Members Attending: Paul Alberto, Al Baumstark (for P.C. Tai), David Caudill, Ron Henry, Hugh Hudson, Steve Kaminshine, Susan Kelley, Robin Morris, Siva Nathan (for Pam Barr), Jerry Rackliffe, Chris Sumter (for Greg Abt)

Others Attending: Lauren Adamson, J.L. Albert, Gwen Benson, Irene Duhaime, Bart Hildreth, Beth Jones, Risa Palm, Bill Prigge, Tim Renick, Anthony Roberts, Nan Seamans, Edgar Torbert

The minutes of July 15, 2009, were approved.

Admission Application Fee

Dr. Renick presented a proposed increase in the undergraduate admission application fee from $50 to $60, which would then equal the current fee at the University of Georgia. Dr. Renick expressed confidence the fee increase would have no impact on the number of applications.

Dr. Kaminshine made a motion to recommend the proposed fee increase. Dr. Morris seconded the motion. The motion passed.

Dr. Kaminshine indicated the College of Law would also like to increase its admission application fee. Dr. Henry responded such fee increases were no longer subject to Board of Regents review, so the college could bring its proposal to FACP for a recommendation to the President for final action.

Board of Regents Meeting Report

Dr. Henry noted the Board of Regents had met August 11-12, 2009 to take action on the directives from the Governor and Office of Planning & Budget to cut budgets by 5% and implement at least three furlough days by December 31, 2009. Dr. Henry reminded that the Board of Regents had requested plans for 4-6-8% cuts from the USG institutions, and that it appeared the 6% plans would be followed in order to meet the 5% requirement from the state. He added that the Board of Regents had directed USG institutions to enact at least six furlough days for faculty and staff with three to be taken before December 31, 2009.

Dr. Henry announced the Georgia State 6% plan included eight furlough days in order to balance the budget, and that the senior leadership (President, vice presidents, deans) would be taking twelve furlough days. Dr. Henry noted the Board of Regents had excluded employees making under $23,660 from furloughs, and other exclusions were for police, employees on H-1B visas, and persons on 100% Fund Code 20 salaries. He cited stipulations for implementation to include half-day and full day furloughs only, coordination between managers and employees as to which days are taken as furlough days, and no cancellation of classes in order to take furlough days.

Dr. Henry stated common furlough days for all employees, which would allow closure of most university facilities, would be part of the Georgia State plan in order to have additional savings from utilities. He projected four of the eight furlough days would be common days, such as the...
Wednesday before Thanksgiving, the first day of the previously proposed mandatory four vacation days of Winter Break, the first day after the Winter Break, and the first day of Spring Break [subsequently the common days were increased to five with the addition of Labor Day as a common furlough day in order to ensure all employees took three days prior to December 31, 2009, and designation of the original Labor Day paid holiday as a floating holiday].

Dr. Alberto noted any delay in implementation might cause some employees to have to take two furlough days in one pay period. He asked how the furlough days would be recorded. Dr. Rackliffe replied a spreadsheet would be developed by Human Resources, which would be completed by employees, and then Human Resources would plug in the dates in the ADP payroll system.

Dr. Adamson asked about implications of furlough days for Teachers Retirement System employees. Dr. Rackliffe answered the Attorney General Office had issued a statement that furlough hours would be treated as hours without pay, and retirement benefits would not be affected since withholdings and matches would continue uninterrupted.

Dr. Henry advised an FAQ web page about furloughs would be posted August 13, 2009, and there would be two town hall meetings on August 20, 2009 to answer questions from faculty and staff.

Dr. Kaminshine voiced concern about employees having to take two furlough days in the same month if an insufficient number of months were utilized for the furlough program, particularly with July and August already passed. Dr. Rackliffe replied September 2009 through April 2010 afforded eight months to take the four common furlough days and the remaining four individually set furlough days. He added the Board of Regents had not issued official furlough guidelines, so implementation in time for August furlough days was unlikely.

Dr. Nathan asked about guidelines for faculty regarding activities on furlough days. Dr. Morris cited liability issues if an incident occurs while working on a furlough day. Dr. Rackliffe noted travel on a furlough day did not void insurance coverage, but work would.

Dr. Baumstark pointed out various laboratories must remain open on the common furlough days. Dr. Rackliffe responded these days would have to be swapped for other furlough days, coordinated by their supervisors, in order to have both essential coverage and meet the mandated number of furlough days. Dr. Adamson added there would also be issues for laboratories with staff on 100% Fund Code 20 and supervisors who were not, particularly for those dealing with human subjects.

