Georgia Tech Budget Update

Mandatory Student Fee Advisory Committee
November 13, 2012

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Current Budget Challenges

- Faculty growth not keeping up with enrollment
  - Student/Faculty ratio increase – 18:1 to 24.0 over 12 years
  - Larger class sizes and fewer course sections

Source: Institutional Planning and Research (October 2012)
Current & Previous Budget Challenges

- Faculty growth versus enrollment
  - Student/Faculty ratio increase – 18:1 to 23:1 over 11 years
  - Larger class sizes and fewer course sections
- Administrative support in colleges
- Facility expansion for enrollment increases and research requirements
  - Lack of adequate state support for facilities
- Market challenges - faculty and staff
- Continued quality student services with growing enrollment
- Institutional/mandatory requirements
Fiscal 2013 and 2014 Outlook – Revenue

- **Tuition:**
  - Limited tuition increases FY13 and FY14
  - Strong non-resident undergrad fall enrollment

- **Probable Continuation of Special Institutional Fee ($544)**

- **State funding** *(base funding approx $200M)*
  - $6.6M new formula funding in FY14
  - Nearly $100M state reductions (35%) since FY09
  - 3% mid-year FY13 cut $6.5M
    - Likely to continue into FY14
    - Additional 2% cut probable
  - No state funding for merit increases

- **Indirect Cost Recoveries** — estimate flat; dependent on level of grant/contract spending and federal budget actions
Georgia Institute of Technology
Undergraduate In-State Tuition & Fees
Public Peer Institutions
FY 2012

Penn State
Illinois-UC
Minnesota
UC-Berkeley
UCLA
Michigan
Washington
Virginia Tech
UT-Austin
Georgia Tech
Purdue
Texas A&M
NC State
Florida

Peer Average: $10,991
Peer 75th Percentile: $12,835
Key Fiscal 2013 Allocations

- **Mandatory cost increases covered including:**
  - Leases, police officers, High Performance Computing, child care center, state insurance increases, legal and risk management, publishers’ price increases, utilities

- **Instruction:**
  - New faculty lines
  - Teaching support to address freshman enrollment
  - Targeted faculty recruitment

- **Compensation:**
  - Promotion and tenure
  - Retention pool
  - Faculty compression pool
  - Classified staff – adjustments for critical contributors - TBD