



Fiscal Year 2014 Amended

FY 2014 Amended

State General Funds:

Maintenance and Operations

\$ 957,910

Equipment Upgrades to the Peachnet Infrastructure

1,400,000

Agenda Item #1

Approval: Fiscal Year 2014 Amended Budget

Recommended: That the Board approve the allocation of state appropriations for the FY 2014 amended budget.



FY 2015 Tuition, Fees and Allocations

"Creating A More Educated Georgia"

Fiscal Year 2015 Operating Budget

FY 2014 State Funds Budget

\$ 1,883,128,792

Enrollment Change (Semester Credit Hours down 2.74%)	\$	0
Maintenance and Operations		9,019,889
Health Insurance and Retirees		14,432,627
TRS & ERS Retirement Increase		12,909,388
Payback Projects Retired (Georgia Southern Dorm)		1,014,809
Reduce Funding for Georgia Gwinnett College		(1,375,000)
Merit-Based Pay and Employee Recruitment/Retention Initiatives		<u>11,368,766</u>
Formula Subtotal	\$	47,370,479

Other Items:

Graduate Medical Education (Current Base = \$3,275,000)		2,000,000
GALILEO Enhancements		2,500,000
All Other Items		<u>4,088,493</u>
Other Request Items Subtotal	\$	8,588,493

Increase State General (Cash) Funds ~(-2.97%)

