



The Business Affairs Advisor

A Newsletter by Finance & Administration

Office of the Senior Vice President for Finance and Administration

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Q&A with Tim Burgess: Highlights and Challenges

Each summer, Senior Vice President Tim Burgess sits down with The Business Affairs Advisor to look back at the old fiscal year and look ahead to the new one.



Business Advisor: What do you view as some of the major accomplishments of FY 08?

Burgess: Certainly our progress on acquisition of facilities to support a health sciences campus at UGA should be mentioned. The U.S. Department of Education has recommended that we be given the current Navy Supply Corps School property for free as a public conveyance in 2011-12. The General Assembly appropriated \$10 million to the Board of Regents for FY09 to support the initiative. That money will enable us to buy and renovate O'Malley's in the interim (through the UGA Real Estate Foundation), hire the faculty, create the curriculum and prepare for accreditation in order to enroll the first class of medical students in Fall 2009 or Fall 2010. I think it would be fair to say that this appropriation represents an endorsement of the proposal by the governor and legislature.

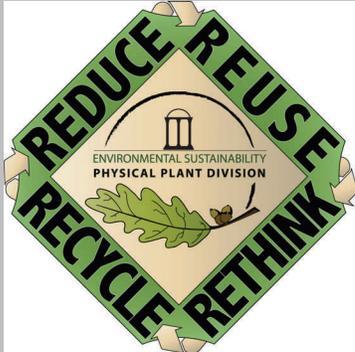
Getting the design funding for the Special Collections Library in FY09 makes us confident we'll receive the construction money in the next budget. If so, we'll break ground next summer. Also on the facilities front, we have settled with three fraternities on Lumpkin Street to relocate to a fraternity park on River Road. We hope to start construction in October and have the houses ready for move-in next fall. We also have settled with Kappa Alpha and soon will tear down that house so we can develop the property in accordance with the master plan.

Our water conservation effort has been a huge success. The most recent figures indicate that we have cut our water usage by 25 percent over the last seven months—more than double the amount required by the governor. We have taken systematic approaches to reduce our water usage, including the installation of low-flow alternatives in restrooms and the elimination of once-through potable water cooling in research labs; in addition, many of us have changed our habits to become more water-wise. Everyone involved in the "Every Drop Counts" campaign deserves a pat on the back for the strides that we have made. We're still in a drought, but our measures have positioned us to manage it more effectively.

I'm also pleased that we were able to enhance the salary pool this year. Pay raises and the competitiveness of our salaries were recognized as a major issue because of the need to retain the best and brightest faculty and staff. We received additional funding from the Board of Regents to supplement the raise pool provided by the legislature, and then we were able to add money from our own central budget. This allowed us to provide better raises than we would have otherwise been able to do. (Continued on page 11)

RecycleMania at UGA

More than 271 tons of glass, plastic, steel, paper and cardboard materials—23 times the weight of the entire 2008 UGA football team—were recycled by University Housing and the University community in conjunction with the Physical Plant during a national recycling contest.



UGA participated in RecycleMania for the first time this spring. The 10-week collegiate recycling contest aims to increase student awareness of campus recycling and waste minimization. More than 400 institutions participate annually.

UGA placed in the top 10 in the number of recyclables per capita, collecting 38.04 pounds per person. This category includes magazines, newspapers and office papers; beverage containers, including aluminum, steel and glass cans; and cardboard. UGA also placed third in the Gorilla Prize competition, which recognizes the college or university that collects the most recyclables: in this case, 543,260 pounds.

The university will expand its recycling initiatives for the 2009 contest.



UGA Reduces Water Use by 25%

The University of Georgia is leading the way in water conservation efforts, far exceeding the level of reduction required of state agencies. Effective November 1, 2007, Governor Sonny Perdue ordered all state agencies, including the University System, to reduce water consumption by 10 percent over the previous year. In response, UGA has reduced water consumption by 25% since that time.

Energy Services Director Ken Crowe attributes this achievement to three factors: publicity efforts of the Every Drop Counts campaign, extensive Physical Plant installation of water-saving devices, and behavioral changes made by members of the campus community. The water savings add up to 68.8 million gallons of water over the seven-month period, the equivalent use of over 1,700 homes in Athens-Clarke County for the same period, Crowe said.

