Agenda

1. UNC System
   - Governance
   - Budget
   - 2008 Session Actions
   - Upcoming Issues for 2009 Session
   - How Are We Doing?
2. Community College System
3. Questions?
The University of North Carolina
What is UNC?

16 Universities
What is UNC?

• 2 high schools
• NC Cooperative Extension
• Area Health Education Centers
• UNC Health Care System
• UNC Online
What is UNC?

• Public Television
• NC Arboretum
• Agriculture Research Stations
• NC Center for the Advancement of Teaching
• Aid to private college students
UNC Governance

General Assembly

UNC Board of Governors

President

Institutions

Affiliates
FY 07-08 Actual Operating Revenues

Total: $7.55 Billion

- Federal Funds 12.5%
- State Funds 38.3%
- Tuition/Fees 13.4%
- Hospital Receipts 10.6%
- Auxiliary Enterprises 15.2%
- Other 10.0%

Source: IPEDS Finance Survey – Part B (excluding capital)
FY 08-09 Authorized GF Budget

Total: $2.9 Billion

- AHEC UNC Hospitals: 3.4%
- UNC GA: 3.1%
- Private College Aid: 3.7%
- Agriculture Programs: 3.7%
- Financial Aid: 1.8%
- Campus Operations: 84.3%

Source: UNC-General Administration (as of 10/31/08)
Student Headcount
Undergraduate and Graduate, Fall 2008

Source: UNC-General Administration
# Student Profile

<table>
<thead>
<tr>
<th></th>
<th>Undergrad</th>
<th>Grad</th>
</tr>
</thead>
<tbody>
<tr>
<td>In-State</td>
<td>88.7%</td>
<td>77.8%</td>
</tr>
<tr>
<td>Female</td>
<td>56.4%</td>
<td>61.3%</td>
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<tr>
<td>White</td>
<td>67.0%</td>
<td>76.3%</td>
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<tr>
<td>Distance Education</td>
<td>6.6%</td>
<td>24.5%</td>
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<tr>
<td>High School Students</td>
<td>1.7%</td>
<td></td>
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UNC FTE Positions, FY 2008-09

SPA: Subject to the Personnel Act / EPA: Exempt from the Personnel Act

Source: UNC-General Administration
FYs 2007-09 Key Budget Items
UNC Fall Headcount Enrollment Actual (through 2008) and Projected

$122.7 million for enrollment over past two years.

Source: UNC-General Administration February 6, 2009
FY 2008-09 Key Budget Items

• Current Year Budget
  – $38 million in recurring cuts
  – $143.5 million in one-time budget reversions

• General Fund capital projects and repair and renovations on hold
  – $99.6 million for 17 capital projects
  – $32.1 million for R & R projects
FY 2008-09 Key Budget Items

• University Cancer Research Fund created
  – General Fund
  – Tobacco Trust Fund
  – Tax on tobacco products other than cigarettes
  – $25 million in 2007-08 / $40 million in 2008-09
FY 2008-09 Key Budget Items

• Campus safety programs funded
  – $6 million recurring
  – $9 million nonrecurring

• NC Research Campus at Kannapolis opened
  – Murdock Core Lab Building
  – NCSU Institute for Fruit and Vegetable Science
  – UNC-CH Nutrition Research Institute
FY 2008-09 Key Budget Items

• EARN scholarship established
  – $4,000 grants to students from families at 200% or less federal poverty level
  – 2 year grants to public and private institutions
  – Estimated 12,000 students will receive $45.5 million in FY 2008-09
FY 2009-10 Budget Issues

- **Financial Aid**
  - Second year of EARN
  - UNC need-based aid to grow $23.4 million
  - Escheat Fund – Deficit by 2012

**Escheat Fund Balance $ Million**

- 6/30/09: $587.3
- 6/30/10: $336.6
- 6/30/11: $140.4
- 6/30/12: -$70
FY 2009-10 Budget Issues

• Enrollment Growth
  – 12,399 additional students in next two years
  – $44.8 million in FY 2009-10
  – $54.4 million in FY 2010-11

• NC Research Campus at Kannapolis
  – $10 million to complete funding commitment
  – Funds needed to hire researchers and provide equipment and supplies
FY 2009-10 Budget Issues

