

SUBOA

APRIL 10-11, 2013

April 10, 2013 meeting called to order by Paul Tucci at 12:08 p.m.

Introductions and welcome to new members.

Vice Chancellor Brian Hutzley update (see hand out)

- ✓ Travel Card:
 - SUNY may get relief from OSC.

- ✓ MWBE:
 - The Chancellor is fully committed to meeting the Governor's goal of 20%.
 - SUNY is not meeting its goals and the Governor's Office is applying a great deal of pressure.
 - Webinar Thursday April 18 at Noon – 1:30 pm
 - SUBOA asked Brian to take the following actions:
 - Want to have regional assistance to work with System to develop ways to achieve the goals.
 - Provide campuses with a comprehensive listing of MWBE vendors.
 - Provide accurate reporting.
 - Create an advisory group that includes campus representation. The group will address policy, procedures, data integrity, and communications.
 - Brian asked SUBOA to submit names of volunteers to serve on Advisory Board
 - Stony Brook and U. Buffalo volunteered.
 - Paul Tucci will coordinate.

- ✓ SFS
 - Year-end closeout was relatively smooth.
 - Still issues with SFS: inaccurate numbers, call Jeff McGrath to get them resolved.
 - OSC wants SUNY to “direct input” into SFS.
 - SUBOA asked Brian to keep us abreast if this moves forward.

- ✓ Smart Track:
 - Launched on April 1st. SICAS was instrumental in the success of this project.

- ✓ Downstate
 - This is the single greatest financial concern for SUNY!
 - DOB, Governor's Office and DOH have joined the meetings with SUNY and the Hospitals.
 - A Restructuring plan will be submitted to the above group on June 1st. The plan if approved will save \$50 million per year. However, this alone will not make the hospital solvent.

- If actions that are outlined in plan are implemented we will still be faced with an annual \$35m loss.
 - Intent is to have the plan approved June 15.
 - Intent is to get state support to cover \$35m.
 - Brian does not see any scenario where hospital will be profitable or even breakeven.
 - Capital needs are not addressed in any plan.
 - Decision on the June 1 plan will be a statement about the state's position on Brooklyn and health care.
 - Governor is convinced that SUNY can fix by devoting more of the SUNY allocation to Downstate.
 - Brian wants to forgive Downstate's \$75 million loan. This was a very contentious issue and SUBOA agreed to provide Brian with a written recommendation. The united position of SUBOA is that the loan does not need to be written off at this point in time.
 - Above and beyond the one-time loan of \$75m, Downstate will need \$35m in additional support annually. In lieu of new state support, the campuses will be cut so that money can be reallocated to DS.
- ✓ Funding Core Services via Recharges (see handout):
- Brian charged a working group to look at simplifying the current recharge model, to institute fairness, and fund new initiatives.
 - The working group has not endorsed anything in particular.
 - Brian plans to talk with Presidents in May to determine what actions make sense and what will be of benefit to them. Once that decision is made then the funding discussion will ensue.
 - Above and beyond recharges, System charges 0.5% overhead.

Construction Fund Update (Bob Haelen)

- ✓ No new appropriation.
- ✓ Overspending targets; DOB wants SUNY to come in line with projected spend out.
- ✓ Will be setting up meetings with campuses to go through capital plans.
- ✓ Short Term Actions:
 - Not stopping construction/change orders
 - Will fund equipment
 - Allowing campus lets under construction
 - Controlling design
 - Limiting hiring of construction managers
 - Need to review/clean up accounting and activity against the accounts for campus lets
 - Need to close out projects
 - Staff charged to capital needs to be reviewed to right size; three month funding
 - Continuing discussions with DOB

- ✓ Bob and company will investigate why the SUNY Capital request was unfunded and what the outlook is for the upcoming year.

SUNY Office for Capital Facilities Update: (Karren Bee-Donohoe)

- ✓ New Fund Flow for Residence Halls: Check for correctness
 - No date of implementation yet.
 - Reserves need to be there 6/30 and on July 1 unneeded funds will be transferred back to campus.
 - Will be managed on a campus by campus basis; campuses will not be held up for last campus to hit required reserves.
 - David reworking cash flows. Cash waterfall will be:
 - Debt Needs
 - Campus operating
 - Reserves
 - Paid the June and December payments; have done it (\$106 m) at end of March.
 - David will get new charts of drawdowns next week.
 - Doing a ten-year ask for capital; requests for information will be issued next week.
- ✓ EO 88
 - All campuses must get energy master plans underway soon.
- ✓ FEMA:
 - Funds forwarded to campuses from OGS/OSC through prepayment of amounts 2 years ago. Will be sending information back to campuses to reconcile the amounts paid to FEMA projects that have been approved.

