

FISCAL 2019 BUDGET UPDATE

JIM KIRK, INSTITUTE BUDGET
PLANNING & ADMINISTRATION
BUSINESS PARTNERS NETWORK
JUNE 28, 2018

CREATING THE NEXT®

LEGISLATIVE ACTIONS ON FY19 BUDGET



- \$51 million increase in formula funding for USG (USG request \$54.3M)
- Major funding (\$56.9 million) to cover 20% increase in the employer's share of Teachers Retirement System (TRS)
- No state funding approved:
 - Merit increases
 - Health insurance & retiree's health insurance – *a budget cut*
- Major Repair and Rehabilitation (MRR) funding of \$60.0 million – physical plant renewal & preventive/deferred maintenance
- Capital projects - bond funding:
 - \$30.6 million – Price Gilbert Crosland Tower Library complex renovation
 - \$5.0 million equipment for Georgia Advanced Biomanufacturing Center equipment

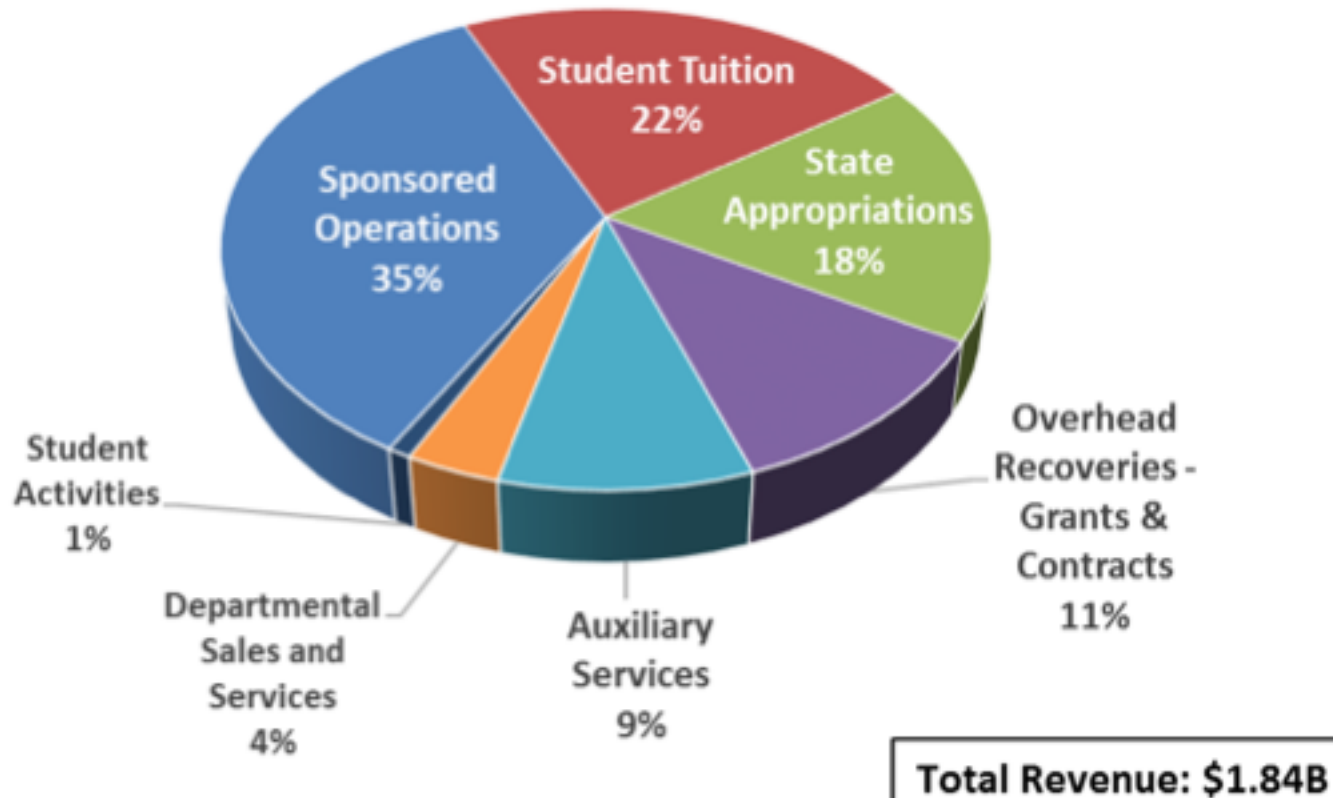
BOR'S APRIL MEETING – FY19 ACTIONS

- Allocations above current state RI/Gen Ops total of \$266M:
 - GT full funding of enrollment-based formula: \$20M or 1/3 of USG total
 - TRS funding for rate increase: \$7M or 75% of GT cost
- Tuition: no increases
- Fees:
 - Mandatory Student Health Fee increase – \$3 or 1.8%
 - Reduction of Special Institutional Fee for graduate students *not approved* – due to no tuition increase to offset
- Pay policy – Chancellor approval, not Board:
 - Institutions allowed to self-fund merit program
 - GT decision on merit program – *dependent on fall enrollment results*
 - GT funding allocated for targeted pay adjustments

