



# **Board of Regents University System of Georgia**

## **FY 2017 Operating Budget Request September 15, 2015**

*"Creating A More Educated Georgia"*

# FY 2017 Budget Cycle

(Budget Effective July 1, 2016 – June 30, 2017)

June – September 2015

- Development of FY17 Budget Request

**September 2015**

- **Board Approval FY17 Budget Request**

September 2015

- USG Submits FY17 Budget Request to Governor

January 2016

- Governor's Releases Budget Recommendations

March – April 2016

- General Assembly Finalizes FY 17 Appropriations

**April 2016**

- **Board Approval Allocations, Tuition and Fees**

April – May 2016

- Institutions Develop and Submit FY17 Budget

May 2016

- Board Approval FY17 Budget (By Institution)

June 2016

- FY17 Annual Operating Budget Submitted to OPB

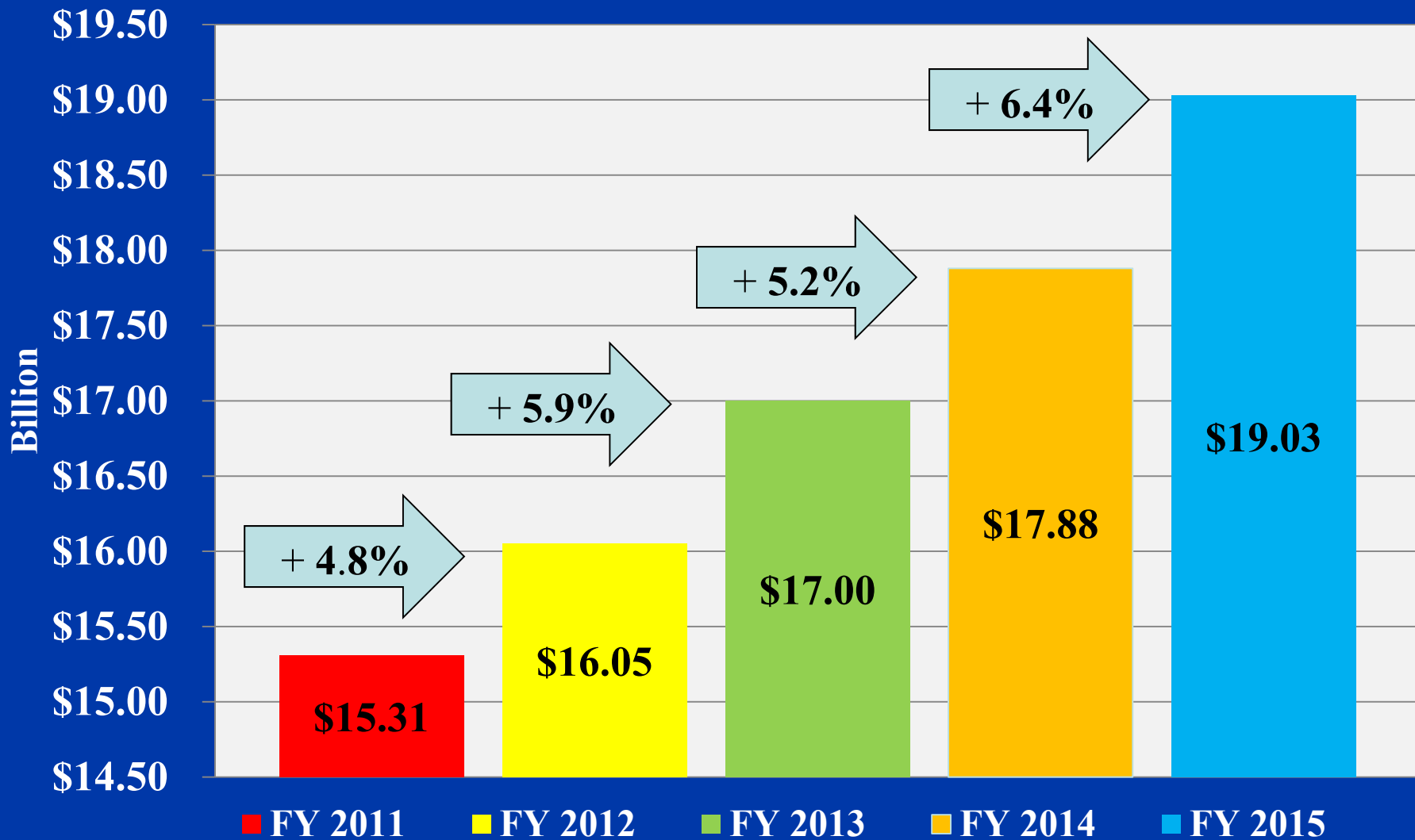
# FY 2016 Original Budget - \$8.106B

State Appropriations	\$2,020,395,691
Tuition	1,888,812,577
Special Institutional Fee	209,492,820
Other Revenues	389,214,034
