Fiscal Advisory Committee to the President
Minutes of April 10, 2002


Others Attending: Bill Fritz, Charlene Hurt, Steve Kaminshine, Robert Moore, Jerry Rackliffe, Edgar Torbert

Minutes of March 27 were approved as distributed.

Raise Pool

Mr. Rackliffe distributed “Salary Pool Review, Fiscal Year 2003” detailing pool sources of $5.9M and proposed uses of $5.5M. He announced a cap of $2,600 on raises for non-academic personnel.

Dr. de Castro asked for clarification of “non-academic”. Dr. Henry identified these personnel as staff other than deans, associate/assistant deans, department chairs, and vice presidents with academic rank. Dr. Henry asked how the state calculated the effect of the cap on the pool. Mr. Rackliffe indicated a flat percentage rate had been applied rather than calculating by actual positions. Dr. Tai asked about raises tied to title changes. Dr. Henry confirmed promotion raises could be applied outside the cap on July 1. Dr. Henry also noted raises over 7% would require an explanation for the Board of Regents.

Ms. Johnston requested consideration of changes to the pay plan. She suggested increasing the minima and mid-points by 2% and the maxima by 4%. She commented that very few employees in the colleges were at the minima. Ms. Johnston added that ideally minima would be 80% of mid-points and maxima 125% of mid-points. She estimated the cost to implement these changes at $57K, and emphasized the need to be competitive.

Dr. Huss spoke against increasing the minima in a low raise pool year. Ms. Williams observed minima were unrelated to performance. Mr. Rackliffe pointed out the raise pool was specified for merit raises. Dr. de Castro commented it would be better to limit increased minima to new hires. Dr. Abdelal urged separating minima and maxima from the raise pool discussion.

Ms. Johnston revised her proposal to increase mid-points only by 2% and maxima by 4%. Dr. Henry pointed out units did not have to hire at the minima.

Dr. Huss made a motion to keep minima the same and increase mid-points by 2% and maxima by 4%. Dr. de Castro seconded the motion. The motion passed.

Mr. Rackliffe called attention to the unallocated excess in the raise pool of $366K, which he noted could be used for GRAs. Dr. Abdelal suggested there would be different needs for the excess among different units.

Dr. Abdelal made a motion to apply the unallocated excess to the vice president/dean
discretionary pools, making those pools 0.5% of the filled positions. Dr. Huss seconded the
motion. The motion passed.

**Decision Support Systems**

Dr. Henry distributed “Off-Budget Items – Detail” showing $250K requested for Decision Support
Systems in FY2003. He explained the personnel requests included a database administrator
already hired and complementary funding for query designers partially redirected by ISAT.

Dr. de Castro questioned funding DSS in a bad budget year. Dr. Henry answered the initiative was
underway, and the Board of Regents was a co-sponsor. He noted Banner did not include a query
component, and this functionality was essential to enrollment and budget planning. Dr. Abdelal
asked if funding would continue beyond FY2003. Dr. Henry replied future years would entail
similar work on the faculty information system and PeopleSoft HR. He emphasized DSS must be
separate from the transactional system in order not to slow down critical processing. Ms. Hurt
commented on the importance of the data warehouse to records management requirements.

Dr. Tai asked about the requests for travel and training. Dr. Henry indicated the travel costs were
less than $2,500 per employee, and the training costs were primarily for personnel in the colleges
and the vice presidential areas which would be using DSS. Dr. de Castro asked about the location
of DSS in the budget. Dr. Henry stated DSS, being under the direction of Dr. Moore, would have its
budget in Institutional Research. Dr. Kaminshine asked about the retrofitting of StatWare for
Banner. Dr. Henry reiterated this was an objective of DSS, including the muchly used unmet
demand reports.

**Unmet Demand**

Dr. Henry noted unmet demand expenditures of $1.4M in FY2002, including $300K transferred to
the colleges as continuing funds in the original budget and $1.1M transferred during the year. He
reminded this level of support would be required in FY2003 to continue all sections added in
FY2002. He indicated the $1.1M would be replicated through $400K transferred from the Provost
to the colleges in the original FY2003 budget plus $700K from other sources. He projected a need
for another $1.2M in FY2003 to cover a 50K increase in credit hours over FY2002 levels.

Dr. Huss asked about analysis of number of seats added versus number of seats filled. Dr. Abdelal
responded in the case of English all seats in all sections were filled. He added the College of Arts
and Sciences monitored closely the number of sections, the number of seats, and the number of
credit hours generated with unmet demand allocations. Dr. Henry pointed out the greatest
segment of growth was in 1000- and 2000-level courses of which Arts and Sciences teaches
approximately 80%.

Dr. Jacobs asked about retention rates for these courses. Dr. Abdelal replied that English had an
excellent track record in this regard, and that Mathematics was seeing improvement with the
introduction of the mathematical modeling course as a core option to algebra.

Dr. Jacobs asked about phantom demand. Dr. Henry advised withdrawal rates had been
addressed with significant reductions in Ws and WFs. Dr. Fritz commented that placement tests
were helpful in reducing withdrawals.

**Wachovia Project**

Ms. Johnston distributed “#2 Peachtree Annex Renovation Capital Project, Funding Plan (Based on 95% Construction Documents), Revised January 23, 2002”. She explained the $12M project was funded by $10M bonds plus $2M from Georgia State, with approximately 75% of the cost for mechanical systems and only modest upgrades to office spaces. She elaborated on the additional $1.5M cost for furnishings and fixed equipment (FFE), which would be largely covered by M&R funds. Ms. Johnston pointed out GBA had accommodated Georgia State by allowing payment of the $2M project costs over three years ($666K per year).

Dr. de Castro asked about the $1M project contingency fund. Ms. Johnston cautioned that renovation of an older facility was susceptible to discovery items, and that renovations were only just beginning after demolition paid by GBA. Dr. Huss asked when rent payments would start. Ms. Johnston replied that rent would commence when occupied, at $9.80 per square foot. Dr. de Castro suggested using M&R funds after FY2003 for the $666K payments. Dr. Henry questioned tying up M&R funds for multiple years. Dr. Abdelal asked about the separate security arrangements. Dr. Henry replied that the building was connected to state office space, which would require special provisions.

**GSUNet 2**

Ms. Johnston distributed “GSUNet2 Project – Financial Plan, Update April 2002”. She stated GSUNet2 would be completed in FY2003 with the last 12 buildings connected and a final year cost of $350K. Dr. Tai asked about possible reductions in the cost. Ms. Johnston responded the project had already been trimmed tightly. Dr. Henry echoed this point and added use of Physical Plant personnel to build data closets was saving money and producing better results.

**Aderhold Learning Center**

Dr. Henry indicated requests for Aderhold Learning Center would be presented at the next meeting.

**Other**

Dr. de Castro brought a recommendation from Planning and Development to allocate funds for traffic safety in view of recent deaths on campus streets and the opening of the Aderhold Learning Center. He suggested funds might be used to hire off-duty police or improve signage. Dr. de Castro made a motion to recommend $50K for traffic safety. Dr. Tai seconded the motion. The motion passed. Dr. Henry advised this request could be attached to the Aderhold Learning Center package.

Dr. Abdelal mentioned a recurring problem with false fire alarms in General Classroom Building. Dr. Fritz urged collaboration with the Dean of Students Office in addressing this problem.

Dr. Abdelal expressed appreciation for the Administrative Council presentation on the budget