

Today's Speakers



Tricia Chastain

Executive Vice President of
Administration and Finance and
Chief Business Officer



Kim Toatley

Vice President for Finance and
Planning, Chief Financial
Officer



Jamie Fernandes

Interim Associate Vice President
for Finance and Planning and
Executive Director, Budget Office



Cedric Franklin

Associate Vice President for
Georgia Tech Human
Resources

FY26 Budget Update

A&F Connects

August 19, 2025

Agenda

- Federal Pause/Financial Impact
- FY26 Budget Overview
- FY26 USG Merit Pay Program
- Q&A





Federal Pause/Financial Impact

Our Objectives

Position Georgia Tech to continue to deliver on its academic and research mission in the face of mission-critical immediate, emerging, and anticipated threats.

Anticipate and respond to any disruptions in federal research funding and international student flows.

Enable the Institute executive leadership team (ELT) to make the best decisions possible with known information and available predictions sourced through well-researched contingency plan options for each scenario.



Cost Saving Through Central Mitigation Strategies

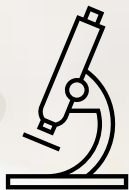
Over the past few months, a cross-functional team identified approximately \$60M in cost savings that could be achieved through central mitigation strategies.

Additionally, Senior Leadership met August 13 to review and discuss complimentary unit/departments strategies.



A Milestone Year for Research

FY25 was a milestone year for Georgia Tech’s research community, not only in terms of performance, but also in navigating an increasingly complex research landscape. These achievements reflect a strong close to FY25 and a solid foundation for the year ahead, even as we navigate an increasingly complex research environment.



New Awards and Research Expenditures



Growth in Commercialization and Innovation

\$1.47B

An 8% increase in new sponsored awards and highest annual total in our history

\$507M

A 2% increase in new sponsored awards

467

Invention disclosures, our highest in our history

122

Patents granted

\$964M

An 11% increase in new sponsored awards

-3.5%

Decline in federal awards

143

New Startups launched, many tied directly to Georgia Tech innovations

650+

Student startups created

A Record Year for Academics

These results are possible because of the dedication and creativity of our faculty and staff, who continue to find new and innovative ways to challenge and support our students through a rigorous, transformational experience.



