MEMO TO:     D. Kummerfeld  
             N. Steisel  
             J. Pender  
             J. Brenner  
             J. Heintz  

FROM:        J. Kaden  

SUBJECT: Amending the state appropriation bill (1) to allow the City to provide additional funding in the amount of $53,596,000 for senior colleges in city fiscal year 1977 (2) to exempt the City from the maintenance of effort requirement of the community college funding formula in City fiscal year 1978

Attached is a marked copy of the state FY1978 appropriation bill for City University. The following changes are inserted:

1. $53,596,000 of the state FY1978 appropriation for CUNY senior colleges is moved from city FY1977 to city FY1978.

2. References to state/city matching formula for FY1978 are deleted.

3. Language requiring the City to appropriate $53,596,000 for the senior colleges between 4/1/77 and 6/30/77 is added.

4. Language allowing flexibility in the schedule for paying senior college state aid is added.

5. Language exempting the City from the maintenance of effort requirement is added. The community college funding formula conditions state payment of supplemental funding for community college students in technical programs on maintenance of local sponsor contribution. The City is exempted from this requirement for FY1977 and needs to have the exemption extended another year to avoid the loss of approximately $3 million in FY1978 state aid for the CUNY community colleges.

6. Language relating to SUNY community colleges only is deleted.
State aid to the city of New York for operating aid for the city university of New York not to exceed $174,000,000 for the nineteen hundred seventy-six-seventy-seven city fiscal year. Total state aid for operating expenses of the city university for the city fiscal years nineteen hundred seventy-five-seventy-six and nineteen hundred seventy-six-seventy-seven shall not exceed $391,000,000 in aggregate.

For payment of state financial assistance for operating expenses of the city university of New York to the city of New York for that part of the city fiscal year beginning July first, nineteen hundred seventy-six to be paid for during the State fiscal year beginning April first, nineteen hundred seventy-seven. The amount of any item or items in the following schedule, notwithstanding any other provision of law, may be increased or decreased by interchange with any other item or items in the schedule with the approval of the director of the budget.

State aid to the city of New York for operating expenses of the senior colleges of the city university of New York in accordance with sections 6215 and 6216 of the education law, including expenses of baccalaureate programs at Medgar Evers College in (a) nursing, (b) medical sciences (pre-medical), (c) accounting and business, (d) competency based public administration, and (e) competency based teacher education, notwithstanding the provisions of subparagraphs (a) and (c) of paragraph A of subdivision 2 of such section 6216.

For state financial assistance for operating expenses for the community colleges of the city university of New York including expenses of such non-credit programs as the board of higher education of the city of New York may determine eligible for state aid in the same manner as the state university board of trustees may determine such programs of the community colleges under its jurisdiction eligible for state...
aid, and as provided by article 126 of the education law and chapter 332 of the laws of 1975. As regulations adopted by the board of higher education of the city of New York pursuant to chapter 332 of the laws of 1975 and approved by the director of the budget, provide for aid for students in technical programs, the total state aid paid may exceed the statutory limitations of one-third or two-thirds of operating costs of the colleges only if the amount of aid for students in technical programs would cause the statutory limitation to be exceeded. The amount that the total state aid may exceed the statutory limitation in such case shall not be greater than the amount of aid approved for students in technical programs. In regard to such aid for students enrolled in technical programs and notwithstanding any other state law or rule or regulation to the contrary, for the nineteen seventy-six-seventy-seven city fiscal year the eligibility for such aid shall not be contingent upon the maintenance of local sponsor contribution to college revenue either in the aggregate or per full-time equivalent student coming from the sponsorship area .............................................. 23,638,000

State aid to the city of New York for services and expenses of programs to expand opportunities in the senior colleges of the city university for the educationally and economically disadvantaged in accordance with chapter 917 of the laws of 1970 and to be made available to the comptroller of the city of New York to match, dollar for dollar, funds made available to the city university of New York by the city of New York from monies in the city treasury raised by real estate taxes and general fund revenues of the city of New York for the purposes included in and in accordance with chapter 917 of the laws of 1970. In order to be eligible to receive such supplemental financial assistance under educational opportunity programs in accordance with chapter 917 of the laws of 1970, a student in such program may, as prescribed by rules and regulations approved by the state budget director, be required to file an application, if eligible, with the
appropriate agency of the Federal government for a basic educational opportunity grant.

