

A MEETING
OF THE UNIVERSITY FACULTY SENATE
TUESDAY, JUNE 9, 2020

CHARLIE VAN LOAN: Our etiquette slide up there, all the usual things. Just want to stress today that if you ask a question or make a comment, please restrict yourself to two minutes, so that your colleagues also have a chance to do the same. Just a note that, if you don't get a chance to speak today, you can always post comments on the meeting website. The chat line is open and you can always post things there. Both that and the audio will be up on the meeting page later this evening.

We'll start with Provost Kotlikoff making a presentation. He'll be followed by the chair of the senate's Financial Policies Committee. But first, Martha would like to say a few words; so Jill, if you could advance the slide.

Martha.

MARTHA POLLACK: We were okay with the slide you're on, but that's okay. I wanted to say a few things to open this up. First, I wanted to thank everyone for being here, and I hope everyone is well. I want to start -- if I were in person, I would be able to acknowledge the incredibly hard work that everyone has done. The faculty were amazing in revamping courses for remote delivery on very short notice, ensuring that our students continue to learn.

And I know that you were dealing with professional challenges of being out of the lab and the library, as well as a host of personal challenges, things like having children at home, taking care of elderly parents. I have my dad staying with me for his own safety during the duration, and so I do appreciate how challenging this is. The

Cornell faculty were just amazingly professional, and I want to thank you. I know how hard everyone is working.

I also want to say that even though we're here today to focus on financial challenges, and that's what Mike is going to be talking about, the budgetary planning that we're doing is taking place in the context of a wide range of decisions, and I want to stress that first and foremost, our first and foremost priority is public health and safety.

As we're thinking through all of this and, in particular, as we are thinking about that most crucial decision, whether we reopen for face-to-face classes this fall, we are doing lots of things. We are listening to as much input as we can get from our stakeholders, faculty, staff, students, parents, trying to get that information from the town halls we're holding, from surveys, from meetings like these. We are listening to public health guidance, including what's coming to us from the State.

And you should know that we're doing detailed modeling. We have epidemiologists and data scientists helping us do detailed modeling of different scenarios, based on our ability to do testing, to do contact tracing and so on. Our goal is, whenever feasible, as much as feasible, faculty, themselves can decide whether to teach in-person or online, so I hope you have completed the survey that asked for your preferences on that. That will really help us in planning.

And of course, we're going to take all the steps, should we open in the fall, we will take all the steps we possibly can to modify physical spaces and behavioral norms to make the campus as safe as possible. We are going to do that anyway, because as you, I hope, know, we have already begun to reopen for things like research.

Before I turn things over to Mike, I'm going to just point to this one slide that's up on your screen. These are the principles that we said we were going to follow throughout this period as we made our decisions, again, noting the primary one is public health and public safety.

After that, what we want to do is we need to care for our students, we need to ensure that they can learn, we need in particular also to ensure that we live up to our commitment, Cornell's commitment to provide the financial resources so every single one of them can complete their education.

Secondly, this is a university that's been here for 155 years. We want it to be here at least another 155 years. We need to safeguard our future as a world-class academic institution that draws faculty like all of you and the kind of wonderful students we have.

Third, to the extent we possibly can, we want to maintain our staffing. I say this all the time: Cornell is its people, its faculty and its students for sure, but we would grind to a halt without our dedicated staff. So to the extent we can, we wanted to maintain staffing.

We are an academic institution, so we want to seek new knowledge throughout this pandemic and also, to the extent we can, create new knowledge that contributes to it. As we are listening and gathering input, working with the planning committees, trying to decide what to do, we're always asking ourselves how does this impact public health, how would this decision impact public health and how does it impact each of these four principles.

With that, to move to sort of details of the financial challenge we're facing, I would like to turn it over to the provost.

MICHAEL KOTLIKOFF: Thanks. I want to talk about the budget for next year. One has to begin with uncertainty, because we're in a very uncertain world right now. As we start to think about our budget for the coming year, as Martha mentioned, we are facing some very big challenges, some very big decisions, one of which is will we welcome students back for residential instruction or will we not.

Those are very different. I'll show you today they have very different impact on next year's budget. There's uncertainties around our tuition revenue in each of these models, our financial aid costs and our other costs, and that's really a challenge as we think about the budget.

But what I want to do today is tell you where we are in terms of understanding that we, at a minimum, have a \$210 million shortfall that we've predicted, some of which we've handled, and I'll show you what's left in terms of the gap, what we need to solve, and then the steps that we're contemplating to close the rest of the gaps.

I also want to say that we're making these decisions in the context of also impact on our community. I think all of us understand that this is an existential budget situation for the university; but of course, it has an enormous impact for everyone in our community beyond the university as well.

So where do these uncertainties come from? What are the budget issues that we're facing? First of all, undergraduate financial aid. As Martha said, one of our core

principles is to take care of our students, and we are committed to preserving our support of students, any student, in terms of access to the university.

When incidents like financial downturns like this occur and our unemployment goes up, our financial aid costs go up with it. We're predicting an increase of roughly \$95 million in financial aid needs for the coming year. That's a significant part of the budget deficit.

Of course, housing and dining, if we have fewer residential students on campus, we'll lose revenue in housing and dining. We also are facing uncertainty in tuition, where both our international students that make up many of our students in our masters and professional programs may not be able to come here. We may have undergraduates, depending on the scenario, that choose to defer coming for the year. That all would have an effect on tuition.

We anticipate that our costs of operations at the same time will increase. We're going to need to test, we're going to need to have costs associated with reorienting our facilities with social distancing and personal protective equipment that we'll need to purchase for everyone. Whether or not we have students here, as we're starting up now, we're starting to experience some of those costs.

And of course, there's other reduced revenues. We don't know how long our hotel will be closed, our other enterprise units, our book stores, our cafes, veterinary hospital, all of which are operating at significantly less revenue.

What I want to describe are three scenarios that we're thinking about for the fall and the financial impact of those three scenarios. These are for budget purposes only.

They're general. I won't describe any of the details that we'll be working through, but we'll be making this decision in the next few weeks about which of these scenarios we'll pursue, and then implementing the appropriate guidelines and safety procedures.

I'll talk about the measures that we've taken already to close the budgetary gap, and those that we anticipate. And then, once we make these decisions, we'll present a final FY 21 budget to the trustees for approval in a special meeting in June. Normally, the FY 21 budget would have been approved already, but because of these uncertainties, we put it off.

Of these three scenarios, none of which have been decided upon yet, the first is that we have a full residential semester, fall semester. What does that mean? That means almost certainly it will be residential plus online. That is, we will have students here for a shortened residential semester. Probably around Thanksgiving, we would dismiss students, they would go home and complete the semester, their coursework online.

