

## **University Senate Budget Committee**

Tuesday, January 22, 2013

315 Dahlberg Hall

3:00 PM

Members Present: JoAnn Bacon, Deron Boyles, Margo Brinton, Jennifer Chiovaro, Peggy Gallagher, Charles Gilbreath, Skye Hardesty, Miriam Jackson, Bill Kahnweiler, William Long, Bruce Pilling, Vincent Rehder, Lesley Reid, Rose Sevcik, Melissa Paige Taylor, Ellen Taylor, Cherian Thackenkary.

1. Lesley Reid gave updates about BOR meetings in January and December.

In January the BOR voted to approve the Science Park expansion, which allows the University to go forward in approving an architectural firm. The proposed completion date is 2014. The building will be a shell, with the first two floors built out and remaining upper floors left open to give us flexibility for upcoming needs. Jerry Rackliffe reports that the Senate support of using indirect cost recovery was instrumental in securing BOR approval for the project.

The BOR also voted to implement a common voluntary benefits plan across BOR institutions, with shared benefits and services across institutions. Participation in this plan is not mandatory and GSU will continue to offer and manage our own voluntary benefits program. However, this is one of many changes at the system-level that are part of the BOR's benefits strategic plan. Due to concern about the large changes in benefits coming through BOR, Lesley reported that she has been working with Corrin Sorteberg and Robert Elmore to invite a staff member from the BOR to a future Budget Committee meeting to provide an overview of the strategic plan. Lesley distributed an electronic version of the BOR benefits strategic plan and encouraged members to look it over before the BOR representative comes. Many of the 2012 plan year items in the report have been implemented, some with rather dramatic effects. Understanding this plan will allow employees to know what the BOR has planned for 2013 and beyond, and allow us to provide input and feedback to the extent possible.

2. Lesley Reid reported on the discussion of proposed provision of domestic partner benefits.

Michael Adams, the UGA president, has proposed provision of domestic partnership health benefits to UGA employees. The GSU Senate Executive Committee is now in discussion with the Provost and President, looking into how we can pursue provision of such benefits as well. UGA proposes using indirect cost recovery funds to cover these benefits. UGA estimates that offering these benefits would cost \$270,000, which we cannot source from

either indirect cost recovery or foundation funds because those funds are already committed. Faculty Affairs is looking into other possible funding sources; if you have any ideas, pass them on to Lesley or David Cheshire, chair of the Faculty Affairs committee.

3. Cherian Thachenkary gave an update from the Benefits Subcommittee.

Cherian reported that an issue has emerged regarding mid-month payroll in December and May, for those who have selected the ORP. ORP is set up so that when money is taken out of payroll, there is a delay between the date it is withdrawn and the date it moves into employee mutual fund accounts. For the month of December, money was not deposited into mutual fund accounts until the 4<sup>th</sup> or 5<sup>th</sup> of January – nearly a month gap. This is an issue because employees assume some risk during this time, due to fluctuations in the market. Funds should be deposited in employee accounts no later than 7 days after deductions are made. Beth Jones has been looking into this. She has found that it is a programming issue on the part of Shared Services, affecting months where payroll is dispersed mid-month (December and May). Prior to the institution of shared services across the BOR, money transfers only took 24 hours. Presently, all of the USG institutions transfer at once, after the last institutions makes deductions.

Cherian also updated the committee on his subcommittee's current work on a hybrid TRS/ORP plan. The BOR currently has two retirement offerings: the TRS, defined benefits plan, and the ORP, a defined contributions plan. For most employees in ORP, the funds accumulated are not near what they would have been over the same time period in TRS. In response this subcommittee has been exploring a hybrid plan, like the one offered to state employees beginning about 2 years ago. The subcommittee is preparing a proposal that lays out the rationale for such an option. Jerry Rackliffe will then vet it through BOR staff informally. In the hybrid plan, new faculty will have the option to direct half of their employee and state contributions toward an ORP account and half towards TRS. This option could be an important recruitment tool. The subcommittee is still working through some technical issues such as pre-tenure/post-tenure benefits and vesting length. Once the subcommittee has a complete draft, they will present it to the full committee.

4. Lesley Reid gave a report on the Salary Compression Subcommittee, chaired by Volkan Topali.

Ellen Taylor has given Volkan's committee salary data for GSU and comparison universities, broken down by rank and discipline. The subcommittee just received the data in November and has been reviewing it. Preliminary analysis says we are not comparing too favorably with our comparison institutions.

5. Rose Sevcik reported on the status of the Doctoral Funding Model Joint Subcommittee.

The Research Committee sent report to the Senate Executive Committee, who has presented it to the Provost and President for their support. The next step is going to be gaining the Deans' approval with a presentation to the Deans' Council.

6. Margo Brinton gave an update on the annual meeting of the Enrollment Management Committee.

GSU set records in undergraduate enrollment and applications for Fall 2012. 4/5/6 year graduation rates also increased. The Undergraduate Admissions Committee is partnering with alumni to help recruit students.

7. Lesley gave further updates about future Budget Committee meetings.

Currently, no Senate committee has the responsibility of collecting information on financial development at the University. The Budget Committee can potentially give more input/interaction/discussion on this subject. Toward this end, Walter Massey, President of the GSU Foundation, will speak at our March meeting about development issues.

8. There was no new business. Meeting was adjourned.