

## MEETING MINUTES | AUGUST 27, 2020

Via Microsoft Teams



### COUNCIL MEMBERS IN ATTENDANCE

John Maggiore, Arlene Gonzales-Sanchez, Colleen West Hay, Donna Luh, Shelia Poole, Roberta Reardon, Molly Reilly, Patricia Salkin, Mark Schroeder

### ADMINISTRATIVE STAFF IN ATTENDANCE

Jim Malatras, Kyle Adams, Janet Aiello-Cerio, Meg Benke, Beth Berlin, Danielle McMullen, Tracey Meek, Mary Caroline Powers, Anastasia Pratt

## I. COUNCIL BUSINESS

Council Chairman John Maggiore called the meeting to order at 3 p.m. after dispensing with the period for public comment per Executive Order 200.1. He commented that much has changed since the College Council last met in December 2019. He then asked for a review of the minutes from that meeting. Mark Schroeder moved for approval of the minutes as submitted. Donna Luh seconded. The motion was approved by a voice vote of the council members.

Chairman Maggiore took a moment to acknowledge the long service of former council chairman James Lytle who had been in the chairman's role since 2009, saying he had gone above and beyond what would reasonably be expected. He offered grateful thanks to Mr. Lytle from the college and the people of the state of New York.

Chairman Maggiore then went on to congratulate President Jim Malatras on being named the new chancellor of the State University of New York, saying that this likely will help raise the profile of SUNY Empire. He made particular note of the "incredible leadership" Dr. Malatras has shown during the COVID-19 crisis.

## II. REPORT OF THE SENATE CHAIR — CHAIRWOMAN ANASTASIA PRATT

Chairman Maggiore welcomed Senate Chairwoman Anastasia Pratt and asked for her report. She echoed Chairman Maggiore's expression of congratulations to Dr. Malatras and said the members of the entire Senate sent their good wishes to him.

In her report, she detailed the work of the Senate for the new academic year as being focused on creating a governance structure and accompanying policies to move the college forward and make it stronger in the next year in an increasingly virtual system. She said the main goal of the work will be to create a truly shared governance structure.

### III. PRESIDENT'S REPORT

Dr. Malatras begin his report by saying he would focus on the finances of the college and succession planning for when he begins his new duties as chancellor at the end of the month. He also wanted to take a moment to thank Anastasia Pratt for all the good work she has done in her leadership role with the college Senate, terming her an unsung hero. He also extended thanks to the leadership team of Beth Berlin, Meg Benke, Kyle Adams, and Aaron Gladd, who will continue to provide administrative guidance once he has left. He said he believes in the college, its special mission, and in the work of the College Council.

He then proceeded to share a PowerPoint presentation with council members that detailed the current financial status of SUNY Empire and showed how the college has gotten to this situation. He said beyond the structural imbalance in finances there are other challenges. He explained that the structural budget deficit stems from years of over projecting revenue, and then under producing. In some years the revenue projection would be as high as \$90 million but only \$72 million was actually realized. He said if this goes uncorrected, it will produce ever-increasing budget deficits. He said a great deal of work has been done by the leadership team to try to close the budget gap of \$8.7 million, and it has been reduced to \$2.8 million.

Another ongoing problem has been declining enrollments, which have gone on for nine years and resulted in a loss of 22% of students from the enrollment high point in 2009. This trend has been seen across the higher education landscape and has led to other institutions furloughing employees, eliminating jobs, cutting academic programs, and making draconian cuts to operating expenses.

Dr. Malatras then reviewed the steps the college must take to make itself more financially stable and keep itself that way.

The first step is to grow revenue by increasing enrollment. Thus far this year, enrollment has been flat but not declining, which is a good start. He then detailed several unique partnership agreements that could add additional enrollment, but also acknowledged some areas with ongoing problems, such as International Programs, where enrollment has slipped because of the pandemic and the inability of people to travel, or the School of Labor Studies enrollment that's down because many of the unions that pay for their apprentices to attend the college no longer have construction projects and jobs because of COVID.

