

SUFFOLK COUNTY LEGISLATURE



Lance Reinheimer
Director

BUDGET REVIEW OFFICE

June 9, 2021

To: Robert Calarco, Presiding Officer and
All Suffolk County Legislators

From: Lance Reinheimer, Director
Budget Review Office

Subject: **Review of the Suffolk County Community College 2021-2022 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 2021-2022 operating budget of \$212.2 million (including grants), which is \$13.1 million more than the College estimates it will spend this year, but \$4.6 million less than adopted for 2020-2021. The request includes an \$1,343,383 (three percent) increase in the County Contribution, a two percent decrease in state aid, and no increase in annual tuition. The County Executive recommended an increase of \$671,691 or 1.5% in the County Contribution, which if adopted, will require the College to adjust its budget accordingly.

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.

The two most significant variables in college finances are enrollment and the pandemic. The number of students determines the amount of revenue from tuition, fees, and state aid. Enrollment declined by 18% from 2010-2011 to 2019-2020 and the College estimates that it will decline by an additional 11.9% in 2020-2021 and by 5.4% in 2021-2022. At the start of the 2020-2021 academic year, it was uncertain how the pandemic would impact enrollment. The economic downturn in 2008 resulted in unprecedented growth in enrollment as students leaving high school opted for a more affordable education and displaced workers pursued schooling to equip themselves for new careers. It appears that the unique circumstances of the COVID-19 pandemic produced the opposite result.

While the reduction in enrollment reduced student revenue and state aid, the College experienced significant cost savings by reducing the total number of sections offered and drastically increasing online courses. Compared to the 2020-2021 Adopted Budget, the College’s estimated expenditures are significantly less for salaries (12%), contracts and utilities (9%), and supplies and equipment (12%). Expenditures are requested at a significant increase in 2021-2022 because on-campus education is expected to increase within social distancing guidelines.

The College also benefited from the two federal stimulus packages approved in 2020 and 2021. The CARES Act provided up to \$13.2 million for Suffolk County Community College, \$6.6 million in direct aid to students and \$6.6 million in aid to the College. The College estimates \$5.4 million in CARES revenue in 2020-2021. The American Rescue Plan provided up to \$45.3 million for the College, \$22.7 million in direct aid to students and \$22.5 million for institutional expenses. The College must demonstrate that stimulus funds are being used for COVID-related expenses. The College will seek to leverage this funding wherever possible, but has conservatively included only \$9.8 million in 2021-2022.

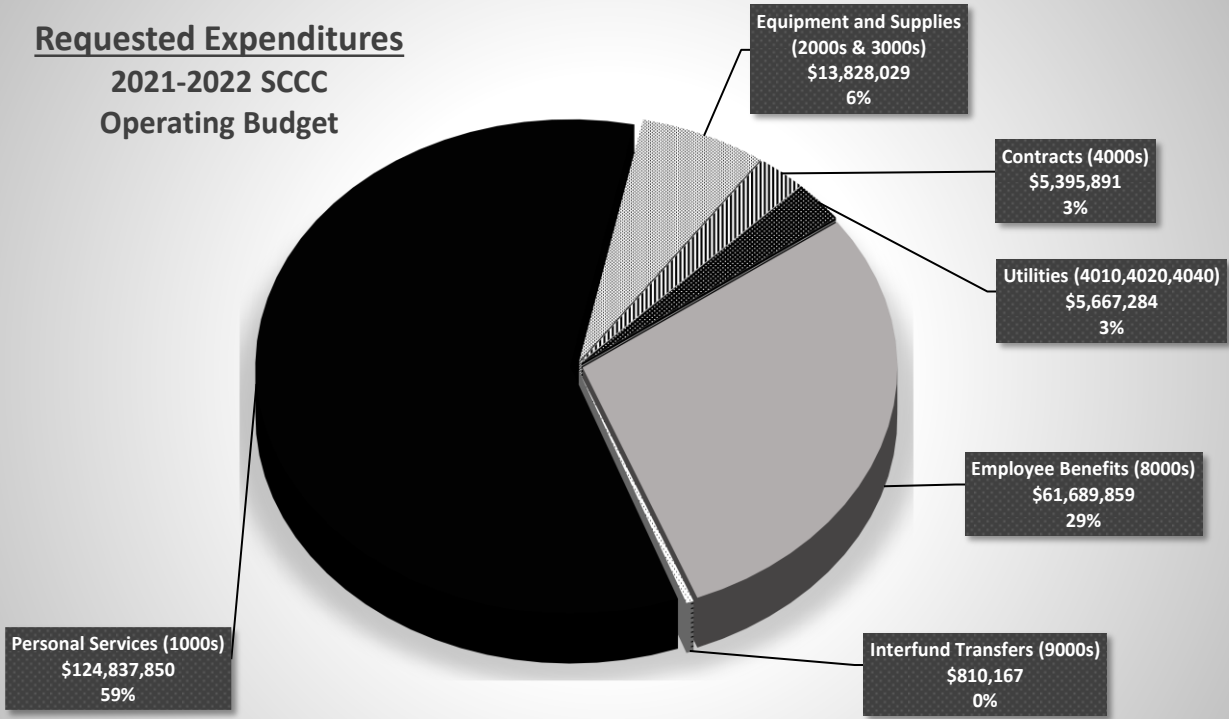
Ultimately, the College is estimating an \$8.9 million surplus in 2020-2021 and projecting a \$4.8 million deficit in 2021-2022, which will be offset by the use of the College’s reserve fund. The following table shows the total SCCC expenditure budget with and without grants from 2015-2016 to the 2021-2022 request.

