



Testimony

to the
Assembly Higher Education Committee
on
**New York's Public University Systems' Use of State
Aid and Revenue Generated by Tuition Increases**
December 12, 2013

Prepared by:
New York State United Teachers
800 Troy-Schenectady Road
Latham, NY 12110-2455
518-213-6000
www.nysut.org

Representing more than 600,000 professionals in education and health care
Affiliated with the AFT – NEA – AFL-CIO

*Testimony of
Stephen Allinger
Director of Legislation
New York State United Teachers
to the
Assembly Higher Education Committee
Deborah J. Glick, Chair
on
New York's Public University Systems' Use of State Aid
and Revenue Generated by Tuition Increases
December 12, 2013*

Chairperson Glick, honorable members of the Assembly Higher Education Committee and distinguished staff, I am Stephen Allinger, Legislative Director of New York State United Teachers (NYSUT). NYSUT represents more than 600,000 teachers, school-related professionals, academic and professional faculty in higher education, professionals in education, in health care and retirees statewide.

Thank you for the opportunity to testify today on New York's public university systems' use of state aid and revenue generated by tuition increases. My testimony represents the concerns of over 75,000 faculty and professional staff who work in colleges and universities across New York State. These include the members of United University Professions at the State University of New York, the Professional Staff Congress of the City University of New York, and the faculty and staff at nearly all the SUNY community colleges in this state.

I am joined today by Dr. Frederick Kowal, President of United University Professions (UUP). You will hear from Dr. Kowal in a few moments. I also want to inform you that Barbara Bowen, the President of the Professional Staff Congress (PSC), extends her regrets for not being able to make this hearing. We have included the PSC's concerns on this subject matter in our testimony.

First, let me begin by saying thank you to you chairperson Glick, the Speaker, members of this committee and the entire Assembly. Through your staunch advocacy, you have kept public higher education affordable, accessible and have protected its quality through one of the most trying economic periods this state and nation have ever experienced. You have also kept the "public" in public higher education even though there are those who continue to push for its privatization. For all of these things, again, we say thank you.

With respect to the use of state aid appropriated in the 2013-14 state budget and the level of state aid in general, NYSUT and our higher education affiliates have some deep concerns. Let me address funding levels first. For the last two years, state aid has been flat for SUNY and CUNY four-year campuses and we anticipate that the Executive Budget will again recommend flat funding.

We firmly believe that if it were not for your Herculean efforts to secure a statutory maintenance of effort provision for SUNY and CUNY in 2011, we would have suffered more cuts these last

two years. Flat funding, however, equates to a year-over-year cut as mandatory costs go up every year. Austerity is certainly not a recipe for student success or economic success.

Our students are now funding the annual increases in revenue to SUNY and CUNY through yearly tuition increases. Tuition has increased precipitously at both SUNY and CUNY since 2008-09. In fact, at CUNY, tuition has risen by \$1,730 at the senior colleges (2008-09 rate = \$4,000 / 2013-14 rate = \$5,730) and by \$1,400 at its community colleges (2008-09 rate = \$2,800 / 2013-14 rate = \$4,200) an increase of 43 percent and 50 percent, respectively. SUNY has experienced similar percentage increases.

The NY SUNY 2020 statute adopted in 2011 established annual tuition increases for five years and called for increased revenue to be used for investment in academic quality. But state funding to SUNY and CUNY were drastically cut at the same time. Hence, the increase in tuition that year went substantially to fill the deficit in year-over-year funding.

For CUNY, the 2012-13 state budget substantially funded senior college mandatory cost increases. That year's tuition increase was available for programmatic expenditures, but much of that spending was repairing the damage from the cuts that started in 2008-09. In 2013, the 2013-14 state budget did not fully meet mandatory cost increases so additional tuition dollars have had to be split between mandatory and programmatic expenditures.

Moreover, tuition has also been the primary source of revenue to fund operating costs at our community colleges notwithstanding state base aid increases over the last two years. Our current state funding level is still far below 2008-09 levels.

