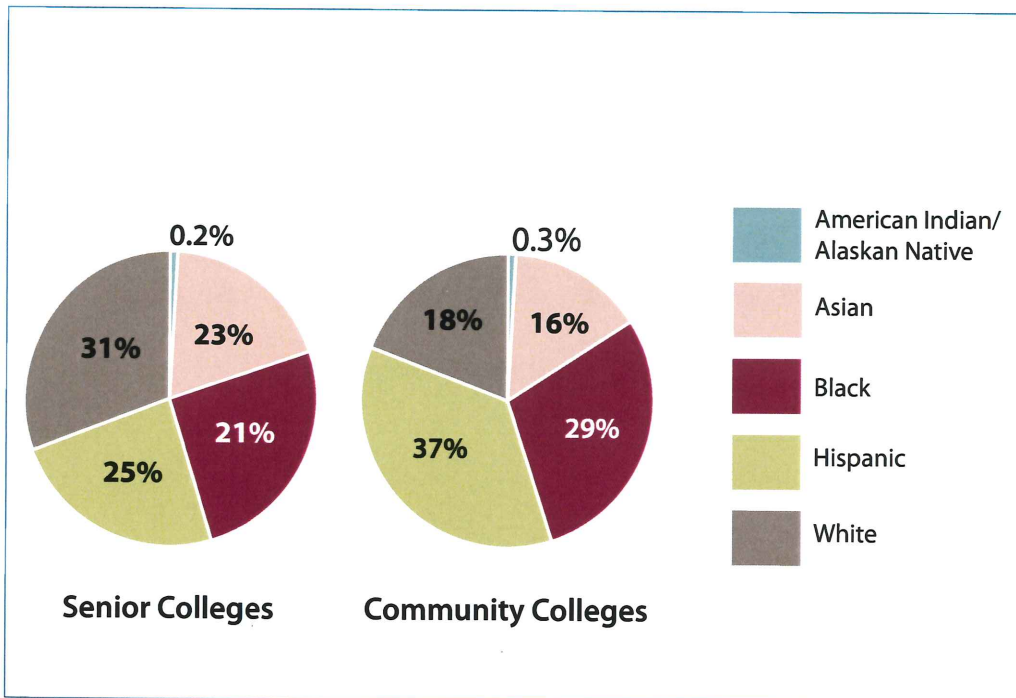
CUNY is a source of opportunity for New Yorkers who are poor

Household Income of CUNY Students



56%
of all CUNY
undergraduates
have household
incomes less
than \$30k

Race\Ethnicity of CUNY Students



75%
of all CUNY
undergraduates
are people
of color

Sources: Source: 2012 CUNY Student Experience Survey, <http://cuny.edu/about/administration/offices/ira/ir/surveys/student/SES2012FinalReport.pdf>

and middle-income, immigrants or people of color.



