Georgia Tech | Institute Budget Planning and Administration

Guidelines for Fiscal 2019 Budget Submissions
Priority-Based Budgeting

Executive Summary

Incremental funding available to Georgia Tech, has not been sufficient to cover the research, instructional, public service, student services, facilities, and technological priorities over the past few years; this is expected to continue into Fiscal 2019. Georgia Tech's *priority-based budgeting process* is intended to address future resource challenges by ensuring that the current base budget funding is being targeted to the highest priorities, consistent with the Georgia Tech Strategic Plan. The continuing resource challenges are as follows:

- State resource restrictions – With the continuation of the enrollment-based USG state funding formula, Georgia Tech is impacted by other system schools' enrollment declines. Any state funding increase for Fiscal 2019 is expected to be modest.
- Restrictions on future tuition and fee increases – For Fiscal 2018, the Board of Regents (BOR) froze tuition and imposed severe limits on fee increases. Restrictions on tuition and fee increases are expected to continue in Fiscal 2019.
- Extensive demands compared to limited resource growth potential
    - Georgia Tech needs to address a number of institutional "must pay" items next year such as legal compliance, facilities operations and maintenance, cybersecurity, research data protection, research equipment refreshment, and the upcoming Coda high performance computing building.
    - The funding demands also include new faculty to address enrollment growth, instructional quality, faculty support, student services, retention of top faculty and staff, employee/student health and well-being, and improved student progression – retention and graduation.

These funding demands exceed the expected level of Georgia Tech's resources for next year. In light of the continuing funding challenges, the Fiscal 2019 budget process is intended to:
- Link program planning and resource allocation, with a focus on the Georgia Tech Strategic Plan
- Target incremental resources *and redirected funding from current budgets* to support new and expanded program priorities intended to advance the Strategic Plan.

The process is similar to last year's, with the identification of funding in each division that could be redirected by the Executive Leadership Team (ELT) to other priorities and new or expanded initiatives. *In addition, deans, vice presidents, and other division heads are asked to identify how new funding provided in Fiscal 2018 is being applied to address objectives defined in the requests.*

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Required Fiscal 2019 Submissions

- "*Program Reduction Proposals*" at 1% and 3% levels
- In-depth justification of any new program initiatives or significant expansion of current programs via the "*Program Expansion Form*"
- Base budget Computation Form initiated by Budget Office – "*Form 1*"
- Summary of new request items via "*Form 2*"
- Description via the presentation to the ELT (no specific format defined) of how new funding in Fiscal 2018 for new or expanded programs has been used to address the program objectives identified. **NOTE**: If a unit has not yet utilized any of the new funding, then the description should indicate the immediate and future year plans for the funding, with a focus on planned results.

Overview of Fiscal 2019 Budget Process

> Preliminary submissions to respective Executive Leadership Team Executive – President, Executive VP, or Provost:	> Early to Mid-February
• Program Expansion Proposals*	
• Program Reduction Proposals @ 1% & 3% levels	
> Planning meetings with respective ELT member on submissions	> February
> Submission and ELT review – final program increase/reduction proposals	> Early March
> Division presentations to Executive Leadership Team	> Mid-March
> BOR approval of tuition, fees, allocations, & merit raise guidelines	> Mid-April
> ELT allocation decisions for Original Budget	> Mid- to late April
> Campus unit detailed Original Budget submissions	> Late April
> GT submission of Original Budget to BOR	> Early May
> ELT determination of additional budget allocations based on resources available	> June – October

Detailed Budget Calendar Link for Campus Units

* NOTE: "Program Expansion Proposals" submitted for major initiatives; all requests to be summarized on Form 2's (see next section)

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Descriptions of Forms

NOTE: Forms appended to this document are not "live" and are provided as examples only. Units should use the Excel versions of the forms accessed through the links provided. The Budget Office will provide the initial Form 1 to units.