Sponsored	2,041,551,197
Departmental Sales and Services	<u>306,099,372</u>
<b>Total Educational and General</b>	<b>6,855,565,691</b>
Capital	198,340,406
Auxiliary Enterprises	923,813,998
Student Activities	<u>128,668,455</u>
<b>Total FY 2016 Original Budget</b>	<b>\$8,106,388,550</b>

~25% of Total Budget

# State Revenue Collections

## FY 2011 – FY 2015 Actual Collections



# State Budget Considerations

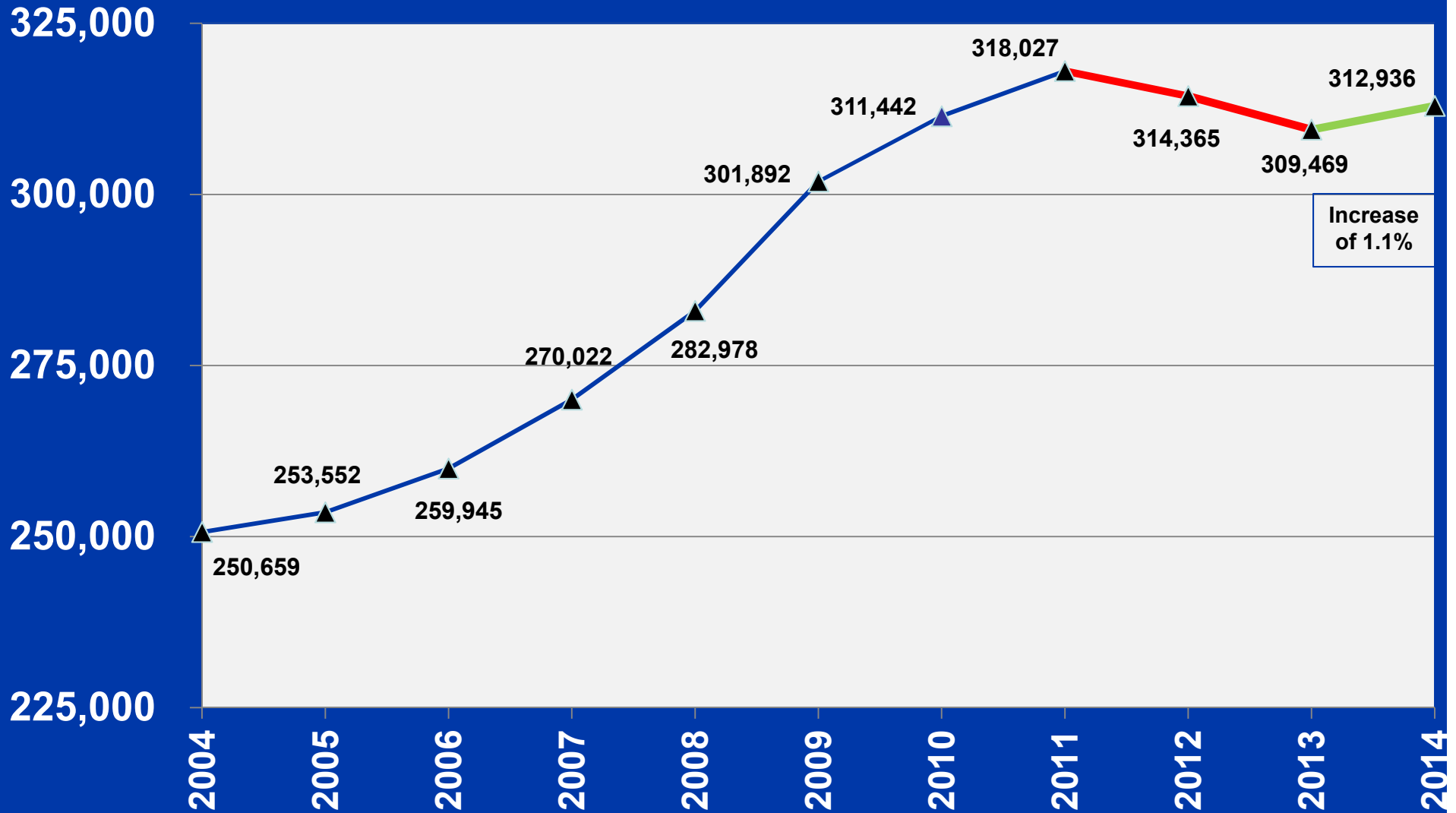
- Revenue Collections
  - Prior Years Growth – Range of 4.5% to 6.0%
  - FY 2017 Likely Growth Estimate of 5%
  - Additional State Funds: Approximately \$1 Billion
- Revenue Shortfall Reserve
  - FY 2007 (\$1.54 Billion) to FY 2009 (\$103.7 Million)
  - Current = \$1.4 Billion (*Audit not final*)
- FY 2016 Amended and FY 2017 Budget Issues:
  - Continue to Rebuild Revenue Shortfall Reserve
  - Healthcare (Medicaid and Health Plans)
  - Education Enrollment Funding
  - Bond Package
  - Salary Adjustments (1% University System = \$20 Million)

