



The State University
of New York

Office of the Chancellor

State University Plaza
Albany, New York 12246

www.suny.edu

MEMORANDUM

March 22, 2011

To: Members of the Board of Trustees

From: Nancy L. Zimpher, Chancellor

Subject: Pursuit of a Five-Year Tuition Plan

Action Requested

The proposed resolution delegates to the Chancellor the authority to pursue, in the context of the current year budget process, a five-year tuition plan for resident undergraduate tuition at the State University of New York that is ***fair, predictable and responsible***.

Resolution

I recommend that the Board of Trustees adopt the following resolution:

Whereas the State University of New York (SUNY) has already seen its capacity to deliver programs and services diminished – including hiring freezes, increased reliance on adjunct faculty, reductions in course offerings, increases in class size, a decrease in enrollment at our State Operated campuses for just the second time in the last 15 years, from fall of 2010 to fall of 2011, and already announced decisions to limit enrollments or otherwise restrict programs; and

Whereas over the last 48 years SUNY has increased tuition only 13 times, with the smallest increase 7 percent (\$310) in 2009-2010, and the largest increase 43 percent (\$650) in 1991-1992. Seventeen times since 1963, a first-year student entered SUNY and never had to pay a tuition increase during his or her college career, while nine times others saw two or three tuition increases; and

Whereas SUNY desires a tuition plan that will allow students and families to plan for the cost of a college education, as well as give SUNY a sustainable revenue stream that will enable students to successfully complete their baccalaureate degrees in a timely fashion and permit SUNY to undertake more planned program development; and

Whereas SUNY is firmly committed to its mission of access for all New Yorkers to the quality education that it offers, but that access without timely completion is costly and unfair to students and their families; and

Whereas SUNY is committed to exercising good stewardship over all resources and will continue to seek out and implement greater efficiencies in how we operate our campuses; and

Whereas a **fair** tuition plan protects access and affordability through modest annual increases if such increases are necessary and will ensure that all the tuition charged by SUNY is invested in faculty, programs and curriculum that would enhance completion; and

Whereas a **predictable** tuition plan allows students and families to plan over a five-year time period; and

Whereas a **responsible** tuition plan establishes a “maintenance of effort” construct, that includes:

- Placing state support received, and all tuition and fees charged by SUNY, in a fiduciary account or some other form of “lock box” whereby tuition and fees would be disaggregated from other general funds, and thus, not subject to future sweeps into the general fund.
- Prohibits by statute the use of incremental increases in tuition to backfill cuts in state support for SUNY.

Whereas SUNY students, through their duly elected representatives in the Student Assembly (SA), have courageously and wisely adopted a resolution calling for a rational tuition plan that appropriately limits the extent to which SUNY could raise tuition and includes a call for a maintenance of effort construct; and

Whereas the SUNY faculty at our State Operated campuses, through their duly elected representatives in the University Faculty Senate (UFS), have adopted a resolution in support of a five-year tuition plan that is ***fair, predictable and responsible***; and

Whereas the process for establishing a budget in New York requires a high degree of flexibility, nimbleness and responsiveness to the ongoing negotiations between the Executive Branch and Legislature; now, therefore, be it

Resolved that to meet the ongoing costs of current operations for the State Operated campuses, preserve gains in academic quality, achieve excellence, protect access and completion and serve the State of New York to the greatest degree possible, the SUNY Board of Trustees hereby authorizes the Chancellor to negotiate a five-year tuition plan for resident undergraduate students that is guided by the parameters set forth in the Student Assembly (SA) and University Faculty Senate (UFS) resolutions.

Background

SUNY's current annual tuition of \$4970 is the lowest among all public institutions of higher education in the Northeastern United States, and among the bottom quartile of all such institutions in the country. Even with modest annual tuition increases, SUNY will continue to be the most affordable university in the New England and Mid-Atlantic states and among the most affordable in the U.S.

A severe reduction in state support is why this plan is necessary now. SUNY has endured more than \$1.1 billion in cuts over the past three years. If enacted, the FY 2011-2012 Executive Budget proposal reduces this support by an additional \$362 million, bringing the total reduction over four years to \$1.5 billion – a decrease in state funding of nearly 35 percent. SUNY has already seen its capacity to deliver programs and services diminished – including hiring freezes, increased reliance on adjunct faculty, reductions in course offerings, increases in class size, and already announced decisions to limit enrollments or otherwise restrict programs.

SUNY will continue to do its part during New York's worst economic crisis in more than a generation by finding efficiencies within the 64-campus system,

and by seeking reforms to the process of procurement and creating public-private partnerships. However, in order for SUNY to approach its own budget problems in a balanced and thoughtful manner, an essential component is a rational, five-year tuition policy.