Senate Budget Committee Minutes  
September 17, 2009  
3:00 – 4:25 p.m.

Present: Greg Abt, J. L. Albert, Amber Amari, JoAnn Bacon, Deron Boyles, Michelle Brattain, Margo Brinton, Julie Dangel, William Downs, Irene Duhaime, Jim Flowers, Bart Hildreth, Hugh Hudson, LaLoria Konata, Ludmia Lamothe, Bill Prigge, Lesley Reid, Mary Ann Romske, Rose Sevcik, Alexandra Smirnova, Andrew Sumner, Cherian Thachenkary, Katherine Willoughby.

Dr. Hugh Hudson welcomed all to the meeting and to the new term of the Senate. He informed the committee that Vice President Jerry Rackliffe, who had been scheduled to present on the FY10 and FY11 budget projections was out of town at another meeting and would not be present. Dr. Hudson explained that he would update the committee with the assistance of Bill Prigge.

Budget Update (Hugh Hudson and Bill Prigge) – Dr. Hudson presented a first slide (Attachment A) that compared net revenue collections for the State of Georgia for fiscal years 2007-2010 (actual through August FY10, projected thereafter).

- Revenues continue to decrease compared to same time FY08 and FY09.
- Were general fund revenue to remain “flat” for the remainder of the fiscal year, state revenues would be down by 10.98%.
- Georgia State University had based its FY10 budget on a projected 12% budget cut and thus continued to be operating within expected budget constraints.

Dr. Hudson presented a second slide (Attachment B)—a draft of budget considerations (for discussion purposes only) for FY10-FY11. Dr. Hudson and Dr. Prigge walked the committee through the continuing revenues and expenditures included in the draft as well as the one-time budget sources and expenditures. Special notice was made of the termination of Federal Stimulus Funds after FY 11 as well as the uncertainty at this moment of a Spring Semester 2010 Temporary Instructional Fee. Particular note was also made of the impact of the Health Insurance PPO Cap and of the Furlough Days on the budget. Were all the assumptions in the estimate prepared by Vice President Rackliffe to hold true, then the university would end FY10 with essentially a zero balance ($275,483), and with a more positive net fiscal year budget balance in FY11. However, caution was urged in the use of these figures as a number of assumptions were involved. It was noted that the most difficult problem emerging from the estimates was the loss of the Federal Stimulus Funds after FY11.

Discussion followed.

Dr. Hudson distributed sign-up sheets for two subcommittees: MRR (Major Renovations & Repair) and Budget Reductions.

Dr. Hudson introduced the resolution previously distributed (Attachment C) On Additional Reductions in Force and Furlough Days. Discussion followed. Particular concern was expressed regarding possible loss of degrees of freedom for units were the resolution to be accepted by the Fiscal Advisory Committee to the President. Debate also followed regarding the appropriate role of the Senate in matters involving RIFs. Discussion followed on the role of FACP in budget reductions within colleges and Vice-Presidential units. Concern was expressed that the practice of shared governance at Georgia State University not be undermined by the necessity to make severe budget cuts; thus the need for thorough Senate discussion in the process.

An amendment was offered to add the phrase “following the practice of last year” in the then final paragraph of the resolution to clarify that the committee recognized and appreciate that the central administration had practiced appropriate restraint last year in the release of additional tuition revenues until the extent of state appropriation cuts had been determined. The amendment passed.

An amendment was made to reverse the order of the final two paragraphs of the resolution. The amendment passed.

The question was called. The motion to end debate passed. The resolution was then passed by the committee.

Dr. Hudson promised to provide the committee with the agenda of future FACP meetings and reminded the committee that FACP meetings were open and the committee members with particular interests were welcome to attend the meetings of FACP.
With no further business, the meeting was adjourned at 4:25 p.m.