Minutes of March 11, March 26 and April 13 were approved.

Mandatory Fees

Dr. Henry distributed "Mandatory Fee Recommendations, Effective Fall 1999" as presented by University System staff to the Board of Regents April 20-21. He noted the following increases recommended for approval: (a) athletic fee from $72.00 to $74.69; (b) student center fee from $30.25 to $31.42; and (c) transportation fee from $11.00 to $13.17. He noted the request to increase the activity fee from $45.75 to $48.72 was not recommended for approval nor was the request for a new technology fee. He added that the Regents would be proceeding with the 4.5% increase in tuition.

Fiscal Year 2000 Allocation

Dr. Henry announced that the University System did not deliver the Fiscal Year 2000 allocation letter to the university prior to this meeting.

Budget Considerations

Dr. Henry suggested that in the absence of University System allocation information, discussion should focus on funding items, which were already committed, must-do, etc. Mr. Rackliffe presented a revised targeted considerations table, "Budget Considerations, Fiscal Year 2000". He pointed out additions to the table: (a) 10 Park Place rentals for College of Business new faculty ($60K); (b) Abilene membership ($20K); (c) Great Cities Organization membership ($20K); (d) balance of PTI pay rate increase ($400K); (e) re-establishment of budget line for dean in College of Health and Human Sciences ($155K); (f) Student Advisement Services Office ($291K); (g) eminent scholar position in College of Law ($175K); (h) Information Systems and Technology contractual obligations, including Spectrum and GSUNET2 ($236K); and (i) CHARA operational costs ($150K).

Dr. Henry explained that the Minority Hiring Incentives had been reduced to reflect unallocated continuing funds for this purpose. Dr. Crimmins asked for a report on Minority Hiring Incentive expenditures.

Dr. Henry suggested the GSU Village police item ($232K) on the budget considerations list be postponed given the overall budget situation. Dr. de Castro voiced support for this action.

Dr. Henry explained that the 10 Park Place rental space for College of Business faculty offices was necessitated by the delay in completing the Wachovia project and moving the Economics Department out the College of Business building. Dr. de Castro suggested that temporary space should be paid out of contingency funds. Dr. Crimmins noted other colleges were also in need of space for faculty offices. It was agreed to shift this item to contingency funds.

Dr. Henry noted that the Alpharetta Center item ($767K) was fluid due to uncertainty about the completion date for the project. He also noted a continuing obligation to lease the North Metro Center in Fiscal Year 2000. Dr. Abdelal asked for a breakdown of the projected use of the funds for the Alpharetta Center. Mr. Rackliffe responded as follows: (a) $375K for debt service; (b) $267K for operating expenses; and (c) $125K for repair and replacement. Dr. de Castro commented that some expenses could be delayed since no classes would be offered at the Alpharetta Center for the spring semester. Dr. Abdelal called for a revised pro forma based on the later completion date and for the purpose of reviewing flexible aspects of the budget. Dr. Decatur cautioned that the contractor was still estimating a completion date of January 10, 2000, which would require debt service payments immediately thereafter. It was agreed to reduce this item by $420K.

Dr. Decatur explained that the Rialto Center rent adjustment item ($320K) was in anticipation of a request to the Board of Regents to adjust the rental payments to the GSU Foundation to cover non-exempt property taxes, insurance, and repair and replacement, effective January 1, 2000. Dr. Abdelal asked for an updated pro forma for the Rialto Center, and stated that such items should be submitted as regular budget requests. Mr. Rackliffe responded that the budget guidelines had been followed in presenting the item as a budget (aka targeted) consideration. It was agreed to remove
Mr. Rackliffe stated that the College Work Study item ($29K) had been submitted by Ms. Francis as the increased institutional share to be matched by federal funds.

Dr. Henry described the Abilene membership item as a high-speed internet connection to complement Internet2 primarily for the benefit of CHARA, computer science, computer information sciences, and other science faculty. Dr. de Castro asked if the campus was ready for this connection from a hardware standpoint. Dr. Henry responded that the GSUNET2 project would provide the necessary infrastructure to make use of Abilene. Dr. de Castro questioned whether this request should have been made by Information Systems and Technology.

