

Budget Committee of Faculty Senate Meeting

Brad Yates, Presiding

March 31, 2017

Minutes approved April 28, 2017

Attendance: Liz Baker, O. P. Cooper, Micheal Crafton, Maurice Crossley, Leanne DeFoor, Tom Gainey, Anne Gaquere, Kyle Marrero, Meg Pearson, Andrea Stanfield, and Brad Yates

1. Call to Order (9:03 a.m.)
2. Approval of February 27, 2017 Minutes (approved unanimously)
3. Old Business:
 - a. February Meeting Highlights: B. Yates summarized the minutes from February 27, 2017
4. New Business:
 - a. Nominations for Budget Committee Chair for 2017-2018
 - i. Leanne DeFoor will serve as chair (approved by acclamation)
 - b. Summer Incentive/Budget Plan – update
 - i. M. Crafton discussed the new summer incentive plan, which encourages higher enrollment and lower cost classes
 - ii. M. Crafton noted summer has a 5.4 million base budget with 2 million from the University and the balance from Academic Affairs
 - iii. The incentive program is designed to offer more classes, generate high enrollment, and provide lower cost to the institution because of generated dollars that are considered a profit
 - iv. M. Crafton noted that the departments who generate/earn the money receive that as part of their operating budget; the design sets up a 64% to 36% split
 - v. M. Crafton explained that last year's summer revenue was \$6.2 million, and more is expected this year minus costs
 - vi. M. Crafton commented that the summer incentive program is essentially a nearly full-blown entrepreneurial model, which allows departments to run lower enrolled courses and pay the difference with profits from larger enrolled courses
 - vii. O. Cooper inquired about a subsidy idea and asked if that is at the College level, and M. Crafton confirmed that it is the plan
 - viii. M. Crafton explained that other costs are built in to the formula like labs and stipends
 - ix. M. Pearson asked about waivers for GAs, TAP, etc. because a class might have a solid enrollment but no profit is made
 - x. L. Baker explained that the Budget Office reviews enrollments in May, then June, and finally August to know who has had tuition waived
 - xi. Similar to M. Pearson's inquiry, T. Gainey commented that some courses in his department only break even because there is no indication of which students are paying and non-paying
 - xii. L. Baker offered to send the percentages of GAs, TAP, and senior citizens so that T. Gainey and M. Pearson may have a better sense of how much bottom line they will get

- xiii. A. Gaquere asked if the monies earned in one summer be used the next summer. L. Baker and J. Sutherland explained the monies can be used the following summer but only in May and June, given the fiscal year begins July 1
 - xiv. M. Crafton noted the summer budget went well last year and the new piece this time is the 64/36 split
 - xv. L. Baker highlighted Principle 4 in summer incentive document: No course that is required for graduation can be scheduled ONLY in the summer, but M. Crafton interprets it differently given principle 3
 - xvi. L. DeFoore noted that stand alone certificate classes could be offered in summer only
 - xvii. M. Crafton explained that Professional Development programs that require cohorts could have courses that are only offered in the summer
 - xviii. K. Marrero supports the new summer incentive program; \$850,952 recurring comes from growth money of the University to make this model work
 - xix. K. Marrero noted in the budget a percentage of growth monies are set aside to fund this new summer incentive model in its first iteration
 - xx. Further, K. Marrero said that dollars used to fund chairs in the old College of Arts and Sciences who were converted to 12-month contracts will be reexamined
 - xi. B. Yates asked is there is a difference between budget and pay as you go; M. Crafton responded that it's now all pay as you and departments and colleges can determine caps
 - xxii. T. Gainey said he has faculty who load up a class to help out colleagues who are in classes that have smaller enrollments
 - xxiii. K. Marrero believes the incentive model will generate credit hours
- c. FY18 Budget – update (with other legislative issues included)
- i. Campus carry was approved in House and Senate with Governor Deal's "wants" included
 - 1) Guns would be banned from Greek Village, athletics events were banned, child care centers on campus, and career academies with high school students
 - 2) Governor also added student conduct rooms, faculty offices would be gun-free zones as well as classes with Move on When Ready students enrolled
 - 3) K. Marrero indicated all student/faculty discourse should be exempt
 - 4) It is highly likely the Governor will sign the bill, but implementation is still a question
 - 5) K. Marrero noted that Texas has gun lockers
 - ii. K. Marrero noted that the sexual assault bill was not passed
 - iii. Budget Finished Early in Legislative Session; K. Marrero offered highlights
 - 1) Funding formula for growth stayed the same
 - 2) M&O same
 - 3) Health insurance funding added (part of increase)
 - 4) 2% merit (though it's really less than the 2%); UWG will add monies to get to 2%
 - 5) Biology building monies totaling 2.1 million for renovation and expansion were included
 - 6) MRR (see budget sheet) cut by 10 million; critical deferred maintenance (fail in 5 years or less)
 - 7) Biology building, which is now in phase 3 (Large Capital Projects) is included

