University Senate Budget Committee Minutes

Thursday, February 21, 2002

Attendance: Ahmed Abdelal, Glenn Abney, Ron Colarusso, Martin Fraser, Cecelia Grindel, Hugh Hudson, Charlene Hurt, Fenwick Huss, Fred Jacobs, Katherine Johnston, Susan Kelley, Tom Lewis, Al McWilliams, Thomas Netzel, Charlotte Petrek, Roger Presley, Jerry Rackliffe, George Rainbolt, Hazel Scott, P.C. Tai, Jim Wolk

The meeting was called to order at 3:00 p.m. by Fenwick Huss.

I. Approval of Minutes

The minutes of the January 17 meeting were approved.

II. Budget Update

Jerry Rackliffe and Katherine Johnston provided an update on FY02 projected deficit and sources of funds to cover the shortfall. The primary sources to cover the deficit are moves and renovations deferral, unbudgeted interest income, additional fringe benefit savings, year-end sweep, and anticipated funding in the state’s supplemental budget.

III. Facilities Maintenance

Katherine Johnston provided the Committee with an overview of GSU facilities maintenance needs. The replacement cost (RC) of GSU’s plant assets is approximately $500 million. The industry standard for annual routine maintenance is 1.5% to 3% of RC. This corresponds to an annual maintenance budget requirement of $7.5-15 million. In fact colleges typically defer $4 of maintenance for each $1 spent. GSU’s historical expenditures on combined Preventive and Emergency Maintenance have been about one-half of the amount that colleges typically spend. Katherine indicated that she did not have the exact figures for these maintenance budget items for last year, this year, and next year’s budgeted amounts, but that she could provide them at a future meeting. Because much of the routine maintenance has been deferred, GSU is spending a high portion of its maintenance budget on breakdowns. A new Major Renovations and Repairs (MRR) strategy to reduce breakdown expenditures and to add funds to routine maintenance is under development. Katherine also indicated her desire to open up the process by which maintenance and repair projects are prioritized within the university.

IV. Cost Estimates by Colleges of Non-tenure Track Policy Compliance

Following discussion of estimated costs of compliance with proposed NTT policy, the Committee adopted the following resolution: The Senate Budget Committee supports the goal of non-tenure-track faculty not exceeding 15% of full-time faculty. The Committee recognizes that further analyses and additional resources are needed and that this goal will be considered along with other university goals and priorities.

The meeting adjourned at 4:00 p.m.