

Faculty Senate Minutes #222: Part II

John Jay College of Criminal Justice

Friday, December 7, 2001

9:30 AM

Room 630 T

Present (27): Yahya Affinnih, Orlanda Brugnola, James Cauthen, Leslie Chandrakantha, Edward Davenport, Kirk Dombrowski, P. J. Gibson, Betsy Gitter, Amy Green, Maki Haberfeld, Karen Kaplowitz, Kwando Kinshasa, Gavin Lewis, Tom Litwack, James Malone, Peter Mameli, Evan Mandery, Lorraine Moller, Dagoberto Orrantia, Jodie Roure, Ellen Sexton, Carmen Solis, Davidson Umeh, Margaret Wallace, Robin Whitney, Susan Will, Liza Yukins

Absent (11): Luis Barrios, Jane Davenport, Edward Green, Robert Hair, *Ann* Huse, Sandra Lanzone, Mary Ann McClure, Jill Norgren, Daniel Paget, Rick Richardson, Agnes Wieschenberg

Guests: Professors Ned Benton, Janice Bockmeyer, Jay Hamilton, Eli Silverman, Maria Volpe

Invited Guest: CUNY Budget Director Ernesto Malave

December 7, 2001 meeting agenda: Part II

10. Invited guest: CUNY Budget Director Ernesto Malave
11. New business

10. Invited guest: CUNY Budget Director Ernesto Malave

CUNY Budget Director Ernesto Malave, who has been **an** invited guest of our Senate twice previously, was warmly welcomed, and was thanked for once again accepting the Senate's invitation.

Director Malave: It's good to be meeting with you again. Thank you for inviting me. A lot has happened in the six or seven months since I last met with John Jay's Faculty Senate in May. A lot has happened to all of us as New Yorkers and to all of us as members of this University. It is having and will continue to have tremendous effects on how we do business. What we do not know is what the ultimate effect of recent events will have on how our University does business because it is a

very dynamic process and situation, between having a new Mayor, an election for Governor, all that is happening in Washington and the state of war. All these things have the effect of reshuffling the deck. As a result, one has to figure out anew the things that one had taken for granted in the past. One of the things that I consider it to be my job to do is to get a lens on the future so that I can plan. Most people in my position try to get a sense of what revenues will look like in the future so that we can plan. The level of uncertainty about the future is new. When budget people start telling you that they are very uncertain, then they really are uncertain. Having said that, there is a lot going on that we do know about and that I'm here to report about those things.

I will start with the City of New York. Because most of you here are interested in the State budget, I will spend more time on the State budget but the City budget is also important for your colleagues in the community colleges, and for students at the senior colleges. And for John Jay, in particular, I am going to be the bearer of some bad news.

After September 11, the Mayor issued an Executive Order which said that \$1 billion dollars needed to be set aside in an emergency reserve to take into account projected losses in revenues. Everybody went into a frenzy, questioning how the Mayor could take an action which dislodged the City Council from the process by using the dictates of an Executive Order rather than through the routine efforts to modify a budget which require legislative approval. It was the traditional 15% cut: everybody was to be cut by 15% in City funds. This was 15% of City funds, not 15% of an agency's budget. In terms of CUNY, it was 15% of the City's share of funding, and the City's share is the smallest share of the funding for the community colleges. So a 15% cut is not a cut of 15% of the operating budgets of the community colleges. It really amounted to a maximum cut of 7% to the overall community college budget, which is what 15% of the City's contribution to the community college represents. It had a \$19.5 million pricetag associated with it.

We were told that we needed to implement it, that it was not an exercise, that the cut was really going to happen, and that there would not be an option to go to the Legislature. When that happened, the Chancellor responded immediately: he suggested the devastating impact a cut of that size would have on the community colleges, and sought a treatment equal to the way the City administration was treating the Board of Education, in that the City gave the Board of Education a 2.5% reduction. Nobody wants to take a reduction but we certainly understood the needs of City and for CUNY to suggest that it could not and should not take a reduction was simply absurd in this particular environment. That was the first appeal from the Chancellor to the City budget director.

The second action was an action by an attorney named Ron McGuire and two students at Hostos Community College, who filed suit against the City administration saying that the City administration could not unilaterally reduce the budget because of the State's Maintenance of Effort Law. For those of you who may not be familiar with this law, let me explain. When the State of New York adopts a budget, there is a provision in the Aid to Community Colleges that effectively locks in the City contribution to a level consistent with the prior year. It forces a specific amount of funding.

Everyone suggested that if the City was cutting \$19.5 million, that of course that was a violation except that the City said it is not a violation because the City is not cutting CUNY's budget, rather CUNY is being told to set aside a reserve in its budget which CUNY may not spend. In other words, the City said that the City's appropriation to CUNY is not being reduced and because the appropriation is not being reduced, that is, the budget is not being cut, it is not, therefore, subject to the dictates of the Maintenance of Effort Law.

While CUNY was a defendant in the lawsuit, CUNY sided with the plaintiffs on the basic argument that the City's action was a violation of Maintenance of Effort although CUNY disagreed with the plaintiffs as to what the City should do. What Maintenance of Effort also does, in addition to capping – or putting the City's level of funding at a certain level – is that it also permits the University to increase tuition beyond what is required for funding one-third of the community college budget. Right now tuition is equal to roughly 40% of the community college budget and the only thing that permits that is this very same law that says that you can have City aid at a given level and you can have the rate of tuition that you have, only if you have the City level of support. So the plaintiffs argued that once the City level of support ceases to be at that level, the community colleges can not charge the same rate of tuition and CUNY disagreed with that argument..

So very quickly the City administration called CUNY to indicate that the City would effectively correct the budget situation and that the City administration would be issuing a new budget which would be in compliance with Maintenance of Effort and that, therefore, CUNY shouldn't reduce the adjunct budget – the adjuncts were the ones on whom the cuts were primarily going to have to be implemented.

We met with City officials, we saw the numbers, and we concurred that they had a plan, albeit not yet officially announced, that would not require those levels of reductions and the City of New York, keeping its word, issued a budget modification a few days ago that reduced the budget reduction to the community colleges from a potential cut of \$19.5 million to \$5 million. It did other things to put the City into compliance with Maintenance of Effort which I won't get into but the bottom line is that the reduction to the budget of the community colleges is about \$5 million. And of that \$5 million, only about \$3.5 million would be considered reductions to college operations for PS [personnel costs] and OTPS [other than personnel costs]. So a \$3.5 million reduction in a \$360 million budget is not a mindbending number: it is only actually 1%. We considered that kind of reduction consistent with the Chancellor's initial message to the Mayor.

