



January 8, 2024

TO: Dr. Peter O. Nwosu, President
FROM: Victoria L. Furlong, Vice President for Administration & Finance
RE: Mid-year Financial Update

At the beginning of fiscal year 2023/24, SUNY Oswego projected a **(\$5.4m)¹** operating deficit related to our operational (offset) funding, all inclusive of the additional on-going funding provided by SUNY System Administration to support strategic initiatives and general operational support.

We have met weekly during our senior level cabinet meetings to discuss strategies to mitigate this deficit and set SUNY Oswego on stable financial footing into the future to support our role to educate the leaders of tomorrow as well as execute Vision 4040.

As you will recall, our discussions build on several key steps to improve efficiencies and balance the financial plan without the need for reserve support:

- 1). All vacant positions are reviewed at the Cabinet level. Priority consideration is given to those that support health and safety needs, critical instructional need, support direct recruitment and/or retention or are revenue generating.
- 2). Vacant positions are held for 60-90 days before a determination is made as to whether to act on them or continue to hold. Frictional savings are held centrally to offset the deficit.
- 3). Divisional targets were immediately set to address the current year deficit through an efficiency modeling exercise.
- 4). Budget planning for 2024/25 began much earlier than in years past to provide adequate time to propose efficiency modeling practices such as:
 - A). Review of course caps.
 - B). Optimization of class sizes
 - C). Consider cancelling low enrolled courses
 - D). Encourage zero-based budgeting exercise across all divisions to capture actual/necessary costs and identify efficiencies across the institution.

¹Excludes one-time Transformation Funding and other one-time initiative funded monies.

Currently, we are making significant progress towards mitigating our 2023-24 operating deficit. As of today, our projected fiscal year-end deficit is down to **(\$1.6m)**. This projection includes the payout/projection of all collective bargaining agreements, increase in minimum wage (eff. 12/31/2023), projections for all temporary staffing for spring (students, graduate students, adjuncts, etc.) and considerable spending of our OTPS balances until fiscal year end.

Furthermore, this also includes a surplus of our projected revenue projection update for fall 2023 that yielded an additional \$1.2m in additional projected revenue. Spring enrollment looks positive and we continue to keep a close eye on our enrollment as the semester progresses.

I am grateful for the leadership of each Cabinet level member in engaging in these difficult discussions in support of our long-term vision.

Please advise if there is anything additional I can provide.