1997-98

INTERIM

JOINT APPROPRIATIONS - EDUCATION COMMITTEE

MINUTES

HOUSE and SENATE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

1997-98 INTERIM SESSION

CO-CHAIRS

Senator Howard Lee
Senator Leslie Winner
Representative Gene Arnold
Representative Robert Grady
Representative Jean Preston

COMMITTEE CLERKS

Betty Stoddard
Peggy Burgin Murray

Senate Appropriations Subcommittee on Education/Higher Education

1997 Membership List

Senator Howard N. Lee, **Co-Chairman**

Senator Leslie Winner, **Co-Chairman**

Senator Fletcher L. Hartsell, Jr., **Ranking Minority**

Senator Walton H. Dalton

Senator John A. Garwood

Senator William Purcell

APPROPRIATIONS/Subcommittee on Education

1997 - 98

HOUSE MEMBERS

MEMBER	TELEPHONE	OFFICE	SEAT	CLERK
G. Arnold, Co-Chair	3-5747	535	54	
R. Grady, Co-Chair	5-3024	402	37	Peggy Murray
J. Preston, Co-Chair	5-3026	403	38	Alice Falcone
J. Black	5-4946	1229	31	Jean Mims
D. Bonner	5-9664	617	109	Lucy Johnson
D. Davis	5-3003	419C	89	Audrey Johnson
V. Insko	3-5800	1319	112	Pat Baker
R. Moore	3-5661	1019	101	Kathy Cali
P. Oldham	3-5877	538	58	Delta Prince
D. Reynolds	3-5820	533	76	
C. Russell	5-0875	2207	27	Susan Brothers
G. Rogers	5-3023	416A	35	Sally Gillis
F. Shubert	3-5771	2119	64	Dawn Ellis
D. Yongue	3-5823	1305	94	Jenny Umstead

PLEASE NOTE: Four additional members served on the APPROPRIATIONS Education Subcommittee during the interim. They were: Representatives Bonner, Insko, Moore and Russell.

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

AGENDA

October 21, 1997

Call to Order and Welcome	Chairs
Discussion of Future Committee Topics	Committee Members

MINUTES

JOINT LEGISLATIVE APPROPRIATIONS EDUCATION SUBCOMMITTEE

Tuesday, October 21, 1997
10:54 a.m.
Room 422, Legislative Office Building

The Joint Legislative Appropriations Education Subcommittee met on Tuesday, October 21, 1997, at 10:54 a.m. in Room 421 of the Legislative Office Building. Senators Lee, Garwood and Purcell; and Representatives Arnold, Grady, Bonner, Insko, Rogers, Black, Davis, Oldham, Reynolds, Shubert and Yongue attended.

Senator Lee presided. He called the meeting to order and welcomed the Committee members. The five co-chairs of the committee, Senator Winner and Representatives Arnold, Grady and Preston, agreed for members to set the work of the committee. It was noted that subcommittees can adjust their schedule as necessary. The next meeting will be chaired by the House; with no additional meetings until next month's consecutive three-day meetings. A written summary report is to be made within 10 follow-up days to the Appropriations Committee and Fiscal Research Division staff.

Additional Education-related committees are: Education Oversight Committee and Legislative Study Commission on Public Schools. Senator Winner and Representative Preston co-chair the monthly Education Oversight committee. The January to April, 1998, dates for Appropriations Education and Education Oversight committees coincide.

The newly formed Legislative Study on Public Schools is co-chaired by Senator Lee and Representative Arnold. Senate members of the Commission are to be notified late this week and House members within the next 10 days. The Commission's major purpose focuses on policy issues with travel schools in the state to observe program implementation as to enhancement, adjustment and policy recommendations. This Commission works in conjunction with Education Oversight. Public Schools, Universities, Community Colleges, special institutions, and programs, such as ESL (English as a Second Language), are included in the commission focus. Budgetary items, such as for specific programs, will come to the Education Appropriations Subcommittee. The House Committee, the Select Committee for Federal Education Grants, is chaired by Representative Davis.

WORK REQUESTS FOR COMMITTEE AGENDA

Senator Lee opened the meeting for recommendations (future and existing) for work agenda for the upcoming months. Senator Lee noted three areas of consideration: Continuation Budget Items; Presentations, Reports and Individuals; Outside travel and field trips (within the Triangle area or 30 minutes travel from Raleigh). The staff is asked clarify travel distance and area limits.

Representative Shubert listed Traditional Black Colleges (House study, equity issues); Teachers salaries (prioritize, commitment to advance salaries, funding). Representative Reynolds listed Black Colleges & Universities, Community Colleges (visits, differences in systems). Representative Yongue listed: Black Colleges (fairness, funding); Charter Schools: (status report, early corrections). After discussion about Charter Schools, staff was requested to prepare background information to trips to traditionally Black College and Universities, Charter Schools,

Community Colleges, and School Systems with heavy population of Latinos or other non-fluent in English population.

