

I. Project Context and Objective

Mayor Rudolph W. Giuliani appointed the Mayor's Advisory Task Force on the City University of New York (CUNY) on May 6, 1998. The purpose of the Task Force is to conduct a review and make recommendations regarding:

- The uses of City funding by CUNY
- The effects of open admissions and remedial education on CUNY, and on CUNY's capacity to provide college level courses and curricula of high quality to its students
- The best means of arranging for third-parties to provide remediation services to ensure that prospective CUNY students can perform college level work prior to their admission to CUNY
- The implementation of other reform measures as may be appropriate

One measure taken by the Task Force to carry out its assignment was to contract with PricewaterhouseCoopers to conduct a three-phase analysis of the financial conditions of the City University of New York. These phases include:

- A financial analysis of the University's remedial education programs and services
- A financial analysis of the overall sources and uses of CUNY's funds and a comparison of this information with peer institutions
- An assessment of CUNY's financial resource allocation processes

The objective of this document is to report on the findings and observations of the first of these phases, the remedial education financial analysis. This report should be reviewed in the context of complementary reports on remedial education developed by Rand Corporation and members of the Task Force staff.