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March 19, 2012 AASU Faculty Senate Minutes

Armstrong State University

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Armstrong Atlantic State University
Faculty Senate Meeting
Minutes of March 19, 2012
UH 157, 3:00 pm

- I.** Call to Order: Senate President LeFavi called the meeting to order at 3:04 pm (see **Appendix A** for attendance roster).

- II.** Senate Action
 - A. Approval of minutes from February 20, 2012, faculty senate meeting. The minutes were approved without modification.

 - B. University Curriculum Committee items (See UCC Minutes from March 7, 2012: http://www.armstrong.edu/Departments/faculty_senate/senate_minutes). All UCC matters were approved without modification.

 - C. Update on FSB 061.11/12: Summer Teaching Assignments. Dr. LeFavi presented President Bleicken's comments on the bill, which are available on the Senate website (http://www.armstrong.edu/index.php/Departments/faculty_senate/senate_resolutions_and_bills), noting that although she did not approve the bill, her stated intentions correspond to the basic objectives of the bill.

 - D. Hardship withdrawal policy (**Appendix B**). Following Dr. Kraft's explanation of the need to update the policy and his responses to a few questions from the Senate floor, the report from the Student Success Committee was accepted by the Senate. This approval will allow the Senate president to forward the matter to the Office of the Vice President for Academic Affairs.

 - E. Update on charge to Planning, Budget, and Facilities Committee on financial issues discussed Fall 2011. Dr. MacGowan provided an overview of the report, which her committee brought forward to the Senate for approval (**Appendix C**). In the discussion that followed, it was recommended that the committee should determine the actionable items from the report and present those at the next Senate meeting. The report was then approved.

III. Senate Information

- A. Annual committee reports due 4/2/2012. Dr. LeFavi asked committee liaisons and chairs to ensure that a brief annual report is submitted for each committee to the Senate secretary by 4/2/2012.
- B. Committee reports on outstanding charges due 4/2/2012. Dr. LeFavi similarly requested that reports on outstanding committee charges be submitted by 4/2/2012. It was determined that the new report template, which was prepared by the Committee on Committees, would be utilized.
- C. Referral of Graduate Curriculum Committee minutes to President Bleicken (See GAC Minutes from March 6, 2012: http://www.armstrong.edu/Departments/faculty_senate/senate_minutes). Brief reference was made by Dr. LeFavi to the referral of GCC items to President Bleicken for her approval.
- D. Update on FSB 062.11/12: Study Abroad. Dr. LeFavi introduced President Bleicken's response to the recent Senate bill on study abroad programs. The Senate noted the appropriateness of the remand's language, i.e., that a more comprehensive discussion should take place concerning study abroad programs and that the new provost should be involved in such deliberations. Additional discussion revolved around the viability of increasing the cost to students in order to make study abroad more profitable. Mr. Carson noted that if such increases occurred, more scholarships would be needed to help defray costs. In a similar vein, Dr. Barrett commented that increases would be too prohibitive to our students. No action was taken to respond to the remand.
- E. Constitution & Bylaws vote on Cove and Elections update. Senators were informed that votes are open for changes to the Senate Constitution & Bylaws, as well as the election of Senate officers and University Curriculum Committee members.
- F. New senators invitation for April 16 senate meeting. Senators were encouraged to invite new colleagues to attend the next Senate meeting.
- G. Proposed graduation list to Student Success Committee. Dr. LeFavi explained that once the Student Success Committee has

approved the graduation list, the Senate will vote on it via email.

- H. Other Informational Item. Dr. Johnson requested that Mr. Carson clarify the ITS Computer Replacement Policy. Mr. Carson explained that it would be the responsibility of the departments to pay for replacements if the items are not in stock with ITS. Dr. Johnson responded by asking if it would be appropriate for the university to add a new budget line to better secure new computer technology, a notion with which Mr. Carson agreed. It was also emphasized that faculty should submit a replacement application when they are in need of updated equipment instead of waiting for the university to contact them according to the ITS computer update list.

Additionally, Dr. Adams noted that the university is moving forward with a recycling program, Dr. LeFavi explained that Dr. Thompson will be presenting an update on a faculty salary study at the next Senate meeting, and a brief discussion ensued regarding intellectual property rights in relation to course syllabi and online courses.

