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**XV. Expenditures: Capital Expenditures**

**The community and hybrid colleges have received far less capital funding than the senior colleges. Given the significantly increasing enrollments at some of these colleges, the community and hybrid colleges may have a significant need for expanded facilities.**

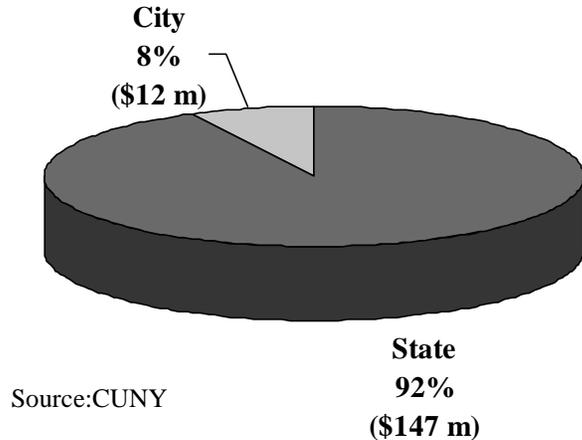
### **Key Findings**

- New York State provides direct funding for senior college capital projects. Due to the current funding environment, the senior colleges have received the overwhelming majority of capital support within the university. This looks likely to continue based on the state's recent five year, one billion dollar commitment for capital projects.
- The community and hybrid colleges must receive the city's approval and a commitment of half of the project funds before the state will commit its share of project support; however, approvals from the city have been less frequent, and have left these colleges with significantly more capital constraints. This may be due to the existence of a large account at CUNY containing funds that have been appropriated by the city but not yet spent by the colleges, as well as the perception that many campuses do not have the needed skill sets to develop and submit sound proposals.

*Securing additional capital funding for resource constrained campuses will depend on CUNY's ability to put forward clear and well-organized proposals, as well as sort through the city funding that has been allocated, but not yet spent. By better demonstrating its ability to manage both projects and funding, CUNY may better position itself to increase capital funding from the city.*

**CUNY spent \$159 million on capital projects in FY97, \$147 million, or 92%, of which was provided by New York State (see Figure 55).**

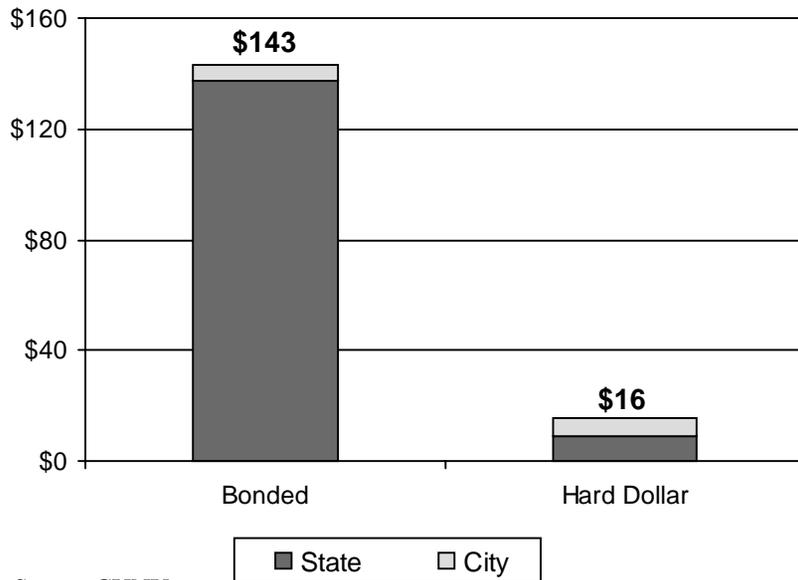
**Figure 55**  
**1997 Capital Expenditures**  
**by Funding Source**



- New York State funded 92% of capital expenditures.
- Generally, the state is responsible for all funding of senior and hybrid projects over \$2 million, as well as 50% of the funding for community college projects.
- New York City contributed an additional 8%, or \$12 million of the total.
- The city has responsibility for the other half of the community college projects over \$2 million, and also provides support for smaller equipment and renovation projects at senior, hybrid, and community campuses.

### Most of CUNY's capital funds are provided through the issuance of bonds by the Dormitory Authority of New York State (DASNY).

**Figure 56**  
**Capital Expenditures by Funding Type**  
**(millions) 1997**



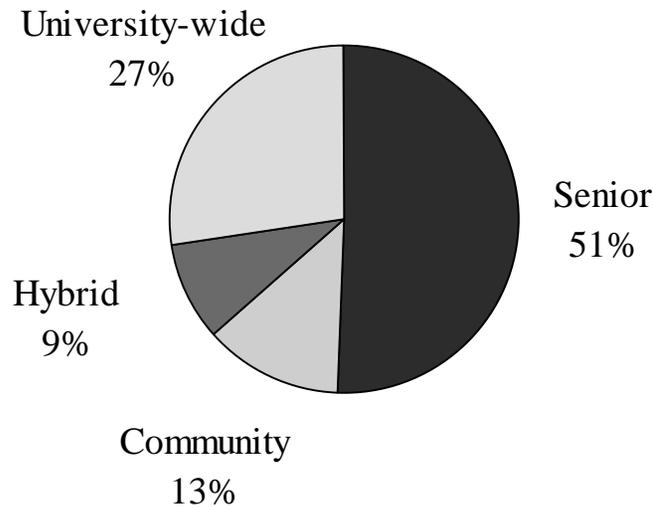
Source: CUNY

- Payment of debt service on bond issues accounted for \$143 million or 90% of expenditures. Bonds are typically issued to fund all projects over \$2 million (see Figure 56).
- Another \$16 million in direct appropriations - hard dollars - was also spent in FY97 (see Figure 56). The city provides 41% of all hard dollars through funds secured by Borough Presidents and Council Members. The remaining 59% is funded directly by the state.
- The majority of hard dollar funds are used for equipment purchases, as well as some minor capital projects.

**Senior and hybrid colleges received the overwhelming majority of capital funding in 1997. Sixty percent can be directly attributed to these colleges, as well as the majority of what are categorized as “university-wide” dollars (see Figure 57).**

*Figure 57*

**Capital Expenditures by Fund Use (FY97)**



- The state is the primary funding source for senior and hybrid colleges, and has traditionally provided significantly more funding for the seniors and hybrids.
- Funding for the community colleges has traditionally been dependent on the city's approval of a project. Once the city commits, the state's 50% match is virtually assured.

Source:CUNY