

**UNITED UNIVERSITY PROFESSIONS**



# TESTIMONY

**Testimony  
on the  
2014-15 Executive Budget**

**Presented to**

**Senator John A. DeFrancisco, Chair  
Senate Finance Committee  
and  
Assemblyman Herman D. Farrell, Jr., Chair  
Assembly Ways and Means Committee**

**By**

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President**

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Chairman DeFrancisco, Chairman Farrell, distinguished members of the Senate Finance and Assembly Ways and Means Committees, thank you for providing United University Professions (UUP) the opportunity to testify today on the SFY 2014-2015 Executive Budget for higher education.

I am Frederick E. Kowal, President of UUP. We are the nation's largest higher education union, representing more than 35,000 academic and professional faculty and staff. Our members serve hundreds of thousands of students and patients at State University of New York (SUNY) academic institutions, health sciences centers, and public teaching hospitals administered directly by SUNY.

I'd like to begin by thanking you for restoring \$28 million to the public hospital subsidy for SUNY's three teaching hospitals in the state's 2013-14 Enacted Budget. This funding, cut from the 2013-14 Executive Budget, is vital for New York's teaching hospitals to provide their communities with quality, accessible health care.

You have our deep appreciation and respect for turning aside the relentless attempts to privatize SUNY's state-operated public hospitals. Your courageous action to reject a pilot proposal in the 2013-14 Executive Budget to allow for-profit capital investment in our public hospitals protected the mission of and the life-saving public services these hospitals provide daily for hundreds of thousands of state residents.

Unfortunately, we find ourselves fighting the same battle again in the 2014-15 Executive Budget, which continues a trend begun two years ago to shift more and more of the University's costs from the state to SUNY's operating budget—or more precisely, moving the responsibility of funding SUNY from the state to SUNY students through tuition.

### ***2014-15 Executive Budget Proposal: Falls Flat***

Funding for state-operated campuses is flat in the proposed Executive Budget, marking the third straight year that SUNY has been left without a state funding increase. What's more, the spending plan removes \$2 million for a number of University-wide programs. These dollars were provided by the Legislature in the 2013-14 Enacted budget. Some of those programs, such as SUNY's Educational Opportunity Program and Educational Opportunity Centers, provide access, academic support and financial aid to a high percentage of New York's most at-risk students.

Underfunding SUNY tramples upon the very reason why SUNY was created—to ensure that each and every New York resident capable of earning a baccalaureate degree has access to that avenue of learning, regardless of affordability. SUNY campuses have felt the pain of continued state funding cuts; many campuses have reduced course offerings, resulting in fewer classes and larger class sizes.

In light of this, we are calling for the creation of the New York State Public Higher Education Full-Time Faculty and Professional Staff Endowment. This endowment would rebuild SUNY and CUNY academic departments depleted by chronic underfunding. Endowment funds would also be designated to increase full-time faculty, professional, and support staff lines, and to move contingent and adjunct faculty into permanent positions. Considering that State funding to SUNY is down by nearly 40 percent since 2008, while enrollments have increased, the times demand that we be proactive and not reactive. This endowment accomplishes that, and much more.

## ***Educational Opportunity Program: Additional Funding Eliminated***

In the late 1990s, 75 percent of SUNY's operating budget was funded by the state. Now, that has dramatically shifted to tuition and fees. Too many SUNY students have become mired in debt as they strive to earn a SUNY degree. So many others simply can't afford to pay for college, while still others are in need of extra preparation to excel in higher education. The Educational Opportunity Program and Educational Opportunity Centers offer access, academic support and financial aid to students these students. And make no mistake: the programs work. In 2011, more than 9,000 eligible students statewide vied for just 2,700 program openings.

Yet, the Executive Budget proposes a decrease of more than \$632,000—the additional funding the Legislature deemed necessary, and added to the 2013-14 Enacted Budget, to fully fund the EOP. It is simply unconscionable to cut these programs. In this economic climate, it is critical that these programs are properly funded.

## ***SUNY's Public Hospitals & Health Sciences Centers: Cut Again***

Once again, the Executive Budget proposes cuts that would be devastating to SUNY's public hospitals and health sciences centers. His Executive Budget proposes a \$69 million state subsidy for SUNY's three teaching hospitals. After removing the \$28 million in additional funds that was added by the Legislature in the SFY 2013-14 enacted budget, the Executive Budget added a mere \$9 million to the General Fund SUNY Hospital Subsidy. That's a \$19 million net decrease in overall authorized funding for the hospitals from the prior fiscal year. It is little more than half of the \$128 million subsidy budgeted for in 2010-11. If the state subsidy for public hospitals is reduced, it will significantly threaten health care, medical education, and important medical research.

