

SUFFOLK COUNTY LEGISLATURE



Robert Lipp
Director

BUDGET REVIEW OFFICE

June 6, 2019

To: DuWayne Gregory, Presiding Officer and
All Suffolk County Legislators

From: Robert Lipp, Director *Robert Lipp*
Budget Review Office

Subject: **Review of the Suffolk County Community College 2019-2020 Requested
and Recommended Operating Budget**

The Community College operating budget process is codified in Suffolk County Code Section A4-3 F, which specifies that the Legislature shall hold at least two public hearings on the Community College's operating budget request prior to approving an operating budget total and County Contribution by August 15th¹. Since the County makes a substantial fiscal commitment to the College, the Budget Review Office continues to provide information to the Legislature as to the College's expenditures and revenues. No specific recommendations for line item changes are made since the Legislature does not have the authority to make such changes.

Overview

Suffolk County Community College requested a 2019-2020 operating budget of \$225.1 million (including grants), which is \$1 million or 0.44% less than the adopted 2018-2019 budget, but \$3.8 million or 1.7% more than what the College estimates for the 2018-2019 fiscal year. The request includes a \$1.3 million (three percent) increase in the County Contribution and a \$250 annual increase in tuition. The County Executive recommended the 2019-2020 Suffolk County Community College Operating Budget as requested by the College.

¹ If the Legislature does not adopt an operating budget total and County contribution by August 15, the budget total and County contribution recommended by the County Executive shall be deemed adopted as submitted. If the County Executive disapproves the operating budget total and County Contribution, he or she shall return the disapproved resolution to the County Legislature no later than 10 days after such resolution was submitted by the Legislature to the Office of the County Executive. The County Legislature may override the County Executive's disapproval by an affirmative vote of 2/3 of the total membership within 15 days after it was returned to it, but in no event later than August 31.

In order to offset increased expenditures and diminished revenue because of declining enrollment, the College included several revenue enhancements in its requested budget. The following table summarizes the College's projected deficits and the value of each of the major revenue increases.

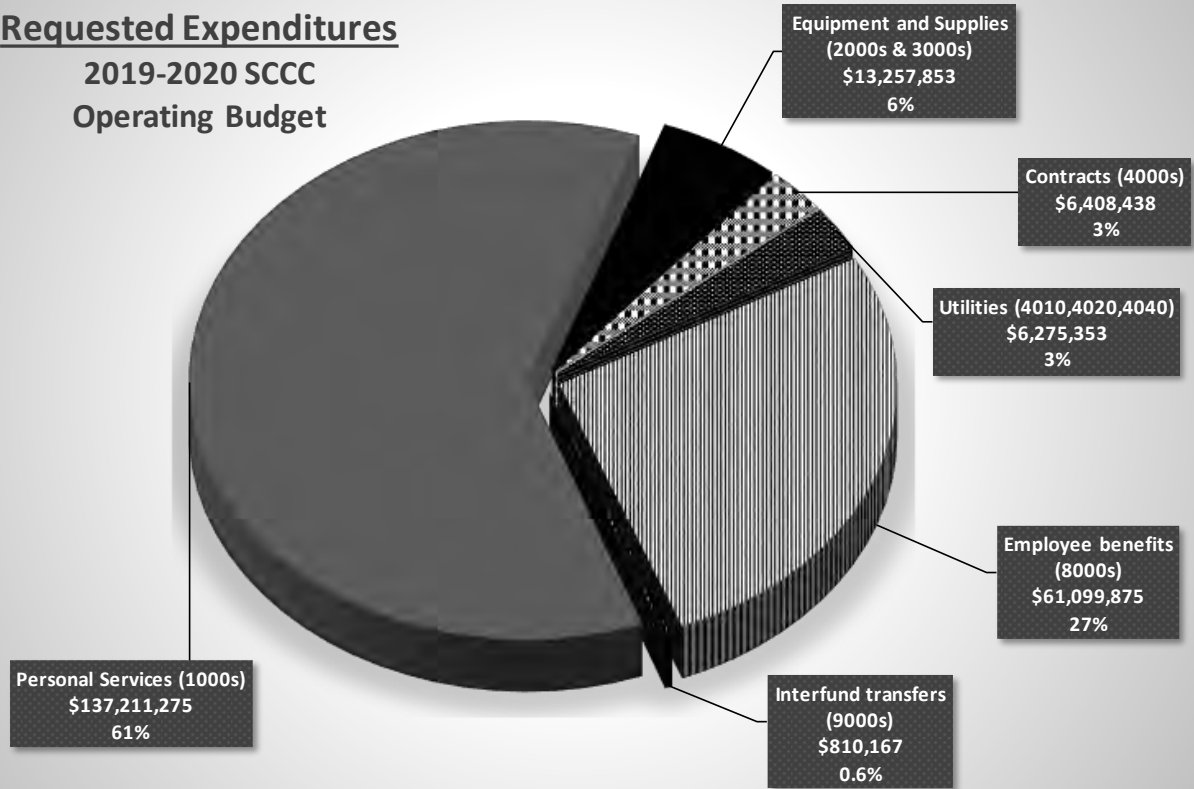
Estimated Shortfalls vs Revenue Enhancements		
Shortfalls from 2018-2019 Estimate		
Net Increase in expenditures (excluding grants)		-\$4,600,000
Net Decrease in Fee Revenue		-\$515,000
Other		-\$150,000
Use of Reserves		-\$1,120,000
	Total	-\$6,385,000
Revenue Enhancements in 2019-2020 Request		
Tuition	Increased by \$250 annually	\$770,000
County Contribution	Three percent increase	\$1,300,000
State Aid	\$100 increase per FTE	\$350,000
Use of Reserves	Transfer from Reserve Fund	\$3,965,000
	Total	\$6,385,000

The next table shows the total SCCC expenditure budget with and without grants from 2013-2014 to the 2019-2020 request.