Suffolk County Community College Operating Budget							
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
	Actual	Actual	Actual	Actual	Actual	Estimate	Request
Without Grants	\$202,161,531	\$210,116,903	\$214,771,106	\$213,250,999	\$207,687,094	\$195,271,504	\$208,296,316
Grants	\$3,390,189	\$3,979,420	\$4,257,645	\$4,497,812	\$4,051,582	\$3,839,068	\$3,932,764
Total	\$205,551,720	\$214,096,323	\$219,028,751	\$217,748,811	\$211,738,676	\$199,110,572	\$212,229,080

The following charts detail the allocation of the College’s requested expenditures and revenues for 2021-2022; salaries and benefits account for 88% of all requested expenditures. On the revenue side, tuition and fees comprise just over 45% of requested revenues.

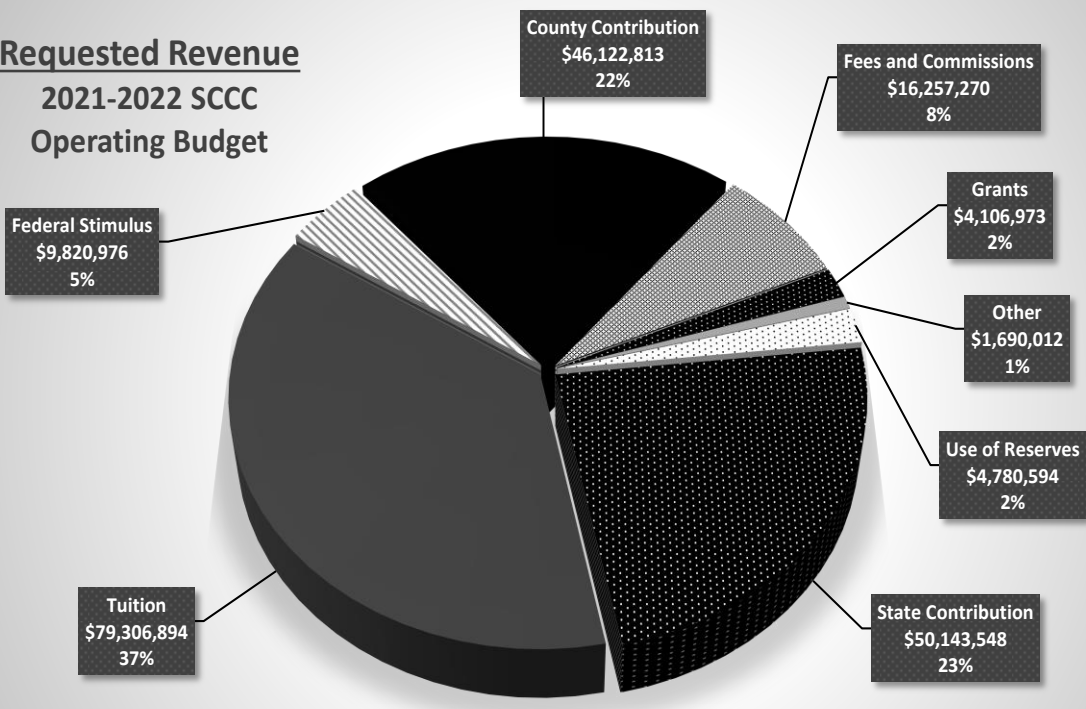
Requested Expenditures

2021-2022 SCCC
Operating Budget

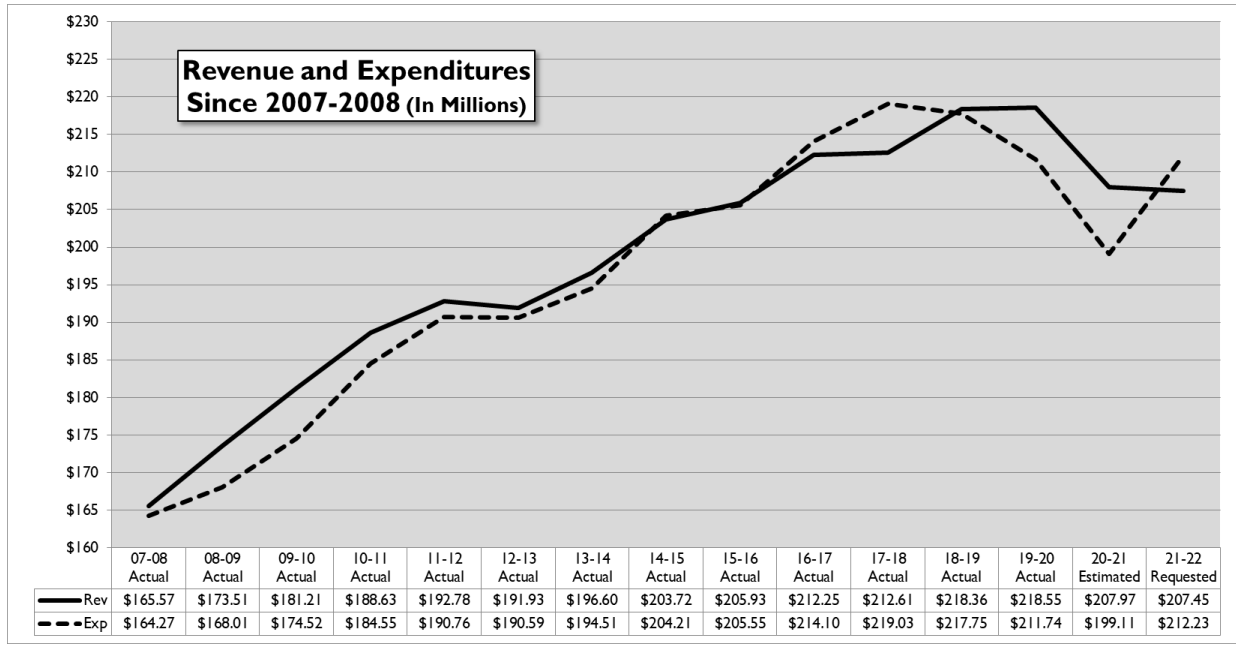


Requested Revenue

2021-2022 SCCC
Operating Budget



The next chart shows the annual relationship between expenditures and revenue from 2007-2008 through the 2021-2022 request. The College had a surplus of \$6.8 million in 2019-2020 and is estimating a surplus of \$8.9 million in 2020-2021; however, the amounts to be deposited in the reserve fund are approximately \$2.7 million less each year due to the way the College is accounting for reductions in state aid. The College is projecting a deficit of \$4.8 million in 2021-2022, which would require the use of the reserve fund to balance its budget for the first time since 2017-2018.



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 budget for 2021-2022 includes a county share of 28.3%. Assuming the College uses its reserves to offset the recommended difference in the County Contribution, the percentage would be unchanged because under the SUNY formula the use of the SCCC Reserve Fund is part of the County Share.

Revenue Shares per SUNY Formula								
Revenue	2019-2020		2020-2021		2020-2021		2021-2022	
	Actual	%	Adopted	%	Estimated	%	Requested	%
County	\$46,356,876	23.3%	\$54,050,005	27.3%	\$46,374,254	25.0%	\$52,498,231	28.3%
State	\$53,273,646	26.8%	\$51,192,802	25.8%	\$51,118,590	27.6%	\$50,143,548	27.0%
Student	\$99,290,236	49.9%	\$92,808,053	46.9%	\$87,896,984	47.4%	\$83,150,547	44.8%
Total	\$198,920,758	100%	\$198,050,860	100%	\$185,389,828	100%	\$185,792,326	100%

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%.

