
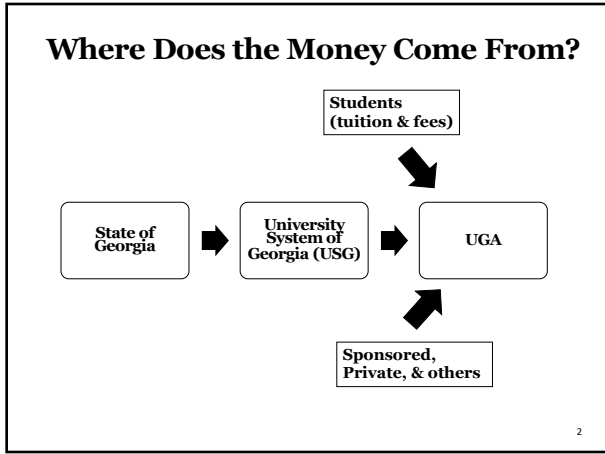


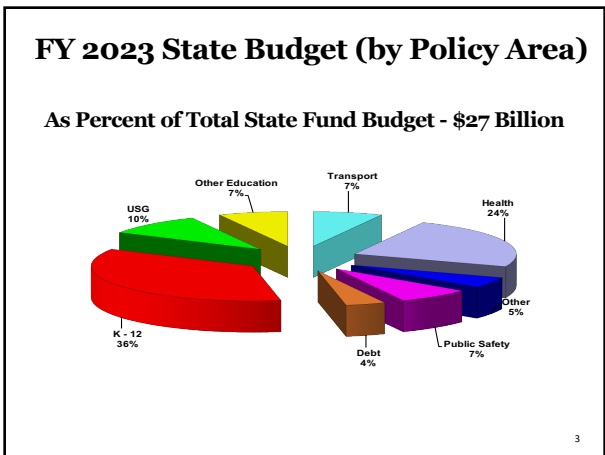
# Budgeting at the University of Georgia



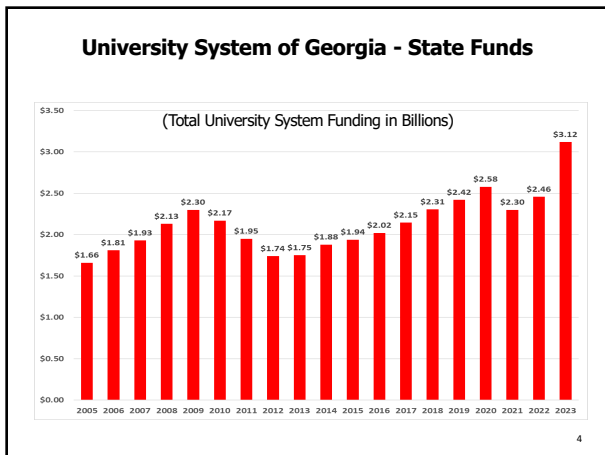
1



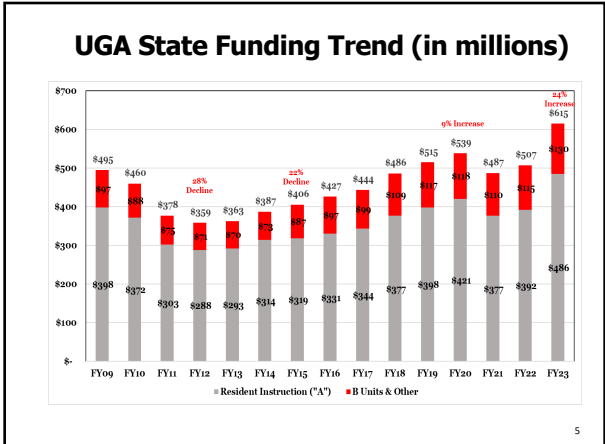
2



3



4



5

- ### Sources of Funds
- **Education and General (E&G) or Resident Instruction (RI) Funds:**
    - State Appropriations, Tuition and Fees
  - **Departmental Sales and Service (DSS) Funds:**
    - Revenue directly related to a service provided to other UGA units or external clients
  - **Indirect Cost Recovery (IDC or F&A) Funds:**
    - Funds allocated to UGA representing a percentage of direct costs charged to federal, state, and other grants and contracts for facilities & administrative expenses.