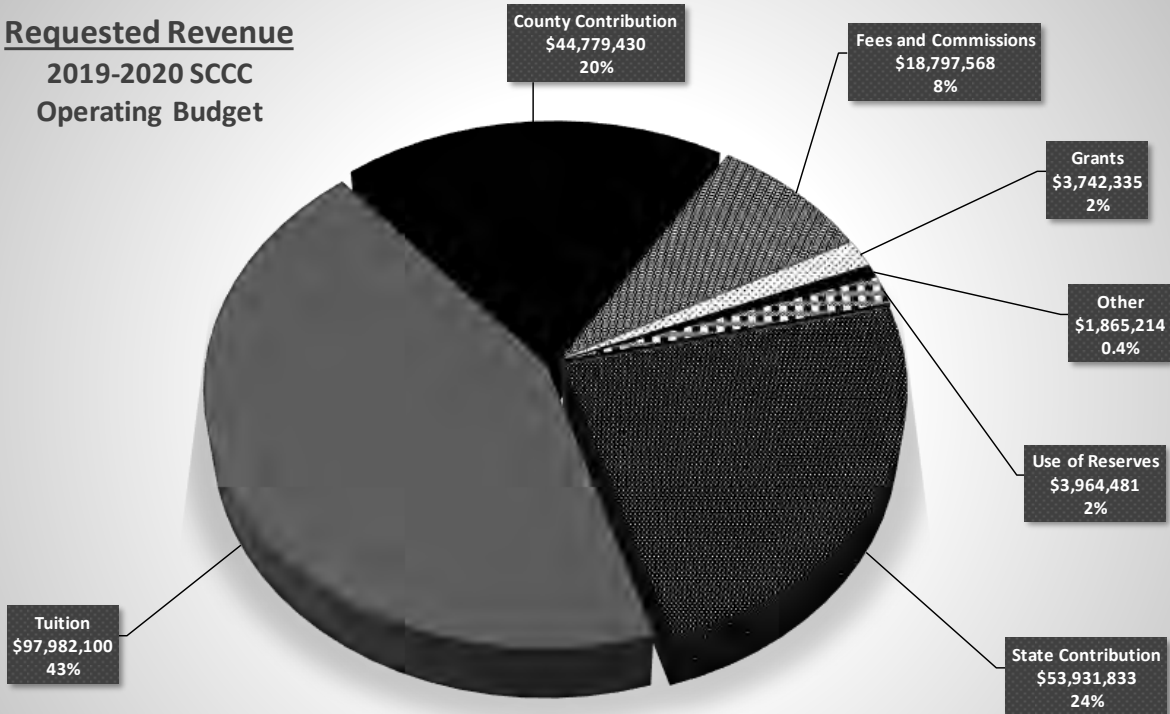
Suffolk County Community College Operating Budget							
	2013/2014	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
	Actual	Actual	Actual	Actual	Actual	Estimate	Request
Without Grants	\$191,318,660	\$200,903,259	\$202,161,531	\$210,116,903	\$214,771,106	\$216,865,859	\$221,471,667
Grants	\$3,193,816	\$3,302,524	\$3,390,189	\$3,979,420	\$4,257,645	\$4,412,798	\$3,591,294
Total	\$194,512,476	\$204,205,783	\$205,551,720	\$214,096,323	\$219,028,751	\$221,278,657	\$225,062,961

The following charts detail the allocation of the College's requested expenditures and revenues for 2019-2020; salaries and benefits account for over 88% of all requested expenditures. On the revenue side, tuition and fees make up over 51% of requested revenues.

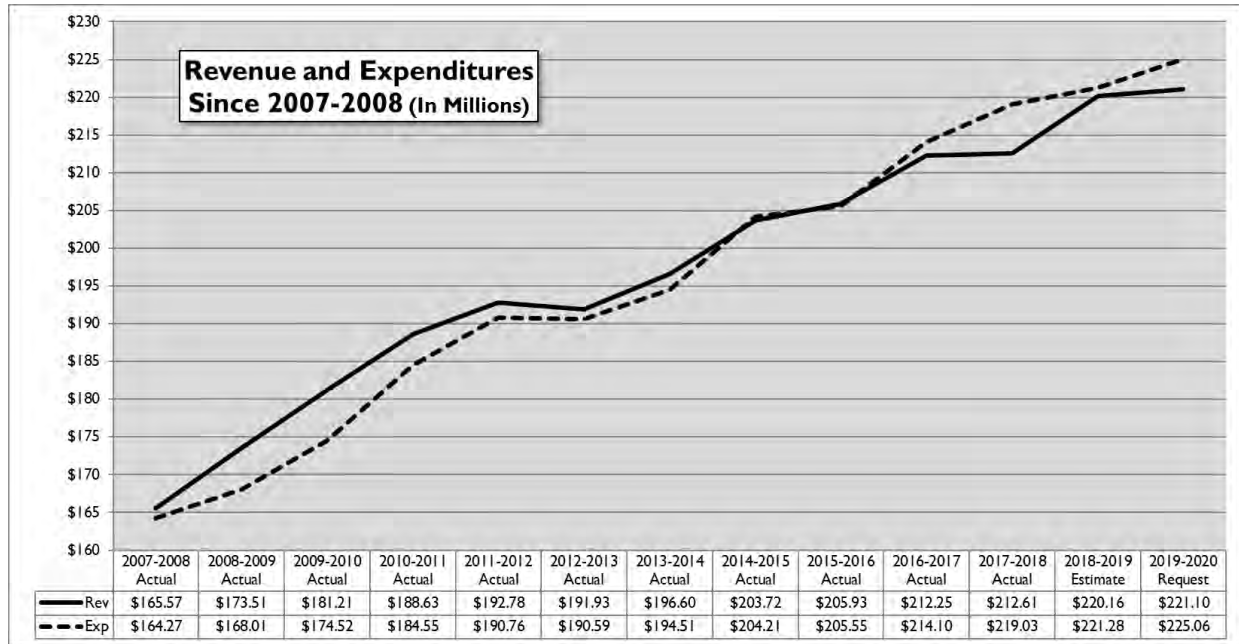
Requested Expenditures
2019-2020 SCCC
Operating Budget



Requested Revenue
2019-2020 SCCC
Operating Budget



The next chart shows the annual relationship between expenditures and revenue from 2007-2008 through the 2019-2020 request. The College is estimating a deficit of \$1.1 million in 2018-2019 and projecting a deficit of almost \$4 million in 2019-2020. With the exception of 2015-2016, the College has had to rely on its reserve fund to balance its budget every year since 2014-2015.



The following table shows the allocation of SCCC revenue as defined by SUNY methodology, which differs somewhat from the categories shown in the College's operating budget. For the purposes of calculating county, state, and student shares, SUNY excludes grants and offset revenue (certain fees, commissions, and miscellaneous items). SCCC is a full opportunity college, meaning it accepts all eligible applicants. Accordingly, the local sponsor share should be 26.7% instead of 33.33% as is required for local sponsors of community colleges that are not full opportunity. The requested/recommended budget for 2019-2020 includes a county share of 24.4%.