Dr. Henry indicated that the Great Cities Organization was a subset of the Urban 13 group of institutions which would initiate lobbying at the federal level on behalf of urban universities as an underfunded category of institutions.

Mr. Rackliffe explained that the membership fees item ($19K) was for institutional memberships which had already increased, including SACS and ARCHE (formerly University Center in Georgia).

Dr. Decatur noted the utilities increase item ($106K) would offset redirection from utilities. He added that past redirection from utilities had resulted in a break-even operation with no savings passed on to the contingency fund. Dr. de Castro questioned protecting utilities from redirection as other units also have fixed costs. Dr. Henry pointed out that unlike other units there was no flexibility in the utilities budget afforded by vacant position savings. Dr. Abdelal acknowledged the distinction of no flexibility within the utilities budget alone, but questioned treating utilities separately from the Finance and Administration vice presidential area. Dr. Decatur responded that the rest of Finance and Administration should not be expected to bear the brunt of redirection for utilities. He suggested the redirection percentages for all units should be adjusted to cover the utilities portion of redirection.

Mr. Rackliffe stated the GSU postage increase item ($61K) was based on a review of expenditure records. He indicated that Student Services was the largest user of postage, and added that requests for postage increase funds had been submitted by several units. It was agreed to remove this item from the budget considerations list.

Dr. Decatur explained that the Board of Regents health care plan item ($113K) was the result of the current deficit operation of the insurance program with both employer and employee payments slated for increases. He added that the university had received its notice of this increase.

Dr. Decatur commented on the Taxpayer Relief Act item ($110K) which concerns new reporting requirements associated with tax credit for certain educational expenses. Dr. de Castro pointed out that this item was also a budget request from Finance and Administration. Dr. Decatur reminded that this expense had been paid from contingency funds this year, and reporting requirements would be increasing in future years.

Dr. Decatur noted the rising cost of hazardous waste disposal contracts ($24K). He stated contingency funds had also been used for this purpose. Dr. de Castro urged that as items were shifted to the contingency or sweep fund that it be understood further discussion would take place before actual allocation of those funds.

Dr. Henry pointed out that the PTI pay rate item was the second half of a $800K funding package to raise the minimum pay rate from $2,000 to $2,500. Dr. de Castro spoke in favor of distributing these funds through the various units rather than allocating centrally. Dr. Abdelal reminded that the salary pool dollars derived from lump sum positions had not been passed on to PTIs in very few years.

Dr. Henry stated that the search for the Dean of the College of Health and Human Sciences was progressing toward a decision in 3-4 weeks, and that the extent of the item for re-establishing that line in the budget would depend on the outcome of the search. Dr. de Castro asked about salary savings from prior deans. Dr. Henry stated that as in other cases the return of deans to the faculty did not result in substantial savings. He indicated the figure would be reviewed to ensure savings were accounted.

Dr. Henry pointed out the item for Student Advisement Services Office would augment transfers from the colleges of academic advisers to set up a central advisement office for lower division and transfer undergraduates.

Dr. Henry explained that the College of Law eminent scholar item resulted from failure to obtain funding from the Board of Regents under the University System eminent scholars initiative. He added that the delay until January 1, 2000 for arrival of the appointee would allow reducing this item to $88K.

Mr. Rackliffe outlined the Information Systems and Technology contractual obligations incurred in moving to a distributed processing environment. Dr. de Castro suggested resulting savings within ISAT could be directed to these costs. Mr. Rackliffe replied that the savings would not occur immediately due to continued operation of the mainframe
Dr. Henry suggested that the budget considerations spreadsheet be revised to reflect these changes and distributed to the membership prior to the next meeting.

Dr. Crimmins asked for any information about targeted allocations from the Board of Regents. Dr. Henry noted $378K for faculty and $100K for partner schools as part of the teacher preparation initiative. He added that Yamacraw funds would not be allocated to the institutions until mid-May as those proposals had just gone to the reviewers. Dr. Decatur cautioned that it was uncertain how instructional technology funds had been treated as continuing funds were shifted to Special Funding Initiatives. He noted that the university would be getting $478K in instructional technology but $1.04M was vulnerable to redirection to the Board of Regents.

Prepared by Edgar Torbert
Approved _______________