Total of schedule

Notwithstanding sections 6215 and 6216 of the education law and subdivision three of section 6222 of such law, the State share, as prescribed herein, as reimbursement to the city of New York for that part of the city fiscal year beginning July first, nineteen hundred seventy-seven to be paid during the state fiscal year beginning April first, nineteen hundred seventy-seven for the operating expenses of the senior college programs and services of the city university of New York as defined in section 6222 of the education law including a program to expand opportunities for the educationally and economically disadvantaged in accordance with section 6452 of the education law and excluding any monies payable for the purposes of article 125-B of the education law, entitled the "City University Construction Fund". Expenditures for senior college programs and services shall continue to be pre-financed from city of New York funds. For the city fiscal year beginning July first, nineteen hundred seventy-seven the total operating expenses of such senior college programs and services shall not exceed $311,697,000, including $20,597,000 for the expenses of the SEEK program, as approved by the state budget director in an allocation plan to be submitted by the University at such time and in such form as the budget director may determine.

To be eligible to receive supplemental financial assistance under educational opportunity programs in accordance with section 6452 of the education law, a student in such program shall be required to file an application with the appropriate agency of the Federal government for a basic educational opportunity grant within forty-five days of the first day of classes as a student in such program.

State aid for the operating expenses shall be seventy-five percent of the net operating expenses of the senior college
Notwithstanding any other provision of law, general, special or local, the city shall appropriate in its fiscal year nineteen hundred seventy-seven expense budget and credit to the account of the senior colleges (excluding the Hunter Schools) as aid for net operating expenses not less than $53,596,000 between April one, nineteen hundred seventy-seven and June thirty, nineteen hundred seventy-seven, which amount shall be in addition to any amounts required by charter three hundred forty-six of the laws of nineteen hundred seventy-seven.
programs and services and the city of New York shall contribute twenty-five percent of such expenses [For aid purposes “net operating expenses” shall be defined as the total operating expenses less: (a) all excess tuition and instructional and non-instructional fees attributable to the senior colleges and received from the city university construction fund pursuant to subdivision b of section 6278 of the education law; (b) an amount to be deposited from overhead funds and miscellaneous earnings recovered in the administration of sponsored programs for which the research foundation of the city university of New York has been designated as fiscal administrator. Such deposit shall be made in accordance with an annual plan for the use by the research foundation of overhead recoveries and miscellaneous earnings, including, if applicable, net released time funds, available for the benefit of the city university. The plan, which shall enumerate the services provided by the research foundation to the city university, and the amounts to be expended therefor, shall be developed pursuant to an agreement between the research foundation and the board of higher education and both the plan and the agreement shall be subject to the approval of the state director of the budget. The agreement shall additionally be subject to the approval of the state comptroller. Copies of the approved agreement and the approved annual plan shall be filed with the senate finance committee and the assembly ways and means committee. (c) the amount of all monies from any source, other than those paid by the city and the state [on a per-centum basis of the net operating budget] which are expended through the operating budget; and (d) thirty percent of the operating costs of those activities within the senior college programs and services which, as determined by the State budget director, relate to university-wide programs and management.

Items (a), (b) and (c) of the foregoing shall be hereafter referred to as the senior college revenue offset.

Such state aid for the city fiscal year beginning July first, nine-
een hundred seventy-seven shall be provided in four payments on or before the following dates: October twenty-fifth, nineteen hundred seventy-seven; January twenty-fifth, nineteen hundred seventy-eight; April twenty-fifth, nineteen hundred seventy-eight; and June twenty-fifth, nineteen hundred seventy-eight.

