

**Faculty Senate Plenary Meeting
Meeting of November 6, 2008**

MINUTES

Senators Attending: S. Altman (SPA), A. Brandwein (S/CIS), C. Christoforatu (ENG), A. Croker (S/CIS), F. Donnelly (LIB), M. Dumas (S/CIS), B. Ferns (S/CIS), K. Frank (ENG), R. Freedman (ZBUS), G. Graves (ModLang), G. Hill (FPA), D. Hoffman (SPA), R. Holowczak (S/CIS), C. Howard (MTH), S. Johnson (PSY), G. Jurkevich (ModLang), D. Kaminer (Law), L. Klusek (LIB), C. Kulatilleke (NatSci), M. Lubetski (ModLang), T. Main (SPA), T. Martell (Eco/Fin), R. Myers (COMM), R. Nishan (ModLang), G. Petersen (Soc/Anth), H. Ross (Eco/Fin), S. Stein (S/CIS), A. Vora (Eco/Fin), X. Yin (MGT)

Senators Absent: L. Bolce (PolSci), T. Bragen (ENG), G. DeMaio (PolSci), W. Finke (ModLang), A. Grein (MKT), D. Jones (PolSci), S. Korenman (SPA), J. O'Keefe Bazzoni (COMM), M. Ozbilgin (ACC), B. Rosen (MKT), D. Schepers (MGT), K. Tandon (Eco/Fin), Y. Tsurumi (MKT), A. Wolf (Eco/Fin)

The meeting was convened at 1:12 p.m. in VC 14-250 by Prof. Stan Altman. Prof. Altman welcomed everyone to the new year.

I. Approval of Agenda: Amended to include elections, approved by assent;

II. Approval of Minutes: Minutes of November 6, 2008 were approved by assent.

III. Chair's Report (S. Altman):

New Senators: Prof. Altman introduced two new senators.

- a. Louise Klusek (LIB): Elected as a Category III faculty senator to replace Stanton Biddle, who had been seconded to the Provost's Office to manage the Middle States Reaccreditation. Her term will expire in May, 2010;
- b. Xiaolin Yin (Management): Elected as a Category II senator representing the Management Department, replacing Young Son.

State Budget: New York State regularly overspends its revenues. In addition, the bulk of the tax collections are downstate. Much of New York's tax base is the financial services industry, which provides a little more than 6% of the people employed but 20% of the wages in New York. Our state's fiscal condition has deteriorated to previously unexpected levels due to a deepening financial crisis on Wall Street, and New York faces a \$47.0 billion budget deficit over the next four years. The governor has called the NYS legislature to return to session on 11/18, and he will request \$2B in cuts in the 2008 fiscal budget, which ends on March 31, 2009. Cuts are likely to include Medicaid, hospitals, public education, and probably CUNY again. Stan played a video of Governor David Patterson discussing the probability of cuts along all sectors.

Prof. Altman presented an outline on how the financial crisis is affecting various industries in NYS with data from 2007:

| Industries | Revenues | # Employed | Average Annual Pay |
|--|--------------------------|----------------|--------------------|
| Top 10 Industries | \$508.44 billion | 8.5 million | \$ 59,439 |
| FIRE (Fin, Ins, Real Estate) | \$113.32 billion (22.3%) | 547,200 (6.4%) | \$207,000 |
| Investment Banking, Securities, And Portfolio Management | \$67. 5 Billion | 166,300 | \$405,000 |
| All Other | \$395.12 Billion | 8.0 million | \$49,348 |

Prof. Altman then presented the Chancellor's statement on the financial crisis:

- The University's first priority in navigating this fiscal situation is the maintenance of our core academic mission and the protection of our services to students.
- We are continuing to hire full-time faculty for replacement purposes and for new positions already provided for in each college's financial plan, as well as staff who provide direct services to students, such as academic advisors and mental health counselors.
- The pause in the processing of most other personnel actions that we instituted in August continues, as do restrictions on other than personal services (OTPS).

Prof. Altman then discussed the varying tuition schemes being considered at the moment.

Prof. Altman noted that President Waldron has sent out a letter explaining that Baruch's tax levy budget of \$98 million was reduced by approximately \$4 million or 4%. The \$4 million will be saved by a slow down in the replacement of certain staff positions (\$2 million) as well as a reduction in expenses other than personnel expenses (OTPS - \$2 million).

Prof. Altman last noted that CUNY's budget model consistently underfunds the adjunct budget. Baruch tends to use vacancy savings to cover short-falls in the adjunct budget.