But that's not the entire story. The other story is that we have a problem with the funding of a collective bargaining agreement: the City administration has indicated it has no intention of financing the labor agreement recently ratified by the DC37 (and other) classified staff, which amounts to about \$5 million for the community colleges this year. That was always the case. It was the case when we obtained the \$19.5 million proposed reduction; we knew then that the City administration had no intention of financing the contract. So we knew then that the exposure to CUNY was for \$19.5 million plus that we'd have to self-finance the labor agreement.

And – as an aside – that did not include the costs of a potential PSC contract, which were it to be negotiated using the same terms as the DC37 contract would cost an additional \$23 million. In some respects it's not always a bad thing to not have a contract because I wouldn't have the money to pay for it: that's just in terms of the community colleges, not the senior colleges, and so this situation doesn't apply to you at John Jay.

And so although there is only a \$3.5 million cut, the total package of budget problems is in the \$7 million to \$8 million range which is difficult but not unmanageable. Effectively for the community colleges we are in a position where we can manage our way through this year. We were not in a position to manage a PSC contract. The City administration, however, also found a way of cutting another \$4.5 million and this cut specifically targeted senior college programs that are in the City's budget for CUNY: \$3.3 million was cut from the academic scholarship program which the City Council championed, Peter Vallone in particular, that enabled students who graduated with a B

average from **high** school to have effectively half of their tuition paid for and they could continue receiving that benefit provided they maintain a B average in college. There is an appropriation of about \$7 million a year for that program, half of which is already spent and so the City said it was taking the other half and also scheduled the elimination of the program. The City administration did it knowing full well that Peter Vallone and the City Council would restore the funding for the scholarship: that is expected and the City figured it would trade with Peter Vallone on other matters. It's the budget dance, not necessarily something that people get too crazed about because they recognize it for what it is.

However, the City Council also added last year, in June, \$1 million dollars for the John Jay Police Certificate Program: that \$1 million was eliminated as well, as part of the Mayor's proposal to the City Council, two days ago. Another item that was eliminated was \$250,000 for a study of women and minority business-owned contracting. Those cuts total \$4.5 million. So the community college cut of \$5.2 million and the senior college-related cut of \$4.5 million represent a \$9.7 million reduction to the CUNY by the City. When you hear that \$9.7 million reduction, that's how that number breaks out.

Recently one of your colleagues suggested to me that contrary to some views that we have at 80th Street, the Police Certificate Program has, in fact, increased as planned and there was some speculation at the University as to whether the Program had some difficulty in achieving the level of expansion associated with this \$1 million and, thus, that the absence of that million dollars would not have a tremendously negative effect. That apparently is not the case. And so the people at City Hall should know that and I'll communicate that as soon as I get back to 80th Street.

Where we are now is that the Mayor and the City Council are negotiating over the terms of the final package. At first the Mayor suggested it would have to be an up or down vote, the City Council would have to take all of it or none of it, and so the City Council voted it down. Then the Mayor agreed to talk about it. They are doing so in order to resolve their minor differences during the next couple of days.

Peter Vallone and a lame duck City Council are not in a terribly strong position to really dictate to the Mayor what the terms are. Besides, Peter Vallone and the Mayor have had a fairly good relationship over the past eight years; there was a time when things got a bit ugly, obviously during the elections things got a bit ugly, but they have managed to and continue to have a good relationship. So no one really expects a blow-up to happen. The good news is that all the responses we have obtained from City Hall over the past days is that among Peter Vallone's top priorities is the putting back the \$3.3 million scholarship program and I can't imagine the City administration getting in the way of that being done. I don't really think that people expect the scholarship program to be eliminated.

I don't have any intelligence about the other program for John Jay – the Police Certificate Program – except that the only thing that Peter Vallone was talking about was the \$3.3 million for the scholarship program. So there is some real risk that the \$1 million for John Jay's program is gone and that there won't be sufficient clout by the Council to put it back, at least not at the level of \$1 million. They might be able to put back something. I would advise Mary Rothlein to contact John Kotowski [of the CUNY Central Office] as soon as possible.

President Kaplowitz: Ernesto briefed me about this last night. **After** we meet with Ernesto, perhaps the Senate should draft a resolution to forward to the University Faculty Senate, which is

meeting Tuesday night – in 3 days – for its endorsement in support of funding of the police program.

Budget Director Malave: It is possible that the budget deal will be done by Tuesday night and so if you are going to do anything, do it today. Coordinate it with the calls that need to be made today to your legislators. It's moving very quickly because the holidays are coming up and because the new administration starts January 1.

President Kaplowitz: I'll talk with the Provost and with VP Mary Rothlein after the meeting.

Director Malave: Nobody knows how the Bloomberg administration will handle the budget. We think it will be a little different from the Giuliani administration. In fact we're pretty sure that there won't be very many CUNY haters in the new administration's inner circle and that's a **good** thing. After 8 years of that we can at least count on an administration that may not be in a position to help us but they won't be out to hurt us.

There are also signs that the people who will be advising the Bloomberg administration include CUNY faculty members, principally one of Mayor-elect Bloomberg's early advisors 6 or 7 months ago, is Allan Gardner, from the Graduate School, who will be advising him on education policy. There is Esther Fuchs, a faculty member at Columbia, who is very well known to many CUNY people, who will also be advising. And on a short list I hear the name of Michael Jacobson for budget director, one of your colleagues here on the faculty of John Jay. So if we get a budget director who is a **John Jay** faculty member maybe we can figure out how to get that \$1 million back for the Police Certificate Program.

President Kaplowitz: For those of you who may not yet know Professor Jacobson, he joined the faculty of our Department of Law, Police Science, and Criminal Justice Administration about four years ago.

Director Malave: So we **think** we will have a different tone but even for those of you who, perhaps, already know, even budget directors and mayors and chancellors who are sympathetic when faced with revenue shortfalls do what they have to do. And you know how that works. When there is no revenue coming in, you make associated reductions. You can make less reductions in certain areas but you have to make reductions. So people expect a lot of very difficult times ahead, primarily for the community colleges. There is only one thing that can help us at CUNY and that's the State's Maintenance of Effort Law that protects CUNY today.

The Governor will have to reintroduce that law next month but if he does that and if the State Legislature keeps the law, that law can at least guarantee some level of stability at the community colleges. We don't know if the Bloomberg administration will try to seek changes to that law in Pataki's budget. I have to tell you that as a budget director, a law that says that **an** agency can not save ten cents in its budget or that a budget director or a mayor can not take ten cents out of a budget regardless of the circumstances is not exactly – if you are a budget director in a difficult environment – the kind of law that makes a lot of sense. So I wouldn't be surprised if they seek to have some modifications, but none has come yet and by the time they finally get around to it the Governor's budget will finally have been released.

