

MINUTES OF THE THREE HUNDRED AND FIFTIETH PLENARY SESSION
OF THE UNIVERSITY FACULTY SENATE
OF THE CITY UNIVERSITY OF NEW YORK
April 13, 2010

The meeting was called to order by UFS Chair Philipp at 6:30 p.m. in Rooms 9204/05/06 at the Graduate Center. Sixty-six of 121 voting members were present.

Baruch: Present – Bazzoni, Hill, Martell, Remler, Wine, and Alternate Harel. Absent – Ellis, Myers, Nematollahy, and Wymbs. **BMCC:** Present – Friedman, Genis, Martinez-Lopez, Persaud, Soto, and Vozick. Absent: Conway and Kalogeropoulos. **Bronx CC:** Present – Ismail and Prabhu. Absent – Bandar and Skinner. **Brooklyn:** Present – Bank-Munoz, Bell, Dexter, Massood, Shapiro, and Alternate Jacobson. Absent – Cirasella, Duboys, Magliozzo, Morrill, Shortell, and Viscusi. **CCNY:** Present – None. Absent – Crain, Jablonsky, Khanbilvardi, Kiely, Lascar, Raj, Rinard, Sank, and Watkins. **CSI:** Present – Cooper, Klibaner, Talarico, Petratos, and Zimmerman. Absent – Batson, Levine, and Yousef. **CUNY Law School:** Present – None. Absent – Bach and Rossein. **Graduate School:** Present – Lennon, Philipp, and Alternate Vora. Absent – Aguirre-Molina, Baumrin, and Nolan, and Weinstein. **Hostos CC:** Present –Ovtcharenko, Sharma, and Alternate Hubner. Absent – Pimentel. **Hunter:** Present – Baumann, Grossman, and Spark. Absent – Ancona, DeMeo, Guzzetta, Kaye, Kuhn-Osius, and Strayer. **John Jay:** Present – Crossman, Dunham, Kaplowitz, Katz, Kubic, and Alternate Cheloukhinw. Absent: King-Toler. **Kingsborough CC:** Present – Barnhart, Hume, Ruoff, Wood, and Alternate Stubin. Absent – Arliss and Shean. **LaGuardia CC:** Present – Beaky, Kurzyna, Lerman, and Mettler. Absent – Davidson and Shean. **Lehman:** Present – Carey, and Alternate Silverman. Absent – Jarvis, Larimer, Marianetti, Maybee, and Mineka. **Medgar Evers:** Present – Reid. Absent – Cuffee, Stewart, Withers. **NYCCT:** Present – Cermele, Horelick, Hounion, Richardson. Absent: Panayotakis and Woytowich. **Queens:** Present – Bird, Brody, Moore, and Savage. Absent – Gonzalez and Zevin. **Queensborough CC:** Present – Barbanel, Borrachero, Pecorino, Tai, and Volchok. **York:** Present – Corkery and Lewis. Absent – Baron and Mawyer.

Anick Boyd (GS), Czarnoele Bronsk (Hostos), Campbell Dalglish (CCNY), Linda Meltzer (QCC), Jay Weiser (Baruch), and Grzegorz Zajal (Hunter) were guests of the plenary.

Governance Leaders present: Cooper (CSI), Hume (Kingsborough), Kaplowitz (John Jay), Martell (Baruch), Mettler (LaGuardia), Parides (NYCCT), Savage (Queens), and Tai (QCC) attended. Executive Director Phipps, Administrative Assistant Pasela, and Secretary Blanchard were also present.

- I. Approval of the Agenda: The agenda was adopted as proposed.
- II. Approval of the Minutes of March 2, 2010: Minutes were approved as distributed.

III. Reports (Recorded in Reports & Deliberations)

- A. Chair (oral & written)
- B. Interim Senior Vice Chancellor for Budget, Finance, and Financial Policy
Marc Shaw (oral)
- C. Representatives to Board Committees (written)

IV. Nominations for Officers and Members-at-Large of the Executive Committee

Professor Jay Weiser of Baruch conducted the nominations. Two were nominated for Chair – Philip Pecorino nominated Michael Barnhart (KCC), and Leslie Jacobson nominated Sandi Cooper (CSI); Karen Kaplowitz nominated Terrence Martell (Baruch) for Vice Chair; Thomas Bird nominated Martha Bell (Brooklyn), and Lenore Beaky nominated Anne Friedman (BMCC) for Treasurer; Terrence Martell nominated Karen Kaplowitz (JJ) for Secretary; for at-large member, Terrence Martell nominated Stefan Baumrin (GS), Morris Hounion nominated Campbell Dalglish (CCNY), Frances Ruoff nominated Carmen Martinez-López (BMCC), Emily Tai nominated Philip Pecorino (QCC), Thomas Bird nominated Kathryn Richardson (NYCCT), and Philip Pecorino nominated Emily Tai (QCC).

V. New Business

A. Resolution on Academic Credentials – After discussion, the resolution was referred back to the Executive Committee to be amended in light of comments raised by senators.

There being no further business, the meeting was adjourned at 8:10 p.m.