In no event shall the state aid for the city fiscal year beginning July first, nineteen hundred seventy-seven, for the operating expenses of the senior college programs and services, exceed $157,038,900. In the event that for the city fiscal year beginning July first, nineteen hundred seventy-seven the senior college revenue offset is less than $98,700,000, the total operating budget for senior college programs and services will be reduced accordingly.

The city university of New York is authorized to contract with the comptroller of the state of New York for the provision of accounting, payroll, expenditure and revenue reporting and similar services for the senior colleges for the period July first, nineteen hundred seventy-seven to June thirtieth, nineteen hundred seventy-eight. Such contract shall be approved by the state director of the budget and shall be provided to the legislative fiscal committees for their information. It shall be in accordance with the intent of chapters three hundred forty-five and three hundred forty-six of the laws of nineteen hundred seventy-six. Pursuant to such contract, the state comptroller, notwithstanding any other provision of law, may:

a. to the extent he deems it necessary and practicable, require the city university to conform to statutory requirements, rules, and administrative procedures, applicable to state departments and agencies; and

b. establish a separate fund for the receipt and deposit of all tuition, fees, income, moneys made available pursuant to appropriations for the senior college program, and all other moneys of the city university attributable to the operation of its senior college program, except
that all monies presently required by law to be paid directly to the city university construction fund shall continue to be so paid. If such fund is established, all expenses of the senior college program of the city university shall be paid from such fund subject to allocation by the director of the budget and the audit and warrant of the comptroller.

Notwithstanding any other provision of this section or any other section of law, the total amount not to exceed $5,000,000 for the operating expense of the senior college programs of the city university for the city fiscal year beginning July first, nineteen hundred seventy-seven for services and expenses in support of academic programs and activities. For the city fiscal year beginning July first, nineteen hundred seventy-seven the State shall provide three dollars for every dollar made available by the City of New York and for the same city of New York fiscal year the State matching funds shall not exceed $3,750,000. Expenditures made pursuant to this appropriation shall be pre-financed from City of New York funds and shall be made only in accordance with an allocation plan approved by the State budget director which plan shall be submitted by the Board of Higher Education not later than August fifteen, nineteen hundred seventy-seven, in such form as the budget director may determine. Payment of the State share of these expenses shall be made in accordance with a schedule established by the State budget director. The method of accounting for, and disbursing of, these funds shall be the same as for other operating expenses of the senior college programs.

For state financial assistance for operating expenses for the community colleges of the city university of New York for that part of the city fiscal year beginning July first, nineteen hundred seventy-seven to be paid during the state fiscal year beginning April first, nineteen hundred seventy-seven including expenses of such non-credit programs as the board of higher education of the city of New York may determine.
Pursuant to the provisions of the state law and regulations adopted by the board of higher education of the city of New York, the state may determine such programs of baccalaureate programs at Medgar Evers College in (a) nursing, (b) medical services (pre-medical), (c) accounting and business, (d) competency based public administration, and (e) competency based teacher education.

Notwithstanding any other provision of law or regulations, the assistance provided hereunder shall be paid in accordance with the following:

1. For the first 63,000 full-time equivalent students enrolled in the community college program, full funding as provided by the operating aid formula contained in the rules and regulations prescribed by the board of higher education, which shall be identical to those regulations prescribed by the state university trustees, and approved by the director of the budget;

2. For the next increment of 630 full-time equivalent students, fifty percent of formula funding per student;

3. For the next increment of 630 full-time equivalent students, twenty-five percent of formula funding per student;

4. For each additional full-time equivalent student enrolled beyond conditions one, two, and three above, a payment of one hundred dollars;

In regard to such aid for students enrolled in technical programs, for fiscal year beginning July first nineteen seventy seven, eligible for such aid shall not be contingent upon maintenance of local sponsor contribution to college revenue either in the aggregate or per full time equivalent student coming from the sponsored area.
nineteen hundred seventy-seven-seventy-eight, except that said reduction in aid shall not exceed ninety percent of the sum of the value of the funds contained in the college's reserve for excess student revenues and fund balance accounts as of the close of the college nineteen seventy-five-seventy-six fiscal year, less the total use of such accounts planned for use in college fiscal year nineteen seventy-six-seventy-seven pursuant to budgets approved by the State University Board of Trustees or formally transmitted to State University on or prior to February one, nineteen hundred seventy-seven, and less the value of audit adjustments in said accounts pursuant to audits issued by the State Comptroller.