- 8) Small Capital Project-IT Fiber Backbone Improvements totaling \$1.25 million
 - 9) K. Marrero stated that GA funds education at a high level
- iv. Review of New Funding Request by K. Marrero
- 1) Faculty Promotion-record this year (43 faculty earned P&T-more than double the number of faculty going through the process); and to get to 87% of the CUPA median \$303,182 is needed (\$6,000 average)
 - 2) \$1.79 recurring for staff equity (\$300,000)
 - 3) All Faculty to 88%-\$218,000 recurring
 - 4) F/S Merit requires \$1.1 million plus \$400,000 from growth money to get to 2%
 - 5) Explained when assigning merit the goal is use a 0-4% is range; equity or retention is what is needed outside of the merit, and assignment of retention dollars should be strategic especially if an extra 1% or so can keep a valuable employee; if used wisely these dollars can help with compression
 - 6) L. DeFoor asked would the new CUPA take away the differential; K. Marrero says it is not taken away, but it helps get up to 100% (based on market)
 - 7) Police salaries estimated at a \$300,000 increase to fund Protect Our Pack
 - 8) \$2.372 million growth monies estimated
 - 9) K. Marrero is counting on summer to bring revenue back to the central pot of money to be redistributed; but if AA makes the money it goes back to them
 - 10) K. Marrero decided to continue the equity increases instead of pausing for a year to hire specific positions to help with growing pains; Committee agreed this was a wise move
 - 11) Graduate tuition increase of 2.5% (asked for 6%) (\$125,000-150,000); only comprehensive institution to get a graduate increase
 - 12) Undergraduate side: proposing a 2% increase; about \$63 per student per semester with a 15-hour load (estimate of \$1.21 million we could book); caveat \$264/hour for online; BOR froze all e-tuition rates in January; interpretation of 2% is that online cost will not increase; we must take out loss of e-tuition revenue (\$303,000) (\$550,000-bookable next year--\$60,000 for administrative costs and the rest goes to AA)
 - 13) The entire \$1.1 million net tuition growth will go toward our priorities (could be academic but may be administrative)
 - 14) \$2600/15-hour (\$52 dollar increase/per semester in tuition next fall); housing goes up 3%; dining about 2.5%
 - 15) O. Cooper asked if the e-tuition rate applies to graduate courses online; L. Baker and K. Marrero confirmed it does
 - 16) Where will our allocations be, explained by K. Marrero
 - a) Based on the formula we should get \$2.1 million (lobbying for \$2.5 million)
 - b) \$1.1 tuition revenue
 - c) \$3.2 million estimated revenue total
 - d) Estimated growth of \$230,000
 - e) \$3.4 million grand total for Tier 1, 2, 3 and must spend up to line 27; remaining items for Tier 1-3 will be reexamined to see if new needs have arisen; Provost has strategic monies to help as he sees fit

- f) This is a darn, darn good budget. We should be celebrating!
 - g) \$2.3 million more to personnel with \$9.6 million over 4 years invested in people
 - h) In 4 years, we will have increased to 130 FTEs if this budget is approved
- 17) Big project up next is design money for RCOB building
- 18) Next project after that is Quad upgrade
- 19) J. Sutherland offered P3 program update
- a) BOR would own the new building that will be constructed
 - b) Gunn and Strozier will become administrative; Tyus will be blown up and a new 600-700 bed residence hall constructed; we will move the running track to the athletic complex
 - c) July 1st 2018 constructions begins on new building for residence hall
 - d) Three (3) of the properties are backed by the Real Estate Foundation, Center Point and Oaks; Greek Village, Suites; Arbor View Fundraising Foundation
 - e) Maintenance reserves are in place for catastrophic events
 - f) \$9-10 million in reserve; keys go to concessionaire and we get to use the monies; we can get lighting and safety, etc. for campus needs; we want to be a model campus for safety
 - g) K. Marrero noted that Foundation money needs to be used for scholarships
 - h) A parking lot at Campus Center with a drop off by the doors will go where the tennis courts are and the courts will go to the athletic complex; the hope is the county will pay for some of the costs since the Campus Center and tennis courts are used by University and community
 - i) Move baseball stadium to athletics complex; make that parking and access; central campus is academic
 - j) Track moves over and that will cannibalize intramurals fields so need new place for intramurals
 - k) Plan to develop monuments throughout campus to note the African American fraternities (Divine 9) on campus without having to go to Greek Village to learn about them
 - l) All of this construction could start in 2018
 - m) These are auxiliary funds or foundation funds (housing) (both are non-lapsable)
- 20) Student Health Center update by K. Marrero
- a) Current Health Center was meant for 7,000 students
 - b) We can build a new health center by raising health fees, typically done by other institutions
 - c) Tanner discussions are on-going; Tanner will loan \$3 million (3% interest over 20 years) to build a new health center; UWG will operate it and build costs into the current health fee
 - d) Value engineering will be used so we will model their urgent care and can do all of this without raising fees
 - e) The Urgent Care will be in Tyus parking lot where the ATM is now; we can start building soon get it done by January
 - f) Advising Center will move to the old health center to provide centralized advising

- g) The goal is to have faculty and staff urgent care option (separate entrance), which will be run by Tanner
 - h) Long, long term you could have an HMO via Tanner
- 5. Next meeting will be after the final budget is released on April 18th; B. Yates will send a Doodle Poll
- 6. Adjournment (10:49 a.m.)