Meeting was called to order at 3:30 p.m. by University Senate President, Nancy Tomes. Motion to approve tentative agenda carried. Motion to approve the December 2018 and Feb 2019 minutes carried.

I. Discussion with President Stanley:
- Dr. Stanley noted the passing of Erwin P. Staller and his contributions to the University.
- The President’s office is finalizing the new strategic plan. He emphasized knowing where we made progress, as well as our faults; and with knowing where we’re going and where we’ve been. Many units of the university have come up with strategic 5 year plans, such as the School of Medicine.
- The search for the new Provost to succeed Michael A. Bernstein is underway. The firm of Russel Reynolds Associates is conducting the search and a committee has been assembled. The first meeting will be on April 1, 2019.
- The state is trying to decide what money SBU will receive. The Senate and Assembly and the Governor’s office have different expectations, and it is hopeful they will reach a compromise soon. The governor estimated $2.8 billion.
- The governor called on SUNY campuses/state agencies to reduce emissions by 20% by 2020, and we will most assuredly get there by that time.
- The last time the Sexual Harassment Seminar was on-line, only 237 employees did the training and now it is mandatory. Currently, more than 10,000 employees have completed it. The University is held liable whether incidents are reported or not, and the training outlines inappropriate and appropriate ways of dealing with this type of environment. If you have not taken it, you are encouraged to do so.

Question: Is it time to have set limits as a leader of any part of this university? What is the best practices at our brother and sister SUNY universities?
Answer: SUNY schools do not use contracts. They are able to evaluate him, and having reviews are important. Stanley would love a proposal for performance on tenured faculty as it’s a way to improve what’s happening at the university.

Question: To what extent will the Senate be involved in the analysis of the strategic plan of the old and new?
Answer: It’s going through now and happy to make it available. I think it will be a great template to understand our faults and our successes.
Norman Goodman follows up: what involvement will the senate have?
Answer: They are looking to work with the Senate, we want input from the faculty and the senate, so everyone can give input.

Question: How would sharing power with CAPRA work?
Answer: There’s always a communication between administration and CAPRA. I believe it’s the right balance on important budgetary issues.

II. N. Tomes noted Provost Bernstein’s could not be present but his report was shared with Senators. If there are questions about his report, please e-mail him.

III. Brief report with VP Kaushansky
- The re-accreditation visit in will happen in 37 days. The data show the SOM is well above the 50th percentile of all medical schools in the country regarding having people of color. They are in the 65th percentile for women. They are increasing their grant funding and their support for students in the school of medicine.
- The Institute of Engineering Driven Medicine has appointed Joel Saltz as the director of the institute. They are in very active planning stages now.
Questions: Can you remind us how this building was financed, as well as its purpose?
Answer: This building is mostly academic. There is a clinical cancer center on the 5th and 6th floors. The clinical cancer space was paid for entirely by the University Hospital. The academic and educational floors are 7, 8, and 9, and 4, were paid for in part by SUNY funds. They received 35 million from the SUNY 2020 Award. There was also an allocation for $45 million for a law school that never made it into fruition. SUNY also funded the cancer center. Siemens gave some. *(22-23 to get exact numbers).

Question: Will the graduate students employed be paid a fair wage; or will they be paid hourly without access to benefits?
Answer: They will be paid like any graduate student on this campus.

Question: Are you concerned that the new medical school at Northwell could pose a threat?
Answer: The free tuition at other medical institutions is concerning. Stony Brook students graduate with considerable debt, and the University is trying to figure out more ways to aid more financially.

IV. CAPRA Presentation of the Bunsis Report

♦ Before presenting, Nancy wanted to make a few quick points:
  ▪ This meeting will not yield direct answers.
  ▪ The University Senate is doing its rightful job by facilitating this conversation. We needed to get and demand transparency and honesty.
  ▪ Howard Bunsis has given us an outsider perspective, based on publicly available data.
  ▪ There is a Google doc for you to put comments and concerns and be able to ask these questions anonymously.

♦ Norm Goodman gave a brief overview of CAPRA’s structure and mission.
  ▪ A negotiation was made several years ago that CAPRA would be able to see all of the budget. Now, we feel this is unsatisfactory. Two years ago, CAPRA was restructured to form specific sub-committees; one for East, one for West, and one for the overall campus budget. CAPRA’s mandate is not just budget; they look at budget as a tool to facilitate moving forward.