Respectfully submitted,

William Phipps
Executive Director

REPORTS AND DELIBERATIONS
OF THE 350th PLENARY SESSION
OF THE UNIVERSITY FACULTY SENATE
OF THE CITY UNIVERSITY OF NEW YORK
April 13, 2010

Chair Philipp – You have my Chair’s Report in your packet. I am going to amplify on that a little later, but I’d like to move on to our guest this evening, who is Marc Shaw, the Interim Senior Vice Chancellor for Budget, Finance, and Financial Policy. The latter two words have been added to the title when he took the job. Mr. Shaw has an outstanding record inside City government, as head of the MTA, and many other positions. He is a true and dedicated public servant, and we are really happy to have him here. We are less

happy that it was the event of Vice Chancellor Malave's passing that created the changes, and we regret that because Vice Chancellor Malave was a true friend. But we are very happy to have Vice Chancellor Shaw here!

Vice Chancellor Shaw – Let me begin by giving you a little background. I spent over 25 in State and City government in a career I never planned on. It just happened by accident, and I become a government junkie for better or worse. I started in State government working for the Senate Finance Committee in Albany in the 1980s, then came down to New York City and went to work for the New York City Council where Peter Vallone, Sr. was the Speaker. It was 1988, and it was a sweeping job of being the director of finance of the City Council, which was the other legislative body when the Board of Estimate still existed. A few months after I took the job, the Supreme Court ruled, blowing away the Board of Estimate over the one man/one vote issue, and there was a big Charter Commission change and all of a sudden the City Council became *the* player in terms of the legislative body in New York City. All of a sudden, I had a job I probably wasn't qualified for! At that point, it was the last year of Koch and then David Dinkins got elected. He was mayor during a very difficult time which propelled me to be a mucky-muck in New York City all of a sudden because the City Council turned out to have a lot more say over things in the City government. If you remember, this was a time of high crime rates, and one of big things I worked on at the time was the original Safe Streets, Safe City program that led to the hiring of 5,000 police. After David Dinkins, of course Rudy Giuliani got elected mayor. I didn't know him but ended up being first his Finance Commissioner and then his Budget Director, and was there for just two years. It was a very interested time working for the guy, because whatever you think of him he was incredibly smart, but when he first came into office he came in with a prosecutor mentality. He was smart enough to realize though that he needed a couple of fiscal people around him to run City government, and he knew little about the running of City government. Since I was the Finance Director in the City Council working for Peter Vallone, in a roundup of the usual suspects who could do a job like this, I got hired. It was a real fun time, because he was like a sponge and eventually he became the Budget Director of New York City. I always felt sorry for his fourth and fifth Budget Directors because they didn't really get to do their job anymore! He essentially took over. But when I was working for him, it was more of a learning time for him, and so for me it was a fun job to teach this guy to me mayor, at least on budget stuff. After that I went to work for the MTA for six years. It was an interesting period in the MTA's life, because I literally started a month after a fare increase and worked there for six years when there was no fare increase, and there was a fare increase six months after I left. Aside from a good economy, it was an unbelievably crazy job, and today everybody does hate the MTA for a whole bunch of good reasons. Even in those days, people would hate the MTA just because it existed, but it wasn't as bad because I wasn't associated with any of the fare increases, and did actually accomplish some things along the way. It was on my watch that the Metrocard was put in place, and EZPass was put into place – some interesting technological innovations. When you try to do things like that in a large governmental entity, it is easy to applaud afterwards but at the time the screaming and hollering from politicians about the long lines, and taking the token away from people and so on, made it hard but it ended up working out. Then Michael Bloomberg got

elected mayor, another guy I didn't know and had never worked for, but in the usual roundup again I ended up being hired as his First Deputy Mayor for his first term. That was also a really interesting time, but like Giuliani, even though Bloomberg didn't have a prosecutor mentality, he actually also knew little about New York City government. It was an interesting time in New York City, right after 9/11. People had real questions about what the future of the City would be. It was an interesting time to cap off my career in government. After that, I left to work for a couple of years in the private sector to make some money so I could send my kids to college. Anyway, so now I am able to morph into this job. You mentioned Ernesto before. I actually knew him back when I was in the City Council, and he was the lobbyist for CUNY in his first job at BMCC. I watched him grow over the years, and actually ended up having a relationship with him because among other things when I worked for the Mayor I went on the CUNY Board and spent the last eight years doing that. That gave me a lot of insight and understanding about the City University of New York obviously, but it's very much a different job to be working in the City University than just being on the Board. The point is, I've been watching the University for a long time. I had a relationship with Matt Goldstein that also dates back to when he was at Baruch lobbying the City Council for money. So that's how I ended up being in the place where the Chancellor wanted to ask me to come in and replace Ernesto when he passed away. That's a longer version of the story than I was hoping to do! But this is sort of who I am.

