Members Attending: Shelia Bradley, Ron Henry, Hugh Hudson, Fred Jacobs, Susan Kelley, Jerry Rackliffe, P.C. Tai

Others Attending: Ron Colarusso, Charles Derby, Bill Fritz, Matthew Gillette, Janice Griffith, Charlene Hurt, Steve Kaminshine, Greg Manning, Robert Moore, Bill Prigge, David Santa Ana, Hazel Scott, Edgar Torbert, Andrea Trinklein

Minutes of October 15 were approved as presented.

FY2005 Fees

Mr. Manning introduced the proposed increase in the Athletics Fee from $81 to $84 per semester.

Mr. Santa Ana introduced the proposed increase in the Transportation Fee from $32 to $35. Dr. Tai asked if this fee covered the campus escort service. Dr. Henry responded that the Police Department provided the escort service rather than Auxiliary Services.

Ms. Hurt introduced the proposed new Library Transformation Fee of $35.

Dr. Hudson expressed concern about the fee increases for Athletics and Transportation at a time when faculty and staff are told to do more with less. He noted political considerations, which might commend an overall increase of less than 10%. Dr. Henry noted Athletics must cover tuition increases and the additional cost of Lofts housing. Dr. Tai commented that PhD student stipends had not increased as fees they pay go up.

Dr. Kelley asked about Board of Regents reaction to increases above 10%. Mr. Rackliffe responded that the fees were addressed individually. He termed the Athletics request reasonable and observed the prior increase of the Transportation Fee had significantly reduced street traffic in Downtown Atlanta. He pointed out the Library Transformation Fee had strong student support and had a sunset provision, a first for fee requests. Ms. Hurt added that the Board of Regents had encouraged alternative ways of funding academic building projects.

Ms. Bradley noted that the total FY2005 fees for Georgia State would still be lower than the total FY2004 fees for the University of Georgia and Georgia Tech. Dr. Hudson cautioned that the higher University of Georgia and Georgia Tech fees included full medical services on-campus.

Dr. Kaminshine reported enthusiastic support in the Student Government Association for the Library Transformation Fee. Dr. Jacobs countered that many students in the Robinson College of Business do not use the library and various services funded by mandatory fees. Dr. Kaminshine responded that different students enjoy benefits at different times and places. He noted the Alpharetta Center had benefited greatly from the Technology Fee although the majority of students who pay the fee never take courses there. Ms. Hurt pointed out that the Robinson College of Business had at least two students in the Student Government Association, who participated in the discussion of the Library Transformation Fee.
Dr. Kelley spoke in favor of all three fee proposals, noting the advantage of minimizing street traffic, the contributions of athletics to campus life and the importance of the library. Dr. Fritz echoed the support of Dr. Kelley adding that new and improved facilities were important to student retention. He noted in particular the need for more study areas, which the library transformation would address. Mr. Manning urged consideration of how fees benefit the university as a whole. He mentioned that tours of the campus for prospective students avoided the library because of its unimpressive appearance. Dr. Tai reiterated concern about how colleges and departments would be able to increase stipend packages for graduate students.

Dr. Hudson asked about the overall fund balance for Auxiliary Services. Mr. Rackliffe answered that the overall balance was $8 M of which $7M was earmarked for student housing repair and renovation. He explained that the parking surplus was also earmarked for replacement of decks. He added that the university had informed the Board of Regents that all of the reserves were earmarked for such purposes. He noted that the reserve should be higher for the scale of operation.

Dr. Hudson made a motion to vote on the fee proposals one-by-one. Dr. Jacobs seconded the motion. The motion passed.

Dr. Kelley made a motion to recommend the $3 increase for the Athletics Fee. Dr. Tai seconded the motion. The motion passed.

Mr. Rackliffe made a motion to recommend the $3 increase for the Transportation Fee. Dr. Kelley seconded the motion. The motion passed.

Dr. Kelley made a motion to recommend the new $35 Library Transformation Fee. Mr. Rackliffe seconded the motion. The motion passed.

Dr. Trinklein introduced the proposed changes in housing charges: $2,465 to $2,565 for fall and spring semesters; $1,444 to $1,340 for summer term; and $532 to $560 for May term. She explained the drop in summer charges was due to the fewer contract days and was the same daily rate.

Dr. Tai asked about transportation from the Village to the campus. Dr. Trinklein answered that all Village residents received MARTA cards as part of their housing package, but that many still opted to drive to the campus and use parking at both the Village and on campus.

Dr. Tai made a motion to recommend the housing charges as presented. Ms. Bradley seconded the motion. The motion passed.

Dr. Griffith introduced the proposed $20 per credit hour tuition differential for College of Law students. She explained the additional revenues would be used to strengthen programmatic community outreach beyond the existing tax clinic and to bolster public relations for the college.