The fact that we have a Maintenance of Effort Law is not a guarantee that we will have budget stability at the community colleges in the future because people are trying to figure out and handicap whether the budget situation in the City of New York is akin to the 1970s or ~~akin~~ to the late

1980s and early 1990s: those are **two** different kinds of budget conditions. Some of you may have been around during the 1970s: the budget situation at that time was very brutal. But it is also a very different University in terms of how CUNY is funded compared to the 1970s so it is always important to remember that while it may be 1976 again, the City of New York's relationship to CUNY is no longer what it was in 1976, at which time the City played a dominant role in funding the senior colleges and the CUNY Central Administration. Right now, the City role is relatively minor compared to what it was in the 1970s. It would have to be a really nasty meltdown for us to have anything akin to that again.

The City of New York in the 1970s is not an appropriate analogy for the City of New York in 2002 except to say that any thoughts of growth, any thoughts of public support, can basically be set aside because the best case scenario would be to hold one's own, to work **as** hard as one can to hold one's own. Holding your own means that you have increased costs that you have to deal with: as I mentioned, we have a labor contract with DC37 that we will have to self-finance and a DC37-like PSC agreement would cost \$23 million today at the community colleges. The money is not there.

Assuming that lightning strikes and there is a contract this spring, where would we find the money to fund the contract? If that happens in March, for example, how would we pay for it? That poses an interesting question for *CUNY*, given that unlike the City of New York, the State administration – at least for now, although they say that every day that goes by it gets less and less likely – they are committed to funding the PSC contract for something **akin** to what was negotiated for *SUNY*. The funds are there now but they look you in the eye saying the longer we wait the less likely the funds will still be there. That's just the way it is.

Every time people come back from the folks in the State budget office who do the revenue estimates, it is worse than it had been before. So it's a real, real problem for us if we have a situation in which the prospects for a labor agreement get scuttled in part because one division of the University – one set of employees who are part of this same collective bargaining unit – can not have their contract financed. It really does pose some interesting questions for CUNY and I don't know how we get through that. We apparently have a little time because no one is suggesting that we are going to have a contract soon. That's where we are with the City.

Unless there are any questions, I'll move to the State budget. When I was here in May, the University didn't have a budget yet, did we?

President Kaplowitz: No, not yet.

Director Malave: That's right, they were dragging it out.

President Kaplowitz: Yes, and you were working on a senior allocation model.

Director Malave: Just to recap the State situation: the Governor had issued a budget in **January** that had a \$20 million lump sum for the senior colleges of CUNY to spend on a variety of things: to fund the mandatory costs associated with the contract, to finance the needs of the new building at Baruch College, to finance new faculty – we had scheduled 100 new faculty at a cost of \$5 million, and to enhance academic support to the amount of about \$1.7 million. That was the distribution of the \$20 million we had indicated we would support if the Executive Budget were enacted.

We had assumed, of course, that the Legislature would improve on the Executive Budget

although we probably should have learned a lesson from last year. So everybody assumed that the Legislature would add to the Executive Budget. Nobody assumed that the Legislature would actually cut the Executive Budget. The Legislature – Joe Bruno and Shelly Silver – decided on **a high** gamble of coming together to do what they called a “barebones budget” and they actually cut the Executive Budget by **\$4** billion and, presumably, by doing this, would get the Governor’s attention.

The Governor said: all right, go ahead, cut the budget. I think the Governor felt that this was a gigantic favor to him because he could then appear – particularly if he were to run against someone holding the title of comptroller – to appear to be fiscally responsible in restraining the Legislature. But we were then confronted with \$14 million less: that lump sum went from \$20 million to \$7 million and then there was another cut that we had for the Language Immersion Program.

People said we’ll worry about it later, we’ll negotiate it later, and then September 11 came. On September 11, all the rules changed, everything changed. And suddenly the budget that existed looked about as good as it was going to get and it turns out that is exactly what happened: the Legislature came back and said it would put back some of the capital appropriations but that it could not restore any monies. Then the Legislature came back a month later with the scheme of adding \$100 million to each house, telling each house to figure out all their needs with \$100 million each. That was six weeks ago. They haven’t figured out what to do with their money. The State fiscal year ends March 30 and they have not yet figured out what to do with their money. In the meantime, as I was reading the other day, school teachers in Buffalo are being laid off. You would think that for so many people interested in education, they would not allow school teachers to be laid off.

It does mean and it has meant that we had to issue warnings to the college presidents, telling them to begin thinking about reductions to be made. We had them put together scenarios of 1%, 1.5%, and 2% reductions to the colleges in the event that our efforts to fill the gaps and to get the Governor to help us were to fail we would have to then impose those reductions. The very good news – and it is also worth noting – is that we are not going to have to impose any reductions on the senior colleges as we had thought we would have to (and as the letter to the presidents suggested we would have to) primarily because of the Governor’s interest in helping us figure out how to manage certain capital appropriations and interest earnings from tuition and fees that are held in Construction Fund reserves.

This is a very, very active effort to help us find a way to cover what we believe to be about a \$10 million shortfall. We are 99% there. I say that because I **am** waiting for the official confirmation but there is no doubt in my mind that we won’t have to make any reductions at the senior colleges. That is very good news. And that is not thanks to anything the Legislature did. That is something for all of us to remember, that at the end of the day, we had to scramble with the Executive because they seemed a bit more sympathetic to our concerns and our needs than the folks in the Legislature. So that is the good news.

The outlook for the State – I’ll come back to talk about John Jay’s budget in particular – is difficult to really figure out. If you read the newspapers, it is anywhere from \$6 billion to \$9 billion. Imagine \$9 billion. And it is \$9 billion in State funds, not Federal funds or other revenues. That \$9 billion in State funds will have to be out of a total of about \$40 billion, in terms of the overall size of the State budget. But no one really believes the \$9 billion number because part of the dilemma the Governor has is that the people in Washington – and we know the games they play – are not going to be prepared to give us money unless they see pain. Why should they: if they see a governor come up with an executive budget that suggests that the capital program at *CUNY* and *SUNY* can be

continued and that no tuition increase is needed, then they think our situation is not so bad. If a governor does that, then [President Bush's Budget Director] Mitch Daniels says that he told everyone so, they were just cooking the books all the time, they don't really need \$20 billion or \$30 billion because if they did they wouldn't be having such a nice executive budget, would they?

So part of the Governor's struggle is how to suggest that there are real needs and not undermine the very argument for assistance from the Federal government. So it's very interesting how they have to go about this. To give you just one example: if you are in sitting in Illinois, you just saw the universities there increase tuition by 8% to 9% and you saw this same thing happen around the country, and the Sears Building is still sitting there in Illinois, and yet you see that in New York, which is having a huge fiscal problem, tuition isn't being raised by even 1%. This is where it is a real problem for the Governor and for people in higher education.

