

The SUNY University Faculty Senate Executive Committee's Statement and Resolution on the Proposed New York State Executive Budget

On Tuesday, February 1, 2011, Governor Cuomo released his Fiscal Year 2011-2012 budget, in which he recognized the pressing need for New York State to change the way it conducts its fiscal business. For the first time in many years, the Governor submitted a budget that actually cut total spending, rather than merely lowering the rate of growth.

The State's public universities (SUNY and CUNY), like other state agencies, received a 10% cut to their operating budgets. If this were the first reduction in state support for its public universities, it would not be unwarranted, especially given the looming \$10 billion deficit facing the state. But, it is not. This reduction is the fourth in as many years, leaving SUNY with a billion dollars less (well over 30% of state support) with which to run its core operations.

This budget proposal continues recent cuts in state support for community colleges, the gateway to higher education for so many of New York working citizens, and further eliminates all state support for SUNY's teaching hospitals. The loss of \$130 million in public support to the hospitals, which is in addition to the 10% to the SUNY operating budget, will significantly reduce their ability to serve patients in their respective regions, who are often the poorest in the area. Additionally, these cuts will quickly result in the loss of thousands of jobs.

Despite the current dire state of public finances, reductions of this magnitude are not wise policy. Unlike all other state agencies, public universities constitute investments in our collective future, and as such are as important as continuing investments in infrastructure. The public university system educates people from all walks of life, enriching their lives and, because better educated citizens earn more, and hence pay more taxes, they enrich the state's coffers. In this way, the public earns compound interest on its investment in higher education, a claim that can be made by no other public investment.

Yet, there is a remedy for these cuts, a remedy first endorsed by the University Faculty Senate almost a decade ago, and now embraced by the SUNY Student Assembly as well as CUNY (CUNY Compact): it's called a rational fiscal policy for public higher education in New York. Such a policy must have three components: 1. The state's commitment to maintaining its support for public higher education at predictable levels, levels sufficient to cover the core mandatory costs; 2. An aggressive campaign by the universities to generate new streams of income (such as government grants and contracts, foundation and alumni gifts); and 3. Mandatory, and moderate, annual tuition increases.

When combined with the Governor's recognition that the universities need regulatory relief in order to operate more efficiently, this policy can create the resources necessary for our campuses across the state to continue to serve well the three quarters of a million students who are currently enrolled in CUNY and SUNY and the millions more who will be seeking a post-secondary education on our campuses in the decade ahead.

Without some restoration of public funds in this budget year, especially for the hospitals, and a five-year plan of modest tuition increases, students on some campuses will soon find fewer options available to them, both in terms of programs (a number of campuses have already announced the discontinuance of programs) and the number of sections offered. Between Fall 2009 and Fall 2010, SUNY lost approximately 2700 course sections, which translates into many thousands of seats that were unavailable to students. And more will be lost again by Fall 2011.

With fewer resources – over a billion dollars in state support lost without tuition increases – the public universities have often been forced to replace retiring full-time staff, both professional and teaching, with part-time employees. In some cases, they have increased class sizes and in others have recommended the elimination of academic programs. Balanced budgets have been replaced by structural deficits on almost every SUNY campus, and without budget relief this year, these deficits can only be addressed by further reductions in staff and programs. This will translate into fewer opportunities for students, including in some cases the opportunity to graduate on time.

SUNY and CUNY must do their part to address both the short-term fiscal problems and the long-term possibilities by working ever more efficiently to examine closely how each dollar is spent, at the same time safeguarding those expenses essential to the continued delivery of educational opportunity to students. And, they must also aggressively pursue every possible means for increasing funding from external sources, whether through public-private partnerships consistent with their educational missions and respectful of traditional personnel patterns or through grants and gifts.

But, the state must also do its part, through regulatory relief, a firm commitment to maintenance of effort and a responsible long-term tuition policy.

A responsible fiscal policy for higher education asks students to do their part as well, by funding a bit more of their educations each year through modest tuition increases. Make no mistake; we need the increase now, beginning this fall. Modest annual tuition increases would provide the means needed to deliver educational services and would eliminate the need for the sudden, large increases that have so often come without warning in the past.

This is precisely what the Chancellor promised with a tuition policy that is “fair, predictable and responsible.” And it is what CUNY has pledged through its support of the CUNY Compact. And finally, it is what the SUNY Student Assembly has supported in each of the past two years, and it is what the University Faculty Senate has supported for a decade.

As taxpayers, we appreciate the Governor’s pledge not to raise taxes, since any increased burden could complicate an already difficult economic situation for many families. Yet, we note that to continue the modest (2%) additional burden currently levied against incomes that exceed \$250,000 hardly constitutes a “burden.” Nor would its continuation for another year be a “new” tax.

Finally, we share the Governor’s judgment that tuition is not a tax. It isn’t. If anything, it constitutes a fee for services. But it is more; tuition represents the investments that students, their families and the public make in the future. The community college system, which came late to New York State, was modeled on such a funding plan, with the state paying a share, localities paying a share and the students themselves paying a share – each share representing an investment in increasing the human capital necessary for productive and fruitful lives.

Today, we believe that the failure to invest in our collective future through a system that funds public higher education rationally may seem wise to some, but it is really being penny-wise and pound-foolish. Education pays dividends, both monetary benefits to the individuals who attain it and countless others to the larger community, through the accumulation of knowledge, skills, and understanding that are required for full participation in the economic, social and cultural life of the 21st century. SUNY committed itself decades ago when it adopted the motto, “to learn, to search, to serve,” a commitment it renewed last year through its strategic planning process. New York’s public universities are poised to meet the complex educational needs of its citizens, but to succeed, they need much more reliable funding, and, they need it now.

**RESOLUTION IN SUPPORT OF A RATIONAL FISCAL PLAN FOR
SUNY**

Executive Committee of the University Faculty Senate

March, 2011

WHEREAS, the mission of the State University of New York is to educate students and, in so doing, to support the economy and culture of New York State, and

WHEREAS, SUNY's tuition is only \$4,970 per year, the lowest for public universities in the region and among the lowest in the nation; and

WHEREAS, SUNY tuition raises have been historically unpredictable, with 13 raises over the last 48 years ranging from 7% to 43%; and

WHEREAS, SUNY, the largest comprehensive university system in the United State, has the potential to create unprecedented opportunities for current and future college students and their families, for businesses and industries, for educational, social, and cultural agencies, and for the workforce of the State of New York; and

WHEREAS, SUNY campuses need fiscal stability to realize this potential; and

WHEREAS, a five-year tuition plan that is fair, predictable and responsible for students and that keeps all tuition revenues at SUNY campuses will provide current and future students and their families the ability to plan adequately; and

WHEREAS, a Rational Fiscal Plan for public institutions of higher education would entail a commitment by New York State to cover the mandatory operational costs, and to maintain that support in the future;

THEREFORE, BE IT RESOLVED that the SUNY University Faculty Senate Executive Committee strongly supports the State University's proposal for the enactment of a five-year rational tuition plan,

BE IT FURTHER RESOLVED that the maintenance of effort by the state throughout any given year is an essential element of a rational fiscal plan,

AND, BE IT FURTHER RESOLVED that the SUNY University Faculty Senate Executive Committee commends this proposal to the Governor and the State Legislature in the hope that it will be enacted quickly and signed into law.