

John Schmidt/Affl  
04/23/2008 07:20 AM

To Arthur Shertzer/Admin@SUNYSB, Charles  
Mcateer/Admin@SUNYSB, Daniel Kinney/Lib@SUNYSB,  
David Ecker/DoIT@SUNYSB, Edward John  
cc  
bcc  
Subject The Budget

From Phil Smith:

Sisters and Brothers:

I'm sorry to report yet another financial blow to SUNY. Yesterday, the Division of Budget (DOB) issued a bulletin entitled "Spending Reduction/Financial Management Plan for 2008-09." We've had an opportunity to brief on this bulletin and I must tell you that the news is all bad!

DOB is calling for a **HIRING FREEZE** and an **OVERALL REDUCTION IN SPENDING AUTHORITY** for non-General Fund monies (i.e. the SUNY Budget Allocation) and for non-federal funds. In other words, SUNY is being told, in essence, to halt hiring and that certain of its revenue streams are going to be "handcuffed"

Here's a synopsis of the "Spending Limitations," which total approximately \$110M. The source of these reductions are:

1. \$43M Hospital Revenue
2. \$38.3M Tuition
3. \$15.9M IFRs (Income Fund Reimbursable accounts)
4. \$1.1 M Stabilization Fund
5. \$1.2M L.I. Veterans Home
6. \$9.7M Dormitory Revenue

Depending on how one views the numbers, here are some examples of the impact:

Impact on "Traditional Campuses." \$90.2M overall cut, which includes reduction of SUNY Budget plus, loss of Tuition and Dormitory dollars.

Hospitals. \$78M cut, which reflects reduction of SUNY Budget plus additional cost in salary and fringe not covered by collective bargaining (all three bargaining units).

Total Impact on SUNY. \$182M cut, which includes all of the above factors.

As you can easily see, this is very bad news for SUNY! Indeed, our analysis of this latest dictum by DOB aims a full 50% of the cuts at SUNY. Let me repeat: No other State Agency will suffer anything near that of SUNY!

If you care to read the DOB Bulletin referenced above it can be found at:

<http://www.budget.state.ny.us/guide/bprm/bulletins/b-1178.html>

In response to this recent development, I'm providing the attached "Talking Points" to give you a bit more background and a means of helping you and your colleagues understand the overall--and developing--situation. Please feel free to share the attached Word document as you see fit.

The UUP officers and I are working on plans to react to--and turn back--these cuts. I'll be providing additional information as it develops.

You should know that your campus presidents were brief on this impact today. Please be sure to report any actions taken by your campus administration in response to these additional cuts to me ASAP.

In solidarity...

Phil



SUNYcuts.doc