I'll give you a little update about Albany, and then take some questions. The real news about Albany is that there is no news. That is good news, because if there were any news, it would only be bad at this point! Albany is not going to do anything good for us this year. We already know about what they are going to do. The initial budget the Governor put out cut the senior colleges by \$84 million and the community colleges by \$21.8 million. The Legislature seems to have made it clear there is no money for "restorations" in the senior college system, but they would put back the community college cut. That's in both the Assembly and the Senate proposal. At this point obviously the Governor hasn't signed on to it, but if and when there is an adopted budget it's pretty clear that the community college piece will be taken care of. It's also pretty clear that they will never get around to doing anything about the \$84 million base cut that they did to the senior colleges. The basic reason for that is the simple math of Albany budgeting this year, where they are faced with a \$9+ billion deficit. The agreements they have in Albany, although you don't have agreements there until you have agreement on everything, are solving about \$6 billion of the problem. So there is a remaining \$3.2 to \$3.5 billion of additional changes that have to be made before they can reach a budget agreement. The complicating factor in Albany aside from the chaos is that unlike normal times – it doesn't matter what your politics are – taxes are not going to be a part of the solution at the end of the day because of what is going on in the New York State Senate right now, combined with the position of the Governor. He obviously wants to go out holding the line and trying to deal with the State's fiscal problems. At the end of the day, whatever they do to solve the last \$3.5 billion is only going to be more cuts or more gimmicks or a little borrowing. There is the Richard Ravitch proposal that is out there, which I am familiar with because I worked on it with him for the last six months as a part-time thing. I am still helping out somewhat, which I think is a good thing because he

is practically the only person in Albany right now who is actually trying to solve the issue in a thoughtful way. The problem is that a thoughtful solution is not actually what is going to come out of Albany at the end of the day. Having said that, a solution – if it does come – will probably have about \$2 billion in borrowing along the lines of some amended or watered down version of the Ravitch plan, but that still means there is a \$1.5 billion problem that they have to face to do a budget. My personal belief is that they are actually not going to do a budget this year. I just don't think the kind of cuts that have to occur to get that last \$1.5 billion are cuts they can swallow once they understand what they are. The Senate is not going to allow taxes because Democrats just barely control the Senate right now, and the Republicans will never be helpful with any solution that has taxes on the table. From their perspective, the marginals that they are worried about are all in the suburban areas where taxes are a major issue, either on Long Island or Westchester, so they just aren't going to allow a tax solution even though the Assembly makes a lot of noise about taxes, and the Governor, while he is against most taxes, is willing to do a soda tax which could generate from \$500 million to \$1 billion. But just based on the commercials you hear, and the way Albany is controlled right now, and the Senate marginals, there is no way that taxes are going to happen as much as it might be a good idea. I actually think the real horror scenario that could take place is if Albany doesn't get around to doing a budget, they will do these continuing resolutions of dragging things on but not facing the problem to the point that we get through to November, and then in January a new governor is going to come along with three months left in the then-current fiscal year and have the same \$9 billion problem with only three months to fix it. So the outlook from that perspective is very scary because the cuts that are on the table in Albany this year for us are cuts that CUNY can deal with, although it won't be comfortable. CUNY has done a wonderful job of preparing for these bad times, so at the \$80 million level with a little pressure on the schools and a lot of creative work at CUNY central, we will get through this year. It's really the next year and the years beyond that are very scary. What's driving the thinking behind a lot of the stuff you hear happening at the colleges is that they aren't concerned with this year, but the year after. It's going to be a scary time. It's one of the reasons – not that I'm a glutton for punishment – that I actually took the job. I think that when you look at funding for public universities across the country today, CUNY is not unusual. They are all in trouble for a variety of reasons. Aside from the unique way CUNY gets money from both the City and State, most public universities get most of their money from the States, which are in the worst fiscal condition that they have been in for decades and decades. No one sees a real solution on the table, and one of the ways States have dealt with their problems so far has been to stop funding things like public universities. The money that used to go there is now going to prison systems or to Medicaid or health benefits or pensions, that are all problems that have to be addressed and solved but until they do, places like public universities are really going to be hurt. One of the things I hope to do, which the Chancellor has actually asked me to do, is to start to work with other States to look at ways to fund some of the public universities' needs in this country. The Chancellor had a meeting last year with the Universities of California, Arizona, and Texas, which was mostly a meeting to commiserate about all the problems, with the exception of California which was a little ahead of the curve since they've been dealing with this longer than most. This year, he is holding another meeting scheduled for late

October or early November to start to work with a coalition of large States to try to look at what we can be doing to get new monies into the system for public higher education. That's the longer term of what I'm looking at, and I guess that's why my title got changed to whatever it was. That's the short version of what is going on in Albany, and I'll be glad to take some questions.

Professor Glenn Lewis – If there are no budgets, then the States can't borrow. Isn't that a death sentence? **Vice Chancellor Shaw** – Without a budget, you can't borrow. The real crisis will be when the State runs out of cash which, depending on the spending patterns, will be early June. From a cash flow perspective, you need to borrow money but without a State budget they in theory can't borrow money. Albany is good at coming up with gimmicks, and when they run out of cash they will enter into an arrangement with one of the public authorities that will issue PIT bonds against the personal income tax. It's supposed to be for capital and good things, I know, but they will have an authority issue bonds that they will lend to the State of New York. It's a terrible, unbelievable thing, but that's one of their choices. **Professor Lewis** – What are the odds of having pay furloughs when the budget dries up, and are we facing those in the next couple of years? **Vice Chancellor Shaw** – I don't think they will allow that to happen. They would do these bonds first. It would create so much pressure on them to do that to people.

