

Georgia Tech Budget Update

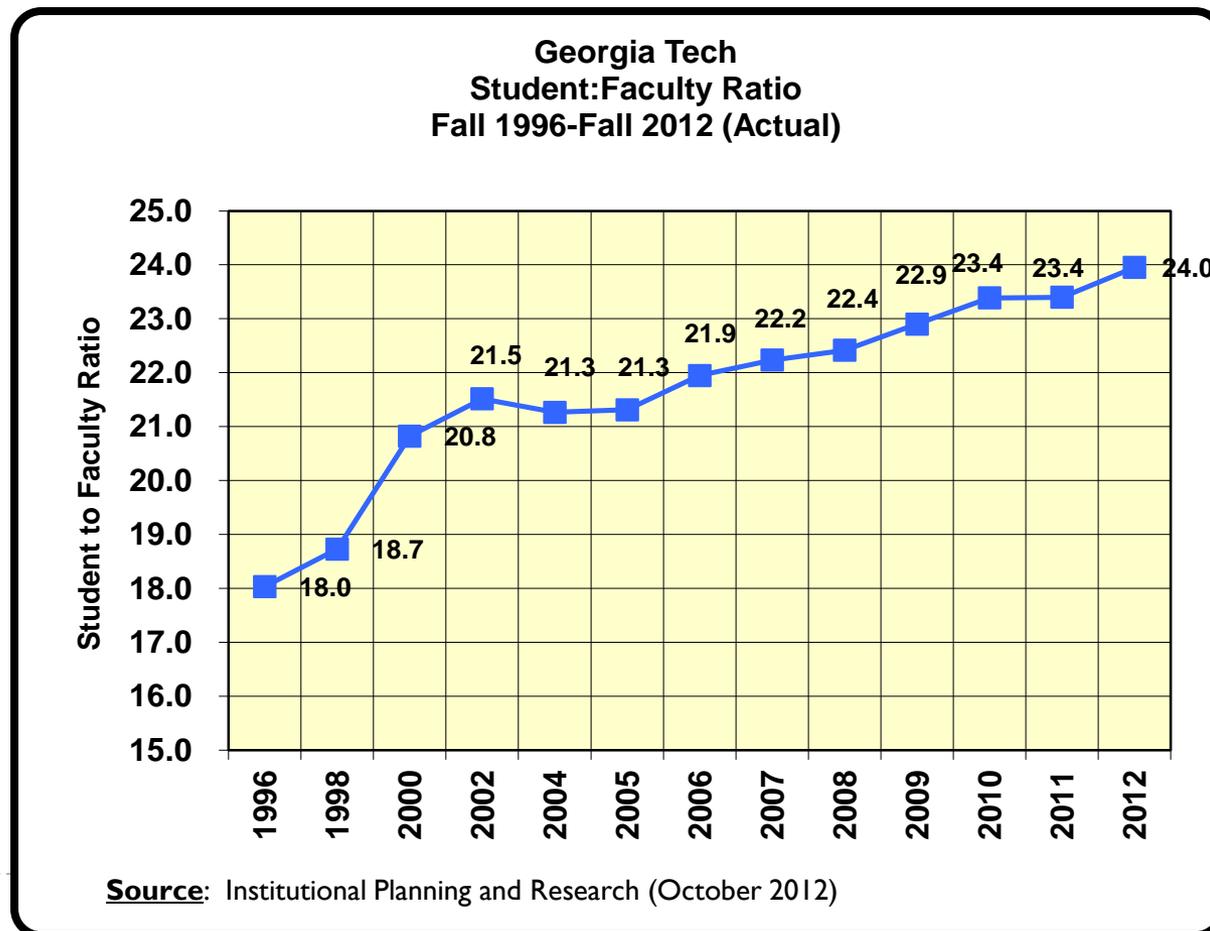
Mandatory Student Fee Advisory Committee
November 13, 2012

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Current Budget Challenges

- ▶ Faculty growth not keeping up with enrollment
 - ▶ Student/Faculty ratio increase – 18:1 to 24.0 over 12 years
 - ▶ Larger class sizes and fewer course sections



