THE GOVERNOR'S BUDGET REPORT

FISCAL YEAR 2018

NATHAN DEAL, GOVERNOR
STATE OF GEORGIA

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EDUCATED GEORGIA

K-12 Public Schools

$158,245,151 for enrollment growth and training and experience to recognize a 0.62% increase in enrollment, bringing the total number of full-time equivalent (FTE) students funded in FY 2018 to over 1.74 million students and over 126,000 teachers and administrators.

$85,855,866 for the QBE Equalization program to assist low wealth school systems.

$240,935,000 in bonds for construction and renovation for local school systems.

$7,500,000 in bonds for buses for local school systems.

Department of Early Care and Learning

$5,546,095 in state funds for the Childcare and Parent Services (CAPS) program for tiered reimbursement for Quality Rated childcare providers.

University System

$79,397,200 for resident instruction to reflect an increase in credit hour enrollment, square footage, and employer contributions for health and retirement benefits at University System institutions.

$2,712,913 for the Georgia Center for Early Language and Literacy at Georgia College and State University.

$194,300,000 in bonds for new capital projects as well as major repairs and renovations at all University System institutions.

$5,500,000 in bonds for the renovation of Jenkins Hall at Georgia Military College.

$5,000,000 in bonds for the Georgia Research Alliance for equipment.

$2,000,000 in bonds for major repairs and renovations and technology improvements for public libraries statewide.

$1,500,000 in bonds for infrastructure and equipment replacement and facility repairs and sustainment for the Georgia Public Telecommunications Commission.

Student Finance

$49,849,209 in additional lottery funds to provide a 3% increase in the award amount for the HOPE (public and private schools) scholarships and grants over FY 2017.

$29,418,372 in state funds for growth in the Move on When Ready dual enrollment program.

$3,673,548 in state funds to increase the Tuition Equalization Grants award amount from $900 to $1,000 per year.

$430,000 in lottery funds to develop and maintain a centralized postsecondary grade point average calculation system for HOPE programs.

Technical College System of Georgia

$1,176,611 for the maintenance and operation of additional square footage at system institutions.

$115,860,000 in bonds for new capital projects, as well as repairs, renovations, and equipment at all TCSG institutions.

HEALTHY GEORGIA

Community Health

$48,183,144 for Medicaid, including $38.4 million in new funding for baseline expense growth, $20.8 million for Autism services for children, $17.9 million for primary care and OB/GYN codes, $11 million for the Medicare clawback payment, $4 million to replace Balancing

Incentive Payment Program funds, $2.5 million for Behavioral Health Services for children ages 0 to 5, $1.6 million for Hepatitis C access requirements, $1.4 million for Community Care Services Program (CCSP) waiver wait list reduction, $250,000 for CCSP/SOURCE Medicaid provider rate increase for congregate and home delivered meals, $2.9 million reduction in Medicare Part B funding, and a $46.9 million reduction to state funds to offset an increase in the federal financial participation rate.

$725,511 for additional Graduate Medical Education (GME) slots.

Human Services

$79,558,335 for child welfare services, including $30.9 million for out-of-home care utilization, $11 million for the Integrated Eligibility System, $25.9 million for retention and recruitment of child protective services workers, $3.9 million for state Foster Parent per diem increase, $2.8 million for Foster Parent support services, $2.5 million for CPS Supervisor-Mentor Program, and $2.5 million for additional human resources personnel.

$766,484 for adult protective services supervisors to manage increased elder abuse and neglect caseloads and $4.2 million for 1,000 additional Non-Medicaid Home and Community Based Services slots.

Behavioral Health and Developmental Disabilities

$11,762,894 to reflect a provider rate increase for the Comprehensive Supports Waiver Program (COMP) for individuals with developmental disabilities.

$1,096,912 for 100 additional slots for the New Options Waiver (NOW).

$25,919,214 for 500 additional NOW and Comprehensive waivers, bridge funding and housing vouchers for the Department of Justice (DOJ) settlement extension. $6,000,000 for one Behavioral Health Crisis Center to address emergency crisis needs for individuals with mental illnesses.

$10,731,835 to replace Balancing Incentive Payment Program funds.

Veterans Services

$137,650 for a Women's Veterans Coordinator to work on issues unique to female veterans and $358,996 for four Veterans Benefits Training Officers to work with the Veterans Accountability Courts.

SAFE GEORGIA

Department of Community Supervision

$550,000 to open a Day Reporting Center (DRC) in Gwinnett County to provide additional drug treatment alternatives to prison incarceration in high probation population geographic areas.

Corrections

$3,741,237 to support education initiatives in the state prison system. This includes enhancement of GED programming, expansion of literacy and math instructional software, conversion of part-time academic teaching positions to full-time positions, addition of a regional Career Technical Education (CTE) Social Services Program Consultant, and expansion of the number of vocational and technical programs offered.

$6,302,513 for six months of operating expenses and staffing requirements for the initial opening of Metro State Prison. The facility will serve as a re-entry facility that will support efforts to reduce recidivism and promote successful re-entry of offenders returning to the Metro Atlanta area.