- IV. Announcements. Dr. Brooks extended an invitation for all interested colleagues to attend the April 13 event on the Americans with Disabilities Act.
- V. Adjournment. The meeting was adjourned at 4:22 pm.

Respectfully submitted,



Jason R. Tatlock
Faculty Senate Secretary

Appendix A – Senate Attendance Roster

Dept.	Name	Present	Alt.	Present
AAED	Regina Rahimi		Rona Tyger	
AAED	Ed Strauser		Lynn Long	
AAED	Ellen Whitford	X	Lynn Roberts	X
AMT	Angela Ryczkowski Horne	X	Randall Reese	
AMT	Stephen Primatic	X	Rachel Green	
AMT	Pamela Sears	X	Deborah Jamieson	
BIO	Alex Collier	X	Sara Gremillion	
BIO	Austin Francis	X	Kathryn Craven	
BIO	Scott Mateer	X	Traci Ness	
CESE	Beth Childress	X	Glenda Ogletree	
CESE	Jackie Kim	X	Barbara Hubbard	
CHEM/PHYS	William Baird	X	Brent Feske	
CHEM/PHYS	Suzy Carpenter	X	Richard Wallace	
CHEM/PHYS	Clifford Padgett	X	Todd Hizer	
CJSPS	Ned Rinalducci	X	Dennis Murphy	
CJSPS	Michael Donohue		Alison Hatch	
CSDS	Maya Clark	X	April Garrity	
CSIT	Daniel Liang		Frank Katz	
ECON	Jason Beck		Yassaman Saadatmand	
ENGR	Wayne Johnson	X	Priya Goeser	
HIST	June Hopkins	X	Chris Hendricks	
HIST	Jason Tatlock	X	Allison Belzer	
HSCI	Bob LeFavi	X	Rod McAdams	
HSCI	Bryan Riemann	X	Alice Adams	
LIB	Beth Burnett	X	Ann Fuller	
LLP	Hans-Georg Erney	X	Monica Rausch	
LLP	Beth Howells	X	Richard Bryan	
LLP	Dorothee Mertz-Weigel		Carol Jamison	X
LLP	Ana Torres		Edwin Richardson	
MATH	Sungskon Chang	X	Tim Ellis	

MATH	Lorrie Hoffman		Jared Shlieper	X
MEDT	Charlotte Bates	X	Floyd Josephat	
NURS	Carole Massey	X	Amber Derksen	
NURS	Kathy Morris	X	Luzviminda Quirimit	
NURS	Gina Crabb	X		
PHTH	AndiBeth Mincer	X	George Davies	
PSYCH	Wendy Wolfe	X	Jane Wong	
RADS	Laurie Adams	X	Shaunell McGee	
RESP	Christine Moore	X	Rhonda Bevis	
	(Alphabetical Order)			
Ex Officio	Laura Barrett	X		
Ex Officio	Keith Betts			
Ex Officio	David Carson	X		
Ex Officio	Donna Brooks	X		
Ex Officio	Bob Gregerson	X		
Ex Officio	Scott Joyner			
Ex Officio	John Kraft	X		
Ex Officio	Marcia Nance			
Ex Officio	Anne Thompson			
Ex Officio	Patricia Wachholz			
Guest	Joyce Bergin	X		
Guest	Patricia Holt	X		
Guest	Patrick Thomas (substitute parliamentarian)	X		

Appendix B – Hardship Withdrawal Policy and Form

Overview:

In the event a student faces circumstances of extreme duress beyond his or her control, the student may request a hardship withdrawal from the university. Hardship withdrawals are not meant to be used for appealing academic matters (e.g. grades), but should be used when a student seeks to drop all classes and leave the university for the remainder of that semester. Hardship withdrawals should fall into one of three categories: medical, personal, or financial. Students will be required to justify their withdrawal with documentation. On the rare instance that a student's circumstances warrant only a partial withdrawal, thorough documentation will be required to substantiate why this student is able to continue with some coursework but not all coursework.

Hardship Withdrawal Process:

All hardship withdrawal requests are submitted to the Office of the Academic Affairs.