55,958,972

FY 2015 State Funds Budget

\$ 1,939,087,764

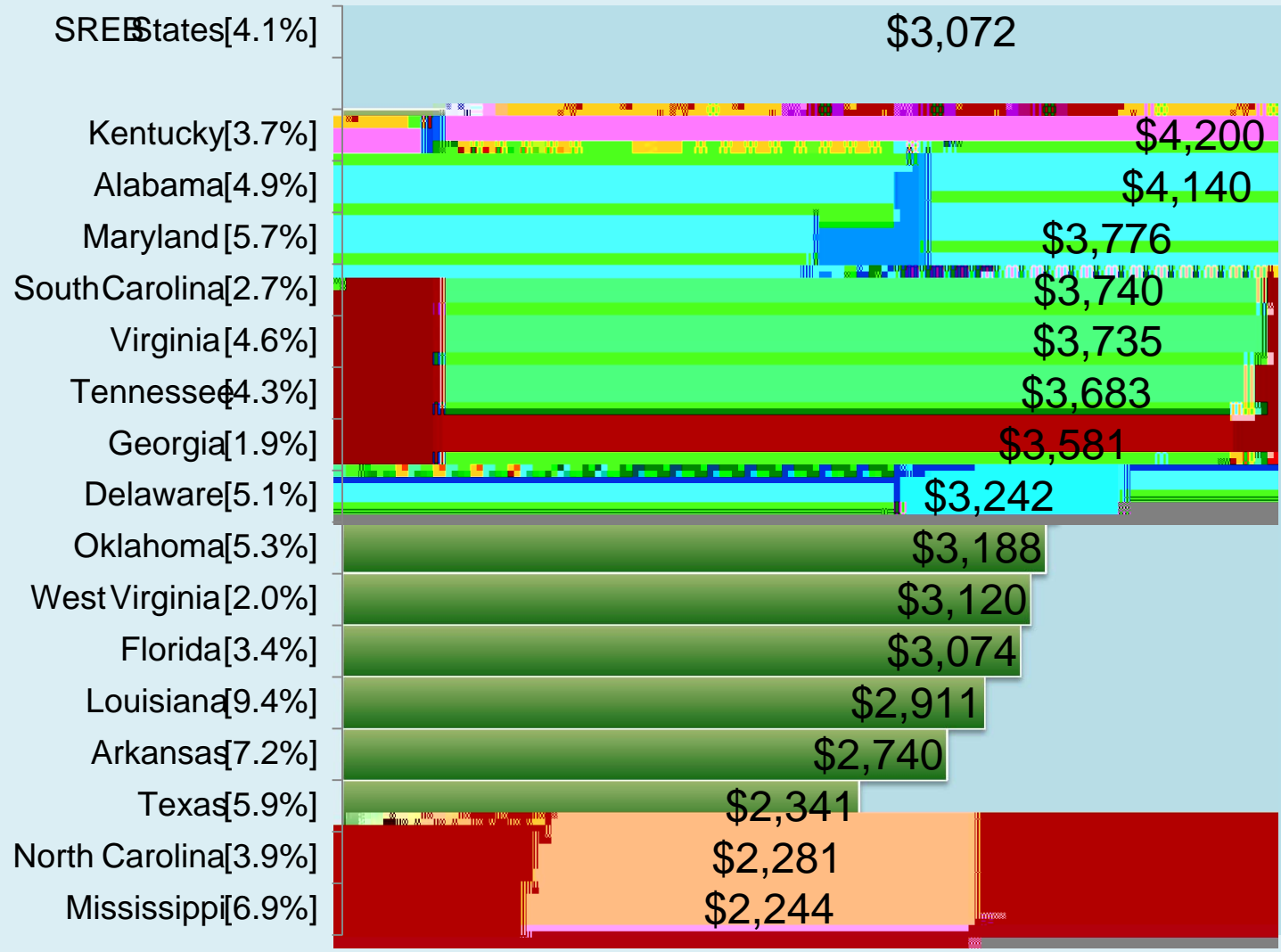
FY 2015 Capital Summary

	<u>Request</u>	<u>Final</u>
Major Repair and Renovation	\$ 80,000,000	\$ 40,000,000
Equipment	14,900,000	14,900,000
Construction	69,350,000	54,200,000
Small Capital Projects	32,450,000	44,850,000

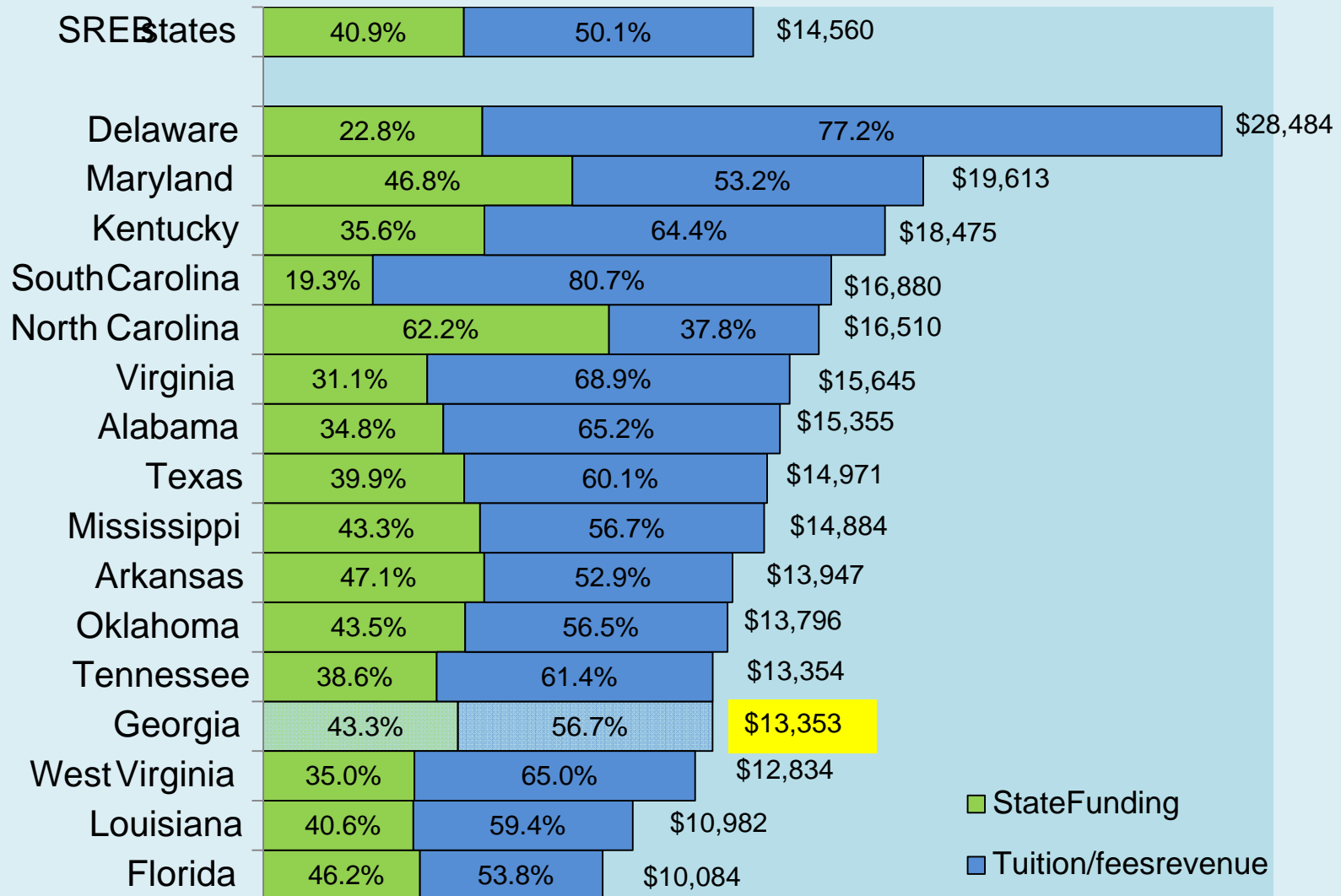
Tuition Considerations

- Affordability
- Market Demand
- Maintain State Fund – Tuition Balance/Partnership
 - State Funds Increased by 2.97%
- Peer Institutions and Out-of-State Pricing Sensitivity
 - National Competition Among Research Institutions