42% of CUNY undergraduates work



15% are raising kids



40% are immigrants



57% are women



45% are first generation in college



39% experience food insecurity

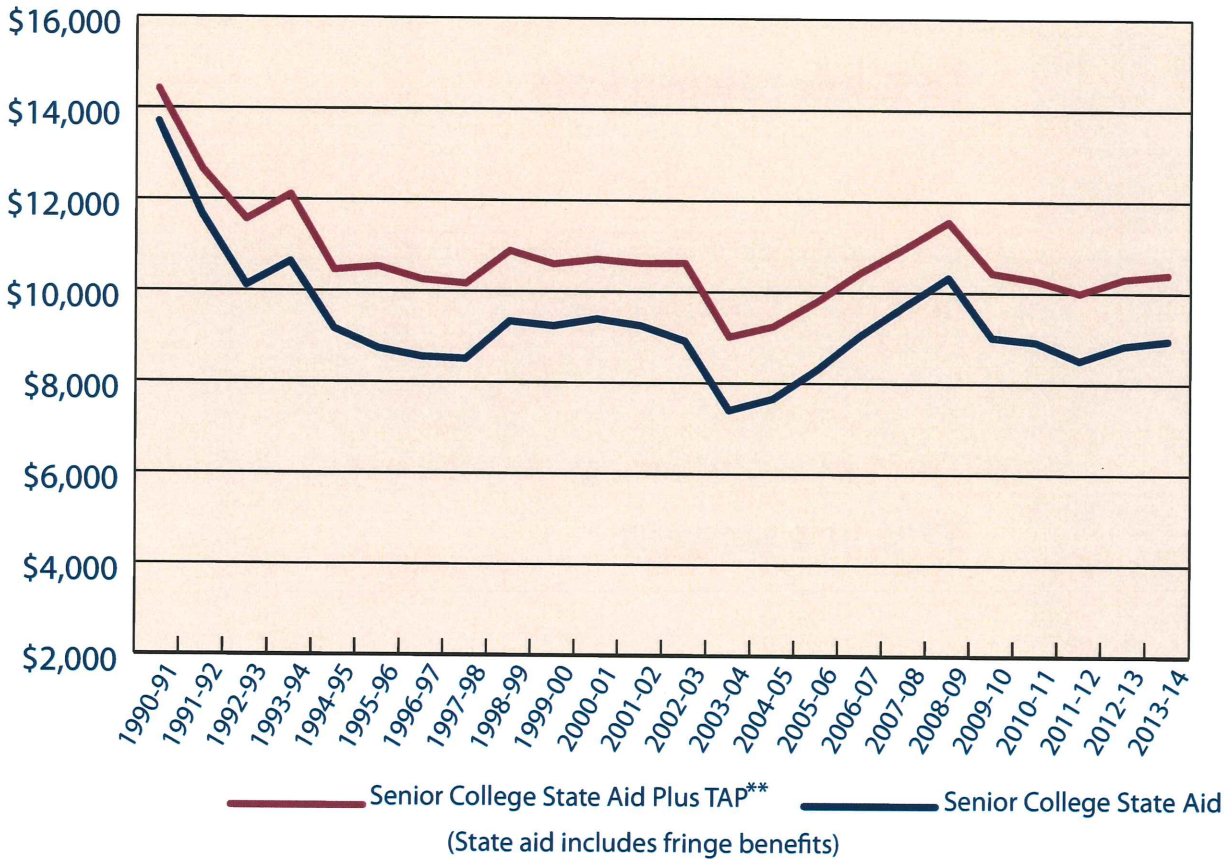


42% experience housing insecurity

Sources: 2012 CUNY Student Experience Survey, <http://cuny.edu/about/administration/offices/ira/ir/surveys/student/SES2012FinalReport.pdf>; Data on food & housing insecurity from 2011 Campaign for a Healthy CUNY, CUNY School of Public Health; <http://web.gc.cuny.edu/che/cunyfoodinsecurity.pdf>; <http://web.gc.cuny.edu/che/cunyhousinginstability.pdf>

Instead of investing more in opportunity, Albany has underfunded CUNY senior colleges.

CUNY Senior Colleges: Revenue per FTE Student
State Aid per FTE Student (Inflation-Adjusted)*

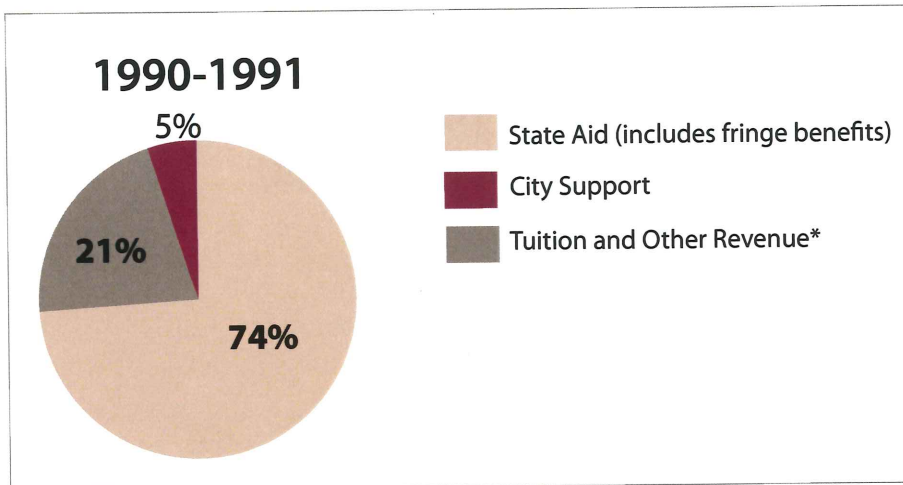


Per FTE student, revenue from State aid plus TAP has fallen 27.9% at the CUNY senior colleges since 1990-91. Per FTE student, revenue from State aid without TAP has fallen 34.6% since 1990-91.

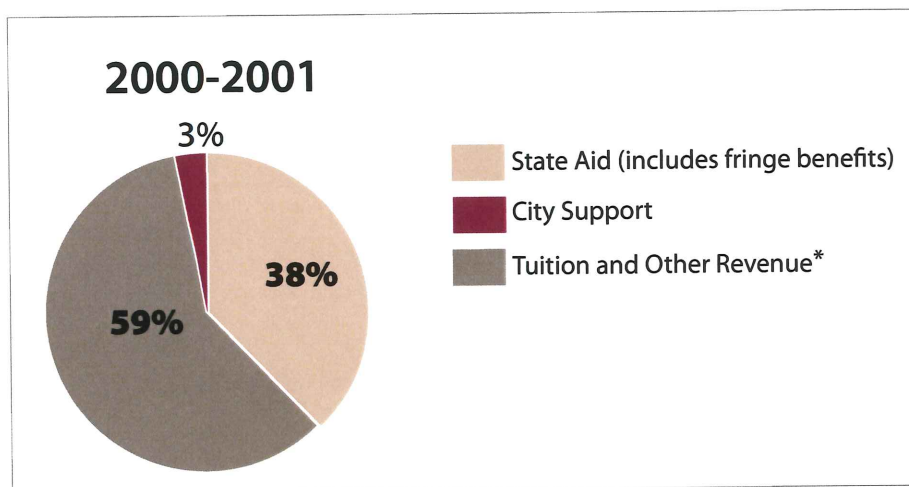
*Figures are adjusted for inflation with the Higher Education Price Index (HEPI) issued by the Common Fund Institute. HEPI is commonly used because it is a more accurate indicator of changes in costs for colleges and universities than the Consumer Price Index. HEPI is based on a market basket of goods and services that make up the operational costs of colleges and universities.