The reductions in aid provided through conditions one through five above shall be deemed to be a reduction in aid entitlement for college fiscal year nineteen hundred seventy-seven-seventy-eight, but the reduction shall not be deemed to adversely affect the college's power to expand current student revenue; and

Local sponsors may use funds contained in excess student revenue accounts for operating support of the community college program even though said expenditure may cause expenditures from student revenues to exceed one-third of the college's net operating budget.

State aid to the city of New York for student financial assistance to expand opportunities in the community colleges of the city university for the educationally and economically disadvantaged in accordance with section 6452 of the education law. Such funds shall be for matching, dollar for dollar, funds made available for such programs by the sponsor or sponsors of the community college. To be eligible to receive such supplemental financial assistance under educational opportunity programs, a student in such program shall be required to file an application with the appropriate agency of the Federal government for a basic educational opportunity grant within forty-five days of the first day of classes as a student in such program.
research and training program at the Baruch College of the
City University of New York in accordance with the
provisions of chapter 1024 of the laws of 1974 .......... 150,000

State aid to the city of New York for payments to the city un-
iversity construction fund for city university senior colleges
and for community colleges sponsored by the board of higher
education which payments shall be made consistent with the
cash needs of the fund.

The amount of any item or items in the following schedule,
notwithstanding any other provisions of law, may be increas-
ed or decreased by interchange with any other item or items
in the schedule with the approval of the director of the
budget, who shall file such approval with the department of
audit and control and copies thereof with the senate finance
committee and the assembly ways and means committee.

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\begin{align*}
\text{Schedule} & \\
\text{For payments for city university senior colleges} & 16,124,000 \\
\text{For payments for city university community colleges} & 11,529,000 \\
\text{Total of schedule} & 27,653,000
\end{align*}
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AN ACT

To amend the public authorities law in relation to clarification of certain requirements for the expense budget of the city of New York

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivision four of section three thousand thirty-eight of the public authorities law, as added by chapter one hundred sixty-nine of the laws of nineteen hundred seventy-five, is hereby amended to read as follows:

4. Beginning with the fiscal year ending June thirtieth, nineteen hundred seventy-seven and for each fiscal year thereafter, the city shall deliver a proposed expense budget to the corporation. Delivery to the corporation shall be made concurrently with the initial submission of the proposed expense budget to the board of estimate and the city council, but in any event not later than forty-five days prior to the beginning of such fiscal year. Beginning with the fiscal year ending June thirtieth, nineteen hundred seventy-eight, and for each fiscal year thereafter, the proposed expense budget submitted to the corporation shall be prepared in accordance with the accounting principles set forth in subdivision two of this section (except as may be modified by the application of subdivision five of this section). Such budget shall be identical to the proposed expense budget submitted to the board of estimate and city council except for any differences resulting from the application of such accounting principles. The proposed expense
budget delivered to the corporation shall be accompanied by (i) a statement setting forth in detail the assumptions of income and expense used in its preparation, (ii) a reconciliation of the differences, if any, between such proposed expense budget and the proposed expense budget submitted to the board of estimate and the city council, and (iii) a certificate of the mayor stating that such assumptions are reasonable and that operation within the budget is feasible and explaining the reasons for any differences therein from the proposed expense budget submitted to the board of estimate and the city council. The city shall in every fiscal year adopt and maintain an expense budget in which the total of all income items equals or exceeds the total of all expenditure items. For the fiscal year ending June thirtieth, nineteen hundred seventy-eight and each subsequent fiscal year the total of all income items shall also equal or exceed the total of all expenditure items in each expense budget as adopted by the city, after the adjustments, if any, required to conform to the accounting principles set forth in subdivision two of this section (except as may be modified by the application of subdivision five of this section) and the city shall also maintain a budget balanced in accordance with such accounting principles. Notwithstanding any other provision of this section to the contrary, any expense item in the expense budget for any fiscal year, which item relates to contributions by the city or other public employer to any retirement system or pension fund, shall include only the amounts which, under the provisions of law, rules or regulations expressly prescribing
the method of determining employer contributions to such retirement system or pension fund and the time of payment thereof, are due and payable in such fiscal year, and no such expense item shall include amounts for any such contribution which, under such laws, rules or regulations, do not become due and payable in such fiscal year.