So every course would have either an in-person and an online component, or it could be entirely online if, as Martha says, the faculty member chooses to deliver the course online and do the work to really design that course for an online delivery. Or if the course is so large, for example, that we could not practically have the course in person, those courses would be all online. But our in-person courses would be in-person for part of the year, a part of the semester, and then online for part of the semester.

One confusion has come up that I'd like to just address, because I hear from faculty saying oh, we're going to have to double-teach our courses. If we do these in person, we're also going to have to do them online. What we need to distinguish is between having access for students to a residential course, so having them being able to monitor those courses at a distance versus an online course.

If you teach a residential course, if you teach an in-person course, you need to be able to provide that information to students who cannot come, either because they choose not to come and be residential or because they're international and cannot come, or perhaps because they're in quarantine.

That remote instruction -- and I'd like to now differentiate us between remote instruction, in-person instruction and online instruction. Every in-person course would have to be available remotely in those cases where that is possible, other than labs, some labs, et cetera.

Back to the scenarios. Scenario 1 is full residential with hybrid. It would be shortened in-person semester. It would likely have limited international graduate students because of travel restrictions, and then some modest enrollment reduction. We think this is the least of the loss of tuition. That's Scenario 1, which I'll show you the financial implications of.

Second scenario would be that we have some residential instruction, we invite some of our students back at one time and others at another time; but to be able to dedensify the campus and the dorms, et cetera, we say we're not going to have everyone come back at the same time. That would also have a shortened semester. We

expect to have more limited international students, more deferrals from undergraduate students and more significant loss of housing and dining revenue, as fewer students are on our campus at any time.

And then finally, the third scenario is the fully online scenario, where we do not have undergraduate residential instruction, and we will design all of our courses for online delivery. In that case, we expect more deferrals, even less international enrollment and more loss of housing and dining revenue.

Before I show you the relative costs of those scenarios, knowing that we have these budgetary challenges, we've taken the following actions so far: Very quickly, we've looked at all of our capital plans, we deferred or delayed those capital spending plans that we could.

We've announced there will be no salary increases for FY 21. We've instituted a hiring pause, we eliminated discretionary spending, we've put in place a travel pause, which will remain in place through the year, even as travel opens up again, with some guidelines around that travel. We've shifted philanthropy to current use, and Martha has been effective at achieving so far \$10 million in terms of asking our donors to support our coming challenges in financial aid. And then we've had a senior leadership voluntary pay cut.

So that \$110 million that we've solved already leaves us with the following deficits for the following three scenarios. For Scenario 1, which is residential, full residential and then hybrid, we have about a \$100 million remaining deficit.

For Scenario 2, because of less housing and dining revenue, less tuition revenue, that problem becomes a \$225 million, \$226 million problem. Then, financially, the worst case financially is Scenario 3, which is all online, which will have essentially no housing and dining revenue for the fall. We expect significant deferrals from students and significant drop in tuition. And there we have an over \$300 million budget gap.

How would we close these gaps? And here is the difficult choices that we're faced with. As we close this additional roughly \$100 million gap for Scenario 1, the residential hybrid scenario, we believe we can save about \$20 million from the salary cap and attrition of current employees, bringing our employee numbers down and saving significantly through the fiscal year.

We believe there are other additional savings that we can achieve through cost reductions, a reduction in the rate of faculty hiring, some of which is going on already, and then additional use of reserves, both central reserves and reserves in the colleges. That would leave us still short \$60 million.

Our proposal to achieve that \$60 million is a balanced reduction in employee expenditures, made up of a one-year pause in our retirement contribution on the endowed side. We, the institution contributes 10% of salary, up to a cap, for endowed employees. We would pause that endowment contribution, as some of our peers have, and that would be done for all endowed employees.

To balance that on the contract college side, where the State pays the retirement benefits, we would have a present-day salary reduction. That reduction we would make progressive, we would not reduce salaries below a fixed number, where

individuals are living at the margin, if you will. And then we would progressively increase this, depending on salary, the percentage of salary that is reduced.

Both of these would be one-year measures. That is to say, in the next fiscal year, FY 22, we would resume making contributions to retirement plans and we would increase the salary level of contract college employees back to where it was before the reduction, and we would provide a SIP on top of that, assuming -- and our projections assume we would be in a position to provide a salary improvement program at that point.

So this would be a one-year consideration. It's a difficult thing to balance, and I've talked to the Financial Planning Committee about the complications associated with, on the one hand, removing a retirement contribution, which is a plan for the future and, on the other hand, a salary reduction which comes out of an employee's pocket today or at the start of the fiscal year.

In addition to those two things, which would solve about \$60 million of our problem, we're proposing a voluntary retirement plan, which would have six months' incentive payment, so six months' severance. Someone retires, they're paid for six months, and they get a full one-year retirement contribution as a final retirement contribution. That program roughly breaks even in FY 21, but there are significant savings in the future for that program.

If we take Scenario 2, which is the dedensified program and we have a gap of \$226 million, we would approach that with a more significant reduction in personnel costs, largely through attrition and reassignment, but some job loss. We believe that we

could reduce our overall employee levels to save around \$40 million through this attrition, reassignment and some furloughs that are associated with that.

Other savings, more aggressive cost reductions, reductions in faculty hiring and additional use of reserves. The salary program and retirement reduction that I mentioned would be the \$60 million. Furloughs and enterprise units, these are areas like the hotel and other areas where we scale up employees when business is good and we would, in this case, need to scale back in many of those cases where we're not sustaining revenue or business. The voluntary retirement plan, as I mentioned; and in this case, there's almost no question that we would require the use of some short-term debt to solve our budget gap.

Then last slide for me, the third scenario, the most difficult scenario, is one in which we're reserving all of our tools, if you will, to address the budget deficit. We would have more significant salary reductions for employees. That would be around \$60 million.

Our ability to preserve jobs would be less under that situation. We would have a really significant financial challenge that the institution would be facing. We would have additional furloughs. Other savings that I mentioned, the retirement program, et cetera, the retirement contribution pause and voluntary retirement plan. And then we would both use debt and, there, finally contemplate use of the endowment as a last resort.

And if we go to the last slide, I'll turn back to Martha to really explain why we think use of the endowment should be a last resort.

MARTHA POLLACK: I apologize for putting so many words on this slide, but I figured they would be available afterwards and people could look back. Let me say up front, I know that this is a very difficult and tricky issue. You have all seen lots of articles in the news both in favor of people using endowments, against people using endowments, cautionary tales of organizations that have gone out of business in the past when they have drawn on the endowment.