• ECU Dental School operating costs
  – First class enters in 2011
  – Request $6 million in FY 2009-10
  – Additional $8 million in FY 2010-11

• University Cancer Research Fund
  – $50 million annual commitment beginning FY 2009-10
  – $11 million General Fund appropriation needed
FY 2009-10 Budget Issues

• Principals’ Executive Program
  – Funding ends June 30, 2009
  – $1.3 million needed to restore operating budget

• Distinguished Professorships
  – $6.8 million match needed
  – $5 million requested for backlog
UNC System Graduation Rate: Class Entering 2001

- 4 Years: 35.1% (UNC), 33.5% (US)
- 5 Years: 54.2% (UNC), 53.3% (US)
- 6 Years: 58.7% (UNC), 58.6% (US), 63.4% (UNC+)

Source: UNC General Administration
UNC+ = includes transfers between UNC institutions
Quality

• Kiplinger.com rates 6 UNC campuses in top 100 “best values in public colleges” in 2009.
  
  #1    UNC-CH
  #18   NCSU
  #25   UNC-W
  #29   ASU
  #43   UNC-A
  #98   UNC-G

• Fiske Guide to Colleges 2009 includes UNC-CH and UNC-A in Best Buys – Public.
Affordability

Flagship Universities

Resident Undergrad Tuition & Fees FY 2007-08

<p>| | |</p>
<table>
<thead>
<tr>
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</thead>
<tbody>
<tr>
<td>National Average</td>
<td>$7,029</td>
</tr>
<tr>
<td>SREB Average</td>
<td>$6,260</td>
</tr>
<tr>
<td>UNC-CH</td>
<td>$5,340</td>
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</table>

Source: Washington Higher Education Coordinating Board
Affordability

Comprehensive Universities

Resident Undergrad Tuition & Fees FY 2007-08

<p>| | |</p>
<table>
<thead>
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<th></th>
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<tr>
<td>National Average</td>
<td>$5,526</td>
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<tr>
<td>SREB Average</td>
<td>$5,048</td>
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<tr>
<td>ASU, ECU, NCCU</td>
<td>$3,915</td>
</tr>
<tr>
<td>WCU, and WSSU</td>
<td></td>
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</tbody>
</table>

Source: Washington Higher Education Coordinating Board
Affordability

- 14 of 16 UNC institutions rank 1st, 2nd, or 3rd lowest resident tuition and fees among peers.

- UNC-CH, NCSU, ASU, and UNC-W commit to meet 100% of need for eligible students.

- On average 48.4% of UNC undergraduate students receive need-based scholarships and grants.
Community Colleges

Creating Success
NC Community Colleges
Hope • Opportunity • Jobs
Community Colleges: Quick Facts

• 58 community colleges
  – 28 Multi-Campuses
  – 55 Off-Campus Centers

• Faculty: 6,583 full-time; 14,786 part-time

• 829,146 Students (Headcount)

• 205,803 Full-Time Equivalent (FTE) Students

Source: NCCCS Annual Statistical Reports and CC System Office
Financial Support of Institutions

State
G.S. 115D-31
- Operating costs for instruction, administration, and support services

Local
G.S. 115D-32
- Operation and maintenance of plant

Capital construction is the legal responsibility of the county. However, G.S. 115D-31 authorizes the State to provide capital funds to local institutions, provided that it is matched on a dollar-to-dollar basis.
Sources of Funding: FY 2008-09

Total: $1.48 billion

- **State Appropriation**
  - $1.0 b
  - 69%

- **Local**
  - $222.2 m
  - 15%

- **Tuition and Fees**
  - $184.9 m
  - 13%

- **Federal**
  - $31.2 m
  - 2%

- **Other**
  - $22.1 m
  - 1%

Source: Authorized Budget from Worksheet I dated; DCC 2-1 Summary
Allocation of Funds*: FY 2008-09

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
<th>Millions</th>
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<tr>
<td>Instruction</td>
<td>56.3%</td>
<td>$706.9</td>
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<tr>
<td>Instructional Support</td>
<td>27.4%</td>
<td>$343.7</td>
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<tr>
<td>Categorical Aid &amp; Other Support to Colleges</td>
<td>9.2%</td>
<td>$115.5</td>
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<tr>
<td>Equipment &amp; Books</td>
<td>3.2%</td>
<td>$40.2</td>
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<tr>
<td>System Office**</td>
<td>3.8%</td>
<td>$47.8</td>
</tr>
<tr>
<td>Operation &amp; Maintenance of Plant</td>
<td>0.1%</td>
<td>$0.8</td>
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</table>