Revenue Shares per SUNY Formula								
	2017-2018		2018-2019		2018-2019		2019-2020	
Revenue	Actual	%	Adopted	%	Estimated	%	Requested	%
County	\$50,505,977	25.2%	\$47,992,271	23.2%	\$46,239,703	23.0%	\$50,409,125	24.4%
State	\$52,622,855	26.3%	\$53,787,641	26.0%	\$53,579,462	26.6%	\$53,931,833	26.1%
Student	\$97,091,393	48.5%	\$105,324,681	50.9%	\$101,646,417	50.5%	\$102,206,197	49.5%
Total	\$200,220,225	100%	\$207,104,593	100%	\$201,465,582	100%	\$206,547,155	100%

Under the SUNY formula, the use of the SCCC Reserve Fund is part of the County Share. The amount that the County would have to increase the County Contribution in order to meet the 26.7% threshold would be an additional \$4.8 million above what was requested by the College if the College reduced tuition by that amount and still accessed \$3.96 million from the reserve fund. However, it makes fiscal sense for the College to use any additional revenue to first reduce the usage of reserves and then offset tuition. Accordingly, the first \$3.96 million increase in County

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Contribution would not change the County Share as increasing the County Contribution and reducing the use of reserves simply reallocates funding within the County Share. All things being equal, the County would need to increase the County Contribution by an additional \$8.76 million (\$3.96 million + \$4.8 million) or 20% above the College's request to reach the 26.7% threshold.

Community College Budget Committee

Resolution No. 920-2015 established a Community College Budget Committee comprised of legislative, executive, and college appointees to develop a five-year non-binding budget plan with the goal of strengthening the College's financial position, maintaining educational standards, and stabilizing tuition costs for students. The Committee issued a report on April 19, 2017, which recommended a 1.5% increase in the County Contribution in each of the next five years, which considered both the College's desire for additional predictable revenue from the County and the County's ability to pay.

To assist the Committee in its deliberations, the Suffolk Community College Department of Business and Financial Affairs and Legislative Office of Budget Review worked concurrently, with input from the County Executive's Budget Office, to develop a five-year budget model capable of adapting to a variety of revenue and expenditure assumptions. The base scenario assumed an average annual increase in expenditures of 3.2% through 2020-2021. On the revenue side, it assumed an annual increase in state aid per FTE of \$100, an annual increase in tuition of \$200, and an annual increase in the County Contribution of 1.5%.

Through the first four years of the plan, tuition and the County Contribution increased at a greater rate compared to the base scenario while state aid has been less than projected. However, the most significant difference between the model and actual experience has been enrollment. Revenue from tuition, fees, and state aid is tied to enrollment. When enrollment declines, revenue is reduced. The base scenario included an increase in enrollment each year starting in 2017-2018; enrollment has decreased each year and is projected to continue to decline. The following table shows the difference between the assumptions in the five-year model and the actual/estimated amounts.

Five-Year Budget Plan Compared to Actual/Estimated Amounts								
Category		2016-2017	2017-2018	2018-2019	2020-2021	4 yr. total, not		2021-2022
						compounded	4 yr. difference, not compounded	
Change in Enrollment	Projected	-1.50%	0.10%	1.01%	2.73%	2.34%	-12.75%	0.65%
	Actual/Est.	-1.11%	-1.88%	-3.92%	-3.50%	-10.41%		NA
Change in Tuition	Projected	\$200	\$200	\$200	\$200	\$800	\$100	\$200
	Actual/Est.	\$200	\$100	\$350	\$250	\$900		NA
Change in County Contribution	Projected	2.50%	1.50%	1.50%	1.50%	7.00%	2.50%	1.50%
	Actual/Est.	2.50%	1.50%	2.50%	3.00%	9.50%		NA
Change in State Aid per FTE	Projected	\$100	\$100	\$100	\$100	\$400	-\$50	\$100
	Actual/Est.	\$100	\$50	\$100	\$100	\$350		NA

The next table shows that the net effect of the differences between what was projected and what the actual experience has been is a larger than projected deficit. Through the first four years covered by the plan, the College projects that it will need \$5 million or 60% more from its reserve fund than anticipated.

Five Year Budget Plan Use of Reserves Compared to Actual/Estimated Use of Reserves						
Use of Reserves	2016-2017	2017-2018	2018-2019	2020-2021	4 yr. Change in Fund Balance	2021-2022
Projected	-\$2,314,618	-\$2,901,527	-\$2,763,554	-\$372,315	-\$8,352,014	\$947,385
Actual/Est.	-\$1,841,763	-\$6,418,249	-\$1,121,090	-\$3,964,481	-\$13,345,583	NA

Expenditures

The College requested a \$3.4 million increase for salaries (1000s), a \$2.7 million increase for equipment and supplies (2000s & 3000s), and a \$367,682 increase for contractual services (4000s) compared to the College's 2018-2019 estimate. The increase is offset by \$1.8 million in decreases in employee benefits (8000s), a \$416,989 decrease in utility costs and a \$523,042 reduction in interfund transfers. The following table summarizes the College budget request by major category.

Suffolk County Community College Expenditures by Object (With Grants)								
Category	2017/2018 Actual	2018/2019 Adopted	2018/2019 Estimated	2019/2020 Requested	Change from Actual to Estimated	Change from Estimated to Requested		
Personal Services (1000s)	\$131,793,818	\$134,826,445	\$133,800,469	\$137,211,275	\$2,006,651	2%	\$3,410,806	3%
Equip. & Supplies (2000s & 3000s)	\$12,878,977	\$12,757,339	\$10,531,202	\$13,257,853	-\$2,347,775	-18%	\$2,726,651	26%
Contracts (4000s)	\$6,459,598	\$6,405,460	\$6,040,756	\$6,408,438	-\$418,842	-6%	\$367,682	6%
Utilities (4010,4020,4040)	\$6,402,511	\$6,414,153	\$6,692,342	\$6,275,353	\$289,831	5%	-\$416,989	-6%
Employee benefits (8000s)	\$60,160,739	\$64,342,605	\$62,880,679	\$61,099,875	\$2,719,940	5%	-\$1,780,804	-3%
Interfund transfers (9000s)	\$1,333,108	\$1,321,163	\$1,333,209	\$810,167	\$101	0%	-\$523,042	-39%
Total	\$219,028,751	\$226,067,165	\$221,278,657	\$225,062,961	\$2,249,906	1%	\$3,784,304	2%

Increases in personnel expenses are attributable to employee step increases as well as contractual salary increases for the Faculty Association in 2019. Permanent Salaries accounted for 99% of the total net increase. The following table shows salary costs for the College.