**Georgia Tech named
best value public
college in the nation
for the third year in a
row.**



**Student startup
incubator CREATE-X
awarded the
2025 ABET
Innovation Award**

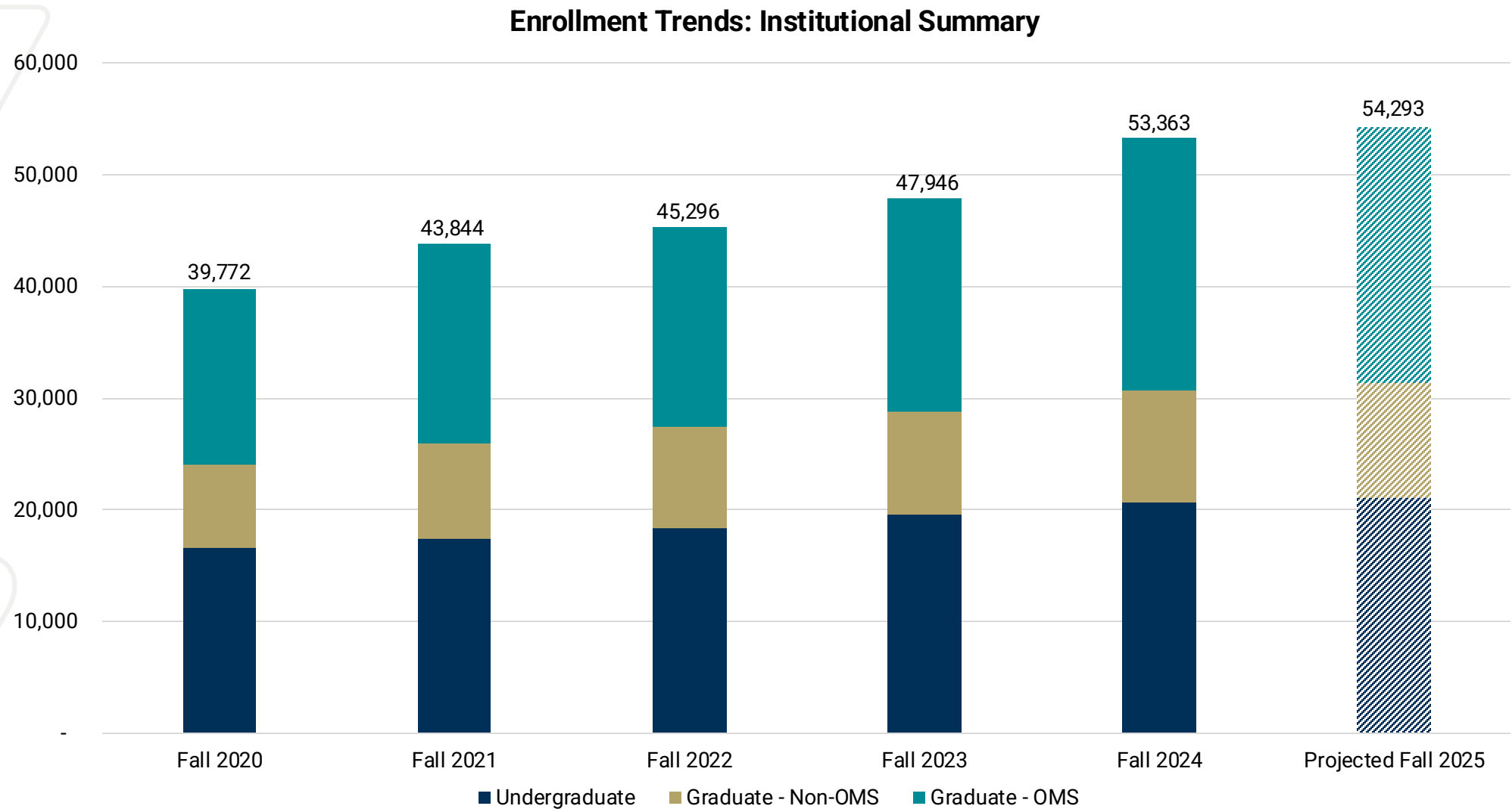


**Office of International
Students and Scholar
Services offering
support and resources
for visa-related
advising.**

FY26 Budget Overview



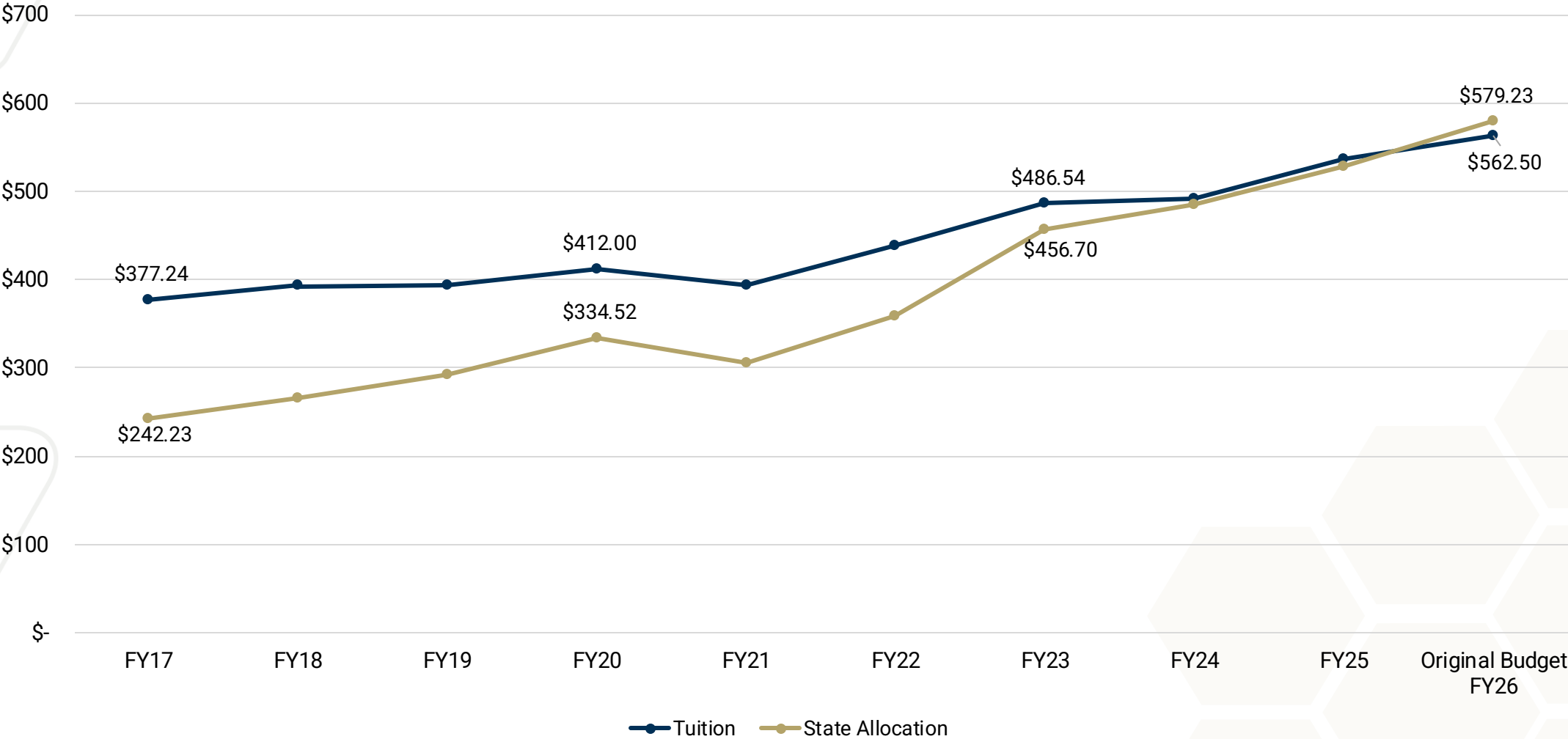
Enrollment Trends



From Fall 2020 – Fall 2024, Georgia Tech grew by 14,521 students, a 36% increase.

Georgia Tech Tuition and State Appropriations

Georgia Tech Tuition and State Appropriations Comparison (\$M)



Georgia Tech Resident Instruction | State Appropriations


The University System of Georgia (USG) Board of Regents (BOR) has approved Georgia Tech's FY26 budget, which includes a 9.72% increase in state appropriations, totaling \$579.2 million.

Budget Item	Actual
Enrollment Earnings	\$45,653,588
Contribution to USO Shared Services	(63,503)
Maintenance and Operations (M&O)*	1,181,347
Health Insurance & Retiree Change*	2,779,537
Teacher's Retirement System – Rate Change*	1,725,871
Adjustment for State-Wide Billing (DOAS, GTA)*	47,512
Legislative Adjustments	-
Net Change to FY26 Operating Budget	\$51,318,352


**Pass-through items; not included in net new revenue*

FY26 Tuition Rate Analysis


The BOR approved tuition rates for resident, non-resident, online masters at scale, and out-of-country to fund rising costs of Institute operations.