The County Contribution increased at a greater rate compared to the base scenario while state aid and tuition rates were less than projected. However, the most significant difference between the model and actual experience was enrollment. Revenue from tuition, fees, and state aid is contingent upon enrollment. When enrollment declines, revenue is reduced. The base scenario included an increase in enrollment each year starting in 2017-2018; enrollment has actually decreased each year and is projected to continue to decline. Through 2020-2021, the County Contribution is the only revenue assumption to meet or exceed the target. 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	2019-2020	2020-2021	5 yr. total, not	5 yr. difference,
							compounded	not compounded
Change in Enrollment	Projected	-1.50%	0.10%	1.01%	2.73%	0.65%	2.99%	-23.36%
	Actual/Est.	-1.11%	-1.88%	-5.17%	-4.12%	-8.09%	-20.37%	
Change in Tuition	Projected	\$200	\$200	\$200	\$200	\$200	\$1,000	-\$100
	Actual/Est.	\$200	\$100	\$350	\$250	\$0	\$900	
Change in County Contribution	Projected	2.50%	1.50%	1.50%	1.50%	1.50%	8.50%	1.00%
	Actual/Est.	2.50%	1.50%	2.50%	3.00%	0.00%	9.50%	
Change in State Aid per FTE	Projected	\$100	\$100	\$100	\$100	\$100	\$500	-\$150
	Actual/Est.	\$100	\$50	\$100	\$100	\$0	\$350	

The next table shows the net effect of the differences between what was projected and what the actual experience has been. Despite large differences in projected versus received revenue, the College’s fiscal management has resulted in an estimated growth in reserves that exceeds the 5-year model’s projections through 2020-2021 by \$10 million (-\$7.4 million vs +\$2.6 million).

Five Year Budget Plan Use of Reserves Compared to Actual/Estimated Use of Reserves						
Use of Reserves		2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
Annual	Projected	-\$2,314,618	-\$2,901,527	-\$2,763,554	-\$372,315	\$947,385
	Actual/Est.	-\$1,841,763	-\$6,418,249	\$613,500	\$4,098,724	\$6,123,615
Cumulative	Projected	-\$2,314,618	-\$5,216,145	-\$7,979,699	-\$8,352,014	-\$7,404,629
	Actual/Est.	-\$1,841,763	-\$8,260,012	-\$7,646,512	-\$3,547,788	\$2,575,827

Expenditures

Compared to the 2020-2021 estimate, the College requested an increase for all expenditure categories other than interfund transfers, a total increase of \$13.1 million or 6.6%. However, the request is 0.23% or less than \$500,000 more than actual 2019-2020 expenditures. The following table summarizes the College budget request by major category.