Base Budget and Request Summary Forms *(Forms 1, 1a, 2, 2a)*

- Form 1 *(Attachment C)* – Budget Office computation of division base budgets issued in early March, to be updated throughout the budget process:
    - Starts with the Fiscal 2018 Original Budget and adds or deducts funding based on changes that have occurred during Fiscal 2018.
    - Computes a base budget for Fiscal 2019 adjusted for changes made during the budget process, including merit pay allocations, new workload funding, and budget reductions, where applicable

- Form 1a – details new or reduced permanent funding in Fiscal 2018 – included in Form 1

- Form 2 *(Attachment D)* – final summary of all unit requests *in priority order* (no "ties"), including items presented in Program Increase Proposals, and also *authorized by Executive Vice-Presidents for submission to all executive staff*

- Form 2a – list of new funding items pre-approved by executive staff – only included on this form and not on Form 2; backup documentation for all items required, to be verified by Budget Office with executive staff concurrence

Program Expansion Form *(Attachment A)*

- Focus on new initiatives and major program expansions
- Pay adjustment and retention issues addressed separately with each respective Executive Leadership Team member (Provost, Executive VP, or President)
- Submitted by deans and other division heads to their respective ELT members
- Proposal narrative to include:
    - The expected results/benefits from initiative, including appropriate metrics to describe impact of initiative
    - How the program will link to current programs in place
    - Criteria for evaluating the success of initiative
    - Description of internal resources to be supplied by unit
    - Consequences if the request is NOT approved
- Proposed budget:
    - Presented by major expenditure areas and by recurring versus one-time costs

- o Fiscal 2019 cost projection plus two out-years
- o Personal services detail by position proposed
- o *Identification of internal division resources to be applied to the effort*

Program Reduction Proposals @ 1% and 3% Levels *(Attachment B – 3% as example)*

- Separate proposed reduction impact statements at both the 1% and 3% levels
- Reduction targets computed on the basis of the Fiscal 2018 Original Budget, with exclusions for sponsored program support funding (projects labeled as "indirect research")
- Identification in first section of each anticipated reduction action to meet the target and description of the impacts of each action in the following section
- All reduction measures prioritized by the "most likely" to "least likely" to be applied, if funds are reduced (1 = most likely; no "ties" – i.e. three number 1's)
- Optional listing of the impact of each reduction action on performance measures such as enrollment

NOTE: If certain budget reduction actions are anticipated in FY19 to meet the target that are different from measures currently anticipated for future years, then the out-year actions should be included, with the dollars shown in the FY20 and FY21 columns. This might apply to FY19 one-time measures, such as holding positions vacant or reducing equipment or travel expenses. If the actions planned for FY19 are permanent ones that are assumed to continue in subsequent years, then only the FY19 column needs to be completed.

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FY19 New Program or Program Expansion Proposal

NOTE: This form is to be used to request funding for a new program initiative or a major expansion of a current effort. *Complete a separate form for each initiative.*

Division and Department/School

Brief Title and Description of Program Proposal

Proposal Narrative: At a minimum, include the following:
(a) The expected results/benefits from initiative, including appropriate metrics to describe impact of initiative
(b) How the program will link to current programs in place
(c) Criteria for evaluating the success of initiative
(d) Description of other resources to be applied to the program (list below)
(e) Consequences if the program is NOT approved.

FY19 Program Increase Form (page 2 of 2)				
	Fiscal 2019	**Fiscal 2020**	**Fiscal 2021**	**Notes**
Recurring Budget:				
Personal Services				
Permanent Employee Salaries (list details - next page)				*total must match P/S detail below*
(# FTE's)				*# full time equivalent positions*
Group Position Wages (list below)				*total must match P/S detail below*
Fringe Benefits (if paid by dept.)				
Total Personal Services	$0	$0	$0	
Non-Personal Services				
Travel				
Operating Supplies/Contractual				
Equipment				
Total Non-Personal Services	$0	$0	$0	
Total Recurring Budget	**$0**	**$0**	**$0**	
One-Time Budget Request:				
(list by category)				
Total One-Time Budget	**$0**	**$0**	**$0**	
Total Proposal Cost	**$0**	**$0**	**$0**	
				Explanation
Less Funding Provided by Unit *(from internal program reallocations and/or new revenue; enter negative #)*				
Net Request for New Funding	**$0**	**$0**	**$0**	

Personal Services Detail:	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Notes**
Permanent Positions (list all; add rows if necessary)				
Total - Permanent Position Request	**$0**	**$0**	**$0**	
Group Positions - $'s by position type (students, temp employees, etc.)				
Total - Group Position Request	**$0**	**$0**	**$0**	

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FY19 Program Reduction Proposal @ 3%				
Division				
Total Division 3% Reduction Fiscal 2019		$0	**Reduction Target**	$0

Formula - FY18 total reductions

* 3% of FY18 RI/Gen Oprns budget(cell H5)

		Projected Budget Impact**		
Priority*	**Program Reduction Actions** *(add rows if necessary)*	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**
1				
2				
3				
4				
5				
	Total Reductions	$0	$0	$0

* Assign priorities to actions according to the most likely to the least likely to be employed to meet reduction targets.

