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

Others Attending: Lauren Adamson, Ron Colarusso, Charlene Hurt, Steve Kaminshine, Robert Moore, Edgar Torbert

Minutes of January 14 were approved as presented.

Dr. Henry presented the “Fiscal Year 2004 FACP Calendar” showing the call for new funding requests on January 28, the due date for requests on February 25, budget hearings during March 3-17, and FACP meetings on March 31, April 7, and April 21 to complete the budget recommendations to the President.

Dr. Henry stated anticipation of some new money through tuition increases, beyond the new workload money, which would offset the 7.5% budget cuts. He predicted net new money on the order of 2% of current budget. He noted in the past the cap on new funding requests from the colleges and vice presidential areas had been twice the predicted new money, which in this case would be 4%.

Dr. Kelley advocated 5% as the cap and stricter enforcement of the cap on all requestors. Dr. Henry replied that some of the units with small budgets could not address essential major expense items if the cap were strictly enforced in all cases.

Dr. Hudson asked about the reasonableness of the 2% figure for net new funds. Dr. Henry responded that it appeared to be very reasonable.

Dr. Adamson asked about the split of available funds between these requests for new funding and the areas of focus proposals. Dr. Henry answered that this could not be determined until the amount of new money was known in late March and early April. Dr. Tai asked if the redirected funds would be applied entirely to the areas of focus. Dr. Henry responded that if new money were too small, some redirected funds would have to be directed to other priorities. Dr. Harris asked about the projected size of the overall “pie”. Dr. Henry cited a figure of $12M with $4-5M from redirection.

Dr. Adamson noted the common theme of funding tenure-track faculty positions in both the areas of focus and the action plans.

Dr. Kaminshine suggested the 5% cap would save time since the same work had been done last year. He also suggested showing rolling percentage totals for each request. Dr. Henry responded that the sequential priorities accomplished the same objective as the rolling percentages.

Dr. Kaminshine raised the issue of overlapping requests between areas of focus and the regular new funding requests. He noted that some intra-college priorities were shared with inter-college areas of focus proposals and would stand even if the areas of focus proposals were not funded.
Dr. Henry acknowledged the complexity of the dual approach to allocations, but recommended excluding areas of focus from the new funding requests with some allowance for action plan items.

Dr. Harris advocated abandoning the dual allocation process and awarding the new money based on a funding formula. He observed this approach would leave options open to the deans and vice presidents and avoid a political process. Dr. Tai commented that in the past the deans had had flexibility in spending new funds. Dr. Henry pointed out that FACP had historically honored the priorities of the colleges, but did not necessarily fund priority #2 of College A ahead of priority #3 of College B. He added that he did not approach new funding allocations from a percentage-due perspective. Dr. Jacobs observed analysis was especially critical when dealing with items below the absolute top priorities of units.

Dr. Adamson suggested that the deans should be allowed to shift funds to other priorities in the event items funded from the new funding requests were also funded in areas of focus. Dr. Henry replied that such duplications could also permit funding deeper within areas of focus. He added that it was unlikely areas of focus would be funded completely up front and that decisions on areas of focus would not be known until June. He suggested the call for new funding requests stipulate assuming no funding for areas of focus and a 5% cap.

Dr. Hudson made a motion to issue the call for new funding requests with a 5% cap and the advice to assume no area of focus funding. Ms. Bradley seconded the motion.

Dr. Huss asked for clarification of the duplicate funding issue. Dr. Henry responded that the approach would be to fund areas of focus fully and then use any residual to fund others. Dr. Huss asked if this would still allow a college to move down its list of priorities by swapping allocated funds between the new funding requests and the areas of focus. Dr. Henry replied this was not the case.

Dr. Kaminshine commented that some areas of focus might make sense only as a whole so that duplicate standalone items would take different forms if the areas of focus were not wholly funded.

Dr. Jacobs asked if the dual processes were sequential or simultaneous. Dr. Henry responded that the processes were made sequential rather than simultaneous by agreement with the deans due to time constraints. He added that in future years the processes would be simultaneous with more lead time.

Dr. Jacobs asked if a maximum would be set for allocations toward the new funding requests. Dr. Henry replied that an amount would be set aside for the areas of focus pursuant to funding decisions in June.

Dr. Henry reiterated the goal of the areas of focus was to invest in quality programs in critical areas in order to make a bang.

Dr. Harris asked if there would be a cap on the amount of funds, which could be received from both processes. Dr. Henry responded that cap would be established in effect when FACP determined the amount to be set aside for areas of focus. He reminded that FACP would see all of the requests. He again stated his preference to go to as deep as possible in funding the areas of
focus.

Dr. Adamson commented that given the late date of allocating the funds for areas of focus, first year expenditures would be more weighted toward graduate student support.

The motion passed.

Dr. Jacobs observed that the cost of complexity was the lack of transparency or a sense of fairness about the process. Dr. Henry replied that complexity called for clearness at the front end regarding whether overages would go to areas of focus or regular new funding requests.

Dr. Hudson commented on the problem of going from college priorities to university priorities. Dr. Henry stated that university priorities fed off college priorities. He indicated the main difference this year was the encouragement of cross-college initiatives. Dr. Hudson injected that historically there was a strong correlation between unit size and allocations regardless of the process.

Dr. Harris suggested slowing down the new funding request process in order to bring the two processes in sync. Dr. Henry answered that this would mean the university would not have a budget to submit to the Board of Regents in May except for the possibility of parking all of the new money in the Provost Office. Dr. Harris asked how this approach would be perceived by the Board of Regents. Dr. Henry characterized it as dangerous.

Dr. Kaminshine outlined four options: (1) duplicated funds stay in the college for application to other needs at the discretion of the dean; (2) duplicated funds stay in the area of focus to extend coverage; (3) duplicated funds are used in other areas of focus; and (4) duplicated funds are used for other items on the prioritized lists of new funding requests.

Dr. Henry noted from the FACP calendar that the original budget would be due to the Board of Regents on May 25, while funding decisions for the areas of focus would not occur until June. Dr. Kaminshine spoke for leaving any duplicated allocations in the areas of focus in order to move the university forward. Dr. Huss stated he would be more comfortable making the decision about how to split funding between new funding requests and areas of focus if the areas of focus were known.

Dr. Henry announced the three-person review teams for the five units electing to pursue the 10% budget reduction/justify reinstatement process:

College of Law - Dr. Huss, Dr. Cody, [budget committee representative]
University Library - Dr. Hudson, Dr. Dabney, [budget committee representative]
Development - Dr. Harris, Dr. Haberlen, Dr. Kaminshine
External Affairs - Dr. Jacobs, Dr. Moore, [P&D committee representative]
Research – Dr. Tai, Dr. Morris, [research committee representative]

Dr. Henry noted there would be two additional reviews, Alpharetta Center and Child Development Center. Dr. Hudson suggested a representative from the faculty affairs committee for the Child Development Center.

Ms. Hurt asked about the time table for the review teams. Dr. Henry replied initial meetings would
be held in February with the reports due in March.

Dr. Huss announced a forthcoming proposal to charge an administration fee to MBA students taking exams to exempt out of foundation courses.

Prepared by Edgar Torbert
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