♦ CAPRA’s Preliminary Analysis of the Bunsis Report (Axel Drees)
  ▪ The Bunsis report was an independent analysis of the financial report of SBU by professor Howard Bunsis, commissioned and paid for by a group of SBU faculty. The data is based on publicly available data of the integrated postsecondary education data system and the annual financial reports. The U Senate has never received a complete picture of SBU finance. The overall conclusion by CAPRA is that the Bunsis report is accurate, and it does not support the administration claim that there has been a dire financial crisis.
  ▪ The net cash flow is positive for the past 10 years and unrestricted reserves are increasing. The bond ratings are consistently very high. t. The final conclusion is that SBU is in solid financial condition. This conclusion holds independently for the Hospital and for the University without the Hospital.
  ▪ The executive summary highlights:
    1. The revenues and expenses have increased at an equal rate, 50% from tuition and fees.
    2. Salary expenses
    3. The expenses of the athletic program includes a significant amount for scholarships, and 2017 only had 14% direct revenue, and 86% subsidy.
    4. Construction activities increased from .5B to 1.2B in the past 10 years. Bunsis report suggests that building must have a significant impact on SBU budget.

Question: Does the Bunsis report of cash flow include the servicing of the debt?
Answer: Some of the servicing of the debt is supported through state allocation, so at least part of it is included.

Question: How does the spending in the category of institutional support relate to administrative bloat?
Answer: It includes human resources and senior administration, accounting, finance, communications, governmental affairs, all of the centralized services that are shared across the university. SUNY prepares the statements, and in there are $30 million of research expenditures; since SUNY is preparing the statements it is more challenging to get the backup to intersect with the submission. In principal, it should be in standardized categories.

Question: Can you comment on how the Bunsis report did or did not reflect the Stony Brook Foundation?
Answer: The Stony Brook Foundation is part of the annual financial report, but it is not included in the report.

V. Presentation of the mid-year budget report by Kathy Byington

- This was a regularly scheduled report for FY19. In understanding what else was on the agenda and receiving the Bunsis report, it adds some more contextual information to the presentation. This is in no way an answer to the Bunsis report or to the questions just asked, or to any of the major points that were made in the report.
- When the budget of the university has been discussed, it is a very specific part of the budget.
  - The same financial reports for 2017, the university in total was $2.5B, and $1.2B of that is the operations of the hospitals and clinics. In that $2.5B are the grants and contracts, auxiliary enterprises, and other non-operating revenues. The revenue that comes in is tuition and fees, and the state appropriations. There were things that Bunsis could not have had available to him. It was impossible for him to know about the state appropriations that support our hospital. If you discuss the budget without the hospital, this needs to be taken out.
  - The state tax revenue has stayed flat and has not increased our funding.
  - The two pieces that form the budget for the academic enterprise are the $409.6 million of revenue out of the whole $2.5B. Over this 10 year time period, it grew by an annual compound rate of ~3%, driven by new student head counts, decreased in state tax support, as well as an increase in tuition and fees.
  - The increase in revenue was taken up the inflation growth of salaries. In FY18, people began significant head count decrease because in FY17, there was more spent than was allotted. There were negative reserves, and there was a much bigger negative balance. That was the cause of the efforts to increase revenue and decrease headcount; to begin to rebuild the reserves. In the middle of FY18, the state funding was dismal, so the hiring hold was put in place, and it was even more apparent that people were taking time to decrease expenditures. The FY19 budget included $18 million in additional base CSI costs and $10 million in on time CSI costs without additional state funds to cover them. The $22 million gap in FY19 was the structural deficit.
  - They were successful in bringing the headcount down in order to cover the CSI’s. Next year, the state purpose salary costs will increase by 10 million in base costs and $6.2 million in retroactive on time costs.

Question: In FY18-19, we had approximately the same number of faculty as we did in 08-09. The number is higher? How? Did someone get a 33% raise?
Answer: The figure reflects compounded raises over 10 years.

Question: Does this include everything on the state accounts, including state employees?
Answer: It includes everything and everyone. We will need to look at the details.

Comment: I find it hard to tell that you did hard work by absorbing a set of cuts, and the numbers do not show the elimination of departments, the amount of money to athletics. I think we have been bludgeoned, saying we will talk about this.