§2. Subdivision five of such section is hereby amended by adding thereto a new paragraph, to be paragraph (f), to read as follows:

(f) To implement this subdivision, and in order to provide full disclosure of all expense items properly includable only in the expense budget, the city shall include in its expense budget for each fiscal year all expense items which are included in its capital budget for such fiscal year pursuant to paragraph (c) of this subdivision, and the city may include in such expense budget as items of income, in addition to all other items of income properly includable in such expense budget pursuant to this section, all amounts to be applied to the payment of such expense items, which amounts may be derived from any source available to the city during such fiscal year.

§3. This act shall take effect immediately.
In SENATE, introduced by Sen. MARCH, PAFFAN, GOODMAN, O'CONNOR, WISE, HAYES, CONKLIN, FARMER—read twice and referred to the Committee on Ways and Means.

The following bill was passed by the Senate of the State of New York, on its joint ballot, and in the House of the General Assembly of the State of New York, by the number of votes indicated, on the day and year last above written.

A bill to amend the code of laws of the state of New York, by adding chapter 12, entitled: "Provisional Law Numbered 12 of the Sexes," to part one of chapter 12 of part one of title one of the civil law, as amended; and adding a new chapter 12 of the sex of the proper code of New York, entitled: "Provisional Law Numbered 12 of the Sexes," to part one of that code of the sex of New York, as amended; and adding a new chapter 12 of the sex of the sex of New York, entitled: "Provisional Law Numbered 12 of the Sexes," to part one of that chapter of the sex of New York, as amended.
AN ACT

to amend chapter fifty-three of the laws of nineteen hundred seventy-seven (LOCAL ASSISTANCE BUDGET), in relation to certain state aid to the city university of New York

The People of the State of New York, represented in Senate and Assembly, do enact as follows:
Section 1. The following provisions of that part entitled "City of New York—City University" of section one of chapter fifty-three of the laws of nineteen hundred seventy-seven (LOCAL ASSISTANCE BUDGET) are hereby amended to read as follows:

State aid to the city of New York for operating aid for the city university of New York not to exceed [$174,000,000] $120,404,000 for the nineteen hundred seventy-six—seventy-seven city fiscal year. Total state aid for operating expenses of the city university for the city fiscal years nineteen hundred seventy-five—seventy-six and nineteen hundred seventy-six—seventy-seven shall not exceed [$391,000,000] $337,404,000 in aggregate.

For payment of state financial assistance for operating expenses of the city university of New York to the city of New York for that part of the city fiscal year beginning July first, nineteen hundred seventy-six to be paid for during the State fiscal year beginning April first, nineteen hundred seventy-seven[. The amount of any item or items in the following schedule, notwithstanding any other provision of law, may be increased or decreased by interchange with any other item or items in the schedule with the approval of the director of the budget .................................................. 80,888,000

State aid to the city of New York for operating expenses of the senior colleges of the city university of New York in accordance with sections 6215 and 6216 of the education law, including expenses of baccalaureate programs at Medgar Evers College in (a) nursing, (b) medical sciences (pre-medical), (c) accounting and business, (d) competency based public administration, and (e) competency based teacher education], notwithstanding the provisions of subparagraphs (a) and (c) of paragraph A of subdivision 2 of [such] section 6216 of the education law ................... [52,800,000] 27,322,000