2% 


Out-of-state
tuition rate increase

3% 

Out-of-country*
tuition rate increase

10-15% 

Online Masters at
Scale (OMS) tuition
rate increase

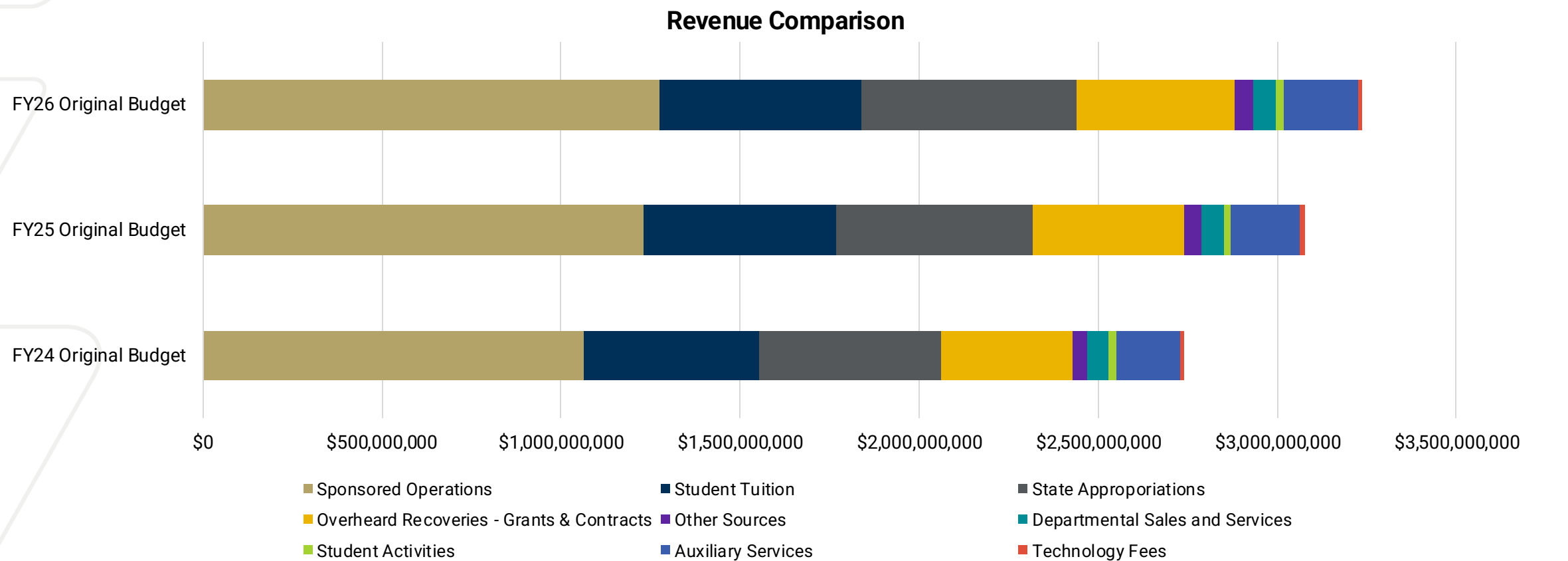
0% 

In-state
tuition rates remain
steady

**Out-of-country is a new USG tuition classification as of FY25.*

FY26 Total Institute Budget | Comparison

Georgia Tech’s Original Budget is \$3.2 billion in FY26, an increase of \$162 million or 5.28% from FY25. The growth was largely driven by sponsored operations (\$44.3M, or 3.6%), indirect cost recoveries (\$19.9M, or 4.7%), and state appropriations (\$51.9M, or 9.4%).



Total Institute includes Resident Instruction, GTRI, and EII.

FY26 Allocations

The FY26 budget reflects a cautious and measured strategy. New allocable revenue—driven by state appropriations, estimated undergraduate enrollment increases, and tuition rate increases—we are proceeding cautiously due to potential changes at the federal level that may impact revenue, most significantly our research enterprise.



**New Funds Held
Centrally for
Flexibility and
Responsiveness**



**Limited Funds to
Support Areas of
Strategic Growth**



**Colleges and Non-
colleges Received
Limited Funding**



**A Modest Pool of
USG Merit Program
for Faculty and
Staff**

\$41.4M of the \$51M is being held centrally pending release by the ELT based on scenario planning for the federal funding pause. Allocation sheets sent out in July 2025 are not expected to be adjusted.

Budget Resources

- **Budget Summaries***
 - FY26 Budget Guidebook
 - FY26 Georgia Tech Budget-in-Brief
 - FY26 Georgia Tech Operating Budget Summary
- **Budget Basics**
 - Georgia Tech Budget Process Calendar
- **Additional Links***
 - [Georgia Tech Budget Model](#)
 - [Budget Office ServiceNow](#)
 - [Budget Office MediaSpace](#)



www.budgets.gatech.edu/Resource/GenInfo

*You must log in to view documents behind SSO.



FY26 USG Merit Pay Program

FY26 USG Merit Pay Program

Georgia Tech will participate in the system-wide FY26 Merit Pay Program recently announced by USG. This program is designed to recognize and reward many of the top-performing faculty and staff for their exceptional contributions and commitment to excellence.

WHO

- Merit increases are allowed for up to 15% of full-time faculty and 15% full-time benefits eligible staff.
- The faculty or staff member's most recently completed performance evaluation (CY 2024) must indicate '**exceptional**' in the overall performance.
- Faculty and staff receiving promotional salary increase in FY24 or FY25 are eligible.
- **Not Eligible:** *Faculty or Staff with an approved retention, counteroffer, market adjustment, or related salary adjustment that was submitted in FY25 to address market demands are not eligible for this merit-based increase.*

HOW

- Individual salary increases are capped at 4%; increases should range between 1%-4% with the average increase of the population not to exceed 2%.
- All adjustments for faculty and staff will be recommended by Unit/Department leadership and validated through the Provost's Office and Georgia Tech Human Resources, respectively.
- Impacted employees will receive FY26 USG Merit Pay Program notification by August 29, 2026.

FY26 USG Merit Pay Program

WHEN

Effective date of merit increases (must be an active employee to receive).

