A New Storm Rising

Over the past year, I’ve used meteorological analogies to describe the budget situation involving both New York state and SUNY. In keeping with that theme: We all know there’s going to be another storm—it just isn’t possible at this time to predict exactly when it will hit.

Throughout late summer, storm clouds began appearing in the form of numerous reports that New York is facing a budget deficit of, at least, $2.1 billion in the current 2009-10 fiscal year (FY). The deficit could have been much worse had state spending continued along its usual trends. However, state agencies—including SUNY—were compelled to reduce spending that tended to help counter-balance a portion of the overall decrease of state revenues. Nonetheless, a $2.1 billion deficit is a “cloud” that’s bound to contain some lightning. And combine that with a projected deficit of $4.6 billion in 2010-11, growing to a total of around $18 billion through FY 2012-13, if previous gaps are not closed. It’s very clear that a big storm is brewing.

Based on past practice, one would normally expect Gov. Paterson to “bring on the rain” by calling for a mid-year cut. Remember, that’s what happened about this time last year. But, Paterson has indicated that he’s not going to release a menu of agency cutbacks, because it caused such a political backlash surrounding the previous mid-year cuts. Instead, he’s indicated that he’ll be calling the NY Legislature back into session after the Labor Day holiday, and will ask them to deal with this growing fiscal crisis. The Senate was poised to return on September 10th. But it appears that they dealt only with political appointments and cleaned up a few bills that were previously passed in the Assembly. As for the Assembly, they haven’t announced that they’re interested in coming back to session. Indeed, if you think about it, who’d want to take the lead in initiating cutbacks—especially on the eve of an election year? So, for at least a while, we may enjoy some relatively calm weather. But, to be clear, if the governor calls the Legislature into Special Session—they will be back. Keep your rain gear handy.

There’s yet another factor that may delay the approaching storm—but it will, no doubt, add more energy to the developing clouds. What I’m talking about here is the so-called federal Stimulus Package. That package provided approximately $1.25
billion to New York in the form of education aid. Almost all of that went to bolster K-12 funding. A paltry few million dollars were spent on Community College initiatives. Indeed, we can’t find any evidence of Stimulus dollars being expended as part of the SUNY state-operated campus’ budgets.

Do you see a problem developing on the horizon? I do. Allow me to digress momentarily and give you another weather tidbit. In the world of aviation meteorology there’s a phenomenon called a “sucker hole,” which is an area of clear air between two thunderheads. Unwary (or unskilled) pilots are sometimes “suckered” into trying to fly through this seemingly clear air to avoid the obvious dangers of nearby thunderstorms. Such pilots unfortunately—and most often tragically—discover way too late that the air is clear because it’s so highly turbulent that even clouds cannot form there.

Okay, let me get back on point.

Clearly, the governor and Legislature are going to be forced into dealing with the growing deficit for this current FY and the next one. Just as clearly, there are going to be some cuts. But where will they be aimed in terms of education? It’s difficult to imagine that the governor and Legislature will be directing significant cuts towards K-12 or Community Colleges, as they’d have to explain to the Feds about potential mis-spending of Stimulus dollars. Hence, it’s likely that both the governor and Legislature will have to spend some time in figuring out how to approach this dicey situation.

But where does that leave us when all of the political machinations are complete? Most likely right in the aforementioned “sucker hole,” with the majority of education-related cuts aimed right at SUNY state-ops, which could be viewed as the clear area “unclouded” by any issues surrounding Stimulus funding. So, once again, we find ourselves right in “the eye of the storm.”

**Predicting the Severity of Lightning Strikes**

Even though we can’t accurately predict the timing of just when the fiscal “storm” will hit, I think that we can make, at least, a partial assessment of how it will hit.

Funding for SUNY comes principally in two forms: direct state aid and tuition revenues.

It seems very likely that SUNY will suffer another cut of state aid as part of the next Executive Budget. How large that cut may be isn’t precisely clear at this time. If I were to guess, however, it will be in the 10-15 percent range over this year and next. And given the drastic cuts from last year, this additional cut would compound into the severe to devastating range, in terms of impact on SUNY. Moreover, I expect that any cut to SUNY will be just that—an unspecified decrease of state aid. In other words, SUNY will probably be told, “Here’s your cut, deal with it as you see fit.”