Personal Services (1000s)						
Category	2017-2018 Actual	2018-2019 Adopted	2018-2019 Estimate	2019-2020 Requested	Change from Est to Req	Change from Est to Req
Permanent Salaries	\$89,618,874	\$93,043,582	\$91,944,299	\$95,332,801	\$3,388,502	3.7%
Terminal Pay	\$1,622,090	\$1,735,000	\$1,912,972	\$1,735,000	-\$177,972	-9.3%
Longevity	\$1,250,300	\$1,199,625	\$1,199,625	\$1,250,650	\$51,025	4.3%
Temp & PT Salaries	\$29,269,650	\$28,968,924	\$28,838,152	\$29,203,478	\$365,326	1.3%
Other	\$772,269	\$770,725	\$752,109	\$776,574	\$24,465	3.3%
Overtime and Overload	\$9,260,635	\$9,108,589	\$9,153,312	\$8,912,772	-\$240,540	-2.6%
Total	\$131,793,818	\$134,826,445	\$133,800,469	\$137,211,275	\$3,410,806	2.5%

Equipment and Supplies are requested at a net increase of \$2.7 million compared to the 2018-2019 estimate. Most of the increase is because the College postponed purchases this year to mitigate the budget deficit; estimated expenditures are \$2.2 million less than adopted. When compared to 2017-2018 actual expenditures, the requested increase is only \$378,876. The most significant increase is for computers and office machines. The next table shows the College's request for equipment and supplies.

Equipment and Supplies (2000s and 3000s)						
Category	2017-2018 Actual	2018-2019 Adopted	2018-2019 Estimate	2019-2020 Requested	Change from Est to Req	Change from Est to Req
Advertising	\$799,663	\$805,820	\$644,656	\$780,579	\$135,923	21.1%
Bank Service Charges	\$827,835	\$598,310	\$478,648	\$599,222	\$120,574	25.2%
Building/Grounds Repairs and Materials	\$1,311,121	\$1,367,266	\$1,093,813	\$1,368,709	\$274,896	25.1%
Computers and Office Machines	\$1,265,430	\$1,024,764	\$785,379	\$1,578,318	\$792,939	101.0%
Instructional Equipment & Supplies	\$1,893,831	\$2,548,392	\$2,248,252	\$2,234,453	-\$13,799	-0.6%
Maintenance Contracts	\$1,395,328	\$1,414,270	\$1,131,416	\$1,531,065	\$399,649	35.3%
Other	\$3,779,340	\$3,370,374	\$2,718,388	\$3,421,579	\$703,191	25.9%
Postage	\$476,822	\$456,038	\$480,000	\$456,038	-\$23,962	-5.0%
Software and Digital Resources	\$1,129,607	\$1,172,105	\$950,650	\$1,287,890	\$337,240	35.5%
Total	\$12,878,977	\$12,757,339	\$10,531,202	\$13,257,853	\$2,726,651	25.9%

The largest increase in the “Utilities & Contractual Costs” category is the “Other” category, which includes travel, meals, and training expenses for college employees. Computer Services is the next largest increase. These and other increases are more than offset by a projected decrease in utility costs. The following table shows utility and contract costs.

Utilities and Contractual Costs (4000s)						
Category	2017-2018 Actual	2018-2019 Adopted	2018-2019 Estimate	2019-2020 Requested	Change from Est to Req	Change from Est to Req
Computer Services	\$934,317	\$962,100	\$935,000	\$1,049,751	\$114,751	12.3%
Fees for Services, Non Employee	\$1,787,154	\$1,365,917	\$1,353,831	\$1,337,198	-\$16,633	-1.2%
Other	\$650,952	\$1,077,992	\$830,391	\$1,019,325	\$188,934	22.8%
Rent: Office Building	\$2,293,478	\$2,084,466	\$1,984,466	\$2,062,909	\$78,443	4.0%
Special Services	\$793,697	\$914,985	\$937,068	\$939,255	\$2,187	0.2%
Utilities	\$6,402,511	\$6,414,153	\$6,692,342	\$6,275,353	-\$416,989	-6.2%
Total	\$12,862,109	\$12,819,613	\$12,733,098	\$12,683,791	-\$49,307	-0.4%

Employee benefits are requested at a \$1.8 million decrease; \$1.5 million or approximately 85% of the net reduction is due to projected decreases for the Employee Medical Health Plan (EMHP), which is the same plan as the County offers its employees. Since the College fiscal year is comprised of four months in one calendar year and eight months in the next year, there are two different plan rates charged to the College in a given year. The Current year estimate includes 2018 and 2019 rates with 2019 rates being lower. The 2019-2020 request assumes the 2019 rate for twelve months. Accordingly, health insurance costs should be less next year; however, the College’s projection may be somewhat optimistic for two reasons. First, we estimate that the reduction in rates will be less than what is implicit in the College’s request. Second, the College assumes that 2020 rates will not increase.

According to the College, the 2018-2019 estimate and 2019-2020 request were prepared before the recent agreement between SCOPE and the County. Consequently, there should be sufficient healthcare savings in 2019 and 2020 to offset a potential shortfall. The College estimates that savings from the SCOPE MOA will exceed the increased costs associated with extending the same

increases in the recently approved contract between the County and AME to the College AME employees by approximately \$500,000.

Employee Benefits (8000s)						
Category	2017-2018 Actual	2018-2019 Adopted	2018-2019 Estimate	2019-2020 Requested	Change from Est to Req	Change from Est to Req
Benefit Fd. Contribution	\$1,673,779	\$1,661,417	\$1,661,757	\$1,882,416	\$220,659	13.3%
Health Insurance	\$33,124,949	\$36,200,471	\$34,566,610	\$33,041,537	-\$1,525,073	-4.4%
Other	\$784,323	\$879,954	\$834,954	\$879,954	\$45,000	5.4%
Retirement	\$13,692,019	\$14,608,322	\$14,723,310	\$14,280,088	-\$443,222	-3.0%
Social Security	\$9,561,589	\$9,822,441	\$9,769,967	\$9,845,880	\$75,913	0.8%
Workers' Compensation	\$1,324,080	\$1,170,000	\$1,324,081	\$1,170,000	-\$154,081	-11.6%
Total	\$60,160,739	\$64,342,605	\$62,880,679	\$61,099,875	-\$1,780,804	-2.8%

