

Fall 2011 STATE OF THE UNIVERSITY

There's nothing like fall on the Plains. New students are learning their way around, returning students are getting reacquainted with friends and professors, and everyone is excited about another season of Tiger football. Susie and I look forward to it each year.

Joining Auburn this semester is a freshman class that again shattered university records for academic strength. The approximately 4,200 new students arriving in August averaged a 3.81 grade point average in high school and a 27.2 score on the ACT college entrance exam, both breaking previous highs.

These new students combine with upperclassmen for an Auburn student population of approximately 25,000, the enrollment threshold set by the Board of Trustees. While most are Alabamians, students arrive from all 50 states and 79 countries, yet another indication of Auburn's reputation as an academic destination for talented young people.

A few weeks ago, I had the opportunity to talk with a number of these new and returning students during Organization Day. O-Days, as they're called around campus, are sponsored by the Student Government Association to provide an easy way for students to learn about the many organizations available to them. Vice President for Student Affairs Ainsley Carry and I walked from table to table, meeting students and hearing about groups ranging from the Italian Club to the National Society of Collegiate Scholars to the Rugby Football Club.

Regularly talking to students on their own turf is a good barometer of the health and vibrancy of campus. They're open, straight-forward and offer a personal perspective about Auburn's academic and outside-the-classroom environment. It's not only refreshing but helpful as we work to keep Auburn moving forward. I'm always eager for opportunities to get out of Samford Hall and interact face-to-face with students, the "customers" of any institution of higher education.

In my updates the past few years, I've addressed the university's strategic plan, which was developed and put into place about three years ago. Of its 60 specific objectives, more than half have been completed, and we're making progress on the remainder. Auburn faculty and staff have done a remarkable job achieving our goals in a period of low funding. If you're interested in reading more on the plan and its progress, please visit www.auburn.edu/strategicplan.

Many of you likely know that former Provost Mary Ellen Mazey was selected for the presidency of Bowling Green State University. We're happy for her and wish her all the best, but she will be missed. It was a pleasure working with her, and she provided excellent leadership in that position. Interviews are underway with excellent candidates, and while we hope

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President's Report

from Alan Hackel

I was honored to be asked to be the president of AURA, and it is a privilege to serve. I took the gavel in May at the AURA annual meeting and have learned more and more as my term has progressed. However, without the continuing support, interest and institutional memory of those who have served on the AURA board and as its officers, that learning would not have been possible. AURA has a rich history and some lofty goals and it is my hope to be able to continue the efforts of those who have gone before and to work toward the fulfillment of those goals.

To aid in those efforts, we have welcomed several new members to the board and welcomed some back who have served in the past. The new board members are Bert Hitchcock, Don Seay, Larry Mullilns and Donna Wolfinger and we have welcomed back Warren McCord who has agreed to serve again as we had to fill a board position when Bettye Burkhalter resigned due to some serious back surgery. However, we hope to see Bettye much improved and back on the board in the future.

I mentioned AURA goals above and want to return to those. I am sure that these have been published in the past, but I want to share them here again.

- Continue to maintain comparable equity within health insurance and other benefits and work to minimize PEEHIP increases while maintaining acceptable benefit levels and to work with other groups who support similar objectives.
- Develop and maintain a plan to recruit new members into AURA and to retain present membership,
- Identify, include and involve new leadership to help sustain and improve AURA's established activities.
- Continue affiliation with AEA and AERA and join their efforts to lobby for the prevention of efforts to divert the Education Trust Fund to non-educational uses.
- Actively support all elected officials who strongly and visibly support all aspects of public education.
- Continue to conduct educational and social events to promote greater awareness of AURA and its mission.

I mention these because I hope it will be clear that AURA is serious about why it exists and that the organization is concerned with issues of importance to retirees, and so that you may realize that the board cannot work toward these goals alone. Your membership in AURA is important not only because your membership helps support AURA's efforts, but because there is strength in numbers. When we talk to people who can make a difference for retirees of Auburn University and Auburn Montgomery, it helps to be able to say how many interested and concerned retirees we represent. When the time comes, please renew your membership and encourage fellow retirees to do the same or join if they are not presently members.