While many may ascribe these savings to the elimination of irrigation on campus, the savings have been generated from all campus sources:

Source	Savings
• Athletics	2.14 million gallons
• Dining	2.05 million gallons
• Housing	6.18 million gallons
• Instructional	11.53 million gallons
• Irrigation	8.23 million gallons
• Research	38.67 million gallons

"Continued emphasis on water conservation is critical as we are once again in the midst of another drought-stricken summer," said Crowe. "Even with recent efforts to loosen outdoor watering restrictions, UGA will limit irrigation only to those areas deemed most critical."

The Physical Plant is scheduled to complete the conversion of restroom fixtures to low-flow alternatives by the end of 2008. Many of the water-wasting activities identified during the Every Drop Counts campaign are being studied, and plans are in place to implement corrective measures, mainly in research areas. "The collective efforts of the entire campus have positioned UGA to better withstand the second year of this drought and will enable us to plan better for future droughts," said Crowe.

Important Policy Updates from the USG

The Board of Regents recently issued policy and procedure updates for P-cards, non-employee travel and food purchases.

The Finance and Administration policy Web site, "askuga," has been updated accordingly.

Links to the new information are as follows:

[Summary of P-Card Manual Changes](#)

[Revised P-Card Manual](#)

[Non-Employee Travel](#)

[Purchasing Food and Business Related Entertainment](#)

State Toughens Fiscal Accountability

The University of Georgia's demonstrated commitment to strong internal controls makes it well positioned to manage the stringent new accountability rules enacted by the state effective July 1.

House Bill 1113 was passed by the Georgia legislature in response to recent, highly publicized cases of P-card abuse.

"The provisions of this new law may seem overwhelming," said Tim Burgess, senior vice president for finance and administration. "However, UGA's track record of strong P-card controls and approval systems will enable us to continue to administer the P-card program as an effective and efficient tool for purchasing. We want to make sure all UGA employees have information about the requirements of HB 1113 and understand their responsibilities under the law."

Under HB 1113, anyone who uses resources for personal benefit through abuse of purchase orders, check requests, petty cash accounts/advances, government contracts, credit cards, charge cards or debit cards will face civil and criminal penalties. This includes the filing of fraudulent expense forms for travel. Anyone who knowingly assists someone in violating the law, including but not limited to supervisors, will face the same criminal charges and penalties.

While HB 1113 addresses personal benefit through multiple resources or methods and outlines significant criminal penalties, a particular focus is placed on P-card use. [Click here for a summary](#) of these requirements and related penalties.

The F&A Web site features a number of [FAQs on HB 1113](#) and is available as a resource for all employees. The [complete text of HB 1113](#) also is available.

TRS v. ORP: New Retirement Plan Choices for New Hires

All exempt staff in benefit-eligible positions hired on or after July 1, 2008 may choose between two retirement plans: Teachers Retirement System (TRS) or the Optional Retirement Plan (ORP). New hires eligible to make this choice should be aware of the differences in the TRS and ORP programs. This information may be found on the [Human Resources Web site](#), including a [brief comparison](#).

Only new hires (and temps hired into benefit-eligible positions) are eligible to make the TRS v. ORP choice; current TRS and ORP participants cannot change their plan elections. In addition, faculty and staff transferring to UGA from other University System institutions with less than a 30-day break in service must keep their current plan participation.

The plans work differently, so HR strongly encourages all eligible new hires to make an appointment with a client advisor (benefits counselor) prior to making this irrevocable decision. Eligible employees must make this choice within 60 days of employment or default into the TRS plan.

Human Resources New I-9 Forms

Human Resources advises that a [new I-9 form](#) (with expiration date 6/30/09) is now available.

In addition, there is a [Spanish version](#) of the I-9 form.

The Department of Homeland Security requests that the old I-9 form no longer be used.

If you have questions, contact:

Yogita Abichandani
706-542-2222
yogita@uga.edu

Chapel Bell Restoration Nears Completion



A replacement bell from Snelling Dining Commons has filled the void on North Campus while the Chapel bell is being restored.

When a vigorous workout by exuberant fans following a victory over the Florida Gators in November 2007 caused the Chapel bell to (literally) jump out of its housing, break its support yoke and slam into the platform below, it wasn't the first time. Ten years earlier, a 37-17 Georgia win over Florida had triggered yet another ringing endorsement that caused the bell to jump out of its stands. An October 1921 *Red & Black* article describes a similar occurrence after a 3-0 win over Vanderbilt.

