

November 10, 2014  
Minutes  
Of The ASU Planning, Budget, and Facilities Senate Committee

---

Dates: November 10, 2014

Locations: Gamble 106

Members Present: Debra Hagerty, Jean Neils-Strunjas, Greg Wimer, Cathy MacGowan, Megan Baptiste-Field, Beth Childress, Wendy Wolfe, Erik Nordenhaug

Ex Officio Members Present: David Wheeler, David Ward, Rebecca Carroll, Yassi Saadatmand

Guests: Katie Twining, Lisa Sweany

Meeting was called to order by Wendy Wolfe at 3:05pm

Agenda item 1: Minutes from October 13, 2014 PBF meeting were approved.

Agenda item 2: Megan Baptiste-Field was introduced to the committee. She will serve as a PBF representative from the College of Liberal Arts.

Agenda item 3: Rebecca Carroll and Katie Twining provided information about the outsourcing of residence hall management within the USG. It was reported that Armstrong, as well as 8 other USG schools, are in Phase I of a Private-Public Venture (PPV) that has become increasingly common among US Universities. Phase I involves the review of potential concessionaires who are interested in taking over residence hall management and upkeep for the life of the bonds on the residence halls. Currently, three concessionaires are under consideration by the BOR during their current closed session. The selected concessionaire will take over management of the 9 Phase I USG institutions' residence halls in July, 2015. The selected concessionaire will provide local oversight of the ongoing maintenance and upkeep of Armstrong's residence halls, including housekeeping services, IT services, and facility repairs. A system is in place for ongoing oversight by our Facilities department, including monthly maintenance audits. It was also clarified that Armstrong will retain ownership of the land, but that the concessionaire will own the buildings for the duration of the bonds (50-60 years). They will receive student payment for housing, but will also be responsible for pursuing payment from students who default on their payment. No cost increases in student housing are planned for the Fall, 2015 semester, when the concessionaire is due to take over Armstrong residence halls. Additionally, it was noted that in Phase II of the PPV, other USG schools will be required to contract with the concessionaire. Concerns were raised regarding Armstrong going into a 50 year contract with a profit-making

November 10, 2014

## Minutes

### Of The ASU Planning, Budget, and Facilities Senate Committee

institution which might be tempted to cut costs and quality in their service in order to increase profit margins. It was noted that the concessionaire must satisfy an annual set of audits and that in theory Armstrong could withhold payment to the concessionaire should Armstrong discover the quality of the concessionaire service unsatisfactory at any time during the 50 year contract. [Note: see addendum A for additional clarification on the concessionaire.]

Agenda item 4: Rebecca Carroll and Katie Twining updated the committee on the Sodexo contracts for Food Service and Custodial. Ms. Twining reported that the Sodexo contract for custodial services is up for re-bid in the spring (the current contract expires in June, 2015). In January, a new custodial manager is joining the staff and it is hoped that new personnel and procedures will continue to result in improvements in custodial services. Ms. Twining also noted that other vendors will be considered this spring when the Sodexo contract is up for re-bid. Ms. Carroll reported that the Sodexo contract for Food Services is in place through 2021, but that the Sodexo representatives have thus far been responsive to feedback and suggestions for improvement. For example, based on previous suggestions, they have implemented the Food Truck services and have extended the hours in the Pirate Pantry. She requested PBF member feedback on concerns and suggestions regarding food service on campus. Committee members noted that the cost of eating in the Galley is quite high (\$8) and, because it is “all you can eat”, would seem to encourage over-eating and waste among patrons. It was suggested that Sodexo consider a return to “a la carte” pricing. It also was suggested that take-out options be provided for students, faculty, and staff who cannot eat in the Galley due to time or other constraints. Finally, a suggestion was made to provide a faculty dining room.

Agenda item 5: The plan for the offices in front of the ARC was discussed. It was clarified by Ms. Lisa Sweany that this space would revert to athletics, with an Academic Success Center for student athletes. Lisa Sweany also noted that CJSPS’s moot court room (located next to the volleyball office) will remain in place. External donations are being sought to fund the renovation project.

Agenda Item 6: Ms. Sweany also discussed the BOR audit of all USG athletic programs. She reported that Ms. Susan Hacker will be coordinating the audit for Armstrong and that the audit has been prompted by other USG schools who have experienced significant changes in their athletics programs, such as adding football, moving up to Division I, etc. It also was clarified that the bulk of athletics funding comes from student fees (2.7 million), with an additional 200,000 coming from education in general (for faculty salaries), 220,000 from sources such as tournaments, ticket sales, and NCAA reimbursement, and 300, 000 from fund raising.