** If certain budget reduction actions are anticipated in FY19 to meet the target that are different from actions currently planned for future years, then the out-year actions should be included, with the dollars shown in the FY20 and FY21 columns. This might apply to FY19 one-time measures, such as holding positions vacant or reducing equipment or travel expenses. If the actions planned for FY19 are permanent ones that are planned to continue in subsequent years, then only the FY18 column needs to be completed.

Impact Statement: Describe the impact of each of the actions listed above. Include a projection of the impact of actions on performance measures on the next page, if these help define the impact of the measures (refer to reduction measure priority numbers). Add rows to match reduction actions if necessary. *If one-time actions are proposed for Fiscal 2019 such as holding a position vacant, these must be replaced by permanent actions in the out-years.*

1	
2	
3	

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Impact Statement, Continued				
4				
5				

Reduc. Priority #	**Impact of Reduction Measures on Selected Performance and Workload Metrics*** *(add rows if necessary)*	**Actual Fiscal 2017**	**Projected Fiscal 2018**	**Projected Fiscal 2019**
	* If enrollment data, use fall of the FY - e.g. fall 2017 = Fiscal 2018			

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		FORM 1
		GEORGIA INSTITUTE OF TECHNOLOGY
		BASE BUDGET COMPUTATION - GENERAL OPERATIONS FUNDING ONLY
		FISCAL YEAR 2019

DIVISION LEVEL		COMPLETED BY BUDGET OFFICE						COMPLETED BY DIVISION	FORMULA	COMPLETED BY BUDGET OFFICE					COMPLETED BY DIVISION		COMPLETED BY BUDGET OFFICE	FORMULA
A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
Department/School	Org #	Original Budget FY2018	Budget Redirection FY2018	Other Institute Priorities (Other Rev) FY2018	New Perm Allocs FY2018 (751, 752)	Salary Adjustments & Additions FY2018 (749)	Perm Transfers BETWEEN Divisions FY2018	Internal Transfers WITHIN Division FY2018	Initial Base Budget FY2019 (C thru H)	Other Institute Priorities & Other Rev FY2019	Budget Redirection FY2019	Faculty Promotions/ P&Tenure FY2019	Merit Increases FY2019	Annualization of FY2018 Perm Allocs FY2019	Perm Transfers BETWEEN Divisions FY2019	Internal Transfers WITHIN Division FY2019	Approved Workload Allocations FY2019	Proposed Budget FY2019 (I thru Q)
									0									0
									0									0
									0									0
									0									0
									0									0
									0									0
									0									0
									0									0
									0									0
TOTAL		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

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Form 2
Georgia Institute of Technology
Requests for New General Operations Funding
Fiscal Year 2019

COLLEGE/DIVISION							

NOTE: The format of this template should not be changed except to add lines for more requests as needed. Do not insert additional subtotals, but confirm that existing subtotals capture any added lines. Adjust line height for viewing of any request descriptions as needed.

NOTES:
(a) The magnitude of division requests should be reasonable, considering the fiscal challenges faced by Georgia Tech.
(b) Recurring requests listed at the top of the form should be **prioritized** and should include projections for FY19 and the two out-years, FY20 and FY21.
(c) FY18 requests **already approved by executive staff** should be included on form 2A (see next tab), not this form.
(d) Any requests to restore previously eliminated funding should be included on this form.

A	B	C	D	E	F	G	H
Priority (Highest=1)	School/Department	Request Description: One per line (text will wrap)	New Faculty Positions (FTEs)	New Staff Positions (FTEs)	FY19 Request Amount	FY20 Projected Cost	FY21 Projected Cost
Recurring Requests:						*(Recurring Requests Only)*	
Subtotal - Recurring Requests			0.0	0.0	$0	$0	$0
One - Time Requests:							
Subtotal - One-Time Requests					$0		
TOTAL REQUEST					$0		

NOTES:
- FY20 and FY21 should be amounts above and beyond the FY19 requested amount for the same line item.
- Requests for recurring personal services funding must include FTEs but **NO FRINGE.**

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