When you pick up *The Chronicle Higher Education*, you see everywhere, modest, incremental increases in revenue to meet obvious increases in costs, and yet New York doesn't know how to do this. I'm not suggesting there is going to be a tuition increase, because the Governor **has** indicated he would not support, and his Executive Budget will not include, a tuition increase. So that is not going to happen. But it does make it very difficult to argue for a lot of Federal aid when you don't seem to be having any pain.

But whether it's \$9 billion, whether it's \$6 billion, south is the direction that the revenues are going. So it is not really that difficult to figure this out: the revenues are going down and it's only a matter of figuring out how far down they are in order to figure out what that is going to mean to you; and who in the Executive will be making the decisions as to how to apply a reduction against that lost revenue; and whether or not the governor will consider public universities a bit more generously than he would consider any other agencies. We'll know in a few weeks. The Governor was actually thinking about doing the budget in December but now it's going to be in January, after all. We'll know. We know what's happening. We put together a budget request that also made it very, very clear that we appreciate the situation the State is in – it's fairly obvious what the situation is – and that we as a University have to figure out how to continue to make investments in *CUNY*.

Going backwards is not an option for us. We have to make that very, very clear to people. It is simply not an option for *CUNY* to be engaging in retrenchment-like discussions, it's just not the appropriate thing to do. It was a mindless thing to do the last time and to do it twice in a matter of ten years would be truly mindless. *CUNY* has to make investments and do it creatively, through internal restructuring of our resources to generate some resources into the future, because we are absolutely committed to the Master Plan. We recognize that we need to, perhaps, scale it back a little bit, but we're committed to moving forward. And it's very, very destructive to the institution to be engaged in retrenchment-like discussions. But it's a tough call. In the past, *CUNY* has sought a lot of public support, *CUNY* will seek it again, but we are not going to simply sit by and do nothing while our budget gets cut and our resources dwindle, and our faculty leave because they can't take it any more, and faculty don't come because the word is out that it's not worth coming here. That's the overall picture on the State side.

The John Jay situation during the current year looks very, very good. I don't know what reports you've received from the administration here. Actually, what reports have you received?

President Kaplowitz: I've been told that we expect our tuition overcollection revenue will exceed \$2 million and will be about \$2.5 million.

Director Malave: The figure is close enough. I'm counting \$2.2 million revenue overcollection this year that should, should – because you never know – put you in a position to be able to make reinvestments in those areas that have been neglected. Where is the librarian? [Seeing Senator Jane Davenport] . . . There you are. One of the things we'll be looking at and that we'll be expecting to see from the College administration is a plan as to how they will manage those resources in a way that is consistent with making the reinvestment in those areas that took the brunt of the hits during the time the reductions had to be made, whether that is in faculty positions or whether that is in student support services. And I expect to be having those discussions as soon as I verify the numbers. As far as my immediate recollection, the library is the single largest area that needs to get resources and I would endorse that and would expect that the College would do that. I don't know where you are putting all the students you are enrolling. Where are you putting them all?

Senator Tom Litwack: I hear we're building four new classrooms for the Spring.

President Kaplowitz: We're hoping for money from CUNY to rent additional space.

Director Malave: You have adequate resources of your own to spend on a new space rental?

President Kaplowitz: The four classrooms that were to have already been built have been delayed because of compliance issues raised by the City's Building Department. We're hoping for money from CUNY to rent additional space in the BMW Building so more administrative offices can be moved there to free up space for new classrooms here. I don't know if that request has reached your Office.

Director Malave: I'm aware of it. [The Senate responds to Director Malave's word choice with laughter.] The track record on rentals is not good at this College. That's why I'm only saying I'm aware of it. There was an effort with the Central Office with regard to the first rental of space at the BMW Building and suddenly that led to an explosion in costs. One of the reasons you had a budget problem at John Jay the last time is the way in which that was managed: suddenly there was a rental facility that someone else paid for, it didn't go through my Office the first time, and suddenly people were saying that they need money to operate it.

Then when you had major problems you were making major investments in those areas, and exploding your budget, and creating a deficit, which all of you had to pay for later on. Maybe the second time around it will be done in a way that takes care of temporary needs and doesn't create a cost that's going to come back to haunt somebody because the enrollment picture changes or because of the costs. But I expect to be able to come back to the College administration soon as to what we really think. We recognize the fact that you figured out how to generate more enrollment. I don't know if the trends are continuing along those lines. Have you heard anything from your people here?

President Kaplowitz: First of all: our new acting director of Admissions is Sandra Palleja, whom I know you know from years ago.

Director Malave: Yes, indeed. Sandra and I know each other: she was the president of John Jay's student government at the time. I happened to see her at the PSC function the other day. And so I am acquainted with your new director of recruitment. Did you know her when she was a student leader?

President Kaplowitz: Yes, I did. And she was a wonderful head of student government. She was

also my literature student and was a wonderful student. And she's doing a fabulous job as head of admissions.

Senator Carmen Solis: And she was a SEEK student! [Laughter from the Senate.]

Senator Tom Litwack: And she ~~was~~ my student, too! [Laughter again.]

President Kaplowitz: [Laughing]. We're all taking credit for Sandra!

Senator James Malone: And she was my student government president while I was dean of students! [Laughter from the Senate and from Director Malave.]

Director Malave: [Laughter] But she's my friend.

President Kaplowitz: Every indication is that because of September 11, there is a tremendous growth in interest in public service and especially in the mission programs of our College, including fire protection, police science, criminal justice, terrorism, emergency management.

Director Malave: So what are you going to do? Four classrooms is not going to take care of that, right?

Senator Robin Whitnev: A new building is going to be built next to this one.

Director Malave: If the students want to come now, you need a solution now, not one that takes four to five years to develop.

Senator James Malone: It seems to me to be folly to change construction plans in response to something temporary. . .

Director Malave: That's right.

Senator Malone: . . . when we can build something that will be permanent.

Director Malave: The issue is that unless you have a reasonable plan to meet the demand, the students will go someplace else. It's just that simple.

Professor Ned Benton: A small but increasing proportion of our students are taking online courses.

Director Malave: That's helpful. I've finished reviewing the City and State budget situations and I'm ready for any questions you might have.

Senator James Malone: How effective is the University lobby in Albany?

Director Malave: All of the money we received over the last two years is the result of what the Governor did. Period. The Legislature did nothing over the past two years. Whether that's the result of ineffective lobbying or not, if you have a couple of years of that pattern, I would think you would need to reevaluate and strengthen your operations and so I would think that we need to improve how we do business in Albany.

