

## **BAG IV**

### **Description of the Relationship Between the University at Albany and the College of Nanoscale Sciences and Engineering**

As discussions in BAG IV have progressed, it would appear helpful to provide an articulation of the governance and budgetary relationships between the College of Nanoscale Sciences and Engineering (CNSE) and the University at Albany, of which it remains an integral academic part. The official correspondence underlying the establishment of CNSE is voluminous and is documented as part of University Senate Resolution No. 0809-03R that unanimously endorsed the budgetary, administrative, and programmatic autonomy of CNSE (see below) while reaffirming a unified academic and university governance structure. This communication is intended to be a less detailed and more concise description to address specific questions that have arisen during the course of the BAG IV conversations.

#### **History**

Prior to its creation as a distinct College in 2004, nanoscale sciences operated in the same manner as any other academic department on Campus. On April 20, 2004, the SUNY Board of Trustees established the College as an academic unit within the University at Albany headed by a vice president reporting directly to the president. The resolution also specified that CNSE should establish its own separate faculty governance structure that would work with Campus governance to coordinate UAlbany-wide faculty governance matters.

On November 18, 2008, in response to the success that CNSE had demonstrated over the intervening years, the SUNY BoT acted again, adopting a subsequent resolution promoting the CNSE Vice President to Senior Vice President and Chief Executive Officer reporting directly to the Chancellor and BoT and vested in that position full administrative, academic and fiscal authority over CNSE's mission and internal management and operations. It established a CNSE budgetary process that is completely independent from the campus, wherein the management and oversight of the development, implementation, and administration of the CNSE annual budget, plans and requests; and full authority to develop and submit to SUNY the CNSE annual operations budget request operate separately and independently from UAlbany's annual operations budget request and capital construction plan and budget request.

More specific to BAG IV's concerns, the BoT actions established the budget of CSNE as a separate, stand-alone item that is not subject to oversight by the University at Albany, the University Senate or its councils and committees. That line item includes the annual operating resources allocated to CNSE and its research centers.

In response to these developments, the Campus followed with changes to the manner in which its financial systems were organized. As more and more responsibility for budgetary and management became vested in CSNE, separate routines were established under CSNE's control, along with the responsibility vested in CNSE for meeting its own financial obligations.

#### **Misperceptions**

Several common misperceptions with respect to the financial relationship between CSNE and the Campus should be dispelled.

- For example, despite belief to the contrary, CSNE is responsible for its own utility costs. In the beginning, the Campus paid those bills and was then fully reimbursed by CSNE. However, after 2008, CSNE pays its own utility bills.
- When the University sustains cuts to its operating budget as we have over the past several years, CSNE's State operating budget has been reduced by the exact same percentage as the Campus'. There is no cross-subsidy. CSNE does have various other revenue sources including specific line-item appropriations in the State budget. Given its autonomy, these are under CSNE's control and "not on the table" as the Campus deals with absorbing reductions to its State appropriations. But by the same token, the Campus has no exposure should CSNE experience reductions to those other revenue sources.
- The Campus does not clean, or pay for cleaning, of CNSE space.
- The Campus does not pay for CSNE graduate student stipends or tuition.
- Capital improvements are not correlated. The Campus' critical maintenance and strategic investment programs are separate and distinct from CNSE's. Our Facilities Master Plan, now underway, is not examining or considering CNSE spaces.

In sum, CNSE "stands on its own bottom." The Campus cannot spend CNSE funds; likewise, CNSE cannot spend Campus funds.