Suffolk County Community College Expenditures by Object (With Grants)						
Category	2019/2020	2020/2021	2020/2021	Change from	Change from	
	Actual	Adopted	Estimated	Actual to Estimated	2021/2022 Requested	Estimated to Requested
Personal Services (1000s)	\$130,164,669	\$132,573,907	\$117,283,668	-9.9%	\$124,837,850	6.4%
Equipment and Supplies (2000s & 3000s)	\$9,314,542	\$11,888,546	\$10,404,743	11.7%	\$13,828,029	32.9%
Contracts (4000s)	\$5,487,825	\$5,471,905	\$4,651,284	-15.2%	\$5,395,891	16.0%
Utilities (4010,4020,4040)	\$5,834,826	\$5,655,234	\$5,430,234	-6.9%	\$5,667,284	4.4%
Employee benefits (8000s)	\$60,053,136	\$60,453,388	\$60,530,476	0.8%	\$61,689,859	1.9%
Interfund transfers (9000s)	\$883,678	\$810,167	\$810,167	-8.3%	\$810,167	0.0%
Total	\$211,738,676	\$216,853,147	\$199,110,572	-6.0%	\$212,229,080	6.6%

Personnel expenses include collectively bargained increases as well as employee step increases for full-time employees. Temporary and part-time salaries are projected to increase significantly next year compared to the current year estimates because only 10% of classes were held on campus in 2020-2021 while approximately 50% of classes are expected to be offered on campus in 2021-2022. In-person classes will require social distancing, which will limit the number of students per classroom, requiring additional sections to be offered. Additional staff may also be needed to frequently sterilize classrooms and other facilities. However, due to declining enrollment, personnel expenditures are still expected to be less than in 2019-2020. The following table shows salary costs for the College.

Personal Services (1000s)						
Category	2019-2020	2020-2021	2020-2021	2021-2022	Change from	Change from
	Actual	Adopted	Estimate	Requested	Est to Req	Est to Req
Permanent Salaries	\$90,854,278	\$93,560,528	\$87,603,182	\$90,340,261	\$2,737,079	3.1%
Terminal Pay	\$2,381,355	\$1,735,000	\$2,041,400	\$1,735,000	-\$306,400	-15.0%
Longevity	\$1,220,405	\$1,248,500	\$1,148,500	\$1,253,550	\$105,050	9.1%
Temp & PT Salaries	\$26,910,839	\$27,708,009	\$18,723,138	\$23,187,981	\$4,464,843	23.8%
Other	\$377,094	\$352,075	\$301,925	\$352,075	\$50,150	16.6%
Overtime and Overload	\$8,420,698	\$7,969,795	\$7,465,523	\$7,968,983	\$503,460	6.7%
Total	\$130,164,669	\$132,573,907	\$117,283,668	\$124,837,850	\$7,554,182	6.4%

Requested expenditures for equipment and supplies are significantly greater than in recent years because of the purchases required to make in-person and remote learning possible during the pandemic. The increase in spending is offset with federal aid. The next table shows the College's request for equipment and supplies.

Equipment and Supplies (2000s and 3000s)						
Category	2019-2020 Actual	2020-2021 Adopted	2020-2021 Estimate	2021-2022 Requested	Change from Est to Req	Change from Est to Req
Advertising	\$630,647	\$710,844	\$630,396	\$705,964	\$75,568	12.0%
Bank Service Charges	\$641,822	\$598,410	\$598,410	\$648,410	\$50,000	8.4%
Building/Grounds Repairs and Materials	\$746,818	\$1,245,928	\$878,391	\$1,216,428	\$338,037	38.5%
Computers and Office Machines	\$735,416	\$951,939	\$1,499,741	\$1,802,692	\$302,951	20.2%
Instructional Equipment & Supplies	\$1,031,412	\$1,842,900	\$1,244,410	\$2,007,399	\$762,989	61.3%
Maintenance Contracts	\$1,515,033	\$1,568,274	\$1,448,716	\$1,786,542	\$337,826	23.3%
Other	\$2,272,603	\$3,090,821	\$2,323,931	\$3,353,192	\$1,029,261	44.3%
Postage	\$434,389	\$440,000	\$415,000	\$440,000	\$25,000	6.0%
Software and Digital Resources	\$1,306,402	\$1,439,430	\$1,365,748	\$1,867,402	\$501,654	36.7%
Total	\$9,314,542	\$11,888,546	\$10,404,743	\$13,828,029	\$3,423,286	32.9%

In 2020-2021, the majority of classes and services were conducted remotely. Accordingly, estimated expenditures for utilities, services, training, and other items were reduced. The College's 2021-2022 request is 9.7% greater for utilities and contracts compared to the 2020-2021 estimate based on a return to more traditional education.

Utilities and Contractual Costs (4000s)						
Category	2019-2020 Actual	2020-2021 Adopted	2020-2021 Estimate	2021-2022 Requested	Change from Est to Req	Change from Est to Req
Computer Services	\$990,646	\$1,029,308	\$829,308	\$1,044,430	\$215,122	25.9%
Employee Meals, Travel, & Training	\$256,540	\$622,061	\$258,688	\$532,765	\$274,077	105.9%
Fees for Services, Non Employee	\$1,159,103	\$845,784	\$774,788	\$826,480	\$51,692	6.7%
Other	\$130,551	\$200,025	\$190,025	\$200,025	\$10,000	5.3%
Rent: Office Building	\$1,970,320	\$2,052,909	\$2,029,208	\$2,072,661	\$43,453	2.1%
Special Services	\$980,665	\$721,818	\$569,267	\$719,530	\$150,263	26.4%
Utilities	\$5,834,826	\$5,655,234	\$5,430,234	\$5,667,284	\$237,050	4.4%
Total	\$11,322,651	\$11,127,139	\$10,081,518	\$11,063,175	\$981,657	9.7%

Employee benefits are requested at an increase of 1.9% primarily due to the cost of health insurance. Salary driven expenditures for retirement and Social Security are also expected to increase. Requested employee benefit expenditures are shown in the next table.

