



Board of Regents University System of Georgia

Presentation to
Joint Appropriations Committee
January 22, 2013

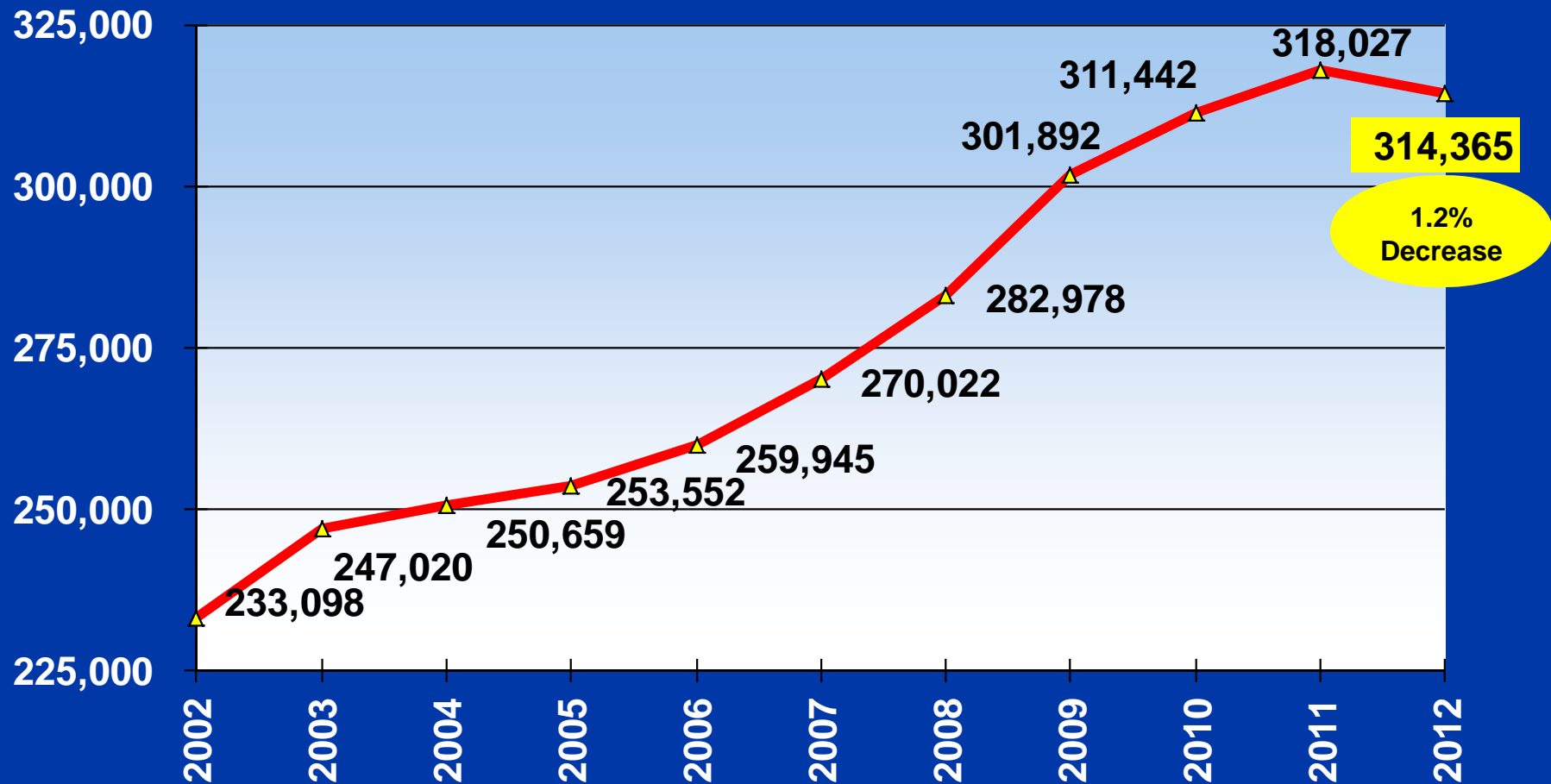
"Creating A More Educated Georgia"

