

## Minutes of September 17, 2008 SUBOA Meeting

### **Wednesday, September 17, 2008 (Day 1)**

The meeting was called to order at 1:30 p.m. by Nick Lyons.

The minutes from the June meeting were approved.

Treasurer's Report - Dues will remain the same

Introductions of new members/guests by Nick Lyons.

No sector breakout in order to discuss issues as a group.

### Employee Relations

- Ray Haines thanked SUBOA for his recognition award.
- BO – Council 82 – Numerous legal arguments – not to arbitration
- Graduate Students
  - Not at negotiating table at this point
  - Organizing at Stony Brook (RF)
  - CSEA negotiations closed
- Disciplinary process put in place
  - Turns cases around quickly, 30-60 days
  - Also requires everything be done up front
  - A single arbitrator will be used
  - Tape recording requested for all interrogations
  - Working west to east as far as rollout
- UUP – Finished – Contracts distributed
- Joint Labor Management Committee fully funded (training, etc.)
- VRWS (voluntary reduction in work schedule) allows UUP to bank time and maintain benefits
- Retrenchment
  - Not a hot topic, not a lot of questions at this point
  - Note – multiple step process; requires Chancellor's authorization
  - Signals unstable environment – Students and employees will look at campus
  - Approval by Provost & Employee Relations
  - One-year lead time if tenured; if term = 6 months. Developed to protect individuals from selection. Includes bumping process
    - Very thorough examination - Includes review of permanent vs. temporary and potentially the evaluation credentials
  - No retrenchment in many years.
- Early Retirement – Nothing being discussed. Some campuses have created their own by moving employees off full-time, with continuing relation with campus.
- Union compromise on negotiated increases is very unlikely. Not a great risk to most union employees (so no negotiation leverage).
- UUP stand on budget cuts—not defending campuses. Not endorsing tuition increase. There have been several changes in UUP leadership.
- Layoffs – Classified Service – but low vs. retrenchment salary & then you have support issues

## SUBOA Annual Meeting

Ken & Tracy

- 2008 meeting was self-funding
- Next year's meeting (2009) at Niagara Falls
  - Starts on Sunday
  - NACUBO President will be opening speaker
  - Keynote speaker – Tom Shampoo (sp)

## Committee Reports

### ABB Update - Clark Foster

- All leadership positions filled
- Meeting dates set for the year
- Looking to include professional development sessions as part of meetings
- Issues being addressed
  - Budget Reform – Preparing report on budget issues, i.e., more transactions causing more work
  - Bursars – Curious about mid-year tuition
  - Business Intelligence - Very interested, trying to learn more about it

### Purchasing Association - Lou Spiro

- Looking for update on higher contract threshold
- Not seen as money savings, just time saving which allow us to do other things
- Numerous areas with increased requirements
- Recommendations to develop a time/cost analysis of reporting requirement from Purchasing Association and/or ABB
- William Shaut will document written request
- Comments
  - Purchasing Systems
    - Need enhancements to online requisitions module before final campus rollout
  - Also Procurement Card needs additional emphasis to make it user friendly
  - Also Travel Module needs additional emphasis to make it user friendly

### Human Resources – Jim Mancuso

- Fall conference – October
- Trying to address Sec 1 flexibility with CSEA
- Working on rolling out Professional Development Series for HR professionals
- SUBOA looking for input from HR on any flexibility issue. We would like to have addressed:
  - Telecommuting policy
  - Special OSC payments
  - Civil Service promotion process

### Audit Committee – Judy Nolan

- Need to replace Jim VanVoorst
- Need a volunteer, meet twice a year, working with Mike Abbott

### Executive Committee Update

Nick Lyons provided an update from the SUBOA Executive Committee. Based on a request from Jim VanVoorst, the Committee formulated a recommendation in response to the latest budget reductions. This report will be used in conjunction with a response from a group of Presidents and will be used by SUNY BOD Finance Committee to develop their response and recommendations. It continues to be a work in progress.

### Key Elements

- Includes 3-year plan, including tuition increase
- Without tuition increase provided to campuses, there will be significant impact to programs
- Includes documentation of the total cuts, including energy
- Use of Reserves/Savings is also required
- Public Benefit Corp – As an option
- Request to develop impact statement ST & LT from SUNY perspective
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### Discussion

- Recommend additional fee increase for out-of-state grad students

Impact Statement – Looking for input from each campus

Will collect information quickly via template

### Subject Areas

- Faculty
- Staff
- Access
- Economic Impact
- Health & Safety – include Maintenance

### Other discussions

- Suggestion to add Exec Summary
- Equivalent of closing one University Center, Comp & Tech School
- Loss of Revenue to community is devastating
- Six (6) times campus spending vs. economic impact
- Stops innovation. Has LT impact to reputation
- Students that do not go to college – impact is significant
- Equivalent of 35,000 FTE loss
- Delay in time to graduate – less access/availability
- Need to approach from student/parent perspective
- Tuition increase is normal!
- Balance between panic and reality. Board needs to understand real impact.
- Need to show comparative data with other states – tuition/state per student
- State fiscal year not SUNY year
- Concerns with bigger cuts down the road

