



TESTIMONY

To the
New York State Senate and Assembly Standing
Committees
on Higher Education
on the
Impact COVID-19 has had on
Higher Education Institutions
July 28, 2020

Prepared by:
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Representing more than 600,000 professionals in education and health care
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Chairperson Stavisky, Chairperson Glick, honorable members of the Legislature and distinguished staff, my name is Roberta Elins, and I am President of the United College Employees of the Fashion Institute of Technology. Presenting with me today is Alithia Rodriguez-Rolon, Director of Legislation for the New York State United Teachers (NYSUT). NYSUT represents more than 600,000 teachers, school-related professionals, academic and professional faculty in higher education, professionals in education, in health care and retirees statewide. Thank you for the opportunity to testify today on the academic and financial impact that COVID-19 has had and will continue to have on our institutions of public higher education.

While NYSUT represents over 80,000 higher education faculty and professional staff who work in colleges and universities across the state, today I will focus on the impact COVID-19 is having on the SUNY Community Colleges. NYSUT's higher education members include members of United University Professions at the State University of New York, the Professional Staff Congress of the City University of New York and the faculty and staff at nearly all the SUNY Community Colleges in this state.

As you know, access to quality public higher education is a crucial component in the state's efforts to recruit and retain businesses and industries. As businesses consider where to locate, they are drawn to locations with an available pool of highly trained and educated employees. The State University of New York (SUNY) and the City University of New York (CUNY) help to fulfill that requirement by instructing and preparing New Yorkers for current and future job opportunities. A growing number of employment opportunities require advanced degrees, which further underscores the need for greater state investment in public higher education. Properly funding our public two- and four-year institutions will help to ensure that all New Yorkers have access to an affordable, quality education as offered by CUNY and SUNY.

State Funding

Unfortunately, before anyone heard of COVID-19, our public institutions of higher education were already reeling from years of austerity budgets that held SUNY and CUNY instructional core budgets flat even though operational costs continue to rise. This disappointing practice

severely restricts these institutions' ability to grow, anticipate emerging workforce trends and remain competitive — to the detriment of the students they serve. The impact of flat funding and related fiscal neglect are felt by students and our members across the state. Campuses faced difficult decisions concerning the potential elimination of programs and declining student services due to inadequate resources before COVID-19 ravaged our state and national economies and caused a global fiscal crisis.

For our community colleges, inadequate state support was one of the many hurdles placed before them. Historically, these institutions were given state funds based on a set amount multiplied by the number of full-time equivalent (FTE) students enrolled. Since the formula is based on FTE students, it fails to insulate campuses from enrollment fluctuations from semester to semester. This practice makes community college funding unpredictable and not a stable source of revenue. The Legislature recognized this problem and enacted language in the 2019-20 budget to mitigate these financial fluctuations by providing a 98% floor for base aid funding that guaranteed schools would receive at least that percentage of remuneration regardless of dips in enrollment. This proposal brought the state much closer to fulfilling its statutory obligation to provide 40% of operating costs to community colleges and greatly mitigated the harm caused by diminished state aid due to enrollment fluctuations. Unfortunately, as you know, the 98% floor was not included in the 2020-21 enacted state budget so our community colleges are dependent on enrolled full-time equivalent students and burdened with the fiscal uncertainty of the existing formula.

Enrollment Decline

According to SUNY, New York's community colleges have seen a 23% drop in student enrollment in the last decade. This drop can be attributed to several factors but the two most likely are a relatively strong (pre-COVID-19) economy and a general decline in population for many areas of the state. Faced with declining or at best uncertain enrollments and decreased state funding, community colleges are being forced to raise tuition to continue to serve their students. Sadly, without additional state funding — even with tuition increases — cuts to programs, student services and faculty positions will be the new reality at many of our colleges.

Additionally, these cuts will make it difficult for community colleges to maintain quality programs that attract students.

The COVID-19 crisis has cast doubt on the validity of another historical truth which held that in bad economic times enrollment in public higher educational institutions, particularly community colleges, increased. The pandemic has injected a degree of uncertainty that makes it nearly impossible to predict enrollment, and budget accordingly. The current health crisis has exacerbated a situation that was already untenable for most of our community colleges, has forced cuts and layoffs and will make it very difficult for them to absorb and effectively manage any significant increase in the student body.

Withholding Payments

As a result of the COVID-19 fiscal crisis, the state is facing a projected \$14 billion budget deficit. Until recently, the fourth quarter payment of \$112.5 million that was due to the 30 SUNY Community Colleges on June 1, 2020 had been withheld. According to the New York State Division of the Budget (DOB) the payment was going to be withheld until Congress acted on another stimulus package that would provide New York with the financial assistance needed to close the budget gap. It is our understanding that DOB has released 80 percent of the fourth quarter payment.

While there is not a statutory payment schedule for community college aid, these aid payments are made pursuant to a schedule that is contained in SUNY/CUNY regulations that govern the payment of community college aid appropriations.

By withholding the fourth quarter payment and subsequently releasing only 80 percent of the payment, DOB is endangering the fiscal stability and viability of our community colleges. Critical decisions being made at the campus level have a lasting impact and are not easily reversed. Additionally, the financial stress caused many institutions to take unnecessary pre-emptive actions that resulted in staff and programs being cut.

While we are relieved that it appears that the bulk of the fourth quarter payments have been sent, we are worried that the remaining 20% may never make it to the community colleges. In addition, faculty and staff from every region of the state are reporting that campus administrators are telling them to brace for an additional 20-30% cut moving forward. Our community colleges cannot absorb those cuts and still provide the high-quality education our students deserve in the new COVID-19 world.