Total: $1.25 billion

*Excludes local funds
**System Office includes Financial Aid funds

Source: Community College System Office
NCCCS General Fund Appropriations: FYs 2000-2009

Source: June 30 Authorized budgets (BD 701) FY 1999-2008: December 31, 2008 Authorized budget
Enrollment Growth

• Funds are allotted on a full-time equivalent (FTE) basis.

• Community college enrollment funding is based on the prior years’ enrollment numbers.

• A college’s budgeted FTE is determined by calculating the higher of
  – the prior year; or
  – the average of the three previous years’ enrollment.
Budgeted FTE: FYs 2000-2009

FY 2002-03: $51.8 million for enrollment growth

FY 2008-09: $23.8 million for enrollment growth

Source: NCCCS Formula Budget Sheets, Fiscal Research Budget Highlights, Estimated Enrollment Growth from CC System Office
National, SREB, and NC Comparisons

Average Full Time Faculty Salaries: FYs 1998-2007

Source: SREB State Data Exchange
National, SREB, and NC Comparisons

Average Full-Time Faculty Salaries: FY 2006-07

Source: SREB State Data Exchange
Average Faculty Salaries: FY 2008-09

• System-wide Average: $47,571
  – 3% Increase over FY 2007-08

• Range:
  – Highest: Richmond CC - $55,704
  – Lowest: McDowell CC - $39,874
  – See attachment for list of all colleges’ average salaries

Source: Annual Faculty Salary Survey of Colleges
Curriculum In-State Tuition Rates*

**Current In-State Rate:** $42.00 per credit hour up to 16 hours, or $1,344 per year.

Source: NCCCS Fact Books

*Maximum Amount for Full-Time Student*
SREB States Resident Tuition & Fees: FY 2006-07

Source: SREB State Data Exchange
Curriculum In-State Tuition: FY 2008-09

- In-State Tuition Covers **24%** of Avg. Cost per FTE
  - Full-Time, In-State Tuition = $1,344/year
  - Expenditures per regular curriculum FTE: $5,501

- Estimated receipts per curriculum FTE = $1,116

**1% Tuition Increase = $1.85 million**
(Curriculum: $1.75 million)
Tuition Waivers: FY 2007-08

Total Tuition Waived: $49.8 m

- Public Service Personnel: $26.3 m
- High School: $10.4 m
- Prison: $4.8 m
- Senior Citizens: $1.5 m
- Other: $6.8 m
Major Budgetary Actions: FY 2008-09

- Enrollment Growth: $23.8 million R
- Enrollment Growth Reserve: $2.5 million NR
- Allied Health: $4.0 million R
- Technical Education: $1.0 million R
- Equipment: $5.0 million NR
- NC Research Campus: $1.0 million R

- Consolidated workforce development programs into the Customized Training Program (Section 8.7).
FY 2009-10 Budget Issues

- Enrollment Growth – estimated $47.7 million based on Fall 2008 enrollment
- NC Military Business Center Continuation Review ($1.25 million)

- Faculty and Staff Salaries
- Technology and Equipment
- Healthcare Education
- Technical Education
- Customized Training
How are the Community Colleges Doing?

• Progress Made by Basic Skills Students
  – Standard: 75% of composite measure
  – Average: 80%
  – 55 colleges met the standard in FY 2006-07

• Licensure and Certification Passing Rates
  – Standard: 80% aggregate passing rate
  – Average: 83%
  – 33 colleges met the standard in FY 2006-07
How are the Community Colleges Doing?

• College Transfer Students
  – Standard: 83% had GPA $\geq 2.0$ after 2 semesters
  – Average: 84%
  – 37 of 56 colleges met the standard in FY 2006-07

• College-level Performance of Developmental Students
  – Standard: 80% had a "D" or better on a subsequent college-level course.
  – Average: 88%
  – 45 out of 53 colleges met the standard in FY 2006-07
Questions?

