



## SUNY's Position: 2009-10 EXECUTIVE BUDGET

### Tuition

**Appropriate** for campus use 100% of the tuition revenue adopted by the SUNY Board of Trustees. This means not sweeping 90% of tuition revenue in the 2008-09 Deficit Reduction Plan (\$68 million) and not sweeping 80% in the 2009-10 budget (\$54 million).

**Adopt** the rational tuition policy, based on the Higher Education Price Index, implemented by the SUNY Board of Trustees to allow for transparent, small increases in tuition to allow students and parents to plan for their educational costs and to allow the University to invest in academic quality initiatives.

### Budget

**Oppose** the \$40 million sweep of campus-based (IFR) revenues. Such revenues include student user fees for technology and campus services, facility rentals, and entrepreneurial partnerships that are not available for general operating purposes.

**Oppose** the 10% tithe (tax) of federal grants competitively awarded SUNY faculty researchers. This \$7.9 million enables campuses to support faculty research including graduate student stipends, research equipment and technology transfer and commercialization.

**Oppose** the elimination and reduction of University-wide programs such as the Student Assembly, SUNY Maritime Cadet Appointments, Nanoscale Science & Engineering programs, The Levin Institute and Faculty diversity program.

### Hospitals

**Restore** the \$25.4 million decrease in the state subsidy to fund operating cost differentials such as hospital staff salaries and benefits.

**Fund** \$38.3 million in 2008-09 negotiated contractual salary increases entered into by the Governor.

### Community Colleges

**Restore** the reduction in base-aid of \$270 per FTE for FY08-09 (\$11 million) and for FY09-10 (\$34.7 million) and eliminate the "sliding scale" that apportions this decrease.

### Flexibility

**Support** the proposed Article VII bills that contain administrative flexibility items such as: post-audit of expenditures for SUNY campuses and the Construction Fund; access to OGS centralized contracts for affiliated campus organizations, health care facilities ability to enter into manage care networks, cost effective capital project delivery methods and performance bond threshold increases.

**Provide** SUNY with land use flexibility to allow for the maximization of University assets to pursue entrepreneurial activities such as: expanding public/private partnerships to promote commercial and community based activities; maximizing utilization of natural resources, using SUNY land in creative ways such as producing bio-mass fuels, co-generation facilities, or developing solar and wind farms.

### Capital Projects

**Support** the Executive Budget addition of \$550 million in critical maintenance for state-operated campuses and \$42.9 million for community college projects.

**Provide** an additional \$250 million in self-supporting SUNY Greening Initiatives to allow campuses to access state bond proceeds to implement energy reduction and sustainable energy projects.



# Open Letter to the New York State Legislature



Office of the  
Board of  
Trustees

System  
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Albany,  
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12246

## THE STATE UNIVERSITY of NEW YORK

December 15, 2008

Almost 440,000 students and their families have chosen SUNY to obtain a top quality education. And, in the present fiscal crisis, applications are up dramatically, at some campuses by as much as 40%.

SUNY has certainly borne more than its fair share in responding to New York's economic troubles. In the last year, SUNY has endured \$210 million in cuts. Our students are feeling these cuts through larger class sizes, elimination of courses critical to degree programs, and loss of full-time faculty. These cuts threaten SUNY's capacity to discharge its core mission: public access to a high quality educational experience for all New Yorkers.

SUNY Board of Trustees responded to this crisis by raising tuition \$620, inclusive of an incremental \$310 increase this spring. Out of state students will pay \$2,260 more (\$1,130 for spring). These actions will generate \$76 million this fiscal year and an additional \$154 million next fiscal year. These funds are essential if SUNY is going to have any prospect of sustaining both quality and access.

You may have read that DOB has proposed taking away, in reduced operating aid, almost all the funds represented by the tuition increase. They intend to take 90% this year and 80% next. Instead of tuition being used for campus-based educational purposes, a nearly equivalent sum would end up being swept into the state's general fund to reduce the deficit. This is sleight-of-hand. It violates SUNY's compact with its students and their families. Simply put, it is wrong. We need your support to prevent it. And we need you to authorize the expenditure of tuition so that it may be spent for its intended purpose.

But tuition is only one challenge among many. Here is a shorthand array of the major issues confronting SUNY, issues that prevent SUNY from realizing its potential:

SUNY must be the engine of New York's economic revitalization, particularly Upstate and on Long Island. SUNY has a presence everywhere and is the primary means by which New York creates, nurtures and commercializes intellectual capital. As an example, Albany Nanotech has generated 3,000 jobs and \$4.2 billion dollars in private investment in just 4 years. How myopic it would be for us not to exploit this vast potential statewide. And to consciously disable or diminish this competitive advantage should be absolutely unthinkable.

SUNY needs investment on the part of all, not more draconian cuts. And it needs to be freed to compete. SUNY continues to be the most over-regulated public university system in the nation. It is hamstrung by a labyrinthine web of regulatory constraints. Although it has an independent board of trustees whose fiduciary duty is to prudently oversee its affairs, and although it is subject to annual audits, both internal and external, it still must secure pre-audit approvals by you, by DOB, by the AG, by OSC and by SED, for many of its most basic functions. It can't leverage the revenue generating potential of its assets. It can't enter into the public/private partnerships that create jobs. We will be sending up a package of legislative and regulatory amendments that will allow us the flexibility we need to compete with our peers in the nation and around the world. We urgently need your support of a more flexible, more creative, more nimble SUNY.

Our students deserve a rational, incremental, and predictable source of revenue to enhance academic quality. At its meeting in November, the SUNY Board adopted a rational tuition policy. Going forward, students and their families will be able to project and plan for transparent, small increases in tuition. In our view, this policy is sensible and it enjoys wide support among students. Last month, the SUNY Student Assembly, representing all 64 campuses, voted to support a rational tuition plan. We need you to bless it.

It is time to completely rethink SUNY's place in our economy, in the state's strategic response to our budget crisis and in giving substance to our promise of opportunity for all. You will be seeing a great deal of us during the 2009 Legislative Session. We are excited at the prospect and look forward to talking with you.

Sincerely,

Carl T. Hayden  
Chairman, Board of Trustees

H. Carl McCall  
Chairman, Finance Committee