**The Tuition Assistance Program (TAP) provides need-based grant aid to 98,000 senior and community college students at CUNY. But State investment in financial aid doesn't increase total operating revenues to CUNY.

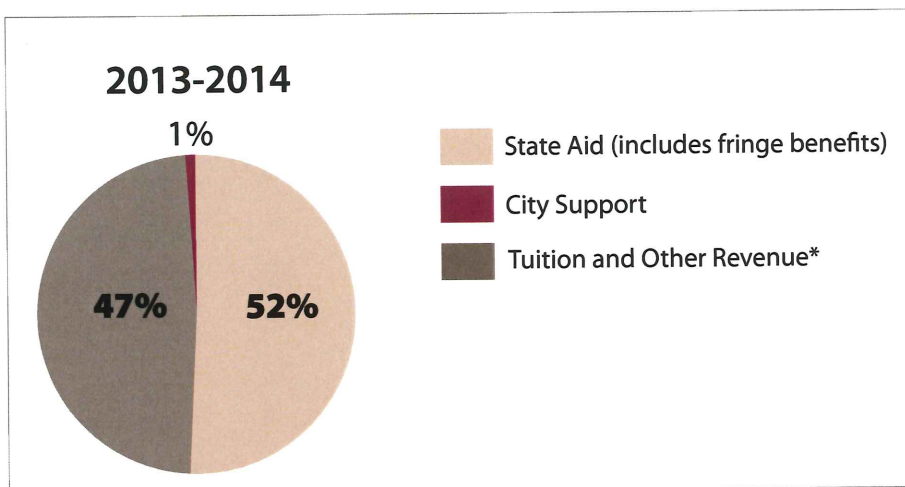
The State is paying a smaller share of the cost of operating CUNY Senior Colleges.



Between 1990-91 and 2013-14, revenue from State aid to CUNY senior colleges declined as a proportion of total revenues, falling from 74% to 52%.



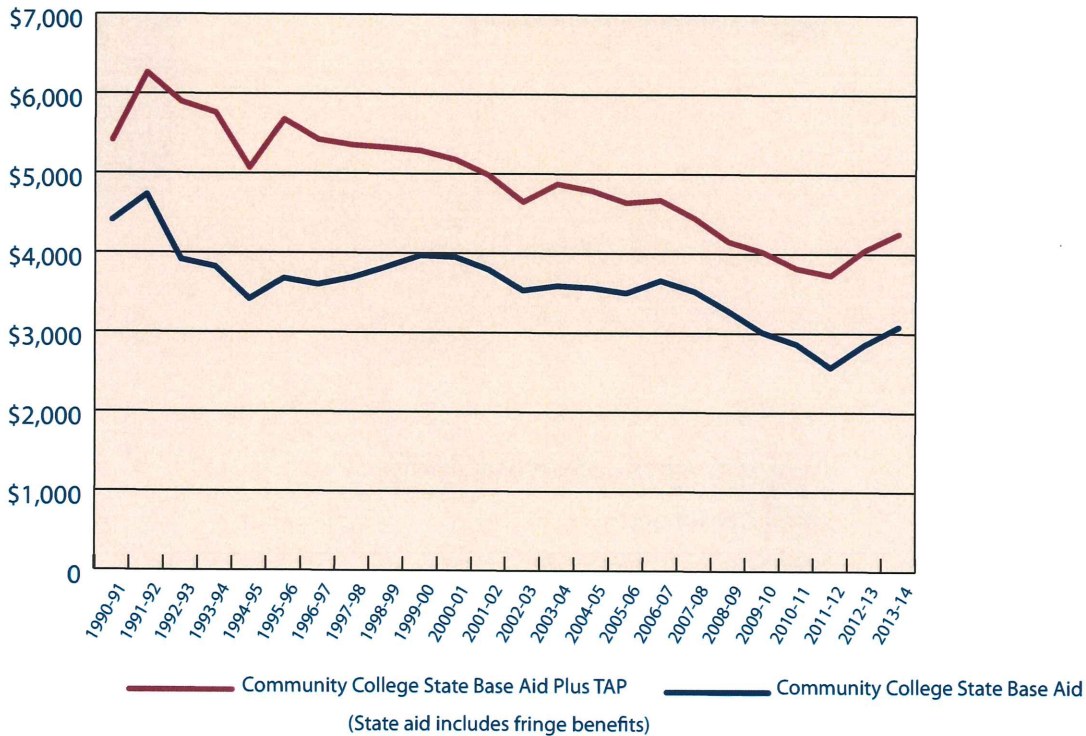
Over the same period, tuition and fees change has to have more than doubled as a proportion of total senior college revenues, rising from 21% to 47%.



*"Tuition and Other Revenue" includes tuition, student fees, IFR funds used to support tax-levy operations, and philanthropy. For senior colleges, tuition and fees account for 44% of the total revenue this year; IFR and philanthropy equal 2.8%. Over this 23-year period, tuition and fees have more than doubled as a proportion of total senior college revenues, rising from 21% to 48%.

Community colleges are a national priority, but Albany continues to underinvest in them.