Professor Anne Friedman – I appreciate your candor, and you do have a very important title of Senior Vice Chancellor. Currently, what percentage of the community college budget and what percentage of the senior college budget comes from student tuition, and how does that compare with one or two comparable public universities around the country? **Vice Chancellor Shaw** – A little less than one-third of the budget comes from tuition at this point. It's probably under the average for public higher education in this country. Partially the reason is the politics of Albany. While the Board of Trustees at CUNY, as you know, has the authority whenever they want to raise tuition to whatever level they want, there is a little loophole that tuition flows through the New York State budget and unless the State appropriates the money, we don't get it back. So State policy over the past number of years – their version of liking higher education – is protecting tuition from going too high. In good times, they give us a little more money to keep tuition from going up, and in bad times they tell us to cut the budget because they don't want tuition to go up. In years like this, where the politics for better or worse are not to allow taxes to go up, from an Albany perspective tuition is viewed as taxes. That's how they see it, so there is a proposal by the Governor to change the whole structure but the Albany legislature is not only ignoring it for the moment, the Assembly has taken the position it won't even look at the issue until after the budget is done. **Professor Friedman** – So tuition has gone up, but there is a balancing act whereby tuition is still less than one-third.

Professor Robert Cermele – Thanks for coming here tonight. **Vice Chancellor Shaw** – I had another choice: to go to a Charter Commission hearing! **Professor Robert Cermele** – You made the right choice. There is a bill in the legislature somewhere to move the State budget fiscal year ahead by three months. Should that happen, how would that

affect us, and would we move our fiscal year ahead? **Vice Chancellor Shaw** – It was part of the Ravitch plan, and it has been kicked around in Albany for a number of years. One reason is, given the complexity of the State budget at this point, when the Governor proposes a budget in January, there is not enough time by the end of March for the sort of review and actions that the Legislature has decided it likes to do these days. Also, there is the issue of April 15. One of the big uncertainties when you adopt a timely budget on April 1 is you have no idea what will happen with final returns on April 15. It moves during good times and bad times from a \$500 million to \$1 billion switch in the forecast. So it makes sense from a lot of perspectives to move the budget date. Ravitch proposed moving it to July 1. There's a lot of pushback to make it June, if and when they take it up in part to deal with local governments' and school districts' being able to set their school budgets for the following year. I think it's a good thing, and it will eventually be done and will help things. The other obvious reason is to deal with the long term problems of the State, which are many. You are trying to do some structural changes. By changing the fiscal year, people will get lost about where those three months go and all of a sudden you will do a 15-month fiscal year, and you'll borrow the money for the extra three months and it will open a lot of doors for how to solve the budget going forward. Just to be clear though, the Ravitch proposal does this in the context of also doing a bunch of budget reforms, the most important of which is going to gap budgeting. One of the problems the State has to this day is that it budgets on cash, and one of the reasons it's in the trouble it's in is there are a lot of gimmicks they have done over the years to make the budget balance on cash. But they are really just putting off the problem. So just changing the fiscal year itself is one thing, but as a package of reforms to also go to gap budget balance would probably be a good exercise for Albany. It is something the City went through as a result of the fiscal crisis in 1975, and everybody thinks it's more transparent and understandable and has kept things from getting out of control in New York City. I don't think it would change for CUNY. We will change when we get the information to adopt our budget maybe, but I think if we have a fiscal year that starts around the same time as them, it would make a lot of sense from a planning perspective.

Professor Kathryn Talarico – In *The Times* yesterday, there was an article about the takeover of Governors Island.... **Vice Chancellor Shaw** – It was a throwaway line about the takeover of CUNY by the City! I had the same concern reading the story. The quick background to it is that the City and State do a lot of things together for a whole host of reasons, and economic development projects are probably the biggest example of them. Whether it's Governors Island, Brooklyn Bridge Park, the Convention Center, or downtown rebuilding, Madison Square Garden, or the Long Island Railroad – they are all joint City/State projects, and there is a reason for them. The City is interested in them because they are in the City, and the City cares about these things and doesn't want the State by itself doing them, but by using State authorities, particularly ESDC, you have tremendous powers that no City has and no City authority has. So you have a lot more freedom to put economic development deals in this City if you use the State, but the downside is you bring the State into it, and there are all these State/City projects that have been kicking along, and with all the chaos going on there was a decision about a year ago by the City to see if there was a way to do a friendly divorce on some of these things. I only know about this because I worked on it a little bit. So let's say these three are really

important and let's let the City take the lead and do these. So the Governors Island project was just an example of that, and they wanted to show this example as a successful example of where the City and State can separate things where things can get it done better and more efficiently. In the Mayor's office, somebody trying to spin the press about how we could do other things like this, they threw out this line about CUNY and that's all it was.

Professor Sandi Cooper – Furloughs were mentioned. When it was last done, in 1975, it was done in June when we were out and none of us were in classes at that point. It was very clever. There was some chat in one of the papers about a threat to the public pension funds. Is there any reality to that? **Vice Chancellor Shaw** – The pension funds of the State, of the City, the Teachers Retirement System, the City's retirement system – they are large, complicated, and have lots of problems. But the good news from the perspective of those in those systems is your pension rights are basically constitutionally guaranteed by the State of New York. You can only change pension benefits going forward for new employees. Whatever the cost problems are, they are the problems of the State and the City, but the pension benefits are protected so we can't be hurt by them.

