

June 30, 2011

TO: All Faculty and Staff

FROM: Lou Spiro
Administration and Finance

RE: 2011-12 SUNY Budget Reductions and the SUNY Tuition Plan

At today's special June 30, 2011, SUNY Board of Trustees meeting, the 2011-12 Financial Plan, including the budget reductions for each of the campuses and the new SUNY tuition plan, have been finalized. The impact of the SUNY tuition plan cannot be overstated as it brings long sought after resources to the campuses to help them resolve their budget difficulties.

Brockport's net base budget reduction for 2011-12 is just under \$3 million, another significant reduction continuing the trend since the start of the 2008-09 budget year. However, with the \$300 annual resident undergraduate tuition increase for 2011-12, that will provide an estimated \$2.2 million, minus the tuition credit that is being calculated for students receiving TAP financial aid awards. This tuition credit will be calculated by the Higher Education Service Center and while we have not received specific information on this yet, it is expected to be about 20% of the total new revenue.

Thus, we still have a net reduction of about \$1 million, but this is well below the reductions of prior years.

What does this mean for Brockport and what happens next?

We are cautiously optimistic that New York State's economy will continue to improve and that the enacted New York State balanced budget for 2011-12 will remain balanced, removing the need for another mid-year reduction. With our current level of College reserves, recently increased by over \$3.2 million from both College actions and Divisional contributions, we have sufficient flexibility to manage both this reduction and our structural deficit of \$1.7 million to \$2.9 million without taking any extraordinary personnel actions. Details of this preliminary budget plan will be shared with the Budget and Resource Committee at our July 14 meeting.

If New York State maintains the current level of SUNY support in 2012-13, and there is another \$300 tuition increase, we would be well on our way to eliminating our structural deficit.

But it is very important that we continue to follow through on changes that we have made in instruction, student support and business processes as we move forward with the implementation of the next phase of our strategic plan.

President's Cabinet will continue to monitor our financial situation closely, and will look to invest some of our available resources in the highest priority areas of our strategic plan and to improve instructional and service areas that will positively impact student success. If all goes well, over the next few years we will be able to make more significant investments to benefit our students and to continue to advance the College.

We have appreciated your patience since the enacted state budget was passed in early April, and we are very pleased to have this more positive information to report.