Another step is to streamline processes that make enrolling, getting oriented, and then working with a mentor easier to understand and complete. He said many of our processes, such as the confusing and drawn out registration process, actually drive students away. Some of the streamlining actions already taken include reduction of the number of messages new students receive from the college, developing new web pages that provide guidance, eliminating the essay for graduates of other SUNY and CUNY institutions applying at the college, changing online orientation, establishing a time-payment plan, and engaging in strategic advertising by creating opportunities for "earned" rather than paid media. (In one year the college's media coverage has grown from 2% of all media coverage of SUNY schools to 21%, and the value of that earned media has grown to \$5.2 million.)

Dr. Malatras said that the college has to do more than just grow enrollment, it has to cut expenses and one of the most obvious places to start is with the costs associated with all the physical locations occupied by college staff across the state. The college's footprint is being rethought and an examination of the traditional 9 a.m. to 5 p.m. workday is underway. In addition, several facilities will be closed, with some operations consolidated. Those decisions are being made after a careful examination of enrollment trends at each location. The college also is looking at new, less expensive space in Manhattan and possibly also using some space at SUNY Global headquarters, on East 55th Street in Manhattan.

One additional step being taken involves cutting expenses associated with recurring and one-shot costs. This includes reducing the number of adjunct instructors, renegotiating contracts with outside vendors to reduce contract costs and scope, reducing library services, reductions in supplies, reforms in the way the college Foundation expenses are paid, changes in the faculty reading period (moved to July), and \$700,000 in salary savings by not filling 14 positions. All these measures added up to \$4.2 million in savings bring total savings to \$8.7 million with \$5 million in recurring savings.

If these measures had not been taken, by 2024 – 2025 the college deficit would be \$23 million, but now will it will be about \$14 million. That said, the college may still have to rely on layoffs to balance the budget, Dr. Malatras concluded.

Chairman Maggiore then opened the discussion to questions, and asked about the possible impact of the recession, as many upstate locations' enrollment numbers peaked in 2010 and then began slipping. He also commented on how shocked he was by how incorrect the revenue projects of the past were and asked if the method of projecting has since been changed.

Dr. Malatras answered that he thought the recession did accelerate the enrollment issues but also many of the locations were simply not good for our students, adding that he believes there will be real support for the proposed locations in Buffalo, at the Northland site, and at the former technical high school in downtown Syracuse, which the college will soon be managing. He also noted the importance of the college's downstate locations in rebuilding enrollment. Dr. Malatras commented on the method to project enrollments and college revenue, saying it is now more reality based, whereas before there was too much optimism.

Ms. Salkin commented that she felt the analysis and new methodology was highly responsible and presented a well-thought-out plan, done with students in mind with no disruption in services for them.

Mr. Schroeder agreed with Ms. Salkin's comments, adding that the adjustments made were excellent, that the college remains a pioneer and that this presentation shows it is on the right track.

Ms. Poole said what shown through is that the college is holding onto its core values, and made particular note of the budget memo from Catherine Durand, retired state deputy budget director, who noted the cost of negotiated salary increases and extra service payments as risks for the college.

Dr. Malatras said the administrative team has been able to factor those into the budget, noting how helpful Ms. Durand had been. He said he asked her for the analysis because the administrative team wanted be sure it was doing the budget analysis correctly.

He then moved on to the topic of succession planning, saying the much of the core leadership team will remain in place with Beth Berlin moving into the “officer in charge” role, Meg Benke remaining as chief academic officer and also taking on other tasks at SUNY related to SUNY online, particularly in an advisory role to Dr. Malatras, and Kyle Adams handling all communications.

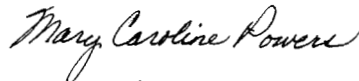
Chairman Maggiore said the work of the College Council will continue, and that he’ll call a meeting in the near future to explore the topic of a search for a new president.

Mr. Schroeder moved that the meeting be adjourned, and Ms. Salkin seconded the motion. It was approved by voice vote and the meeting was adjourned at 4:15 p.m.

Respectfully submitted,



John Maggiore  
Chairman



Mary Caroline Powers  
Liaison to the College Council