CUNY Community Colleges: Revenue per FTE Student State Aid per FTE Student (Inflation-Adjusted)

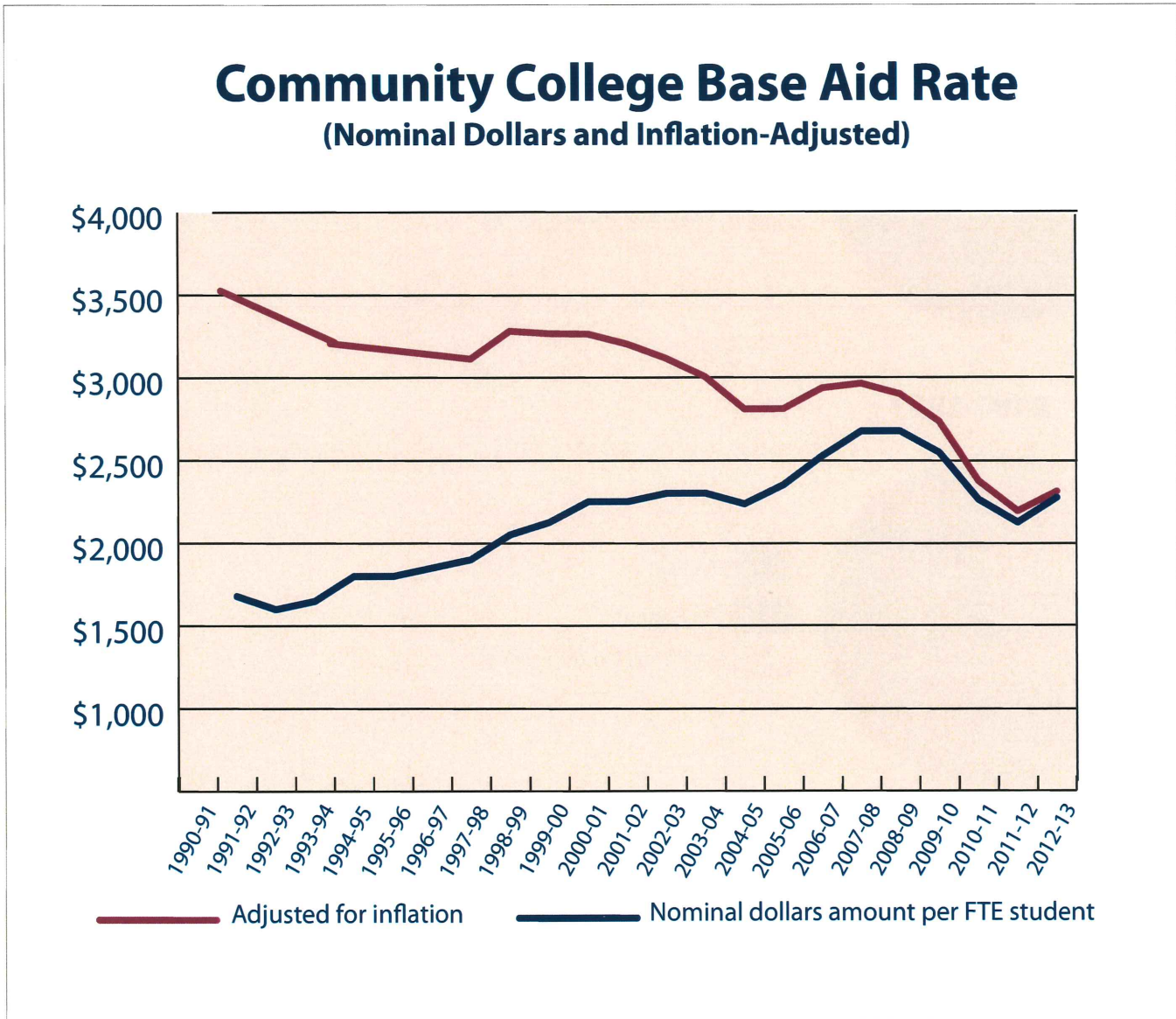


ASAP—Accelerated Study in Associates Programs—shows what CUNY can achieve with significant investment in community college students. The program has increased retention and graduation rates among entering freshmen—including those with modest remedial needs. ASAP’s three-year graduation rate is 56%, well over twice the rate for a comparison group in a recent study.

Per FTE student, revenue from State aid plus TAP has fallen 21.5% at the CUNY community colleges since 1990-91. Per FTE student, revenue from State aid without TAP has fallen 30.1% since 1990-91.

Instead of investing more in opportunity, Albany has underfunded community colleges.

Despite recent restorations to the community college Base Aid rate and State education laws calling for the State to provide up to 40% of community college revenue, CUNY community colleges are significantly underfunded.



The State Base Aid rate per FTE for community colleges has declined by 31.2% since 1990-91 and by 16.4% since 2008-09 when adjusted for inflation.

