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Message from the President

Georgia Southern University

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Message from the President – Nov. 19, 2020

Dear Colleagues,

As communicated by emails and in various presentations since July, our goal continues to be to engage our institution in a transparent budget prioritization and development process. The timeline and process provided opportunities for each level of the institution to engage, and it required leadership to communicate prioritization decisions at each stage of the process – from departmental and unit discussions in August to prioritization decisions at the college, major unit, and divisional levels, to the submission of our FY2022 documents to the University System Office this week. To that end, we have completed the FY2022 budget prioritization and recommendations and have provided the following document links via the MyGeorgiaSouthern Portal in the title called “Performance Excellence,” under the heading of FY2022 Budget Planning Documents:

1. FY2022 Budget Narrative.
2. FY2021 Budget Data Sheets (includes Enrollment Trends, Academic & Financial Aid Data, Financial Trends, Employee Data, Auxiliary & Student Accounts).
3. FY2022 Education & General Budget Planning (includes both the budget reduction detail and the new fund budget prioritization detail).

As you remember from previous communications, due to declines in enrollment and credit hour production from FY19 to FY20, Georgia Southern was required to model a projected recurring allocation reduction of \$2.29 million beginning FY 2022. We have planned accordingly, setting aside in our FY 2021 budget approximately \$1.57M of the \$2.29M of estimated recurring allocation reduction. Thus, our first budgetary priority for FY 2022 was to identify an additional \$720,000 reduction of recurring funds.

In this process, we specifically identified the operational impact and personnel impact that any further reduction would represent. With this as our focus, we identified positions most recently vacated in our Voluntary Separation Plan (VSP – early retirement) and current vacant positions totaling \$708,371 in reductions. The unallocated reserve set aside mentioned above of \$1.57M and an additional \$11,375 from institutional general operations provided the remaining fund to achieve the reduction target of \$2.29M.

Our secondary process was to identify and prioritize new funding opportunities based on fall 2020 enrollment growth revenue projections. The prioritization of new funds followed three focus areas: the funding of new lines (or previously eliminated/frozen vacant lines) deemed critical to achieving our strategic goals; essential operational funds lost in recurring budget reductions deemed critical to the unit, department, or divisional success; and recurring funding of salary equity and/or merit salary increases (if appropriated by the state).

Our priority must always be our people – our commitment to the recurring funding of promotion and tenure of our faculty and, if available, recurring funding of salary equity for faculty and staff. The document shared with you shows the result of this needs assessment prioritization. You will see approximately \$3.7M of prioritized needs including the salary items mentioned above, restoration and new faculty and staff positions, and restoration of operational support. You will also see two final items – restoration of Auxiliary funding and restoration of institutional unallocated reserves.

These budgetary priorities will be determined once we have a clearer picture of the FY 2022 landscape and benchmarking of enrollment progress for fall 2021. Remember, there are only three possible sources for new recurring funding for new priorities: redirection of current resources, enrollment growth (which we did have) and/or a nominal tuition increase request for FY 2022 (this is ultimately a Board of Regents decision and not likely for FY 2022).

We will be providing presentations to faculty, staff and students at their senate, council and association meetings over the next month. The final FY 2022 budget will not be realized until the end of the legislative session late March and allocated in April of 2021 for implementation July 1, 2021. We will keep everyone up-to-date as there are other variables that will affect our FY 2022 recurring budget, including our current enrollment growth and state of Georgia revenue collections/estimates, which affect the overall state budget and could impact formula funding and fringe benefit funding support.

Questions specific to any of these reductions or new funding prioritizations should be addressed within your divisional leadership. I want to thank everyone who engaged in our transparent budget prioritization process evidenced strategic and transparent decision-making. It is nice to not just prioritize reductions but actually begin investing in our priorities!

Sincerely,
Kyle