# Budget Instructions

- Provided by the Office of Planning and Budget (July 17<sup>th</sup>)
- Request Limited: For most State Agencies the FY 2017 Budget Must Equal the FY 2016 Budget
- Exception: State Education Agencies May Request Workload Increases (Enrollment, M&O and Fringes)
- Other Requests Must Contemplate Redirected Funds
- FY 2016 Amended: No Change to Base Funding

# University System Enrollment

## Fall Headcount Enrollment



# FY 2017 System Request

- Enrollment Funding:
  - 0.39% increase in semester credit hours (1.1% Headcount)
  - Growth: Upper Level and Graduate/Professional Course
  - Decline: Lower Level Courses
  - \$37.62 Million in net additional enrollment funding
- Maintenance and Operations:
  - Additional 1.06 Million Square Feet of Space
  - \$5.89 Million
- Health Insurance:
  - Active and Retired Employees
  - Enrollment and Health Inflation
  - \$11.5 Million



# FY 2017 Formula Request

Enrollment Growth	\$ 37,616,707
M&O Funds - Increased Square Footage	5,899,954
Health Insurance and Retiree Benefits	11,465,677
Warner Robins Military Training Fac. With TCSG	844,950
Reduce Funding Georgia Gwinnett College	<u>(1,375,000)</u>

<b>Total Formula Request</b>	<b>\$ 54,452,288</b>
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# Enrollment Funding Provided By State Fiscal Years 2012 - 2016

FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
\$ 0 State Fund Shortfall	\$ 72,854,149	\$ 62,854,468	\$ 0 Hold Harmless	\$ 7,625,240

# FY 2017 Other Requests

<b>B Units – Health and Retirees</b>	<b>\$ 883,816</b>
<b>Southern Regional Education Board (SREB)</b>	<b><u>37,440</u></b>

<b>Total Other Requests</b>	<b>\$ 912,256</b>
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# FY 2017 Funding Change

**Fiscal Year 2016 State Appropriations**      **\$ 2.020 Billion**

**Formula Increase**      **\$ 54.45 Million**

**Other**      **.92 Million**

**Total Increase (2.7%)**      **\$ 55.37 Million**

**FY 2017 Total Request**      **\$ 2.076 Billion**



# **Board of Regents University System of Georgia**

## **FY 2017 Capital Budget Request**

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# Equipment

<b>ALSU</b>	Academic Building – Fine Arts	\$ 2,100,000
<b>CSU</b>	Academic Core Renovation and Addition (Lenoir)	2,000,000
<b>GCSU</b>	Historic Beeson Hall Renovation	1,000,000
<b>GGC</b>	Building C, Phase 3	1,400,000
<b>SSU</b>	Science & Technology Facilities	2,000,000
<b>UGA</b>	Business Learning Comm, Phase 2	<u>5,900,000</u>
	<b>Subtotal</b>	<b>\$14,400,000</b>

