
V. Revenue Sources: Tuition

CUNY has become much more reliant upon tuition revenue to fund its annual operating budget.

Key Findings

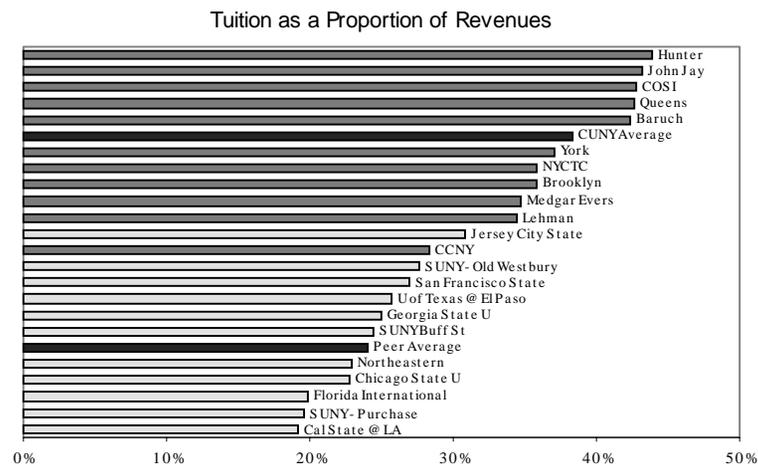
- At the senior, hybrid and community colleges, tuition as a proportion of total revenues is significantly higher than at peer institutions.
- This serves to make the university far more dependent on tuition revenues than its peers and increases the pressure to enroll more students each year.
- Actual tuition and fee rates are also much higher at CUNY than at peer institutions, thereby reducing its competitive edge and limiting its ability to further increase revenues through higher tuition.

Increased reliance upon tuition has also put additional pressure on the university's resource allocation process, which sometimes reallocates tuition revenues from schools with increasing enrollment to help schools with stagnant or declining enrollment. This process becomes particularly difficult in an environment of overall declining resources.

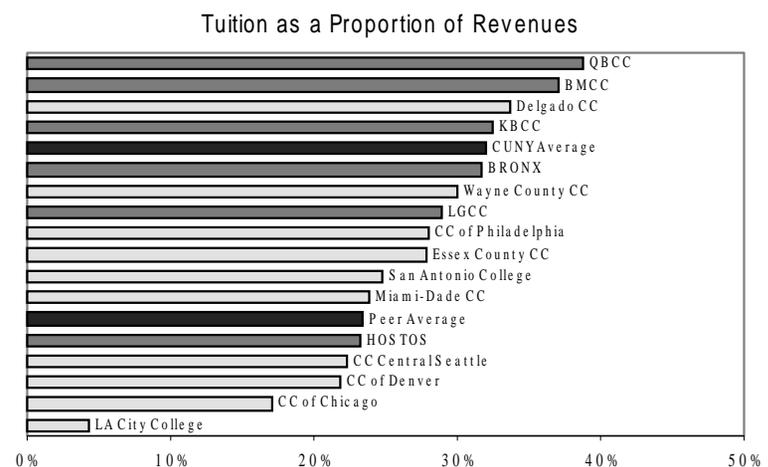
Even recognizing a national shift in the proportion of support for higher education from government appropriations to tuition, tuition comprises an especially high proportion of total revenues at CUNY (see Figure 27 & 28).

- In the senior colleges, tuition represents 28-43% of revenues versus 19-31% at peer institutions (see Appendix D).
- Most CUNY community colleges generate 30-40% of revenues from tuition, while at peer institutions tuition revenues tend to be closer to 20% (see Appendix E).
- Hostos falls far outside the CUNY average due to its low enrollment and correspondingly low tuition revenue in comparison to the total funding it receives.

**Figure 27
Senior Colleges**



**Figure 28
Community Colleges**



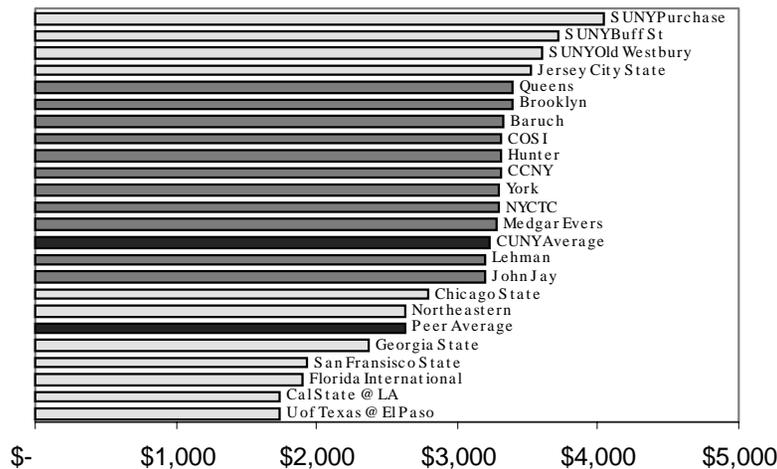
Source: IPEDS 1997 Data

CUNY's actual tuition and fee rates are also significantly higher than at peer colleges (see Figures 29 & 30).

- The three SUNY peers and Jersey City State are the only peers with higher tuition than CUNY senior colleges. None of the community college peers rank higher than CUNY; in fact, the closest institution charges \$682 less in tuition than the CUNY average (see Appendices D & E).
- Tuition is set by the Board of Trustees; however, annual revenue targets are set by the government. As a result, the majority of CUNY's recent tuition increases have been instituted in response to increases in government revenue targets, often causing tuition to grow through dramatic rather than gradual increases.

**Figure 29
Senior Colleges**

Tuition & Fees



Source: IPEDS 1997 Data

**Figure 30
Community Colleges**

Tuition & Fees

