University Senate Budget Committee
Organizational Meeting
Minutes
July 16, 1998

Attendance: Cleon Arrington, David Boykin, John de Castro, Tim Crimmins, Bill Decatur, Sam Deitz, Tim Crimmins, Anne Emanuel, Martin Fraser, Janice Griffith, Charlene Hurt, Fenwick Huss, Michael Jedel, Phyllis Johnson, Bill Kinyon, John Lampl, Al McWilliams, Fred Massey, Joseph Rabianski, Jerry Rackliffe, Anthony Roberts for Susan Kelley, Paula Stephan, Edgar Torbert, Carol Whitcomb.

Absent: Ahmed Abdelal, Elliott Albers, Roy Bahl, Dan Benardot, Chuck Derby, Richard Fendler, Sidney Harris, Ron Henry, Keith Ihlanfeldt, Fred Jacobs, John Lampl, Tom Lewis, Charles Marvin, Mike Moore, Robin Morris, Ellwood Oakley, Bruce Palmer, James Scott, Lynn Stallings, Bill Waugh, Student, Member Staff Advisory Council (SAC).

The meeting was called to order at 1:00 by the Chair, John de Castro.

I. Approval of Minutes

The minutes of the May 14, 1998 meeting were approved as distributed.

II. Budget Committee 98/99 Meeting Dates (Attachment 2)

Dr. de Castro received no feedback on the meeting dates which were distributed at the May 14, 1998 meeting; therefore, the meeting dates are finalized for the FY 1999 University Senate Budget Committee meetings.

III. FY 1998 Budget Status - Jerry Rackliffe (Attachment 3)

Prior to this meeting, John de Castro had the May 31, 1998 Statement of Projected Revenues and Expenditure for FY98 distributed to all members of the committee. Bill Decatur reported that the year-end-closing was in process (sweeping all the funds). John de Castro and Bill Decatur agreed that the report indicated that the budget was in good shape. Bill Decatur reported that the feedback on the sweep was good, that it looked as if all planned expenditures would be met, that Jerry Rackliffe and the comptroller's office would be preparing detail listings of all sources and uses of year-end-funds, and that he had talked with Ron Henry regarding ways of "flip-flopping" any extra funds to FY99 (officially funds laps at the end of the year) to cushion against possible enrollment drops the first semester. An intense discussion of the formulas projecting the enrollment drop, the possible reasons for the predicted drop, the impact financially, and use of year-end-sweep-funds to jump-start the contingency fund and add to the cushion for the possible enrollment shortfall ensued. John de Castro ended by saying the state of the budget for FY98 is excellent, but the FY99 is problematic and anticipates intense discussions at the committee meetings.

IV. Board of Regents Funding Criteria Discussion

John de Castro handed out the Analysis of Funding in Original Budgets Fiscal Year 1990 through Fiscal Year 1999 which was prepared and explained by Jerry Rackliffe to compare the changes in internal revenue excluding indirect cost recoveries to state appropriation in institutions over the past years. John de Castro discussed the University's connecting with the Regents' strategic initiatives or the large enrollment as possible reasons that in comparison to
other institutions, Georgia State did very well. There was a brief discussion of the system-wide redirection parameters. The University is being asked to internally redirect money to patterns of national excellence which is moving money into the stronger programs, higher visibility programs, collaboration with other institutions, admission retention and graduation issues, information technologies, telecommunication and computer program development. Next, John de Castro handed out a synopsis of what the Regents have said is their funding priorities and ways of allocating funds based on strategic initiatives. John de Castro reported that Tom Lewis would be scheduled in September to talk about what he sees coming up at the state level.

V. Continued Discussion of the Budget Committee's Role in Program Review.
Tim Crimmins at John de Castro's request gave his ideas on the program review process. Tim Crimmins reported that the program review process has two parts, and the first part is an effort to assess the departmental program quality. The department does a self-study answering a series of questions about its focus in developing strengths in its program and students and alumni responses. This goes to the dean of the college, and the dean's office offers its own commentary. At that point, it comes to the associate provost's office and a team of outside consultants are agreed upon. The consultants spend two days talking with the provost, the dean, the chair, and faculty of the department; having read the self-study, they then write a report. This goes to APACE, and they offer their opinion. At this point, the dean and the chair propose a relative short list, two or three pages, of where resources might be put to affect some of the issues that were raised in the program review. This is the point at which the provost makes the decision about what he thinks is a reasonable target to achieve excellence. The dean of the college then uses those items in the request of budgetary items. If the Budget committee is to be involved in the process, then the committee will receive a copy of the action plan request. In terms of the commitment of resources of the University that is what happens at the provost level when the provost agrees with the dean and chair on what resources seem to be reasonable as a part of the budgetary request. That is a point at which it seems reasonable to send an action plan to the Budget Committee. Over a course of a year, the Budget Committee might look at a series of those subset masses—whatever that might be. John de Castro said that it is difficult to see exactly where we fit into this and how it will work within the internal politics of the colleges. John de Castro asked the deans to comment on this—the idea of a university committee looking at a subcommittee and the budget of that might be something that the deans would find objectionable. Sam Deitz gave his thoughts on why the committee should have nothing to do with this—macro level is the purpose of this committee not micro level. John de Castro said that the intent was to bring benchmark ideas of what funding looks like in other comparable institutions for comparable programs to give us an idea of where we stand. The other idea is not to micro manage but rather to get a better appreciation for what the macroscopic budget is by looking periodically at what the macroscopic aspects of the budget are. It is extraordinarily difficult to know what the needs are unless you actually look down on that level. You cannot look at that level on a continuous basis—there is just too much detail and too much work. By following this process of program review, we have a sampling of microscopic budgets and can look at those to get a better appreciation of what the needs are and over time get a better grasp of the entire University. Sam Deitz said no departments compare to any other college; the departments are not the same and operate differently in many ways. Sam Deitz said that it is misinterpretation to say there is going to be benchmarks at that level and it misinterprets the concept of benchmarks and what a Senate Budget Committee is supposed to do for the budget of the University. Sam Deitz strongly concluded that this committee should not take on individual unit budgets. Tim Crimmins added that there
are other opportunity areas to explore; i.e., the University support units, human resources and the ombudsman budgets. It is also an opportunity to do it for academics and academic support. The discussion continued with comments on the undesirable amount of work that would be required, and the desirable better understanding of the entire University process that a stable committee could achieve. Bill Decatur said it probably would be more productive to develop performance measures--academic and administrative. Finance administrative is doing that now. But if there is some agreement and some understanding of those measures that is a way.

VI. FACP Minutes-(Attachment 3)
   No discussion.

VII. Other Business
   No other business.

VIII. Adjournment
   Dr. de Castro thanked the members and adjourned the meeting at 2:00 p.m.

   Jo Freeman, recorder