Professor Mike Vozick – I have a general tax question. When discussion comes up about where revenue will come from to get the State through, or for CUNY if we would like to see free tuition again, one of the thoughts that has been around is what was once called the Stock Transfer Tax concept, or maybe you could call it the Financial Transaction Tax. If you read the papers and see what it going on, and others have mentioned real estate, huge sums of money are being dealt in the City and State all the time, and an exquisitely small tax could generate serious revenue. I'd like to get your perspective. **Vice Chancellor Shaw** – The issue of taxing Wall Street is very hot these days, especially considering most people correctly blame Wall Street's excesses for causing the problems, and thank you very much we all suffered and they are back to doing fine. So there's a large feeling to find a way to properly tax those entities. The biggest problem the City or State has with it – and there used to be a stock transfer tax on the books in New York State – and as part of post-1975 and the fiscal crisis they threatened to move out, and government backed off and technically eliminated the tax, although it's an interesting tax because after the fiscal crisis the way that MAC was created and it issues bonds that covenanted away certain taxes – the sales tax and what then existed as the stock transfer tax – so when Wall Street threatened to move out, they eliminated the tax on paper by refunding it back to the companies the same day, but it literally went into accounts because the bond covenants, went through those funds and got rebated back the same day. It existed on the books until the MAC debt was paid off. The reality is that they stopped it by threatening to move out, and they probably meant it at the time. But with today's technology, they don't even have to move out. They can just move the trading. They will push a button, and voila those stocks will trade in London or Singapore so it won't be subject to a tax in New York. That's the problem with it. The only chance of taxing Wall Street will be a national decision, a national tax that will take that much out of that part of the business enterprise, and you already see the Mayor of this City in Washington yesterday screaming don't do that because you are taxing money that is otherwise coming to me in New York City. So we have a parochial

view of it, but it's the old issue of whether New York City gets its fair share of money out of Washington, which of course it doesn't. **Professor Vozick** – A lot of us had pain watching Giuliani's performance, especially with his attitude toward students we are committed to, and the denigrating of them. I'd like to get your take on that. **Vice Chancellor Shaw** – He wanted to be a change agent. He viewed the Board of Education or CUNY as broken systems, and his attitude was you just have to blow them up and start over. I used to say even if that is the right thing to do, you still have 1.1 million kids in the current system, so you have to run a parallel system even if you do what you want to do, and he would back off because he realized it was too expensive. That's the way he thought.

Professor Dalglish – You say the Chancellor will be going to visit other universities and exploring ways to bring State and federal money to the universities. Will there be any exploration inside the university's curricular strengths to deal with some of these social and environmental issues that are out there that are costing us a lot of money that are holes in the ship, so to speak, and we might have some of the answers. We certainly have the educational system structure here in place to deal with these, and actually educate the outside business world with how to deal with some of these problems, and that could get the business world investing in public institutions. Is there any thought in that direction? **Vice Chancellor Shaw** – We are open to ideas, so put it on a piece of paper and send it to me.

Professor Jacobson – I'd like to hear more about the Ravitch plan, so we have some knowledge about it. **Vice Chancellor Shaw** – The plan is the rational and right thing to do. Albany is not allowing that to take place right now, for a bunch of legitimate and illegitimate reasons, but it seems to be the reality. What Ravitch did was look at it from the perspective that New York has this enormous structural imbalance problem, and it's so big. It was masked in the good times, and by the gimmicks that were done over the years. The recession we are now in just exposed it for what it was. The deficit was not just the deficit of the recession, but it was the combined deficits of all the years of not facing reality and doing all these gimmicks. That's what people call the structural budget problem. What Ravitch said was let's use the crisis as an opportunity and come up with a way where we will face that structural budget problem. His sense of the reality of doing something like that is so large. It's like one of the lessons of the 1975 fiscal crisis because he was part of that world too back then. The discussion of all of a sudden planning retrenchment and layoffs of teachers, firemen, and cops – if you can figure out a rational way, you don't want to do things like that if you care about the functioning of government. You don't want to make cuts beyond the level of functioning. But the kind of cuts you need to do at this time to get budget balance would do that. So, voila, that's where the "borrowing" comes from. So it says let's come up with a rational plan. In point of fact that's what happened during the fiscal crisis of 1975. It's also what happened in the first year actually of Michael Bloomberg's mayoralty. It was related to 9/11, but we borrowed money. We issued debt to pay bills to the tune of a couple of billion dollars. The point is, you need to come up with a rational plan where four or five years down the road you are going to have structural balance, and you make all these reforms like gap budgeting and good things like that which actually solve problems going

forward. Some of these problems you're not going to like to hear. Government spends its money on people, right? You have to find ways to make that less. They call it productivity, but it's finding ways of making that less over time, as part of the long-term solution. And it's one of the reasons this can't happen now – you really need all of the players at the table to deal fully with the crisis, and among them you need labor leaders, who may be expecting a new governor.