Question: We want to see all of the breakdowns of the different allocations of the salaries.
Answer: Happy to provide it.

Question: Why does SBU have a crisis, when the sister universities aren’t in a budget crisis with closing of departments? Why are we spending money on higher administrators when we cannot make ends meet?
Answer: I don’t have answers to those questions today. I understand and will try to provide it when I have that answer.

Question: Could you please come back to us with information on tuition and fees and the breakdown of those? Please come back and tell us the money being spent by the Stony Brook Foundation in which we have no reporting on.
Answer: I hear your request.

Question: One of the things said was that Professor Bunsis did not have access to some of the information that you presented to us: Why wasn’t that information available to him? SBU used to give a telephone book sized budget every year, which has stopped. If we are having shared governance, there should be deep transparency on where the money is coming from and where it is going to.
Answer: The grey book has not been published because of staff reductions in the budget office; but she agrees that we need to put this on the web.

Question: $423 million is in unrestricted reserves, does that pertain to the number that you presented? If not, we were told a year and a half ago that the faculty did all the right things and will be losing their jobs. In your opinion, we told the truth in letting those people go?
Answer: The reserve calculation is fairly complex, and the unrestricted reserves are in $-1 billion, and it doesn’t tell you the operation. Bunsis added back to those reserves certain reserves that are offset by the pensions, etc. The comment where he says the $430 million represents 2 months, and that it should be 3 months. That reserve figure is a negative to our financial condition. The number is a fine number. Answering the second question cannot be answered due to not being present during the time the decisions were made.

Question: Given the state appropriations have dropped, what are the consequences of us running a structural deficit running forward? Why not protest to the state for not giving us money?
Answer: It would not be considered responsible.

Comment: If you send a question to Kathy, send it to Norm and Axel as well.

Axel: One of the fundamental differences is that including the state tuition and the state appropriation, while Bunsis looked at the finances as a whole, they state explicitly on how they move from one category to the other.

Question: The assistant professor’s contracts were not renewed because of this budget problem. This destroys the reputation of SBU, because a trust has been violated. Had the faculty been consulted, on this significant financial issue, we might have said, for that amount of money, borrow it. Certainly we are paying for lots of building. If we borrowed another $18 million, that would be less than $1 million a year to service. It seemed such a severe damage to the university to allow that to happen. We are very disturbed how the university has been handling it.
Answer: Theoretically, it may have been possible. Despite the bond rating, we do not have the capacity to float bonds.
Response: The funding of the MART building was compromized of state appropriations, hospital funding, philanthropy, and a small amount of debt service. Had the debt servicing gone to investing in the university itself, we would never be in this situation. Now there is no money to hire the people to be in this building and use it.
Ken’s response: The debt service was the clinical piece, and the rest was by the school of medicine, the state funded some as well. We did not use debt to build this building for the educational and research parts of this building.

Comment: An undergraduate student who regularly attends Senate meetings, reported that he attempted to access the university’s operating budget last academic year and was immediately directed to another person and department. Over the following 8 months, he was sent large spreadsheets, which were not at all connected together, nor given answers to his questions. The student was told that they weren’t able to process the request. The information was not compiled into one place and took months to recover.
VI. Report from UUP:

♦ At the HSC chapter, they are having a series of pre-retirement workshops in April. March is their general chapter budget meeting. IDA’s have come out and have an open enrollment period. They are retroactive to 16-17, and it ends March 14th.

♦ IDA awards on West Campus is the same time frame. They did an FMLA workshop last week, and they are planning on the new segment of paid family leave as well as FMLA. They have their general membership meeting next week, focusing on the submission of their budget. Please pay close attention to the pay notice that comes out.

VII. Old Business

♦ The ARC response to the question from last meeting regarding the cutoff for reporting survey data will be held over to the April meeting.

♦ Where do we stand on putting someone to review Stony Brook Foundation resolution? It was passed, but we have not acted on the resolution.

VIII. New Business:

UUP chapter elections are now happening. You should have received nominations back in February. The ballots will be mailed out this week, and next week you should receive them. For HSC, they will be putting out a newsletter, and it will be posted on the websites. West campus has the same time frame and everything is on the website. Only UUP members can vote, and make sure to follow the instructions.

Motion to adjourn, adjourned.