First 18 Months

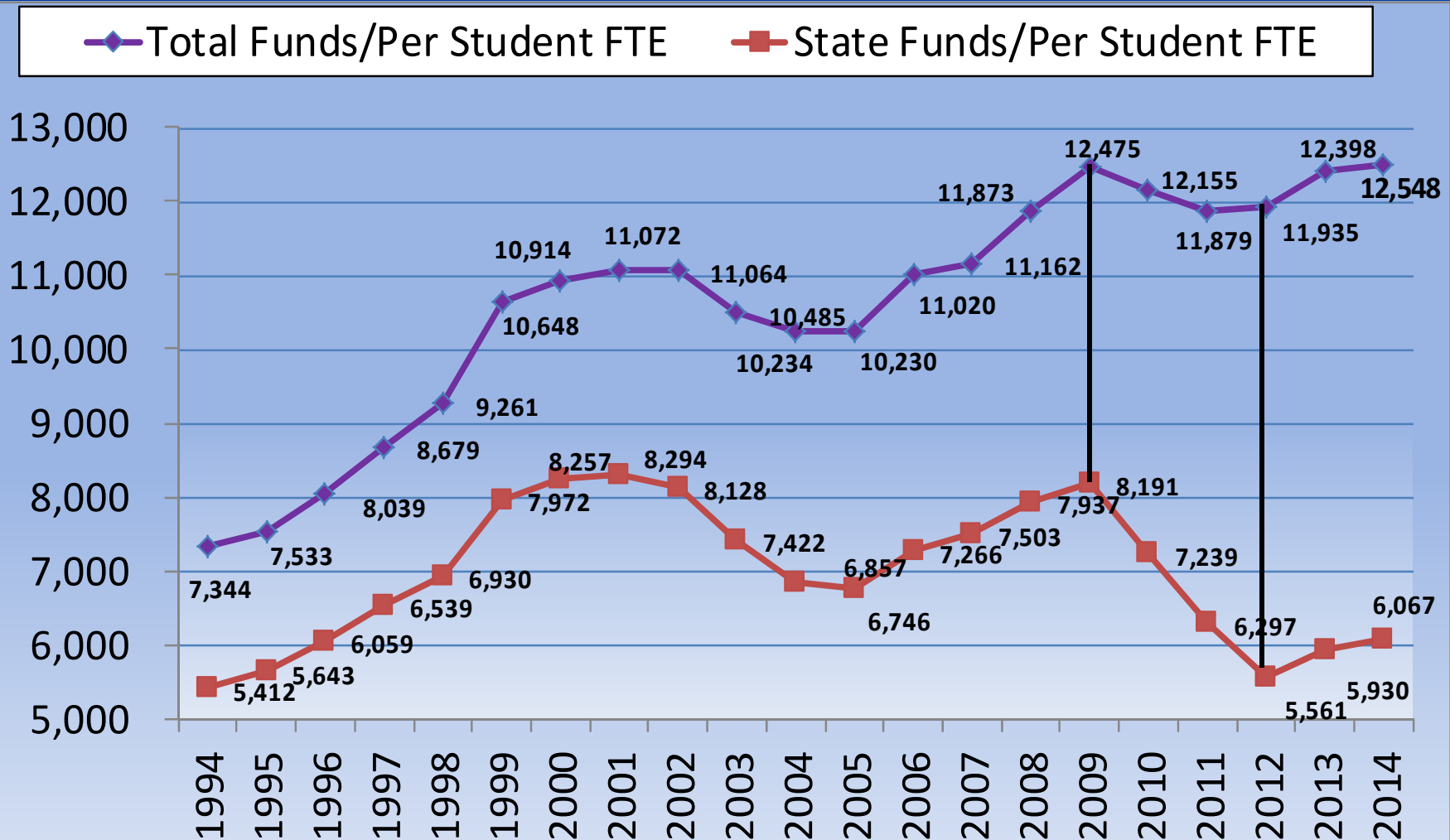
- Student Affordability
- Consolidation of Eight Institutions To Four
- Space Utilization and Facility Needs
- Complete College Georgia and Funding Review
- Cooperation with Other Education Agencies
- Economic Development
- Enrollment Challenges
- Enrollment Study (Demographer)
- Strategic Planning and the New Normal

