April 26, 2007

Budget Committee Meeting

Dr. Hudson called the meeting to order at 3:00. The single item on the agenda was the election of a new chair. Dr. Hudson was nominated. No further nominations were offered. Dr. Hudson was elected.

Dr. Hudson reviewed the last meeting of FACP. Minutes of FACP were distributed (attached).

FISCAL ADVISORY COMMITTEE TO THE PRESIDENT
Minutes of April 25, 2007

Members Attending: Paul Alberto, Paul Farnham, Ron Henry, Steve Kaminshine (for Fenwick Huss), Susan Kelley, Robin Morris, Jerry Rackliffe, Debbie Rupp (for Shelley Williams), P.C. Tai

Others Attending: Lauren Adamson, Bill Fritz, Charlene Hurt, Beth Jones, Bill Paraska, George Pullman, Edgar Torbert

The minutes of April 18 were approved.

Student Technology Fee

Dr. Pullman presented the report of the Student Technology Fee Subcommittee. He noted the efficiency of the procedures, including the use of hand clickers by the committee to expedite voting. He stated on-going concerns about pre-funding of continuing costs and the demand for funding of upgrades and maintenance for items funded in prior years. He suggested refocusing the student technology fee on infrastructure as a better approach.

Dr. Henry responded that FACP would consider changes to the student technology fee program in the fall in consultation with the University Senate Committee on Information Systems and Technology. Dr. Tai pointed out that greater dependence on student-owned laptops would not work well for the laboratory sciences, which require specialized software.

Dr. Pullman made a motion to accept the FY2008 student technology fee funding recommendations as presented by the committee. Dr. Tai seconded the motion. The motion passed.

IP Telephony System

Dr. Henry distributed a handout, “Four Year Projections, GSU CATNET IP Telephony” showing revenues and expenses for the IP telephony system being installed on campus. He noted discussion at Administrative Council of a plan to use the anticipated $300K annual savings from this system to fund future upgrades of the network infrastructure rather than depend on new funding requests (GSUNet3, GSU Net4, etc.). He observed that dividing the savings among all departments of the university would not be as useful as pooling the entire savings for university wide infrastructure.

Mr. Paraska commented that the projections represented only the basics to make the telephone system work. He pointed out that the largest cost was for debt service on the equipment and that the line designated for capital was for reasonable equipment upgrades as they become available.
Dr. Henry stated that the monthly line charges to departments would be the same as the current charges. He added that voice mail with a capacity of 10 messages at any one time would be free whereas the current service charged for all voice mail. He noted that the new system would also accommodate analog phones, but without many of the features offered by the IP system.

Dr. Tai asked about the option to have multiple phones with the same number and only one monthly line charge as currently allowed. Mr. Paraska answered that a department could continue to use existing analog phones and avoid the higher costs of the IP equipment, but that the new system required individual lines for which there would be monthly charges. He added that the current emergency phones in the Chemistry Department labs could be accommodated, but would not operate independently (i.e., would operate as a “party line”).

Dr. Tai noted confusion about the analog phone options. Mr. Paraska replied that some of the confusion was caused by conversations with Avaya representatives, who were focused on IP telephony only.

Dr. Tai pointed out that the IP telephones were much more expensive than the $20 analog phones, which could be bought at discount retailers. He lamented that the laboratory sciences would have to continue the analog phones rather than take advantage of the latest technology. Mr. Paraska responded that reliable remote phones were not yet available for the IP system, but would likely be available in 1-2 years. He indicated that this would be an upgrade to the basic implementation on July 1, 2007. He added that the IP system offered many useful features beyond what was available with the existing system, including a campus wide emergency notification feature.

Dr. Morris commented that the key for analog users switching later to the IP system would be having a nearby network jack. Dr. Adamson asked about plans for paying for remote IP phones when they were available. Mr. Paraska answered that funds for such purchases were not included in the program as presented on the handout. Dr. Henry responded that this issue could be addressed later.

Dr. Farnham asked about the increases shown for salaries, but not other items. Mr. Paraska replied that the salaries were for contract employees not currently on the payroll. He added that it was uncertain that both would be needed, but that the first year experience would inform such decisions.

**Football**

Dr. Rackliffe distributed and explained details of a series of handouts projecting revenues and expenditures related to the start-up of Division I-AA football, including additional women’s sports to meet Title IX requirements and a marching band. He explained that the projections were purposefully high on the expenditure side and low on the revenue side in order to be conservative and reduce the chance of a surprise should the start-up proceed.

Dr. Alberto asked about the rules for raises for athletics employees. Dr. Henry responded that as stipulated by FACP, Athletics followed the same rules as the rest of the university as was the case for employees on soft money. Dr. Kaminshine asked about bonuses as typically paid successful coaches. Dr. Henry replied that this was already the practice (e.g., for NCAA playoff appearances). Dr. Rackliffe added that this could also be done for principal investigators if provided by grants.

Dr. Tai asked about the choice of the Georgia Dome as the venue when small crowds would be expected. Dr. Rackliffe responded that Clark Atlanta University had used the Georgia Dome prior to the opening of its campus stadium, and found that they had fewer fans attend when they moved to their own stadium. He indicated that the CAU fans liked going to the Georgia Dome, and that the upper levels were left dark to
Dr. Adamson pointed out confusion about the proposed increase of the athletics fee as to whether the dollar amount was per year or per semester. Dr. Rackliffe replied that the fee increase was $85 per semester, and that he would modify the spreadsheet to make this clearer.

Dr. Adamson asked about the possibility of differentiating the athletic fees for graduate and undergraduate students. Drs. Henry and Morris noted the increase would impair graduate students with incomes in the range of $1,000 per month. Dr. Henry added that the Robinson College of Business and College of Law were already impacted by the tuition differential for the Business-Law capital project. Dr. Alberto commented that the 1-6 credit hour prorated fees were already in force, and should not be presented as a unique selling point for the athletics fee.

Dr. Rackliffe responded that the projections were based on fee incidents (collections) for both undergraduate and graduate students adjusted for prorated fees, but well below the anticipated 60,000 fee incidents per year if enrollments grow to 34,000. He noted that the additional fee incidents would amount to $3M per year above the pro forma if those enrollments were realized, but he did not want to include this growth in the current analysis.

Dr. Henry recommended that the athletics fee increase be contingent upon achieving the capital fund raising goal of $7.9M. Dr. Alberto expressed concern about regular donors switching their giving toward football. Dr. Rackliffe remarked that the $2M fund raising goal for FY2008 would gauge interest prior to the athletics fee increase taking effect in FY2009. Dr. Kaminshine asked about the fund raising objective for Mr. Reeves. Dr. Henry replied that Mr. Reeves would be seeking support for the capital projects. Dr. Adamson suggested setting a higher goal for FY2008, perhaps $5M.

Dr. Alberto asked where suggestions such as the fund raising condition for proceeding with athletic fee increase should be directed. Dr. Henry replied that football would be on the agenda for Administrative Council on May 7.

Prepared by Edgar Torbert
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