Let me just say a few words about the endowment. I think most people know this, but just to make sure everyone knows, we do spend the endowment. We spend about 5% of the endowment every year to cover a range of core activities. Almost all of what we spend it on is either financial aid, faculty salaries, particularly endowed faculty positions, or academic programs.

That 5% that we spend is at about the highest level of what financial advisors recommend that you spend. And in fact, there's state caps on what you can spend. In New York state, you can't spend more than about 7%. We do have a big endowment, but it's actually the lowest by far of our Ivy peers when you look on a per-student basis.

You have to remember the endowment is not just this pot of money. It's an enormous collection of funds, the vast majority of which have restricted uses. So a donor gives you money, say, for a named chair, and the expectation is that money will cover the cost of that chair in perpetuity. That is, the amount we spend has to leave enough in the corpus not only to continue to pay for it in future years, but to continue to pay for it as if there's inflation, as there almost always is. We can't just use the

money for different purposes. It has to be used for the purpose for which the donor gave the money.

You could, perhaps, up to that state limit, further draw down a pot of money. If someone gave money for financial aid, say, you could draw it down further and spend extra financial aid money now; but what that means, that financial aid need isn't going to go away in a year.

Even beyond the expectation and requirement that it lasts forever, that financial aid need is still going to be there the following year. So the following year, then you'll have to take other measures to make up for that drawdown, and on and on.

Endowments are a little bit like annuities, only annuities, for an organization like ours, is expected to last forever. And we make this agreement with people, when they give us money, that we will support the things they want forever. Our strength today really does come in part from the generosity of our predecessors, and I believe we have an obligation to our successors to keep Cornell strong, to continue to have that money available for future generations.

The last thing I want to say is, there is, as Mike said, massive uncertainty about next year. If we were in the situation where we need to draw -- we're short over \$300 million, we're in a real, real emergency situation and, at that point, we can go to the board.

We don't have the authority ourselves to tap the endowment. That was controlled by the board of successors. If we need to, in an emergency situation, we can go and seek approval for them to tap the endowment; again, only using the money for

the purposes for which it was put, and only up to the state limit, but given the uncertainty we have, that, we really think, should be preserved as the last lever that we pull.

I'm done, Charlie.

CHARLIE VAN LOAN: Okay, thank you, Martha.

Next slide. So I'd like to introduce Professor Ravi Kanbur from Dyson, the chair of the senate's Financial Policies Committee.

Ravi.

RAVI KANBUR: Thank you, Charlie. Thank you for this. Just a few words about the FPC before I get into the presentation. The FPC meets about once a month. Some of the meetings are synched with the university's budget cycle, in normal times, and we also take up one or two themes to discuss throughout the year.

Before the world turned upside down, it was allocation and research costs and research overheads and so on. Also, following Charlie's lead, we were discussing with members of the University Assembly a broader exposure to budgetary issues and so on.

Anyway, the world did turn upside down and, in our April meeting, it became clear we were already in a crisis. In our May meeting, at the end of the first week of May, second week of May, which would have been the last meeting of the year, it became clear that we needed to carry on meetings to monitor and to track the crisis and the university's response to the crisis.

And Charlie then asked us by the end of May to deliver a report, reporting on the deliberations of the FPC to provide -- to seed the discussion. Anyway, we did that in a

very short space of time, based on the information we had and the deliberations we did. And this presentation, essentially, as the chair, I'm presenting to you the committee's deliberations.

In fact, we presented the information that we had at the time about ten days ago. The information's been updated, and you have seen from Mike more detail and so on. I would like to skip some of the slides, because this information's already been presented.

That just tells you what we have been doing. Again, you have heard this from Mike already. There are these three scenarios: In round numbers, \$100 million, \$200 million, \$300 million shortfall has to be found. And the key drivers of this, the biggest driver is undergraduate financial aid. \$95 million of this \$100 million is accounted for by the increment in financial aid.

If we move along, so we set out some of our core values in the committee's deliberations, and they match some of the values that Martha put forward. But of course, you can state the values, but the devil is in the detail of those things: How do you specify them, how do you weight them, how do you then implement them. And I want to talk about how the committee approached some of these issues.

A shortfall of \$100 million in a year is not easy to meet, and we have to have our values front and center. The FPC didn't agree on everything, and you will see some of the disagreements. The one thing it did agree on was the protection of financial aid. I think the report is a bit remiss in not laying out our reasoning, but really there are two inter-related arguments.

One is that the commitment -- this is Fiscal 21, the coming fiscal year, and commitments have already been made to the freshman class and to those who were already at Cornell. To go back on that, well, faculty would have to consider that, what they think about that.

But secondly, any sort of going back on that will mean a disproportionate impact on low-income students and students of color, and the impact of that on diversity of the Cornell student body really has to be taken into account. I think it was those sorts of arguments which led the committee to come to a consensus that financial aid should be protected.

As Mike laid out -- and some of this is repetition, but that's fine -- there are broad sources of funding. And the way the university is thinking about it is as sort of a cascading thing, as the shortfalls grow. For the \$100 million scenario, it's \$60 million from faculty salary -- retirement contributions, \$20 million on the next item, \$20 million on the next item, with borrowing and the endowment not being touched at all in the first scenario.

In the second scenario of \$200 million, the additional shortfall cascades through this and -- I think the slide show is gone.

In the \$100 million scenario, the first item picks up \$60 million; the second item, \$20 million; and the third item, \$20 million. In the \$200 million scenario, the first item is held constant at \$60 million, but the increment is then fed through down the system up to borrowing, but not tapping the endowment.

When it comes to \$300 million, the first item is still held constant at \$60 million, but the increment is then fed through to the system, finally coming to tap the endowment. That is the thinking that the university has, and I want to give a few comments on behalf of the committee on this way of thinking about it.

The first issue which the committee deliberated on, and a very contentious issue, and unlike the financial aid issue, the committee did not reach consensus on this, so I want to report the elements of the differences of view. It should be fairly clear that when you draw on the university's net financial assets, this will reduce financial resources available in two or three years for university programs. That's clear.

The last bullet is how should we reason about this trade-off between present needs and future generations. That's the essential question. The committee was divided on this. Those in favor of touching the endowment only as a last resort, which is the university's position, those in the committee who support that view make the following observations: They say annual payout is a renewable resource, which, if managed successfully, can help sustain many types of essential university operations, including salaries and so on, in the future.

The second, and Martha made this point, it is comprised of hundreds of separate accounts that often carry restrictions from donors. Thirdly, Cornell has a small endowment relative to its peers. But the members of the committee who argued for an increase in endowment payout, even in the first scenario, even in the \$100 million scenario, made the following points; that this is burden-sharing between the present and the future.

Cornell's present and future has been hit, and so the future should bear its fair share of the burden. And employees currently being asked to make sacrifices need to see the institution also making this measure of sacrifice.