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CC System: andrea.poole@ncleg.net

733-4910

February 21 - FAFSA Day

www.cfnc.org/fafsaday

866-866-CFNC
## NC Community College System 9-Month Average Salaries (Fall 2008)*

<table>
<thead>
<tr>
<th>College Name</th>
<th>Curriculum Faculty</th>
<th>SREB Average Annual Salary</th>
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<tbody>
<tr>
<td>Alamance CC</td>
<td>105</td>
<td>$49,256</td>
</tr>
<tr>
<td>Asheville-Buncombe TCC</td>
<td>162</td>
<td>$47,375</td>
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<tr>
<td>Beaufort County CC</td>
<td>63</td>
<td>$45,859</td>
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<tr>
<td>Bladen CC</td>
<td>43</td>
<td>$46,457</td>
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<tr>
<td>Blue Ridge CC</td>
<td>57</td>
<td>$46,454</td>
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<tr>
<td>Brunswick CC</td>
<td>42</td>
<td>$43,505</td>
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<tr>
<td>Caldwell CC &amp; TI</td>
<td>121</td>
<td>$44,646</td>
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<tr>
<td>Cape Fear CC</td>
<td>240</td>
<td>$47,923</td>
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<td>Carteret CC</td>
<td>61</td>
<td>$45,955</td>
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<td>Catawba Valley CC</td>
<td>128</td>
<td>$45,780</td>
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<tr>
<td>Central Carolina CC</td>
<td>146</td>
<td>$42,833</td>
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<tr>
<td>Central Piedmont CC</td>
<td>305</td>
<td>$53,087</td>
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<tr>
<td>Cleveland CC</td>
<td>83</td>
<td>$45,872</td>
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<td>Coastal Carolina CC</td>
<td>128</td>
<td>$44,988</td>
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<tr>
<td>College of The Albemarle</td>
<td>77</td>
<td>$43,100</td>
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<tr>
<td>Craven CC</td>
<td>70</td>
<td>$49,665</td>
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<tr>
<td>Davidson County CC</td>
<td>91</td>
<td>$47,648</td>
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<tr>
<td>Durham TCC</td>
<td>142</td>
<td>$51,128</td>
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<tr>
<td>Edgecombe CC</td>
<td>75</td>
<td>$45,303</td>
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<tr>
<td>Fayetteville TCC</td>
<td>247</td>
<td>$48,535</td>
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<tr>
<td>Forsyth TCC</td>
<td>181</td>
<td>$44,229</td>
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<tr>
<td>Gaston College</td>
<td>138</td>
<td>$50,665</td>
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<tr>
<td>Guilford TCC</td>
<td>265</td>
<td>$52,879</td>
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<tr>
<td>Halifax CC</td>
<td>62</td>
<td>$45,537</td>
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<tr>
<td>Haywood CC</td>
<td>68</td>
<td>$48,477</td>
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<tr>
<td>Isothermal CC</td>
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<td>$45,232</td>
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<td>James Sprunt CC</td>
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<td>Johnston CC</td>
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<td>Lenoir CC</td>
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<td>Martin CC</td>
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<td>$41,892</td>
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<td>Mayland CC</td>
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<tr>
<td>McDowell TCC</td>
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<td>Mitchell CC</td>
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<td>Nash CC</td>
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<tr>
<td>Pamlico CC</td>
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<td>Piedmont CC</td>
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<td>$45,864</td>
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<td>Richmond CC</td>
<td>53</td>
<td>$55,704</td>
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<td>Roanoke-Chowan CC</td>
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<td>$51,193</td>
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<td>$49,961</td>
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<td>Rockingham CC</td>
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<td>Rowan-Cabarrus CC</td>
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<td>$49,505</td>
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<td>Sampson CC</td>
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<td>$46,345</td>
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<tr>
<td>Sandhills CC</td>
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<td>$51,523</td>
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<td>South Piedmont CC</td>
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<td>Southeastern CC</td>
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<td>Wilkes CC</td>
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<td>$46,924</td>
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<tr>
<td>Wilson CC</td>
<td>55</td>
<td>$48,038</td>
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</tbody>
</table>

Total of 5,863 Full-Time Curriculum Faculty with Average Salary of $47,571

*Note: Full-time is defined as 9 months, which is typically the time period that covers the Fall and Spring semesters.*

February 11, 2009