-2-
For state financial assistance for operating expenses for the community colleges of the city university of New York including expenses of such non-credit programs as the board of higher education of the city of New York may determine eligible for state aid in the same manner as the state university board of trustees may determine such programs of the community colleges under its jurisdiction eligible for state aid, and as provided for by article 126 of the education law and chapter 332 of the laws of 1975. As regulations adopted by the board of higher education of the city of New York pursuant to chapter 332 of the laws of 1975 and approved by the director of the budget provide for aid for students in technical programs, the total state aid paid may exceed the statutory limitations of one-third or two-fifths of operating costs of the colleges only if the amount of aid for students in technical programs would cause the statutory limitation to be exceeded. The amount that the total state aid may exceed the statutory limitation in such case shall not be greater than the amount of aid approved for students in technical programs. In regard to such aid for students enrolled in technical programs and notwithstanding any other state law or rule or regulation to the contrary, for the nineteen seventy-six-seventy-seven city fiscal year the eligibility for such aid shall not be contingent upon the maintenance of local sponsor contribution to college revenue either in the aggregate or per full-time equivalent student coming from the sponsorship area.

State aid to the city of New York for services and expenses of programs to expand opportunities in the senior colleges of the city university for the educationally and economically disadvantaged in accordance with chapter 917 of the laws of 1970 and to be made available to the comptroller of the city of New York to match, dollar for dollar, funds made available to the city university of New York by the city of New York from monies in the city treasury raised by real estate taxes and general fund revenues of the city of New York for the
purposes included in and in accordance with chapter 917 of the laws of 1970. In order to be eligible to receive such supplemental financial assistance under educational opportunity programs in accordance with chapter 917 of the laws of 1970, a student in such program may, as prescribed by rules and regulations approved by the state budget director, be required to file an application, if eligible, with the appropriate agency of the Federal government for a basic educational opportunity grant.................. [5,050,000] 4,254,000

Notwithstanding any other provision of law, general, special or local, the city shall appropriate in its fiscal year nineteen hundred seventy-seven expense budget and credit to the account of the senior colleges (excluding the Hunter Schools) as aid for net operating expenses incurred in the City's nineteen hundred seventy-seven fiscal year not less than $53,596,000 between April one, nineteen hundred seventy-seven and June thirty, nineteen hundred seventy-seven, which amount shall be in addition to any amounts required by chapter three hundred forty-six of the laws of nineteen hundred seventy-six.

Total of schedule.................. [60,888,000] 27,292,000

Notwithstanding sections 6215 and 6216 of the education law and subdivision three of section 6222 of such law [the] State [share, as prescribed herein, as] reimbursement to the city of New York for that part of the city fiscal year beginning July first, nineteen hundred seventy-seven to be paid during the state fiscal year beginning April first, nineteen hundred seventy-seven for the operating expenses of the senior college programs and services of the city university of New York as defined in section 6222 of the education law including a program to expand opportunities for the educationally and economically disadvantaged in accordance with section 6452 of the education law and excluding any monies payable for the purposes of article 125-B of the education law, entitled the "City University Construction Fund". Expenditures for senior college programs and services shall continue to be pre-financed from city of New York funds. For the city fiscal
year beginning July first, nineteen hundred seventy-seven the total operating expenses of such senior college programs and services shall not exceed $311,697,000, including $20,597,000 for the expenses of the SEEK program, as approved by the state budget director in an allocation plan to be submitted by the University at such time and in such form as the budget director may determine.

To be eligible to receive supplemental financial assistance under educational opportunity programs in accordance with section 6452 of the education law, a student in such program shall be required to file an application with the appropriate agency of the Federal government for a basic educational opportunity grant within forty-five days of the first day of classes as a student in such program.