Secondly, the faculty and staff are also an asset. We talk about financial assets, but there's the human capital asset of the university, and there's an argument for protecting that asset from a sharp negative short.

Finally, the argument made by these members of the committee is the political consequences of being seen to protect a multibillion-dollar net financial asset position have to be factored into it. A rigid stance will be read negatively in the political arena.

Related to the issue of tapping the endowment is the question of whether to borrow or not borrow. Of course, if you borrow, you have to pay back with principal, and that's a charge on future resources. It is a similar argument of burden sharing. The burden is shifted from the present to the future.

There are various financial engineering type arguments that say the present low rates of interest could be an advantage for borrowing. But at the same time, there are limits to borrowing, and the extent of the borrowing relative to assets can also affect the university's credit rating.

So there's a balance to be struck here. We don't have the detailed information, the detailed financial engineering information to take a view on this, but we believe the university should clarify why it is that no borrowing at all is contemplated in the first scenario, the \$100 million shortfall, with salary and benefits bearing the lion's share of the cuts; even the current low interest rates and so on.

I won't say very much about this, but we talked about this in detail in the report. Mike has covered this. As we understand it, the university's current view is what they are going to do is to do graduated salary cuts on the contract side, but across the board retirement contribution hiatus for the endowed side. We concur that these cuts should be done progressively, protecting those with lowest incomes. There are complications to do with the State and the endowed side of the thing. There are administrative and legal-type issues.

Here are some questions, which should not the retirement contributions cut on the endowed side also be progressive. Secondly, what is an equitable distribution of retirement and salary cuts across endowed colleges. We talk about this in more detail in the report.

And thirdly, on the endowed side, could individuals be given a choice between salary and retirement cuts, because different people are in different positions, different situations in their life cycle. And there might be some advantage to this, but there may be administrative and legal issues involved.

The committee's discussions also surfaced some other ideas. For example, a tax on the endowment payout to fund the current items was one item. So in other words, you wouldn't increase the payout from 5% to 6%, but you would tax the 5% endowment, say a 10% tax on that, so a holder of the endowment would only get a 4.5% payout, the remaining going to fund the general budget deficit.

This has hidden elements to it because, of course, department endowments and research center endowments and payout from that actually fund salaries and staff

positions and graduate assistants and so on. So there's an element of robbing Peter to pay Paul here, but I think this is something worth exploring to see whether, in fact, there might be some play here.

The next item suggested is the possibility of constructing salary and retirement cuts as a zero-interest loan from faculty and staff to be paid back over time. Third idea is work-sharing, rather than employment cuts and organizational reduction, using currently available federal and state funds for this purpose. These are discussed in more detail in the report. And the final idea is the cuts should be done for six months in the first instance and then evaluated.

I would add a fifth element here, which the committee's deliberation on financial aid -- and we were remiss in not putting this in the report -- is that although we agree for Fiscal 21 going back on financial aid should not be done, but nevertheless, the structure of financial aid is not perfect and we should certainly look at, from a medium-term point of view, the possibility of whether we could achieve our objectives at lower cost. All these ideas need to be scrutinized and tested for feasibility and desirability, and we put these forward as ideas to look at.

We urged the university, and the administration shared information with us, which we used to write our report, and you see the information that was shared today by the provost, but from a longer-term perspective, we believe, the FPC believes the crisis highlights the need for closer faculty and staff engagement and shared governance on financial matters, including the health of the endowment, developing contingency

plans for downturns and the values, for example, financial aid, which underpinned the university's expenditure choices.

To that end, the FPC believes having one of its members, one of the members of the senate and a staff representative serve on the provost's Budgets Planning Committee, and also greater faculty and staff involvement on the provost's administrative costs meeting. Thank you.

CHARLIE VAN LOAN: Thank you, Ravi.

We are now open for raised hands and questions. But while we wait for those first hands to come up, maybe Mike or Martha, could you talk a little bit about the reasoning behind borrowing versus tapping into the endowment? That was one of Ravi's questions.

MARTHA POLLACK: Why you would prefer borrowing to tapping into the endowment?

CHARLIE VAN LOAN: Just how you reason about one versus the other.

MARTHA POLLACK: Yeah, I would really want to refer to John and Stefano for the details, but basically, at this moment in time, the cost of the debt service on borrowing -- you don't know what's going to happen with the endowment. It could go down further.

And one of the things I should have mentioned is that when the endowment is down, as it is now, you're actually spending more. We're probably spending more than 5%, because we average over a number of years. When the endowment is up, we spend less. My point is, although we don't know what's going to happen with the endowment,

based on historical projections, the cost of debt service is less than the cost -- less than what you expect you would get from the investment proceeds on the endowment.

And that would lead you to borrow over -- by the way, Ravi, thank you. I appreciate your analysis. I thought your comments, suggestions were very good ones, and we will look at all of them. I appreciate the work. As Ravi mentioned, we have strict limits on the amount of borrowing we can do. We can't just borrow endlessly. Our credit rating will drop. Once our credit rating drops, and there's covenants on existing debts that kick in and it costs a lot of money, so it's another one of these balancing acts.

MICHAEL KOTLIKOFF: Let me just add to that. For many years, because we had borrowed up to our limit after the 2008 downturn, we were in a no-debt situation for the campus for a number of years. That really constrained our operating flexibility. It constrained what we could do in terms of investments, et cetera.

Ravi mentioned this in passing, but I just wanted to emphasize that, to me, is another thing that -- we have to make sure we have the flexibility in the future to borrow. We don't need the kind of choices of having a fall in our credit rating versus being constrained from borrowing anything more.

CHARLIE VAN LOAN: Thank you. Michael Lovenheim. State what department you're from and so on, before you speak. Michael.

MICHAEL LOVENHEIM: Thanks so much. I'm from the Department of Economics and from PAM. First, let me say these are hard decisions, everyone is working really

hard, and I appreciate the thought and care which everyone has approached these issues.

The first thing I want to raise is that I understand the idea of cutting across the board for faculty or within salary bands, but it's also the case that some faculty are more productive than other faculty. Not to be inartful, but it's just true.

And I wonder if there has been some discussion or if there's scope to basically load the costs or the cuts more on the faculty who are not producing and to avoid basically -- not punishing, but overly hurting faculty who we're going to have trouble retaining in the future if we cut their salaries.

I don't know if this was taken into account in the budget, but it does occur to me that the degree to which we engage -- the aggressiveness of our capital campaigns is a choice we make as an institution. The university is fund-raising and worked hard on that, but also strikes me that after this is over, there's going to be a lot of gifts that were probably deferred rather than just not given, and we might be able to go more aggressively into a capital campaign situation.