Corrections and Juvenile Justice

$1,000,000 in additional funds for new staff and operating expenses within the Augusta University contract, combined with $20,229,080 in funds transferred from the Department of Juvenile Justice (DJJ) to the Department of Corrections Health Program contract with Augusta University. This will allow for the annualization of transferred nursing and medical staff resulting from the consolidation of Juvenile and Adult physical health services through one contract for efficient and effective shared services in telemedicine, nursing, and electronic health records implementations.

Georgia Bureau of Investigation

$774,861 for salary enhancements for medical examiners and a pathology fellowship program to improve recruitment and retention due to continued vacancies occurring and increasing demand for services.

$3,745,039 to increase funds for grants administered by the Criminal Justice Coordinating Council and determined by the Council of Accountability Court Judges. These funds are for the implementation cost of new courts along with personal services and operating expenses associated with the expansion of all levels of accountability courts to reduce recidivism of offenders through local treatment options.

Public Defender Council

$3,000,000 to annualize increased contracts for conflict cases that were provided for only in the amended budget previously due to continued increased capacity of conflict caseloads.

GROWING GEORGIA

Agriculture

$1,000,000 in bond funds to support facility improvements and repairs.

Soil and Water Conservation Commission

$6,500,000 in bond funds for the rehabilitation of flood control structures.

Department of Community Affairs

$8,000,000 in bond funds for water supply projects through the Georgia Environmental Finance Authority.

Department of Economic Development

$645,000 for three positions ($245,000) and economic development outreach in China ($400,000).

$125,000 for the new visitor information center at Hartsfield-Jackson Atlanta International Airport.

Georgia World Congress Center Authority

$55,000,000 in bond funds for planning, construction, and equipment for a new exhibition facility.

Department of Natural Resources

$16,000,000 in bond funds to support facility improvements and repairs.

$1,670,000 in bond funds to construct two new boat houses and one regional office building to support law enforcement activities.

$10,000,000 in bond funds for land acquisition for the preservation of wildlife and natural resources.

Jekyll Island Authority

$1,600,000 in bond funds for ADA and safety improvements statewide.

RESPONSIBLE AND EFFICIENT GOVERNMENT

Banking and Finance

$226,100 for one licensing technician and three assistant financial examiners.

State Properties Commission

$105,000,000 in bond funds for the construction of a new Judicial Complex Building.

Department of Revenue

$25,000,000 in bond funds and $3,459,028 in state funds for the implementation of the DRIVES system.

Employees' Retirement System of Georgia

$1,428,000 to fully fund the actuarially determined employer contribution for the Public School Employees Retirement System and $359,437 to fully fund the actuarially determined employer contribution for the Georgia Military Pension Fund in order to continue fiscal soundness and sustainability.

MOBILE GEORGIA

Department of Transportation

$162,572,300 in new state general and motor fuel funds for transportation resulting from HB 170 (2015 Session).

$100,000,000 in bond funds for the repair, replacement, and renovation of bridges throughout the state.

State Road and Tollway Authority

$10,000,000 for the operations of the new managed lanes.

Georgia Regional Transportation Authority

$2,000,000 in bond funds for property acquisition and construction of Park and Ride Lots.

EMPLOYEE PAY PACKAGE

$55,429,439 for a 20 percent salary increase for law enforcement officers as well as additional increases for public safety trainers and criminal investigators to reduce turnover and improve recruitment.

$160,105,154 to provide a 2 percent increase to the state base salary schedule for certified personnel, school bus drivers, and school nurses.

$117,425,464 for performance incentives for high-performing employees, employee recruitment, or retention initiatives.

$27,795,342 for salary adjustments for certain identified job classifications within the Department of Defense, Department of Human Services, and Department of Public Health.

Salary Adjustments

Governor's Recommendation for FY 2018

Georgia benefits from the dedicated employees working for the state and in its schools. Recognizing the contributions of employees can help ensure Georgia retains its best employees, recruits new talent, and reduces turnover.

The FY 2018 budget, therefore, includes funds for Executive, Judicial, and Legislative agencies to be used for merit-based pay increases for high-performing current employees, as well as salary adjustments needed to address retention in jobs with high turnover rates and to recruit skilled new employees. The budget also includes additional funding to help the Board of Regents attract premier faculty for Georgia's institutions of higher learning.

Furthermore, the FY 2018 budget includes a recommendation to provide a two percent increase for teacher salaries. Teachers are the gateway to learning, and an investment in our teachers is a direct investment in the future of our state and children. This additional funding will help keep experienced teachers in the classroom.