A student seeking a hardship withdrawal will first go to the Office of Academic Orientation and Advisement. At this office, the student will be advised of the procedure for hardship withdrawal and will be given all forms. The student must pick up all required forms in person from the Office of Academic Orientation and Advisement. If circumstances prevent the student from coming to campus in person, then different methods for securing forms will be determined and implemented on a case-by-case basis. The student will return the completed forms for hardship withdrawal with supporting documentation to the Office of Academic Affairs. At this time the Assistant Vice President of Academic Affairs will have the opportunity to discuss the application with the student as he/she sees fit. Decisions regarding hardship withdrawals will be handled in the Office of Academic Affairs.

A student seeking a full hardship withdrawal from the university must initiate the withdrawal process, complete required forms, and return all forms plus documentation to the Assistant Vice President of Academic Affairs no later than midterm the semester following the withdrawal.

A student seeking a partial hardship withdrawal from one or more classes must initiate the withdrawal process, complete required forms, and return all forms plus documentation to the Assistant Vice President of Academic Affairs no later than the last day of class for the semester in which he/she is seeking a partial hardship withdrawal.

Financial Aid Implications

All students seeking either a partial or full hardship withdrawal are strongly recommended to make an appointment with a financial aid counselor. This is of utmost importance if the student has received any financial aid (e.g. scholarship, loans, etc.). The granting of a hardship withdrawal may affect the student's ability to receive future financial aid and may greatly affect the student's standards of academic progress. Students should be advised that the granting of a hardship withdrawal does not negate the effect of the Standards of Academic Progress or the Return of Title IV policies.

Hardship Withdrawal Documentation

Personal Statement of Hardship:

The written personal statement of hardship should explain to the Office of Academic Affairs how and/or why the non-academic emergency impacted studies. It is essential that the student provide accurate details about the circumstances surrounding the hardship, date(s) of the hardship event(s), and an account of how the event(s) specifically prevented the completion of coursework. Each page should be initialed and dated, including a full signature on the last page of the document. In addition, the student will provide official documentation supporting his/her hardship. This documentation should be consistent with the student's personal statement and all documentation will be verified prior to the rendering of any decision regarding the student's hardship withdrawal.

Categories of Hardship and Documentation Requirements:

Medical (e.g. physical or psychological emergencies):

The student will supply a physician's report on office letterhead. This document will include the physician's name, address, phone number, nature of patient's illness or accident, dates of treatment, prognosis, and the reason they feel that the student can no longer complete his/her coursework. This document must be signed and dated. A physician's letter is the only approved documentation for hardship withdrawal under the medical category.

Personal (e.g. severe medical illness within family, death in the family, arrests, etc.):

The student will supply appropriate documentation that builds a case for hardship withdrawal due to personal issues. These documents may include but are not limited to death certificates, obituaries, police reports, or physician's letters. The student should obtain documents that contain contact information, are dated, and if possible notarized. All documents will be verified as seen fit by the Office of Academic Affairs.

Financial (e.g. loss of sole-supporting job, mandatory job changes)

The student will supply documentation from an employer or supervisor that clearly states the mandatory change and the date that these changes took place or will take place. This document should contain contact information for an organizational representative that can verify these changes, preferably a human resource professional. The student's inability to have financial aid in place at the start of the term is NOT grounds for hardship withdrawal due to financial issues.

SPECIAL NOTE: Application for a Hardship Withdrawal does not guarantee the student a grade of "WH."

Armstrong

WITHDRAWAL DUE TO HARDSHIP

Hardship Withdrawals are rare and will only be granted in extraordinary circumstances, in which the student is unable to complete his/her coursework because of incapacity, tragic events, or some other grave matter. Hardship Withdrawals are not intended to allow a student to avoid a failing grade.

Date:	Term:	Year:
Student Name:		Student ID:
CRN:	Subj/Crs/Sect:	Instructor:
CRN:	Subj/Crs/Sect:	Instructor:
CRN:	Subj/Crs/Sect:	Instructor:
CRN:	Subj/Crs/Sect:	Instructor:
CRN:	Subj/Crs/Sect:	Instructor:
CRN:	Subj/Crs/Sect:	Instructor:

Complete the following questions:

• Were you awarded any type of financial aid (e.g. loans, scholarships, etc.) for this semester?
YES ☐ NO ☐ *If you have received or wish to receive future financial aid it is strongly recommended that you speak with a financial aid counselor.

