



STATE UNIVERSITY OF NEW YORK

Testimony of President Samuel L. Stanley, Jr., M.D.  
Submitted to the New York State Senate Finance Committee  
at its  
Hearing on the Impact of the Deficit Reduction Plan  
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Thank you, Chair Carl Kruger, Vice Chair Liz Krueger and members of the New York State Senate Finance Committee for the opportunity to testify before you today regarding the proposed Deficit Reduction Plan. I am Samuel Stanley, Jr., M.D., President of Stony Brook University, a member of the State University of New York (SUNY) system.

Stony Brook University is one of SUNY's four University Centers – a flagship in the University system. Stony Brook is a member of the very prestigious Association of American Universities; one of only 62 universities nationwide to hold that distinction, and, together with University at Buffalo, one of the two public universities in New York State.

Stony Brook is not just a research university, but also an Academic Medical Center, educating our future doctors and medical staffs. And, we operate a hospital, the only Level One Trauma Center in Suffolk County.

As Long Island's largest single-site employer, Stony Brook's importance to the regional economy is measured in billions. Our amazing rate of return equals 16 times every dollar invested. The 12 thousand full-time employees at Stony Brook support tens of thousands of jobs in Suffolk County. In short, one out of every 12 jobs in Suffolk County is dependent upon Stony Brook University.

Perhaps even more important than Stony Brook University's impact on the economy is our impact on our students. Stony Brook provides a top quality, highly-ranked, affordable

education to tens of thousands of undergraduate and graduate students each year. Our students, at all levels and programs, study under some of the brightest and most well-renowned professors, scientists and practitioners in their fields and have access to some of the best research infrastructure in medicine, engineering and energy, among others. Stony Brook has again recently been ranked among the nation's top 100 universities. Despite the state of New York's economy, we must not allow Stony Brook or our students to lose this edge.

Stony Brook has endured three rounds of State cuts in just the past 18 months. Before fully addressing these cuts, which totaled nearly \$30 million dollars, we received word of a fourth cut that would likely push the number over \$40 million. However, the amount of the latest cut is yet to be determined, as SUNY has not indicated how it will allocate the \$90 million in cuts to the system that the Governor recently announced. In addition, as you will hear, our hospital also faces a separate set of damaging payment cuts.

Cuts of this magnitude clearly impact the University's operations, including students, faculty and staff. While I will do my best to minimize the impact, the cuts have come in rapid-fire succession, with little pause for recovery. Keep in mind that other financial pressures, like greater scholarship costs needed to offset tuition increases and lost revenue from anticipated investment income create budgetary challenges in addition to losses in state support.

To address past cuts, Stony Brook has reduced or eliminated activities and services that enhance the quality of campus life, including reducing community access to athletic facilities, eliminating some bus routes and reducing cleaning, garbage and mail delivery services. Preventative maintenance has had to be cut back on our heating and ventilation systems – a move that saves us in the short run, but certainly threatens higher costs in the future, as well as major inconvenience to the campus community in case of outages.

We have also implemented a hiring freeze, foregone management raises and consolidated programs and functions. Besides the obvious damage to employee morale, these actions also result in disparities of salaries in people performing similar functions. The consolidations have caused services to be performed more slowly and response times to increase significantly. In addition, the slow downs have a financial impact from vendors who raise prices due to an elongated payment cycle.

We have begun to restructure academic offerings in an effort to generate new revenue. This restructuring is adding more master's level students at a higher tuition rate while potentially decreasing program offerings to undergraduates, therefore limiting access.

The tragedy in this scenario of repeated cuts to Stony Brook is the impact these cuts have on students and the financial aid they need to access higher education. If they cannot attain a higher education, our state's worker productivity will decrease and our economy with it. More than 70 percent of Stony Brook's graduates stay in the Long Island and New York City area. This is especially meaningful, as the region lost nearly 146

thousand people aged 25 to 44 years old between the years 2000 and 2008. Imagine the even greater brain drain we would have suffered had it not been for Stony Brook. Stony Brook is a powerful anchor for our graduates and our region.

A remarkable 85 percent of Stony Brook's students are New York State residents. Nearly one-third of them are eligible for Pell grants, meaning their families' incomes are below 60 thousand dollars per year. These students do remarkably well, as historically, nearly half of the students who have graduated from Stony Brook have been Pell and/or TAP grant eligible. TAP-eligible students live in households that generally earn less than 40-thousand dollars per year. Many of our students are the first in their families to attend college. Many are children of immigrants or are immigrants themselves. Stony Brook educates New York's poorest students. In evaluating these reductions in aid, one of our highest priorities must remain the protection of low income students.

To be successful, Stony Brook must return to a strategic vision based upon the fundamentals of recruitment and retention of outstanding faculty. This will require significant investment. Stony Brook has a faculty deficit. We rank lowest in comparing our faculty-to-student ratio with other schools in the AAU. Our enrollment increases over the past years have not been matched by increases in faculty. There is a tipping point where large classes and recitation groups hinder the educational process and where the inability to provide classes delays student graduation.

Given this trend, it is critical that Stony Brook has the flexibility to manage University affairs to the greatest extent possible. This is why SUNY Flex legislation is more important than it has ever been. The steady reduction of State support highlights Stony Brook's need for greater financial flexibility. Without relief, we will become mediocre. And a plunge to mediocrity will only decrease the value of a Stony Brook degree, both in terms of the job market, and acceptance into post-baccalaureate programs. We cannot allow this to happen.

We need flexibility for SUNY's research universities, allowing the SUNY Board of Trustees to set tuition within a defined range, and **allowing** campuses to keep the increased tuition revenue. Stony Brook's current tuition is nearly the lowest of all AAU schools and our out-of-state tuition is less than the in-state tuition of many of our peers. More importantly, our tuition is too low to enable us to provide the best education for our students.

Implementing SUNY Flex would require two key actions on for Stony Brook to do so without causing harm:

First, we would ensure that our most economically disadvantaged students would be held harmless by any tuition increase by placing a proportion of the increased revenue into scholarship funds for needy students.

Second, we would be entirely transparent in the use of the increased revenue, using it only for items that directly improve the education of our students. First and foremost on this list would be faculty recruitment.

Stony Brook is a young and vibrant University, and it stands for all that is best about public universities—we are a home for research and innovation, a center for learning and scholarship, a champion of the arts, a center for outstanding and compassionate health care, an engine for economic development and the creator of a pathway for upward mobility for the best and brightest and most diverse students. We need a long term plan that will give us the ability to manage our own affairs to mitigate the impact of these repeated and sudden funding cuts.

Our fundamentals are strong, but we are weathering the perfect storm of reduced state support, a difficult climate for philanthropy and very real restrictions on our ability to obtain new revenue. Yet never has Stony Brook and SUNY been more important to this region and this State than now. I ask you to work to give us the tools to be the great research institution Long Island and New York State so desperately need.