Employee Benefits (8000s)						
Category	2019-2020 Actual	2020-2021 Adopted	2020-2021 Estimate	2021-2022 Requested	Change from Est to Req	Change from Est to Req
Benefit Fd. Contribution	\$1,940,549	\$1,937,100	\$1,937,100	\$1,927,144	-\$9,956	-0.5%
Health Insurance	\$32,821,194	\$33,806,029	\$35,377,126	\$36,100,621	\$723,495	2.0%
Other	\$1,372,946	\$779,953	\$1,061,218	\$954,953	-\$106,265	-10.0%
Retirement	\$13,517,757	\$13,288,989	\$12,472,687	\$12,650,930	\$178,243	1.4%
Social Security	\$9,384,660	\$9,471,317	\$8,512,345	\$8,886,211	\$373,866	4.4%
Workers' Compensation	\$1,016,030	\$1,170,000	\$1,170,000	\$1,170,000	\$0	0.0%
Total	\$60,053,136	\$60,453,388	\$60,530,476	\$61,689,859	\$1,159,383	1.9%

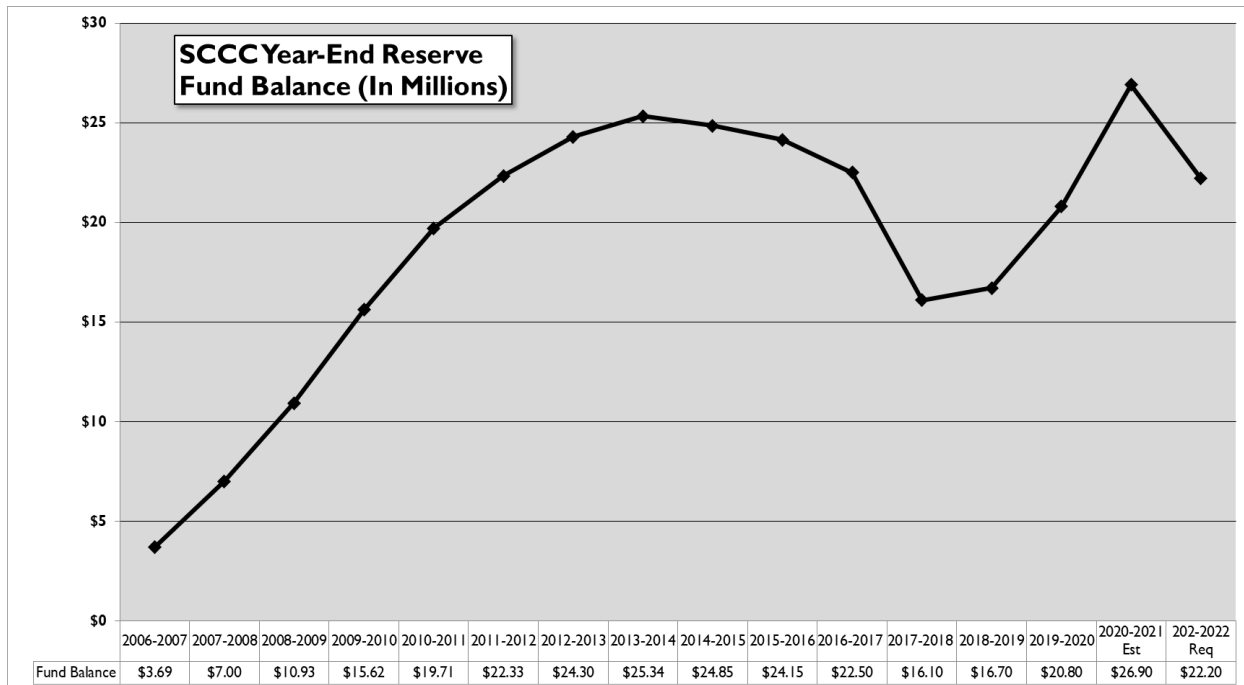
As shown in the following table, the College request for interfunds is the same as adopted and estimated in 2020-2021, approximately \$74,000 less than 2019-2020 actual expenditures.

Interfund Transfers (9000s)						
Category	2019-2020 Actual	2020-2021 Adopted	2020-2021 Estimate	2021-2022 Requested	Change from Est to Req	Change from Est to Req
Interdepart. Oper. Fd (016)	\$23,085	\$25,000	\$25,000	\$25,000	\$0	0.0%
Self Insurance Fd (038)	\$860,593	\$785,167	\$785,167	\$785,167	\$0	0.0%
Total	\$883,678	\$810,167	\$810,167	\$810,167	\$0	0.0%

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 during those years, the reserve fund balance grew. The fund balance then decreased for four consecutive years due primarily to operating deficits, but also negative audit adjustments for unpaid, uncollectable tuition debts. Since 2017-2018, the College has generated operating surpluses by reducing expenditures causing the reserve fund balance to increase.

In 2019-2020, the College had an operating surplus of \$6.8 million and is estimating an \$8.9 million surplus in 2020-2021. However, due to retroactive reductions in state aid and a few other adjustments, the reserve fund is estimated to only increase by \$4.1 million in 2019-2020 and by \$6.1 million in 2020-2021. Even with these reductions, the estimated 2020-2021 year-end fund balance of \$26.9 million is the largest ever. The 2020-2021 request uses \$4.8 million from the reserve, which would result in a year-end balance of \$22.2 million if the full amount is needed next 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 2020-2021 budget (excluding grants) would be approximately \$20.9 million and 15% would be approximately \$31.2 million. Estimated 2020-2021 year-end reserves as a percentage of estimated 2020-2021 expenditures are 14%. Even if the College uses the total authorized amount of reserves in 2021-2022, projected fund balance will be at 11%. 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 \$5.6 million less than adopted and \$3.4 million less than estimated.

