

December 17, 2009

TO: All Faculty and Staff

FROM: Lou Spiro
Administration and Finance

RE: December 2009 Budget Update

As we approach the end of the Fall 2009 semester, the traditional two week winter shutdown and the semester break, we wanted to give you a brief budget update. Although my last "Budget Update" was only a month ago (November 17, 2009) let me provide additional timely information.

In our continuing efforts to maintain ongoing communications about the budget process, to affirm our commitment to protect our core academic mission, and to maintain our outstanding student experience at The College at Brockport, President Halstead, Provost Huot and I met on December 14, 2009, with the elected heads of the College Senate, UUP, CSEA, Brockport Student Government and the Budget and Resource Committee.

We reviewed a summary of permanent budget reductions that have taken place over the past two fiscal years (2008-09 and 2009-10) and had an open conversation about future communications. The two year budget summary shows that The College at Brockport has had a net base budget reduction of \$4.4 million. Base budget reductions totaled \$9.6 million and tuition increases have generated an additional \$5.2 million in revenues. Funding for contractual salary increases have not been included in these numbers since these funds cannot be used for budget reductions.

In order to manage these unprecedented base budget reductions, we have taken significant actions specific to Brockport to reduce expenditures or increase revenues in a number of areas including:

- 30 FTE staff positions have been left vacant at an annual savings of \$1.2 million.
- The Distinguished Presidential Scholarship program has been eliminated, which will save \$800,000 over four years. However, please note that this action has *not* led to any diminishing of the academic profile of our top students.
- \$900,000 in tuition revenues has been generated by enrolling additional first-time freshmen and new transfer students in Fall 2009, while again maintaining our student quality standards.
- All Divisions of the College have developed their own internal reserves to remain self-sufficient and very few new requests for College funds have been received or funded.
- Divisions have placed greater scrutiny on travel, equipment/furniture, food/beverage and other expenses.

- Institutional memberships are being reviewed and several (e.g., Rochester Business Alliance and National Association of College and University Business Officers) are being cancelled as renewals occur.
- All Divisions are reviewing subscription purchases and are reducing duplicates (e.g., Chronicle of Higher Education and Rochester Business Journal) and are eliminating others.
- President's Cabinet continues to review additional revenue generating prospects as well as expenditure reduction ideas throughout the College, with decisions to be made after the Executive Budget for 2010-11 is released in mid-January.

The SUNY 2010-11 budget request that was approved by the Board of Trustees on November 17, 2009 requests an additional \$106.1 million for state operated campuses to fund contractual salary increases, general inflation and the tuition share adjustment from the prior budget year. Additionally, the SUNY Board of Trustees has approved an important resolution on Administrative and Financial Flexibility – now called “SUNY Innovation” - which is an integral part of the budget request. These innovative flexibility requests have their origins in the New York State Commission on Higher Education's Final Report (July 2008) and would allow SUNY campuses to use their resources more efficiently and effectively, to develop public-private partnerships for economic development and to generate additional revenues to help offset reductions in state support. We have provided concrete examples to SUNY and encourage you to support the SUNY 2010-11 budget request through advocacy efforts which will be accelerated in the Spring Semester 2010. In fact, during our meeting earlier this week with campus leadership, faculty, staff, and students alike all pledged their desire to become even more actively involved in SUNY advocacy efforts this Spring.

At this point, we do not expect any additional budget information from SUNY System Administration until after the 2010-11 Executive Budget is released by Governor Paterson as expected in mid-January. However, the Chancellor continues to meet with key representatives of the Executive Branch and legislative leadership and should any additional significant budget information be forthcoming, we will provide an additional e-mail update during the semester break.

In conclusion, as we indicated last year, it remains our policy that layoffs will only be considered as a last resort. However, please recognize that nearly 80 percent of our operating budget goes to faculty and staff salaries - typical of other SUNY colleges as well as other public and private colleges. We also fully realize that it's natural that greater anxiety arises from the uncertainty out of Albany; thus, we pledge to keep you informed in the new year – as always – once we have factual information.

In turn, we ask for your continued support to **protect the College's academic core** and to **maintain our commitment to the outstanding overall student experience** which makes The College at Brockport unique. We are rightfully proud of our unwavering focus on student success.

We welcome ideas for furthering our outreach and communication to the College community as has been our tradition of transparency with regard to our budget and other important policy matters.