Another step the board has approved to help with our efforts toward achieving our goals and keeping all of you informed, is the creation of a web site. As AURA members are increasingly computer savvy, we believe this will be a positive step and I hope you will check it out once we are able to announce the URL.

Your suggestions and ideas for a better AURA and for ways in which we can make progress toward meeting our goals are always welcome. ♦



REPORT OF THE AURA LEGISLATIVE AFFAIRS COMMITTEE

from Gerald W. Johnson
AU Emeritus Professor of Political Science

Elections make a difference

As the impacts of the 2010 national and state elections become clearer, at least in the short term, the old adage that elections make a difference rings true. What is not true is the oft quoted statement of former Governor George Wallace that there is not a dimes worth of difference between the two major parties.

At both the national and the state levels, shifts of party control in the legislative branches of government have made substantial differences in legislative processes and outcomes. This is especially true in Alabama where the Legislature changed from Democratic Party to Republican Party control for the first time in over one hundred years and, more importantly, the election produced a super-majority, one-party control of the Legislature.

The new Legislature is different in composition, process, and outcomes. The make-up of the Republican majority is ninety-five percent male and one hundred percent white while the state's voting public is forty-four percent male and seventy-three percent white.

In terms of process, the new Legislature operates on a "fast track" in terms of both the calendar and actions. With a super-majority, the sessions have been characterized by Republican Party caucus control of the agenda and votes, with limited deliberation and debate and with limited minority and minority party participation. The legislative outcomes reflect, true to the tenants of democratic elections, the new composition, organization and processes of the new Legislature.

2011 Legislative Session

The 2011 legislative session was driven by the general premise that the major problem facing the state was the economy and the specific problem was over spending and not a revenue deficit brought about by a poor economy. Thus, the legislative agenda focused on cuts in spending, especially spending in the public sector—state and education employees and programs.

Of specific interest to those interested in the education arena, retired and active, education Health care and retirement costs were increased to compensate for a reduction in state funding, state and public school budgets were cut, the number of teachers and state employees were reduced, operation and maintenance funding was cut, the DROP program was eliminated, and the tenure law revised. A rolling reserve budget bill was enacted to provide for future Education Trust Fund (ETF) budgets to be based on historical financial data rather than revenue projections.

Other education related bills were introduced or proposed to: reduce the number of public school days; increase class size; change the composition of the Retirement Systems of Alabama governing boards; divert ETF funds for not education purposes, primarily for industry recruitment incentives; and, provide teacher liability insurance.

The net effect of the 2011 legislative session for educators and education retirees, and state employees, was a call for members of these groups to contribute in various ways to helping balance the state budgets and to generally help address the state's fiscal challenges.



Sixteenth Annual Meeting

By Stanley P. Wilson

Approximately Seventy five members and guests attended the Sixteenth Annual Meeting and Awards Luncheon of the Auburn University Retiree Association at Saugahatchee Country Club on May 13, 2011. AURA President Chester Carroll reviewed the year's activities, presented awards and recognized persons

working on behalf of and advocating for the well being of retirees.

The highlight of the meeting was the presentation of the Wilford S. Bailey Award to The Auburn University Athletics Department. Receiving the award was Athletics Director Jay Jacobs. The AU Athletics Department has been very supportive of AURA since its inception and has provided monetary support for the Fall Barbecue each year. There is every reason to believe that this large and important program is being operated within the ideals and standards exemplified by Dr. Bailey.

Director Jacobs gave the Luncheon address during which he discussed the present athletics program philosophy and operation. He concluded by engaging in a spirited question and answer session with AURA Members.

After the Gavel was turned over by President Carroll to incoming President Alan Hackel, President Hackel recognized the outstanding job done by Dr. Carroll. He also outlined the AURA goals for his administration.