Campus Master Plan: The Facilities Committee of the Board of Trustees (BoT) has approved the Baruch College Campus Master Plan (CMP). The full BoT will vote on the CMP at its December meeting. The 17 Lex renovation cannot start until the CMP is approved. The capital money is allocated, but we need to move it along as quickly as we can so that the current allocated money is spent this year. That way, the State will give us the needed allocation next year. Prof. Altman pointed out that, even with the renovation of 17 Lex, we will still be short of classroom space. Baruch will have to experiment with other ways to increase space utilization. Prof. Altman noted that the softening of the commercial real estate market in the New York City area may provide opportunities for Baruch to acquire more space.

Other Challenges and Opportunities: Prof. Altman outlined other challenges Baruch faces:

- The Middle States review self-study;
- Continuing pressure for increased revenue and space constraint may require looking:
 - Experimenting with different scheduling approaches;
 - Experimenting with different models of course delivery, such as online or hybrid courses;

Q&A: Glenn Petersen (Soc/Anth) expressed concern that, in light of the amount of money spent on the financial industry's bailout and the war in Iraq, balancing CUNY's budget on the backs of the students through higher tuitions is wrong, and we should not just accept this as the only approach. There was a question about how tuition increases would affect students. Even with the tuition increase, TAP can cover the CUNY tuition. Prof. Altman noted that the out-of-state student tuition is still less than what NJ residents would pay as in-state students at Rutgers. It was suggested that faculty could help students develop business careers involved with sustainability. Cynthia Whittaker (History) said that, Baruch has opportunity to get even finer students because of we are now a 'bargain' as a high quality education for a low tuition. Because of this, Baruch should increase its recruitment efforts.

Terry Martell (Eco/Fin) noted that one problem Baruch has is that, for every \$1 we get from CUNY in operating funds, we give 87 cents back to the state in tuition. It is the highest of any school in CUNY, and we are almost self-sustaining through tuitions. We'll have to make some hard decisions about what programs we are going to support. The faculty senate should spend some time thinking how it will participate in the process that we need to have to address cuts, because we will have to make some.

Prof. Altman noted that we could take a pro-active approach rather than reactive. In addition, we should take a different approach to cuts instead of following the same processes that we always have.

The Provost asked if the University Faculty Senate is involved in this discussion at all. Prof. Altman said that the Council of Faculty Governance Leaders (CFGL) met last week. Prof. Martell said that there was some discussion about the budget, and that Vice Chancellor Malave had told the CFGL basically said that there either needs to be a tuition increase or some serious cuts.

The Provost mentioned that the capital budget is less likely to be hit than the operating budget. From an economic policy standpoint, if unemployment is going up, one way to fight that is to schedule some capital infrastructure projects to create work. CUNY may be able to benefit from this.

Prof. Altman stressed that the faculty influence the lives of over 16,000 students, and one of the things we must teach them is that, when times get difficult, we should work smarter. Baruch is a great institution, and we can keep it great. As an example, Prof. Altman spoke about American Humanics program for students interested in non-profit management, and run out of Kansas City. The American Humanics national headquarters wrote a letter to Prof. Altman extolling the Baruch students' abilities and work.

Howard Ross (Eco/Fin) noted that JP Morgan Chase is coming to interview Baruch students for front office summer internships, which is a breakthrough for Baruch's career services. Prof. Ross asked why Baruch can't borrow money to keep up its services. The Provost said that public institutions can borrow on some of their funds, but it is a political issue. Prof. Altman said that, in NYS, the CUNY/SUNY systems are not separate, so our finances are intertwined with other state agencies.

Textbook Publishers: Prof. Altman recounted the story of major textbook publisher's offer to provide a faculty member an all-expenses-paid trip to an educational seminar in California, along with an honorarium to participate that seminar. The faculty member perceived that accepting such an offer would violate NYS and CUNY conflict-of-interest rules. VP John Dugan (General Counsel) said such an offer may be a regulatory honorarium that could be legal, but more specifics would need to be known. Bill Ferns (Stat/CIS) noted that the bookstore and several publishers' representatives claimed ignorance about the new NYS textbook adoption law. Prof. Martell said that it is not the faculty's or Baruch's responsibility to make sure those parties know the law.

IV. Vice-Chair's Reports: None

V. College Administrators Reports: None

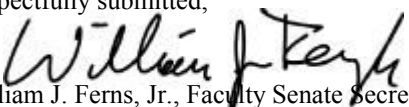
VI. Old Business: None

VII. New Business: None

VIII. Announcements: None

IX. Meeting Adjourned at 2:08 pm

Respectfully submitted,


William J. Ferns, Jr., Faculty Senate Secretary