I don't know if that is baked into this or what the leadership has to say about those opportunities and how that might affect the extensiveness of cuts that are needed in the current situation. Thanks.

MICHAEL KOTLIKOFF: Maybe I can respond, Mike. To your first point, I just point out that actually most of the \$60 million that we're talking about is not funds from faculty. It's staff. The overall numbers here are -- what you suggested in terms of somehow prioritizing some faculty over others, evaluating performance, that sort of

thing, despite the difficulties in actually doing that and the arguments of that, this would really have to be done through staff, as well as faculty. I just wanted to point out that the amount of money that's coming out of here from faculty is the smaller proportion of this total savings.

One of the things we're saying about this activity is that this is an unforeseen crisis. Nobody is at fault associated with it. We need, as a community, to try and address it. To Ravi's point, one of the reasons we've started with this \$60 million in reduction from retirement and salary reduction is because we're trying to preserve jobs as much as possible.

We know that in this community, we are the major employer, so one of the strategies we've pursued is to try, as our first steps, to do as much as we can to preserve jobs, understanding that subsequently we're going to have to move to other issues. Just wanted to make that point as well.

CHARLIE VAN LOAN: Carl Franck.

CARL FRANCK: Thank you. Carl Franck, Physics. I appreciate all the effort that's gone into this. Reflecting on the feedback I received from my department, the faculty strongly feels that grants that pay into salaries should not be touched or taxed, but I also want to point out very much the point that Mike has just made, how much our community depends on us.

I want to emphasize the long-term commitment of our staff. If we just look at people, the faculty are mobile. The very best of us could get jobs elsewhere, but the staff has made a commitment in dedication. Over the years, I have noticed from time to

time people working second jobs in department stores and things like that. There are great benefits from Cornell; but obviously, things were not being matched.

And also the question of living wages has been out there. The point has been made very strongly to me that with loss of job goes not only retirement benefits for people who haven't served -- maybe many years, but not quite enough, but also health benefits for their entire families.

The senate has the cards, the faculty has the cards, has the power here, and I think we have to look at each other as individuals. It becomes a question of social justice. It is a time of reform that could be possibly made here. I think very much the question of financial aid to students is a very soft thing. I know, from direct experience, of students who could not afford, despite a financial aid package, to be here as undergraduates and came here later as graduate students.

To be frank with you, I have had such bitter experiences recently through academic integrity hearings which have just revealed a decay in our student body, that I think we have to all take a moment to re-examine what we are facing here, who our customers really are.

Finally, I want to bring up the question of what's going to happen to our international undergraduates under these circumstances. Again, these are tough things, but I think, like our society is looking at times of change -- and I think that statement of politics is right. What we do now will really matter. It will be our legacy. So I hope we'll look at each other as individuals and people. And I think the whole idea of reassignment is brilliant. Our staff can do many different things. Let's let them try.

CHARLIE VAN LOAN: Thank you. Comments, Mike, Martha?

MARTHA POLLACK: Thank you for that. I meant what I said in the beginning. I have enormous admiration for our staff. I said this before; without our staff, no one would get paid, the snow wouldn't get plowed, our students wouldn't -- their rooms wouldn't be cleaned. Our staff keep this university running. And we are trying to do everything we can to protect them.

I'm glad you like the idea of reassignment, because what reassignment does require is for people to be flexible in having their person maybe do two jobs or something like that; but we would really like to make that work as much as we possibly can, so thank you, Carl.

CHARLIE VAN LOAN: Ravi Ramakrishna.

RAVI RAMAKRISHNA: Hi. This is Ravi Ramakrishna from the Math Department. To what extent are these scenarios informed by possible scenarios of what will happen in the spring, and how will the numbers cascade down if you predict -- look further?

MICHAEL KOTLIKOFF: That's a great question, Ravi. Obviously, we don't know. I presented you Scenario 3 with a fall online, with the assumptions of a full residential, essentially normal spring. That is a very dicey assumption, as I think you're intimating.

The reality is that we may be in January in the same position we will be in August; that is, most people immunologically naive, so not having encountered the virus, not having a vaccine that's broadly distributed, and being in this situation where we need to take significant steps to ensure the public safety, public health of our community, all of those things we're thinking about now.

I think the good news here is that we're having really intense conversations with Cayuga Medical, with Tompkins County Public Health, around how we might be able to do this safely in residential. To some degree, we haven't resolved we're able to do it, but we are making a lot of progress in thinking about the issues. All that progress will be valuable, if we're in the same position in the spring. That's really about all I think I can say.

MARTHA POLLACK: And let me quickly add, in addition to the other sources I mentioned at the beginning, we are also talking to all of our peers. I was on a four-hour call with the other Ivy presidents earlier today, and there is certainly a lot -- now, the situations are different. Columbia, in the heart of New York City, is going to be in a different situation than us, but we are sharing best practices and everything we possibly can learn from each other.

CHARLIE VAN LOAN: Thank you. Bruce Lewenstein, then John Whitman.

BRUCE LEWENSTEIN: Thanks, Charlie. I want to be explicit, I'm speaking in my role as a senator from the Department of Communication and explicitly not speaking in my role as a faculty-elected trustee. I am reporting concerns that I heard from my faculty and the faculty in the Comm Department.

Some of the comments, like the provost just made about what percentages would be staff versus faculty for where the \$60 million would come from may temper what the original concern was, but be that as it may. But the particular concern was that the out year payout of taking \$60 million from the endowment looks to be about \$3

million, which is on the same order as what some faculty bring in with indirect costs on large grants and things like that.

The concern is that the morale hit of cutting large amounts of staff salaries could have an impact on commitment to the university, to what we've just heard about the kind of individual commitment that many people have. And ultimately, this is a question about what Ravi Kanbur introduced as do we focus on the current burden or the future burden.

That was the concern, which is too much of the burden being placed on the current burden. And is this a place, given the nature of the crisis, we should be saying we have to take some -- the future has to carry some of the burden. So I'm reporting that from my department in my role as senator from Communication. Thank you.

MARTHA POLLACK: Look, Bruce, as I said, it's a perfectly fair question. This is a very hard decision. When I hear things about the university has to share the pain, I have to confess, I don't know exactly what that means. If it means the administration, personally, let me say I'm taking a 20% pay cut for the next year because I felt like I should contribute. And I would be subject to this 10%, so I don't think the issue is a matter -- if the issue is the administrators aren't feeling the pain, we're trying to take our share of the burden.

If the issue is the university must share the pain, I'm not sure what that means, given that so much of the endowment pays for things like faculty salaries and financial aid. It's not that I don't understand the pain, so maybe it's a trade-off between do we

put it on the faculty -- I guess that's the issue. Do we put it on the faculty now versus the faculty later.