Senator Malone: Last year, the Chancellor spoke at the Black and Puerto Rican Caucus, this was when Roger Green was chair of the Caucus, and Roger Green reached out to the Chancellor and said: “Use us, use us,” as though they had not been used. They are, however, a small group.

Director Malave: A small but important group.

Senator Malone: I told Roger Green that I hoped the University would “use” the group but he had not seemed optimistic about that happening.

Director Malave: You know who to call at 80th Street – give Jay [Hershenson] a call and give him some feedback. He would appreciate hearing such information. That would be helpful.

Professor Ned Benton: I’d like to ask you about John Jay’s expansion project which we call Phase II: could you give us a sense as to where that process is and what you see as to the obstacles to that process.

Director Malave: I know extremely little about this project. In fact, it was when I read *The Daily News* op-ed piece about the project a few months ago that I became educated about this project.

President Kaplowitz: Unfortunately the *Daily News* piece results in miseducation about the project.

Director Malave: Then I was miseducated by that article. That’s important to know.

President Kaplowitz: That *Daily News* opinion piece is replete with distortion, misunderstanding, and misrepresentation and I’d be happy to go over it point by point with you at some future time, if you’d like.

Director Malave: What is clear to me is that there are real and very powerful forces that are interfering with the project, apparently, successfully interfering, and when someone successfully interferes with something for several years – speaking of effective lobbying – it is not a good sign because you have to ask why would these forces finally fail after have been so successful for two and a half years in meeting their ultimate objective. People do speak of September 11 and the so-called potential space crunch in the City of New York and how that could effect your project, which is already in limbo, and we now have real real estate needs in the City that change the equation.

While not knowing a lot about this project – and I really, really don’t know a lot about this project – what I gather is that it had serious problems before September 11 and I can’t imagine those problems getting any better after September 11. Having said that, since I’m not involved in the project, I can be completely wrong about what is going to happen. And so I don’t have a lot to offer you about this except my own observations about how things generally work.

President Kaplowitz: Since I’m on the Board of Trustees Committee on Facilities . . .

Director Malave: Yes, you probably know much more about this, Karen.

President Kaplowitz: Some of what I know has taken place during executive session and so I can not speak about those aspects. But there has been a public process and there is a public letter to the Governor’s Office together reveal the status of the project but not the causes: a year ago, in November 2000, after the Court granted CUNY’s eminent domain petition – and thus the Court

stated through its decision that the public interest and public need for Phase II for John Jay College warrants the seizing of the land contiguous to T Building and the payment of the fair market value to the owner of the land, the Board of Trustees approved the architectural firm of Skidmore, Owen and Merrill (SOM) to design and build Phase II, and yet a year later the Governor still has not given the Dormitory Authority of New York (DASNY), to whom the title of the land was properly transferred, permission to sign off on the SOM contract.

Senator Malone: Are you saying DASNY is refusing to sign off!

President Kaplowitz: No, the Governor is not giving DASNY permission to sign off.

Director Malave: I can assure you that when something like this happens it is not because some staff member in the Dormitory Authority is interfering. It doesn't work this way.

President Kaplowitz: It seems that the former owner of the land has hired a very good lobbyist. It is not clear why the Governor is delaying this project since it would be a big boon to the construction industry because it is a major, major project. But this delay preceded September 11 by about ten months and so, while I agree with Ernesto that the potential exists for the events of September 11 to further complicate the resolution of this issue in a way we want and need, the problems preceded September 11 by a very long margin. One issue is that the former owner wants to engage in a private/public partnership.

Director Malave: Wasn't this building – T Building – a private/public venture?

President Kaplowitz: T Building was built through Certificates of Participation (COPS), which was a private/public approach to financing the building and which enabled the building to be quickly constructed because the Wicks Law was not, therefore, operative, but COPS is no longer an approach that CUNY is willing to engage in. What the former owner of the Phase II land wants, from what I understand, is something different and that is private/public use of the Phase II building, once it is built. There is always public use in that there is a bookstore owned not by CUNY and so forth. And other public entities could be rented space after the building is built. But first consultants would have to determine how much of the property is needed for John Jay's needs. Since Phase II is predicated on a John Jay Master Plan that is long outdated in terms of our enrollment numbers and projected enrollment numbers will be insufficient for our space needs even when it is built unless there is tremendous erosion of our enrollment in the interim, this is an issue that must be decided later by CUNY, not now in response to lobbying.

Director Malave: I understand. This reminds me of a plan a number of years ago for the CUNY Central Administration to be the anchor tenant of a major new hotel, the Renaissance Plaza. That idea died.

Senator Amy Green: Do you have any ideas or advice about what we should do given our space deficiency and the increasing numbers of students coming to and being enrolled at John Jay?

Director Malave: I would find links with other CUNY colleges in ways that have not, perhaps, been explored too aggressively so that John Jay can effectively have and run its programs using space that we already own at CUNY at the other colleges. If some other campus has classroom space and you can figure out how to work out those arrangements, that's a way of addressing your space needs. People talk about the "integrated University" but you can't just talk about it. Here we have a

system that has tremendous facilities throughout the City of New York and we often, frankly, not just in this potential situation, run the risk of losing students and of not providing the best possible opportunities for students because we can't figure out how to have students be at one campus and be connected to a program at another campus. If a student lives in the Bronx or in Brooklyn or in Queens or even in Manhattan and there were space at City College or at a community college or at another senior college why not figure out how to make it happen?

I know it's difficult because we can't even effectively manage articulation at CUNY but it shouldn't be that difficult to do particularly at an institution that has the only programs that would be offered. It is not as if there are several campuses with the same programs: you are the only campus with the programs that you offer. You'll basically be trying to secure your future enrollment, perhaps at a lower division whereby students take their lower division work at another college, perhaps at a community college or anyplace, else, really. You'd have to manage the enrollment and as space becomes available you would start restructuring the classroom teaching. That's what I would do.

At least until you build the new building, you don't want to lose your students to St. John's or to whichever other colleges are going to be getting into this business and to other institutions besides yours that have the programs you offer which are getting the same pressures you are getting for increased capacity in their programs. And maybe the thing to do is to have other sites at CUNY other than here because your main goal is to do what you can to not lose those students. Use your very colleagues at other CUNY colleagues to do this.

Senator Amy Green: Is there space at other CUNY campuses?

Director Malave: We have a number of campuses that are fairly underutilized.

Senator Malone: This idea was discussed many, many years ago with Bob Kibbee [Chancellor of CUNY in the 1970s] after Harvard came out with its integrated core and CUNY talked about an integrated core that all students would be required to have, although that never happened. Perhaps now is the time for that discussion to take place.

Professor Benton: There is enormous interest among people from all over the country in taking various specialized courses given by John Jay, courses in such areas as fire science, emergency response, hazardous materials, through distance learning. But we've been told that we must charge out-of-state tuition for out-of-state students, even for distance learning courses, even though these students would not be using our facilities.