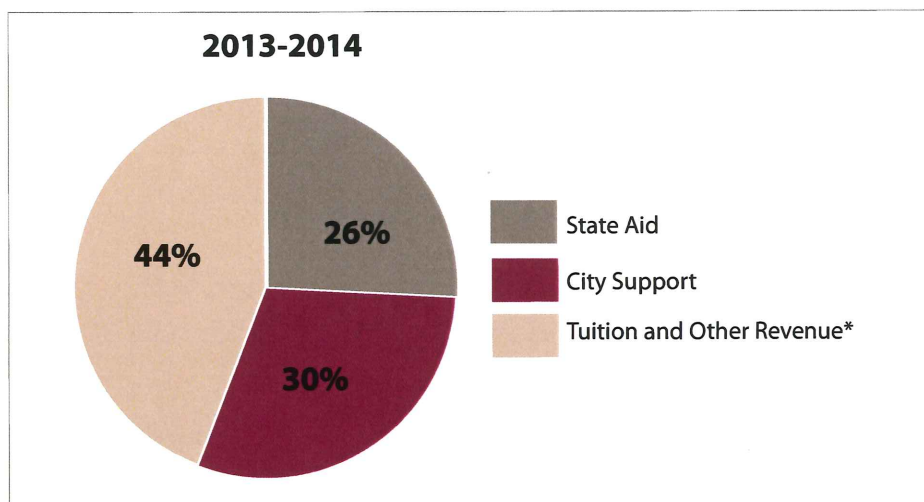
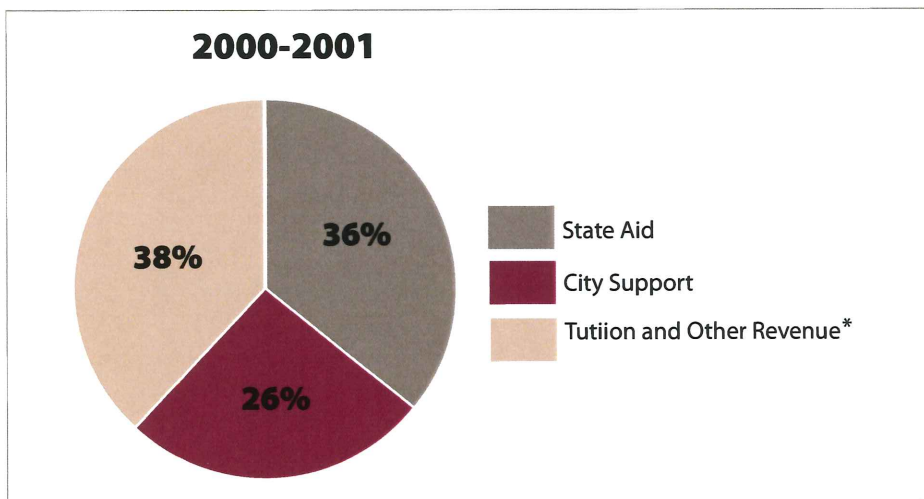
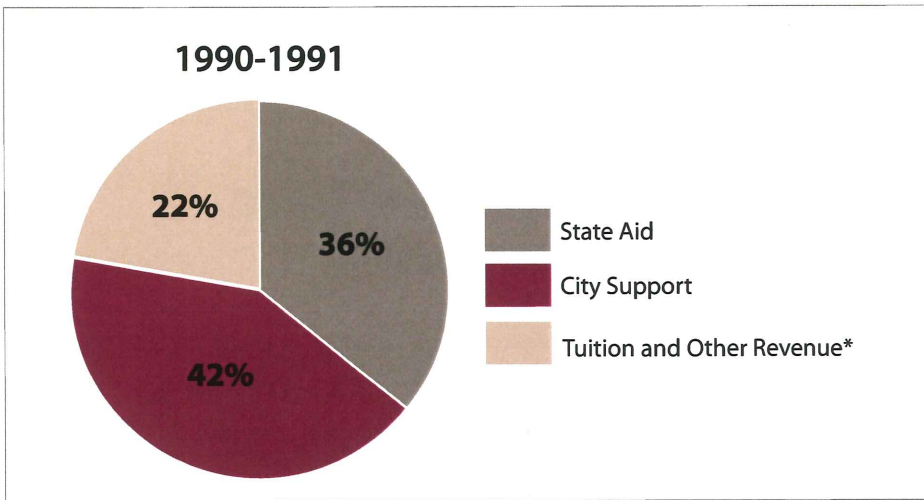
The State Base Aid rate in 2008-09 was \$2,675 per FTE student. Adjusted for inflation, this is \$2,899 today, which is \$477 more than the current rate of \$2,422 per FTE student.

CUNY would have had an additional \$34 million for full-time faculty, counselors, and other critical student supports if State Base Aid had stayed at its inflation-adjusted 2008-09 level.

Students are paying a greater share of the cost of operating CUNY community colleges.

As State aid to CUNY falls, CUNY relies more heavily on tuition.

Between 1990-91 and 2013-14, State support for CUNY community colleges declined as a proportion of total revenues, falling from 36% to 26%