Cast in 1835, the current bell is the third to grace the Chapel, and was acquired by the University in 1847-1848. The bell was installed in the cupola which originally adorned the Chapel, but both the cupola and bell were removed circa 1913, and a bell tower was erected behind the Chapel shortly thereafter.

In early 2008, the Physical Plant engaged a bell consultant to examine the tower, and the University decided that it would be rebuilt and the bell restored. A structural engineer was asked to create a tower which could withstand the workouts but still look historically appropriate. Although it will be the same overall height and design, one exciting design modification will allow the bell to be much more visible to the public.

The bell restoration entails a formal cleaning to remove old paint, especially any remaining "To Hell with Georgia" notations reputedly painted by Tech students in the 1920s and 1930s. The restoration work, and the new steel stands and yoke, are being performed by the Verdin Company of Ohio. Tower construction has been undertaken by the Physical Plant. The University's 172-year-old bell will resume its place of honor behind the Chapel in August, gleaming and ready for the Georgia-Georgia Southern season opener on August 30, 2008.



The careful removal of the Chapel bell and tower was well documented in May.

University Honored for Preservation Efforts

The University of Georgia recently has received two awards for its commitment to preservation of historic facilities on campus.

In June, the Athens-Clarke Heritage Foundation honored the Office of University Architects (OUA) with an Outstanding Rehabilitation Award for its rehabilitation of Old College. Likewise, the University earned an award for Excellence in Rehabilitation from the Georgia Trust for Historic Preservation in April.



Old College as it appears today, post-restoration.

The local and state rehabilitation awards recognize projects that make compatible use of a building through repair, alterations or additions while preserving features of the property that convey its historic value.

Old College is a landmark on North Campus—the University’s first permanent building and the oldest structure in Athens. The rehabilitation work, completed in 2006 to mark the building’s bicentennial, included installation of new mechanical, electrical and plumbing systems; restoration of exterior masonry; installation of a new roof made of stronger materials; and completion of measures to bring the building into full ADA compliance.

“It is always an honor to be recognized for the continued stewardship of our historic campus,” said Campus Preservation Planner Scott Messer of OUA. “Old College has witnessed the entire physical development of the University of Georgia, and it is a great source of pride to have taken part not only in breathing new life into this honored landmark, but also in the restoration of Franklin College to its historic seat.”



Old College, circa 1900. The building, modeled after Connecticut Hall at Yale University, served as both a classroom building and residence hall for the University’s first students.



Harris to Lead OSEP

After a national search, Steve Harris has been named director of the Office of Security and Emergency Preparedness (OSEP). Harris has been OSEP's interim director since October 2007.

Harris joined OSEP as emergency operations manager in January 2006. Previously he worked seven years in the Georgia Emergency Management Agency's Homeland Security office as manager of the State School Safety Unit. He also served as an assistant security administrator with the Clarke County School District.

"Steve has done an excellent job in the role of interim director over the past several months, and he brings to the task a broad range of experience in this area, along with the relationships he has developed with local, state and federal agencies over the years and those he has developed with our campus constituencies," said George Stafford, associate vice president for auxiliary and administrative services.

Emergency Response Training Protocol Adopted

The University Cabinet has ratified a policy which specifies the training method and protocol for handling major natural or man-made emergencies on campus. The policy calls for all administrators at the department head level or above, all emergency responders and Building Safety and Security Representatives, among others, to possess a general awareness of the National Incident Management System (NIMS).

NIMS establishes a single, comprehensive approach to domestic incident management to ensure that all levels of government (including colleges and universities) across the nation have the capability to work efficiently and effectively together using a consistent approach. NIMS compliance is required in order to receive state or federal reimbursement following a disaster.

A timeline to accomplish the Cabinet plan has been developed by the Office of Security and Emergency Preparedness (OSEP). For some members of the campus community, intensive training in NIMS is required, but for others, an introduction or overview is sufficient. President Michael F. Adams and the University's senior administrative team participated in a day-long NIMS training seminar in May.

Should you be trained in NIMS? To find out, consult the UGA NIMS Training Plan at the [OSEP Web site](#).

ESD Trains Public Health Students in First Response

Students enrolled in UGA's Master's of Public Health (MPH) program are receiving first responder training at the Environmental Safety Division's FIRST building (Facility for Incident Response and Safety Training). The purpose of the course, Problems in Health Administration, is to prepare MPH students for their future roles as first responders to emergency events.