I find it alarming—and frankly, amazing—that the state, within the last month alone, has managed to find more than \$43 million in state funds to support private hospitals. Yet, the state has not mentioned, nor provided for, the needs of SUNY's teaching hospitals or the communities they serve. It is a shame that state dollars are being sent to private hospitals, when SUNY's public hospitals are in such dire need of that funding.

Additional funds must be allocated to ensure that SUNY's hospitals remain fully operational state-run facilities. These hospitals generate revenues—more than \$250 million annually—used for the operating budgets of the state's medical schools. They are revenue generators for their communities as well.

Then there's the Article VII language in the Executive Budget, which creates the potential for up to five private corporations to take control of public hospitals and other health care facilities. One of these businesses must affiliate with an academic medical institution or teaching hospital. The door to the potential privatization of SUNY's hospitals would swing wide open if this provision is enacted.

I am asking you to do what you did with similar Article VII language introduced in last year's Executive Budget: reject it. It is the right thing to do. Our public teaching hospitals, medical schools and health sciences centers must remain public. Millions of state residents depend on these facilities for health care, and our public hospitals turn no one away, regardless of their ability to pay. SUNY's three medical schools produce thousands of highly qualified doctors, nurses and medical staff each year. SUNY Downstate's medical school is a pipeline for doctors and medical staff to New York City

and Brooklyn. More New York City doctors graduated from SUNY Downstate than from any other medical school, and more than 80 percent of Brooklyn's doctors were trained there.

For years, SUNY hospitals have been treated unfairly by the state when compared to other state agencies. SUNY hospitals are the only state agency that pays salaries and fringe benefits costs of their public employees, as well as their own debt service on capital projects. All other state agencies or entities have these mandatory costs paid by the state through General State Charges. SUNY Chancellor Nancy L. Zimpher often uses the term "systemness" when it comes to SUNY. She describes systemness as "the coordination of multiple components that, when working together, create a network of activity that is more powerful than any action of individual parts on their own." Yet, SUNY's public hospitals are treated differently than any other state agency.

SUNY Downstate and its employees have worn a large target since the state approved the merger of the debt-ridden Long Island College Hospital in 2011—a move that will eventually drag SUNY Downstate into bankruptcy unless something is done, according to a January 2013 state Comptroller's report on the hospital. SUNY Downstate announced a restructuring plan in May 2012 and has spent millions trying to fix a situation that wouldn't exist if the state passed on the LICH deal.

Now, LICH is hemorrhaging millions per month, and SUNY Downstate—a financially stable facility before the LICH merger—is feeling the financial pain. Hundreds of SUNY Downstate employees have been laid off and the jobs of hundreds more workers—who are also UUP members—are in jeopardy. The MRT Waiver Amendment, also known as the Medicaid Section 1115 waiver, is a key part of the "Brooklyn Hospitals Safety Net Plan"—our strategic plan to redesign and preserve the Brooklyn health care system.

The most recent MRT Waiver application stresses that avoidable hospital use can be reversed if "strategic investments are made with a special focus on rebalancing the delivery system." This is exactly the type of investment that UUP, along with AFT, NYSUT, CSEA and PEF, is seeking in this plan, which will reduce avoidable hospital use, provide cost savings and transform the business model for Brooklyn hospitals. It will also ensure that the right care is provided in the right setting and at the right time for the large number of Medicaid patients served by these hospitals.

The goal of the Brooklyn plan is to enhance and stabilize SUNY Downstate and the other Brooklyn health care safety-net providers so that patients who are dependent on the hospitals will continue to have access to vital health care services and be able to access the care at outpatient centers that are associated with the hospital in their community.

Further, our plan is aligned with the MRT action plan and the Affordable Care Act. This plan will allow the hospitals to achieve better care, better health, and lower costs. This plan is the only long-term solution to the Brooklyn health crisis. The Executive Budget is not providing the fundamental funding necessary for SUNY Downstate to provide the people of Brooklyn quality, affordable health care and graduate medical education.

## ***College of Emergency Preparedness, Homeland Security and Cybersecurity: May Divert Funds***

The Executive Budget fails to provide additional funds for ongoing initiatives, but instead provides a \$15 million appropriation for the College of Emergency Preparedness, Homeland Security and Cybersecurity. This appropriation fails to identify a site for the college's location or provide any detail regarding future or long-term funding for this college. UUP has serious concerns about spending scarce resources to establish a new SUNY program, perhaps at a non-SUNY location, when SUNY already has a strong foundation for such a program at various state-operated and community colleges. The Executive Budget call for the development of a comprehensive program in this area provides opportunities to build on existing programs and enrich campuses that already provide critical educational and practical services in this growing field.