In addition, we are also concerned that the tuition revenue is being primarily used for economic development pursuits and not enough is being used for academic programs and services for our students. Furthermore, our members have strong opposition to some recent academic programmatic changes at SUNY and CUNY. For example, CUNY administrators have taken scarce dollars and devoted millions to Pathways, a poorly conceived and ill-advised restructuring of the CUNY curriculum done in a top-down fashion without faculty governance approval. CUNY full-time faculty voted no confidence in Pathways by a 92% margin, because it reduces curricular quality and disadvantages CUNY students. With such broad-based faculty condemnation of the Pathways curriculum, CUNY administration's continued expenditure on this program is unjustified.

Dr. Kowal will comment on programmatic changes at SUNY's state-operated campuses in a few moments.

With respect to the question of how many new faculty have been hired? While some progress has been made in this area, more needs to be done. At CUNY, during the two year time period from fall 2011 to spring 2013, the net increase in full-time faculty was 248 or a 3.6% increase. Instruction and Department Research support staff increased by 130 or 6.7%. Overall, during this time period, net personnel increases were up by 973 full-time employees or a 6% increase. Most notably, executives and non-instructional administrative staff increased by 251 or 9.5%. (Source: CUNY's 2012-13 Year-End Financial Report)

The net increase of the 248 full-time faculty is estimated to have cost about \$25 to \$30 million dollars, and the net increase of 130 full-time instructional support staff is estimated to have cost about \$12 million. Clearly, the bulk of the additional total tuition dollars (\$127.5 million) associated with NY SUNY 2020 have not gone into full-time faculty hiring or instructional support during its first two years of operation at CUNY.

Again, you will hear about SUNY's experience from Dr. Kowal in a few moments.

The main point here is that the state needs to make a greater financial investment in public higher education and this commitment needs to be focused on the classroom to ensure future quality. At SUNY and CUNY four-year institutions, the state's focus in recent years has been all about the role these institutions can play in economic development. While NYSUT believes that SUNY and CUNY have a role to play here, it should not come at the expense of its primary mission which is teaching and learning.

To that end, NYSUT and its higher education affiliates are calling for the establishment of a public higher education full-time faculty and support staff endowment. This endowment would be dedicated to rebuilding SUNY's and CUNY's academic departments through a multi-year financing plan which would enable public higher education campuses across this state to hire more full-time faculty and staff. Moreover, a mechanism should be provided in this plan to give adjuncts, contingent faculty and staff the opportunity to become full-time employees. This endowment is needed to start replacing the loss of thousands of full-time faculty and staff at SUNY and CUNY over the last couple of decades. Recruiting and hiring more top academic scholars will not only benefit our students but will also benefit the state as a whole.

I also want to be clear here. The proposed endowment is not for the hiring of Research Foundation faculty who do not teach our students in the classroom. We will have more details on this proposal in the coming weeks.

Another issue that NYSUT continues to advocate for is the need for greater transparency at our public higher education institutions. We will again call on the Legislature to enact legislation to have SUNY and CUNY foundations and their affiliated entities fall under the State's Freedom of Information Law. Recent developments and events associated with our SUNY hospitals are prime examples of why this legislation should be enacted. Moreover, the enactment of START-UP NY, which in our opinion has the potential to inappropriately blur the lines between public and private institutions, is another reason why it is imperative that the operations of our public higher education institutions and their affiliates must be transparent to the public.

We also are concerned about the enforcement of notification requirements under the law.

Finally, NYSUT supports reforming and updating the Tuition Assistance Program which is now 40 years old. This wonderful program has afforded so many students the ability to obtain a higher education in this state. It needs to be updated as too many students are now excluded from or underserved by the current program.

In conclusion, I look forward to working with all of you in the 2014 legislative session and I thank all of you for your support of public higher education in this state.

I will now turn it over to Dr. Kowal.

CB/mmc
#36801