

Guidelines for Fiscal 2021 Budget Submissions

Executive Summary

Georgia Tech is continuing its *priority-based budgeting process* in preparation for Fiscal 2021. The process is intended to address future resource challenges by ensuring that the current base budget funding is being targeted to the highest priorities. The resource challenges continue to be the following:

- Tuition and fee considerations – Due to the continued efforts to maintain affordability for our students it is best to plan for minimal tuition and fee adjustments in Fiscal 2021.
- Extensive demands compared to limited resource growth potential – Current and future funding demands include the following:
 - New faculty and other teaching resources to address enrollment growth, instructional quality, and faculty support;
 - Student mental health services, including counseling and psychiatric services;
 - Institutional support for GRA/GTAs;
 - Other student support services, including student health and well-being and improved student progression;
 - Institutional mandatory, “must pay” items next year, especially – retention of top faculty and staff, faculty start-up and cost sharing, facilities operations and maintenance, mission critical IT maintenance contracts and software, research data protection, and research equipment refreshment.
- State resources – Georgia Tech is grateful to have received an increase in our State Appropriation for each of the last eight years. We will probably not know our state allocation from the Board of Regents (BOR) until its April Board meeting, following the General Assembly’s and Governor’s approval of the state Appropriations Act for Fiscal 2021. It is important to note that the Governor has included three very positive funding items in the University System of Georgia budget recommended to the Legislature:
 - Full funding of the state funding formula portion based on enrollment;
 - Full funding of the state formula based on added facility square footage;
 - State funding to provide a \$1,000 pay raise to full-time, regular employees with current salaries of \$40,000 or less.

NOTE: The Governor did not include merit funding in his recommendation. The Institute will issue guidelines, if applicable, as soon as information is available.

Budget Planning with Individual Executive Leadership Team Members

(February through early March)

The Fiscal 2021 budget process begins with the individual Executive Leadership Team (ELT) members' budget planning reviews with their direct reports, as indicated in the attached calendar (*Attachment A*). The ELT is comprised of the President, Provost, Executive Vice President for Research, Executive Vice President for Administration and Finance, and the Senior Vice President for Strategic Initiatives & Chief of Staff. Each executive will provide more detailed guidance to their respective division heads for this preliminary planning effort. The focus of this initial planning process will be on enhancing educational and support services for students and on research support, with the following five components:

1. Review of updated performance data and college/division strategic plans;
2. Evaluation of results from new funding allocated in the current fiscal year;
3. New initiatives or program expansion proposals (link to form on page 3);
4. Enhanced revenue opportunities, with an emphasis on affordability for students and their families;
5. Details of the impact to the division from the recently approved Comprehensive Administrative Review (CAR).

Comprehensive Administrative Review

Georgia Tech's CAR action plan was recently approved by University System of Georgia Chancellor, Dr. Steve Wrigley. The approved plan:

- Redirects resources toward improving student affordability, access, and the quality of experience for our students;
- Will help the Institute achieve greater long-term efficiency and effectiveness of administrative operations.

Details of the CAR redirection plan are in the process of being distributed to each Executive Leadership Team (ELT) member, along with instructions to summarize the impact to the unit and budget for FY 21. Due to the large amount of redirections in the CAR, and to avoid possible duplications, units are not required to complete an additional redirection exercise in FY 21.

Budget Planning Presentations to the Full Executive Leadership Team

(First Two Weeks of March)

As in previous years, the entire Executive Leadership Team will receive planning documents and verbal presentations from each dean and other division heads. These presentations should be developed in light of the planning conducted between the division head and his ELT member. The focuses should be the following four areas:

1. Strategic initiatives and basis for programmatic priorities (non-monetary);
 2. Brief summary on how funds allocated to the division in FY 20 have been utilized (and/or plan to be utilized) to the benefit of instruction and research efforts and how the efforts relate to the existing Georgia Tech Strategic Plan;
 3. cursory review of prioritized program expansion and new initiatives proposed for FY 21 – new funding proposed and funding from the division’s internal budget to be applied;
 4. Summary of the impact to the division from the recently approved Comprehensive Administrative Review (CAR) Action Plan, if appropriate.
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List of Required Budget Documents

- ✓ “[Program Expansion Form](#)” – In-depth justification of any new program initiatives or significant expansion of current programs;
- ✓ “[Form 1](#)” – Base budget Computation Form initiated by Budget Office and adjusted by unit for internal funding shifts;
- ✓ “[Form 2](#)” – Summary of new request items;
- ✓ Presentation to the ELT (no specific format defined) on the three topics noted in the previous section.

NOTE: See Attachment B for description of forms and the links for the form templates.