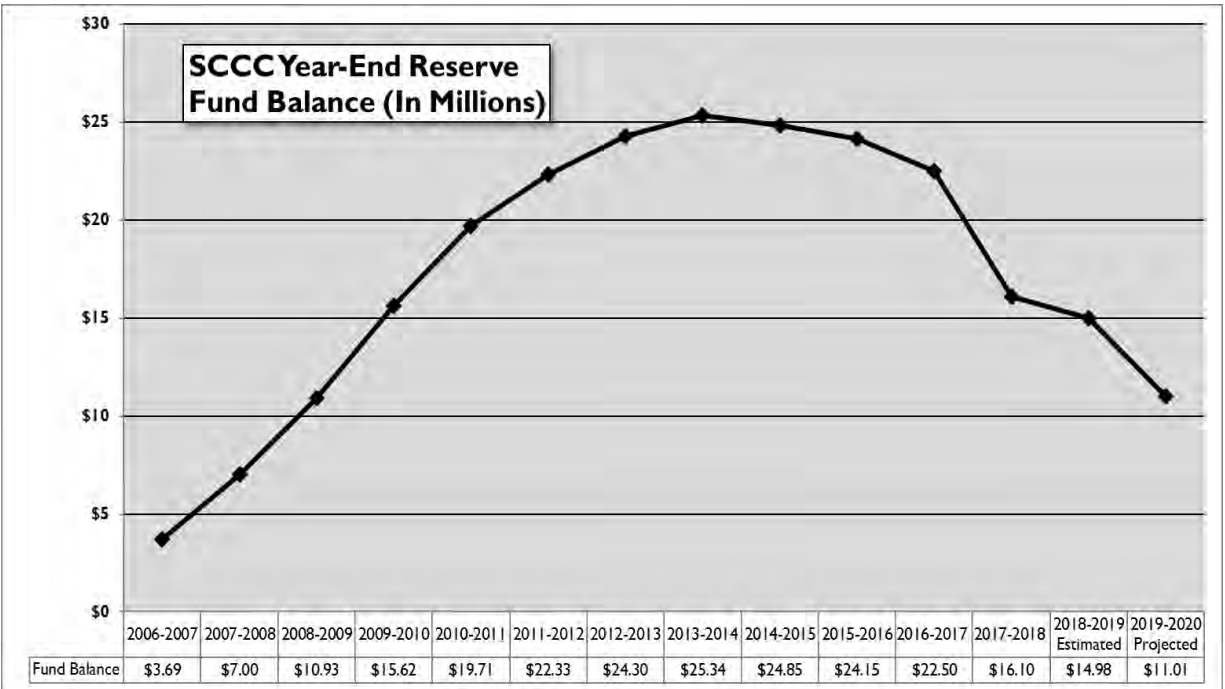
The College request for interfunds is approximately \$500,000 less than estimated in 2018-2019 because an internal transfer for Instructional Expenses was eliminated. The corresponding revenue was also reduced, resulting in no net impact. The next table shows interfund transfers.

Interfund Transfers (9000s)						
Category	2017-2018 Actual	2018-2019 Adopted	2018-2019 Estimate	2019-2020 Requested	Change from Est to Req	Change from Est to Req
Interdepart. Oper. Fd (016)	\$25,000	\$25,000	\$25,000	\$25,000	\$0	0.0%
Instructional Expense	\$510,996	\$510,996	\$510,996	\$0	-\$510,996	0.0%
Self Insurance Fd (038)	\$797,112	\$785,167	\$797,213	\$785,167	-\$12,046	0.0%
Total	\$1,333,108	\$1,321,163	\$1,333,209	\$810,167	-\$523,042	-39.2%

Fund Balance

The reserve fund grew from a year-end balance of \$3.69 million in 2006-2007 to a year-end balance of \$25.3 million in 2013-2014. During many of these years, higher than anticipated enrollment resulted in tuition revenue that exceeded budgeted expenditures. Despite authorizations to utilize reserves several times over those years, the reserve fund balance grew. Since then, fund balance has decreased each year due primarily to operating deficits, but also negative audit adjustments for unpaid, uncollectable tuition debts.

The reserve fund balance decreased by \$6.4 million in 2017-2018. The Adopted 2018-2019 Community College Budget authorized the use of \$2.9 million from the reserve fund; the College estimates that it will need \$1.1 million. The College's requested budget includes the use of an additional \$4 million in 2019-2020. Assuming the College uses the estimated amount in 2018-2019 and the full amount requested in 2019-2020, the reserve fund balance would decline from \$15 million to \$11 million at the end of the 2019-2020 academic year. The following chart shows the year-end fund balance of the reserve since 2006-2007.



The College’s accrediting agency, Middle States, recommends that the College maintain a reserve balance equal to 10-15% of its annual operating budget. Accordingly, 10% of the College’s requested 2019-2020 budget (excluding grants) would be approximately \$22.1 million and 15% would be approximately \$33.2 million. Estimated 2018-2019 year-end reserves as a percentage of estimated 2018-2019 expenditures are 6.9%. The College projects that by the end of the 2019-2020 academic year, its reserves will be at 5% or \$11.1 million below the 10% threshold. However, the College typically estimates and projects expenditures conservatively. Actual expenditures have been less than adopted and less than estimated every year since 2008-2009. On average, actual expenditures have been \$4.5 million less than adopted and \$3 million less than estimated. If this trend continues, the College will access less than what it estimates for 2018-2019 and projects for 2019-2020. Nevertheless, the continued use of reserves is concerning because it indicates a structural deficit.

State Aid

Each year the Governor proposes and the State Legislature adopts a funding rate per full-time equivalent (FTE) student. To arrive at the amount of basic aid to be paid to each school, this rate is applied to the number of FTE students from the immediately preceding year when there is growth and to a weighted average of FTE students for the three previous years when there is retrenchment.

Enrollment at community colleges statewide has been decreasing at such a rate that the traditional state funding formula has resulted in decreased revenue despite annual increases in FTE Aid. To assist community colleges, the State enacted a new funding policy, which sets aid according to the traditional FTE formula or 98% of the previous year’s aid level, whichever is greater. While enrollment continues to decrease at Suffolk County Community College, it has not decreased to the extent that the alternative funding formula would be implemented. Consequently, the College will benefit from a \$100 increase in FTE aid for 2019-2020 from \$2,847 to \$2,947. The College estimates that the increase would have provided an additional \$1.8 million if enrollment was steady;

however, due to the projected reduction in FTEs, state aid is expected to be only \$352,371 more than estimated for the current year. The following table shows the annual change in state aid since 2010-2011.

Annual Change in State Aid per FTE and Total State Revenue Since 2010-2011				
Year	Change in Rate		Total Revenue	Change in Total Revenue from Previous Year
	Rate per FTE	from Previous Year		
2010-2011	\$2,260	NA	\$45,184,969	NA
2011-2012	\$2,122	-\$138	\$44,463,290	-\$721,679
2012-2013	\$2,272	\$150	\$46,139,162	\$1,675,872
2013-2014	\$2,422	\$150	\$48,324,386	\$2,185,224
2014-2015	\$2,497	\$75	\$49,259,584	\$935,198
2015-2016	\$2,597	\$100	\$51,172,359	\$1,912,775
2016-2017	\$2,697	\$100	\$52,433,007	\$1,260,648
2017-2018	\$2,747	\$50	\$52,622,855	\$189,848
2018-2019 Estimated	\$2,847	\$100	\$53,579,462	\$956,607
2019-2020 Requested	\$2,947	\$100	\$53,931,833	\$352,371

Student Revenue

The College continues to face the challenge of mitigating a budget gap resulting from growth in expenditures that outpaces growth in revenue due, in large part, to declining enrollment. According to the College, the decline in enrollment is mainly attributable to trends in demographics. In addition, the College has been enrolling a greater percentage of part-time students, which puts downward pressure on the FTE rate (total credits taken divided by total number of students).