During the semester, students are introduced to a number of emergency response scenarios including those involving both natural and man-made disasters. The overview includes an introduction to the Incident Command System, an overview of an actual hazmat response, and a demonstration of some of the equipment and protective gear used by hazmat technicians in the field. Students also experience various medical response scenarios involving the use of human patient simulators or HPS.



HPS are highly advanced medical mannequins that can simulate many of the human symptoms that would result from medical conditions or exposure to chemical hazards. By practicing with human patient simulators, students gain knowledge on how to approach certain clinical situations in a non-threatening environment.

Appropriate response measures cause the HPS' lifelike symptoms to improve. Inappropriate actions cause the HPS' symptoms to worsen and even mimic death.



Evans Elected to National Post

Procurement Officer Annette Evans has been elected to the National Association of Educational Procurement Board of Directors. NAEP represents the procurement profession in higher education and affiliated institutes. Its membership includes 4,000 procurement professionals from colleges, research institutions, hospitals and K-12 schools.

"Annette is well respected among procurement professionals within the University System, other state of Georgia agencies and national organizations," said Associate Vice President and Controller Holley Schramski. "We are proud of her achievements. Her work on the NAEP board will provide UGA with insight into emerging developments and trends in procurement for higher education."

Air Travel Reminder

UGA employees who make travel arrangements through travel agencies are reminded that airline tickets and other travel arrangements should not be purchased until a Travel Authority (TA) has been approved and denoted in the University's system as maintained by the Accounts Payable Travel and Encumbrance Office.

University employees should never use copies of TA forms to provide approval for billing to any travel agency. UGA's authorized travel agencies are allowed to access a status Web site to verify trip approval. Travelers should only give travel agencies the travel authority number for verification.

Occasionally, special circumstances may require travel to be booked immediately. In those situations, a departmental representative should walk the travel authority through all of the approval channels and hand deliver it to the Accounts Payable Travel and Encumbrance Office. International travel must first be approved by the Office of International Education prior to being delivered to Accounts Payable.

Following these procedures can help reduce billing discrepancies and ensure that the University's relationship with its authorized travel agencies remains harmonious. For a complete listing of UGA's authorized travel agencies, visit the [travel portal](#).



Kronos Update

The Kronos project, a time and attendance system which will replace ePayroll, continues its progression to becoming an enterprise application. The Kronos system was recently upgraded to the latest version, which will allow the processing of monthly and academic payroll.

As of June 2008, eight "early-adopter" units were using the system to process bi-weekly payroll. These units are: Food Services, Auxiliary Services, Botanical Garden, Payroll, Georgia Center, Golf Course, Parking Services and Campus Transit.

The Kronos project team is currently testing the interfaces that will transfer payroll data from the Kronos system to the UGA payroll system. This testing is scheduled for completion by the end of July. The project team then will work with the early-adopters in order to facilitate the move from ePayroll. Once these units are using Kronos, the project team will communicate with other UGA departments in order to begin the Kronos transition.



Money-Saving Hints from Central Duplicating

Whether you submit your print job file to Central Duplicating Services via email, FTP (file transfer protocol) or CD, be sure your job is in print-ready (pdf) format. This will avoid any untimely delays and/or additional charges.

Jobs should be submitted in print-ready status. If you request a proof prior to printing, scrutinize it very carefully. Reworking results in an additional, yet avoidable, cost. Central Duplicating can provide editing options for an additional fee.

Color jobs which only use red and black receive special pricing.

Central Duplicating customers will find that the online *Job Request* form has been modified and a new *Request for Estimate* form has been added. Both forms now have a new feature for submitting the forms electronically, which eliminates the extra time and cost of faxing or mailing. At the bottom of each form is a "Print Submit & Close Form" button which will print a copy of the document for your records and electronically submit the job information to Central Duplicating. Please note that this option does not accommodate approval signatures. Detailed instructions for completing both forms are now posted at the Central Duplicating [Web site](#).

For more money-saving tips or for help with any duplicating question, call Central Duplicating at 706-542-4440.

Campus Transit Drivers to Compete for Safety Title in Fall

Three Campus Transit drivers will represent the University in the state's annual driver safety competition this fall in Atlanta. The drivers—two students and a full-time employee—won the slots by finishing at the top of the University's annual "Roadeo" in May.