I've seen ads for SUNY/Empire State College online courses in fire science and when I went to the SUNY/Empire State homepage I saw the statement that their distance learning tuition for these online courses is the same for in-state and out-of-state students. Why can SUNY/Empire State do this and CUNY can not? It's not only that these students would not be using our facilities but we wouldn't even have to deal with testing issues or other such issues. There are even many people in New York City, such as firefighter personnel, who would want to take these courses online.

Director Malave: I think you're on to something. You've mentioned it before.

Professor Benton: But why can Empire/SUNY charge the same tuition to out-of-state and in-state students for their distance learning courses? I had thought the principle requiring out-of-state

students be charged out-of-state tuition applied to not only CUNY but *SUNY* as well. This is an issue of principles.

Director Malave: I don't think so. Tuition issues have always been a kind of sacrosanct issue at *CUNY*. But I think we are beyond that. We have a \$35 million revenue piece in our FY2003 Budget Request and it is for things like what you are describing: proposals such as yours whereby decreasing tuition levels we could increase our revenues are the kinds of proposals the Chancellor is looking for. He is looking for ideas to generate revenue in 2003. I'll put that one on the list. I don't see any impediment to any charge of tuition at CUNY, of any kind.

President Kaplowitz: But wouldn't the Board of Trustees have to vote on such a change?

Director Malave: Yes, the Board does have to vote on all tuition matters, but while this issue may have been a matter of principle, I do not think it's a matter of law. I can't think of any legal or regulatory impediment to doing what Ned is suggesting.

Professor Benton: Broward County, Florida's, Sheriffs Department wants John Jay to offer a protection management program there. Broward County would offer the facilities. We might have to fly some people there and back but some of the courses could be taught online. It would be a great program. We just need someone to untie our hands.

Director Malave: Look at the differential between community and senior colleges, in terms of in-state and out-of-state tuition. The *CUNY* community college tuition differential between in-state and out-of-state tuition is only \$300 so maybe the answer is that there does have to be a differential but it could be as little as one dollar and if that's all it takes one should be able to figure out how to do that. Because we clearly have a differential between our community and senior colleges, and it is a not unsubstantial amount. At the senior colleges the differential is double the tuition and at the community colleges the differential is \$300 so that alone should tell you that there is no impediment other than our own way of doing business.

Senator Tom Litwack: I have two questions, Ernesto, the first one of which is technical. Given our anticipated revenue overcollection for this fiscal year, could our hiring freeze be somewhat waived for the remainder of this fiscal year?

Director Malave: I don't see why not. If not waived, modified. I wouldn't want to unleash a series of administrators on the campus. On the other hand, if you wanted to hire back the 20 [substitute] faculty, I would have no objections to that, none at all.

Senator Litwack: So as a general principle, you'd have no objections to that?

Director Malave: As a general principle, I let colleges manage their own budgets. John Jay deserves careful watching but the numbers suggest that it could manage it. If the numbers are there to support investments in library and in full-time faculty this Spring, then by all means. I would encourage it.

Senator Litwack: Let me be even more specific. If there were a need for a student services person who is not a faculty member, under our current hiring freeze, we couldn't even hire a new person for that position. Would you be open to such a hiring?

Director Malave: The College is down about 40 positions from last year's level. Given the student enrollment, you might need and want a person in student services. But that's why I said I want to see a plan to invest the monies in areas that have borne the brunt of the service reduction. There could be hirings, substitute hirings of non-faculty, in the Spring.

Senator Litwack: I didn't mean substitute positions. There are administrative needs as well as faculty needs.

Director Malave: If the College's budget structure is in alignment and matters are clearly on the path, needs can be met. But they are at risk, however, because the reason the College is managing its budget, the reason it looks like it is all right, is, in part, because there are other RF [Research Foundation] dollars that are built into the financial plan, there are other soft monies that are carrying the plan. While you have that, you need to be very careful because the structure is still a little weak and so the College has to be careful. But I would be open to investments.

Senator Litwack: Thank you. The second issue – and I know that you and CUNY have more important issues on your mind now – but even given the current budget situation, are there any plans to effectuate the senior college allocation model?

President Kaplowitz: With regard to the draft of the model, we want to congratulate you and thank you . . .

Director Malave: You like the model?

President Kaplowitz: I didn't say that. [Director Malave laughed.] When you were here last, in May, you said that you were determined to develop a senior college allocation model . . .

Director Malave: We haven't done that yet. We're working on one.

President Kaplowitz: But you've developed the draft of a model and that merits congratulations and thanks.

Director Malave: The answer is that we have to continue to move forward on changing the allocation system at CUNY. I would hope to have a final report no later than February or March for the Chancellor to consider this Spring, and, for, in part, phasing in and implementing in the next allocation phase. I hope so, otherwise we would have failed.

Senator Litwack: Obviously we were very happy about certain aspects of the latest version of the model.. .

Director Malave: [Laughing] And now we just have to fix the rest of it?

Senator Litwack: [Laughing] Actually, what I do want to say is that you and the Chancellor have come through on your commitment to us to develop a model, even though it is not completed yet. It is really in process, I really feel that, and I really thank you for that.

Director Malave: Thank you. I hope we do it.

Senator Litwack: I know it's in process but I think the basic commitment is being satisfied.

Director Malave: I don't think so. Let me just qualify that for a moment. I think it is important to recognize that because the financial climate and the outlook has changed considerably, there will be enormous pressures that weren't there before to not proceed. You should recognize that. And so while we're committed to doing this, there are not forces now that simply weren't going to be there before because the situation wasn't going to be as stressful. Now that the situation is likely to be extremely stressful over the next few years, that's going to have an impact and it will make our job more difficult. Bear that in mind. The dynamics have changed.

Professor Benton: To the extent that the draft model reveals that there are functions at certain campuses that are funded more than the model would recommend then the opposite is true. The fact that there are fiscal problems means that there is even more of a reason and more of a necessity to move ahead with the model as a way of improving productivity and fiscal soundness and fairness.

Director Malave: You are right. But then the question is the numbers that are in the model, Remember, this is not our model yet. There are obviously areas among the campuses that appear to be, in relation to this model, overfunded. Our job is to make sure the integrity of the model is such that it is capturing all those properly, and once we vet that out, that will be a snapshot to take a look at the levels of inefficiency in the system and as a productivity measure for ranking some of the priorities. I recognize that the model can be used as a tool. And we have a new chief operating officer at CUNY who I think will take this model and what we are doing very seriously. But I've been at CUNY long enough to know that lesser events have managed to scuttle good efforts to redistribute resources and that's always been the case.