University System Enrollment

Fall Headcount Enrollment



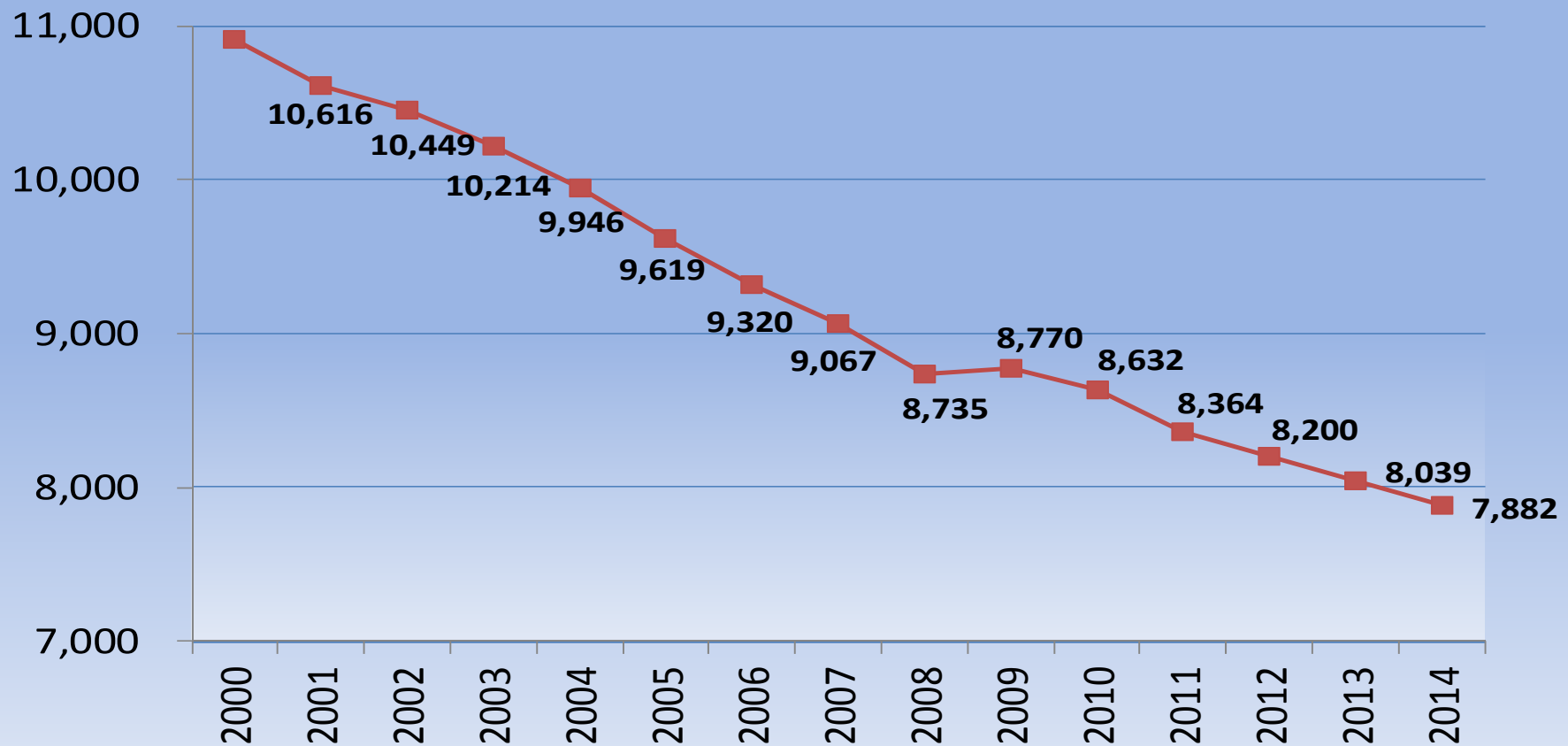
Total and State Funding Per FTE



Total Funding Per FTE

(Inflation Adjusted)

—■— Tuition and State Funds/Per Student Adjusted for Inflation





FY 2013 Amended

Fiscal Year 2013 State Appropriations

\$ 1.829 Billion

Reduction (Teaching and Other Activities)

(\$81.0M)

Reduce Funding for Georgia Gwinnett College

(\$ 2.7M)

Total Reduction (≈5%)

(\$83.7M)

FY 2013 Amended

\$ 1.745 Billion

NOTE: The recommendation to the FY13 amended budget repeals \$500,000 in design bond funds for the Albany State University Ray Charles Fine Arts Center and \$2,300,000 in equipment bond funds for the Education Classroom Building at Kennesaw State University.

