



LEGISLATIVE UPDATE

A Briefing for Faculty & Staff of the University System of Georgia No. 2, January 18, 2005

“Creating a More Educated Georgia”

Highlights of the Governor’s USG Recommendations:

- \$103.4 million in formula funding;
- \$17.7 million for a 2% merit salary increase for faculty and staff, effective Jan. 1, 2006;
- \$5 million for the *Medical College of Georgia’s* research initiative; and
- \$750,000 to fund a GRA eminent scholar at *MCG*.

Capital Outlay

- \$65 million for MRR funding;
- \$70 million for four “majors” projects;
- \$5 million for *Georgia Tech’s* nanotechnology building; and
- \$3.6 million in matching funds for three projects on GPLS’ priorities list. 🏠

Looking Ahead:

- ◆ **Chancellor Thomas C. Meredith’s** Budget Address to the House/Senate Appropriations Committees on Wednesday, Jan. 19, at 10 a.m. in Room 341 of the Capitol. 🏠

Governor Recommends Full Formula Funding, 2% Pay Raises

In his combined State of the State/ Budget Address to the General Assembly on Jan. 12, Gov. Sonny Perdue proposed investing more than half of the state’s budget for Fiscal Year 2006 on education, including a 2% merit salary increase for University System of Georgia faculty and staff.

Gov. Perdue had previously announced that he would recommend full funding of the USG’s enrollment-growth or “formula” funds. His address highlighted his 2005 education package, consisting of his intention to create a Master Teacher certification program, a Georgia Virtual High School initiative and a website to help college-bound students called GACollege411.

“We are extremely pleased the Governor has fully funded our formula request,” said **Chancellor Thomas C. Meredith**. “We are thankful for his strong support of the University System of Georgia. As we go into the

legislative session, we hope that the General Assembly will echo this support.”

Formula Funding

Perdue has recommended \$103.4 million in formula funding for the USG, including \$90.4 million to cover enrollment increases in Fall 2003 and Spring 2004; \$7.7 million for the maintenance and operation of new square footage added to the System’s 3,000-plus facilities in FY ‘04; and \$5.3 million to cover health-insurance costs for USG retirees.

The mathematical formula on which state appropriations for the System are based is driven largely by changes in student enrollment and the amount of square footage maintained throughout the state. The appropriations generated by growth in both size and numbers are prized because they represent the USG’s most flexible funds and are considered its “bread and butter money” – essential to the System’s operation.

Pay Raises

The 2% merit salary increase recommended by the Governor would take effect Jan. 1, 2006, and amounts to \$17.7 million in the University System’s budget. This is the second consecutive year Perdue has recommended a pay raise for teachers, state employees and University System faculty and staff.

“We know that our teachers work hard,” Perdue said in his address. “If we all spent more time in the classroom with them, I know that you, like me, would want to pay them all like Michael Vick.”

Capital Outlay

In addition to full formula funding and the salary increase, the Governor had good news for the University System in terms of capital outlay. He included in his budget recommendations \$65 million in Maintenance, Repair and Rehabilitation (MRR) funding and \$70 million to fund *See “Governor,” Page 2 ...*



Thomas E. Daniel (center), the University System's senior vice chancellor for external activities and facilities, introduced several key legislators to the Board of Regents at the board's January meeting. The elected officials are (left to right): Rep. **Bob Smith** of Watkinsville, chair of the House Appropriations Sub-Committee; Rep. **Bill Hembree** of Douglasville, chair of the House Higher Education Committee; Sen. **Seth Harp** of Midland, chair of the Senate Higher Education Committee; and Sen. **Brian Kemp** of Athens, chair of the Senate Appropriations Sub-Committee.

Membership of Higher Education Committees

The membership of the House and Senate committees responsible for the state's post-secondary education legislative activities, including the affairs of the University System of Georgia, is as follows:

Senate Higher Education Committee

Chair: Seth Harp, Midland
Vice Chair: Brian Kemp, Athens
Secretary: Cecil Staton, Macon

Members:

Ronnie Chance, Tyrone
 Tim Golden, Valdosta
 Kasim Reed, Atlanta
 Curt Thompson, Norcross
 John Wiles, Marietta.

House Higher Education Committee

Chair: Bill Hembree, Douglasville
Vice Chair: Chuck Sims, Douglas
Secretary: Phyllis Miller, Lawrenceville

Members:

Amos Amerson, Dahlonega
 Kathy Ashe, Atlanta
 Ron Borders, Valdosta
 Gail Buckner, Jonesboro
 Mike Cheokas, Americus
 Sharon Cooper, Marietta
 Pat Gardner, Atlanta
 Mark Hatfield, Waycross
 Jane Kidd, Athens
 David Knight, Griffin
 Robert Mumford, Conyers
 Quincy Murphy, Augusta
 Calvin Smyre, Columbus
 Len Walker, Loganville. 🏠

Governor

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the construction of the first four projects on the Board of Regents' Major Capital Priorities List.

The projects recommended for funding include: the renovation of *Georgia College & State University's* Parks, Nursing and Health Science Building (\$10.1 million); the *University of West Georgia's* Health, Wellness and Lifelong Learning Center (\$26.9 million); *North Georgia College & State University's* Library and Technology Center (\$20.5 million); and *Savannah State University's* Academic

Classroom Building (\$12.6 million).

Perdue recommended \$5 million for *Georgia Tech's* nanotechnology building and matching funds for three projects on the *Georgia Public Library Service's* (GPLS) priorities list.

GPLS projects recommended for funding include: the Henry County Library System's McDonough Branch Library (\$1 million); the Piedmont Regional Library System's Auburn Public Library (\$810,000); and the Coastal Plain Regional Library System's Tifton-Tift County Public Library (\$1.76 million).

Research

The Governor also proposed allocating \$5 million of the state's tobacco settlement funds to the *Medical College of Georgia's* research initiative and \$750,000 from the same source to fund the hiring of a Georgia Research Alliance eminent scholar who will focus on cancer research at MCG.

B Unit Reductions

While the enrollment-growth funds are fully funded, the funding for most of the System's "B" units (defined as "the Regents' Central Office and other organized activities") are slated for a 3% austerity

reduction. Among the B units targeted for reductions are the USG's special funding initiatives, most of its public-service institutes, the Marine Resources Extension Center, the Marine Institute, MCG Health Inc., the public libraries, the University System Office and the Skidaway Institute of Oceanography.

"We are appreciative of the Governor's support for public higher education in Georgia and will work diligently with the House and the Senate to support these recommendations," said **Thomas E. Daniel**, senior vice chancellor for external activities and facilities. "We are off to a good start." 🏠