



Public Higher Education Empowerment and Innovation Act
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Please respond to clondoiro

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To All Faculty, Staff and Students,

I want to take this opportunity to update you on the Public Higher Education Empowerment and Innovation Act (PHEEIA), and emphasize again how vitally important it is for Stony Brook, SUNY, CUNY, and the State of New York.

As eloquently stated in the Newsday Editorial of February 20, 2010, "Time to let SUNY soar" (<http://www.newsday.com/opinion/editorial-time-to-let-suny-soar-1.1771410>) - the time has come to give Stony Brook and the other SUNY schools, the tools they need to achieve excellence. The three fundamental components of PHEEIA, a rational, equitable, and fair tuition policy where revenue stays with the campuses, greater flexibility in public/private partnerships to allow campuses to provide better services for students and create new research opportunities, and relief from outdated regulations such as pre-audit requirements that slow and complicate routine purchasing without adding any significant fiscal protections, have resonated with our faculty, many students, and local business groups, including the Long Island Association. Our own Executive Committee of the University Senate and the Undergraduate Student Government have also endorsed PHEEIA.

At the heart of PHEEIA is our desire to push Stony Brook University to the next level, to allow us to recruit talented new faculty and staff and retain the outstanding faculty and staff who work so hard today. If we could maintain current levels of State support, additional revenue from PHEEIA would allow us to hire approximately 400 new faculty and more than 500 new staff over the next 8 to 10 years. More faculty means more class sections and smaller classes--simply put, a higher quality education. More staff means better experiences for our students both in and out of class, and a more supportive research infrastructure for faculty. Reducing the teaching requirements for faculty means more time for them to mentor students and engage in the research that is so vital to Stony Brook and this State. It is our research and scholarly activity that can lead to breakthrough cures, new technologies, and new companies. Great research Universities are sites of innovation, and innovation is at the core of a new economy for New York State. Stony Brook and the other SUNY research centers are already playing an important role in this arena, but we can do so much more if empowered by this legislation.

PHEEIA is essential for our future, but it is also vital right now. Despite all of the arguments SUNY Leadership, SUNY Presidents, Students, Faculty, Staff and our Unions have put forward in defense of higher education, SUNY 's budget has been decimated during this financial crisis. Stony Brook alone has been hit by nearly \$55 million in budget cuts, which represents 18% of our State Allocation. The newest State budget estimates indicate a revenue gap of \$9 billion, making the possibility of restorations for SUNY's budget extremely unlikely, by any scenario. At Stony Brook we are facing an unprecedented budget shortfall of more than \$30 million for this

coming year. This translates into 480 to 500 FTEs, which means job losses, something that all of us want to avoid. Major programs, centers, and institutes will be on the table as we search for ways to preserve our core academic mission, while dealing with these devastating cuts. Increased revenue from implementing PHEEIA would not be enough to completely deal with these cuts, but predictable revenue streams would give us much greater flexibility in dealing with these reductions and would undoubtedly reduce the impact on personnel. PHEEIA is now about preserving jobs on our campus.

I would also like to address the important issue of tuition. The status quo for tuition policy in the State of New York is simply unacceptable. Since 1988, SUNY tuition has risen at an average rate of 7% per year. But this rise has not been either predictable or fair for students and their families. Instead, periods of no change in tuition (a policy that fails to address basic price increases or inflation) have been interspersed with massive increases (more than 50% in one instance), which penalized those students unlucky enough to be attending a SUNY school during that year. These increases have been most common during recessions, adding to the burden on families.

But most importantly, it is remarkable that in most of these cases the increased tuition revenue has not been returned to the campuses, eliminating any benefits to students from the tuition increases. Under PHEEIA, the SUNY Board of Trustees, not the legislature, would set tuition, and all of the revenue from any tuition increase would stay on the campus.

Finally, concerns about the tuition policy have led some to claim that PHEEIA will decrease access for economically disadvantaged students to SUNY schools. This is simply not true. Built in to the tuition policy is a new scholarship program (SUNY-AID) that would devote a significant percentage of any new tuition revenue to scholarships for our most economically disadvantaged students that would hold them harmless from any tuition raises by closing the gap between TAP awards and any increased tuition costs. Stony Brook is proud that we have the third highest proportion of Pell Grant eligible students among all AAU schools. These numbers will not change with PHEEIA, and if we are able to grow our faculty we could actually increase access by increasing enrollment.

We are committed to maintaining access, but it is absolutely critical that this be access to quality. If we cannot maintain excellence, then the value of a Stony Brook degree will fall, and the ability of our graduates to enter and succeed in the job market will fall. If we cannot stop the inevitable reductions in class offerings that will accompany further budget cuts, it will become harder for students to get the classes they need to graduate on time. And the financial burden of needing an extra semester to graduate, when Pell or TAP has expired, far outweighs the costs of an annual 7% raise in tuition, (the historical average, and the number we used to calculate the financial benefits to Stony Brook from PHEEIA).

SUNY Chancellor Nancy Zimpher has called PHEEIA a bold idea that can help return the State of New York to greatness (<http://www.timesunion.com/AspStories/story.asp?storyID=908064>). It is the enabling legislation for Stony Brook's vision to become one of the best public universities in the world, but during this budget crisis it is also absolutely critical to our ability to maintain quality and the value of a Stony Brook degree.

Just today, the New York State Senate passed their budget resolution which contains many of the PHEEIA components, including rational tuition and the opportunity for Stony Brook to engage in public/private partnerships. This is an exciting development, but there is still much to be done. I urge you to look at our PHEEIA website (<http://www.stonybrook.edu/sb/innovation/>) to learn more about this proposal, and to let your local assemblyperson or state senator know how you feel about PHEEIA and the need to invest in SUNY for New York's future.

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President