



LEGISLATIVE UPDATE

A Briefing for Faculty & Staff of the University System of Georgia No. 2, January 22, 2008

“Creating a More Educated Georgia”

Governor’s recommendations Strongly Supportive of USG’s Needs

Gov. Sonny Perdue gave University System of Georgia (USG) officials several pieces of wonderful news when he presented his Fiscal Year 2009 budget recommendations to the Georgia General Assembly during his State of the State Address on Jan. 16.

“The Governor’s strong support of the USG is reflected in the \$216.7 million increase [in his recommendations for the USG], which represents a

Senior Vice Chancellor for External Affairs **Tom Daniel** said the University System “is extremely appreciative of the Governor’s strong support.” The recommended increase, he noted, is a signal of confidence in the System’s abilities to address the state’s needs.

Funding Enrollment Growth and Its Costs

Perdue recommended that the General Assembly fund the USG’s formula growth at \$114 million, including \$81.6 million to cover

enrollment increases, \$18.1 million to cover health insurance costs, \$10.3 million for Maintenance and Operations (M&O) and \$4.6 million to cover costs associated with providing benefits to the System’s retirees.

“The Governor recognizes the importance of an increasing enrollment and its attendant costs as we seek to create a more educated Georgia,” Davis said of this recommendation.

Additional Start-Up Funds for GGC

Davis said Perdue also recognizes that formula funds do not provide start-up funds for new institutions. Therefore, he has recommended that lawmakers invest an additional \$6.5 million in *Georgia Gwinnett College*, which welcomed its first students as the USG’s 35th institution in Fall 2006 and will become fully operational as a four-year state college this fall.

Funds Support Medical Education Expansion

Perdue also recommended providing the

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A Quote From the State of the State Address by Gov. Sonny Perdue

“I want to tell you the story of a baby boy, born just last Friday afternoon at Northside Hospital. This little boy has no idea of the opportunities to come from this place. He will get a bright start with Georgia Pre-K, will be vaccinated with medicines created in this state, treated by doctors and taught by teachers that are the best in the world. He will drive a car made in West Georgia, running on biofuel made here, too. He will fly in and out of the busiest airport in the world. He will attend a world-class university paid for by the HOPE scholarship, where research is conducted that will change the face of the future. My grandson, Samuel, just five days old, will grow up in a new Georgia.”

Summary of recommendations on p. 2

10.2 percent increase in our operating budget,” **Chancellor Erroll B. Davis Jr.** said in a memo to campus presidents summarizing the most significant recommendations and their implications.

For a news release and the text of the Governor’s State of the State and Budget Address, go to: http://gov.georgia.gov/00/press/detail/0,2668,78006749_102386494_103230743,00.html

For the text of the Chancellor’s State of the System speech, delivered on the same day as the Governor’s address, go to: <http://www.usg.edu/chancellor/reports/2008/jan08.phtml>

Governor

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Medical College of Georgia (MCG) with \$7.2 million in new funding to expand its capacity to meet the state's critical need for more doctors. This recommendation goes hand in hand with a report on the expansion of public medical education in the state accepted yesterday by the Board of Regents.

Specific proposals in the report conducted by independent consultants Tripp Umbach would increase the number of medical students in Georgia by approximately 60 percent by 2020, requiring significant expansion of MCG's School of Medicine, which will continue to serve as the foundation for a single state-operated medical school. The proposals also would have the medical school develop and operate a new four-year campus in Athens in partnership with the **University of Georgia**, as well as expand two clinical campuses anchored in Albany and Savannah.

MRR Funding

The Governor's recommendation regarding funding for Major Repair and Rehabilitation

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The Governor's Recommendations at a Glance

Total increase in operating budget:	\$216.7 million
Total capital projects (bond funds):	\$209.8 million

Highlights from the Operating Budget

Formula funds

Funding for formula growth	\$114.7 million
Phase in MRR over four years to cash	\$17.5 million
Georgia Gwinnett College start-up funds	\$6.5 million
Medical College of Georgia expansion	\$7.2 million

Salary increase

2.5 percent merit salary increases effective Jan. 1, 2009	\$22.0 million
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Highlights from the Capital Budget

Equipment funds

Savannah State University Behavioral Sciences Building	\$1.9 million
Macon State College Professional Sciences Center	\$2.6 million
Fort Valley State University Academic Classroom Building	\$2.1 million
University of Georgia College of Pharmacy	\$4.5 million
Kennesaw State University Health Sciences Building	\$4.5 million

Construction funds

Medical College of Georgia School of Dentistry	\$70.0 million
Southern Polytechnic State U. Engineering Technology Ctr.	\$33.3 million
Valdosta State U. Nevins Hall Math/Computer Science Bldg.	\$4.0 million
University of West Georgia NW campus infrastructure	\$1.9 million
Clayton State U. Science Building renovation/remediation	\$6.9 million
Georgia Southern U. Health/Human Science Bldg. renovation	\$4.0 million
Georgia Tech Hinman Technology Building	\$6.4 million
Skidaway Institute Marine Operations Infrastructure	\$1.2 million
Georgia State U./Georgia Perimeter College Alpharetta Ctr.	\$12.8 million

Design Funds

Albany State University Ray Charles Fine Arts Center	\$1.5 million
Coastal Georgia Community College Health Sciences Building	\$1.0 million
East Georgia College renovation of Biology Labs	\$700,000
Gordon College Nursing/Health Building	\$14.4 million*
Gainesville State College Academic Facility	\$2.4 million
University of Georgia Special Collections Library	\$1.5 million
Macon State College Teacher Education Building	\$1.6 million
Abraham Baldwin Ag. College Tift/Lewis/Herring Halls ren.	\$600,000

*includes both design and construction funds

Major repair and rehabilitation (MRR) bond funds (plus \$35 million in cash)	\$30.0 million
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Public Libraries

Central Library (Conyers)	\$2.0 million
Senoia Public Library	\$1.2 million
Pierce County Public Library	\$1.9 million
Houston County Library	\$2.0 million

Governor

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tion (MRR) represents Phase II of a four-year transition from an annual bond package to permanent cash funding. Perdue added \$17.5 million to the \$17.5 million currently in the USG's base budget, which would provide a total of \$35 million in cash, as well as \$30 million in bonds for MRR.

“He recognizes that stewardship of our facilities is a continu-

ing responsibility,” said Chancellor Davis.

Capital Budget Projects

Perdue also recommended 18 of the USG's requests for funding of capital projects. Two projects – \$50 million for *Georgia Tech's* Innovative Learning Resource Center and \$500,000 for the design of *East Georgia College* facility in Statesboro – were not included.

“We are seeking additional details on

these two projects,” said Senior Vice Chancellor Daniel.

Salary Increases

Last, but not least, the Governor recommended an average merit salary increase of 2.5 percent for USG faculty and staff, effective Jan. 1, 2009.

Next up: Chancellor Davis will present the Governor's budget recommendations to the Joint Appropriations Committee at 10 a.m. tomorrow, Jan. 23, in Room 341 of the Capitol. 🏛️

A Quote From the State of the State Address by Gov. Sonny Perdue

“I pledge today to continue our work to make Georgia's education system the best in the nation...

Education is the best investment we can make in our future. We have come a long way in the last five years – raising graduation rates, strengthening curricula, seeing test scores and achievement go up.” 🏛️