[State aid for the operating expenses shall be seventy-five percent of the net operating expenses of the senior college programs and services and the city of New York shall contribute twenty-five percent of such expenses.] For aid purposes "net operating expenses" shall be defined as the total operating expenses less: (a) all excess tuition and instructional and non-instructional fees attributable to the senior colleges and received from the city university construction fund pursuant to subdivision b of section 6278 of the education law; (b) an amount to be deposited from overhead funds and miscellaneous earnings recovered in the administration of sponsored programs for which the research foundation of the city university of New York has been designated as fiscal administrator. Such deposit shall be made in accordance with an annual plan for the use by the research foundation of overhead recoveries and miscellaneous earnings, including, if applicable, net released time funds, available for the benefit of the city university. The plan, which shall enumerate the services provided by the research foundation to the city university, and the amounts to be expended therefor, shall be developed pursuant to an
agreement between the research foundation and the board of higher education and both the plan and the agreement shall be subject to the approval of the state director of the budget. The agreement shall additionally be subject to the approval of the state comptroller. Copies of the approved agreement and the approved annual plan shall be filed with the senate finance committee and the assembly ways and means committee; (c) the amount of all monies from any source, other than those paid by the city and the state [on a per-centum basis of the net operating budget,] as operating aid which are expended through the operating budget; and (d) thirty percent of the operating costs of those activities within the senior college programs and services which, as determined by the State budget director, relate to university-wide programs and management.

Items (a), (b) and (c) of the foregoing shall be hereafter referred to as the senior college revenue offset.

Such state aid for the city fiscal year beginning July first, nineteen hundred seventy-seven shall be provided either (a) in four payments on or before the following dates: October twenty-fifth, nineteen hundred seventy-seven; January twenty-fifth, nineteen hundred seventy-eight; April twenty-fifth, nineteen hundred seventy-eight; and June twenty-fifth, nineteen hundred seventy-eight; or (b) in accordance with a payment schedule established by the state director of the budget.

In no event shall the state aid for the city fiscal year beginning July first, nineteen hundred seventy-seven, for the operating expenses of the senior college programs and services, exceed [[$157,038,000] $209,385,000.]

In the event that for the city fiscal year beginning July first nineteen hundred seventy-seven the senior college revenue offset is less than $98,700,000, the total operating budget for senior college programs and services will be reduced accordingly.
The city university of New York is authorized to contract with the comptroller of the state of New York for the provision of accounting, payroll, expenditure and revenue reporting and similar services for the senior colleges for the period July first, nineteen hundred seventy-seven to June thirtieth, nineteen hundred seventy-eight. Such contract shall be approved by the state director of the budget and shall be provided to the legislative fiscal committees for their information. It shall be in accordance with the intent of chapters three hundred forty-five and three hundred forty-six of the laws of nineteen hundred seventy-six. Pursuant to such contract, the state comptroller, notwithstanding any other provision of law, may:

a. to the extent he deems it necessary and practicable, require the city university to conform to statutory requirements, rules, and administrative procedures, applicable to state departments and agencies; and

b. establish a separate fund for the receipt and deposit of all tuition, fees, income, moneys made available pursuant to appropriations for the senior college program, and all other moneys of the city university attributable to the operation of its senior college program, except that all moneys presently required by law to be paid directly to the city university construction fund shall continue to be so paid. If such fund is established, all expenses of the senior college program of the city university shall be paid from such fund subject to allocation by the director of the budget and the audit and warrant of the comptroller... [78,519,000] 130,685,000
Notwithstanding any other provision of this section or any other section of law, [for the State share of] a total amount not to exceed $5,000,000 for the operating expense of the senior college programs of the city university for the city fiscal year beginning July first, nineteen hundred seventy-seven for services and expenses in support of academic programs and activities. [For the city fiscal year beginning July first, nineteen hundred seventy-seven the State shall provide three dollars for every dollar made available by the City of New York and for the same city of New York fiscal year the State matching funds shall not exceed $3,750,000.] Expenditures made pursuant to this appropriation shall be pre-financed from City of New York funds and shall be made only in accordance with an allocation plan approved by the State budget director which plan shall be submitted by the Board of Higher Education not later than August fifteenth, nineteen hundred seventy-seven, in such form as the budget director may determine. Payment [of the State share] of these expenses shall be made in accordance with a schedule established by the State budget director. The method of accounting for, and disbursing of, these funds shall be the same as for other operating expenses of the senior college programs. ... [3,750,000] 5,000,000 

§ 2. This act shall take effect immediately.