Senator Litwack: That's why I didn't ask when are you going to finish and implement the model, but rather asked how the process is going because I'm aware of the situation. But I think Ned's point is an excellent one. Before September 11, we were planning to write thanking you for the latest iteration of the model and then commenting on the ways in which we don't agree with it. And we haven't written that letter because we know you and the University have more important things to deal with right now.

Director Malave: I encourage you to write that letter.

Senator Litwack: You would not be troubled if we wrote such a letter?

Director Malave: Not at all. And without such a letter the allocation model is not going to get into the mix. Get it into the mix.

Senator Litwack: That's what I wanted to ask you.

Director Malave: I'm sure the letter would reflect an improvement in the model and so I would welcome such a letter.

President Kaplowitz: After September 11, we didn't want to seem narrowly focused on John Jay's needs while the larger CUNY needs had to be addressed.

Senator Litwack: Now is the time for such a letter and earlier was not the time.

Director Malave: That's right.

President Kaplowitz: Since we do seem to be doing quite well fiscally because of the tuition overcollection monies – and one of the ways we’ve been responding to the enrollment increase is, by the way, by increasing our Friday, Saturday, and Sunday offerings –

Director Malave: That’s the way you’ve generated the space: Fridays! Of course.

President Kaplowitz: From what I’ve been told – I’ve not actually been given any data nor have been briefed about it – our weekend program is almost filled on Saturdays and has a growing enrollment on Sundays. It is doing less well on Fridays but on Fridays we primarily have the police certificate program. Many students come during the week and on the weekend in order to enroll in the courses they need because there are not enough classes during the week because we don’t have enough classrooms. But because we were in financial difficulty two years ago . . .

Director M: _____ Just yesterday right?

President Kaplowitz: It does feel like just yesterday. And since we’re down 39 full-time faculty from our Maintenance of Effort requirement – for those Senators who are new to the Senate – this is a different maintenance of effort policy than the one Ernesto was describing when talking about the State law with regard to our community colleges. The faculty maintenance of effort policy is a wonderful one that Ernesto can be thanked for whereby each college is required to have at least the same number of faculty it had the previous year – at least the same number – plus any additional faculty lines that were allocated to the college.

Therefore if a college receives lines for faculty, the college may not fill those lines with administrators. Or if faculty retire or resign, those lines are to be filled with faculty, not with administrators. But two years ago John Jay and one other college, because both colleges were in financial difficulties, were given a waiver of the faculty maintenance of effort policy. That is, John Jay and the other college were permitted to temporarily not adhere to the maintenance of effort policy –

Director Malave: And keep the money. Right.

President Kaplowitz: – and keep the money resulting from not filling those faculty lines in order to pay back the debt and reduce our expenditures. But now we seem to be doing well and are, of course, unhappy that we are down 39 full-time faculty, especially because we were already disadvantaged. Before the fiscal problems two years ago we had only 260 full-time faculty although we had more than 10,000 students – 260 is our faculty maintenance of effort number – we now have only 221 full-time faculty on our payroll. Four faculty are retiring next month and others will undoubtedly take Travia leave the following semester. And so, my question, Ernesto, is whether in light of all this, CUNY’s Maintenance of Effort policy can be re-imposed on John Jay.

Senator Litwack: But I’d like to point out that even apart from the \$2.2 million tuition overcollection monies, our current plan is to have every one of those lines filled, either by a person hired on a tenure-track line or by a person on a substitute line, by Fall 2002. And, also, we are using the lease revenues we are receiving this current year to hire substitute faculty for next semester, for Spring 2002.

President Kaplowitz: But that is a plan. And plans can be changed. My concern is that as long as a waiver of the University’s Maintenance of Effort policy exists for John Jay, the plan to hire those

full-time faculty may be changed by the College.

Director Malave: And you will have \$750,000less next year.

President Kaplowitz: Because the lease revenues we are receiving this year, at least as of now, are not going to be provided to us next year.

Director Malave: That's right. We don't know whether there will be a lease next year. If there will be a lease, we can have this discussion again. But I don't have any insight into whether we will have any lease revenues, unless, of course, if Phase II is stopped from happening for another ten years and then we'll have the lease revenues for that period.

Senator Litwack: Of course the plan assumed that CUNY does not lose revenue from the State and that John Jay doesn't lose its proportionate share of *CUNY's* revenues.

Director Malave: Yes, there was a plan to get back to a certain level of full-time faculty. Let's also recognize that things have changed and I'm sure the University's Maintenance of Effort policy will be modified to reflect that change. Let's recognize that when you say that every single line will be filled, the fact is that we don't know what the budget will be. We will have a sense next month because the Executive Budget comes out in January although it takes Albany forever to adopt a budget. So we'll know at least what we will get – or that's the way it used to be – when the Governor releases his budget in four or five weeks. That will tell you what the nature of our discussion will be about faculty hires and any other hires in 2002.

There is no higher education policy in the State of New York that resembles anything that seeks to make the kinds of investment that need to be made. We have a dysfunctional revenue policy: we wait six or seven years and then we sock it to the students by raising tuition by 40%, which is absurd. We're always behind the eight-ball in terms of meeting our obligations because we can't figure out to do what the rest of the country does, which is to have a moderate schedule to raise revenue, including public and tuition revenue by reasonable levels to meet what are, obviously, increased costs. And as a result, nobody else is going through this but us. You've seen the reports my Office has done. We can either choose to go into the 2000 decade the same way we have done in the past or we can choose to figure this out, and I hope we figure it out.

President Kaplowitz: Since the Governor's Executive Budget should be released in four or five weeks, and all of us at the University are engaged in searches for faculty, and I know that your position has been – rightly – that colleges have to make decisions as to how to manage their finances, if you were a college president at CUNY would you hold off making the actual offer to potential faculty hires until the Governor's budget is released or would you make the offer now if the search were finished and you wanted to ensure that get that excellent candidate whom you wanted to hire because if you waited you might lose the person to a job elsewhere?

Director Malave: If it were a very critical position that you wanted to fill, it doesn't really matter what is happening, you need to fill it and then figure out how to finance it. That's the general rule. But it is also true that some people are saying they have to develop a war chest for future needs and that also means being conservative in your hiring in order for you to maximize your flexibility later. A few weeks from now we will know the scope and so waiting a few weeks is not unreasonable.

President Kaplowitz: Profess Maki Haberfeld, who is a member of our Senate, has just arrived

from teaching in our Police Certificate Program which, as you know, is held on Fridays. She is one of the coordinators of the Program.