	Pay Package	Amount
1.	Provide additional funds for personal services for employees of the Executive, Judicial, and Legislative Branches to be used for merit based pay increases for high performing employees in FY 2017 or for salary adjustments needed to attract new employees with critical job skills or retain successful performers in jobs critical to the agency's mission, effective July 1, 2017.	$68,430,778
2.	Provide additional funds to the Quality Basic Education program to provide a two percent increase to the state base salary schedule for certified personnel, school bus drivers, and school nurses effective September 1, 2017.	160,105,154
3.	Provide for a 20% salary adjustment for law enforcement personnel and other adjustments for criminal investigators effective July 1, 2017.	55,429,439
4.	Provide for salary adjustments for certain identified job classifications with the Department of Defense, Department of Human Services, and Department of Public Health.	27,795,342
5.	Provide additional funds for personal services for Regents faculty and staff and public librarians to be used for performance incentives or salary adjustments necessary for employee recruitment and retention initiatives, effective July 1, 2017.	43,042,411
6.	Provide additional funds for personal services for teachers and support personnel with the Technical College System of Georgia to be used for performance incentives or salary adjustments necessary for employee recruitment and retention initiatives effective July 1, 2017.	5,952,275
Total		**$360,755,399**

Note: Amounts for merit based pay adjustments shown herein reflect only the state funds portion of those enhancements. Agencies using federal or other funds either in whole or in part for personal services expenditures are authorized but not required to utilize those fund sources where available to provide merit based pay adjustments equivalent to up to two percent of current personal services expenditures.

The University System of Georgia (USG), through its 29 public colleges and universities, is charged with providing higher education to Georgia residents. USG works to create a more educated Georgia through its core missions of instruction, research, and public service.

INSTRUCTION

USG is comprised of four research universities, four comprehensive universities, 10 state universities, and 11 state colleges.

Access to higher education is critical to the economic development of the state. USG institutions offer doctorate, first professional, masters, baccalaureate, and associate degree programs. USG institutions also offer various one-year and advanced certificate programs. In Fall 2016, USG enrolled 318,086 students, and in FY 2016 granted 62,545 degrees.

RESEARCH

Research is concentrated at four research universities: the University of Georgia, Georgia Institute of Technology, Georgia State University, and Augusta University. Funding for research is derived from the funding formula, federal and private sponsored research, and special state programs, such as the Georgia Tech Research Institute.

Georgia Tech Research Institute (GTRI) is a research component of the Georgia Institute of Technology. GTRI uses science and engineering expertise to solve some of the toughest problems facing government and industry across the nation and around the globe.

PUBLIC SERVICE

The University System of Georgia offers direct service to farmers, businesses, industry, and communities through continuing education, public service institutes, and special services and organizations, such as the Enterprise Innovation Institute and Cooperative Extension Service.

The Enterprise Innovation Institute (EII) encourages industrial and economic development by providing an extension service that meets the technical and informational needs of industry and local development groups. EII also provides support for new technology companies.

The Cooperative Extension Service (CES) assists Georgia farmers through a network of county extension agents who share information and research developed through the Agricultural Experiment Stations. CES also offers useful and practical information to the people of Georgia on subjects related to natural resources, home economics, youth development, rural development, and family support.

OTHER ACTIVITIES

The Board of Regents also oversees the Georgia Public Library Service (GPLS) which provides guidance, consulting services, training, technology services, information, and materials and handles the disbursement of state and federal funds to meet the needs of the public libraries serving local communities throughout the state. There are 63 public library systems that operate 403 public libraries statewide. In addition, GPLS operates the state's library for the blind and physically disabled.

ATTACHED AGENCIES

The Georgia Public Telecommunications Commission (GPTC) provides a nine-station television and 18-station radio network designed to meet the educational, cultural and informational needs of Georgia residents. Additionally, GPTC provides electronically delivered classroom support for all Georgia learners.

The Georgia Military College (GMC) is a liberal arts college located in Milledgeville with six satellite campuses including an online campus, and five additional extension centers across the state. GMC also runs a preparatory school for grades 6-12.

AUTHORITY

Titles 12, 20, 49, and 50 of the Official Code of Georgia Annotated.

Department Budget Summary	FY 2017 Current Budget	Changes	FY 2018 Recommendation
State General Funds	$2,145,702,074	$152,964,404	$2,298,666,478
TOTAL STATE FUNDS	**$2,145,702,074**	**$152,964,404**	**$2,298,666,478**
Other Funds	5,225,009,688	0	5,225,009,688
TOTAL OTHER FUNDS	**$5,225,009,688**	**$0**	**$5,225,009,688**
Total Funds	**$7,370,711,762**	**$152,964,404**	**$7,523,676,166**

Agricultural Experiment Station

Purpose: The purpose of this appropriation is to improve production, processing, new product development, food safety, storage, and marketing to increase profitability and global competitiveness of Georgia's agribusiness.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$582,061
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	607,478
3.	Increase funds for the employer share of health insurance ($78,495) and retiree health benefits ($85,224).	163,719
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	786,586
5.	Increase funds for personal services to annualize the ruminant nutritionist and row crop physiologist positions.	84,000
	Total Change	**$2,223,844**

Athens/Tifton Veterinary Laboratories

Purpose: The purpose of this appropriation is to provide diagnostic services, educational outreach, and consultation for veterinarians and animal owners to ensure the safety of Georgia's food supply and the health of Georgia's production, equine, and companion animals.

