Minutes of March 3 were approved as presented.

Electronic Commerce Institute

Dr. Harris made a motion to approve creation of the Electronic Commerce Institute in the Robinson College of Business. Dr. Henry seconded the motion.

Dr. Bahl asked about comparable units elsewhere. Dr. Harris mentioned New York University, MIT, and Carnegie Mellon. Dr. Bahl asked about international collaborations. Dr. Harris mentioned Nanyang Business School (Singapore), Erasmus University (The Netherlands), University of Copenhagen, and European Business School (Germany). Dr. McGinnis asked about any relationship to the new iXL Center for Electronic Commerce at Georgia Tech. Dr. Harris indicated an independent effort with many universities likely to initiate programs in this rapidly emerging field.

The motion passed.

Budgets Beyond FY2000 and Strategic Planning

Dr. Patton opened discussion of budgets beyond FY2000 with the observation that "the golden age" for higher education in Georgia is likely behind us. He pointed out shifting emphasis at the state level toward K-12 education, and advised dampening of expectations for new state funding for higher education in the years ahead. He commented that this situation would necessitate working harder, being more aware of accountability issues, intensifying external fund raising, developing new partnerships, and sharpening priorities to match University System and state government funding initiatives.

Mr. Lewis remarked that Governor Barnes was seeking a distinctive stamp on education for his administration, and that K-12 was receiving the largest share of attention at the outset. Mr. Lewis stated that the University System pitch to maintain the momentum gained during the Miller administration was not attractive to the new administration from the standpoint of distinctiveness. He said work force development would likely be an emphasis which higher education could seize to some degree. He added that higher education had not been ignored in the first year of the Barnes administration and pointed to the sick leave bill, 4% raises, and capital funding as evidence.

Dr. Patton outlined efforts with Board of Regents members and staff and state legislators to gain support for the new teaching lab building. Dr. Patton announced he would be making a presentation to the Board of Regents regarding the teaching lab building at its June meeting. He noted that University System generally receives $100M per year for capital projects, and individual projects are usually in the range of $20M. He pointed out that land acquisition alone would be $10M for the teaching lab building, which would have to be raised privately. He added it would not make sense to build a $20M building on a $10M site, and the Board of Regents would be asked to fund $45M toward a total cost of $68M. Dr. Henry noted the University System capital projects list is maintained at a total of $500M so that the teaching lab building would likely be 4 to 5 years off.

Dr. Henry pointed out the wide gap between funds available and the requests from vice presidents and
deans totaling $13M. He cautioned that $400K obligated in FY2000 for partial year indebtedness and operation of the Alpharetta Center would have to be annualized in the following year. He also noted the $800K earmarked in FY2000 for a PTI pay rate increase from $2,000 to $2,500. Dr. Henry explained there were designated new Special Funding Initiative funds of $478K for teacher preparation faculty positions in Arts and Sciences and Education on top of the $3M for work load and new initiatives. He added that additional new funds were expected once Yamacraw proposals were reviewed at the system level.

Dr. Henry pointed out that instructional technology funds in the university continuing budget had been removed by the University System and only 75% replaced by Special Funding Initiative funds which were not guaranteed to continue. He characterized this action by the University System as forced redirection on top of announced redirection.

Dr. Henry commented that planning strategies for future budgets was underway. He indicated the Dean's Group in particular would be working on urban sprawl and children's issues initiatives. He also commented on capital projects planning relating to the combination of the proposed research laboratory, proposed teaching laboratory, and Natural Science Center buildings and eventual evacuation of Kell Hall.

Dr. Henry reminded that the University Strategic Plan was due to a five-year revisit and distributed copies of the four basic questions discussed by the academic group (faculty), collegial group (chairs), and Deans' Group in preparing the 1994 plan.

Dr. Henry outlined the enrollment assumptions for the FY2000 budget, including 271,000 credit hours in fall semester and 247,100 credit hours in spring semester. He pointed out that the corresponding actual figures for FY1999 were 225,000 and 232,000. He cautioned that even with 25,000 headcount for fall semester, and average load of 10 credit hours would leave a shortfall of 21,000 credit hours. Dr. Henry added that the second tuition plateau adjustment (to 12 semester hours) would provide a cushion against the shortfall, and a special account had been established to receive those funds as they are realized. He stated the plateau funds would be used to fund unmet demand initiatives.

Dr. Harris noted the interest of Governor Barnes in "economic development" as stated in his announcement of the Georgia Tech e-commerce center and asked for clarification of what was included. Dr. Henry cited three areas relating to education: (a) workforce development; (b) Georgia Research Alliance (bio-tech, telecommunications, environmental science); and (c) Yamacraw. He noted work force development was probably not in the purview of the universities. Mr. Lewis echoed the response by Dr. Henry, and added the main question from legislators was how all of this would translate into jobs. He emphasized the need to develop a tie-in with Industry and Trade. Dr. Patton pointed out the distinction between jobs in general and jobs for highly educated people. Dr. Bahl commented on the current lack of structure for the state economic development initiatives. Dr. Finn inquired about the status of the Commission on Workforce Development.

Dr. Henry returned to the topic of the University Strategic Plan. He outlined the process for revisiting the plan with involvement of the Senate Planning and Development Committee and the University Administrative Council. He noted the need to include the non-academic side as well.

Dr. Patton reiterated the discussion at this meeting was not intended as a "downer" but as a reality check. He announced he would be serving on the Chancellor's Budget Committee which would help package the University System FY2001 budget request to the Governor and legislature. He mentioned the need to find an alternative to redirection.

Dr. Henry commented on technology issues and the publication, Dancing with the Devil, pertaining to electronic delivery of instruction. He noted particular pressure on the College of Business from Internet-based providers of MBA degree programs.
Dr. Hudson asked about possible merger of the Department of Technical and Adult Education and the two-year units of the University System. Mr. Lewis replied this was still under consideration by the Governor. Dr. Hudson voiced concern about DTAE offered core courses and mandated acceptance of transfer credits. Dr. Henry added his concern about electronically available core courses starting in FY2000. Dr. Bahl suggested the university should use its resources to get in this game and strengthen out position.

Announcements

Dr. Henry announced appointment of Dr. Kelley as Dean of the College of Health and Human Sciences. He also announced progress toward filling the vacancy of Associate Vice President for Research. Dr. Patton announced Dr. Arrington was making progress in his recovery from surgery last December, and would be on campus that week.

Dr. Henry announced this was the final meeting to be attended by Dr. Haynes, ACE Fellow. He indicated Dr. Haynes had been working on workshops for department chairs which would be implemented in FY2000.

Dr. McGinnis announced the Faculty-Staff Campaign had been a huge success with 75.8% participation overall and with nine units having 100% participation. He recognized the School of Policy Studies for 83% participation. He thanked Dr. Senn and Mr. Chaney for their leadership of the campaign. He cited Student Services and Finance and Administration for participation exceeding 75%.

Dr. McGinnis reported the Comprehensive Capital Campaign had crossed the $63M mark.