Unfortunately, adjunct professors have borne the brunt of these yet-to-be-realized cuts. At both CUNY and SUNY, we are seeing an unprecedented number of reactionary and unnecessary layoffs and non-renewals hitting this vulnerable and critically important group of educators. We are also seeing retrenchment being used for targeted layoffs through the elimination of programs and positions. Preemptively cutting adjuncts who have been a part of their colleges for years and taking away their livelihood and health insurance during a pandemic is patently unjust.

Eliminating adjunct positions creates a lose-lose scenario for students at both ends of the spectrum as they will either see class sizes swell or class offerings shrink. With social distancing now a must, large face-to-face classrooms are simply unworkable, and students and faculty alike have expressed a strong distaste for online-only learning. Furthermore, students and faculty have technology and internet needs. For some of our members and students in rural areas of the state, access to reliable internet has and continues to be an issue. Also, for many they rely on our libraries and computer labs for access to a computer to complete their studies. In the absence of access to these facilities, they have limited ability to complete their coursework and participate in online classes.

Students who have already begun their academic careers may now find the courses they need to complete their degrees may be cancelled or postponed until the spring or fall of 2021. As a result of funding limitations, it is common practice for some courses to only be offered on a limited basis. This practice wreaks havoc on students' planning and scheduling, often causing them to delay their anticipated graduation dates and add to their already mounting student debt.

As campuses make decisions to cut costs, they will look to eliminate academic programs that are more expensive to maintain. Unfortunately, high cost programs tend to include health care professions, including nursing programs. Cutting nursing programs, during a global pandemic, when there is already a national shortage of these professionals is short-sighted at best.

Now is the time to expand opportunities and academic programs at our public higher education institutions, especially at our community colleges, to ensure that we have a health care workforce that is ready to meet future workforce needs. To open and operate safely, our public institutions of higher learning need additional funding and staff, not less. Social distancing will require twice the number of educators and more classrooms. PPE, screening, testing, tracing and quarantining will all be necessary, and will all cost money that many of our public colleges do not have.

Local Control

On June 29, 2020, the SUNY Board of Trustees passed an emergency resolution with the goal of providing operating assistance to the State University of New York (SUNY) and City University of New York (CUNY) community colleges for the 2020/21 fiscal year.

This resolution, which is a direct consequence of the fiscal crisis caused by COVID-19, authorized the amendment of existing university regulations, which set forth the formula for state financial assistance for operating expenses of SUNY and CUNY community colleges. The emergency resolution allowed for the current funding methodology, based on monies allocated per full-time-equivalent students, to be set aside and distributed by SUNY, with the approval of the director of the budget, to allocate funding to community colleges in “an alternative methodology that is in the best interest of the colleges operating under the program of the State University of New York and the SUNY system.”

The emergency regulations circumvent local control and change how funds will be distributed to community college campuses. Allowing SUNY to control the distribution of funds with no transparent methodology or formula is deeply troubling. The resolution gave SUNY the power to

separate the “haves from the have-nots” and decide which institutions will remain in either category.

The resolution will enable SUNY to play favorites, “rob Peter to pay Paul” and set up a Hunger Games atmosphere where it is every community college for itself. While we understand this is an emergency resolution designed to sunset after one year, we are very concerned that it will set a precedent and will be with us long after the current health crisis dissipates.

Tuition Burden

The recent actions by DOB and SUNY will further shift the burden of tuition onto the students. In the 2018-19 academic year, students paid 41.4% of the share of the cost, with the state covering 26.4%. For the 2019-20 academic year, the state was expected to pay 25.3% of the costs and the students were expected to pay 40%.

Last year, out of financial necessity, five community colleges (FIT, Orange, Suffolk, Clinton, and Nassau) were authorized to raise their tuition above the maximum TAP award. NYSUT has expressed concern over this issue in the past, as the law is silent as to who bears the burden of paying the difference between the TAP award and the cost of tuition. At four of those five colleges it was the students who were expected to pay the difference.

This creates another financial barrier to accessing higher education and undermines the intent and purpose of financial assistance programs. The recent actions taken by DOB and the SUNY Board of Trustees will force more community colleges to raise tuition above the maximum TAP award.

As people who have been laid off look to enroll in programs at community colleges to train and prepare for a career, affordability and accessibility will be the primary concern. Rising operational costs and shrinking state revenue unfortunately force campuses to shift more of the burden onto students. At a time when we need to make opportunities for higher education more affordable and accessible, actions to delay or withhold funding will serve only as a hinderance.

Unfortunately, the issue of shrinking funding was a problem before COVID-19 and has only been exacerbated by this situation. In the absence of an intervention to reverse this trend, campuses will continue to face difficult decisions.

We are deeply concerned that the recent, ill-conceived, emergency resolution passed by the SUNY Board of Trustees will only exacerbate the situation.

The immediate actions taken by DOB and SUNY in reaction to speculative, future state budget cuts could be offset with the introduction of new revenue. NYSUT and its labor partners continue to encourage legislators to reject budget cuts to critical services and stand up for revenue generating proposals that will force the ultra-wealthy to bear a more equitable tax burden.

The COVID-19 health crisis has impacted all of our lives in ways we could never have imagined. Things that were unimaginable six months ago have become the new normal. This disease has caused everyone to re-evaluate every aspect of life and make difficult choices. Today we are asking that you stand with us to ensure that the choice to pursue a higher education will not be taken away from those who can least afford to lose it. We are asking for your help with the Division of the Budget, to ensure that the 20% still owed to our community colleges is distributed to them. We also ask that you reject any budget cuts that will adversely affect our institutions and make it impossible to provide the safe, high quality education our students deserve and have come to expect.

Thank you for the opportunity to speak with you today.

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