Professor Karen Kaplowitz – The one thing we haven't heard that I've been hearing questions about from my colleagues is the absence of any discussion of an early retirement initiative. Why is that? **Vice Chancellor Shaw** – There actually is. The reason it hasn't gotten too far is dysfunction. One of the things the Governor put in his budget is a couple of hundred million dollars of cuts that he said are basically labor. We will figure it out later. But labor isn't going to do a real negotiation because they won't have an interest in it. But at the end of the day, the Governor is going to need something to replace that labor hold from turning into just more cuts to us. In that context, an early retirement proposal is being kicked around as one of the ways to make some of those savings take place. If and when there is a budget agreement, I wouldn't be surprised if there is an early retirement component. **Professor Kaplowitz** – In the past, Chancellor Goldstein's position has been CUNY would participate only if we can replace faculty retirees. It would be replacing a \$100,000 person with a \$50,000 person. **Vice Chancellor Shaw** – We are looking at it. He still has that same position because he views CUNY as a growing institution that needs faculty. We're also looking at it as a way to increase or speed up the ability to increase diversity.

Professor Michael Barnhart – It looks like an \$80 million hole in the senior college operating budget. So what other sort of things besides early retirement are floating around the chancellery as you discuss this? **Vice Chancellor Shaw** – As I said, one thing CUNY has done so well in recent years is preparing for a rainy day. There is still a discussion going on, but let's say \$84 million is what it turns out to be, then central will solve half the problem with resources it has access to in some form or fashion, and the rest will go to the colleges. Having said that, colleges have built in existing budget reserve accounts, the CUTRA accounts, that will allow those kinds of savings to occur without any real significant hurts to programs. So, again, if all we had to do is solve next year's problems, it would be a cakewalk. The problem is going to be that the year following will be a lot worse, and we won't want to spend all those resources solving this year's problem. So there will be a little pain, but the Chancellor has made it clear there will be no retrenchment. It's one of the reasons we are looking at slowing down some of the hiring that is taking place, but that's as far as we've gotten on what its real impacts will be at this point. **Professor Barnhart** – Will the pain be spread evenly, or is it going to be mostly aimed at the senior colleges because they have the hold in their budgets? **Vice Chancellor Shaw** – Pain is always in the eye of the beholder! Whatever we do, we will spread evenly, but I'm sure not everyone will agree.

Professor Alan Zimmerman – In the face of the tremendous increase in enrollment that we are having, what is the financial planning for this? What I've heard is that we are going to have more courses on the Internet, but is there enough of that to take care of all

the increasing enrollment in the face of these tremendous budget problems? We at CSI are facing this – we can't find classrooms for classes. I'm wondering what the plan is.

Vice Chancellor Shaw – It's a real problem at a whole bunch of levels, including physical space, which you can't change overnight. It takes plans and years of work. Those answers don't solve the immediate problem. In the short term, the enrollment increases have actually been one of the reasons why we haven't had any worse budget problems than we have currently. It's one of the things that has been bailing us out, especially at the community college level, and from the recession which caused people to go back to school to retool themselves. We are busting at the seams, but in some ways it is helping us out. In the long term, it's a real problem, and we need to figure out ways to grow and we need to figure out how to take advantage of the online university world. Those things are being looked at by the academic affairs people, while safeguarding the quality of the education.

Professor Sandi Cooper – One of the most unusual things about the 1975 crisis, which is why we retrenched 2400 lines with 1400 real bodies on them, is the administration in many of the colleges kept growing. I'm just urging the central administration to keep an eye out on this business of saving money, when at the same time growing every time a "deanlette" is appointed and there are hundreds of thousands of dollars in offices that crop up. While I know this is a faculty point of view, it's also a student point of view.

Vice Chancellor Shaw – We are sensitive to it. Also, we are aware that when the legislature might be giving us money they view administration as bloat.

Professor Terrence Martell – In times such as we are going to be facing, we must define and defend the core functions of the University. I've heard, since I sit on Fiscal Affairs, this talk about three commissions that are looking at things. I think if any kind of cuts or definition of core are going to be made, it should be an open, transparent process, and there should be some faculty participation – not to *receive* a report, but to participate in the development of the report. The tougher the times, the more transparent the process should be if you're going to get by it. **Vice Chancellor Shaw** – Right. The Chancellor is obviously committed to that, and we are in the beginning stages of putting those kinds of proposals together. As I said, those issues are really for next year and the year beyond. So a lot of work is going on in the central administration, coming up with proposals to go to the Chancellor, so if we have to make cuts of \$50, \$150, or \$200 million, what are the kinds of things we would be looking at. Three different groups are doing it in the administration, and we are just reaching the point of starting to present some of the preliminary ideas to the Chancellor, and over the next few weeks or months we will start bringing it both to the college presidents and to the faculty. There will be plenty of discussion about it.

Chair Philipp – Thank you very much for coming.

Professor Arlene Spark – Further to the issue of transparency, are we permitted to take the minutes of these meetings and share them with our faculties? **Chair Philipp** – Yes, we post the transcript. It's a public meeting.

Chair Philipp – I'd like to continue with my report. Some campuses have not yet given us election results. Please let us know. I'd like to ask Kathy Richardson to come forward and announce vacancies on the UCRA. **Professor Richardson** – You know that we are looking for liaisons to coordinate review panels. Please look at the salmon-colored flyers. We need people on all of the panels at this point so please make nominations. Last year at the plenaries we asked the faculty to go back to their campuses to get people to serve on the panels, and thanks to you it was very successful. We did have a lot of applications and CVs submitted. Some panels had five or six applications. Please help us again. You know this whole process is in negotiation at this point, and we would like to be able to say we are able to proceed as we always do and that we do have enough people who are willing to serve as liaisons on the panels. **Chair Philipp** – Thank you. Next we go to nominations for officers and members at large of the Executive Committee.