As part of last year’s Executive Budget, the Legislature approved a plan that allows SUNY to retain 20 percent of the increased tuition revenues for Academic Year (AY) 2009-10. That Budget Plan also contained a provision calling for an increase of tuition retention of an additional 10 percent in each of the subsequent three AYs. That is, moving up to 50 percent retention by 2012-13. But the actual appropriation for tuition retention covered only the current AY (i.e., 20 percent). Moving forward toward
retention of tuition in the next AY (i.e., 30 percent) would require another appropriation by the Legislature.

While it’s unlikely that the Legislature will mess too much with tuition on the eve of an election year, there aren’t enough data points, as I write this report in early September, to predict what may happen with regard to tuition. Remember that, basically, SUNY funding is the sum of state aid and tuition revenue. Also recall that tuition increased by $310 per semester last year, but 80 percent of that is now going to offset the decrease in state support. And it’s important to bear in mind that all previous tuition increases simply offset declines of state support. In other words, it’s a zero sum system.

Two other key factors surrounding the unpredictability of how tuition will be handled are these: First, earlier this year, the SUNY Board of Trustees passed a resolution that allows for progressive tuition increases based on the Higher Education Price Index (HEPI). So whether or not the Legislature enables that resolution and passes the necessary appropriation is unknown at this time. And, second, the enrollment growth may markedly increase the overall tuition revenue. Again, how this will play out is not only uncertain, but raises additional questions. Is it possible that the Legislature will grant a tuition increase and the companion appropriation for spending? And, will enhanced enrollment provide a modest windfall of tuition revenues? Or, will the governor and the Legislature look at tuition dollars as something that can be directed elsewhere? I’ll report on this more at the DA, as we should have a better handle on all of this near the end of September.

As an aside, the national watchdog group Commonfund Institute, recently reported that the HEPI index was down sharply from 5.0 percent in 2008 to 2.3 percent in 2009. This may not bode well for SUNY’s proposed tuition increased based on this index. And, reports from some of our campuses indicate that not all of them are experiencing increased enrollment. We’ll have to wait until SUNY releases the final enrollment numbers (usually in November) to know the impact of more students—and more tuition revenues. And as an aside to the aside, The Chronicle of Higher Education reports that most of the growth in the HEPI is due to the increase of management salaries. But that’s the subject of another discussion.

**Rigging for Foul Weather and an Action Plan**

You may recall as part of my last report, I pointed out that over the past 40 years state funding for public education has fallen by 30 percent nationwide. No doubt this trend will continue as New York and other states (especially California) are forced to deal with ever increasing budget shortfalls. Governors and legislators always view public higher education as a “soft spot” because cuts there aren’t usually visible to the voters and public at large. Nonetheless, we have an opportunity to change—maybe even reverse—this trend.

It’s reasonable to ask, “How can we do this?” I think the answer is simple: Every single member of UUP must commit to doing just a little bit to carry the message about the importance of SUNY, its funding needs, and its economic impact to governmental officials and the public alike. Do I think that we can get every member involved? Of course not! But, we are an organization of over 35,000 members—surely, we can get more members involved. At the very least, we have to try—and try harder!
What exactly am I asking? Well, I’ll be speaking about this, in detail, at the DA, but for now let me give you a brief sketch. A few weeks ago, I asked our chapter presidents and our Outreach Committee to come to a special meeting. At that meeting, I distributed various materials describing the important role that SUNY, as an institution, and each campus individually, plays as a contributor to the economic growth of New York state. Included with that information were other materials that would be useful in engaging, educating—and training—members in carrying this important message forward.

Bottom-line: We have to engage not only our colleagues, but also our local business community and our friends and neighbors. If we don’t raise more voices concerning the importance of our campuses and SUNY as a whole, then we’ll be faced with a much, much darker future. We began the process of raising additional voices last year—and we must amplify our message this year. Otherwise, in what is likely yet another year of limited state funds, we’ll not get our fair share for SUNY—or for us!

Please join me in redoubling our efforts. If every UUP activist brought in ONLY ONE additional person, just think of how much more we could accomplish and how much more powerful our voice would be.

"Life is not about waiting for the storms to pass...it’s about learning how to dance in the rain!"
—Vivian Green

Resolutions from the Spring DA

Below is a report on the status of resolutions passed at our previous DA:

- **Resolution conveying sympathy to Charles Hanson (Stony Brook) on the death of his wife.** This DA resolution was printed on parchment and sent to Mr. Hanson, along with a card of condolence signed by the UUP officers.

