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SUNY Curbs Spending, Braces for More Cuts Amid Pandemic

As students reconsider whether to return to college in the fall, State University of New York prepares for lower enrollment, possible tuition increase

The State University of New York has told officials at its 64 campuses to prepare for lean times. The SUNY Cobleskill campus.

Photo: Kate Penn for The Wall Street Journal By Jimmy Vielkind May 12, 2020 5:29 pm ET

ALBANY, N.Y.—A hiring freeze. Curtailed travel. No unnecessary construction projects. And think twice about printing that email, because you'll need approval to get more paper.

The State University of New York has told officials at its 64 campuses to prepare for lean times in the fall, according to a memo viewed by The Wall Street Journal that was sent to campus officials last month.

All colleges and universities are grappling with lower enrollment as students reconsider whether they will return to school amid the <u>coronavirus crisis</u>. Additionally, SUNY and other public universities are bracing for <u>public-funding cuts</u>.

The April 14 memo asked campuses to draw up plans for three scenarios—including one in which state support decreases by 25%—and ordered immediate steps to rein in spending and stockpile cash.

As part of the state budget adopted in early April, lawmakers directed just over \$1 billion in support for SUNY. The state also spends about \$2 billion a year on fringe benefits for SUNY employees and funds some capital projects on campuses. State appropriations account for about 30% of the system's \$13 billion budget.

United University Professions President Frederick Kowal, whose union represents SUNY faculty, said he was concerned about potential cuts.

"This is the exact wrong time to be cutting SUNY's budget," Mr. Kowal said. "We've made adjustments in the face of Covid, and that takes resources."

The State's Budget Division said earlier this month that it would need to cut \$10 billion from the state's \$105 billion operating budget if federal aid doesn't materialize. Details on how the cuts will be allocated are due in mid-May, a spokesman said.

While SUNY's board is authorized to raise tuition \$200 for the coming academic year, campuses also were asked to plan for situations where it stays flat or increases by \$100. A decision will likely be made in June, SUNY Chief Operating Officer Robert Megna said.

"We know what a tough situation the state is facing, and we thought it was prudent, given that, to start to do some scenario planning," he said.

Compounding the financial challenges, SUNY offered its students a partial refund on tuition and board paid for the spring semester. Gov. Andrew Cuomo ordered the schools to begin remote teaching in early March. Mr. Megna said the system was preparing to refund "north of \$200 million" to students.

SUNY trustees discussed the potential for decreased enrollment at a board meeting last week. The American Council on Education, an advocacy group for colleges and universities, said in April that it is estimating a 15% <u>decline in enrollment</u> next fall.

As of April 24, the number of U.S. high-school students applying for federal financial aid were tracking 2.8% behind last year, according to an analysis of federal data from the nonprofit National College Attainment Network.

SUNY Provost Tod Laursen said the system would fight the national trends by building on its online offerings, emphasizing retention and focusing on recruiting students from community colleges to its four-year campus.

Mr. Megna didn't offer an estimate of enrollment, but said there had been "a little bit of a drop-off" from 2019 in the number of students who have sent deposits to guarantee a spot at a SUNY campus. The deadline to enroll was extended by a month to June 1.

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