The local competition consists of a safety quiz, vehicle inspection and a driving competition where drivers perform complex maneuvers as on-board judges rate their safety habits and smoothness, all while under a time limit.



A bus driver navigates the twists and turns of the UGA Roadeo course.

The Georgia Statewide Bus Roadeo is sponsored annually by Georgia DOT and the Georgia Transit Association and pits the top drivers from transit systems around the state for the title "Best of the Best." University transit operators have won the competition in three out of the last five years.

Floyd's Duties to Encompass Bulldog Bucks

Mike Floyd, who has led UGA's award-winning food services program for 22 years, has been promoted to executive director of food services. As part of his expanded role, Floyd will oversee the Bulldog Bucks program and provide marketing guidance for other auxiliary units.



Mike Floyd serves up one of the many award-winning meal options from UGA Food Services.

Under Floyd's leadership, Food Services has won 67 national awards for excellence and is rated in the top one percent of collegiate food programs based on customer satisfaction and national awards. In 2007, Food Services was honored with a Governor's Commendation for Excellence in Customer Service for the introduction of 24-hour dining at Snelling, and Floyd received an honorable mention in the competition for the Chancellor's Outstanding Customer Service Leadership Award.

Bulldog Bucks provides debit card convenience to students, faculty and staff via the UGACard. It is accepted as payment for goods and services at 114 off-campus businesses as well as at the bookstore, library, Ramsey Center, vending and food service operations. In addition to managing the debit card program, the Bulldog Bucks staff also provide the programming and equipment maintenance to facilitate the use of the UGACard for access to various campus locations.

Expanded Menu Options Forthcoming in the Tate Center Expansion

The blueprint for the bill of fare at Tate Café, the food court in the Tate Center expansion project, will expand the campus palate.

Made-to-Order Restaurants

Fresh, quality ingredients assembled as the customer directs are the hallmarks of food court franchisees Barberitos and Larry's Giant Subs. Both companies were forged in locales that know UGA customers and their appreciation of good value: Barberitos here in Athens and Larry's Giant Subs in Jacksonville, Florida. The third restaurant in the made-to-order food court will be Hotie's Asian Grill. Developing the menu at Hotie's is Susan Van Gigch, newly appointed assistant director of food service operation, who brings expertise gained from overseeing the popular meal plan option, Oriental Market Grill at Oglethorpe Dining Commons.

Taste of Home Café

On the level above the food court will be another restaurant offering—a kitchen table gathering place for faculty, staff, students and guests. The menu for Taste of Home Café will feature recipe favorites of UGA students (now alumni) collected by UGA Food Services over the past 21 years for its nationally recognized meal plan event, "Taste of Home."

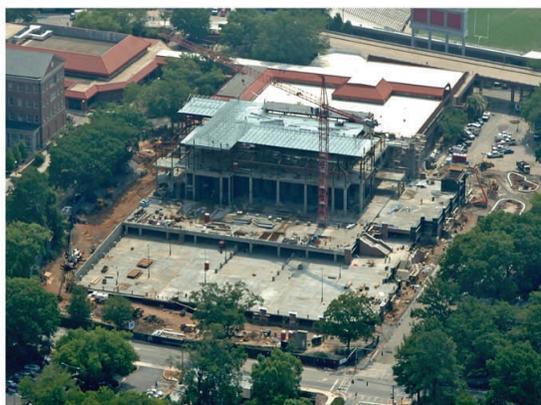
Two New Facilities to Open in the Fall

Construction is complete on the new home of the Lamar Dodd School of Art, and faculty and staff are currently in the process of moving into the East Campus facility. The art school will open for classes in August, and a grand opening celebration and arts festival is scheduled for September 4-7. [Click here](#) for a complete list of events.

One of the final stages of construction of the facility included the installation of a green roof, which will provide several environmental and energy-saving benefits to the new building and its occupants. Green roofs help save energy by adding insulation to the building envelope, and they minimize glare by absorbing sunlight. They also extend the lifespan of a roof by protecting it from debris and harmful ultra-violet rays. Finally, green roofs help reduce stormwater runoff as the plants utilize and filter rain that falls onto the roof. These development methods, along with the substantial use of local materials and an award-winning stormwater management design, help to make the new Lamar Dodd School of Art the most sustainable building on campus. For a comprehensive story on the innovative green roof and other sustainable design strategies incorporated into the art school, see the June 23, 2008 issue of [Columns](#).