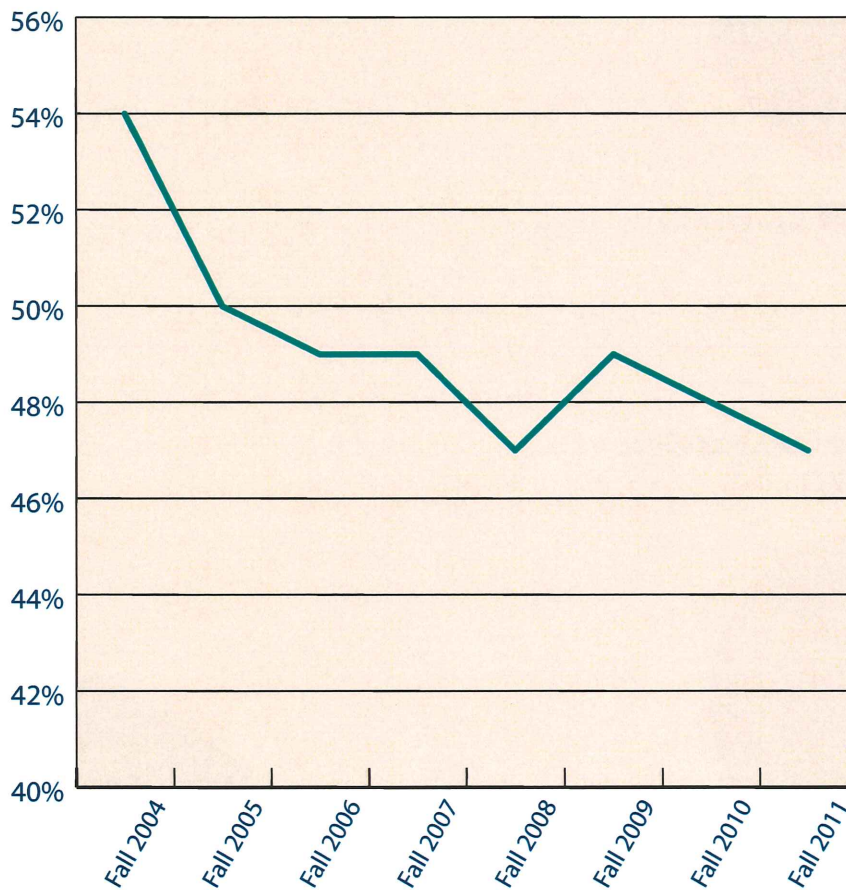
Over the same period, tuition and fees have doubled as a proportion of total community college revenues, rising from 22% to 44%.

*"Tuition and Other Revenue" includes tuition, student fees, and philanthropy. For community colleges, tuition and fees account for 41.3% of the total revenue this year; philanthropy equals 2.5%.

Students face a shortage of full-time professors because of Albany's disinvestment in CUNY.

In Fall 1975, 11,500 full-time faculty taught 250,000 CUNY students. In Fall 2013, CUNY employed 7,336 full-time and had taught 270,000 students.

Percentage of Instructional FTEs Delivered by Full-time Faculty (CUNY-wide)



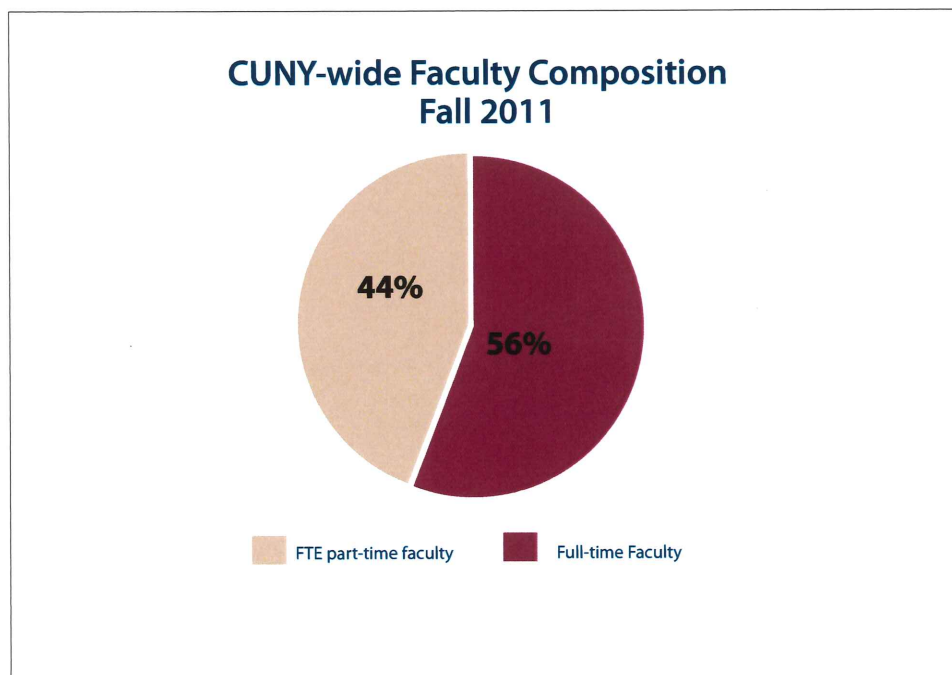
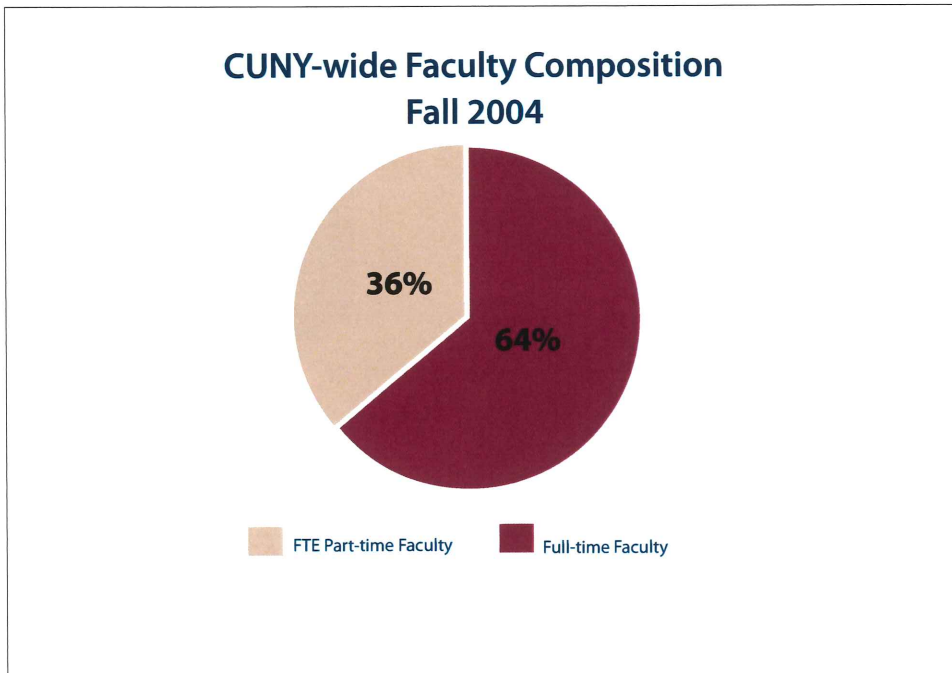
The share of instructional hours taught by full-time faculty at CUNY has fallen 8% since 2004.