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 even when there are annual increases in FTE Aid. To assist community colleges, the State recently enacted a funding policy which sets aid according to the traditional FTE formula or 98% of the previous year’s aid level, whichever is greater. Suffolk County Community College, would have benefited from the alternative formula for the first time in 2020-2021; however, the state suspended it for the academic year. Consequently, the College is estimating a four percent (\$2.2 million) decrease in state aid for 2020-2021 compared to 2019-2020. Even though the rate of FTE aid is expected to increase by \$50, the College is projecting a decrease of approximately \$1 million in 2021-2022 predicated on declining enrollment and the 98% formula. 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	Rate per FTE	Change in Rate from Previous Year	Total Revenue	Change in Total Revenue 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	\$2,847	\$100	\$53,555,877	\$933,022
2019-2020	\$2,947	\$100	\$53,273,646	-\$282,231
2020-2021 Estimated	\$2,947	\$0	\$51,118,590	-\$2,155,056
2021-2022 Requested	\$2,997	\$50	\$50,143,548	-\$975,042

Student Revenue

The College continues to face the challenge of mitigating a budget gap resulting from 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).

The following table shows a projected decline in enrollment of 28.6% from 2010-2011 to 2021-2022 while tuition and fee revenue are estimated at a 3.7% decrease over the same period, a 34.8% increase per FTE. In order to counteract declining enrollment, the College increased tuition and fees annually from 2013-2014 to 2019-2020. The College is requesting no increases in tuition for the second consecutive year in 2021-2022. Accordingly, tuition and fee revenue per FTE is estimated to decrease by 2.7% in 2020-2021 and increase by less than a tenth of a percent in 2021-2022. The slight increase in 2021-2022 is due to fees that are not necessarily paid by students, such as community use of facilities such as the new Health and Wellness Center on the Eastern Campus; neither tuition or fees are being increased.

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	Cost per FTE	Change from Previous Year
2010-2011	20,229	NA	\$83,448,668	\$15,803,532	\$99,252,200	NA	\$4,906	NA
2011-2012	19,770	-2.27%	\$85,444,615	\$17,654,927	\$103,099,542	3.88%	\$5,215	6.29%
2012-2013	19,240	-2.68%	\$84,548,520	\$17,165,994	\$101,714,514	-1.34%	\$5,287	1.37%
2013-2014	19,405	0.86%	\$87,234,787	\$17,130,016	\$104,364,803	2.61%	\$5,378	1.73%
2014-2015	19,309	-0.49%	\$92,138,889	\$17,246,180	\$109,385,069	4.81%	\$5,665	5.33%
2015-2016	18,832	-2.47%	\$92,574,681	\$16,539,180	\$109,113,861	-0.25%	\$5,794	2.28%
2016-2017	18,623	-1.11%	\$93,682,198	\$18,525,340	\$112,207,538	2.84%	\$6,025	3.99%
2017-2018	18,273	-1.88%	\$93,297,791	\$17,788,349	\$111,086,140	-1.00%	\$6,079	0.90%
2018-2019	17,328	-5.17%	\$95,569,318	\$19,307,273	\$114,876,591	3.41%	\$6,630	9.05%
2019-2020	16,614	-4.12%	\$95,077,251	\$17,801,530	\$112,878,781	-1.74%	\$6,794	2.48%
2020-2021 Estimated	15,270	-11.88%	\$83,833,926	\$17,133,728	\$100,967,654	-10.55%	\$6,612	-2.68%
2021-2022 Projected	14,445	-5.40%	\$79,306,894	\$16,257,270	\$95,564,164	-5.35%	\$6,616	0.05%
Change from 2010-2011 to 2021-2022	-5,784	-28.59%	-\$4,141,774	\$453,738	-\$3,688,036	-3.72%	\$1,709	34.83%

Tuition, which is unchanged for Suffolk County residents in 2021-2022, is \$2,735 per semester or \$5,470 annually for full-time students and \$228 per credit for part-time students. 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. The next table summarizes 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%
2020-2021	\$5,470	\$0	0.0%	\$228	\$0	0.0%
2021-2022	\$5,470	\$0	0.0%	\$228	\$0	0.0%

Tuition at Suffolk County Community College has increased by an average of \$164 or 3.6% annually from 2011-2012 to 2020-2021, which is more than the statewide average in dollars (\$146) and percentage (3.4%). In 2020-2021, tuition at Suffolk County Community College was the third highest of the 30 community colleges in New York. Nassau County had the highest tuition at \$5,800 and Dutchess County had the lowest at \$4,350. Tuition rates for other New York community colleges are not yet available for 2021-2022. Assuming all other community colleges increase tuition by the state average annual percentage since 2011-2012, the 2021-2022 tuition requested by Suffolk County Community College would be the fifth highest in the State. The following chart compares Suffolk County Community College tuition to other community colleges in New York State.

