



March 1, 2014

MEMORANDUM

TO: Provost, Deans, Vice Presidents, and Major Unit Heads

FROM: G. P. "Bud" Peterson, President
Georgia Institute of Technology

RE: Budget Planning for Fiscal Years 2014 and 2015

Governor Nathan Deal's Fiscal Year 2015 budget proposal now being considered by the General Assembly was good news to Georgia Tech and other University System of Georgia institutions. His request

- a) maintains the current level of base formula funding, despite an overall decline in the USG's enrollment in Fiscal Year 2013 (Georgia Tech had an enrollment increase last year);
- b) includes a modest amount of funding for merit pay and retention salary adjustments for employees, which we will, in all probability, attempt to supplement with locally generated resources;
- c) includes Major Repair and Rehabilitation (MRR) funding to help with preventive and deferred maintenance; and
- d) includes design funds for the Price Gilbert Memorial Library renovation project.

We are grateful that we are not facing another series of budget reductions, which has resulted in a loss of one-third of our state appropriation over the past four years. The General Assembly has a target of completing the Fiscal Year 2015 State Appropriations Act by the end of March. The Board of Regents (BOR) will then approve the tuition, mandatory fees, and funding allocations at its April meeting.

Georgia Tech's tuition levels still lag our public peer institutions, especially for resident, undergraduate students, where we are only at 82% of our peer average. As a result, we have been and will continue to work with the Board of Regents to achieve our goal of reaching the average of our peer institutions for both resident and non-resident students, in order to reduce the student to faculty ratio to our target of 18 to 1.

We have not requested any increases in mandatory fees, as strongly suggested by both the Chancellor and the Regents (i.e., transportation, student activities, health, technology, and athletics). It appears that the \$544 Institutional Fee, approved by the BOR several years ago to help institutions offset budget reductions, will continue in FY 2015.

You have already received the [budget preparation instructions and forms](#) from the Office of Institute Budget Planning and Administration, which are similar to those from previous years.

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Georgia Institute of Technology

Office of the President

On March 10th and 17th the executive vice presidents and I will be meeting with each of you to discuss your plans and budgets for next year and how they align with the Institute's *Strategic Plan*. The purpose of these meetings is to

1. identify each unit's strategic initiatives for the next year;
2. determine how these initiatives support and advance the *Georgia Tech Strategic Plan*; and
3. establish how each budget request will help move the Institute toward our goal to "define the technological research university of the 21st century."

I realize that our time is limited but hope that you will be able to adequately address these issues in a timely manner.

Thank you again for your continued support and for your efforts as we work to continue Georgia Tech's tradition of excellence.

xc: S. Swant
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S. Cross

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