President’s report

Faculty Senate

February 25, 2013

* **Performance Funding issues**--Funding commission report December 12, 2012 report Effective fy 16 (July 1, 2015) I have included significant detail here, because this and complete college Georgia will be part of many conversations in coming months and years.

The entire Commission Report was shared with members of the senate by Professor Keebler by e-mail January 16, 2013.

Like the formula funding strategy used in Tennessee 100% of the general funding will be associated with performance.

Maintenance &Operations plus health care will be funded outside of the performance formula Multiplier will be sreb salary factor-gives at least some dynamic measure for requests associated with salary in the future.

Conversion likely to be revenue neutral at the beginning (no reduction in total dollars allocated based on the conversion) Formula will still drive the allocation to the system, institutional allocations will be made later by chancellor as a result of budget discussions.

FORMULA ELEMENTS

Overall, the Higher Education Funding Commission recommended that the outcomes-based higher education funding formula:

• Reward student progression

• Reward awards conferred and outcomes (GED Diplomas, successful transfer out, certificates, associate’s degrees, bachelor’s degrees, post-baccalaureate degrees) as the majority weight

• Incentivize target student populations (Pell Grant Recipients and Adult Learners)

• Determine priorities at the sector (Technical Colleges, State & Two Year Colleges, Regional & State Universities, and Research Universities) level: Allows the TCSG and USG to apply weighting to each outcome to reflect priorities of different sectors. For example, Technical Colleges may value certificates higher, State & Two Year Colleges may value transfers higher, and Regional & State Universities may value Bachelor’s Degrees higher. The determination of priorities by sector would allow them to be periodically reviewed and reset and allow USG and TCSG to ensure state goals are being met, while prioritizing simplicity within the formula.

• Determine strategic initiatives at the sector (Technical Colleges, State & Two Year Colleges, Regional & State Universities, and Research Universities) level: Allows the Systems to reserve up to 10% of the formula’s allocation for incentives based on sector and state priorities not collected in the progression and outcome data.

For example, TCSG may wish to place an additional incentive on workforce placement, while Research Universities may wish to look at external research funding. By allowing these to be set at the sector level and open to periodic review, the state has flexibility to use the currently available data on workforce and state needs.

• Use the Southern Regional Education Board’s (SREB) average faculty salary of similar Carnegie classification sectors for the funding multiplier

• Account for health insurance costs and fringe benefits by adding an additional percentage to the SREB salary data in the funding multiplier

• Address fixed costs such as maintenance and operations as a separate line item in the outcomes-based formula using a $/square footage calculation

* **Discussions of Modifications in health care delivery issues in coming months and years**

Please see the handout—as mentioned here previously, health care costs and benefit plans will require considerable attention in coming months and years (like the formula). It would likely be important for the senate to be involved in discussions with HR among others about likely futures. If our own internal efforts on preventive health care were not important earlier, they are likely to be such in the future.

* **Review of on-line voting procedures** – as noted last, week, we were overly enthusiastic in declaring the results of votes on the senate’s proposals on changes to the Promotion and Tenure policies. At some time, the senate may wish to consider revisiting the language of the document, and determine whether the senate intended for abstentions to be considered as no votes, as is the case in the current policy. Understanding that the present language has the effect of communicating that on-line voting was not intended to disenfranchise faculty, that effect might need to be discussed in the context of the results of the current on-line voting regulations.
* **Thanks for your good work in representing our faculty and programs**
* **Questions?**