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## **VII. Revenue Sources: Grants & Contracts**

## **CUNY successfully increased grant and contract revenue to fund public service programs, training initiatives, and institutional improvements.**

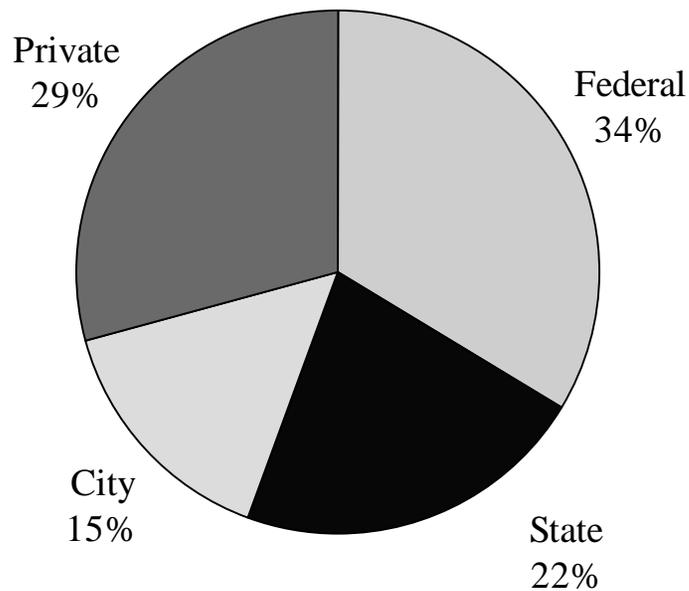
### **Key Findings**

- As government appropriations have declined, CUNY has successfully increased its overall resources by securing new funding. Grants, contracts and gifts have grown from 11% of CUNY's revenues in 1980 to 26% in 1997, though this includes increases in financial aid\*.
- The majority of these funds come from public sources. Almost half of total grant and contract revenue comes from the federal government, and the U.S. Department of Education is CUNY's largest funder. New York City has also been a significant funding source through a series of contracts for provision of training and education of public assistance recipients and other populations with special educational needs.
- Only 24% of these revenues fund research activities, and less than half of the research can be attributed to the senior colleges.
- Compared to peers, CUNY's colleges have a higher proportion of funding from grants, contracts and gifts; however, the IPEDS comparison includes financial aid grants, which may inflate CUNY's revenues in this category disproportionately when compared to peers, if CUNY students have received a higher degree of financial aid.

\*16% of the grant, contract, and gift revenue is for financial aid

**CUNY supplements tuition and government appropriation with almost \$500 million in grant and contract revenue, including almost \$300 million in Pell and TAP grants. Excluding financial aid, actual grant and contract revenue totals \$200 million.**

**Figure 36**  
**1997 Grant & Contract**  
**Revenue by Source**  
**(\$200 million total)**



Source: CUNY Research Foundation

- Of the \$200 million, the senior colleges receive the largest amount - \$92 million - while hybrid and community colleges receive \$51 million. The remaining \$57 million is administered through central administration, which allocates a large proportion of these funds to the campuses (see Table 11).
- The senior colleges receive the greatest percentage of funding from the federal government -- 44% (Appendix F).
- The senior colleges receive most of their federal money from the Department of Health and Human Services, though it should be noted that when hybrid and community colleges are included, the Department of Education becomes the largest source of federal funding for CUNY.
- The hybrid and community colleges are funded more heavily by the state, which provides 22% of all grant and contract revenue (see Table 11).

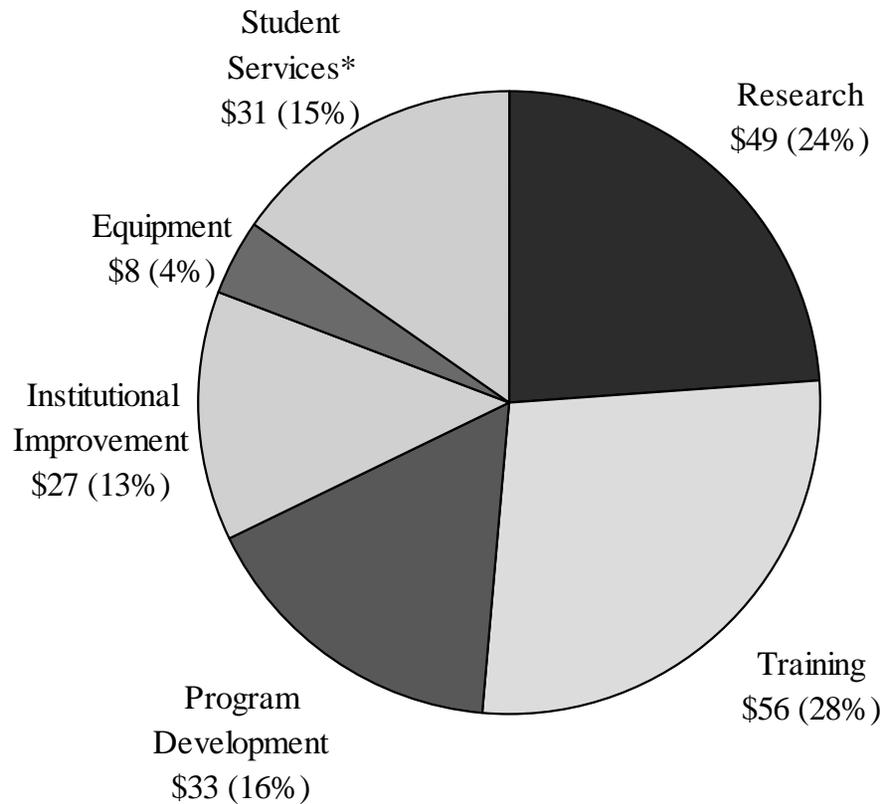
**Table 11**  
**Research Foundation Funds by college Type and Source**