In order to counteract declining enrollment, the College has been increasing tuition and fees. From 2010-2011 to 2017-2018, annual tuition and fee revenue per student [(tuition revenue + fee revenue)/FTEs] increased by \$1,173. It is estimated to increase by another \$557 in 2018-2019 and projected to increase by another \$256 in 2019-2020. The following table shows a decline in enrollment of 16.24% from 2010-2011 to 2019-2020 while tuition and fee revenue is estimated at a 17.66% increase over the same period.

Annual Change in Enrollment and Annual Change in Tuition & Fee Revenue Since 2010-2011						
Academic Year	Full Time Equivalents (FTE)	Change from Previous Year	Tuition Revenue	Fee Revenue	Tuition and Fees	Change from Previous Year
2010-2011	20,229	NA	\$83,448,668	\$15,803,532	\$99,252,200	NA
2011-2012	19,770	-2.27%	\$85,444,615	\$17,654,927	\$103,099,542	3.88%
2012-2013	19,240	-2.68%	\$84,548,520	\$17,165,994	\$101,714,514	-1.34%
2013-2014	19,405	0.86%	\$87,234,787	\$17,130,016	\$104,364,803	2.61%
2014-2015	19,309	-0.49%	\$92,138,889	\$17,246,180	\$109,385,069	4.81%
2015-2016	18,832	-2.47%	\$92,574,681	\$16,539,180	\$109,113,861	-0.25%
2016-2017	18,623	-1.11%	\$93,682,198	\$18,525,340	\$112,207,538	2.84%
2017-2018	18,273	-1.88%	\$93,297,791	\$17,788,349	\$111,086,140	-1.00%
2018-2019 Estimated	17,557	-3.92%	\$97,208,933	\$19,312,198	\$116,521,131	4.89%
2019-2020 Projected	16,943	-3.50%	\$97,982,100	\$18,797,568	\$116,779,668	0.22%
Change from 2010-2011 to 2019-2020	-3,286	-16.24%	\$14,533,432	\$2,994,036	\$17,527,468	17.66%

The College is planning to increase six fees next year. Except for the Student Activity Fee, each of these fees was also increased last year. There is not expected to be a significant impact to revenue from these increases; due to declining enrollment, fee revenue is estimated at a decrease next year. The following table shows the increased fees proposed by the College.

Proposed Fee Increases in the 2019-2020 SCCC Operating Budget									
Fee	Method of Assessment	Full-Time		2 Yr		Part-Time		2 Yr	
		17/18	18/19	19/20	Change	17/18	18/19	19/20	Change
Course Overload Fee-resident (more than 18 credits)	per credit	\$0	\$218	\$228	\$228	\$0	\$218	\$228	\$228
Course Overload Fee-non-resident (more than 18 credits)	per credit	\$0	\$436	\$456	\$456	\$0	\$436	\$456	\$456
Student Activity Fee*	per credit	\$9	\$9	\$10	\$1	\$9	\$9	\$10	\$1
English as a Second Language (non-credit) Tuition+	per semester	\$1,830	\$1,960	\$2,055	\$225	\$360	\$390	\$410	\$50
English as a Second Language (non-credit) Tuition+	per semester	\$215	\$230	\$240	\$25	\$180	\$195	\$205	\$25
English as a Second Language (non-credit) Tuition+	per semester	NA	NA	NA	NA	\$155	\$165	\$175	\$20

*Maximum of \$100/\$105 +Varies based on actual courses

The College's tuition rate for full-time and part-time students is determined based on the recommendation of the College President and the approval of the College's Board of Trustees. If the County Legislature disagrees with the Board's decision, it can request, but cannot mandate a change in tuition rates.

Current tuition for Suffolk County residents is \$2,610 per semester or \$5,220 annually for full-time students and \$218 per credit for part-time students. The College is planning to increase tuition by \$125 per semester to \$2,735 or \$250 annually to \$5,470. Part-time students will pay \$228 per credit, an additional \$10. The next table shows Suffolk County Community College's tuition history for full-time and part-time students since the 2011-2012 academic year.

Suffolk County Community College Tuition History						
Academic Year	Full Time (per year)	Change From Prior Year	%	Part Time (per credit)	Change From Prior Year	%
2011-2012	\$3,990	NA	NA	\$165	NA	NA
2012-2013	\$3,990	\$0	0.0%	\$165	\$0	0.0%
2013-2014	\$4,140	\$150	3.8%	\$173	\$8	3.6%
2014-2015	\$4,390	\$250	6.0%	\$183	\$10	5.8%
2015-2016	\$4,570	\$180	4.1%	\$191	\$8	4.4%
2016-2017	\$4,770	\$200	4.4%	\$199	\$8	4.2%
2017-2018	\$4,870	\$100	2.1%	\$203	\$4	2.0%
2018-2019	\$5,220	\$350	7.2%	\$218	\$15	7.4%
2019-2020	\$5,470	\$250	4.8%	\$228	\$10	4.6%

Tuition at Suffolk County Community College has increased by an average of \$176 or 3.9% annually from 2011-2012 to 2018-2019, which is more than the statewide average in dollars (\$139) and percentage (3.4%). In 2018-2019, tuition at Suffolk County Community College was the second highest of the 30 community colleges in New York. Nassau County had the highest tuition at \$5,350 and Dutchess County had the lowest at \$3,864. Tuition rates for other New York community colleges are not yet available for 2019-2020. Assuming all other community colleges increase tuition by the state average annual percentage since 2011-2012, the 2019-2020 tuition requested by Suffolk County Community College would remain the second highest in the state. The following chart shows Suffolk County Community College tuition in context to other community colleges in New York State.