The new home of the Lamar Dodd School of Art, located on East Campus.



The Tate Student Center construction site in July, as seen from the air.

The Tate Center Parking Deck topped out on May 29 and will be open for use by the time classes start in the fall of 2008. The rest of the building continues to evolve and is on schedule for completion in spring 2009. A pedestrian bridge connector between the SLC and the new addition to the Tate Center is now under construction, and the stairs on the southeast corner of the Student Learning Center will be closed to facilitate this process. The design phase for the Georgia Quad also is underway, and construction is scheduled to begin at the conclusion of the 2008 football season. This courtyard will create an open green space between the Tate Center and the Student Learning Center similar to North Campus. The Georgia Quad is projected to be complete in May 2009 to coincide with the opening of the new addition to the Tate Center.

Several "green" features have been incorporated into the Tate site as well, including the installation of a 50,700 gallon cistern to capture rainwater runoff from both the new Tate building and the Student Learning Center. The reclaimed water will be used for irrigation and flushing of toilets at the new facility. The cistern is anticipated to reduce the Tate Center's demand for city water for these uses by approximately 45 percent. [Click here](#) to watch a video on the construction and operation of the cistern.

Parking Services Debuts New Web Site with Customer-Friendly Programs



With the first permit price increase in six years, Parking Services recognizes that customers will expect a higher level of customer service than ever before. Therefore, Parking Services has redesigned and reengineered its [Web site](#) not only to make it

more attractive, useful, informative and user-friendly, but also to be more effective in gathering customer feedback, responding to that input and making process improvements.

Integrated into the new Web site is an automated customer tracking and feedback system called *Remedy*. All customer questions and feedback (both positive and negative) will be entered. *Remedy* will automatically assign the question/feedback to a Parking Services expert for response. When a customer submits a request to Parking Services, the customer will receive, via e-mail, a case number so that the customer can track the progress of his or her question, complaint or compliment. This advanced tracking system is similar to what customers are accustomed to when using UPS to track a package. Parking Services also recognizes that not everyone will want to provide identification when providing feedback. Hence, the anonymous, or "AnyMouse" program, has been created.

"Customer feedback is the most important information in the UGA parking organization," said Parking Services Manager Don Walter. "We will use the information gathered from *Remedy* and *AnyMouse* to provide immediate support to the customer, as well as to make continual process improvements to prevent problems from recurring. Our goal is to make UGA Parking Services the model organization for large universities. The opening of this new Web site with supporting customer programs is a major step in executing our customer service plan."

University Golf Course Special



Play a four-some for \$120 or pay the University Rate per player, whichever is less (up to 8 players eligible for this offer). Offer expires 3-31-09.

The UGA Golf Course invites you and your friends to play a foursome for \$120 or pay the University rate per player, whichever is less. Up to eight players are eligible for this offer. Clip this coupon and present it to the golf shop. For golf course hours and location, visit the [UGA Golf Course Web site](#).

Campus Mail Bulk Mail Services

Bulk mailing (or mass mailing) involves the processing of a large volume of identical pieces of mail that may be distributed to campus locations or mailed as first class or standard mail.

Campus Mail's Bulk Mail Services has the facilities, equipment and staffing to handle projects of any type and volume.

Services offered include:

- Direct Imprint Addressing
- Tabbing
- Machine or Manual Inserting
- Machine Folding (Bi-Fold, Tri-Fold, or Z-Fold)
- Machine or Manual Labeling
- Sealing

For more information, read the [Bulk Mail Guide](#) or contact Lori Wynne at 706-542-6986.

In the Next Issue:

- Commuter Air Service to Atlanta
- Benefits Open Enrollment
- Golf Course Celebrates the "Big 4-0"

Contact Information

For more information, please select the division below, and you will be redirected to its Web site.

[Auxiliary & Administrative Services](#)

[Budget Division](#)

[Controller's Division](#)

[Environmental Safety](#)

[Human Resources](#)

[Physical Plant](#)

[University Architects](#)

An Integral Role in Loss Control

The State Department of Administrative Service (DOAS) Risk Management Services continues to improve the way it conducts business as the State of Georgia's in-house insurance agency. DOAS' Loss Control and Safety Programs serve as a key element in helping to control loss exposure while mitigating claims.