**Thursday, September 18, 2008 (Day 2)**

Jim VanVoorst – Interim Vice Chancellor

Budget Update

- Cuts and budget controls are Governor's top agenda items
- Fiscal crisis – NY has not seen before
- Latest issues will have further impact
  - Projections now are below the worst case scenario forecast
- DOB – Goal is to get to the number, all other considerations are secondary
- Legislature came in - Gov asked for \$500M & Legislature acted on \$400M plus
  - We expected for this to take more time. They were aggressive and took action.
- SUNY Reduction done differently. Does not require plan. No Budget Bulletin so SUNY took no action. Now, it is real and needs to be addressed.

Reduce \$96M as low as possible

- One-time items
- SA funds, AER, SCAP
- Also \$20M of \$45 energy willing is being discussed.
- Be ready for next year beyond \$96M.
- SUBOA to identify & quantify top legislative changes for flexibility Action
- Need a method to allocate cut. Will work w/SUBOA Exec Committee Action
- Nov 18 is the next Board of Trustees' meeting
- Very serious, will have impact
- Can only delay spending so long
- Tough decisions will be made
- Need to be careful about messages; will have long-term impact to enrollment
- Want to have plan for flexibility before we talk budget
- Negotiated Salary Increases – DOB changed calculation and their calculation is off by a few percentage points. They are willing to review our calculations.
- Spending Caps are being re-evaluated
- SUBOA feels Presidents need to be brought up to speed and have constant messages Action

2009/10

- Cuts are probably not over
  - “Zero growth budget” could mean we eat salary increase \$74M
- Finance Committee Resolution
  - Take SUNY endowment fund (pre “SUNY”) not tied to State Appropriations – part of Foundation. Need to move title of assets. This can be done for all campuses. More information to follow from Jeff McGrath.
- Chinese Students
  - Transfer of funds this week

Phil Wood – SUCF provided update

- So far, budgets are holding
- Pace of spending should continue
- With continued bad news, things could change
- Critical Maintenance Budget is still committed – Need to stick with original authorizations and priorities as committed
- Observations
  - Campus Lets – Start-up is slow compared to PY. Pace impacts total cash flow
  - Strategic initiatives have fixed budgets--no room to over spend. Slowing down projects & driving up costs
- Capital request for 09/10
  - \$550 Critical Maintenance continuation
  - Assuming no new strategic initiatives
  - Greening of SUNY capital might be on table. Driven by savings, pay backs, etc.
- Flexibility – Five (5) requests
  1. Capital to be post audit review
  2. Delivery Mechanism Flexibility. i.e., design build
  3. Lease of Land/Building
  4. Supporting DASNY initiative to finance on behalf of any affiliated organizations
  5. Flexibility for Fund
    - Hiring freezes, etc.
    - Statutory changes to SUCF Public Corp
- Facility Master Plan – Process has started. First wave started with 7-8 more campuses in December.

Information & Technology – Dave DeMarco

- All campuses certified at \$250K
  - OSC pre-approval (from \$50K)
- All campuses approved for quick contracting as pilot program
- MWBE
  - Compliance with Exec Law Article 15-A

- Emergency Response Plan
  - All campuses have submitted plan
  - Business continuity plans generally need to be strengthened
- Business Intelligence
  - We own Oracle – Business Intelligence as University
  - UB started last fall
  - Targeted implementation System-wide

#### University Audit – Mike Abbott

Provided updates including OSC audits

- Numerous audits in process
- EOP audit complete – several points document
- Small dollar purchases - OSC completed audit of State agencies showing significant volume of transactions not using Procurement Card
- Foundation audit complete. Sent to VPs
- Single Audit – Try to better coordinate internal with OSC

#### Counsel Update – Marti Ellermann

- Guidelines on Professional Associations
  - Will be circulated including vendor sponsorships
- Guidelines – Campus-Related Entities
  - Foundation guidelines have made changes to model contracts
  - Nick L will review exemptions
- FTC Red Flag Rules – Going into effect 11/8
  - Identity theft prevention related
  - Campus and affiliated corp requirements for issuers of debit cards
- Higher Ed Oppt Act
  - Many new regulations & reporting requirements
  - More guidance from SA
  - Responsible effective 8/14/08
- Legislature Update – Jim Campbell
  - Summary of Chapter Laws provided
  - Textbook Law in NYS in-process

Meeting adjourned at 12:00 pm.

Respectfully submitted,

Brian Hutzley  
 Vice President for Business & Finance  
 SUNY Delhi

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Upcoming SUBOA meetings:

November 12 & 13, 2008; January 21 & 22, 2009; April 29 & 30, 2009  
 2009 Annual Meeting – May 31 & June 2, 2009