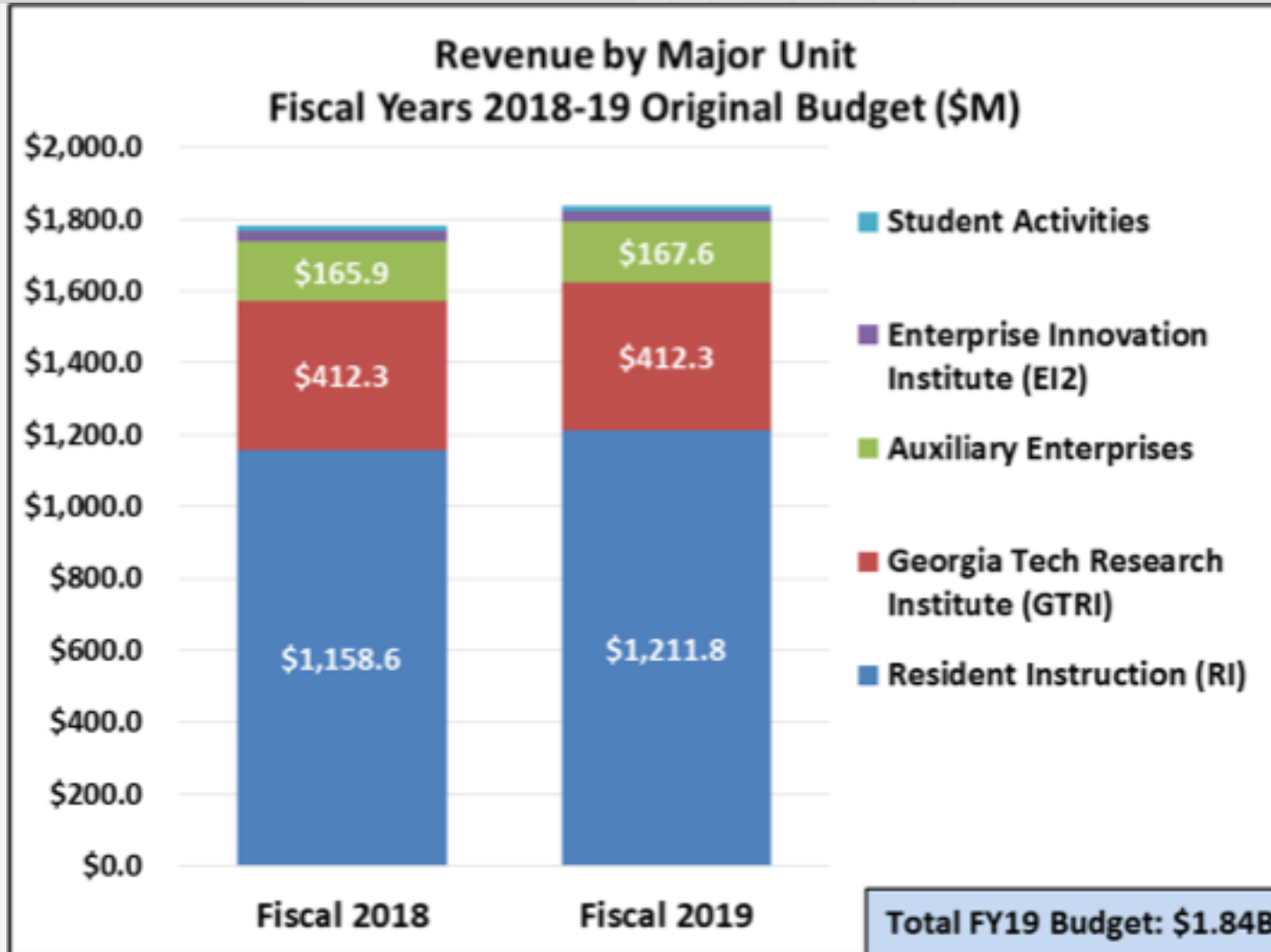
GT FY19 BUDGET – REVENUE SOURCES



**Georgia Tech Revenue by Major Category
Fiscal Year 2019 Original Budget**



GT FY19 BUDGET – REVENUE BY MAJOR UNIT



GT FY19 BUDGET – REVENUE BY MAJOR UNIT



Georgia Tech Revenue Budget Summary

Original Budget Fiscal Year 2019

(millions of dollars)

Major Program Area	State	Other General	Subtotal - General	Dept Sales & Svc	Sponsored	Auxiliary & Stdnt Acts	Total
Resident Instruction	\$292.7	\$513.6	\$806.3	\$50.0	\$355.5	\$0.0	\$1,211.8
GT Research Institute (GTRI)	6.1	140.0	146.1	10.6	255.6		412.3
Enterprise Innov Institute	19.6	1.4	21.0	1.5	8.0		30.5
Total Education & General	\$318.4	\$655.0	\$973.4	\$62.1	\$619.1		\$1,654.6
Auxiliary & Student Activities						183.1	183.1
TOTAL BUDGET	\$318.4	\$655.0	\$973.4	\$62.1	\$619.1	\$183.1	\$1,837.7

NOTES:

- Resident Instruction (RI) – core operations of GT; includes research, instruction, facilities, support
- General Operations (Gen Ops)– discretionary portion of budget excluding DSS & sponsored funding

GT FY19 BUDGET – RI/GEN OPS REVENUE



	Fiscal 2018 Amended	Fiscal 2019 Approved	% FY19 Distribution	Notes
Revenue:				
State	\$265.7	\$292.7	36.3%	Formula funding @ 100%; TRS @ 75%
Tuition	383.3	393.8	48.8%	No rate increase
Indirect Cost Recoveries	58.2	58.9	7.3%	Caution w/ awards & fed. budget
Special Institutional Fee	24.4	23.9	3.0%	\$544 UG & \$344 grad stdnts
Other General	32.0	36.9	4.6%	Incl. Technology & other fees
Total Resident Instruction Revenue	\$763.7	\$806.3	100.0%	
Funding from Prior Year Sources	--	\$5.4		
Total Resources Available	\$763.7	\$811.7		