Committee reports covering all areas of AURA activities are included in the Annual Report given to all attendees. ♦



Director Jay Jacobs and Chester Carroll



Alan Hackel and Chester Carroll



Peggy and Lavaughn Johnson, Snooky Alverson



Bill Holley, Linda and Billy Clark



Bob Brewer, John Blake, Frances Hale and Helen Brown



Herb White, Gaynell and Paul Parks



Jack and Janet Rogers



Calvin and Lib Johnson



Julia Baker and Katie Walton from
AERA District 5



Frances and Bob Stevenson



Paul and Dixie Connor



Harry Greenlee of
Saugahatchee Country Club



Grady and Jean Cox



Jane and Bob Brewer



Betty and Bill Holley



David Housel and Jim Warman



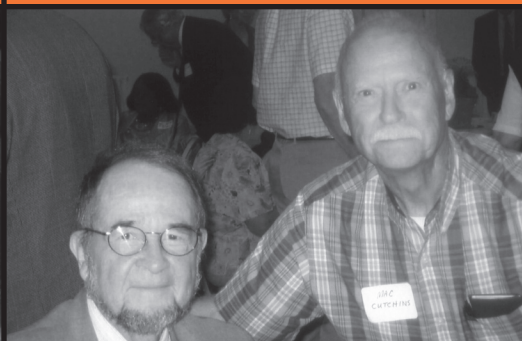
Julia Norton, Julia and Laurence Morgan



Alan Hackel



Barbara and Earl Allen



Bert Hitchcock and Mac Cutchins



Jay Jacobs and Bill Alverson

LEGISLATIVE AFFAIRS COMMITTEE REPORT CONTINUED...

2012 Legislative Session

The 2012 legislative session will pose additional challenges to the welfare of public education personnel and retirees. Proposals include: replace the defined benefits pension retirement plan with a defined contributions 401 (k) type plan; shift to high-deductible health insurance and health savings accounts; change the age and service requirements for retirement; amend the Constitution to remove the dedication of income tax revenue for public education; combine the state's Education Trust Fund that funds all public education in the state with the General Fund that funds all other state programs and services; replace the elected Teacher's Retirement Board with a politically appointed board; and, fund charter schools and school vouchers with public education funds.

Summary

Whatever position one might take on these proposals, they each have the potential to impact public education in general and retirees specifically. Thus, it is important for AURA members to be aware, informed, and involved in the processes through which decisions on each of these items will be made.

AURA provides an organization and forum through which retiree interests can be informed and involved. The Legislative Affairs Committee solicits and encourages all AU retirees to join AURA and contribute to the development and support of those public policies and programs that best promote and protect the welfare of retirees. ♦

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that Auburn's next Provost will be on board by the start of the spring 2012 semester, the selection process may take longer. In the meantime, College of Veterinary Medicine Dean Tim Boosinger is serving well in an interim capacity.

Looking ahead, we face three significant challenges. First, limited state appropriations continue to place a strain on our financial resources. For fiscal year 2012, we're told to expect a slight increase, perhaps around \$5 million, from the previous year. While encouraging, Auburn will nevertheless receive about \$88 million per year less compared to 2008. Faculty and staff have worked hard to keep belt-tightening away from the classroom, but we must remain vigilant in looking for ways to simultaneously cut costs and maintain quality.

Second, there are nine positions either currently vacant or soon-to-be vacant on the Auburn Board. As president, it would be inappropriate for me to be involved or state an opinion on Trustee selections, but my hope is that the process works as intended and is conducted in the spirit of Auburn's best interests.

Third, Auburn is scheduled for its reaffirmation by our regional accreditation body, the Southern Association of Colleges and Schools, in 2013. For those of you with reaccreditation experience, you know the level of advanced preparation that's involved. Much work is already underway to ensure Auburn meets the required standards.

In conclusion, Susie and I want you to know how much we appreciate the opportunity to serve Auburn. We also enjoy the community because it feels like home.

All the best to AURA, and we look forward to seeing you at the fall barbeque.

War Eagle!
Jay Gogue

AEA backs law suit to stop ETF depletion

By Susan Kennedy, AEA's Funding and Revenue Manager

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One of AEA's major objectives is to protect the Education Trust Fund (ETF) from diversion, subsidies, corporate loopholes, or any loss of revenue to schools.