Recommended Change:

1.	No change.	$0
	Total Change	**$0**

Cooperative Extension Service

Purpose: The purpose of this appropriation is to provide training, educational programs, and outreach to Georgians in agricultural, horticultural, food, and family and consumer sciences, and to manage the 4-H youth program for the state.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$509,854
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	684,406

3.	Increase funds for the employer share of health insurance ($101,993) and retiree health benefits ($149,940).	251,933
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	702,864
5.	Increase funds for personal services to annualize the viticulturist, grain crop agronomist, and vegetable pathologist positions.	126,000
6.	Transfer funds and eight positions from the State Soil and Water Conservation Commission program in the Department of Agriculture.	553,019
	Total Change	**$2,828,076**

Enterprise Innovation Institute

Purpose: The purpose of this appropriation is to advise Georgia manufacturers, entrepreneurs, and government officials on best business practices and technology-driven economic development, and to provide the state share to federal incentive and assistance programs for entrepreneurs and innovative businesses.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$122,140
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	37,100
3.	Increase funds for the employer share of health insurance.	8,575
	Total Change	**$167,815**

Forestry Cooperative Extension

Purpose: The purpose of this appropriation is to provide funding for faculty to support instruction and outreach about conservation and sustainable management of forests and other natural resources.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$11,729
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	16,191
3.	Increase funds for the employer share of health insurance.	1,691
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	19,735
	Total Change	**$49,346**

Forestry Research

Purpose: The purpose of this appropriation is to conduct research about economically and environmentally sound forest resources management and to assist non-industrial forest landowners and natural resources professionals in complying with state and federal regulations.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$44,554
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	49,824
3.	Increase funds for the employer share of health insurance ($6,464) and retiree health benefits ($10,104).	16,568
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	71,814
	Total Change	**$182,760**

Georgia Archives

Purpose: The purpose of this appropriation is to maintain the state's archives; document and interpret the history of the Georgia State Capitol building; and assist State Agencies with adequately documenting their activities, administering their records management programs, scheduling their records, and transferring their non-current records to the State Records Center.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$24,127
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	15,426
3.	Increase funds for the employer share of health insurance.	2,817
	Total Change	**$42,370**

Georgia Radiation Therapy Center

Purpose: The purpose of this appropriation is to provide care and treatment for cancer patients and to administer baccalaureate programs in Medical Dosimetry and Radiation Therapy.

Recommended Change:

1.	No change.	$0
	Total Change	**$0**

Georgia Research Alliance

Purpose: The purpose of this appropriation is to expand research and commercialization capacity in public and private universities in Georgia to launch new companies and create jobs.

Recommended Change:

1.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	$6,882
2.	Increase funds for the employer share of health insurance.	910
	Total Change	**$7,792**

Georgia Tech Research Institute

Purpose: The purpose of this appropriation is to provide funding to laboratories and research centers affiliated with the Georgia Institute of Technology whose scientific, engineering, industrial, or policy research promotes economic development, health, and safety in Georgia.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$85,775
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	12,300
3.	Increase funds for the employer share of health insurance ($17,275) and retiree health benefits ($145,710).	162,985
	Total Change	**$261,060**

Marine Institute

Purpose: The purpose of this appropriation is to support research on coastal processes involving the unique ecosystems of the Georgia coastline and to provide access and facilities for graduate and undergraduate classes to conduct field research on the Georgia coast.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$11,567
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	13,219
3.	Increase funds for the employer share of health insurance.	2,276
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	24,502
	Total Change	**$51,564**

Marine Resources Extension Center

Purpose: The purpose of this appropriation is to fund outreach, education, and research to enhance coastal environmental and economic sustainability.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$19,493
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	24,264
3.	Increase funds for the employer share of health insurance.	3,395
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	57,215
	Total Change	**$104,367**

Medical College of Georgia Hospital and Clinics

Purpose: The purpose of this appropriation is to provide medical education and patient care, including ambulatory, trauma, cancer, neonatal intensive, and emergency and express care.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$553,693
	Total Change	**$553,693**

Public Libraries

Purpose: The purpose of this appropriation is to award grants from the Public Library Fund, promote literacy, and provide library services that facilitate access to information for all Georgians regardless of geographic location or special needs.

Recommended Change:

1.	Provide funds for merit-based pay adjustments and employee recruitment and retention initiatives effective July 1, 2017.	$501,850
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	492,794
3.	Reflect an adjustment to agency premiums for Department of Administrative Services administered self insurance programs.	(4,654)
4.	Increase funds for the employer share of health insurance.	3,137
	Total Change	**$993,127**

Public Service/Special Funding Initiatives

Purpose: The purpose of this appropriation is to fund leadership, service, and education initiatives that require funding beyond what is provided by formula.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$304,650
2.	Increase funds for the employer share of health insurance.	23,232
3.	Provide funds for the Georgia Center for Early Language and Literacy at Georgia College and State University.	2,712,913
4.	Transfer funds for 83 new residency slots to the Georgia Board for Physician Workforce: Graduate Medical Education program in the Department of Community Health.	(1,228,418)
	Total Change	**$1,812,377**