"Creating A More Educated Georgia"



Budget Reductions

- Reductions:
 - FY 2013 Amended = \$83.7 Million ($\approx 5\%$)
 - FY 2014 = \$54 Million (3%)
- Directions to Institutions:
 - Minimize Impact on Students
 - Reflect/Protect Priorities
 - Reductions to be permanent
 - Avoid use of one-time reductions



FY 2014 Formula

	<u>Request</u>	<u>Governor's Recommendation</u>
Enrollment Growth at 1.59%	\$ 65,560,129	\$ 65,560,129
Maintenance and Operations	\$ 8,751,798	\$ (2,705,661)
Health Insurance	\$ 10,137,873	\$ 10,137,873
TRS - ERS Retirement	\$ -	\$ 11,767,296
Retiree Health and Life Benefits	\$ 5,708,131	\$ 5,708,131
Payback Projects Retired	\$ 5,902,531	\$ 5,902,531
Reduce GA Gwinnett College	\$ -	\$ (5,000,000)
Southern Legislative Conference	\$ (25,000)	\$ (25,000)
Reductions (Formula @ 3%)	<u>\$ (48,949,974)</u>	<u>\$ (48,949,974)</u>
Formula Subtotal	\$ 47,085,488	\$ 42,395,325

"Creating A More Educated Georgia"



Other Items

	<u>Request</u>	<u>Governor's Recommendation</u>
<u>Other Request Items:</u>		
Unit B - Health Insurance/Life	\$ 748,088	\$ 759,395
Unit B - TRS-ERS Retirement	\$ 15,378	\$ 780,743
Formula for Georgia Public Libraries	\$ 138,000	\$ 138,000
Graduate Medical Education	\$ 2,075,000	\$ 2,075,000
Cancer Research (GRU)	\$ -	\$ 5,000,000
Transfer Georgia Archives from SOS	\$ -	\$ 3,851,428
Transfer GALILEO from DOE	\$ -	\$ 125,512
Transfer Discovery Education Contract from DOE	\$ -	\$ 961,565
Other Items Subtotal	\$ 2,976,466	\$ 13,691,643

"Creating A More Educated Georgia"



Graduate Medical Education

- \$1.2 Million Appropriated to University System in FY 2013
- \$853,265 Appropriated to Georgia Board of Physician Workforce in FY 2013

Commitments to Date			
Hospital	Estimated # of Residency Slots	Funding	Source
Southwest Georgia Consortium (five hospital consortium)	97-112	\$ 767,000	\$717K Georgia Board, \$50K USG – Plus \$350K GRU
Gwinnett Medical Center	30 up to 56	\$ 486,000	\$286K Georgia Board, \$200K USG
Athens Regional Hospital	102	\$ 620,000	100% USG
St. Mary's Hospital	30	\$ 250,000	100% USG

- Additional \$2.075 Million Recommended for FY 2014
Continue \$1.2 Million currently in base budget
Other Candidates with interest include Northeast Georgia and Redmond Regional

“Creating A More Educated Georgia”



FY 2014 Funding Change

Based on Governor's Recommendations

Fiscal Year 2013 State Appropriations

\$ 1.829 Billion

Formula

\$ 91.3M

Other Items

\$ 13.7M

3% Reduction

(\$54.6M)

Total Change

\$ 50.4M

2.8%

FY 2014 Total (*net of reductions*)

\$ 1.879 Billion

"Creating A More Educated Georgia"



Board of Regents University System of Georgia

FY 2014 Capital Budget Request

"Creating A More Educated Georgia"



FY 2014 Major Repair and Renovation (MRR)

	<u>Request</u>	<u>Governor's Recommendation</u>
Major Repair and Renovation	<u>\$50,000,000</u>	
MRR - 20 Year Bonds		\$40,000,000
MRR - 5 Year Bonds		<u>\$10,000,000</u>
Subtotal	\$50,000,000	\$50,000,000

MRR funds are critical for USG institutions to meet major repair needs in instructional buildings and associated infrastructure.

"Creating A More Educated Georgia"



FY 2014 Equipment

		<u>Request</u>		<u>Governor's Recommendation</u>	
Dalton	Academic Sciences Building	\$	2,100,000	\$	2,100,000
GA College	Historic Ennis Hall Renovation	\$	1,000,000	\$	1,000,000
GA Gwinnett	Allied Health Building	\$	3,000,000	\$	-
GA Health	Medical Commons	\$	5,000,000	\$	-
GA Tech	Engineered Biosystems Bldg.	\$	5,000,000	\$	-
UGA	Vet Med Teaching Hospital	\$	5,000,000	\$	-
Valdosta	Health Sciences Building	\$	3,800,000	\$	-
Subtotal		\$	24,900,000	\$	3,100,000