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# Construction

<b>ASU</b>	Health Professions Academic Ctr.	\$ 22,600,000
<b>AMSC</b>	Student Services & Success Ctr.	6,500,000
<b>CLSU</b>	Academic Core Renovations	13,100,000
<b>CSU</b>	Academic Core Renovations and Addition - Schwob	5,900,000
<b>GHC</b>	Student Academic Ctr. – Cartersville	17,700,000
<b>GIT</b>	Renovation of Crosland Tower & Price Gilbert Library	47,400,000
<b>GPC</b>	Alpharetta Labs & Student Learning	5,200,000
<b>UNG</b>	Convocation Center – Dahlonega	29,300,000
<b>UWG</b>	Biology Renovation & Expansion	<u>18,975,000</u>
	<b>Subtotal</b>	<b>\$166,675,000</b>

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# Design

<b>GCSU</b>	Historic Terrell, Kilpatrick & Peabody	\$ 900,000
<b>GGC</b>	Building C, Phase 4	1,100,000
<b>KSU</b>	Academic Learning Ctr. (Kennesaw)	<u>2,500,000</u>
	<b>Subtotal</b>	<b>\$ 4,500,000</b>





## FY 2017 Major Repair and Renovation - \$60,000,000

Critical for USG institutions to meet major repair and renewal needs in instructional buildings and associated infrastructure

- Maintains safety and integrity of critical facilities systems and components
- Enables instructional space to meet changing enrollment and program needs
- Promotes local economies through the use of locally based contractors and designers
- Protects State's capital investment

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# Georgia Public Library System

West Georgia Regional (Carrollton, Carroll County)	\$ 2,000,000
South Georgia Regional (Valdosta, Lowndes County)	2,000,000
Dougherty County Public (Albany, Dougherty County)	2,000,000
Gwinnett County Public (Norcross, Gwinnett County)	2,000,000
Athens Regional (Bogart Public, Oconee County)	1,800,000
Sequoyah Regional (Jasper, Pickens County)	2,000,000
Middle Georgia Regional (Gray, Jones County)	1,300,000
Kinchafoonee Regional (Georgetown, Quitman County Library)	1,041,000
Flint River Regional Library (Milner Public Library, Lamar)	500,000
Statesboro Regional (Richmond Hill, Bryan County)	2,000,000
Major Repair and Rehabilitation	2,500,000
Computer Replacement	<u>2,000,000</u>
<b>Subtotal</b>	<b>\$ 21,141,000</b>

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## FY 2017 Capital Summary

Equipment	\$ 14.4 M
Construction	166.7 M
Design	4.5 M
Major Repair and Renovation	60.0 M
Georgia Libraries	<u>21.1 M</u>
<b>Total</b>	<b>\$ 266.7 M</b>

# Small Capital Projects

(For Consideration By General Assembly)

<b>CCGA</b>	Library Renovation/Expansion	\$ 2,000,000
<b>DLSC</b>	Memorial Hall Addition/Renovation	5,000,000
<b>DRSC</b>	Plant Ops, Warehouse & Public Safety Bldg.	2,900,000
<b>GRU</b>	Academic Space Renovation	4,000,000
<b>GSOU</b>	Network Operations Center II & III	4,500,000
<b>GSU</b>	Kell Hall/Plaza Demolition	5,000,000
<b>GSU</b>	Library North Entrance Renovation	4,200,000
<b>GSC</b>	Student Services Center	3,300,000
<b>MGSU</b>	Peacock Hall Renovation	2,900,000
<b>MGSU</b>	Aviation Renovations & Equipment	4,200,000
<b>UGA</b>	Barn Bio Lab Renovation - Skidaway	3,000,000
<b>UGA</b>	Rock Eagle Cabin Replacement	5,000,000
<b>VSU</b>	Pine Hall Renovation	<u>1,600,000</u>
	Subtotal	<b>\$ 47,600,000</b>



# Board Action Items

- Approval of the FY 2017 Operating Budget Request
- Approval of the FY 2017 Capital Budget Request