

Tuesday, May 29, 2009

Attendance: *Co-Chairs, Gebe Ejigu and David Curtis*, President Maimon, Linda Buyer, Shannon Dermer, David Diers, Robert Donaldson, Rupert Evans, Judy Ferneau, Carmin Garnica, Jim Howley, Rosemary Hulett, Maribeth Kasik, Gary Lyon, Eric Martin, Joe Matula, Kathy Miller, Lydia Morrow Ruetten, Daniel Nearing, Charles Nolley, Jeff Slovak, and Karen Stuenkel

Documents:

1. Agenda
2. Proposed Incentives for Community Colleges Students Entering GSU through Dual Admissions Program
3. Tuition Revenue Sharing Plan
4. Historical Revenue and Expense Information for the Academic – Enhancement/Strategic Initiative Fee

I. Ground Rules for Discussion

Curtis welcomed everyone. Curtis mentioned that the state budget situation has not changed which does not make budgeting easier for GSU.

Quick summary of the PBAC process:

1. General priorities and guidelines were sent to unit heads in March.
2. May 18 and May 19 -- PBAC Budget Hearings
3. May 19 to May 28 -- Deans and unit heads met with Slovak to help clarify their budget proposals and to answer questions raised at the budget hearings.
4. Today (May 29) - Discuss and prioritize budget recommendations and requests
5. May 29 to June 2 – Ejigu, Curtis will discuss and consult with Slovak about institutional priorities and unit heads' budget proposals.
6. Wednesday, June 3 -- A recommendation will be proposed for the President to review.

If the General Assembly completes the state appropriations by June 30 and after the institution's budget has been allocated, then it will be up to the unit heads to spend the money as effectively and efficiently as possible.

Ground rules:

1. PBAC is advisory to President Maimon. She has the final authority over budget allocations.
2. Each member of PBAC is from a unit or college. At this time, each member needs to wear a "university hat", recommending what is best for the university as a whole.
3. Strategy 2015 should guide the discussion of budget priorities.

II. General Discussion

From the various budget proposals offered by the unit heads at the budget hearings, the following items were cited by PBAC members as those meriting particular attention:

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- Academic excellence is a priority.
- Enrollment should be a focus.
- Staff development should be given high priority.
- Support units that assist students need resources.
- The university's financial health should be on a high priority.
- People in our surrounding communities need to be aware of us and our work.
- Aging computer software and hardware need to be updated. More generally, information technology should be a priority.
- Marketing should be given a high priority.
- Infrastructure, safety, and library resources must be current.

It was mentioned that GSU needs to look for synergies across each unit and college. The PBAC process is very important in that regard because of the connections members make with each other.

The group realized that all the priorities are important. Enrollment growth and publicity seem to be joined at the hip.

Among the specific items raised in the discussion were the following:

Two percent will be set aside for salary increases, although actual increases have yet to be determined. Many factors will be involved in the final setting of salaries, including negotiations with the unions that represent many GSU employees and the need to attract and retain high caliber faculty and staff. This 2% figure is a just place holder.

One approach is to look at the existing budget as a foundation and then ask what should be added to it. After adjustments for reasonable reserves and contingencies, what we have to distribute is a reasonably conservative total university budget of about \$51.3 million. All of the units' budget requests amount to a total of \$55.6 million.

A rescission reserve is only reasonable given the larger context. The state is not in the best fiscal health. Most of the problems are being postponed into the future. Sooner or later they will realize what steps they will need to take, and those steps might well involve reductions in the amount of support offered to public universities.

Our customers are the students. Doing whatever it takes to get them and give them a quality education should be our primary focus. The fields in high demand are science, technology, engineering, and healthcare. We should put resources into the growth areas like these.

GSU needs to be accredited not only at the institutional level but at the college and disciplinary levels as well. This especially includes AACSB accreditation for our College of Business and Public Administration, but CBPA will face higher operating costs to become eligible for and to sustain that accreditation.

Ejigu and Slovak will review what the group discussed to decipher what should be recommended. At the next PBAC meeting, a detailed proposal for the FY10 budget will be presented.

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III. Endorsement of the Proposed Tuition Revenue Sharing Plan

Ejigu has been discussing this proposal with deans and cabinet. This proposal is part of a broad array of initiatives, all of the components of which are directed at increasing enrollment. Enrollment growth is a priority for GSU for two primary reasons:

1. State resources are decreasing. GSU received 75% of its state funds budget from appropriations in the past. Today the proportion is 50%.
2. Most importantly, GSU needs to be a viable institution in the region. Only then we will get public support and the appropriated funds that follow from that support.

The goal for total enrollment as specified in **Strategy 2015** is 7000 FTE students for Fall 2014, an increase over current levels of approximately 7% per year. We have been growing at 1% or 2% per year. This program would allow the deans/colleges to benefit from the growth in enrollment by receiving funds for contributing to that growth. They could then use the additional funds for faculty travel, faculty development, and program development.

Under this program, we would establish an annual institutional enrollment growth goal. A college that exceeded that rate of growth for a given year would then receive a proportion of the net tuition revenue associated with that enrollment result. Those colleges that do not exceed the established goal will not receive any additional allocation, but neither will they incur a penalty. Ejigu wants PBAC to endorse the proposal and move it forward for the consideration of President Maimon.

Motion to accept the endorsement of the revenue tuition sharing:

- Donaldson moved to accept the endorsement of the revenue sharing proposal. Kasik seconded the motion. The motion passed unanimously.

IV. Review For Endorsement of the Proposed Tuition Incentives for Community College Students - Dual Admissions

Dual admission is a process that will allow us more easily to recruit students from community colleges. We will have dual admission arrangements with the City Colleges of Chicago as well as the surrounding community colleges and, for students who meet the criteria established for this program, their GSU tuition will be the amount in place when initially enrolled at a partner community college.

Stipulations:

- The student has to finish his/her course of study at the community college in two years.
- The student must enroll full-time at GSU.
- From among this group, a selected number of students will be guaranteed a “debt-free” education at GSU. To be so selected, students will need to demonstrate financial need and academic excellence. Possibly 50 students who enroll at GSU per year will receive this award.

Motion to accept the dual admission program:

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- Donaldson moved to endorse the dual admission initiative. Evans seconded the motion, which was approved unanimously.

V. Purposes, Uses, and Current Status of Strategic Initiative Fund

A handout provided information about the history of the Strategic Initiative Fee and the projects it has supported since its inception. year of fund existence.

The guidelines for support for a project have been:

- It must have a direct impact on students, and
- It must be completed in a finite amount of time

The “To Date FY09” column of the handout includes projects discussed by PBAC a year ago when it was considering the FY09 budget. Most of the projects proposed at that time have been implemented in the year that has passed. Two proposals (software for the development office and a strategic opportunity fund) were put on hold because of uncertainties surrounding state appropriations.

Ejigu, Slovak, and Curtis will be developing a budget proposal for the next meeting, June 3, 2009.