And it is a hard question, but from where I sit, I feel like part of my responsibility as the person steering this university is to take the long view, is to make sure that we come out of this not just Cornell still standing, but Cornell stronger than ever and have it be place where our younger faculty are looking to a future where we can, once we are over this, really be investing in the kinds of things they want, instead of limping along for many years, as Mike described was the case after 2008. I'm sorry if that wasn't very articulate, but it's sort of a bunch of -- I don't know if you want to add to that.

MICHAEL KOTLIKOFF: Yeah, Bruce, I certainly understand that point of view. Everything I do, I believe that my job is principally to strengthen the university and strengthen it for the future. Pulling -- drawing additional resources from the endowment weakens us forever.

The endowment allows us to do more good, more research, more discovery than we would be able to do otherwise. It supports all the things that we hold dear in the institution, and we're already challenged. We know in financial aid, for example, we're absolutely at the bottom of the Ivies, Ivy Plus in terms of our ability to support financial aid through endowment.

For that reason, much of that burden falls on our operating funds, so we're able to do less as an institution with our operating funds, with our tuition dollars, because so much is going to financial aid and so little is coming from the endowment. You can make that determination for basically every mission that we pursue. It's just anathema

to me to weaken the institution long-term. I would like to do everything possible other than that, if we can.

CHARLIE VAN LOAN: John Whitman.

JOHN WHITMAN: Thanks very much. This is John Whitman from Linguistics. I'm not my department senator, but I have a very specific technical question about the proposal which is part of all three scenarios to have a one-year pause in employer contributions to the retirement plans.

Currently, as I understand it, there's an IRS-imposed limitation on employee contributions to the plan. It's \$19,500 for people under 50 and \$26,000 for employees over 50. The question is, if the employer contributions are eliminated for one year, whether that has any effect on those limitations, where it's possible to raise the employee contribution in tandem with the elimination of the employer contribution.

MICHAEL KOTLIKOFF: My understanding is that the individual contribution -- the institutional contribution has no impact on the -- however, those individual contributions are still subject to a cap. That's my understanding.

MARTHA POLLACK: We'll check with our benefits people and confirm.

JOHN WHITMAN: Because if there was such an effect, it might have the effect of sweetening the medicine a little bit, so it would be good to know.

MARTHA POLLACK: Yeah, we will check on that.

CHARLIE VAN LOAN: Cortelyou.

CORTELYOU: Hi. Sorry I have my video off, but I am not doing too well physically. I'm an employee of the Law School. A wiser person than me once said a

crisis is a terrible thing to waste, and I'm wondering if there's been any brainstorming in around how to leverage remote or online teaching into a financial opportunity. I read an article suggesting partnerships with tech companies, and I'm wondering if there's been any exploration of that and how to leverage expansion of our online curriculum into something that could ultimately help with some of these costs.

MARTHA POLLACK: Absolutely. I'm smiling because just about every day I call Mike and say let's take advantage of this, let's build out our online education. I think everybody knows back in January, we created a centralized external education unit, which was supposed to pull together all of the various kinds of external education that we do, ranging from executive education to certificates and, in certain places, online master's degrees. One of reasons we did this is because online master's degrees are credit-bearing and it was really important that that go through the provost's office.

We already are seeing enormous growth in the online programs that were offered by eCornell. These are not for credit, although May was the biggest month ever. That's built into our budget. It is not a huge amount. It's in the million or so, but we are looking there.

We just had a discussion -- this is very, very preliminary. I have no idea if it will go anywhere, but we just had a discussion about whether we could offer -- not for credit, this couldn't be for credit, but not-for-credit versions of some of the programs we have for students -- not our students. Any student who's taking a gap year at lower cost.

We are absolutely exploring -- oh, another thing would be to make available -- I hear from our alumni all the time that they would like to sort of be in the classroom, if we are offering remote versions. So not the high-quality online version, but remote versions of lectures for people who can't be there, maybe some faculty would be willing to let alumni sort of see that as a subscription and they would pay a small amount for that. I just want to say, and someone else put that on the chat, we are trying to figure that out in every avenue that we can. I don't think we should waste this crisis for that.

CHARLIE VAN LOAN: Thank you. Sarosh.

SAROSH KURUVILLA: Hi. Sarosh Kuruvilla, a faculty member in ILR. And my question is why aren't we thinking of more deeper cuts to faculty salaries than the 1% to 5%? My rationale is that if you cut the staff, staff who work for me, already the hiring cut in the last semester has affected my work. My workload is increasing. I'd much rather take a 10% salary cut rather than do the extra workload.

The argument has always been let's not cut faculty salaries because we will lose people to other institutions, but all other institutions are in the same place. I mean, where do they have the money to poach our folks? So I'm suggesting maybe we should cut faculty salaries by a greater percent than what is currently envisioned.

MARTHA POLLACK: I think we can explore the possibility of optional reduced appointments. That's not something we talked about, but one could explore that, right?

CHARLIE VAN LOAN: Okay. Kate Bronfenbrenner.

KATE BRONFENBRENNER: I listened to this as a senior lecturer. The concern is what is the thought about those of us who are non-tenure track lines. Are we going to

be a higher priority to be furloughed? If we don't teach required classes, if we don't have enough students, is that going to make us more likely to be furloughed?

Particularly those of us who are senior employees, so we cost more, but we're staying out because we're over 65, those kind of questions. I know a lot of us are asking each other those questions. When you say you're doing it across the board, but do we count as a group that's being done across the board?

MICHAEL KOTLIKOFF: Kate, there is no intention here to target any group of individuals. This contribution pause and salary reduction is an effort to share the pain across faculty and staff. It allows us to minimize the kinds of disruptions that you're talking about.

I can't say that if we're in a situation where we're all online, and we're all facing - - colleges are facing big budget deficits, the center is facing a big budget deficit, we won't have some impact on academic programs, but I cannot conceive of a situation where we will target a certain component of our academic personnel over others. It's just not something that's part of our values. I understand the concern. I would just reassure you that while you're feeling vulnerable, please don't. It's not something we're contemplating.

CHARLIE VAN LOAN: Thank you. Risa.

RISA LIEBERWITZ: Thank you, Charlie. Risa Lieberwitz, ILR. A couple of observations and a couple questions. Let me start with the questions. I would like to know what the percentages of unrestricted funds that we have to work with in the endowment. There's some percentage, I assume, so that would be useful to know.

MICHAEL KOTLIKOFF: Can I stop you? 85% of the endowment is restricted. 15% is unrestricted.

RISA LIEBERWITZ: Given that, it seems we should also recognize -- there's always a focus on a lot of it's restricted, that we should also recognize there are unrestricted funds.