The New York State Division of Homeland Security and Emergency Services identifies the following first-responder disciplines as critical for homeland security and emergency services: Fire Prevention and Control, Emergency Medical Services, Emergency Management, and Law Enforcement. Emergency Communications capability is also a critical component. Let me offer some examples of SUNY's relevant program base.

There is an extensive Emergency Management program at SUNY Canton, as well as at five community colleges across the state. Six community colleges offer programs in Emergency Medical Services or Emergency Medical Technology. Eleven community colleges house programs in fire protection technology. Programs in computer science and cybersecurity, criminal justice and law enforcement, and communications technology and broadcast media programs exist at many SUNY campuses across the state.

Consider two illustrations of the possibility of building a new program around existing hubs of relevant academic and practical work in emergency preparedness, homeland security, and law enforcement. SUNY Canton has a solid base of component programs, including criminal justice, homeland security, emergency management, and computer information systems. In addition, the campus houses one of six New York State Police Academies, bringing relevant academic programs and practitioner training together in one location. Similarly, SUNY Oneonta is the site of the Otsego County Law Enforcement Academy. There too, New York State-approved police training, as well as criminal justice and other academic programs relevant to the proposed new college, are housed at one location.

A full analysis of SUNY's existing programmatic base for Emergency Preparedness, Homeland Security and Cybersecurity is needed before scarce public resources are diverted from our public institutions.

## ***Higher Education Profiteers: For-Profit Not Public***

Rather than investing in SUNY state-operated institutions, the state has seen fit to lavish millions on a long list of higher-education for-profit consultants including McKinsey & Company, Pearson, and Pitts Management Association, for services that in some cases may require or lead to modifications to college curricula.

In the case of SUNY Downstate Medical Center, since December 2012, SUNY spent over \$10 million on a consultant to examine and supposedly to “fix” problems they find. Needless to say, SUNY would have saved millions and been much better served by entrusting those duties to its own people.

Just as we are concerned about the direction that the State is taking with our SUNY hospitals, we are also very aware of the similar change in direction the state is taking for New York State’s public higher education system. Initiatives, such as Open SUNY, Seamless Transfer, Start-UP NY and the edTPA, are shifting public higher education to a standardized, downsized, and outsourced system. We are very concerned about the direction that these initiatives are taking.

### *Teacher Performance Assessment (edTPA)*

Over the last year New York State’s teacher preparation programs have faced a number of changes. Initiatives such as the edTPA, the State Education Department’s (SED) newly imposed, high-stakes teacher certification requirement on students in teacher preparation programs, at public and private colleges and universities, will have a profound long-term impact on the campuses and the students.

SED has implemented this new student teacher performance assessment far too quickly. Faculty have not had enough time to adjust curriculum and prepare students for edTPA’s complex set of required tasks.

SED failed to make edTPA criteria available to faculty soon enough to allow for necessary curricular changes. There is continued controversy related to parental consent and privacy issues regarding a requirement to videotape students in K-12 classrooms, and SED has not addressed educators’ concerns about the validity of edTPA as a measure of student readiness and teaching excellence.

This year’s graduating class of students will be the victims of a poorly implemented experiment. SED predicts that close to 40 percent of graduating seniors who take the edTPA will not pass it and will be denied teacher certification. Students who have invested in their college education, successfully completed their teacher preparation program, and have been sanctioned by experienced educators as prepared to enter the teaching profession may be unfairly denied teaching certification. The competence and preparation of our students will be judged by employees of a private corporation that develops and scores the edTPA. The students will have to pay \$300 for the edTPA – and if they fail, they will have to wait an undefined period of time to retake the edTPA at additional cost. I want to remind you, that this is all happening at a time when students are paying MORE for their education.

While the edTPA is being used in other states, New York is one of only two states that have made it a high-stakes certification requirement. Other states are introducing it with caution to assess its effectiveness and validity. The state of Washington is also using edTPA as a certification requirement, but has set a lower passing score than New York has. New York has distinguished itself as the state that is applying the edTPA in the most unreasonable and educationally unsound manner.

I urge you to press SED to immediately remove edTPA as a requirement for teacher certification and develop a new plan for its possible adoption. Before reasonable decisions about how the edTPA should be used in New York State can be made, the following must be accomplished:

- Collaboration with P-12 educators to ensure adequate student teacher placements for edTPA administration. Many college programs are having substantial difficulty finding adequate placements for their students.