CUNY's hiring of full-time faculty over the past decade has been far outpaced by enrollment growth. "Despite a net 23% increase (1,363 new full-time faculty) over the past ten years, the percentage of instruction provided by full-time faculty has continued to slip, and the ratio of student FTE's to full-time faculty members at CUNY has risen, from 27.6 in Fall 2003 to 30.0 in Fall 2013."*

*Source: CUNY 2014-15 Operating Budget Request, page 12, <http://www.cuny.edu/about/administration/offices/bf/FY2015BudgetRequest.pdf>

Most CUNY courses are taught by adjunct faculty because of Albany's disinvestment in CUNY.

As investment in full-time faculty has failed to keep up with enrollment growth, CUNY has increasingly depended on adjunct faculty.



The proportion of CUNY faculty who were FTE adjuncts rose from 36% to 44% from Fall 2004 to Fall 2011.

Adjunct faculty are treated as low-paid, disposable workers. They need greater job security, better pay, and stable benefits to provide a consistently high-quality educational experience.

New York needs a long-term strategy for quality education to increase the ranks of full-time faculty and professional staff and to treat adjuncts fairly.



Pat Arnow

More full-time faculty and instructional staff means

- ▶ More availability of courses students need to graduate
- ▶ More time for students and course prep
- ▶ Greater opportunity for research
- ▶ Greater engagement with campus life
- ▶ Smaller classes

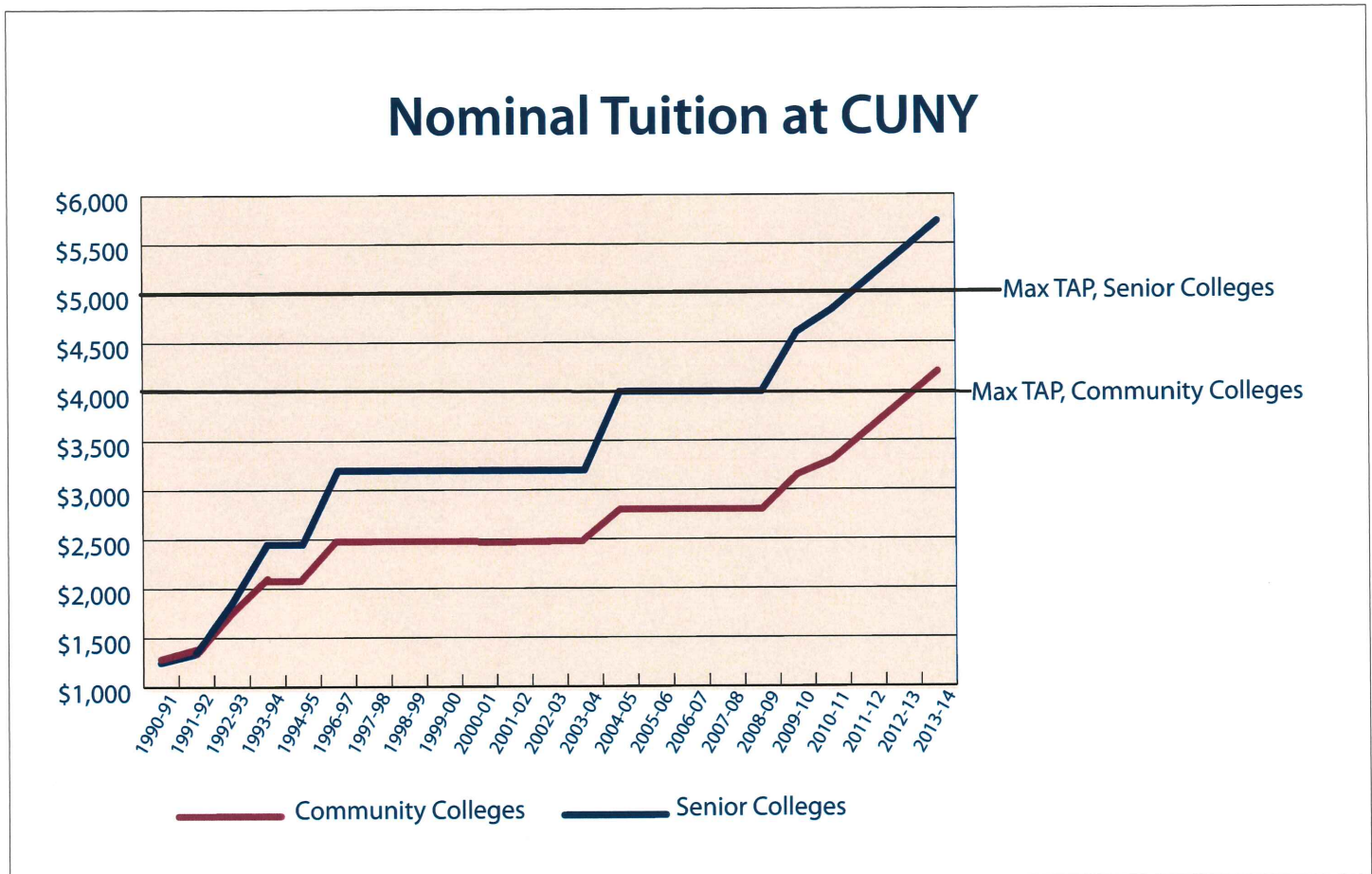
Better pay and working conditions for adjuncts means