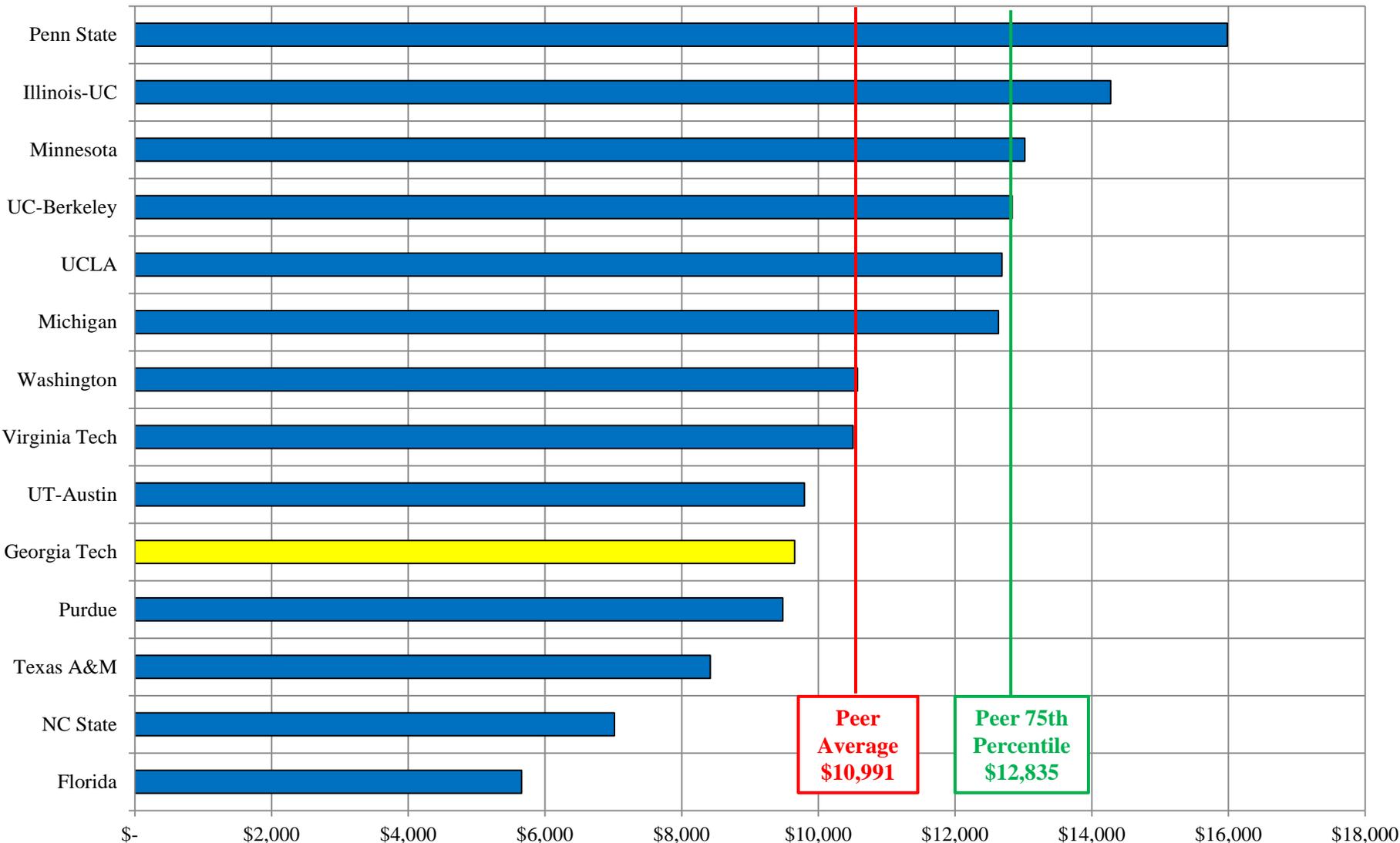
Current & Previous Budget Challenges

- ▶ Faculty growth versus enrollment
 - ▶ Student/Faculty ratio increase – 18:1 to 23:1 over 11 years
 - ▶ Larger class sizes and fewer course sections
- ▶ Administrative support in colleges
- ▶ Facility expansion for enrollment increases and research requirements
 - ▶ Lack of adequate state support for facilities
- ▶ Market challenges - faculty and staff
- ▶ Continued quality student services with growing enrollment
- ▶ Institutional/mandatory requirements

Fiscal 2013 and 2014 Outlook – Revenue

- ▶ **Tuition:**
 - ▶ Limited tuition increases FY13 and FY14
 - ▶ Strong non-resident undergrad fall enrollment
- ▶ **Probable Continuation of Special Institutional Fee (\$544)**
- ▶ **State funding (*base funding approx \$200M*)**
 - ▶ \$6.6M new formula funding in FY14
 - ▶ Nearly \$100M state reductions (35%) since FY09
 - ▶ 3% mid-year FY13 cut \$6.5M
 - ▶ Likely to continue into FY14
 - ▶ Additional 2% cut probable)
 - ▶ No state funding for merit increases
- ▶ **Indirect Cost Recoveries** – estimate flat; dependent on level of grant/contract spending and federal budget actions

**Georgia Institute of Technology
Undergraduate In-State Tuition & Fees
Public Peer Institutions
FY 2012**



Key Fiscal 2013 Allocations

- ▶ **Mandatory cost increases covered including:**
 - ▶ Leases, police officers, High Performance Computing, child care center, state insurance increases, legal and risk management, publishers' price increases, utilities
- ▶ **Instruction:**
 - ▶ New faculty lines
 - ▶ Teaching support to address freshman enrollment
 - ▶ Targeted faculty recruitment
- ▶ **Compensation:**
 - ▶ Promotion and tenure
 - ▶ Retention pool
 - ▶ Faculty compression pool
 - ▶ Classified staff – adjustments for critical contributors - TBD