Senator Haberfeld: I apologize for not being here earlier but I was in class. I've been told, however, about the discussion earlier about the Police Certificate Program. As Karen explained, I am one of the coordinators of the Program as well as one of the faculty who teach in it. The Program is meeting its expectation. Out of 500 people who enrolled in September, despite what happened on September 11, we still have 300 people attending the Program this semester, which is a wonderful number, especially considering that some of the officers are still working 12-hour shifts every day. And some who were forced to drop have registered for the Program in the Spring. We've advertised our two graduate courses that are part of this Program and already 90 police personnel who hold the rank of lieutenant up to deputy inspector have registered. It is, therefore, expanding beyond expectations and we are ready to provide the numbers to whoever makes the decisions.

Director Malave: I'm glad to hear that they are unfounded rumors. You missed my report in which I indicated that the Mayor is proposing the elimination of \$1 million in funding to that Program. That's a problem if the Program is continuing to grow. There was a sense, when the Mayor made that recommendation, that the Program had some difficulty in expanding beyond what it had done in the summer. Is your enrollment of 500 consistent with the summer enrollment or is it a major change from the summer enrollment?

Senator Haberfeld: We had 500 during the summer and we had 500 enrolled in September.

Director Malave: Where is the expansion then, if the number you had in September is the same as the number you had in the summer? There was funding for the program in the summer and as I understood, when the City Council provided the \$1 million, it was presumably to substantially increase the Program but what I hear you saying is that the enrollment level in Fall – 500 students – was the same as in the summer, at which time you had 500 students.

Senator Haberfeld: The enrollment was the same because of the logistics of the College but there were many more who were interested who we could not absorb in September and who want to attend in the Spring. There is an expansion in that there is increased interest in attending.

Director Malave: I understand. It's just that there was a quarter of a million dollars that was provided in the summer and you ran a program in the summer at a cost of a quarter of a million dollars and there were 500 students. When people then saw the \$1 million, the expectation was that the \$1 million was in order to support a significantly higher level of enrollment and what I'm hearing you say is that the enrollment levels were not different.

Senator Haberfeld: The \$1 million was for both the Fall and Spring semesters.

Director Malave: The question is how much money you need in the semester that you are running the program in order to manage the program. If the funding is not there, you may have to cut off the program. What I'm saying is that there was an expectation that new money would be providing increased enrollment levels and, unless I'm missing something, I thought you said that the enrollment levels and the participation were effectively the same as in the summer and, thus, there was no major expansion and, in fact, there was no expansion at all. But we'll straighten out the numbers.

Senator James Cauthen: I'd like to follow up on Karen's question about searches: do I understand you that it is really a college-by-college decision as to whether or not a college makes hard offers in these searches as opposed to some directive from 80th Street? That a college is responsible for managing its own funds?

Director Malave: That is right. There was some talk at CUNY when the State issued its hiring freeze as to whether or not **CUNY** should issue a hiring freeze and I argued strongly against doing so. There are those campuses that should be doing hiring freezes because of their situation, but that should be a locally determined decision. If I'm going to impose a reduction centrally because we need to generate revenues to support another critical project and if say a President Kimmich at Brooklyn or a President Raab at Hunter says: 'I can meet my obligation to that cut by giving you a half a million dollars and still meet my obligations to hiring,' then that president should have that ability to do that. That position prevailed and continues to be the case.

President Kaplowitz: I know that Allan Dobrin, the new Senior Vice Chancellor and Chief Operating Officer of CUNY –

Director Malave: You should invite him here. I'm sure he'd love to come.

President Kaplowitz: CUNY's Budget Request, which is going to be voted on Monday, calls for \$10 million in productivity savings by the University and also calls for fundraising by the University and by the presidents.

Director Malave: Yes. It is creative revenue production. It involves changing policies.

President Kaplowitz: I gather that Vice Chancellor Dobrin has asked the vice presidents for administration to meet with various people at their campus to come up with ideas for productivity savings.

Director Malave: Yes, to come up with ideas for being more efficient.

President Kaplowitz: Perhaps we should ask VC Dobrin – and thank you for having him meet with the University Faculty Senate's Budget Advisory Committee – **Ned** and I were very impressed by him and look forward to working with him – but perhaps you know how that consultative process is supposed to take place? Consultation doesn't always take place on campuses as it should and those of us who actually work in the trenches do need to be consulted about productivity changes.

Director Malave: I'm not sure this is going to be a highly structured process. Rather I think people are going to want to make sure that there is no stone left unturned in terms of ideas. Certainly **Allan Dobrin's** view is that you ask the maximum number of people who can have a considered judgment on anything, you seek them out, **and** then you put the best ideas forward. That's what I think he means: to not lose an opportunity. But he's also saying this is now to be taken extremely seriously, that the days when people spoke of productivity and then did something else are over.

They are very, very serious about having a more efficient University and if we don't do that we're never going to be able to justify any revenue changes. We cannot justify changes in revenue, increasing fees, if at the end of the day people have the perception that this is a bloated, inefficient system that has to be supported. If on the other hand, and this applies to donors as well, if they think the system is doing everything it can to be as efficient as it can, then and only then can we justify

levying an additional charge. Otherwise people would object and would have good reason to object.

President Kaplowitz: Do you have any questions of us?

Director Malave: No, I really don't. I obviously enjoy coming here. It's a good break from what I'm doing at 80th Street these days which is, obviously, worrying about budget matters on a constant basis. So I relish the opportunity to come here and, so, I thank you for having me,

President Kaplowitz: Thank you so much for spending so much time with us and for speaking so forthrightly and for being so generous with your explanations and information. It is always a pleasure for us to meet with you. You are always welcome at our Faculty Senate. And thank you for all you have done for John Jay, for all your help. [The Senate expressed its appreciation to CUNY Budget Director Ernesto Malave with sustained applause.]

11. New Business

Senator Jane Davenport reported that the administration's request for \$750,000, that is, for half the Phase II lease revenues, was predicated on specific uses of that \$750,000, including \$100,000 for John Jay's Library. It was on this basis that the Senate voted to ask the CUNY Central Administration to provide John Jay with at least half of the lease revenues. However, the Library still has not received the \$100,000 allocation from those lease revenues, which 80th Street did give the College. President Kaplowitz and Senator Tom Litwack said they will address the situation and they thanked Senator Jane Davenport for providing them with this important information.

At the request of the Committee on Honorary Degrees, the Senate discussed the timeline for considering May 2003 honorary degree candidates. The Senate agreed that the best time to consider honorary degree candidates is at an all-day meeting because of the lengthy time needed to debate and vote on each proposed candidate. The Senate agreed to a new procedure to expedite the transmittal of the Senate's recommendations to the President, the Chancellor and the Board of Trustees.

By a motion duly made and carried, the meeting was adjourned at 4 PM.

Respectfully submitted,

Edward Davenport
Recording Secretary

&

James Cauthen
Associate Recording Secretary

&

Amy Green
Vice President

