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New BU budgeting process holds departments responsible for their own budgetary targets

Change seeks to ease BU's hiring hold in midst of financial challenges

By MELANIE GULBAS - AUGUST 29, 2019



Taylor Hayes/Pipe Dream Illustrator

Binghamton University is pursuing a new budgeting process that will hold individual departments responsible for their own budgetary targets, according the BU President Harvey Stenger's summer 2019 quarterly report.

The new process comes in the wake of new financial challenges, and is part of an effort to ease the University's hiring hold, which has been in effect since December 2018.

Although tuition increased by \$200, the maximum amount allowed by the State University of New York (SUNY) system, for the 2019-20 academic year, and the University received a one-time offset of \$109.5 million in collective bargaining support from New York state, BU still faced a \$5 million shortfall this year — the result of contract negotiations between New York and United University Professions (UUP), a higher education union for faculty, professional staff, contingent employees and retirees of the SUNY system. In an effort to reduce University costs, Stenger and other administrators implemented a hiring hold and budget reductions. The new, decentralized budgeting process will be phased in over the next three years, and schools and departments will have to be responsible for meeting their own budgetary targets.

“I appreciate that the deans and chairs, as well as the vice presidents and directors, have been working to hold the line on hiring, and I especially want to thank the faculty and staff who've stepped forward to temporarily fill any holes that have developed as a result of the hold,” Stenger wrote in his report.

But not everyone is on board with the new plan. Matthew Johnson, chair of the psychology department and a professor of psychology, wrote in an email that he was initially pleased when he read that Stenger was implementing a new, decentralized budgeting process. He thought the psychology budget would increase, since the overall University enrollment has increased and the number of faculty members have decreased.

“When I inquired about the specifics of this new budgeting process, I was informed that the president was referring to the need for the colleges/schools to absorb the base budget cut of \$920,000 for this year on top of the \$400,000 from last year,” Johnson wrote. “I was also informed that this cut was being distributed within Harpur College by the dean.”

According to Johnson, the new process will negatively impact the psychology department, among others, if the hiring hold continues, since cuts to the departments’ budgets still occur unilaterally. Several other department heads refused to comment on the matter.

“Indeed, my experience since this announcement has been that the provost has further cut psychology’s revenue without consulting or informing the dean’s office or me,” Johnson wrote. “Therefore, I no longer expect the department of psychology to benefit from the new process and anticipate further concentration of budgeting decisions by the provost and president.”

Stenger also wrote that the University is looking to increase its graduate student enrollment in order to generate revenue to reduce budget challenges.

“Meanwhile, as I mentioned, we’re meeting our enrollment targets, and should be able to weather our fiscal challenges,” Stenger wrote.