Senate Bill 425 authorizes DOAS Risk Management to establish incentives for agencies according to their loss histories and participation in loss control programs. Based on claims history, loss exposures and the presence of necessary loss control and prevention programs, agencies will be assessed variable deductibles and premiums.

"The increased focus on 'actual experience' for development of premiums and the change in deductibles is intended to promote agency loss control and sound risk management policy," said Assistant Director of Administrative Services Kathy McCarty. "Toward that end, we not only have an integral role in loss control but also an obligation as state employees to control and reduce loss exposure and resulting claims."

Per DOAS Risk Management Services, the following changes will be incorporated for FY 2009 insurance premiums and deductibles:

- The auto physical damage rate remains the same at \$1.00 per \$100 market value; however, the deductible beginning in FY 2009 will increase to \$500 (from \$250 in FY 2008).
- The all-risk coverage for fine arts (appraisal value) has increased to \$0.38 per \$100 (from \$0.35 per \$100 in FY 2008).

The property deductible for FY 2009 will be \$1,500 (from \$1000 in FY 2008), and future deductibles will be based on the agency's historical actual experience.

Q&A with Tim Burgess: Highlights and Challenges (cont'd)

A major issue from the Chancellor's Office this past year was the push to conduct background checks. We took our time here at UGA, had a deliberate conversation on campus about how best to perform these checks, and I believe we got it right. We were able to manage the BOR requirement in a way that caused minimal disruption.

I'm very pleased that Finance and Administration was honored with two awards from the Southern Association of College and University Business Officers (SACUBO) for best management practices in the region. Sometimes we take for granted all the good things we're doing and the improvements that we are making. However, SACUBO recognized our efforts in electronic bill payment and building energy audits and commended our hard-working and innovative staff for their accomplishments.

We've also made progress at our extended campuses over the last year. Finance and Administration helped to acquire the new facility to house UGA's expanding Gwinnett programs, and construction of the Student Learning Center at our Griffin campus should be completed in time for classes in Fall 2009. (Continued on next page)

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Q&A with Tim Burgess: Highlights and Challenges (cont'd)

Business Advisor: What are some of the major challenges ahead?

Burgess: Clearly, the budget is going to be a serious challenge going into this new academic year and beyond. On the bright side, it's not totally unexpected. For at least a year, we've been preparing for this. In the spring, we asked everyone to build their budgets for FY09 with the assumption that 2% was being held aside. The instructions we have received now are for cuts that are deeper than we had hoped, so that's going to put some pressure on us to manage in a way that doesn't harm the University's core mission.

Rising energy costs just aggravate that pressure. What I'm talking about here is not gasoline, but electricity, natural gas, the price of coal—the energy that it takes to run the university. To be able to manage our energy costs at the same time as being required to reduce our budget may be the biggest single challenge we face for the next 12 months. Customer demand will not have shrunk one bit, but our fiscal capacity to respond is going to be challenged, and energy expenditures add an unpleasant 'piling on' effect. It's a tough climate.

Accountability continues to be a concern. The chancellor and regents were focused on accountability last year, but highly publicized incidents of P-card misuse garnered legislative attention, and new laws were passed. However, I don't think that's a problem for us. I've always felt like there is a culture of accountability here that is systemic across campus. It's a great foundation to respond to the very stringent pressures that are being placed on us.

Business Advisor: What, in particular, would you want to tell campus colleagues about the budget outlook?

Burgess: We did plan for this. It is a little more intense than we were hoping for, but it wasn't unexpected. As long as we keep our three core missions of teaching, research and public service clearly in front of us, we'll be able to manage.

I always have liked to personalize the budget and bring it back to a family level. If your family income were reduced, then you'd have to redefine your internal priorities. Maybe you don't go out to eat as often or you drive that old car a little longer than you had planned, or maybe you start cutting your own grass instead of paying a lawn service. You start making personal choices about what is really important to your quality of life and your values, and I think that's the kind of exercise we're going to have to go through as a university. We will have to reassess our priorities and needs as opposed to those things that are great to do when you can afford them. If we do that, then we'll get through this financial issue without serious harm. That's clearly what is expected of us from everybody—parents, students, legislators and the regents—and we owe them nothing less than to meet those expectations.