November 10, 2014

Minutes

Of The ASU Planning, Budget, and Facilities Senate Committee

Agenda Item 7: Ms. Carroll and Dr. Ward responded to committee member concerns about the increase in health insurance costs for 2015. It was noted that we will not know the cost to the university until January, since the institutional costs have also increased, and since costs may change subsequent to faculty and staff changing their plans due to the increased premiums. Particular complaints voiced by the committee were the unequal distribution of premium costs over the 10 pay periods (with more being deducted over the spring), the loss of summer insurance coverage for faculty who resign at the end of the spring semester (even though they have already paid for summer coverage in the spring semester), and the reported anticipated reduction in doctor's fees being covered by Blue Cross/Blue Shield (it was reported by a committee member that BC/BS plans to reduce physician reimbursement by 25%, which may lead to more physicians and clinics refusing to accept BC/BS patients).

Meeting ended 4:20 pm.

Respectfully Submitted by

Erik Nordenhaug & Wendy Wolfe, PBF Co-Chairs

November 10, 2014  
Minutes  
Of The ASU Planning, Budget, and Facilities Senate Committee

---

**Addendum A: An 11/14/2014 email clarifying selection of concessionaire.**

Good Morning,

Since our PBF meeting on Monday, the Board of Regents selected Corvias Campus Living as the concessionaire for Phase I of the Public Private Partnership (P3). This week, the system office, Corvias, and the 9 campuses will meet to begin finalizing the operating agreement and accounting details. The bond debt for Windward Commons, University Crossings, and Compass Point will be defeased no later than July 1, 2015.

For more information on this initiative and on Corvias Campus Living, please refer to the following links:

**USG P3 Website:**

[http://www.usg.edu/fiscal\\_affairs/p3](http://www.usg.edu/fiscal_affairs/p3)

**News Release - Wednesday, November 12, 2014:**

[http://www.usg.edu/news/release/university\\_system\\_of\\_georgia\\_selects\\_campus\\_housing\\_partner](http://www.usg.edu/news/release/university_system_of_georgia_selects_campus_housing_partner)

Savannah CEO also has a link:

[http://savannahceo.com/news/2014/11/university-system-georgia-selects-campus-housing-partner/?utm\\_source=Savannah+CEO&utm\\_campaign=79c64f6935-valdostaceo-daily\\_newsletter&utm\\_medium=email&utm\\_term=0\\_8c93e46c9f-79c64f6935-303721301](http://savannahceo.com/news/2014/11/university-system-georgia-selects-campus-housing-partner/?utm_source=Savannah+CEO&utm_campaign=79c64f6935-valdostaceo-daily_newsletter&utm_medium=email&utm_term=0_8c93e46c9f-79c64f6935-303721301)

Thank you,

Rebecca

November 10, 2014  
Minutes  
Of The ASU Planning, Budget, and Facilities Senate Committee

---

**Addendum B: Regarding Increasing Cost of Health Insurance Plans**

----- Forwarded message -----

From: **Jacqueline Stepherson** <[jacqueline.stepherson@armstrong.edu](mailto:jacqueline.stepherson@armstrong.edu)>  
Date: Tue, Dec 2, 2014 at 2:30 PM  
Subject: Re: following up on request for clarification of health insurance increase  
To: Wendy Wolfe <[wendy.wolfe@armstrong.edu](mailto:wendy.wolfe@armstrong.edu)>

Wendy, the board cited three reasons for the increases:

- 1) Increased cost due to ACA. We had to provide health insurance to certain employees that we previously were not required.
- 2) Higher claims experience. Rates are currently based on the previous year's claims. When the number/cost of claims increases, so does premiums.
- 3) Enrollment growth.

Again, if you would like to discuss in more detail, let's schedule some time to meet.

Thanks  
Jacque

On Mon, Dec 1, 2014 at 1:06 PM, Wendy Wolfe <[wendy.wolfe@armstrong.edu](mailto:wendy.wolfe@armstrong.edu)> wrote:

Hi Jacqueline,

I am following up on the request from the PBF committee regarding clarification of the increase in health insurance premiums for 2015. As I mentioned in my previous email, it was not clear to me (based just from the powerpoint you sent) why the insurance rates are increasing so dramatically. This is a concern that has been raised by faculty and PBF would like to forward information about the increase to the faculty senate.

Thank you for any clarification you can provide,

Wendy

--

Wendy L. Wolfe, Ph.D.  
Associate Professor  
Department of Psychology  
Armstrong State University

--

Jacque Stepherson, MBA, SPHR  
Interim Director of Human Resources  
Armstrong State University  
11935 Abercorn Street  
Savannah, GA 31419  
[912-344-2587](tel:912-344-2587)  
[912-344-3455](tel:912-344-3455) (fax)  
[jacqueline.stepherson@armstrong.edu](mailto:jacqueline.stepherson@armstrong.edu)