The other question I have is I've heard, and I guess other people have heard, and I think it was in the report from the Financial Policies Committee that there have already been some layoffs of staff, and I'd like to see if you could let us know more about that.

MICHAEL KOTLIKOFF: Yeah, there had been limited furloughs that have resulted from things in which there is no employment. For example, the Statler Hotel, where the Statler closed and we don't know when it will open in the future, there have been some furloughs in operations of that kind. We've tried to limit this to the absolute minimum.

RISA LIEBERWITZ: So how many are we talking about now?

MICHAEL KOTLIKOFF: I don't have a current number. Do you, Martha?

MARTHA POLLACK: No, I don't know. It is worth noting that, at least for now, everyone who has been furloughed is actually getting more money because of the government program that gives you an extra \$600 a week -- everyone earning up to about \$85,000. That won't be forever. But for the moment, you are actually getting roughly an extra \$2,500 a month than you got while you were working because of the --

RISA LIEBERWITZ: I would be interested in hearing more -- and then I'll make a couple of comments. I would be interested in hearing more about how you all are

defining furloughs. That has different meanings depending on who's discussing it. And then benefits for people who are in that situation.

MARTHA POLLACK: I'm not 100% certain, but I believe we are still paying benefits for those people. Let me get you -- I don't want to mislead you.

RISA LIEBERWITZ: I think part of the transparency people are calling for is that kind of information as well. I just would comment that in looking at the values that were listed that Cornell is speaking to follow, they were all definitive about values we need to follow, except for maintaining staff. That was the one where the caveat was to the degree possible or feasible.

I think other people have pointed this out, including Carl Franck, that this is a moral issue. I know you know that, but I think we need to then act on it in a way that's a moral response, which means that touching the endowment, having a greater payout using borrowing as our financial responses that seem to me ones that really should be on the table, as opposed to what I'm hearing, which is very much off the table until much later, that they should be on the table as a moral response to human need. That's all I got.

CHARLIE VAN LOAN: Thank you, Risa. Rose.

ROSE: Thank you, first of all, again, to everyone who's worked so hard on these very, very difficult issues. I'm very impressed by all the various scenarios that people have worked out so far. I just want to comment on a couple of issues that have been raised. I'm from the ILR, by the way. I also agree with the concerns that Sarosh, Carl,

others have made around preserving staff, financial stability, and we ought to look very hard at that.

And also, the second issue around whether we should somehow look at how much of a burden we, as faculty, take now versus faculty in the future. Someone raised the issue around what will things look like in six months, but we don't know what they'll look like in five or ten years.

And there was a recession, a huge financial recession in 2008, 2009 that took the university years to recover from. If we kick the ball down the road to another generation, then we don't know what the pandemic will be then, so I do think we have to take responsibility now for figuring out the best way we can preserve the financial stability of the university and not think that maybe things will be better in the future. I don't think we can feel confident that's true.

CHARLIE VAN LOAN: Wendy.

WENDY: I want to touch back on Risa's statements. I really appreciate her bringing that up because, as the senator from the library, a significant number of our colleagues are actually staff, and I'm particularly concerned about issues of Scenario 2 and 3, where we are laying off staff and the implications of what that means for some of the university benefits that I know really, really attract the majority of our staff working here.

I'm thinking of health insurance, I'm thinking of tuition benefits. I know a number of my colleagues have students who are going to be going to college. They can

be very worried about that. And I kind of want some reassurances that those benefits, even if people are laid off, might be extended for a period of time.

And then I also have another question that was forwarded to me by my colleagues, which was about Cornell Tech, because that was not really mentioned in any of these budgets scenarios, and I would just like input on that.

MARTHA POLLACK: Remember, Scenario 2 is where -- let's put aside for the moment, if it's okay, the trade-off between borrowing and using the endowment because, to me, that's largely -- it's kicking the can down the road, but it is a financial decision. Remember that in Scenario 2, we are still trying -- we are not guaranteeing yet, but to the extent we possibly can -- to achieve everything we need on the staff side through attrition and re-assignment, and that is where we begin using borrowing.

And in Scenario 3, we're using borrowing in the endowment. What we're still saying -- remember, even with the 15%, which we are only spending 5% of that, so we still may not be able to get all the way there, but that's where those kick in.

On Cornell Tech, I think this budget includes Cornell Tech, right? Don't we always --

MICHAEL KOTLIKOFF: This is the Ithaca budget. It does not include Cornell Tech. Cornell Tech has its own set of challenges. They're at a different phase than we are. Their ability to start up in New York City is different than ours. Their thinking about mounting testing and surveillance is different than ours, so they have a different set of challenges.

I'll also say I see a question here, Weil is not part of this budget either. Weil budget is one that is significantly challenged itself by the shift to them doing emergency work, ICU work, and away from normal physician practices. They've undertaken a lot of borrowing to shore up their activities in the short term, but they're a budget on their own, where they're responsible for their own deficits as well.

CHARLIE VAN LOAN: Thank you. Mark Lewis.

MARK LEWIS: Thanks, Charlie. This is Mark Lewis, School of Operations Research and Information Engineering, of the Lewis-Wilcox household. I guess there's equivalence between the 5% progressive thing that you considered in the contract colleges and the 10% cut to the retirement.

To me, it just presupposes when someone would like to see their cut. I guess I would just -- I asked the question on the group chat. I would like to know the answer; would you consider a choice, even in the endowed college, to make the 5% cut or take the 10% retirement.

MICHAEL KOTLIKOFF: Thanks, Mark. This has come up. The complication of actually implementing this on a choice basis for every faculty member and the legal issues around what we do on retirement both argue against us being able to do that.

I believe that Mary -- and Ravi sort of eluded to this in his presentation, that there are legal restrictions that we have around how we treat employees for retirement benefits. I don't think we have the flexibility to do some and not others.

We've also, with the deans and with FPC, we've had a lot of conversation about how to balance a future loss versus a present loss. There's really no good way to do

this. The psychology of it is very different. The reality of taking money out of your pocket versus taking it out -- what you can spend 20 years from now is very different. We tried to think about trying to share this burden across the two sides of the institution as much as possible, but we'll listen to any suggestion.

CHARLIE VAN LOAN: Thank you. Annalisa.

ANNALISA: Annalisa, from Global Development. I just want to add a bit of nuance to some of the conversation about staff and about a particular slice of staff. Last week, I had a conversation with some of the UAW members and some of the leadership. The UAW is the union of Cornell employees who are in service positions primarily, as well as some non-Cornell positions. These are folks that are primarily from dining and building care.

And they are very stressed, they are really stressed, but they made the point to me over and over again that Cornell's really trying to keep people whole, and they talked about how some of the managers were scheduling people in three-week rations, but you would get paid for the whole week. You'd work a week, then be off two weeks, because there wasn't enough work to go around for everybody, but you were still getting paid.