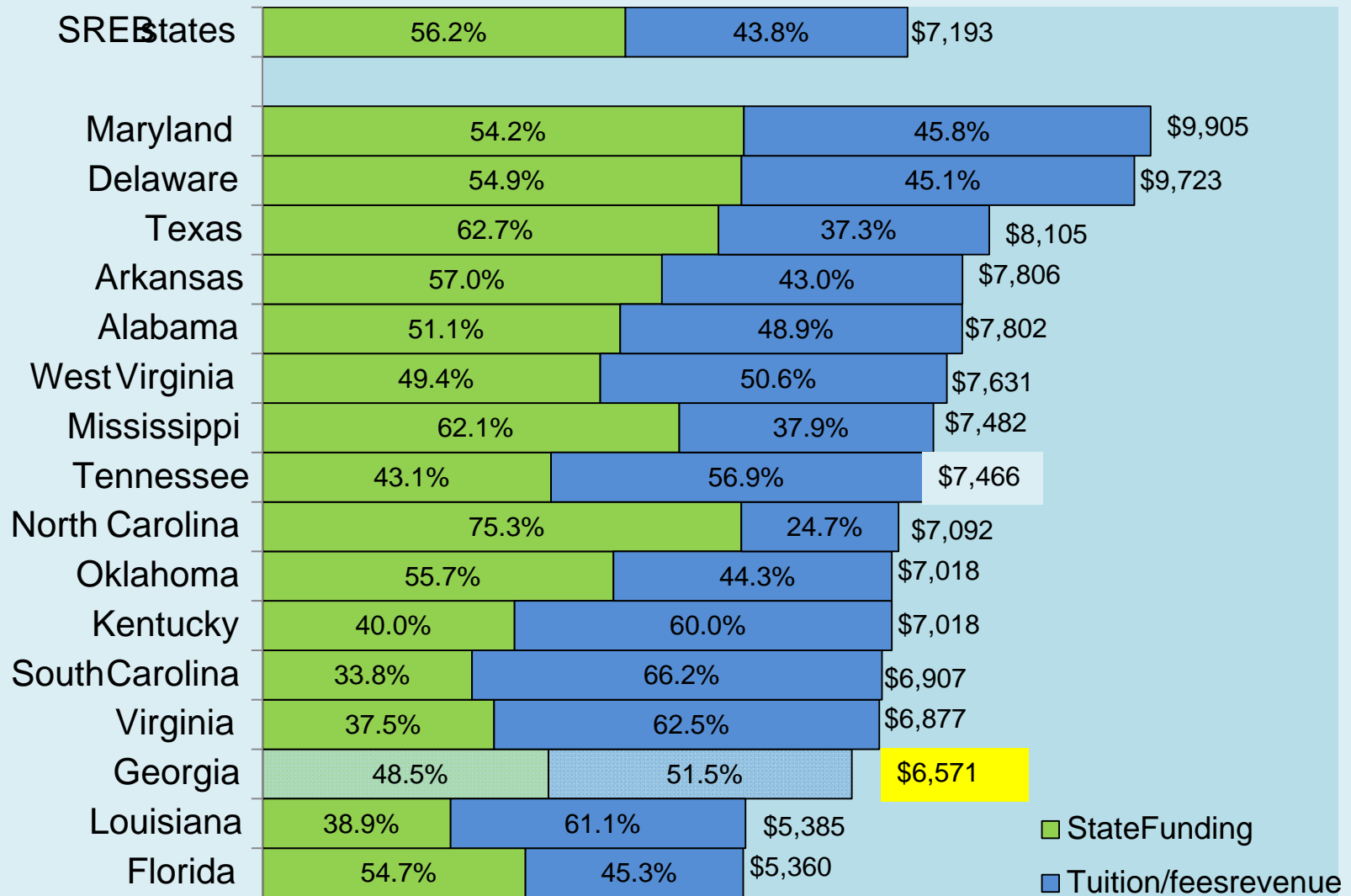




Public Four-Year Colleges and Universities Appropriations per All Student FTE By Source, 2012-13



Public Two-Year Colleges and Universities Appropriations per All Student FTE By Source, 2012-13



Tuition – Undergraduate

Appendix IA

- Recommend a 2.5% Increase for 27 Institutions
- Applies to both In-State and Out-of-State Students
- Same rate of increase as two prior years (FY13 and FY14)
- Impact on In-State Students (per semester):
 - Regional Universities – \$62
 - State Universities – \$58 to \$85
 - State Colleges – \$32 to \$43
- Impact on Out-of-State Students (per semester): \$123 to \$309