6

## Sources of Funds

- **Restricted and Sponsored Funds:**
  - To include sponsored and non-sponsored, UGA foundation, UGA research foundation and endowments
- **Auxiliary Funds:**
  - Revenue directly related to business operations provided to students, faculty, and staff

7

## UGA - FY 2023 Budget Sources

<b>State Appropriations:</b> <b>\$615M total:</b> -\$486M RI -\$114M B-unit -\$15M MRR	<b>Federal Appropriations:</b> <b>\$19M</b>	<b>Internal Revenue:</b> <b>\$682M total</b> includes: Tuition, fees, IDC, DS&S
<b>Sponsored:</b> <b>\$339M total</b> includes federal, foundations, and private grants	<b>Auxiliary Operations:</b> <b>\$289M total</b> includes Housing, Food Services, Parking, Student Health Center	<b>Private Funding:</b> <b>\$73M total</b> includes endowment and current giving

**Total Budget = \$2.018 Billion**

8

7

8

## UGA - FY 2023 "Central" Budget Sources

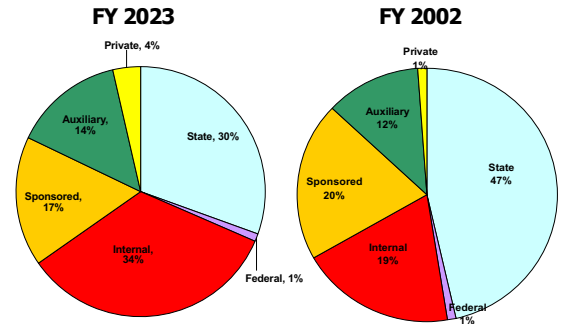
<b>State Appropriations:</b> -\$485M RI	<b>Internal Revenue:</b> Tuition and IDC provide \$481M
--	--

Total: \$ 966 M or 48% of \$2.018 Billion Total Budget  
 Most of this is already committed to Salaries and Benefits

9

9

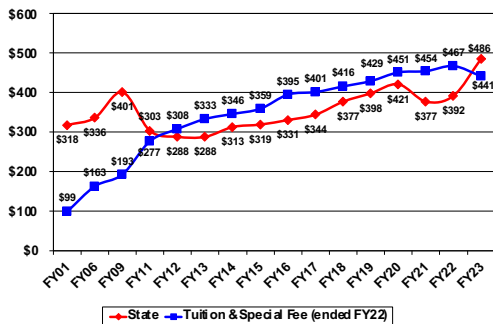
## UGA - Funding Source Summary



10

10

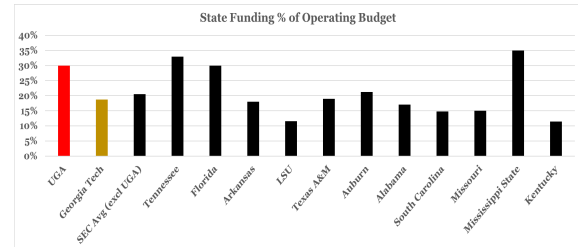
## UGA General Fund (RI) Sources (millions)



11

11

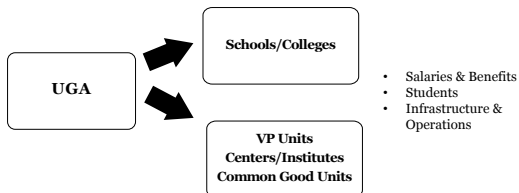
## State Funding Comparison



12

12

## Where Does the Money Go?



13

13

## FY2023 Budgeted Expenditures

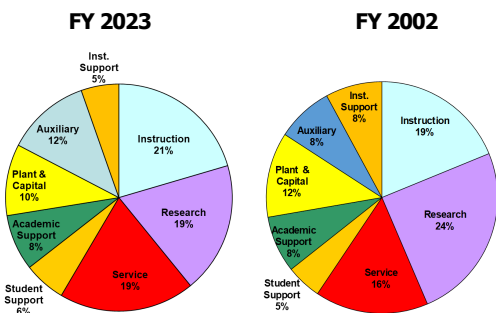
- \$ 413.3 M (20.5%) – Instruction
- \$ 376.5 M (18.7%) – Research
- \$ 390.4 M (19.3%) – Public Service & Outreach
- \$ 121.0 M ( 6.0%) – Student Services/Scholarships
- \$ 161.8 M ( 8.0%) – Academic Support

**72.5% to Core Missions**

14

14

## UGA – Budgeted Expense Summary



15

15

Questions?



16

## Academic Affairs Budget Process

- **Provost Budget Memo**
  - State of the College: OIR data
  - Academic Planning: instructional innovation, student success, enrollment, research productivity, outreach, etc.
  - One-time requests
  - Base requests
- **Budget Meetings**
- **Summary of Requests**
- **Decisions**

17

17

## Fiscal Responsibilities

- **Establish Priorities**
  - Strategic goals of the school/college/UGA
  - Agenda of the Dean/VP
  - Win-win proposal
- **Understand your Funds:**
  - Allowable uses (State vs. Restricted)
  - Timing
  - How to maximize?
- **Budget:**
  - Have a plan!