Tuition Rates from 2011-2012 to 2018-2019 for NYS Community Colleges										
Community College	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Average	Average Annual
									Annual Dollar	Annual Percentage
									Increase	Increase
Adirondack	\$3,556	\$3,664	\$3,774	\$3,870	\$3,984	\$4,176	\$4,392	\$4,560	\$143	3.6%
Broome	\$3,694	\$3,820	\$3,954	\$4,108	\$4,212	\$4,418	\$4,592	\$4,728	\$148	3.6%
Cayuga County	\$3,820	\$3,950	\$4,090	\$4,200	\$4,326	\$4,499	\$4,544	\$4,658	\$120	2.9%
Clinton	\$3,620	\$3,820	\$3,960	\$4,060	\$4,200	\$4,300	\$4,644	\$5,062	\$206	4.9%
Columbia-Greene	\$3,648	\$3,792	\$3,960	\$4,080	\$4,100	\$4,392	\$4,536	\$4,680	\$147	3.6%
Corning	\$3,870	\$3,950	\$4,070	\$4,150	\$4,230	\$4,314	\$4,518	\$4,710	\$120	2.9%
Dutchess	\$2,900	\$3,100	\$3,200	\$3,200	\$3,360	\$3,528	\$3,696	\$3,864	\$138	4.2%
Erie	\$3,600	\$3,900	\$3,995	\$4,295	\$4,595	\$4,733	\$4,900	\$4,900	\$186	4.5%
Fashion Institute	\$3,974	\$4,200	\$4,425	\$4,500	\$4,500	\$4,590	\$4,690	\$4,890	\$131	3.0%
Finger Lakes	\$3,484	\$3,654	\$3,834	\$4,022	\$4,180	\$4,368	\$4,522	\$4,584	\$157	4.0%
Fulton-Montgomery	\$3,394	\$3,444	\$3,598	\$3,648	\$3,900	\$4,200	\$4,450	\$4,600	\$172	4.5%
Genesee	\$3,400	\$3,550	\$3,700	\$3,850	\$3,900	\$3,950	\$4,050	\$4,150	\$107	2.9%
Herkimer County	\$3,540	\$3,640	\$3,740	\$3,840	\$3,940	\$4,270	\$4,470	\$4,670	\$161	4.1%
Hudson Valley	\$3,700	\$3,900	\$3,980	\$3,980	\$4,100	\$4,300	\$4,500	\$4,650	\$136	3.3%
Jamestown	\$3,900	\$4,050	\$4,220	\$4,220	\$4,520	\$4,630	\$4,750	\$4,870	\$139	3.2%
Jefferson	\$3,648	\$3,744	\$3,864	\$3,984	\$4,176	\$4,392	\$4,584	\$4,752	\$158	3.9%
Mohawk Valley	\$3,480	\$3,580	\$3,710	\$3,810	\$3,960	\$4,084	\$4,250	\$4,370	\$127	3.3%
Monroe	\$3,060	\$3,140	\$3,240	\$3,416	\$3,800	\$4,100	\$4,280	\$4,380	\$189	5.3%
Nassau	\$3,990	\$3,990	\$4,088	\$4,234	\$4,534	\$4,868	\$5,102	\$5,350	\$194	4.3%
Niagara County	\$3,624	\$3,696	\$3,792	\$3,888	\$3,960	\$4,080	\$4,224	\$4,392	\$110	2.8%
North Country	\$3,900	\$3,900	\$4,050	\$4,250	\$4,426	\$4,600	\$4,692	\$4,880	\$140	3.3%
Onondaga	\$3,930	\$4,050	\$4,172	\$4,300	\$4,430	\$4,570	\$4,570	\$4,900	\$139	3.2%
Orange County	\$3,900	\$4,100	\$4,400	\$4,400	\$4,486	\$4,636	\$4,776	\$4,976	\$154	3.6%
Rockland	\$3,815	\$4,025	\$4,175	\$4,300	\$4,300	\$4,429	\$4,586	\$4,746	\$133	3.2%
Schenectady County	\$3,384	\$3,384	\$3,384	\$3,456	\$3,528	\$3,720	\$3,936	\$4,176	\$113	3.1%
Suffolk County	\$3,990	\$3,990	\$4,140	\$4,390	\$4,570	\$4,770	\$4,870	\$5,220	\$176	3.9%
Sullivan County	\$4,180	\$4,474	\$4,474	\$4,474	\$4,674	\$4,674	\$4,814	\$4,814	\$91	2.1%
Tompkins-Cortland	\$3,950	\$4,150	\$4,300	\$4,500	\$4,650	\$4,790	\$4,950	\$4,950	\$143	3.3%
Ulster County	\$3,990	\$4,130	\$4,230	\$4,230	\$4,230	\$4,330	\$4,480	\$4,480	\$70	1.7%
Westchester	\$4,150	\$4,280	\$4,280	\$4,280	\$4,280	\$4,280	\$4,280	\$4,380	\$33	0.8%
Average Tuition Rates	\$3,703	\$3,836	\$3,960	\$4,065	\$4,202	\$4,366	\$4,522	\$4,678	\$139	3.4%

County Contribution

The County Contribution is also referred to as the “local sponsor share” or “maintenance of effort” (MOE). The County Contribution is not fixed by law since the County Legislature can approve whatever amount it deems appropriate. However, in the past the State Legislature has conditioned aid for local community colleges by requiring that local sponsors at least match their annual subsidy from the previous school year. A reduction could jeopardize the maintenance of effort and would be inconsistent with the State Legislature’s conditions for aid to local community colleges.

The County Contribution was increased only once from 2008-2009 to 2013-2014 (one percent in 2011-2012). In an effort to be sensitive to the County’s fiscal challenges, the College requested no increase in contribution for 2012-2013 or 2013-2014. Due to declining enrollment and growth in expenditures that has outpaced growth in revenues, the College has requested an increase each year since 2014-2015. The College requested a three percent increase in 2019-2020, which is equal to approximately \$1.3 million. Although the College has requested larger increases in recent years,

the three percent recommended by the Executive is the largest increase since 2006-2007 when a four percent increase was adopted. The following table shows the County's annual contribution to the Community College since 1998-1999.

Annual County Contribution to SCCC					
County	% Change From	County	% Change From	County	% Change From
Academic Year	Contribution	Previous Year	Academic Year	Contribution	Previous Year
1998 – 1999	\$28,356,138	N/A	2009 – 2010	\$38,602,957	0.0%
1999 – 2000	\$29,490,384	4.0%	2010 – 2011	\$38,602,957	0.0%
2000 – 2001	\$30,669,999	4.0%	2011 – 2012	\$38,988,987	1.0%
2001 – 2002	\$33,644,989	9.7%	2012 – 2013	\$38,988,987	0.0%
2002 – 2003	\$33,644,989	0.0%	2013 – 2014	\$38,988,987	0.0%
2003 – 2004	\$33,644,989	0.0%	2014 – 2015	\$39,768,766	2.0%
2004 – 2005	\$34,990,788	4.0%	2015 – 2016	\$40,768,766	2.5%
2005 – 2006	\$36,390,420	4.0%	2016 – 2017	\$41,787,985	2.5%
2006 – 2007	\$37,846,036	4.0%	2017 – 2018	\$42,414,805	1.5%
2007 – 2008	\$38,602,957	2.0%	2018 – 2019	\$43,475,175	2.5%
2008 – 2009	\$38,602,957	0.0%	2019-2020 Rec	\$44,779,430	3.0%

It should be noted that instead of paying this expense directly, the County has the option of passing legislation to charge back the County Contribution to the towns, pursuant to New York State Education Law Article 126 Section 6304 Financing of Community Colleges. The charge back would be in proportion to the number of students from each town attending the College. The Legislature may wish to consider this as a policy option.