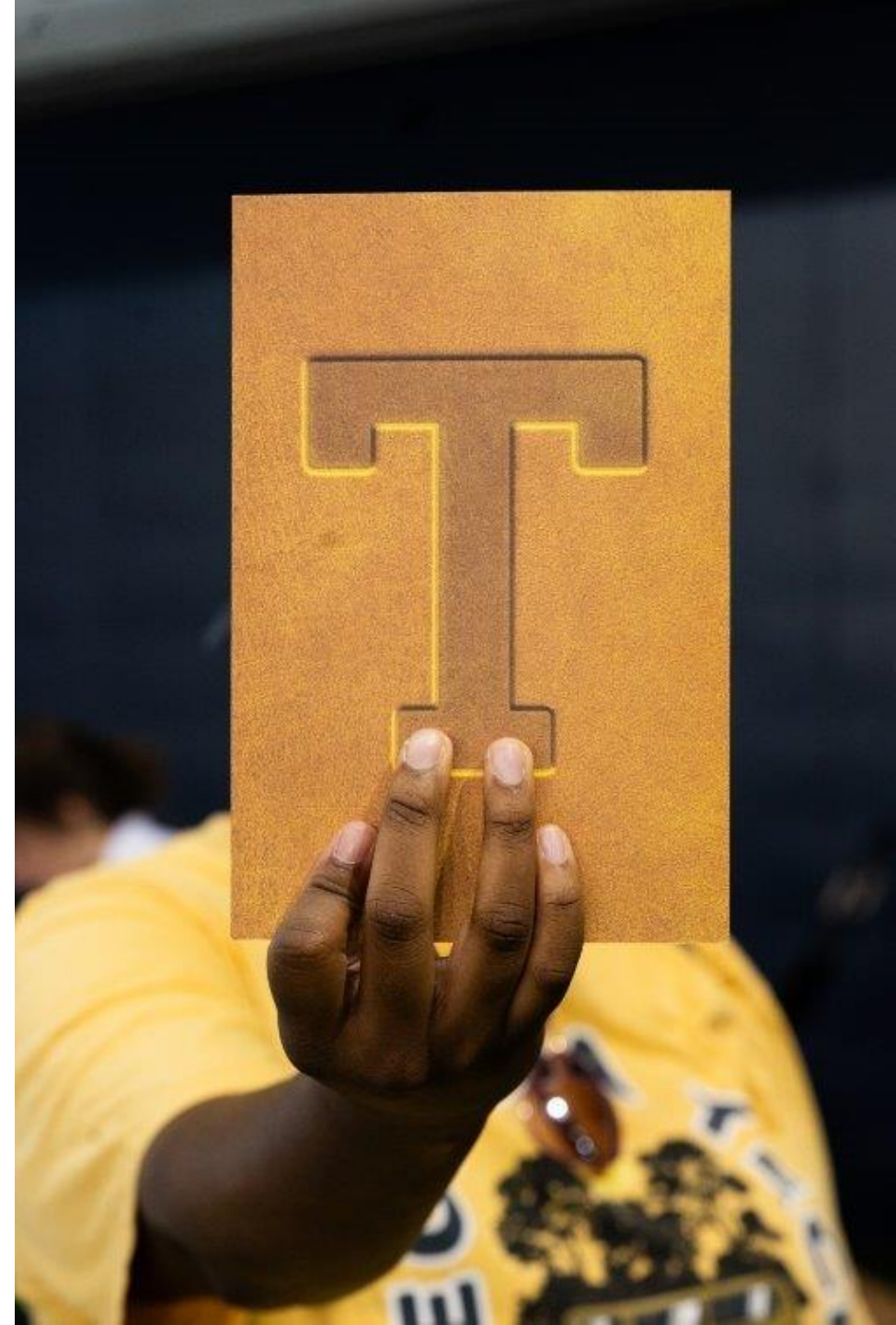
Employees on a monthly pay cycle receive their first paycheck with merit addition.

Sept. 19

Sept. 1

Sept. 30

Employees on a bi-weekly pay cycle receive their first paycheck with merit addition.



Moving Forward, Together

Resiliency in the Face of Change – FY26 brings change, but our ability to adapt and stay focused on our shared goals keeps us strong.

Thoughtful and Strategic Planning – From budget priorities to merit decisions, we're committed to fairness, transparency, and long-term stability.

Federal Funding Outlook – While the national landscape is shifting, we remain proactive and well-positioned through strong partnerships and advocacy.

The Strength of the Georgia Tech Community – Our greatest asset is *you*. The creativity, collaboration, and care shown across campus are what power our progress.



Thank you!