Regents Central Office

Purpose: The purpose of this appropriation is to provide administrative support to institutions of the University System of Georgia and to fund membership in the Southern Regional Education Board.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$74,348
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	39,828
3.	Reflect an adjustment to agency premiums for Department of Administrative Services administered self insurance programs.	37,610
4.	Increase funds for the employer share of health insurance.	6,296
5.	Increase funds for the Southern Regional Education Board to reflect FY 2018 dues and contracts amounts.	33,591
	Total Change	**$191,673**

Skidaway Institute of Oceanography

Purpose: The purpose of this appropriation is to fund research and educational programs regarding marine and ocean science and aquatic environments.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$17,103
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	16,552
3.	Increase funds for the employer share of health insurance ($1,537) and retiree health benefits ($18,636).	20,173
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	36,619
	Total Change	**$90,447**

Teaching

Purpose: The purpose of this appropriation is to provide funds to the Board of Regents for annual allocations to University System of Georgia institutions for student instruction and to establish and operate other initiatives that promote, support, or extend student learning.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$40,131,243
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	34,688,783
3.	Reflect an adjustment to agency premiums for Department of Administrative Services administered self insurance programs.	(2,099,162)
4.	Increase funds for the employer share of health insurance ($5,206,998) and retiree health benefits ($4,069,520).	9,276,518
5.	Transfer funds for prior year University of Georgia merit-based pay adjustments to their respective programs: Agricultural Experiment Station, Cooperative Extension Service, Forestry Cooperative Extension, Forestry Research, Marine Institute, Marine Resources Extension Center, Skidaway Institute of Oceanography, Veterinary Medicine Experiment Station, and Veterinary Medicine Teaching Hospital.	(1,790,944)
6.	Transfer funds for prior year University of Georgia merit-based pay adjustments to the Athens and Tifton Veterinary Laboratories program in the Department of Agriculture.	(71,200)
7.	Increase funds to reflect the change in enrollment ($66,695,501) and square footage ($3,425,181) at University System of Georgia institutions.	70,120,682
8.	Reduce funds for Georgia Gwinnett College (GGC) to reflect year four of the seven year plan to eliminate the GGC Special Funding Initiative.	(1,375,000)
9.	Adjust the debt service payback amount for projects constructed at Georgia State University ($989,778) and Kennesaw State University ($723,814).	1,713,592
10.	Eliminate funds for facility major improvements and renovations, statewide.	(8,000,000)
11.	Eliminate funds for a legislative commission on government structure.	(25,000)
	Total Change	**$142,569,512**

Veterinary Medicine Experiment Station

Purpose: The purpose of this appropriation is to coordinate and conduct research at the University of Georgia on animal disease problems of present and potential concern to Georgia's livestock and poultry industries and to provide training and education in disease research, surveillance, and intervention.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$40,741
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	43,061
3.	Increase funds for the employer share of health insurance ($5,265) and retiree health benefits ($13,152).	18,417
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	74,027
	Total Change	**$176,246**

Veterinary Medicine Teaching Hospital

Purpose: The purpose of this appropriation is to provide clinical instruction for veterinary medicine students, support research that enhances the health and welfare of production and companion animals in Georgia, and address the shortage of veterinarians in Georgia and the nation.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$7,483
2.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	7,491
3.	Increase funds for the employer share of health insurance ($1,160) and retiree health benefits ($4,692).	5,852
4.	Transfer funds for prior year University of Georgia merit-based pay adjustments from the Teaching program.	17,582
	Total Change	**$38,408**

Agencies Attached for Administrative Purposes:

Payments to Georgia Military College

Purpose: The purpose of this appropriation is to provide quality basic education funding for grades six through twelve at Georgia Military College's Junior Military College and preparatory school.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$139,983
2.	Increase funds to reflect an adjustment in the employer share of the Employees' Retirement System.	145
3.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	127,780
4.	Reflect an adjustment to agency premiums for Department of Administrative Services administered self insurance programs.	(14,505)
5.	Increase funds for enrollment growth and training and experience at the Georgia Military College Preparatory School.	275,895
	Total Change	**$529,298**

Payments to Georgia Public Telecommunications Commission

Purpose: The purpose of this appropriation is to create, produce, and distribute high quality programs and services that educate, inform, and entertain audiences, and enrich the quality of their lives.

Recommended Change:

1.	Provide funds for merit-based pay adjustments, employee recruitment, or retention initiatives effective July 1, 2017.	$130,457
2.	Increase funds to reflect an adjustment in the employer share of the Employees' Retirement System.	4,610
3.	Increase funds to reflect an adjustment in the employer share of the Teachers Retirement System from 14.27% to 16.81%.	4,093
4.	Reflect an adjustment to agency premiums for Department of Administrative Services administered self insurance programs.	(50,037)
5.	Reflect an adjustment in merit system assessments.	1,506
	Total Change	**$90,629**