"Creating A More Educated Georgia"



FY 2014 Construction

		<u>Request</u>	<u>Governor's Recommendation</u>
GA State	Humanities/Law Building	\$ 58,800,000	\$ 58,800,000
Clayton State	Science Building	\$ 19,800,000	\$ -
GA Perimeter	Academic Building	\$ 18,000,000	\$ -
GA Southern	Health Center	\$ 10,000,000	\$ 10,000,000
GA Health	Cancer Research Building	\$ 45,000,000	\$ 45,000,000
	Subtotal	\$ 151,600,000	\$ 113,800,000



FY 2014 Small Capital Projects

			<u>Request</u>	<u>Governor's Recommendation</u>
ABAC	Lab Sciences Building	\$	4,300,000	\$ -
North GA	Renovate 3 Labs (Gainesville)	\$	1,000,000	\$ -
Columbus	Howard Hall Renovation	\$	3,900,000	\$ -
Savannah	Herty Hall Renovation	\$	3,300,000	\$ -
South GA	Davis Hall Renovation	\$	2,500,000	\$ -
Middle GA	Haynes Hall Renovation (Cochran)	\$	3,800,000	\$ -
Bainbridge	Classroom/Lab Building	\$	3,000,000	\$ -
Coastal	Academic Commons Renovation	\$	2,000,000	\$ -
Skidaway	Renovate Building 502B into Labs	\$	2,500,000	\$ -
UGA	Fine Arts Building Renovation	\$	2,600,000	\$ -
Kennesaw	Sturgis Library Renovation	\$	4,400,000	\$ -
	Subtotal	\$	33,300,000	\$ -

"Creating A More Educated Georgia"



Military Outreach Projects (Construction for Joint Use with TCSG)

		<u>Request</u>	<u>Governor's Recommendation</u>
Armstrong	Hinesville Academic Center	\$ 4,750,000	\$ -
Macon	Warner Robins Academic Center	<u>\$ 10,000,000</u>	<u>\$ 10,000,000</u>
Subtotal		\$ 14,750,000	\$ 10,000,000



FY 2014 Georgia Public Library System

	<u>Request</u>	<u>Governor's Recommendation</u>
Houston County Public Library (Perry)	\$ 1,600,000	\$ -
Mountain Regional Library (Young Harris, Towns Co.)	\$ 900,000	\$ -
Dougherty County Public Library (Central Library, Albany)	\$ 2,000,000	\$ -
South Georgia Regional Library (Valdosta, Lowndes Co.)	\$ 2,000,000	\$ -
Three Rivers Regional Library (Folkston, Charlton Co.)	\$ 560,000	\$ -
Dougherty County Public Library (Northwest Branch, Albany)	\$ 2,000,000	\$ -
Gwinnett County Public Library (Norcross)	\$ 1,875,000	\$ -
Cobb County Public Library (East Marietta)	\$ 2,000,000	\$ -
Atlanta-Fulton County Library (Milton, Fulton Co.)	\$ 2,000,000	\$ -
Atlanta-Fulton County Library (Wolf Creek, Fulton Co.)	\$ 2,000,000	\$ -
Mountain Regional Library (Hiawassee, Towns Co.)	\$ 900,000	\$ -
Live Oak Public Library (Hinesville, Liberty Co.)	\$ 2,000,000	\$ -
Subtotal	\$19,835,000	\$ -

"Creating A More Educated Georgia"



FY 2014 Capital Budget Request Summary

	<u>Request</u>	<u>Governor's Recommendation</u>
Major Repair and Renovation	\$ 50,000,000	\$ 50,000,000
Equipment	\$ 24,900,000	\$ 3,100,000
Construction	\$151,600,000	\$ 113,800,000
Small Capital Projects	\$ 33,300,000	\$ -
Military Outreach Projects	\$ 14,750,000	\$ 10,000,000
Georgia Public Libraries	\$ 19,835,000	\$ -
Georgia Research Alliance	\$ -	\$ 12,500,000
Georgia Public Telecommunications Comm.	\$ -	\$ 3,760,000
Total	\$294,385,000	\$ 193,160,000



Looking Ahead

- Continued focus on Complete College Georgia Initiative
- Alternative Delivery Models – Online Learning
- Create more graduates and jobs for Georgia through Economic Development Partnerships
- Alliance of Education Heads



Questions?