

Minutes of Senate Budget Committee Meeting
January 21, 2015
RCB Manners Room (1.00 – 3.00 PM)

In Attendance: Walter Massey (Special Guest), Rackliffe, Salazar, Chiovaro, Fendler, Rehder, Brattain, Sehat, Sugarman, Sevcik, Duhaime, Mangella, Bacon, Long, Barr, Scales, Owens, Feit, and Thachenkary (Chair/Recorder)

The Chair called the meeting to order at 3.05 PM. A motion to approve the minutes of the December 2014 meeting was made, seconded, and approved.

A Motion to appoint the “Associate Vice President for Facilities Management Administration” at GSU as an ex officio (non-voting) member of this Committee was seconded and approved by a unanimous vote.

Vice President Rackliffe gave a brief update on GSU’s FY16 Budget and the Governor’s proposals. The proposals include \$11.3 million to fund merit pay for system personnel and for recruitment and retention. GSU will ask for an extra \$4.9 million for the addition to Phase II of the Classroom South building. GSU’s FY16 budget is expected to grow by 5% to almost \$950 million. The university’s share of required contributions to Teachers’ Retirement System (TRS) will rise to 14.27% in FY16 in addition to the employee contribution of 6%. There will be no changes to the corresponding rates in the ORP.

President Walter Massey of the GSU Foundation was the next featured speaker. He gave an overview of the Foundation, its structure, and governance mechanisms. It operates as 501(c) Corporation and is governed by a 30-person Board. The foundation works on the P-3 principle: Public-Private-Partnership. Outside consultants have recently estimated that GSU’s next fund raising campaign could target about \$300 million (+/-).

The Foundation’s endowment pool balance was \$127 million at the end of 2014. It raised over \$30 million in 2014 alone and supported GSU to the tune of about \$36 million in the same year. The foundation would generally buy attractive properties and then either sell or gift them to the Board of Regents, thus transferring ownership from the Foundation to the State. An example: the Foundation played a major role in helping GSU acquire the 55 Park Place building, future home to RCB and AYSPS. This building was later sold to the BOR. It had a net asset value of nearly \$29 million as of 30 June 2014. A number of other real estate (lots and parcels) transactions have also taken place.

The Woodruff Foundation recently gave GSU a gift of about \$23 million to fund part of the cost to renovate the former SunTrust Bank annex building located at the corner of Edgewood and Park Place. The new facility will house GSU’s Creative Media Industries Institute.

Ms. Mary Nell Stone from the University Senate and Staff Council Office then took the floor. She explained the workings of the University Senate, how motions and resolutions differ, and how committee motions get implemented.

The Committee expressed its appreciation to both Mr. Massey and Ms. Stone by giving each a nice round of applause.

The Chair of the Sub-Committee on Oklahoma U. Salary Survey and also the Chair of the Sub-Committee on Graduate Students' Tuition Waivers provided updates on their respective work. The Chair briefed the Committee on his attendance at the dinner reception hosted by President Mark Becker on January 5, 2015 where the latter announced the impending "consolidation" of Georgia Perimeter College and Georgia State University.

The Chair also updated the Committee on the Resolution honoring our former colleague, Dr. Hugh Hudson, Jr. placed on the Agenda of the Senate meeting scheduled for January 22, 2015. The Chair congratulated fellow committee member, Dr. Andrew Butler, on his recent appointment as the Interim Dean of the Byrdine F. Lewis School of Nursing and Health Professions.

There being no further business, the Committee adjourned about 3:30 PM.