Tuition – Undergraduate

Appendix IA

- Research Universities
 - Continuation of Differential Tuition Increases
 - Market-Driven and Comparability to Peer Institutions
 - High Demand – Top 20 Schools
- Out-of-State Rates were set in consultation with institutions, recognizing price sensitivity

Undergraduate Demand at Research Institutions (Fall 2013)

Institution	# of Freshman Applications	# of Entering Freshman	Ratio of Applicants to Entering Freshman
Georgia Institute of Technology	17,669	2,673	6.6 x
Georgia State University	13,500	3,224	4.2 x
University of Georgia	20,647	5,182	4.0 x
Georgia Regents University	2,147	730	2.9 x

Agenda Item #3

Mandatory Student Fees

Appendix II

- Instructions provided October 2013
 - Prior Commitments of Multi-year Fee Plans
 - Increases to Sustain Existing PPVs
 - Mandatory fee requests that did not meet either of the conditions required approval from VC of Fiscal Affairs and a strong business case
- 18 Institutions Submitted Mandatory Fee Requests
 - 42 Fee Requests (*35 increases, 3 new and 4 decreases/redirects*)
 - 30 Fee Changes Recommended (*24 increases, 2 new, 4 decreases/redirects*)
 - Of the 24 Increases: 7 PPV, 5 Multi-Year, 8 Athletics, 4 Other
- Staff Review
 - Business Case/Financial Need

Elective Fees Requiring Board Approval

(Page 12)

Board approval required for elective fees and special charges required to be paid by all full-time, undergraduate students or all undergraduate students in a specific degree program, except specific course fees for supplementary costs.

Recommend approval for dining fees at:

- Fort Valley State University (no increase)
- Kennesaw State University (increases \$3 - \$21)
- College of Coastal Georgia (increase of \$5)

Housing and Food Service Fees Requiring Board Approval (Page 13)

- Board Policy 7.3.2.2 requires Board approval for housing fees and food service fees that support debt service. The institutions listed on page 13 charge housing and/or food services fees that support one or more public private venture.
- The recommended increases average ~3% and from 0% to 9%
- Rates vary by room type and meal plan.
The actual plans and rates will be published on the USG website.

Agenda Item #4

Approval: Fiscal Year 2015 Mandatory Fees and Elective Fees Requiring Board Approval

Recommended: That the Board approve the proposed mandatory student fees for FY 2015 for institutions of the University System of Georgia, to become effective fall semester 2014. Recommended mandatory student fees appear in Appendix II.

Recommended: That the Board approve the elective fee requests for Fort Valley State University, Kennesaw State University, and College of Coastal Georgia as outlined on page 12. These elective fee requests require Board approval based on Board policy 7.3.2.2.

Recommended: That the Board approve the housing and food service fee increases that support debt service as outlined on page 13. Board Policy 7.3.2.2 requires Board approval for housing fees and food service fees that support debt service.

Allocations

Appendix III (A–C)

- Chancellor – Budget Hearings with All Institutions
- No new funding was provided for institutions with growth
- Allocations address 11 institutions enrollment increases and 20 institutions with enrollment declines
- Allocation strategy appropriates funding for growth base on institutional priorities from presidents and mitigates reductions after assessing impact on institutions on a case by case basis
- Merit Funds Allocated in Proportion to Salary with few exceptions
- M&O Allocated Based on Square Footage
- Fringe Benefits (Health and Retirement) Follow Personnel
- Capital based on legislative intent (Appendix IV)

Agenda Item #5

Approval: Fiscal Year 2015 Budget Allocations

Recommended: That the Board approve the allocation of state appropriations for FY 2015 among institutions and operating units of the University System of Georgia as outlined in Appendix III (B – C). **All allocations are pending signature of HB 744 by the Governor.**

Recommended: That the Board approve the FY 2015 Capital Budget totaling \$223,860,000 as outlined in Appendix IV.

Salary and Wage Administration

- Salary Increase Appropriation - \$11.4 Million in State Funds (<1%)
- Allocation to All Institutions
- Institutions May Augment State Funds Using Other Appropriate Fund Sources
- Salary Increases Awarded Based on Merit:
 - Recruitment and Retention
 - Market and Compression Issues
 - Promotions and Reclassifications
- No Across the Board Increases
- All Increases Must Be Well Documented
- Administrators Earning > \$100,000 – No more than 4%
- Salary Increases >10% - Prior Approval from Chancellor

Agenda Item #6

Approval: Fiscal Year 2015 Salary and Wage Policy

Recommended: That the Board approve the fiscal year 2015 salary and wage administration policy for the University System of Georgia.