- Adjustment of curriculum as needed.
- Clarification of any edTPA criteria that remain unclear.
- Additional faculty training to enable adequate preparation of students.
- Investigation of the possible inappropriate overlap between college program and edTPA certification requirements.
- Updating of student teaching regulations to align with edTPA.

On this last point, please note that the edTPA does not align with current state regulations, which require two seven-week student teacher placements. Students must complete the edTPA during the early weeks of their placements to submit all components and receive results from Pearson, Inc. before graduation. This means that students will be assessed on their teacher training before they have completed that training. This is an educationally unsound process.

Teacher preparation programs are large and critical foundations of many SUNY campuses. Declining enrollment in these programs, furthered by unreasonable and unsound changes such as the premature imposition of a high-stakes edTPA, will threaten the strength of those campuses as economic engines in communities across the state. UUP agrees that there should be a rigorous evaluation of student teachers before they are certified to teach in New York. However, we do not believe that the edTPA provides an accurate evaluation of our student teachers.

### *START-UP NY*

Regarding the START-UP NY initiative, the state has opened our campuses up for business – to promote entrepreneurialism and job creation - as if these higher education institutions are not already economic engines for their communities and the state. Now, they will serve as hosts for businesses – including private, for-profit entities – with no guarantees that these relationships will improve or benefit campuses in the long run. Further, it is uncertain whether the businesses will stay or abandon campuses and communities once the initiative’s tax-free incentive ends. Instead, START-UP NY may rob valuable space and resources from future academic needs, at a time when support for SUNY’s state-operated campuses continues to decline and enrollments increase. UUP is also concerned about the apparent lack of compliance with the notification requirement that is provided for under the START-UP NY law. We have heard that there are a number of projects underway, but we have received very few copies of such plans. I am asking the Legislature to help us enforce this very important provision of the law to protect the communities, as well as ensure that the selected businesses are aligned with or further the academic mission of the campuses.

For these reasons I believe that there are several critical missing pieces to START-UP NY. To ensure that demands on campus facilities do not adversely affect other campus programs, businesses that partner with campuses should be required to submit an impact statement specifying campus resources (other than building space or land) to be utilized (from maintenance to support services). Additionally, I urge the Legislature to amend the START-UP NY law to require participating businesses to pay an “impact fee” to offset costs incurred by campuses due to the operation and maintenance of hosting these businesses. Lastly, in the interest of a long-term vision for these campuses, I believe that the endowment that I spoke of earlier would complement START-UP NY. A public higher education endowment for full-time faculty and professional staff is a means to bring in intellectual capital, providing a link or a valuable incentive for these companies to stick around.

## ***Recommendations to the Legislature***

SUNY cannot continue to provide quality, affordable, accessible education to New York's higher education students with flat state funding. This Executive Budget fails to provide funding necessary to support SUNY's public hospitals and the basic expenses of the University's state-operated campuses. This can be tolerated no longer. SUNY must be properly funded to fulfill its mission to provide "educational services of the highest quality, with the broadest possible access."

SUNY's hospitals must be allowed to do what they were created to do: provide necessary health care services to millions across the state, many of who have little or no health insurance coverage. These hospitals were never meant to be turned over to privateers, corporations where profit, and not health care, is of prime concern.

In conclusion, UUP asks the Legislature to:

- **Invest in public higher education by:** (1) creating a New York State Public Higher Education Full-Time Faculty and Professional Staff Endowment; (2) increasing state funding for SUNY's operating costs; and (3) restoring and increasing the funding for EOPs and EOCs to safeguard and improve the access and affordability these programs provide.
- **Protect and enhance SUNY's Health Sciences Centers and hospitals by:** (1) restoring the state hospital subsidy to its former \$128 million SFY 2010-11 funding level; (2) adding an additional \$99 million for Downstate Medical Center and \$35 million for Upstate Medical University to maintain them as full-service public institutions; (3) preventing profit-driven corporations from eroding the mission and vital services provided by SUNY public hospitals by removing the Executive Budget Article VII language that would permit private corporations to affiliate and operate hospitals; and (4) supporting the UUP-backed Brooklyn Hospitals Safety-Net Plan ensuring SUNY Downstate Medical Center will continue as a state-operated public hospital providing vital health care services to the underinsured and uninsured.
- **Demand that SED remove the edTPA as a requirement for teacher certification.**

Thank you for this opportunity to provide UUP's first perspective regarding the SFY 2014-15 Executive Budget submission.