Board of Regents

Department Financial Summary

Program/Fund Sources	FY 2015 Expenditures	FY 2016 Expenditures	FY 2017 Current Budget	FY 2018 Agency Request Total	FY 2018 Governor's Recommendation
Agricultural Experiment Station	$81,151,254	$89,685,271	$76,316,106	$77,102,692	$78,539,950
Athens/Tifton Veterinary Laboratories	5,960,364	6,480,199	6,511,331	6,511,331	6,511,331
Cooperative Extension Service	64,108,406	67,665,372	66,164,828	66,867,692	68,992,904
Enterprise Innovation Institute	18,155,284	17,942,299	30,242,678	30,242,678	30,410,493
Forestry Cooperative Extension	784,693	1,248,651	1,429,890	1,449,625	1,479,236
Forestry Research	13,289,602	13,322,355	12,975,989	13,047,803	13,158,749
Georgia Archives	5,431,070	5,575,439	5,572,554	5,572,554	5,614,924
Georgia Radiation Therapy Center	0	4,466,022	4,236,754	4,236,754	4,236,754
Georgia Research Alliance	0	0	5,097,451	5,097,451	5,105,243
Georgia Tech Research Institute	353,256,898	364,320,633	412,036,514	412,036,514	412,297,574
Marine Institute	1,185,580	1,470,831	1,428,336	1,452,838	1,479,900
Marine Resources Extension Center	2,450,781	2,646,182	2,613,351	2,670,566	2,717,718
Medical College of Georgia Hospital and Clinics	28,569,119	28,840,775	29,838,518	29,838,518	30,392,211
Public Libraries	36,838,824	37,461,676	40,846,407	40,886,114	41,839,534
Public Service/Special Funding Initiatives	26,685,305	34,286,423	23,059,638	23,059,638	24,872,015
Regents Central Office	11,535,776	11,946,827	12,063,606	12,097,197	12,255,279
Skidaway Institute of Oceanography	5,318,540	5,555,583	5,098,197	5,134,816	5,188,644
Teaching	6,084,757,831	6,366,906,754	6,594,713,057	6,710,105,480	6,737,282,569
Veterinary Medicine Experiment Station	2,618,043	2,723,823	2,707,032	2,781,059	2,883,278
Veterinary Medicine Teaching Hospital	15,934,522	16,571,513	17,427,418	17,445,000	17,465,826
SUBTOTAL	**$6,758,031,892**	**$7,079,116,628**	**$7,350,379,655**	**$7,467,636,320**	**$7,502,724,132**
(Excludes Attached Agencies)					
Attached Agencies					
Payments to Georgia Military College	2,329,780	3,547,852	5,178,401	5,178,401	5,707,699
Payments to Georgia Public Telecommunications Commission	14,690,162	14,997,510	15,153,706	15,153,706	15,244,335
SUBTOTAL (ATTACHED AGENCIES)	**$17,019,942**	**$18,545,362**	**$20,332,107**	**$20,332,107**	**$20,952,034**
Total Funds	**$6,775,051,834**	**$7,097,661,990**	**$7,370,711,762**	**$7,487,968,427**	**$7,523,676,166**
Less:					
Other Funds	4,835,080,893	5,076,001,424	5,225,009,688	5,225,009,688	5,225,009,688
Prior Year State Funds	0	803,326	0	0	0
SUBTOTAL	**$4,835,080,893**	**$5,076,804,750**	**$5,225,009,688**	**$5,225,009,688**	**$5,225,009,688**
State General Funds	1,939,970,941	2,020,610,082	2,145,702,074	2,262,958,739	2,298,666,478
Tobacco Settlement Funds	0	247,158	0	0	0
TOTAL STATE FUNDS	**$1,939,970,941**	**$2,020,857,240**	**$2,145,702,074**	**$2,262,958,739**	**$2,298,666,478**

Board of Regents

Program Budget Financial Summary

Department Budget Summary	FY 2017 Current Budget	Changes	FY 2018 Recommendation
State General Funds	$2,145,702,074	$152,964,404	$2,298,666,478
TOTAL STATE FUNDS	**$2,145,702,074**	**$152,964,404**	**$2,298,666,478**
Other Funds	5,225,009,688	0	5,225,009,688
TOTAL OTHER FUNDS	**$5,225,009,688**	**$0**	**$5,225,009,688**
Total Funds	**$7,370,711,762**	**$152,964,404**	**$7,523,676,166**