• What was the last date you attended class(es), including today if you are still attending class(es)? _____

• Have you requested or been granted a hardship withdrawal at any other time?
YES ☐ NO ☐ When? _____

I am petitioning for a ☐ **FULL WITHDRAWAL (withdrawal from all classes)**
☐ **PARTIAL WITHDRAWAL (withdrawing from one or more, but not all of your classes)** *Please supply supporting documentation as to why you can complete some, but not all of your coursework.

I am applying for hardship withdrawal under the following category:

☐ **Medical** ☐ **Personal** ☐ **Financial**

*Please refer to the course catalog for description of each category and appropriate documentation that should accompany your hardship withdrawal request.

Instructions: Student Statement and Documentation

1. Please attach a written statement that describes hardship circumstances justifying receipt of a complete withdrawal after midterm.
2. Attach copies of any pertinent documentation that supports your statement (e.g. Physician/Health Care Facility Letter(s) and/or records, obituary, police report) as defined in the course catalog.

Acknowledgement and Signature:

Supporting Documentation: I expressly and voluntarily authorize disclosure of the attached medical record(s)/document(s) for the purpose of review and consideration of my request for a Hardship Withdrawal. I understand that I may revoke this authorization at any time, except to the extent action has been taken on this authorization. I understand that once this information has been disclosed, the recipient may re-disclose it in certain situations. Privacy laws may no longer protect the information.

Financial Aid: I acknowledge that the granting of a hardship withdrawal may affect my ability to receive future financial aid and may greatly affect my standards of academic progress. In addition, I understand that I may be held responsible for repaying financial aid that I have received.

Student Code of Conduct: I acknowledge that all information submitted and provided is accurate and a true reflection of my hardship. In addition, I understand that intentionally submitting/providing false information is a violation of the AASU Student Code of Conduct.

Student Signature _____ Date _____

Application for a Hardship Withdrawal does not guarantee the student a grade of "WH."

This space is reserved for official use only

Instructors of Student Notified 10 days prior to decision
(date/method) _____

Petition: **GRANTED** (date) _____ **DENIED** (date) _____

Student Notified (date/method) _____

Registrar's Office Notified (date) _____

Appendix C – Planning, Budget and Facilities Committee Report

Report to Armstrong Atlantic State University Senate

March 15, 2012

Background:

On November 22, 2011, the Planning, Budget & Facilities (PB & F) received the following charge from the Armstrong Atlantic State University (AASU) Senate regarding Summer budget & compensation issues.

Charge From Senate:

The Planning, Budget and Facilities Committee (PBF) is charged with the following tasks related to Summer budgeting and accounting procedures.

1. Identify the means by which the PBF can access financial records and, as a committee, calculate total income, total expenses and indirect costs related to all courses offered during summer sessions.
2. Determine the reason(s) for the discrepancy between the profit identified by the Ad Hoc Committee on Summer Profit (\$1.65M described as a conservative figure) and the \$1.06M profit identified by the Vice President for Business and Finance for Summer 2011.
3. Consider and determine if the student fees collected in summer sessions should be part of the profit-sharing formula.
4. Evaluate the profit-sharing formula utilized for Summer 2011 and, with input from deans and the VPAA, recommend any revision to that formula.
5. With the means identified in #1 above, recommend a process and annual schedule by which the PBF can collect and monitor Summer profitability and the profit-sharing arising from that profitability.

On December 8, 2011, the PB & F committee faculty members first met to discuss the Senate charge. To get the necessary information to answer the Senate's charge, six questions/ requests for information statements were drafted at this meeting (see below). On December 14, 2011 the PB & F committee sent to Dr. Robert LeFavi, AASU Senate President, a formal request in a form of a letter (See Attachment A) to forward on their behalf to the President, Dr. Linda Bleicken and Chief Financial Officer, Mr. David Carson, asking for responses to the six questions and request for information by January 4, 2012.