	<b>Federal</b>	<b>State</b>	<b>City</b>	<b>Private</b>	<b>Total</b>
Senior Colleges	\$44,228,526	\$8,975,778	\$8,093,053	\$31,114,654	\$92,421,011
Hybrid Colleges	\$8,783,934	\$7,233,867	\$6,468,158	\$3,003,254	\$25,489,213
Community Colleges	\$5,709,029	\$11,722,878	\$5,283,320	\$3,728,362	\$26,425,589
Central Administration	\$20,892,569	\$9,328,622	\$20,567,934	5,691,421	\$59,280,546
<b>Total</b>	<b>\$79,614,058</b>	<b>\$37,261,145</b>	<b>\$40,412,465</b>	<b>\$43,537,691</b>	<b>\$203,616,359</b>

**Only 24% of CUNY's grant and contract revenues is devoted to research. The majority of this revenue funds training, institutional improvement and program development.**

Figure 37

**Grant & Contract Revenue by Use in 1997 ( in millions)**



- Forty-five percent of CUNY's total grants and contracts income is located in the senior colleges, 13% at the hybrid and community colleges, and 29% through central administration (see Table 11).
- A few senior colleges tend to account for a disproportionate share of revenues. For example, in FY97 City College received \$30 million total and Hunter College secured \$21 million. However, for most senior colleges, revenue was under \$10 million (see Appendix F).
- Most of the community and hybrid activity is focused on training initiatives -- in total 28% of grant and contract revenue is focused in this area.
- The two most heavily grant and contract funded community and hybrid colleges are Bronx and LaGuardia, generating \$10 million and \$8 million in revenue respectively (see Appendix F).

Source: CUNY Research Foundation

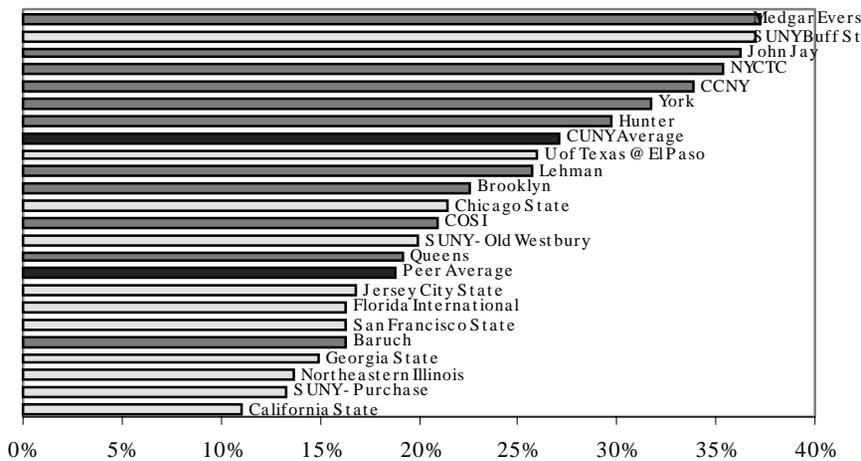
\*Non-Pedagogical

**Both CUNY's senior and community colleges fare better than their peers in raising revenue from grants and contracts (see Figures 38 & 39).**

- While CUNY is doing better than its peers in raising funds through grants and contracts, it is difficult to correlate the amount of money raised to the amount of research and public service performed, since much of the amount represented in this category includes scholarships and other financial aid money awarded as a government grant. Due to limitations of the IPEDS categories, this comparison also includes private fund raising dollars, though these funds represent a small share of the total for CUNY, and assumably its peers.

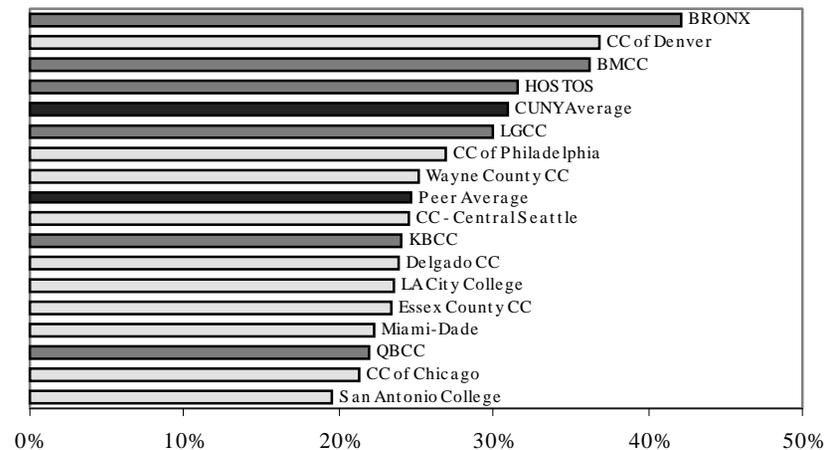
**Figure 38  
Senior Colleges\***

Proportion of Revenue from Gifts, Grants and Contracts



**Figure 39  
Community Colleges\***

Proportion of Revenue from Gifts, Grants and Contracts



Source: IPEDS\* 1997 Data

\* In financial statements and IPEDS submissions, CUNY accounts for a large proportion of its grants and contracts revenue through a central research foundation, which appears as part of central administration. As a result, these statements significantly underestimate grant and contract money received by each school. To adjust for this problem, in this section research foundation revenues have been estimated and applied to each school. This estimate used data from the 1997 Annual Report generated by the Research Foundation, as well as conversations with the controller's office. It should be noted that this abstraction has only been done in this section in order to preserve the integrity of the IPEDS comparison.