	FY 2017 Current Budget	Changes	FY 2018 Recommendation
Agricultural Experiment Station			
State General Funds	$38,763,187	$2,223,844	$40,987,031
Other Funds	37,552,919	0	37,552,919
TOTAL FUNDS	**$76,316,106**	**$2,223,844**	**$78,539,950**
Athens/Tifton Veterinary Laboratories			
Other Funds	$6,511,331	$0	$6,511,331
TOTAL FUNDS	**$6,511,331**	**$0**	**$6,511,331**
Cooperative Extension Service			
State General Funds	$34,830,899	$2,828,076	$37,658,975
Other Funds	31,333,929	0	31,333,929
TOTAL FUNDS	**$66,164,828**	**$2,828,076**	**$68,992,904**
Enterprise Innovation Institute			
State General Funds	$19,342,678	$167,815	$19,510,493
Other Funds	10,900,000	0	10,900,000
TOTAL FUNDS	**$30,242,678**	**$167,815**	**$30,410,493**
Forestry Cooperative Extension			
State General Funds	$853,902	$49,346	$903,248
Other Funds	575,988	0	575,988
TOTAL FUNDS	**$1,429,890**	**$49,346**	**$1,479,236**
Forestry Research			
State General Funds	$2,725,563	$182,760	$2,908,323
Other Funds	10,250,426	0	10,250,426
TOTAL FUNDS	**$12,975,989**	**$182,760**	**$13,158,749**
Georgia Archives			
State General Funds	$4,678,137	$42,370	$4,720,507
Other Funds	894,417	0	894,417
TOTAL FUNDS	**$5,572,554**	**$42,370**	**$5,614,924**
Georgia Radiation Therapy Center			
Other Funds	$4,236,754	$0	$4,236,754
TOTAL FUNDS	**$4,236,754**	**$0**	**$4,236,754**
Georgia Research Alliance			
State General Funds	$5,097,451	$7,792	$5,105,243
TOTAL FUNDS	**$5,097,451**	**$7,792**	**$5,105,243**
Georgia Tech Research Institute			
State General Funds	$5,810,979	$261,060	$6,072,039
Other Funds	406,225,535	0	406,225,535
TOTAL FUNDS	**$412,036,514**	**$261,060**	**$412,297,574**
Marine Institute			
State General Funds	$942,055	$51,564	$993,619
Other Funds	486,281	0	486,281

	FY 2017 Current Budget	Changes	FY 2018 Recommendation
TOTAL FUNDS	**$1,428,336**	**$51,564**	**$1,479,900**
Marine Resources Extension Center			
State General Funds	$1,267,822	$104,367	$1,372,189
Other Funds	1,345,529	0	1,345,529
TOTAL FUNDS	**$2,613,351**	**$104,367**	**$2,717,718**
Medical College of Georgia Hospital and Clinics			
State General Funds	$29,838,518	$553,693	$30,392,211
TOTAL FUNDS	**$29,838,518**	**$553,693**	**$30,392,211**
Public Libraries			
State General Funds	$36,208,155	$993,127	$37,201,282
Other Funds	4,638,252	0	4,638,252
TOTAL FUNDS	**$40,846,407**	**$993,127**	**$41,839,534**
Public Service/Special Funding Initiatives			
State General Funds	$23,059,638	$1,812,377	$24,872,015
TOTAL FUNDS	**$23,059,638**	**$1,812,377**	**$24,872,015**
Regents Central Office			
State General Funds	$12,063,606	$191,673	$12,255,279
TOTAL FUNDS	**$12,063,606**	**$191,673**	**$12,255,279**
Skidaway Institute of Oceanography			
State General Funds	$1,297,577	$90,447	$1,388,024
Other Funds	3,800,620	0	3,800,620
TOTAL FUNDS	**$5,098,197**	**$90,447**	**$5,188,644**
Teaching			
State General Funds	$1,905,455,350	$142,569,512	$2,048,024,862
Other Funds	4,689,257,707	0	4,689,257,707
TOTAL FUNDS	**$6,594,713,057**	**$142,569,512**	**$6,737,282,569**
Veterinary Medicine Experiment Station			
State General Funds	$2,707,032	$176,246	$2,883,278
TOTAL FUNDS	**$2,707,032**	**$176,246**	**$2,883,278**
Veterinary Medicine Teaching Hospital			
State General Funds	$427,418	$38,408	$465,826
Other Funds	17,000,000	0	17,000,000
TOTAL FUNDS	**$17,427,418**	**$38,408**	**$17,465,826**
Agencies Attached for Administrative Purposes:			
Payments to Georgia Military College			
State General Funds	$5,178,401	$529,298	$5,707,699
TOTAL FUNDS	**$5,178,401**	**$529,298**	**$5,707,699**
Payments to Georgia Public Telecommunications Commission			
State General Funds	$15,153,706	$90,629	$15,244,335
TOTAL FUNDS	**$15,153,706**	**$90,629**	**$15,244,335**

Georgia General Obligation Debt Sinking Fund

Department Financial Summary

Program/Fund Sources	FY 2015 Expenditures	FY 2016 Expenditures	FY 2017 Current Budget	FY 2018 Agency Request Total	FY 2018 Governor's Recommendation
GO Bonds Issued	$1,104,465,030	$1,081,231,108	$1,117,021,234	$1,117,021,234	$1,127,688,266
GO Bonds New	98,139,142	117,313,492	106,033,658	106,033,658	105,845,576
SUBTOTAL	**$1,202,604,172**	**$1,198,544,600**	**$1,223,054,892**	**$1,223,054,892**	**$1,233,533,842**
Total Funds	**$1,202,604,172**	**$1,198,544,600**	**$1,223,054,892**	**$1,223,054,892**	**$1,233,533,842**
Less:					
Federal Funds	0	20,010,633	20,210,678	20,210,678	20,210,678
Federal Recovery Funds	18,260,833	0	0	0	0
Prior Year State Funds	167,924,718	65,244,777	0	0	0
SUBTOTAL	**$186,185,551**	**$85,255,410**	**$20,210,678**	**$20,210,678**	**$20,210,678**
Motor Fuel Funds	121,626,298	0	0	0	0
State General Funds	894,792,323	1,113,289,190	1,202,844,214	1,202,844,214	1,213,323,164
TOTAL STATE FUNDS	**$1,016,418,621**	**$1,113,289,190**	**$1,202,844,214**	**$1,202,844,214**	**$1,213,323,164**