The PB& F Committee's Request for Information & Questions Concerning Summer Budget & Finances

1. An itemization of indirect costs (\$737,130).
2. The default rate for summer tuition for the previous three years.
3. The percentage net income for FY 2012 (\$1,061,204) that was earmarked to cover 12 month salaries & benefits, if any.
4. The amount \$126,067 is listed as "less increase in faculty salaries".
 - a. Was this money used to cover market adjustment raises given to faculty whose salaries were below mean?
 - b. And if so, why?
5. The senate ad hoc committee estimated that the university collected \$273,375 in student fees (mandatory – this amount does not include technology, student affairs or athletic fees). Where was the money directed? (To funds or to cost covers).
6. Other universities in the University System of Georgia, prorate or defer (3 credit hours or less) student fees for summer course work.
 - a. The committee would like to know if the administration would consider such a policy for the coming summer (2012) and/or upcoming summer sessions.
 - b. And if not why not?

On January 5, 2012, the PB&F faculty committee members met to discuss the status of their request, which was that no response or communication had been received. It was decided at this meeting to draft another letter (See Attachment B) that would be sent directly from the committee to the President & Chief Financial Officer. This second request for information was sent on January 12, 2012 by the Chair of the PB & F to the President & Mr. Carson. Later that day, the Chair of the PB & F committee received a reply from the President thanking the committee for their due diligence on the matter but indicated that because Robert's Rules had not been followed properly that it would not be prudent to respond to the original request from the committee because not all members, specifically ex-officio members, were informed of the December 8, 2011 meeting. It should be noted that the Chair of the PB & F did not intentionally go against Robert's Rules when calling the December 8, 2011 meeting. Her intention was to have a meeting where faculty committee members felt free to discuss the issues. After becoming aware of the Robert's Rules infraction, a third meeting was scheduled for January 20, 2012 including all members (elected faculty & ex-officio) to discuss the Senate's charge. The committee met two more times (February 3, & February 27, 2012) to gather and discuss the Senate's charge.

Summary of Responses to PB & F Request for information & Questions Concerning Summer Budget & Finance Issues:
Given below is a summary of the information that the PB & F committee obtained.

#1: An itemization of indirect costs (\$737,130).

FY2012 Summer Income Statement as of 10/10/11 (Attachment C)

Fiscal 2012 (Summer 2011)

Revenue (to break even):	\$3,845,918
Faculty Salaries (summer teaching faculty):	\$2,047,584
Income after salaries:	\$1,798,334
Indirect costs:	\$737,130
Net income:	\$1,061,204

Answer: The terminology indirect/overhead amount/cost is the amount of summer net income that is applied towards balancing the University's funding operation budget. Items that are or could be covered are utilities, staff salary & benefits, equipment & facility depreciation, supplies and others. The \$737,130 is the amount associated with the administration of grants as defined by NSF and does not include faculty salaries. This was a line item was proposed by Dean Shields as a way to document funds for grant related expenses such as student stipends & materials. This dollar amount varies year to year depending on actual summer revenue collected.

#2: The default rate for summer tuition for the previous three years

Summer 2011 Waivers (Attachment D)

Military	\$734,538	Military are "out of state" but billed at in-state tuition this amount is the difference.
Tuition Remission:	\$28,398	AASU employee tuition stipends.
Border County	\$140,504	Students who live in South Carolina counties (Beaufort, Jasper, etc) are "out of state" but billed as at in-state tuition.
Others	<u>\$ 357,489</u>	This is a catch-all category (e.g. graduate assistants - \$66,382; Elderhostel-\$27,236; etc.). Most of the dollars in this category are what is referred to in accounting as the cost of "goodwill." If Armstrong was a for profit institute it could write-off these "goodwill costs" as the price of doing business. Armstrong is a non-profit organization so it must include these costs as part of their budget.
Grand total:	\$1,260,929	
Actual amount (1/14/12):	\$1,277,734	

Answer: The \$1.26 million value is not the result of unpaid student tuition (see above & Attachment D). The actual amount in Summer waivers was \$1,277,734 which is \$16,805 difference. \$16.8 K is the allowance amount for defaults or 0.4% of total summer tuition (\$16.8 K/\$3.8 million). Overall the university has a 0.1% (\$300K/\$32 million) default rate for student non-payment. The actual default is not known until 180 days after the end of the summer session.

#3: The percentage net income for FY 2012 (\$1,061,204) that was earmarked to cover 12 month salaries & benefits, if any.

