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Utica College cuts staff, expansion plans

President: This will stabilize school's future

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Observer-Dispatch

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UTICA — Utica College is making a series of cuts, including eliminating 14 staff positions, to trim \$1.3 million from school's \$50 million operating budget.

Among the changes announced Wednesday:

- Reductions in the base salaries of senior administrators, including Hutton and the vice presidents. President Todd Hutton — who made \$479,000 in 2007, according to tax forms — declined to specify how much the salaries were cut.
- The college will scale back its plans for expanding its economic crime program in Asia.
- Capital projects, such as new turf for the athletic field, and non-essential travel will be put on hold.

"This is a very strong decision," Hutton said. "This is a financial plan to strengthen the institution this year and for future years."

The measures were necessary to ensure that students could continue to receive private loans to pay their tuition, Hutton said. He said tightening financial requirements from the U.S. Department of Education and lending institutions put the college in a risky category based on its debt to asset ratio.

Hutton said the cuts were not related to current enrollment, which is about 2,900 students.

The freshman class is near its record high, but the college did fall short of its transfer student goal by about 70 students.

But the college, as well as many others in the northeast, is expecting enrollment figures to begin dropping next year based on high school enrollment numbers.

D. Bruce Johnstone, a professor of higher and comparative education at SUNY Buffalo, said he is not surprised to hear of layoffs at a small liberal arts college.

He said these layoffs and cuts could be the sign of things to come in higher education, especially if the state cuts funding to SUNY institutions.

Many factors

Hutton said that 10 people were laid off Wednesday and four vacant positions were cut.

None of the positions were faculty positions, but he declined to specify which positions were cut.

Those laid off will receive a severance package and will retain their health benefits for a period of time based on how long they had worked for the institution, Hutton said.

"We're trying to do everything we can to lessen the blow to these employees," Hutton said. "This is profoundly saddening."

But some staff members questioned whether the cuts had to be made.

James Scannell, Utica College president of the American Association of University Professors union and an associate professor of English, said he understands the need to improve the debt and asset ratio.

"But did we have to cut to do this or could we simply have been more prudent?" Scannell said. "We're dismayed by the expenditures that led to this."

The cuts will move Utica College out of the risky category in bank lending to an acceptable rating, which will make it easier for students to take out private loans, Hutton said.

He said that was the main impetus behind the cuts because the college receives an estimated \$7 million to \$8 million in private loans each year.

"We can't take the risk of banks not lending to our students," Hutton said.

Utica College charges more than \$26,000 for tuition plus another \$10,000 for on campus housing.

But Hutton said that this year, for every dollar in tuition the college received, it gave out 53 cents of financial aid. That's up from 47 cents last year.

The college also saw 100 students pullout of the dorms this year because they couldn't afford the cost of living on campus, Hutton said.

ABOUT UTICA COLLEGE	
Enrollment:	2,900
Tuition:	\$26,764
On campus housing cost:	\$10,850
Total reported revenue 2007:	\$8,719,087
Total reported expenses 2007:	\$9,561,803

Campus reaction

Faculty members on campus have been working without a contract for more than 1½ years.

Negotiations are going before a federal mediator. Scannell said he could not discuss how the cuts and layoffs might affect negotiations.

He said the college should focus on the needs of the Utica campus, instead of looking at expanding into other countries

"I don't think there's anything wrong with diversifying revenue, but we really have to prioritize Utica College and Mohawk Valley students and Upstate New York students that we serve," he said.

Student Senate President Lamont Lovell, a senior at the college, said he understands the needs for the changes.

"These tough financial times calls for tough measures," he said. "But the administration has worked to make sure that cuts aren't going to directly affect us."

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