V. Resolution on Academic Credentials – We have one other item of business tonight. The Executive Committee is giving you a resolution to consider called Resolution on Academic Credentials. The Committee has asked Professor Pecorino to move the resolution. **Professor Pecorino** – Let me give you a little background. I am angry and disturbed that we even have this on the agenda. Here is what has occurred. We have set standards for ourselves when we set up positions on the faculty, and we are fairly good at observing them. We like that our colleagues be forthright, upstanding, and honest when they declare what their backgrounds are. We have done a fairly good job through our own processes of reviewing the credentials of members of our faculty, but it has turned out that there are times when faculty are appointed or nominated for positions in the University and it doesn't go through our vetting at the level of the department and college P & Bs, but it does appear on documents that go through Board committees. That is when members of the UFS Executive Committee get to see the CVs. It has happened a few times that things jump up at you, and we wonder how did this get this far? Certainly you would agree with me that we cannot tolerate as members of our own profession those who list on CVs accomplishments that are not theirs, articles that they haven't written, degrees they claim that they do not have, or degrees that were purchased from unaccredited institutions popularly known as diploma mills. It has happened that we spotted this a couple of times when people from our faculty ranks have been moving through administration to positions, and we bring it to the attention of the administration of the University and they say it doesn't matter to us because the position they are being nominated for does not require the publications or the credential. Our response was it matters to us that it is in the documents and files and they are still listed as faculty receiving this other appointment. So we thought it in order to put before you a resolution that will make it clear to the Board of Trustees that we the faculty do consider, regardless of the nature of the position, that it is an action of academic misconduct, a lack of integrity on the part of any of us, to be making such false claims or claiming degrees that are not legitimate. I move the resolution. **Chair Philipp** – Is there a second? OK. Any discussion?

Professor Zimmerman – I think you will have a problem with the term “unaccredited.” It allows for interpretation. What does it mean? I think it's not evident so you might

want to tighten up that language. That's a suggestion. **Chair Philipp** – One recent case involved a university that on its own website stated that it had not achieved accreditation from its national country. **Professor Pecorino** – In conversations with the chancellery I was shocked to find out that they had no list of institutions already so identified. In fact, doing a little googling I found that States list so-called academic institutions from which they will not receive any degrees or transcripts. There is also a list of accrediting institutions that they think are not legitimate. So it's basically for a lack of trying that the folks are not vetting these credentials properly, not for a lack of a clear definition of what is or isn't a legitimate degree or publication. We could debate the merits of institutions— is Princeton better than Yale, or scholarly publications or journals. But in some cases, there was nothing to go look at; it was just words on the CV. Some of the cases are pretty extreme. It's a message to them that we take this seriously, and you had better be doing a good job here. **Professor Dahlia Remler** – I agree about some potential ambiguity, but also a different level of problem. Fraudulently stating that you have a degree or qualification that you don't have is just a clear violation. Actually having a degree from a place that isn't very good or doesn't have certain credentials strikes me as a different thing. I take your word for it that it can be defined very clearly as you say, but for example there are MPA programs that don't bother to go through the arduous accreditation process because they are very prestigious and they don't need to bother getting that accrediting. **Professor Pecorino** – In one of the cases, the university granting the degree was clearly on the list of institutions put together by the States as illegitimate, not acceptable, unaccredited. If they have already been judged that way by State authorities, I think we should hold to no lower standard. **Professor Remler** – I disagree with the previous person in that I think you need to be more specific. **Professor Barnhart** – It seems to me that the concern here, which I share, is somebody whose primary professional credential is not what it appears, and that's what is supposed to qualify them for the job. That I would consider to be, I suppose, academic dishonesty but that is very strong to call it that. There is certainly something unpleasant about it. But if you have someone who has multiple degrees, for example, and we find that one of them is from an institution of this sort but they do have the requisite degree in order to be qualified, actually the way this resolution is worded we would still hold them guilty of academic dishonesty simply because they possessed that degree; I think that might be a little stronger than we would want to go with this. I'd encourage rephrasing the final Resolved so we address that possible misunderstanding. **Chair Philipp** – I just want to mention this resolution is not meant to include the holding of a degree, only the claiming of it. If somebody got a diploma mill degree but did not put it on their CV, that would not be covered. **Professor Barnhart** – But “who claims an academic degree that is determined to derive from an unaccredited institution” doesn't seem to preclude the possibility that somebody might have this degree as well as others, and then we would be deeming them guilty of academic misconduct. **Chair Philipp** – But if they don't claim it, there is no fault intended here. **Professor Barnhart** – So we're encouraging them to hold it but not claim it? **Chair Philipp** – No, we're encouraging them not to list it on their official CVs if they happen to have it. **Professor Barnhart** – I'll have to think about that. **Professor Pecorino** – Let me pose it this way. Suppose someone claimed publications and one of them was their own vanity press. I think we wouldn't take kindly to that as having the same merit as other publications and refereed journals. **Professor**

Barnhart – Some publications may be of higher quality than others, and some may be from a vanity press but I don't think that necessarily means that we regard them as academically unqualified if they have other publications that are of substantial merit.