Senior Vice Chancellor Bill Howard:

- ✓ Strum Case:
 - Approved by the court.
 - 21,000 students may qualify; system will be sending out the notices. Students have a few months to respond.
 - Campuses and System will review claims and respond within 45 days.
 - System will front the money and be paid back by campuses.
 - Part-time person has been hired to administer.
 - Fairness hearing and attorney fees will be discussed with court in July
 - \$1m in claims already identified.
- ✓ Minors on Campus Policy:
 - Draft policy went to campuses for comments.
 - Open questions
 - What level of training should be prescribed in the policy or left to campus discretion?
 - Should outside users have insurance for a minor infraction?

- Should background checks be done for all outside people associated with the function; how does this affect vendors?
- Bill requests campus feedback by the end of April.

- ✓ Project Sunlight:
 - Policy and procedures have been published.
 - All campuses should have a compliance plan in place.

Michael Abbott:

- ✓ Fraudulent Checks:
 - No money has been lost but campuses are experiencing a rash of checks being written that attempt to look like they are printed by a campus. Most seem to be connected to Craig's List payments.
- ✓ Mike's office has established a fraud hot-line and campuses are free to include this number in their local policies.

ABB Update – (Michelle Halstead)

- ✓ ABB would like SUBOA support to encourage campuses to engage in day long information sharing sessions. Such a process may help some of the people in the trenches to do a better job and be more aware of what is going on.

President's Report – none.

Secretary's Report - (Todd Foreman) Minutes from February meeting approved.

Treasurer's Report – (Judy Nolan) Roughly \$30,000 in account. Receivables are not an issue.

SUBOA Liaisons Review (Paul Tucci)

- ✓ The following individuals volunteered to serve as a liaison.
 - Purchasing- Mike Levine.
 - Human Resources - Bonnie Martin, Natalie Higley.
 - Physical Plant - John Homburger.

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March 11, 2013 meeting called to order by Paul Tucci at 8:30 a.m.

BI Demo (Jim VanVoorst, Joe Gardiner, and Char Deno)

- ✓ Significant progress has been made on a SUNY-wide Business Intelligence (BI) tool. The demo walked us through the high level reports all the way down to the detail level.
- ✓ Security: At this point if you have access to BI you see all information. Enhancements will be coming soon to allow for much greater controls.

- ✓ MWBE analysis will be added soon
- ✓ PCARD: Mid May; PCard analysis will be in it.
- ✓ HR module will be added by March 2014.
- ✓ RF Integration will come later.
- ✓ Foundations, ASC Housing corps. are a possibility.
- ✓ The work group would like feedback on the following questions:
 - What analysis do you want to see?
 - Should we standardize of use of accounts.
 - Do we want a report that shows cost per student?
 - Do we want to share comparisons to other campuses including their details?

Annual Meeting (Paul Tucci)

- ✓ SUBOA Annual Conference Wednesday May 29th through Friday May 31st.
- ✓ Location Purchase, NY.
- ✓ Registration \$300.
- ✓ Room Rate \$193/night.
- ✓ Sponsors are needed to generate \$8,000 in revenue.
- ✓ Sessions ideas should be submitted to Paul.

SUBOA Officer Elections

- ✓ Nick Lyons and Dave Bowers in the capacity of Past President's will develop a slate of nominees to be voted on at the annual meeting. All positions are up for reelection.

Policies regarding treatment of FTE generated during a winter session (aka J Term)

- ✓ How do campuses enter winter enrollment and should there be a standard?
- ✓ SUBOA will send Brian a memo stating that a policy should be developed. Because there are so many tentacles to this discussion (e.g., financial, compensation, aid, summer, etc.) we recommend that FAST be tasked with this. Nick will draft.

On Line courses;

- ✓ Limit on full time students taking courses.
- ✓ Open SUNY will increase concern relating to cost/delivery.
- ✓ Will there be separate rates?
- ✓ Leif Hartmark, retired VP, looking at additional costs for on-line courses

Open SUNY:

- ✓ ABB has asked SUNY to come; they couldn't come, but asked for brainstorming of issues related to this.
- ✓ Empire has plan; but SUNY not coming forth with resources; perhaps charge more than 12 credits for full time students if online.
- ✓ Will require universal acceptance of credits.
- ✓ Cross registration of students.
- ✓ What is full-time enrollment and are online courses considered in that full time count?

Downstate discussion

- ✓ This is an unprecedented situation. The financial impacts are serious. SUNY's reserves could be completely exhausted in a matter of a few years.
- ✓ We understand and appreciate the commitment to correct this.
- ✓ Presidents should weigh in on any decision.
- ✓ The loan should not be written off while downstate is undergoing major restructuring; the loan presents no cash flow issues for SUNY.
- ✓ If and when the loan is written off it should be spread over all 64 campuses.
- ✓ Allow campus discretion in funding the cut.
- ✓ The financial impact to campuses beyond the initial \$75m loan is unclear. The on-going subsidy by campuses equates to student tuition dollars being funneled to a hospital. This is an unacceptable situation requiring immediate and decisive action.
- ✓ Paul Tucci agreed to draft a SUBOA response to Brian.