Tuition Rates from 2011-2012 to 2020-2021 for NYS Community Colleges											Avg Annual Dollar	Avg Annual Percentage
Community College	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Change	Change
Adirondack	\$3,556	\$3,664	\$3,774	\$3,870	\$3,984	\$4,176	\$4,392	\$4,560	\$4,800	\$4,944	\$154	3.7%
Broome	\$3,694	\$3,820	\$3,954	\$4,108	\$4,212	\$4,418	\$4,592	\$4,728	\$4,944	\$5,088	\$155	3.6%
Cayuga County	\$3,820	\$3,950	\$4,090	\$4,200	\$4,326	\$4,499	\$4,544	\$4,658	\$4,844	\$4,992	\$130	3.0%
Clinton	\$3,620	\$3,820	\$3,960	\$4,060	\$4,200	\$4,300	\$4,644	\$5,062	\$5,518	\$5,518	\$211	4.8%
Columbia-Greene	\$3,648	\$3,792	\$3,960	\$4,080	\$4,100	\$4,392	\$4,536	\$4,680	\$4,824	\$4,968	\$147	3.5%
Corning	\$3,870	\$3,950	\$4,070	\$4,150	\$4,230	\$4,314	\$4,518	\$4,710	\$4,874	\$5,068	\$133	3.0%
Dutchess	\$2,900	\$3,100	\$3,200	\$3,200	\$3,360	\$3,528	\$3,696	\$3,864	\$4,150	\$4,350	\$161	4.6%
Erie	\$3,600	\$3,900	\$3,995	\$4,295	\$4,595	\$4,733	\$4,900	\$4,900	\$4,900	\$5,047	\$161	3.9%
Fashion Institute	\$3,974	\$4,200	\$4,425	\$4,500	\$4,500	\$4,590	\$4,690	\$4,890	\$5,190	\$5,290	\$146	3.2%
Finger Lakes	\$3,484	\$3,654	\$3,834	\$4,022	\$4,180	\$4,368	\$4,522	\$4,584	\$4,722	\$4,864	\$153	3.8%
Fulton-Montgomery	\$3,394	\$3,444	\$3,598	\$3,648	\$3,900	\$4,200	\$4,450	\$4,600	\$4,900	\$5,040	\$183	4.5%
Genesee	\$3,400	\$3,550	\$3,700	\$3,850	\$3,900	\$3,950	\$4,050	\$4,150	\$4,350	\$4,550	\$128	3.3%
Herkimer County	\$3,540	\$3,640	\$3,740	\$3,840	\$3,940	\$4,270	\$4,470	\$4,670	\$4,870	\$5,016	\$164	4.0%
Hudson Valley	\$3,700	\$3,900	\$3,980	\$3,980	\$4,100	\$4,300	\$4,500	\$4,650	\$4,800	\$4,800	\$122	3.0%
Jamestown	\$3,900	\$4,050	\$4,220	\$4,220	\$4,520	\$4,630	\$4,750	\$4,870	\$5,040	\$5,200	\$144	3.3%
Jefferson	\$3,648	\$3,744	\$3,864	\$3,984	\$4,176	\$4,392	\$4,584	\$4,752	\$4,920	\$5,016	\$152	3.6%
Mohawk Valley	\$3,480	\$3,580	\$3,710	\$3,810	\$3,960	\$4,084	\$4,250	\$4,370	\$4,594	\$4,594	\$124	3.1%
Monroe	\$3,060	\$3,140	\$3,240	\$3,416	\$3,800	\$4,100	\$4,280	\$4,380	\$4,380	\$4,706	\$183	4.9%
Nassau	\$3,990	\$3,990	\$4,088	\$4,234	\$4,534	\$4,868	\$5,102	\$5,350	\$5,600	\$5,800	\$201	4.3%
Niagara County	\$3,624	\$3,696	\$3,792	\$3,888	\$3,960	\$4,080	\$4,224	\$4,392	\$4,560	\$4,752	\$125	3.1%
North Country	\$3,900	\$3,900	\$4,050	\$4,250	\$4,426	\$4,600	\$4,692	\$4,880	\$5,076	\$5,280	\$153	3.4%
Onondaga	\$3,930	\$4,050	\$4,172	\$4,300	\$4,430	\$4,570	\$4,570	\$4,900	\$4,990	\$5,090	\$129	2.9%
Orange County	\$3,900	\$4,100	\$4,400	\$4,400	\$4,486	\$4,636	\$4,776	\$4,976	\$5,184	\$5,376	\$164	3.6%
Rockland	\$3,815	\$4,025	\$4,175	\$4,300	\$4,300	\$4,429	\$4,586	\$4,746	\$4,912	\$5,110	\$144	3.3%
Schenectady County	\$3,384	\$3,384	\$3,384	\$3,456	\$3,528	\$3,720	\$3,936	\$4,176	\$4,391	\$4,608	\$136	3.5%
Suffolk County	\$3,990	\$3,990	\$4,140	\$4,390	\$4,570	\$4,770	\$4,870	\$5,220	\$5,470	\$5,470	\$164	3.6%
Sullivan County	\$4,180	\$4,474	\$4,474	\$4,474	\$4,674	\$4,674	\$4,814	\$4,814	\$5,016	\$5,217	\$115	2.5%
Tompkins-Cortland	\$3,950	\$4,150	\$4,300	\$4,500	\$4,650	\$4,790	\$4,950	\$4,950	\$5,100	\$5,355	\$156	3.4%
Ulster County	\$3,990	\$4,130	\$4,230	\$4,230	\$4,230	\$4,330	\$4,480	\$4,480	\$4,680	\$4,880	\$99	2.3%
Westchester	\$4,150	\$4,280	\$4,280	\$4,280	\$4,280	\$4,280	\$4,280	\$4,380	\$4,580	\$4,655	\$56	1.3%
Average Tuition	\$3,703	\$3,836	\$3,960	\$4,065	\$4,202	\$4,366	\$4,522	\$4,678	\$4,873	\$5,021	\$146	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 three percent increase in 2019-2020 was the largest since 2006-2007. The College requested a two percent increase in 2020-2021, but the County adopted no increase. The College requested a three percent increase for 2021-2022, which equates to approximately \$1.3

million. The County Executive recommended an increase of \$671,691 or 1.5%. The following table shows the County's annual contribution to the Community College since 1999-2000.

