Members present: Ron Henry (chair), Ahmed Abdelal, John de Castro, Sid Harris, Fenwick Huss, Fred Jacobs, Tom Lewis, Andre Young.

Members absent: Larry Kelley, Carol Whitcomb.

Others present: Lisa Beck, Tim Crimmins, Jerry Rackliffe, Edgar Torbert.

Recommendations:

1. Contingency funds as available to be allocated first to unmet demand ($562K), 10 Park Place furnishings ($50K), GCB elevators ($200K), and GSUNet2 ($567K)

2. New funding request cap for VPs and deans for FY2001 to be 1% of current budget

Minutes of August 20, 1999 were approved.

Fall Enrollment and Revenue

Mr. Rackliffe distributed "Georgia State University, Fiscal Year Credit Hour Enrollment Comparison, Fiscal Year 2000" showing credit hours variances of 2,524 SCHs above budget for summer (actual), 33,600 SCHs below budget for fall (actual), and 635 SCHs below budget for spring (projected, same increase rate from fall as in Fiscal Year 1999). Dr. Harris asked about the sizeable increase in SCHs from fall 1998 to fall 1999 for Arts & Sciences. Dr. Henry replied that the increase was due to the larger number of freshmen which did not immediately impact the professional schools. Dr. Crimmins added that the professional schools would see increases from Area F SCHs in spring. Dr. de Castro asked about the decrease in SCHs for Law. Dr. Henry explained that an extra 30 students had been admitted three years ago, but had now completed their programs. Dr. de Castro asked about the effect of financial aid glitches on fall enrollments. Mr. Young responded that most students had made arrangements to enroll in spite of these problems. Dr. Henry cited non-optimized scheduling of classes as an important issue which the deans would be addressing. Dr. Harris asked about special efforts to meet the spring SCH projection. Dr. Henry stated the efforts would be similar to those employed with great success last year. Dr. Crimmins reported Institutional Research would be producing a student flow model which would assist in enrollment projections in future years.

Mr. Rackliffe distributed "Georgia State University, Schedule of Student Fee Revenue, Fiscal Year 2000" showing projected shortfalls of $4.856M in matriculation fees and $0.570M in non-resident fees for the fiscal year. Dr. Crimmins asked about comparisons with the previous fiscal year. Mr. Rackliffe responded that the shortfall in Fiscal Year 1999 was approximately $6M.

Mr. Rackliffe distributed "Georgia State University, Schedule of Possible Contingency Fund Sources & Uses, Fiscal Years 2000 and 2001" showing a current year contingency fund shortfall of $69.5K. Mr. Rackliffe added obligations of $150K for Ten Park Place rents and $50K for Ten Park Place furnishings for faculty offices. Dr. Henry asked about Alpharetta obligations. Mr. Rackliffe replied that rents and move expenses had already been budgeted, but not library and ISAT partial year operating costs. Dr. de Castro commented that unmet demand costs were annual and should be included in the original budget in future years. Mr. Rackliffe stated the current balance of contingency funds was $557K from the inter-fiscal year flip-flop. Dr. de Castro asked about the reserve (unallocated, held in Provost budget) funds. Mr. Rackliffe replied the unallocated tuition plateau funds constituted this reserve with $4.969M projected for the Fiscal Year 2000 plateau adjustment. Dr. Henry cautioned these funds should remain unallocated in order to have a funding source for the research lab building, but could be used for one-time expenses in the meantime. Dr. de Castro expressed optimism that external funds for this project would come faster as a result of new faculty bringing large research grants with them. Dr. Henry observed that some proposed uses of the contingency funds could be postponed until later in the fiscal year (e.g., library acquisitions until end-of-year sweep), but funds were needed immediately for unmet demand. He added that some campus networking (GSUNet2) projects were on hold because of lack of funds. Dr. de Castro asked about the current situation with GSUNet2 given that additional end-of-year funds had been declined. Dr. Henry responded that the number of projects underway in the spring had been the problem but these were since completed. Dr. Huss suggested the need for stated networking priorities in order to determine partial funding levels. Dr. Abdelal spoke for funding the $200K elevator upgrades for General Classroom Building.

Dr. Henry framed a first-tier contingency fund package of $562K for unmet demand, $50K for 10 Park Place furnishings, $200K for GCB elevators, and $567K for GSUNet2. A motion to recommend this package passed.

Redirection
Mr. Rackliffe distributed "Georgia State University, Redirection Estimate, Fiscal Year 2001" showing OPB mandated redirection to the state of $1.7M and potential internal redirection of $1.2M for Alpharetta Center operations, eminent scholar matches, CHARA OMP and Ten Park Place rents. Mr. Rackliffe noted the estimate assumed no new funds and did not take into account the possibility of reduced funding for the University System due to semester conversion-related enrollment drops. Mr. Lewis cited LBO concerns about the magnitude of the semester conversion effect, and he indicated it was unlikely the University System would be held harmless to the full extent of the shortfall.

University System Budget Requests to State

Dr. Henry outlined the University System budget requests for Fiscal Year 2001. He noted the leading request was for the University System to be held harmless with regard to workload funds for the temporary loss of enrollment due to semester conversion. He cited requests for $16M for MRRF, OMP, health insurance and other fringe benefits, and $33M for special initiatives such as GLOBE, GALILEO, eminent scholars, historically black universities, ICAP, south Georgia regional engineering program, and Hispanic access. Dr. Abdelal asked about the possibility of requesting funds for the Alpharetta Center. Dr. Henry replied that Alpharetta would eventually attract a sufficient number of students to be self-supporting and that a special request to the legislature for this purpose would not be prudent. Dr. Huss asked if the bleak new-funding outlook could be expected to impact college hiring decisions. Dr. Henry responded that 1.5-2.0% reductions were likely. Mr. Rackliffe noted internal redirection of 1% could be targeted to address a variety of strategic and mandatory funding increases even with the overall reduction. Dr. Abdelal reiterated the value of the internal redirection approach. Dr. Henry commented that enrollment shifts would be examined as internal redirection goals are set. Dr. Crimmins asked about the status of the environmental law position which had been partially funded as part of a federal court decision. Mr. Lewis suggested Dr. Marshall review the court order to see if there was a stipulated timetable for filling the position.

New Funding Request Limit

Dr. Henry suggested that in view of the new funding picture the cap for requests from vice presidents and deans should be 1%. A motion to this effect passed.

Prepared by Edgar Torbert
Approved October 15, 1999