Professor Pecorino – I'm worried about someone who has a relative that runs a diploma mill and gave them a degree or certificate, and they are claiming it on their CV in this University.

Professor Barnhart – But if they have the requisite Ph.D. do we have a problem with the fact that they have this other degree on their list?

Professor Pecorino – I was shocked to find out that for \$75 you can not only have a Statement that you have a degree, but you can have a phony transcript from any college in the United States delivered to you overnight. There is an offshore website that offers that. I would personally think that if someone claims three degrees and one of them was purchased, I'm offended that they put that down there. I think it's illegitimate. If they want to remove it, that's fine, but to go on pursuing positions at this University with that on their CV I find offensive, and that's what this resolution speaks to.

Professor Barnhart – I guess I'm just not as offended. I'm concerned about their primary degree or the degree that qualifies them for the position that they have. I've seen this happen where somebody has a Ph.D., not from a diploma mill but from someplace that might require one year of rather undemanding work -- that's usually the sort of thing we are concerned about.

Professor Martell – We are not going to be the people who do the determining, right? This is a message we want to deliver to the chancellery and the Board of Trustees about a position that we feel strongly about. This won't be attached to a list of specific policy executions. This is an issue. We've seen it a couple of times this year. I would recommend we put this forward, but I can assure you that no one is going to call anyone on the Executive Committee to ask for help in determining. We're drilling down too deep in an issue we won't have to deal with.

Professor Dalglish – My question is why the light language? If we are dealing with an administration that says it doesn't matter, why say "academic misconduct" or "dishonesty." Why not "fraud" if somebody actually listed something they neither earned, wrote, or worked for? Why not make it a little more evident that this is illegal?

Professor Pecorino – The Board bylaws list "misconduct" under disciplinary actions, not "fraud."

Chair Philipp – And the word "misconduct" ties into processes in the University and in the contract, but it's not our job to determine fraud.

Professor Richardson – I'm chair of a department, and when people send in their resumes for faculty positions, I always investigate their degrees. I did have somebody who had legitimate master's degrees, but when I looked at his Ph.D. with a transcript and everything from some university in England, I could not find this university. I asked him to put me in contact with someone from the university, and he gave me an email, which must have gone into outer space! So it does happen, but I wouldn't even interview this person for a full-time faculty position.

Chair Philipp – I should note that this resolution comes out of our pre-meetings with vice chancellors. It's not hypothetical. We work with vice chancellors prior to Board meetings, and this came up. The Executive Committee thinks we need this Statement from the plenary so we have a position to stand on, and not just be ad hoc.

Professor Angela Crossman – We currently have a new doctoral program in forensic psychology that is unaccredited because it's too new to be accredited. I would hate for our students to leave and be deemed unworthy because they are from an unaccredited program. The question I have is the word "unaccredited" as opposed to "inappropriate" or "not valid" – is that exactly the same thing or not? And, if

I were someone who came from one of these places and I legitimately put down all of my accurate credentials and applied for a job and got it, I don't know if it would be fair to be deemed guilty of academic misconduct when I appropriately documented all of my experience and background, and you hired me anyway. So the rest of the resolution is framed as the chancellery or Board will do these things, but then the faculty members who is honest potentially but just doesn't have good credentials gets blasted. **Professor Pecorino** – You can suggest any language instead of “unaccredited,” but we would be going from They don't care and aren't checking very hard at all, to They are looking very specifically at whether it's accredited, who accredited it, how long has it been – no, that's not going to happen; they are going to use something in between. I doubt that case is ever going to arise from that program at a well-accredited institution. **Professor Crossman** – The concern of course is whether it ever did arise. Second, the fact is that it's the faculty member that is being deemed guilty of misconduct. **Chair Philipp** – I think your concern is misplaced. CUNY is an accredited institution, period. So those graduates of your program have nothing to fear. We are talking about entire institutions that have no accreditation. **Professor Cooper** – It amazes me that this issue would come up because for many years the central administration checked up on every piece of paper that came past it. Something has eroded. It seems to me we have a problem because the culture in different colleges in CUNY is different. What Kathy described is what I went through when I brought five to seven people for interviews to the campus. Before one of them came, I spoke to every one of their thesis advisors. I spoke with people who taught them, and people in their departments to ensure that these people were telling the truth on their vita. It's exhausting, but it's the only way to do it. I came across an applicant for a job three years ago when I headed a search committee, and this individual had a brilliant vita with publications from a university on another continent, and it was another school that never showed up on Google, and the consul general of the country never heard of it! There were four pages of invented publications. It looked like a tremendous catch to get this person. We have to be very careful to encourage our colleagues to do this on their own campuses. And, if the central administration is being sloppy and doesn't care then we need to send them this message that they need to get someone in their overpaid offices to do this work. **Professor Anne Friedman** – Given the conversation at the microphone, I don't think anyone is disagreeing with the general point and thrust. But as a member of the Executive Committee who worked on the language, I think we should refer this back to the Executive Committee, taking into consideration some of the nuanced points that people have raised that I, for one, didn't think about and maybe try to tighten up the language, and bring it back. I don't thinking waiting for a month is going to make a big difference. I'll make that a motion, that this be remanded to the Executive Committee, taking into account the conversation tonight. **Chair Philipp** – Second? All in favor? It is passed with three opposed. Our business is concluded, and we are adjourned.