Georgia General Obligation Debt Sinking Fund

Program Budget Financial Summary

Department Budget Summary	FY 2017 Current Budget	Changes	FY 2018 Recommendation
State General Funds	$1,202,844,214	$10,478,950	$1,213,323,164
TOTAL STATE FUNDS	**$1,202,844,214**	**$10,478,950**	**$1,213,323,164**
Federal Funds Not Itemized	20,210,678	0	20,210,678
TOTAL FEDERAL FUNDS	**$20,210,678**	**$0**	**$20,210,678**
Total Funds	**$1,223,054,892**	**$10,478,950**	**$1,233,533,842**

	FY 2017 Current Budget	Changes	FY 2018 Recommendation
GO Bonds Issued			
State General Funds	$1,096,810,556	$10,667,032	$1,107,477,588
Federal Funds Not Itemized	20,210,678	0	20,210,678
TOTAL FUNDS	**$1,117,021,234**	**$10,667,032**	**$1,127,688,266**
GO Bonds New			
State General Funds	$106,033,658	($188,082)	$105,845,576
TOTAL FUNDS	**$106,033,658**	**($188,082)**	**$105,845,576**

Bond Projects	Term	Authorized Principal	Debt Service
New Projects Recommended by Policy Area			
Educated Georgia			
State Board of Education / Department of Education			
1. Capital Outlay Program - Regular for local school construction, statewide.	20	$161,915,000	$13,859,924
2. Capital Outlay Program - Regular Advance for local school construction, statewide.	20	56,380,000	4,826,128
3. Capital Outlay Program - Low-Wealth for local school construction, statewide.	20	22,640,000	1,937,984
4. Purchase school buses, statewide.	10	7,500,000	996,000
Subtotal Department of Education		$248,435,000	$21,620,036
Board of Regents, University System of Georgia			
1. Facility major improvements and renovations, statewide.	20	$50,000,000	$4,280,000
2. Equipment for the new student services and success center, Atlanta Metropolitan State College, Atlanta, Fulton County.	5	800,000	185,120
3. Equipment for LeNoir Hall renovations and additions, Columbus State University, Columbus, Muscogee County.	5	2,000,000	462,800
4. Equipment for the new academic building, Georgia Highlands College, Cartersville, Bartow County.	5	2,600,000	601,640
5. Equipment for new convocation center and renovation of Memorial Hall, University of North Georgia, Dahlonega, Lumpkin County.	5	1,100,000	254,540
6. Equipment for the renovation and expansion of the Biology Building, University of West Georgia, Carrollton, Carroll County.	5	2,100,000	485,940
7. Construction of the new health professions academic center and of the renovation of Ashmore Hall, Armstrong State University, Savannah, Chatham County.	20T	22,000,000	1,997,600
8. Construction of academic core renovations, Clayton State University, Morrow, Clayton County.	20	6,900,000	590,640
9. Construction of the renovation of Terrell Hall and Kilpatrick Hall, Georgia College and State University, Milledgeville, Baldwin County.	20	11,500,000	984,400
10. Construction of Phase IV addition to Academic Building C, Georgia Gwinnett College, Lawrenceville, Gwinnett County.	20	11,500,000	984,400
11. Construction and equipment for the renovation of the Price Gilbert Library and Crosland Tower complex, Georgia Institute of Technology, Atlanta, Fulton County.	20	47,000,000	4,023,200
12. Design and construction of Phase III of the Terry College Business Learning Center, University of Georgia, Athens, Clarke County.	20	18,000,000	1,540,800
13. Design of the Carlton Library Renovation and Fine Arts Building, Abraham Baldwin Agricultural College, Tifton, Tift County.	5	1,600,000	370,240
14. Design of the new College of Science and Math Building, Augusta University, Augusta, Richmond County.	5	4,500,000	1,041,300
15. Planning and design of new Center for Engineering and Research, Georgia Southern University, Statesboro, Bulloch County.	5	4,900,000	1,133,860
16. Design, construction and equipment for the renovation of Hanner Complex, Georgia Southern University, Statesboro, Bulloch County.	20	5,000,000	428,000
17. Aviation equipment, Middle Georgia State University, multiple locations.	5	2,800,000	647,920
18. Major repairs and renovations for public libraries, Georgia Public Library Service, statewide.	5	1,000,000	231,400
19. Technology improvements and replacement for public libraries, Georgia Public Library Service, statewide.	5	1,000,000	231,400
20. Infrastructure and equipment replacement and facility repairs and sustainment, Georgia Public Telecommunications Commission, Atlanta, Fulton County.	5T	1,500,000	347,100
21. Purchase equipment and fund GRA research and development infrastructure, Georgia Research Alliance, multiple locations.	5T	5,000,000	1,157,000