That was news to me and probably news to -- perhaps news to other people too. But despite being very stressed, the UAW union members felt like Cornell was doing right by them.

MICHAEL KOTLIKOFF: Thank you. That has been a major goal, a major effort of Vice President Ryan Lombardi, to try and preserve staff that are in a situation where our housing needs have differed markedly from what they would have been.

MARTHA POLLACK: I want to mention that while we're meeting here with the faculty, Mary Opperman is meeting with the EA, because we thought that we wanted to hear from them as well. I don't know if it's the exact same time, but today she is meeting with the EA.

CHARLIE VAN LOAN: Eric.

ERIC: Thanks. This is perhaps a naive question. I got in late. I'm sorry for that, but I'm wondering why the endowment is down when the stock market is up actually.

MARTHA POLLACK: The stock market is not up from its high. The stock market is coming back, but it's not up from its high. As of a week ago, we were down about 10%.

ERIC: I see. Okay. That answers my question, thank you.

MARTHA POLLACK: I think it's 9.5%, to be exact.

CHARLIE VAN LOAN: Ken.

KEN BIRMAN: Ken Birman, Computer Science. I just want to express a concern about the impact of this whole situation on the broader regional economy, because Cornell could manage its situation perfectly, but if the Ithaca economy collapses, many of us have spouses or partners who are paid through the Ithaca economy and are harmed in that way too. I'm wondering if there are ways that the university can take actions that would have one eye towards trying to help Ithaca get back on its feet as well.

MICHAEL KOTLIKOFF: Thanks, Ken. I met this past Saturday with a team from Cayuga Medical, who are just frantic at the possibility that we would not open. I think the biggest impact on this regional economy, as you would agree, is Cornell. Our ability to preserve jobs, to bring students back to the institution and to generate the kind of economic activity that this region depends on is by far the biggest thing that we can do.

We do, as you know, support the City of Ithaca in a number of ways. We've had a number of conversations about how we can collaborate through this crisis. Of course, if you're talking about additional financial contributions that are significant, they just add to that scenario that I've laid out, but I do think this is an extraordinary community working in partnership, Tompkins County Health, Ithaca College, the leadership of -- clinical leadership of the region, to try and do what we can to create the best possible conditions for the fall. That's probably about as much as I can say.

KEN BIRMAN: I know there are people who would suggest it, but I'm not suggesting we should simply pay money to Ithaca, but it's the partnership, I think. There's an opportunity for the area, and I think very important in this situation. We can't just be an island that survives in a region that's desolate.

MICHAEL KOTLIKOFF: One example of that partnership, we are talking about mounting a surveillance testing program with Cayuga Medical. Cayuga Medical has lost tons of money because many of their operations have stopped during the crisis and people aren't going into the hospital. And their ability to participate with us will allow them to preserve jobs, preserve revenue, et cetera. So just one example. Lots of those.

CHARLIE VAN LOAN: Anyone have any -- we are down to the last five minutes. Anyone have a final question? Risa.

RISA LIEBERWITZ: Risa Lieberwitz, ILR. I wanted to thank the Financial Policies Committee for all the work that they did. I found their report extremely useful, including raising the questions about options, I thought was very, very important and creative. I also wondered if there were any responses from the provost and the president about the Financial Policies Committee's statements and shared governance and the increase -- the potential for increased participation by the faculty senate through the FPC and more information being provided.

MICHAEL KOTLIKOFF: Yeah. We've had this conversation a number of times. The Employee Assembly, Student Assembly, the FPC have all requested participation on some financial planning committee, provost's financial planning committee. Actually, I'm not sure what that is. There is no such thing.

There is a committee that is the Cost Allocation and -- I forget the name of the committee, that has a number of members on it that looks at aspects of the cost structure of the university, how we allocate costs and those sorts of things. I would be glad to consider how to involve individuals.

We do have faculty on that committee to expand the membership of that to the FPC. We don't have an entity that Ravi requested that they join. I don't have a financial planning committee per se, but what I do do and continue to do, and I think everybody on the FPC will acknowledge this, is go to the FPC, and fully transparent about what we're thinking about, what the questions are, what the issues are. And all of that data is

available to the FPC and, in fact, undergirded the report that Ravi went through. I think it's a great working relationship.

CHARLIE VAN LOAN: Down to the last three minutes. Ariana Kim for the last question.

ARIANA KIM: Yeah, hi. Ariana Kim, from the Music Department. In going back to talking about Cayuga Medical, I was wondering if there's been discussion about, heaven forbid, we -- and/or Ithaca's hit with an outbreak, what the financial implications and logistical demands and staffing demands might look like on a relatively small hospital system.

MICHAEL KOTLIKOFF: It's a great question. And one of the things that we're doing now, and Martha is asking me very tough questions every day about what if, what if we were to bring students back, despite the testing and modeling, and we see a spike in infections. What would we predict in terms of morbidity and mortality, disease and death? What would the implications be in terms of the capacity of Cayuga Medical?

I got a report yesterday from the CEO of Cayuga Medical about how their plans to expand their ICU capacity -- they have a very modest ICU capacity, but they could expand many fold what they currently have, and they have plans in place to do that. They have sufficient ventilator capacity, which is one of the issues, of course, that we know we have to be concerned about.

All of those issues are part of understanding that, if we bring students back, we have a system in place to monitor what's going on and we have thought about the impacts downstream of what might happen and we have alternative plans to address

them. The health committee and the teaching committees are going to issue their reports on the 15th. Faculty senate members are part of those committees. They are going to make recommendations.

We'll then look at and make a determination about how we implement the thinking of those committees. As Martha said, they benefit from all the realms of expertise in this extraordinary community, from data scientists, epidemiologists, public health experts, physicians, et cetera. All of that -- and social scientists are thinking about the interaction of our students, et cetera. All of that we're thinking about building into these reports, so more to come.

CHARLIE VAN LOAN: We're at 5:00. The meeting is over. We'd like to thank Mike and Martha and Ravi for their presentations and discussions. Although the meeting's over, we keep the Zoom open, in case you still want to post some chats, so at this point, I would like to thank --

MARTHA POLLACK: Before everyone goes off, I really do want to repeat what I said at the beginning, because I don't think I had a chance to be at Faculty Senate this semester. We were in the midst of dealing with the absolute worst of this when I was supposed to come, and I do want to say again how deeply I appreciate the extent to which faculty stepped up to what was just an unbelievable challenge in moving online in three weeks, while we were busy getting the students home and getting the staff remote, and the level of dedication was unbelievable.

CHARLIE VAN LOAN: Okay, thank you, everybody.