18

18

## Ways to Maximize Revenue

### ➤ Increase credit hour funding

- Based on course ID
- 3-year rolling average
- Maximum \$300

Earnings per credit hour	
Undergraduate	200
Graduate/Professional	300

Earnings per summer credit hour	
Undergraduate	75
Graduate/Professional	0

Earnings per tenure track credit hour	
Undergraduate	25
Graduate/Professional	0

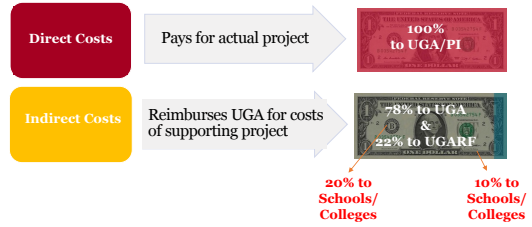
19

19

## Ways to Maximize Revenue

### ➤ Increase indirect cost return

The University expects the full recovery of facilities and administrative costs be included in all proposals submitted to prospective sponsors.

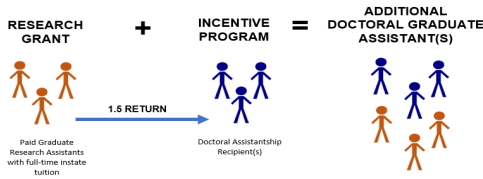


20

20

## Ways to Maximize

### ➤ Take Advantage of Graduate Tuition Return Incentive Program



21

21

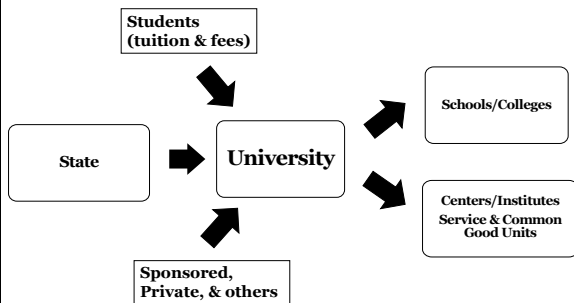
## Ways to Maximize

- Other revenue streams?
- Operational efficiency?

22

22

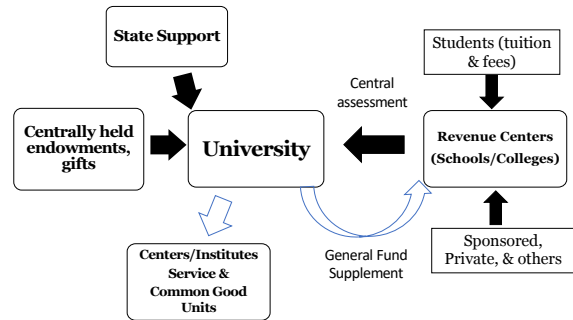
### Budget Models: Centralized Budgeting



23

23

### Budget Models: Responsibility Center Management (RCM)



24

24

## Centralized Budgeting vs. RCM

	Centralized Budgeting	RCM
Tuition and IDC attribution	Central	Schools/colleges
State Support	Central	Central
Endowments and Gifts	Distributed	Distributed
Strengths	Efficient when faced with budget challenges	Operational authority and incentive for revenue generation
Weaknesses	Lack of incentives, cost hidden.	Competition for students, Less incentives for collaboration

*Most universities use a hybrid model of central budgeting and incentive elements (or RCM with central tax)*

25

25

## Questions?



26

## Operating Budget Exercise

Thanks to  
Jane Cassidy &  
Tommy Smith for  
budget exercise  
**LSU**  
LOUISIANA STATE UNIVERSITY

### • Data Provided for Academic & Support Units

- Academic units: # Enrolled Majors
- Academic units: # Student Credit Hours (SCH' s)
- All units: Operating Budget in \$
- All units: Cost of Full-Time Equivalent (FTE) Positions in \$

### • Your Task

- **Pink Paper: allocate \$25M budget decrease.**
- **Green Paper: allocate \$25M budget increase.**

UNIVERSITY OF GEORGIA

27

27

## Operating Budget Exercise

### • Your Task

- **\$25M budget decrease** or **\$25M budget increase**

### • Recommendations

- ~15 min {
  1. Take several minutes on your own to review data
  2. Consider ways to analyze and compare units, over time & with each other
- ~20 min {
  3. Confer with colleagues at your table – Set strategic values to guide decisions
  4. Design allocation strategy
- ~20 min {
  5. Share your table's logic and process with all

UNIVERSITY OF GEORGIA

28

28