Annual County Contribution to SCCC					
Academic Year	County Contribution	% Change From Previous Year	Academic Year	County Contribution	% Change From Previous Year
1999 – 2000	\$29,490,384	NA	2011 – 2012	\$38,988,987	1.0%
2000 – 2001	\$30,669,999	4.0%	2012 – 2013	\$38,988,987	0.0%
2001 – 2002	\$33,644,989	9.7%	2013 – 2014	\$38,988,987	0.0%
2002 – 2003	\$33,644,989	0.0%	2014 – 2015	\$39,768,766	2.0%
2003 – 2004	\$33,644,989	0.0%	2015 – 2016	\$40,768,766	2.5%
2004 – 2005	\$34,990,788	4.0%	2016 – 2017	\$41,787,985	2.5%
2005 – 2006	\$36,390,420	4.0%	2017 – 2018	\$42,414,805	1.5%
2006 – 2007	\$37,846,036	4.0%	2018 – 2019	\$43,475,175	2.5%
2007 – 2008	\$38,602,957	2.0%	2019 – 2020	\$44,779,430	3.0%
2008 – 2009	\$38,602,957	0.0%	2020 – 2021	\$44,779,430	0.0%
2009 – 2010	\$38,602,957	0.0%	2021 – 2022 Req	\$46,122,813	3.0%
2010 – 2011	\$38,602,957	0.0%	2021-2022 Rec	\$45,451,121	1.5%

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. Debt service is estimated at approximately \$10.2 million 2021.
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-2490-Comm. Coll. Non Cnty Tuition-4780-Out of County Tuition). The Adopted 2021 Operating Budget includes \$15.2 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 of 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 2019-2020, 3,319 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 typically for students attending Nassau Community College and FIT. These two institutions accounted for 70% of all Suffolk residents attending community colleges outside the County and 91% of the total out-of-county tuition cost in 2019-2020. The following table shows the allocation of out-of-county tuition expenditures for 2019-2020 compared to the previous year. The overall number of students decreased for the fifth consecutive year; however, out-of-county-tuition costs increased for the fourth straight year because the cost per student has increased. Cost per student is a function of state chargeback rates, tuition rates, and the number of credits taken.

	Out-of-County Tuition for Academic Year 2018-2019			Out-of-County Tuition for Academic Year 2019-2020			Change from 2018-2019 to 2019-2020		
Community College	No. Students	Amount Paid	Cost per Student	No. Students	Amount Paid	Cost per Student	No. Students	Amount Paid	Cost per Student
FIT	650	\$9,856,109	\$15,163	629	\$9,860,057	\$15,676	-21	\$3,948	\$513
Nassau	1,729	\$4,759,345	\$2,753	1,680	\$5,159,008	\$3,071	-49	\$399,663	\$318
Other	1,069	\$1,389,796	\$1,300	1,010	\$1,462,523	\$1,448	-59	\$72,727	\$148
Total	3,448	\$16,005,251	\$4,642	3,319	\$16,481,589	\$4,966	-129	\$476,338	\$324
Community College	No. Students	No. Amount Paid		No. Students	No. Amount Paid		No. Students	No. Amount Paid	
FIT	18.9%	61.6%		19.0%	59.8%		0.1%	-1.8%	
Nassau	50.1%	29.7%		50.6%	31.3%		0.5%	1.6%	
Other	31.0%	8.7%		30.4%	8.9%		-0.6%	0.2%	

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 2019-2020 academic year.

Out-of-County Tuition Payments from 2007-2008 to 2019-2020				
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%
2018-2019	3,448	-7.0%	\$16,005,251	1.3%
2019-2020	3,319	-3.7%	\$16,481,589	3.0%

College Property Tax

The 2021-2022 recommended College property tax of \$5,250,467 is the same as the 2020-2021 adopted tax. The College property tax is further broken down into mandated and discretionary amounts.

- Of the \$10,180,477 in projected mandated college debt service, \$845,252 is paid from the property tax and the remaining \$9,335,225 is paid by the General Fund transfer to the College.
- On the discretionary side of the budget, payment of the recommended \$45,451,121 County Contribution is split up into \$4,405,215 from the non-mandated college property tax and \$41,045,906 from county General Fund appropriations.

	2020-2021 Adopted	2021-2022 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	\$10,180,477	\$10,180,477
Mandated College Tax Levy	\$845,252	\$845,252
Trans from General Fd for Debt Service (001-E818)	\$9,335,225	\$9,335,225
County Contribution - Appropriations	\$44,779,430	\$45,451,121
NonMandated College Tax Levy	\$4,405,215	\$4,405,215
Contribution to Community College (001-2495)	\$40,374,215	\$41,045,906

The 2021-2022 recommended college budget is the 13th 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 three percent increase in County Contribution would result in an additional \$1,343,383 impact to the General Fund in the County's 2022 operating budget.
- The recommended 1.5% increase in County Contribution would result in an additional \$671,691 impact to the General Fund in the County's 2022 operating budget.
- Should the Legislature increase the County Contribution above the requested 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 above the requested amount would equate to approximately \$460,000.