Dr. Hildreth asked about the specific liability issues. Dr. Morris answered the major concern was workman’s comp.

Mr. Caudill asked about impacts on staff whose departments had peak activity times coinciding with the proposed common furlough days. Dr. Henry noted the day after the Winter Break would be such a day for Enrollment Services with registration for spring semester. Dr. Renick responded that even with this furlough day, Enrollment Services would be better off than last year, and that August would be the more difficult month for Financial Aid.

Dr. Morris asked about the magnitude of utility savings with common furlough days. Dr. Rackliffe replied the savings were estimated to be $160K per week.
Dr. Prigge asked if employees would identify their furlough days for the whole year up front. Dr. Henry answered this was the case, but changes approved by supervisors would be permitted.

Dr. Morris voiced support for the common furlough days as a means to realize savings over and above the payroll savings. Dr. Henry suggested FACP make a recommendation on the four proposed common days.

Dr. Kelley made a motion to recommend implementation of the four common furlough days as cited above. Dr. Kaminshine seconded the motion. The motion passed.

Dr. Henry announced the Board of Regents had elected to discontinue the indemnity health insurance plan effective January 1, 2010. He stated the Board of Regents was losing $10M per year with the indemnity plan, and was encouraging a higher participation rate in the high deductible plan.

Dr. Morris asked about the number of participants in the indemnity plan. Dr. Rackliffe replied systemwide participation was approximately one eighth. He added that most of the Georgia State participants were retirees, many living out of state.

Mr. Caudill expressed concern about employees with pre-existing conditions, who would be forced to change insurance plans.

Dr. Henry indicated that an increase in the Special Institutional Fee (SIF) for Spring Semester 2010 was on the table, but no action was taken pending later reviews of the budget situation. Dr. Rackliffe added that the SIF increase would be a last resort, if circumstances dictate 8% to 10% cuts.

Dr. Henry noted the Georgia State 6% plan included some Reduction in Force (RIF) actions, but the number of employees affected would be smaller than in May 2009. He stated that all RIFs would be communicated on August 13, 2009.

Dr. Hudson asked about the additional cuts, which would be required if the 8% plan were necessary. Dr. Henry replied there would be no additional RIFs, but more vacant positions would be eliminated, non-personal services lines would be cut, and furlough days would increase from eight to ten. Dr. Rackliffe observed there would be differences across units since some had no more vacant positions to relinquish.

Dr. Prigge asked when the cuts would actually be removed from budgets. Dr. Rackliffe answered the budget would be catching up to the upfront expenditure of federal stimulus dollars and furloughs, so that removal of funds would probably occur in September.

Mr. Caudill asked about means of answering questions from employees about the furloughs. Dr. Rackliffe responded the FAQs posted on the web site would be the primary method, but there would be additional town hall meetings set up by Human Resources. Ms. Jones suggested an email broadcast to invite submission of questions for the FAQ site. Mr. Caudill noted some departments in the past had not allowed employees to leave their posts to attend town hall
meetings because of office coverage concerns. Dr. Rackliffe replied that lunchtime town hall meetings might address this issue. Dr. Henry added the town hall meetings would be structured with all questions submitted in writing in order to make them as efficient as possible.

Dr. Kaminshine asked about the possibility of beginning faculty furloughs in August 2009. Dr. Rackliffe indicated the deans would need to provide feedback about the impact on first month paychecks. Dr. Kaminshine clarified that his suggestion was only as an option for faculty wanting to proceed that way. Dr. Rackliffe replied Georgia State had requested the Board of Regents make the furlough program retroactive to August 10, 2009.

Dr. Adamson asked about the vulnerability for faculty who had not signed contracts. Dr. Rackliffe responded they were in effect “at will” employees.

Dr. Duhaime asked if the FAQs would include information concerning part-time employees and doctoral students. Dr. Henry replied details were still being worked out, and the FAQs would be updated regularly with information about such topics. Dr. Seamans asked about notices to faculty and staff about the town hall meetings and FAQ site. Dr. Henry responded that an email would be sent out immediately.

Dr. Adamson asked about the outlook for FY2011. Dr. Henry answered that the Board of Regents is assuming full funding of workload, which bodes well for Georgia State, and capital projects funding, including design money for the Humanities Building.

Prepared by Edgar Torbert
Approved September 16, 2009