In addition to the County Contribution, the County also has College related expenses for:

1. College debt service: to pay for the local share of the College's capital projects. The County's debt service costs for the College can be found in the budget as the sum of the General Fund transfer to the College and the mandated portion of the college property tax. In 2019, the total is \$9,518,459; it is projected to increase to over \$10 million in 2020.
2. Out-of-County tuition: Suffolk County is required to pay the sponsor's share of tuition for County residents who opt to attend other New York State community colleges outside of Suffolk County. This mandated expense is budgeted and paid for from the County's General Fund (001-MS-C-2490-Comm. Coll. Non Cnty Tuition-4780-Out of County Tuition). The Adopted 2019 Operating Budget included \$16 million for this expense. It should be noted that New York State's Education law requires New York State to reimburse the local sponsor for half of out-of-county tuition costs for the Fashion Institute of Technology (FIT) and 1/3 the cost for other community colleges; however, the State has not included appropriations in its budget for this statutory commitment since 2001. Additional details regarding Out-of-County tuition can be found in the next section.

Out-of-County Tuition

In 2017-2018, 3,708 Suffolk County residents attended a New York State community college outside of Suffolk County. The majority of out-of-county tuition costs to Suffolk County are

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typically for students attending Nassau Community College and FIT. These two institutions accounted for 71% of all Suffolk residents attending community colleges outside the County and 91% of the total out-of-county tuition cost in 2017-2018. The following table shows the allocation of out-of-county tuition expenditures for 2017-2018 compared to the previous year. The overall number of students decreased for the third consecutive year; however, out-of-county-tuition costs increased by \$1.4 million because the cost per student increased by 15% for all schools, 19% for FIT. Cost per student is a function of tuition rates and the number of credits taken.

	Out-of-County Tuition for Academic Year 2016-2017			Out-of-County Tuition for Academic Year 2017-2018			Change from 2016-2017 to 2017-2018		
Community College	No. Students	Amount Paid	Cost per Student	No. Students	Amount Paid	Cost per Student	No. Students	Amount Paid	Cost per Student
FIT	702	\$8,411,086	\$11,982	699	\$9,947,232	\$14,231	-3	\$1,536,146	\$2,249
Nassau	2,131	\$4,754,310	\$2,231	1,945	\$4,486,335	\$2,307	-186	-\$267,975	\$76
Other	1,039	\$1,201,685	\$1,157	1,064	\$1,372,276	\$1,290	25	\$170,591	\$133
Total	3,872	\$14,367,082	\$3,711	3,708	\$15,805,844	\$4,263	-164	\$1,438,762	\$552
Community College	No. Students	Amount Paid	No. Students	Amount Paid	No. Students	Amount Paid			
FIT	18.1%	58.5%	18.9%	62.9%	0.7%	4.4%			
Nassau	55.0%	33.1%	52.5%	28.4%	-2.6%	-4.7%			
Other	26.8%	8.4%	28.7%	8.7%	1.9%	0.3%			

As is the case with the County Contribution, instead of paying this expense directly, the County has the option to charge back out-of-county tuition to the towns. The County exercised this option for one year in 1994 and each year since 2012 in order to provide General Fund relief. The authorized chargebacks are for the allocable portions of the operating costs and capital costs of the other New York State Community Colleges for Suffolk County residents attending each such college as non-residents. The next table shows out-of-county tuition costs from the 2007-2008 academic year through the 2017-2018 academic year.

Out-of-County Tuition Payments from 2007-2008 to 2017-2018				
Academic Year	No. Students	Change from Previous Yr.	Amount Paid	Change from Previous Yr.
2007-2008	3,668	NA	\$9,955,502	NA
2008-2009	3,789	3.3%	\$11,098,790	11.5%
2009-2010	4,090	7.9%	\$12,169,198	9.6%
2010-2011	4,163	1.8%	\$13,099,610	7.6%
2011-2012	4,180	0.4%	\$12,872,139	-1.7%
2012-2013	4,121	-1.4%	\$13,030,590	1.2%
2013-2014	4,012	-2.6%	\$13,569,325	4.1%
2014-2015	4,124	2.8%	\$14,142,240	4.2%
2015-2016	3,955	-4.1%	\$13,807,819	-2.4%
2016-2017	3,872	-2.1%	\$14,367,082	4.1%
2017-2018	3,708	-4.2%	\$15,805,844	10.0%

College Property Tax

The 2019-2020 recommended College property tax of \$5,250,467 is the same as the 2018-2019 adopted tax. The College property tax is further broken down into mandated and discretionary amounts.

- Of the \$10,203,635 in projected mandated college debt service, \$845,252 is paid from the property tax and the remaining \$9,358,383 is paid by the General Fund transfer to the College.
- On the discretionary side of the budget, payment of the recommended \$44,779,430 County Contribution is split up into \$4,405,215 from the non-mandated college property tax and \$40,374,215 from county General Fund appropriations.

	2018-2019 Adopted	2019-2020 Recommended
Total College Property Tax Levy	\$5,250,467	\$5,250,467
Mandated College Tax Levy	\$845,252	\$845,252
NonMandated College Tax Levy	\$4,405,215	\$4,405,215
County Contribution - Debt	\$9,518,459	\$10,203,635
Mandated College Tax Levy	\$845,252	\$845,252
Trans from General Fd for Debt Service (001-E818)	\$8,673,207	\$9,358,383
County Contribution - Appropriations	\$43,475,175	\$44,779,430
NonMandated College Tax Levy	\$4,405,215	\$4,405,215
Contribution to Community College (001-2495)	\$39,069,960	\$40,374,215

The 2019-2020 recommended college budget is the eleventh consecutive budget in which the college property tax does not follow the previously prescribed methodology. That methodology was based on Resolution No. 785-1995, paragraph 3.d. and the new Type C agreement, dated February 9, 1996 and the Laws of Suffolk County §C4-6(B). Although the Type C agreement is no longer in effect, the County’s Memorandum of Understanding with the College is silent on this issue. Short of an agreed upon alternative methodology, the calculation of the College property tax should follow the prescribed methodology.

Closing Remarks

Pursuant to the Suffolk County Charter, the Legislature may (1) approve or disapprove the budget total, (2) change the County Contribution, or (3) approve the recommended amounts for both. Any of these actions requires that the Community College balance their budget once the County Contribution and budget total are approved. The facts before the Legislature in its deliberations are as follows:

- The requested and recommended three percent increase in County Contribution would result in an additional \$1,304,255 impact to the General Fund in the County’s 2020 operating budget.
- Should the Legislature increase the County Contribution above the recommended level, only the College Board of Trustees can determine what impact this may have on tuition or any other line item in the College budget. Each 1% increase in the County Contribution would equate to approximately \$435,000.