Summer Income Statement as of 10/10/11 (Attachment C)

Fiscal 2012 (Summer 2011)

Revenue (to make to break even):	\$3,845,918
Faculty Salaries (summer teaching faculty):	\$2,047,584
Income after salaries:	\$1,798,334
Indirect costs:	\$737,130
Net income:	\$1,061,204

Answer: This amount did not cover 12 month salary positions. The committee learned that student tuition, state funding and any other revenue sources collected and/or received during the Spring and Fall semesters **DO NOT COVER** all 12 month operational expenditures (e.g. plant operations – security, utilities, campus grounds, and maintenance).

Summer revenue is included as part of total tuition dollars for the year and then allocated during the budgeting process. The University does not earmark summer funds specifically for 12 month salaries. Mr. Carson pointed out that student tuition (fall, spring & summer combine) does **NOT** cover all University salaries. Differences are covered by state appropriations & student fees.

A line item for income earned from summer tuition is built in as part of the university's FY budget (\$1,798,334). The \$1,798,334 amount from Fiscal 2012 is the amount that was projected in FY 2012 budget. In FY 2011 the amount was actually \$1,924,661. If summer classes were not offered this \$1.924 million (FY 2011) would still have to be funded otherwise the university would go in default.

#4: The amount \$126,067 is listed as less increase in faculty salaries.

- a. Was this money used to cover market adjustment raises given to faculty whose salaries were below mean?
- b. And if so, why?

Answer: The \$126,067 was not a market adjustment. This amount was the increase in actual salary and benefits for teaching summer related course when compared to the Summer 2011 (FY 2010). This dollar amount had to be taken off prior to determining "summer profit made" that could be distributed to the colleges.

The word "profit" is in quotes because of differences in interpretation between non accountants (us faculty) and how accountants use the word. Net income is not profit either. For example in FY 2011, the \$1,232,915 amount was not a "profit" in the meaning of money left over to spend after all expenditures have been paid. Note the \$1,232,915 + \$691,746 (indirect cost) = \$1, 924,661 (income after salaries) the amount needed to balance the FY 2011 budget.

The university did not make a profit last summer. The administration distributed 'summer money' in good faith to the deans (COE: 19K; HS: 51 K; COLA: 57K & CST: 55K).

#5: The senate ad hoc committee estimated that the university collected \$273,375 in student fees (mandatory – this amount does not include technology, student affairs or athletic fees). Where was this money directed? (To funds or to cost covers)

Answer: Mandatory fees are regulated by the Board of Regents (BOR) & not the university. Armstrong's fees per credit hour are and consist of:

<u>Type</u>	<u>Amount</u>	<u>Comment</u>
Mandatory	\$250	Cannot be prorated for this a designated BOR fee
Student Center	\$90	Cannot be prorated for this is tied to a bond issued to student union*
Recreation fee	\$43	Cannot be prorated for this is tied to a bond issued to build recreation center *
Tech Fee	\$47	Cannot be prorated for this another mandatory fee
Health Fee	\$13	All goes to Memorial for medical staff coverage etc. for students.

* Any dollars left after interest & bond payment goes to maintenance and/or equipment replacement and/or purchases.

Athletic Fee	\$137
Student Id Fee	\$15
Activity Fee	<u>\$44</u>
Total fees:	\$639

The mandatory fee was allocated to faculty salaries, operating budgets for academic departments and university operating costs. This fee was instituted by the BOR to replace revenue that was not realized from formula funds and to replace revenue from state legislature issued budget reductions. The allocation of the revenue generated from the mandatory fees went to college/department budgets and faculty and staff salaries to help prevent large college/department budget cuts and reductions.

6. Other universities in the University System of Georgia, prorate or defer (3 credit hours or less) student fees for summer course work.

- a. The committee would like to know if the administration would consider such a policy for the coming summer (2012) and/or upcoming summer sessions.
- b. And if not why not?

Answer: BOR mandated fees are off-limits ($\$250 + \$47 = \$297$) for waiver or prorating. Armstrong has two PPV government-bond debt obligation associated fees ($\$90$ student center + $\$43$ recreation center = $\$133$) that must be met so they too can not be waived or prorated. FYI: The PPV (public, private venture bonds) for both buildings when contracted overestimated student enrollment by ~10,000 (e.g. headcount based on fall, spring and summer enrollment). The BOR approved both of these projects based on a proforma that included an estimate of the fees that would be collected. Reducing PPV bond fees puts the University in jeopardy of not performing (default) according to our proforma and thus would be reported to the BOR.