- **Resolution condemning closure of the Nursing Program at New Paltz.** As required by this resolution, a letter of concern/condemnation was sent to Steven Poskanzer, president of New Paltz. Also, as required by the resolution, letters were sent to the entire NY Congressional delegation seeking financial support (from Stimulus funding) to continue the program. (Note: It appears that the nursing program from New Paltz will be transferred to Ulster County Community College, and it will have a relationship with SUNY IT of Utica/Rome.)

- **Resolution on the war in Afghanistan.** UUP has renewed its financial support of US Labor Against the War (USLAW), and additional educational materials will be distributed through our committees on Labor and Higher Education and Solidarity at the DA to inform members of the important activities of this organization.

- **Resolution in support of Unemployment Insurance reform.** Letters supporting reform were sent to the entire NY state Legislature, as well as appropriate labor organizations. This legislation is presently stalled (but not dead) in terms of legislative action; it’s likely to move ahead in the next legislative session.
• **Resolution calling for UUP to congratulate Adelphi University professors on their recent gain in pay equity.** A letter of congratulations was sent to Professor Judith Cohen, lead plaintiff of this case.

• **Resolution to elevate the Office of Diversity and Educational Equity to the Chancellor’s Cabinet.** As required by this resolution, letters supporting elevation of ODEE to a cabinet level position were sent to Chancellor Nancy Zimpher, Vice Provost Pedro Caban, Assemblymembers Carmen Arroyo and Deborah Glick, Senator Toby Staviski, and all members of the Black, Puerto Rican, Hispanic and Asian Caucus.

**Chapter/Campus Visits and Other Activities**

Since the Spring DA, I’ve once again traveled extensively to meet with UUP members at their chapters to carry the message of our Legislative Agenda, as well as other meetings to press UUP’s issues including:

• Capital District Retirees;
• Buffalo State Professionals Senate Assembly;
• Geneseo end of year celebration;
• Brockport end of year celebration;
• New Paltz news conference on nursing program;
• UUP New Leaders/Chapter Presidents & VPs Retreat;
• Cortland Recognition Luncheon for Professionals;
• AFT Executive Council (several meetings);
• AFT Higher Education Program & Policy Council;
• NYSUT Committee of 100;
• AAUP Annual Conference;
• UUP Strategic Planning Taskforce (several meetings);
• UUP New Leaders Orientation;
• AFT Local Presidents Conference;
• Old Westbury Chapter Meeting;
• Stony Brook West Campus, department reps;
• Stony Brook HSC Chapter Meeting;
• Cortland Welcome Back Picnic; and
• Upstate Medical Annual Clambake.

**UUPers in the field**

I would like to thank those UUPers who took time out of their busy schedules to travel to various meetings and conferences to represent UUP. The following is a list of members who have represented UUP at conferences since the Spring ’09 DA:

**CIT Conference**
Oswego, NY  
5/19/09 – 5/22/09
Virginia Anderson  
Ziya Arnavut  
John Driscoll  
Nicholas Koridis

**NYS AFL-CIO: Empowering the Diversity of our Voices**
Albany, NY  
6/4/09 – 6/6/09
Sharon Belle-Render  
Trymeter Carter  
Patricia Ghee  
Nand Relan

**AFT Healthcare Public Employees**
Washington, DC  
6/11/09 – 6/14/09
Edison Bond  
Carol Braund  
Ray Dannenhoffer  
Kathy Southerton
Joint AAUP Annual Conference &
Globalization, Shared Governance, &
Academic Freedom
Washington, DC
June 11-14, 2009
Robert Compton
Fred Floss
Steve Rosow
Arnold Wishnia
Judith Wishnia

CLUW Executive Board Meeting
Detroit, Michigan
6/11/09 – 6/13/09
Lydia Johnson
Tina Manning

NEA Joint Conference on Concerns of
Minorities & Women
6/28/09 - 6/29/09
San Diego, California
Rowena Blackman-Stroud
Eileen Landy
Darlene Mercado
Yolanda Pauze

Northeast Regional Summer School
Stony Brook, NY
8/2/09 – 8/7/09
Stacy Gardner
Carol Gizzi
Amy Margolies
Hilary Wolfskill
Pam Wolfskill

AFL-CIO Summit Diversity II
Pittsburgh, PA
9/13/09
Philippe Abraham
Nand Relan
Patrick Romain

AFL-CIO Convention
Pittsburgh, PA
9/14/09 - 9/17/09
Rowena Blackman-Stroud

I look forward to seeing you at the DA.

[Signature]