Georgia Tech Budget Calendar - FY21 Preparation
Fiscal Years 2020 and 2021

FY20 & 21 When	What	Who
July 11, 2019	- Submission of projection data & budget development templates to BOR: - Projected new square footage	- Budget Office - Capital Plg & Space Mgt
	- Projected health insurance and retiree fringe benefits (M&O due July 9th)	- Office of Human Resources
September 2019	- Budget Hearing instructions issued	- BOR
October 2019	- Revenue projection instructions issued	- BOR
November 20, 2019	- Submission of budget data and narratives to BOR	- Budget Office, Institute Research & Planning (IRP) - Ofc of the President
December 18, 2019	- Revenue projections to BOR	- Budget Office
January 27, 2020	- Preliminary calendar and budget instructions issued to campus - Update of current/future year financial projections and budget outlook	- Budget Office
February 2020	- Updated enrollment and other workload/performance data to ELT	- Budget Office - Institutional Research & Planning
	- Submissions/planning meetings required with individual ELT members:	
	• Review of updated performance data & college/division strategic plans	
	• Evaluation of results from new funding allocated in current year	- Deans & other Division Heads
	• New program or program expansion proposals	- Individual ELT Members
February through early March 2020	• Funding re-direction to address administrative improvements	
	• Enhanced revenue opportunities	
February through early March 2020	- Review of updated performance measures, revenue projections, "must pay" items, and overall budget outlook	- Executive Leadership Team
	- ELT members determination of priorities for program expansion & funding reallocations	- Budget Office
1st two Weeks of March 2020	- Distribution/confirmation of base budget figures (via "Form 1")	- Budget Office
	- Budget kickoff session for H.R. reps and H.R. business partners	- Campus Units
	- Preliminary GT pay adjustment guidelines issued (per BOR and ELT)	
March 2, 2020	- Unit submissions of final Form 2 requests and backup documents to ELT	- Campus Units
	- Submission of Form 2A for items tentatively pre-approved by ELT	- Executive Leadership Team
1st Week in March 2020		- Budget Office
	- Budget kickoff session for oneBudget users and division finance directors	- Campus Units
3 Working Days before Strategic Planning Mtgs	- Submission of full presentations to <u>Budget Office's assigned budget analyst</u> for strategic planning meetings with Executive Leadership Team	- Campus Units
March 2,9,16, 2020		- Deans/Other Division Heads
	- Strategic planning and budget presentation meetings	- Executive Leadership Team
March 27, 2020	- Budget hearing with Chancellor	- President & ELT - Selected other Staff
Late March, early April 2020	- Approval of Appropriations Bill (pending Governor's vetoes)	- General Assembly
April 6, 2020		- ELT
	- ELT approval of redirections and increases pending final BOR allocation and tuition/fee approvals	- Budget Office
2nd Week in April 2020		- Budget Office
	- Communication of preliminary allocations and redirections to units - Form 1 revisions to campus units based on March BA & FY20 decisions	
April 7, 8, 13, 14, 2020	- Optional hands-on budget workshops for oneBudget users	- Budget Office
April 9, 2020		- Budget Office
	- oneBudget system open to campus	
	- Final salary plans available to campus units via OneBudget (Bud707) - Detailed Budget instructions and merit policy to campus units	
April 14, 2020		- Board of Regents (pending General Assembly Appropriations Act approval)
	- Approval of: state allocations, tuition levels, mandatory/other fees	
	- Approval of merit raise policy - Approval/acceptance of elective fees proposals	
Late April 2020	- Final budget approval/allocations to units for Original Budget	- Office of the President
April 24, 2020	- Detailed Original Budget submissions due via oneBudget	- Campus Units
May 1, 2020	- Original Budget submission to BOR: online submission & detailed scheds.	- Budget Office
May 12, 2020		- BOR
	- Final BOR approval of FY21 Original Budget - Initial Annual Operating Budget submitted to OPB	- BOR
July thru Sept 2020 & Mid-February, 2021	- Additional Fiscal 2021 allocations (or reductions) to units, per budget status (following final fall and spring enrollment results)	- Exec Leadership Team

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](#) – Budget Office computation of division base budgets issued in early March, to be updated throughout the budget process:
 - Starts with the Fiscal 2020 Original Budget and adds or deducts funding based on changes that have occurred during Fiscal 2020;
 - Computes a base budget for Fiscal 2021 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 2020 – included in Form 1;
- [Form 2](#) – 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

- 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;
 - Fiscal 2021 cost projection plus two out-years;
 - Personal services detail by position proposed;
 - *Identification of internal division resources to be applied to the effort.*