Also no line item for the finance of these structures was proposed at the time of planning and construction, so any money that could be saved or put away for payment on bonds is not allowed by the state. Out of the \$639 in fees, \$443 cannot be prorated or eliminated in the summer.

The committee has asked the administration if possible to either prorate or eliminate the remaining \$196.00 initially for graduate students (4 to 6 credit hours) and for undergraduates who plan on taking 3 credit hours or less. Mr. Carson agreed to look into possible prorating summer graduate studies course fees and he agreed to this request and will report back to the committee the impact of prorating fees for graduate students.

PB & F Committee Response to the Senate Charge:

Given below is a summary of the information that the PB & F committee obtained.

Charge #1: Identify the means by which the PBF can access financial records and, as a committee, calculate total income, total expenses and indirect costs related to all courses offered during summer sessions.

PB & F response:

At the beginning of each Spring term (January) the PB & F committee must meet with the administration – President's office & Chief Financial Officer to:

1. discuss the previous summer compensation & budget results,
2. have input in the planning of the next summer budget and,
3. work with the administration on the University's upcoming FY budget.

The committee also proposes an amendment to the Senate Bylaws to formally acknowledge the PB & F role & duties to having input into and working with the administration on the University's FY Budget.

Charge #2: Determine the reason(s) for the discrepancy between the profit identified by the Ad Hoc Committee on Summer Profit (\$1.65M described as a conservative figure) and the \$1.06M profit identified by the Vice President for Business and Finance for Summer 2011.

PB & F Findings:

The actual revenue for summer faculty salaries was \$1.8 million.

Charge #3: Consider and determine if the student fees collected in summer sessions should be part of the profit-sharing formula.

PB & F Findings:

Mandatory fees (state & technology) are regulated by the Board of Regents (BOR) & not the university. Any dollars from the student center and recreation fees that are leftover after interest & bond payment are paid goes towards the maintenance and/or equipment replacement for these facilities.

Charge #4: Evaluate the profit-sharing formula utilized for Summer 2011 and, with input from deans and the VPAA, recommend any revision to that formula.

Charge #5: With the means identified in #1 above, recommend a process and annual schedule by which the PBF can collect and monitor Summer profitability and the profit-sharing arising from that profitability.

PB & F Findings:

The university did not make a profit in the summer 2011 (FY2012). The administration distributed 'summer money' in good faith to the deans (COE: \$19K; HS: \$51 K; COLA: \$57K & CST: \$55K).

Summer 2012 (FY 2013) revenues need to cover summer faculty teaching salaries and benefits (~\$1.8 million) & contribution to FY13 (~\$1.924 million). After these costs have been covered then the revenue sharing model for Summer 2012 (FY2013) will allocate/distribute funds in the following order

- a. Academic Affairs (~\$250,000)
- b. Any remaining funds will be divided in a 50:50 share between Academic Affairs & the University.

Other Recommendations from P B & F committee:

1. Communications & trust:

- a. Both elected faculty members & ex-officio members agreed that the past relationship between PB & F committee and administration (President's office & Chief Finance Officer) was based on mistrust and at best poor communications.

- i. **This needs to change and an open line of communication needs to be established.**

- b. A "tutorial" on accounting terminology could be offered by the Chief Finance Officer's Office for faculty & staff wishing to gain knowledge and an understanding of how the University budget process works.

2. Construction Projects & Facility Maintenance:

- a. Faculty & staff need to work with the President's & Chief Finance officer's offices so that future construction does not result in over optimistic payment projections.

Finally, the committee chair would like to thank all committee members for they help in the gathering of the information and in the writing of this report.

Respectfully,

Catherine E. MacGowan

Catherine MacGowan
Chair of Planning, Budget & Facilities Committee

Attachments A-D

Attachment A

ARMSTRONG ATLANTIC STATE UNIVERSITY

Department of Chemistry and Physics
College of Science and Technology
11935 Abercorn Street | Savannah GA 31419
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armstrong.edu

To: Dr. Bob LeFavi
President of the Armstrong Atlantic State University Senate

From: Dr. Catherine E. MacGowan
Chair of Planning, Budget & Facilities Committee

Subject: Summer Session Budgeting & Accounting Issues

Dear Dr. LeFavi,

On December 8, 2011, the committee members of the Planning, Budget & Facilities Committee met to address the senate's regarding summer finances and budgeting matters. After considerate deliberation on the senate's charge, the committee, determined that more information is needed in order to make an informed response to the senate. Therefore the committee respectfully requests from the President & Chief Financial Officer information in writing that addresses the points below. The committee requests that this information be provided by January 4, 2012.