- ▶ More time to guide and advise students
- ▶ More timely graduation
- ▶ More faculty research

CUNY students have paid the price for Albany's disinvestment in CUNY.

Senior college tuition has more than quadrupled since 1990-91; community college tuition has more than tripled since 1990-91.

The SUNY 2020 law increases tuition \$300 per year from 2011-12 through 2015-16, a total hike of \$1,500.



CUNY is required to fill the gap between the maximum TAP award and tuition for low-income students. This helps protect access for students, but leaves CUNY without critical revenue that would have been available if the maximum TAP award had covered the whole cost of tuition. **The cost to CUNY will be \$42 million in 2014-15.**

PSC's New York State Budget Plan

FUND CUNY'S UNMET MANDATORY COSTS (\$49.5 MILLION), AND RESTORE LEGISLATIVE INITIATIVES (\$1.6 MILLION).

The Executive Budget leaves unfunded \$49.5 million of the cost increase for mandatory needs requested by CUNY, to fund inflationary costs associated with energy, building rentals, technology and central administration, collective bargaining, and other non-personnel costs. Public funding of CUNY's mandatory needs should be part of the "Compact."

Without this public funding, virtually all of the additional \$60.8 million in new tuition revenue (or \$300 per student) will be needed to cover this gap, and students will be deprived of enhanced academic and career counseling and additional full-time faculty. These improvements were the intent of the SUNY 2020 law passed in 2011. Also, \$1.6 million is needed to fund the Joseph S. Murphy Institute and the SEEK opportunity program.

INCREASE PUBLIC INVESTMENT FOR CUNY SENIOR COLLEGES TO HIRE NEW FULL-TIME FACULTY (\$40 MILLION).

CUNY has hired 1,363 new full-time faculty over the last decade, but enrollment growth has swamped these gains. Over 270,000 students are working toward a college degree at CUNY, yet the University employs only two-thirds of the full-time faculty it had in 1975,

when enrollments were just as high. To make up the shortfall, CUNY relies on part-time adjunct faculty who are treated as disposable low-wage workers. It's time New York considers a long-term strategy for restoring the University, such as establishing an endowment.

RESTORE COMMUNITY COLLEGE BASE AID TO ITS 2008-09 LEVEL, (\$19.5 MILLION) AND RESTORE LEGISLATIVE INITIATIVES (\$2.2 MILLION).

CUNY community colleges serve the poorest, least prepared students, but are the most underfunded part of the system they need more resources to fulfill their multiple missions: They offer associate degree programs, provide developmental and remedial instruction, and provide general education courses at a lower cost to students who intend to transfer to a

four-year baccalaureate program. The legislature should increase Base Aid by \$250 per FTE student to restore funding to the nominal dollar amount provided in 2008-09. Also, \$2.2 million is needed to restore funding for the College Discovery program, campus childcare, and Accelerated Study in Associates Programs (ASAP).

PASS THE NY DREAM ACT AND REFORM TAP TO INCREASE ACCESS FOR LOW-INCOME STUDENTS.

Undocumented students, most part-time students, and students who exceed the program's limit of eight semesters (often because they cannot get the classes they need to complete their degree) cannot receive TAP. Financially independent students without

dependents seldom qualify for TAP aid, and receive smaller awards when they do qualify. By passing the NY DREAM Act and fixing TAP in other ways, the Legislature can make a CUNY education possible for thousands more students.

FUND CUNY'S CAPITAL BUDGET REQUEST.

Students learn more and faculty and staff are more productive when they have modern facilities, equipment and a safe, healthy learning environment.

We ask your support for CUNY's capital request including critical capital maintenance and new construction needs.

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61 Broadway, Suite 1500
New York, NY 10006

212-354-1252 | www.psc-cuny.org | facebook.com/psc.cuny | @psc_cuny