The newest trend in the Legislature is to provide huge incentives to big companies for jobs regardless if they are a good investment for the ETF. Legislators are introducing subsidy bills that reduce future revenues without any formula or understanding of the impact of those subsidies on the ETF. These subsidies are on top of Alabama's existing incentives, considered as lucrative for corporations as any in the nation.

Three new laws are so liberal in giving away subsidies that two AEA members have come forward to file suit to prevent the raid on ETF revenues. Shortly after they became law, AEA members Anita Gibson and Sheila Hocutt-Remington enlisted the help of Montgomery attorney James Anderson to file suit challenging the constitutionality of these harmful and expensive tax subsidy bills.

With \$80 million per year in education dollars at risk, AEA made it a priority to find a way to stop this harmful legislation. Fortunately, Alabama's Constitution provided the answer. Section 70 of the Constitution of Alabama says that all bills that "affect revenue" – meaning they reduce or increase the money in the Education Trust Fund – must be House bills and cannot originate as Senate bills. All three of the

costly tax subsidies originated as Senate bills.

Here's a recap of the three new laws and the multi-million dollar subsidies to be given away.

Senate Bill 477 sponsored by Senator Marc Keahy (D-Grove Hill) allowed the governor to use up to \$20 million per project and \$50 million per year from the Education Trust Fund to recruit industries to Alabama.

Senate Bill 395 sponsored by Senator Ben Brooks (R-Mobile) created a new tax deduction for improvements made to homes to prevent damage from hurricanes or tornadoes. This law could cost upwards of \$20 million annually in money dedicated for schools.

Senate Bill 158 sponsored by Senator Trip Pittman (R-Daphne) created income tax credits for improvements made to common areas in subdivisions. Estimates are that these credits could cost education over \$10 million per year for 13 years.

Many times during the last legislative session AEA fought against legislation that would have taken millions from the Education Trust Fund and diverted it to multinational corporations in the form of tax subsidies or credits. AEA was successful in defeating many of these bills, however three costly tax subsidies passed despite AEA's best efforts.

AEA members have asked Montgomery County Circuit Court Judge Truman Hobbs to issue an order to stop these tax subsidies and declare them unconstitutional.

"We anticipate a hearing on these matters soon, and we hope the Alabama Department of Revenue and the governor would not allow valuable education dollars to be distributed under laws that appear to be clearly unconstitutional," said Dr. Paul Hubbert. "Since the mid 1990s, Alabama has provided one of the most generous economic development laws in the country. These are hard times, and we can't afford more and more subsidies, especially when you realize how many incentives we already give away. Alabama politicians should not continue to give our school money away without proof it will be worth the investment." ♦

Thank You Monarch Estates!

Monarch Estates, known for "Gracious Retirement Living", located at 1550 E. University; Auburn, has generously allowed the AURA Board of Directors to use their Eagles Nest Meeting Room for their monthly meetings for several years.

We would like to acknowledge this donation from Monarch and encourage anyone considering moving from their home to visit Monarch for a tour.

AURA FALL BARBEQUE

CO-SPONSORED BY AU ATHLETIC DEPARTMENT

When: Tuesday, October 18, 2011

Where: Auburn Alumni Center, 317 South College Street
*Park in gravel lot in back and come in back door. To park in the paved lot,
a car must have an AU parking sticker and the lot is monitored around the clock.*

Speaker: Dr. Jay Gogue, *President, Auburn University*

Time: 5:00 Registration
5:30 Barbecue Meal

Cost: Free to AURA Members and Spouses.
Guests are welcome at a cost of \$10.00.

Deadline for Registration:
OCTOBER 12, 2011

RESERVATION FORM

Member & Spouse _____

Guests _____

Mail your reservation to:
AURA

P.O. Box 1436
Auburn, AL 36831-1436

Or call:

Alan Hackel (334) 514-0990
Art Call 826-1742
Stan Wilson 821-8209
or Don Seay 821-0065

Make checks for Guests payable to AURA

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