1. An itemization of indirect costs (\$737,130).
2. The default rate for summer tuition for the previous three years.
3. The percentage net income for FY2012 (\$1,061,204) that was earmarked to cover 12 month salaries & benefits, if any.
4. The amount \$126,067 is listed as "less increase in faculty salaries".
 - a. Was this money used to cover market adjustment raises given to faculty whose salaries were below mean?
 - b. And if so, why?
5. The senate ad hoc committee estimated that the university collected \$273,375 in student fees (mandatory – this amount does not include technology, student affairs or athletic fees). Where was this money directed (funds or cost covers)?
6. Other universities in the University System of Georgia, prorate or defer (3 credit hours or less) student fees for summer course work.
 - a. The committee would like to know if the administration would consider such a policy for the coming summer (2012) and/or upcoming summer sessions.
 - b. And if not why not?

Respectfully,

Catherine E. MacGowan

Dr. Catherine E. MacGowan
Chair of Planning, Budget & Facilities Committee

Attachment B

ARMSTRONG ATLANTIC STATE UNIVERSITY

Department of Chemistry and Physics
College of Science and Technology
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To: Dr. Linda Bleicken, AASU President
Mr. David Carson, AASU Chief Financial Officer

From: Dr. Catherine E. MacGowan, Chair of Planning, Budget & Facilities Committee
and the faculty members of the Planning, Budget & Facilities Committee

Subject: Summer Session Budgeting & Accounting Issues Follow-up

Dear President Bleicken & Mr. Carson,

As its chair and on behalf of the faculty voting members of the Planning, Budget & Facilities Committee (PBFC), I am sending this as a follow-up to our December 14, 2011, correspondence.

On January 5, 2012, the voting members of the committee met to discuss the information that we had earlier requested regarding summer session budgeting and accounting issues. Unfortunately, a response of any type was not received. It is imperative that we have this information in order for us to: 1) have an intelligent conversation on the issues with all parties; 2) have adequate time to prepare a report for the February senate meeting. In the interest of fostering open communication and transparency, the committee is again asking for a written response to our questions or a response indicating why this request cannot be provided.

Thank you for your attention concerning this matter and we hope to have a response that can be discussed at our January meeting.

Respectfully yours,

Catherine E. MacGowan

Dr. Catherine E. MacGowan
Chair of Planning, Budget & Facilities Committee

Summer Income Statement as of Oct 10 2011

Baseline Target

	Fiscal 2010	Fiscal 2011	Fiscal 2012
Revenue	\$2,952,459	\$3,846,178	\$3,845,918
Faculty salaries	\$1,882,914	\$1,921,517	\$2,047,584
Income after salaries	\$1,069,545	\$1,924,661	\$1,798,334
Indirect Costs	\$677,849	\$691,746	\$737,130
Net Income	<u>\$391,696</u>	<u>\$1,232,915</u>	<u>\$1,061,204</u>

Total funds needed to balance budget

Indirect Costs	\$691,746
Net Income	<u>\$1,232,915</u>
	<u>\$1,924,661</u>

Attachment C

Summer 2011 Waivers

Detail Code	Detail Code Description	Total
Military		
RCD5	Military	466,227.00
RCJ5	National Guard	53,941.00
RCM5	Military Active	117,705.00
RCQ5	Military ETS	96,665.00
		734,538.00
Tuition Remission		
RCT5	Full Time School Emp	24,120.00
RCU5	University System Emp	4,278.00
		28,398.00
Border County		
RCB5	Border County	140,504.00
Other		
RCA5	Common Mark	90,558.00
RCP5	Superior Out of State	85,466.00
EXG5	Graduate Assistant	66,382.00
RCF5	Families to Georgia	35,801.00
RCI5	International	31,686.00
EXS5	Senior	27,236.00
RCN5	New	18,963.00
EXX5	Exchange	1,397.00
		357,489.00
Grand Total		1,260,929.00