Incremental Revenue Available		\$48.0		

GT FY19 BUDGET – RI/GEN OPS ALLOCATIONS

Expenditures:	Fiscal 2019 Approved	% Distrib. New Funds	Notes
Incremental Revenue Available	<u>\$48.0</u>		
I. Mandatory Items			
Earmarked Revenue	\$9.9	19.1%	Incl. tuition differentials, OMSCS revenue, Tech Fees
Permanent Funding - FY18 Commitments	2.0	3.9%	Incl. Living Learning Communities & Facilities life safety
Restoration of Institute Reserves	5.4	10.4%	Reserves required to balance FY18
Public Safety, Facilities & Leases	4.6	8.8%	Incl. Coda lease & Living Building operations
Academic Mandatory Items	4.1	7.9%	Library subscriptions, Coda shared svces, faculty research support - HPC/PACE
Information Technology Requirements	3.3	6.4%	IT base reqs, IT enhancements, Learning Mgt System
Pay and Fringe Items	11.7	22.6%	Fac promotion/tenure, fringe increases - TRS & health
Other Mandatory Items	1.7	3.2%	Including federal compliance requirements
Total Mandatory Items	\$42.6	82.3%	

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II. Previous Precedents and Commitments			
Reserve for Equity Adjustments	\$2.2	4.2%	1/2% of RI/Gen Ops salary base
Other Previous Commitments & Fringes	1.8	3.5%	
Total Previous Precedents/Commitments	\$3.9	7.6%	

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<u>III. New Workload/Expansion</u>			
New Faculty Positions			<i>allocations to be confirmed</i>
Teaching Support			
Other New Workload			
Total New Workload and Commitments	\$5.2	10.1%	
Total Incremental Expenditures	\$51.8	100.0%	
Redirection Funding @ 1%	(3.8)		
Net Incremental Expenditures	\$48.0		

Any
Questions?