Dr. Kelley asked about the disproportionate effect percentage-wise given the same differential for in-state and out-of-state students. Dr. Kaminshine responded that the college wanted to be more
attractive to out-of-state students since very few out-of-state students have historically enrolled.

Dr. Tai made a motion to recommend the College of Law $20 per credit hour tuition differential. Dr. Kelley seconded the motion. The motion passed.

**Activity-Based Budgeting**

Dr. Henry distributed three handouts: “Activity-based budgeting”, “Centrality, viability and quality of programs, centers, and activities”, and “RFP – Potential areas of focus”, noting changes made since the Administrative Council meeting that morning.

Dr. Henry reported the collecting of activities from vice presidents and deans had not produced delineations between central and non-central activities. He observed there were numerous examples of overlaps or duplications, which could be examined in terms of coordination. Dr. Henry pointed to cost studies (e.g., Delaware, Illinois) as another lens for budget analysis. He noted spending in some macro-areas was high versus national averages per credit hour (e.g., institutional support, student services). He proposed formation of task forces to look at specific areas, and indicated there would be more detail available at the next FACP meeting in two weeks.

Dr. Jacobs inquired about the intentional use of words from the discipline of accounting. Dr. Henry acknowledged the need to define words carefully, noting the change from “core” to “central” in the handouts to avoid use of a word with another meaning to persons familiar with the University System. He indicated the handouts were based on research for practitioners.

Dr. Jacobs observed that the term “activity” as used referred to “where costs are incurred”. He commented that full-blown activity based budgeting would take at least two years of work and would have a huge cost.

Dr. Henry suggested comparisons of similar programs with respect to cost per credit hour, not between very different programs such as nursing and sociology. He characterized “centrality” as relative to program clusters which distinguish Georgia State. He noted the Board of Regents guidelines for program vitality in terms of number of graduates; e.g., 10 PhDs over 3 years. He pointed out that only 13 or 14 of 35-plus PhD programs met this criterion, but that this would not be an automatic eliminator. Dr. Jacobs asked about arguments for investing or eliminating. Dr. Henry responded links to clusters would inform such decisions.

Dr. Henry noted the quality lenses were more elusive. He referenced program quality measures from the Senate Budget Committee and guidelines from the Chancellor. He also noted the number of centers was approaching the number of departments, and how these fit with the program clusters would be another consideration.

Dr. Henry stated the RFP for potential areas of focus had been discussed with the strategic planning subcommittee and subsequently modified to reflect their input. He added that the Administrative Council had recommended postponing the due date for proposals to February 13. He pointed out that this would be a multi-year process as it would take longer to do redirection.

Dr. Hudson asked about the size of the pot of funds to be allocated. Dr. Henry projected a range of
$10-15M, including new and redirected funds. He pointed out that 4% redirection alone would generate approximately $11M.

Dr. Hudson asked about the relationship to the activity or zero-based budgeting initiative. Dr. Henry indicated support units might also go to the 85% funding base and then decision packages. He added that administrative and support unit review (ASUR) informs in much the same manner as program review. Dr. Hudson commented that ASUR takes a lot of time and energy, and cautioned that it was important to ensure data are accurate before using for decisions. He expressed concern about the speed of the process. Dr. Henry responded that the task forces utilized for the last budget reductions had worked well on a short timeline.

Dr. Jacobs asked about the sequencing of the process. Dr. Henry answered that the RFP would go out immediately as another way to request new funds. He noted new money decisions would be made in late March or early April. He added that savings will not be fully realized the first year, so there will be more time to fine tune decisions.

Dr. Kaminshine asked about the opportunity to propose something new. Dr. Henry advised such requests would be judged in the context of program clusters. Dr. Kaminshine voiced concern that the first one or two priorities would be funded, and then there would be no money left. Dr. Henry advised that investment in Action Plans would continue along with conversion from non-tenure track to tenure track positions across departments and colleges.

Dr. Kaminshine indicated the College of Law was in process of developing centers, and the budgeting process might affect how rapidly these need to develop. He noted implicit pressure to grow swiftly.

Dr. Derby asked about guidelines for proposals; e.g., 2 or 20 pages. Dr. Henry replied that guidelines would be developed and distributed.

Dr. Kelley asked about the status of the delayed FY2005 allocations to the colleges from the FY2004 holdback ($2.1M). Dr. Henry replied the allocations would transfer as planned subject to any new developments in the budget situation.

Ms. Bradley suggested reading, “Who Moved My Cheese?”

Dr. Hudson asked about the public health initiatives. Dr. Henry reported the Board of Regents would consider proposed Master of Public Health degree programs in January 2004, with proposals from MCG, Georgia and Georgia State.

Dr. Kelley asked about the formation of task forces. Dr. Henry envisioned 3-4 person task forces with senior administrators within and without the areas under review and representatives from FACP. He stated recommendations would flow from the task forces through FACP and then the Senate Executive Committee.

Prepared by Edgar Torbert
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