

Guidelines for Fiscal 2018 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, and this is expected to continue into Fiscal 2018. 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 Institute's [Strategic Plan](#). These continuing resource challenges are the following:

- 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 2018 is expected to be modest.
- Restrictions on future tuition and fee increases – For Fiscal 2017, 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 2018.
- Extensive demands compared to limited resource growth potential – The funding demands for new faculty, faculty support, student services, and institutional “must pay” items such as legal compliance and facilities operations and maintenance, far exceed the current level of Georgia Tech's resources. Besides these priorities, the following areas continue to be essential for Georgia Tech: retention of top faculty and staff, employee/student health and wellbeing, and improved student progression – retention and graduation.

The Fiscal 2018 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.

Listing of Fiscal 2018 Forms

- “[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](#)”

Outline of Calendar for Fiscal 2018

- Preliminary submission to respective Executive Leadership Team (ELT)
Executive – President, Executive VP, or Provost: > *Late Jan./early Feb.*
 - Program Increase Proposals
 - Program Reduction Proposals @ 1% & 3% levels
- Planning meetings with respective ELT member on submissions > *Mid-February*
- Division presentations to Executive Leadership Team > *Early to mid-March*
- Submission and ELT review – final program increase/reduction proposals > *Mid-March*
- BOR approval of tuition, fees, allocations, & merit raise guidelines > *Mid-April*
- ELT preliminary allocation decisions > *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 > *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)

Descriptions of Forms

Fiscal 2018 [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 new funding is NOT approved.
- Proposed budget:
 - Presented by major expenditure areas and by recurring versus one-time costs
 - Fiscal 2018 cost projection plus two out-years
 - Personal services detail by position proposed
 - *Identification of internal division resources to be applied to the effort*

Fiscal 2018 [Program Reduction Proposals](#) @ 1% and 3% Levels (Attachment B)

- Separate proposed reduction impact statements at both the 1% and 3% levels
- Reduction targets computed on the basis of the Fiscal 2017 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 measure on performance measures such as enrollment

NOTE: If certain budget reduction actions are anticipated in FY18 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 FY19 and FY20 columns. This might apply to FY18 one-time measures, such as holding positions vacant or reducing equipment or travel expenses. If the actions planned for FY18 are permanent ones that are assumed to continue in subsequent years, then only the FY18 column needs to be completed.

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 2017 Original Budget and adds or deducts funding based on Fiscal 2017 changes.
 - Computes a base budget for Fiscal 2018 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 2017 – 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 already approved by executive staff – only included on this form and not on Form 2; backup documentation for all items required, to be verified by executive staff

Attachment A

FY18 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.				

FY18 Program Increase Form (page 2 of 2)				
	Fiscal 2018	Fiscal 2019	Fiscal 2020	Notes
Recurring Budget:				
Personal Services				
Permanent Employee Salaries (list details - next page)				<i>total must match P/S detail below</i>
(# FTE's)				<i># full time equivalent positions</i>
Group Position Wages (list below)				<i>total must match P/S detail below</i>
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 <i>(from internal program reallocations and/or new revenue; enter negative #)</i>				
Net Request for New Funding	\$0	\$0	\$0	
Personal Services Detail:				
	Fiscal 2018	Fiscal 2019	Fiscal 2020	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	

Attachment B

FY18 Program Reduction Proposal @ 3%				
Division				
Total Division 3% Reduction Fiscal 2018		\$0	Reduction Target	\$0
Formula - FY18 total reductions		* 3% of FY17 RI/Gen Opms budget (cell H5)		
Projected Budget Impact**				
Priority*	Program Reduction Actions (add rows if necessary)	Fiscal 2018	Fiscal 2019	Fiscal 2020
1				
2				
3				
4				
5				
Total Reductions		\$0	\$0	\$0
<p>* Assign priorities to actions according to the most likely to the least likely to be employed to meet reduction targets.</p> <p>** If certain budget reduction actions are anticipated in FY18 to meet the target that are different from actions current planned for future years, then the out-year actions should be included, with the dollars shown in the FY19 and FY20 columns. This might apply to FY18 one-time measures, such as holding positions vacant or reducing equipment or travel expenses. If the actions planned for FY18 are permanent ones that are planned to continue in subsequent years, then only the FY18 column needs to be completed.</p>				
<p>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. <i>If one-time actions are proposed for Fiscal 2018 such as holding a position vacant, these must be replaced by permanent actions in the out-years.</i></p>				
1				
2				
3				

Impact Statement, Continued				
4				
5				
Reduc. Priority #	Impact of Reduction Measures on Selected Performance and Workload Metrics* <i>(add rows if necessary)</i>	Actual Fiscal 2016	Projected Fiscal 2017	Projected Fiscal 2018
<i>* If enrollment data, use fall of the FY - e.g. fall 2015 = Fiscal 2016</i>				

Form 2 Georgia Institute of Technology Requests for New <u>General Operations</u> Funding Fiscal Year 2018							
COLLEGE/DIVISION	<div style="border: 1px solid black; padding: 2px; font-size: small;"> 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. </div>						
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 FY18 and the two out-years, FY19 and FY20. (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.							
<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>	<u>F</u>	<u>G</u>	<u>H</u>
Priority (Highest = 1)	School/Department	Request Description: One per line (text will wrap)	New Faculty Positions (FTEs)	New Staff Positions (FTEs)	FY18 Request Amount	FY19 Projected Cost	FY20 Projected Cost
Recurring Requests:						<i>(Recurring Requests Only)</i>	
Subtotal - Recurring Requests			0.0	0.0	\$0	\$0	\$0
One - Time Requests:							
Subtotal - One-Time Requests					\$0		
TOTAL REQUEST					\$0		
FY19 and FY20 should be amounts above and beyond the FY18 requested amount for the same line item. Requests for recurring personal services funding must include FTEs but NO FRINGE .							