Senator Garwood listed Charter Schools and Equity Funding (entire system, not just black institutions). Representative Oldham listed Black Colleges (requested new study to establish true equity, with supporting data) and Charter Schools (have and have not school systems). Fiscal Research Jim Newlin suggested hearing from Board of Governors through General Administration related to long term budget questions, including Equity Study, for anticipated changes or adjustments during the 1998 short session and the 1999 session.

Representative Davis listed Security Officers in Public Schools (to teach related curriculum courses); Legislative Advisory Committee for State Board of Education (status of this 13 member committee and funding). Fiscal Research Jim Johnson indicated the appointments have not yet been made and the funds are a limited amount. Physical Facilities report is due January 1999 to the Education Oversight Committee. Members requested regular progress reports to the Appropriation Education subcommittee. Discussion was held about institution size and funding contributors, including who contributes outside taxes, endowment and other resources. Co-chair Arnold listed Reports by Assistance Teams (what's been done, how effective, cost, need to expand number of teams?, impact teams are having); College Entrance Tests (certain institutions require while others do not; methods to equalize testing measurement - SAT/ACT, another measure). He requested staff to determine budget amount saved if remedial education not required at University level, and what effect this would have if changed.

Representative Grady requested a show of hands, particularly House members, for those on Education Oversight committee. He stated his concerns for two-track approach for this committee, both as to productivity and to multiple overlaps. Additional discussion by members continued. Representative Shubert expressed concern that members had blocked off three days on calendars and only to find that there is a brief meeting today. Co-chair Lee stated that the five co-chairs would look more closely at the overlap of committees, dates and work areas. Individuals may choose to attend other committee meetings that those to which they are assigned, however regulations require reimbursement for only those assigned to the committee.

Senator Purcell listed State Subsidies for Private Colleges and Universities. Representative Inkso listed Limited English Usage (impacted schools with large census of low English use). Senator Lee added to assist students in familiarization and involvement of American culture. Representative Oldham listed low performance schools as affected by Low Performance English.

Representative Black said it's important to have interim meetings and encourages to not postpone policy issues until the last month, either in session or committees. He listed Safe Schools Bill (language changed after voted on, State Board review of plans).. He also expressed his personal disappointment for being removed from Education Oversight Committee. Representative Shubert listed Charter Schools Conference Committee and Duplin County water provision. Representative Grady stated that the full chairs, 4 from House and 3 from Senate, made the changes and signed off on them. Representative Rogers asked where initiation for such change originates and monitoring of this more closely. After further discussion, the Co-Chairs plan to discuss these areas of concern and communicate these concerns to full committee chairs.

PRESENTATION

House Select Committee for Federal Education Grants

Representative Davis, chair of the House Select Committee for Federal Education Grants, reported to the Joint Education Appropriations Committee. He stated that the pilot programs for GOALS 2000 were repealed in 1995 by the North Carolina General Assembly; while the federal

government has continued this program .This program is under DPI and is funded by the federal government. Thirty-one federal education grants were included in FY 95-96, with a total in excess of $437 million. The School-to-Work federal funds flow through the State Commerce Department, then to DPI with "many strings" attached. In addition, these grants overlap with state-level funding.

The Comptroller indicated the 1995-96-budget was $6.2 billion for all agencies, an increase of approximately 7% over the previous year. At present, the 1996-97 budget audit has not been completed; however, it is anticipated this amount will be in the neighborhood of $7 billion for all state agencies. Representative Davis also serves on the NCSL as vice-chairman of the Education, Labor and Job Training Committee. This committee is also looking at School-to-Work and federal funding at the state level.

Meetings for the House Select Committee have been set for November 10, 10 a.m., and November 24, 10 a.m., with the focus on School to Work and JobReady. The House Select Committee will investigate and research the possible overlapping of funds from the NC General Assembly and federal government. Senator Lee suggested clarification or recommendations to eliminate overlapping or duplicate funding. Representative Davis stated that a feasible plan would have all grants being sent to the General Assembly as block grants or to the Oversight Committee for distribution; and he felt that all funding should come through the General Assembly. Senator Lee requested that Representative Davis keep the Appropriations Education Committee well informed about the House Select Committee's findings as it continues its work.

Representative Yongue stated his appreciation for the ability to help set the committee's agenda. "Democracy is getting better." He expressed thanks to the co-chairs for their decision. The members had a general discussion about the approach to having interim committees when not under legislative session pressure, see better progress and determine budget realities.

Senator Lee commended the staff on behalf of their work. He introduced Fiscal Research Jim Johnson, Charlotte Todd and Jim Newlin; Research staff Robin Johnson, Kory Goldsmith, and Sara Kamprath. Senate clerks introduced were Vickie Spears and Betty Stoddard; House clerk Peggy Murray was introduced.

The Committee was adjourned at 12:07 p.m.

Senator Howard N. Lee, Co-Chair Presiding

Betty E. Stoddard, Clerk

Senator Leslie Winner, Co-Chair

Representative Gene Arnold, Co-Chair

Representative Robert Grady, Co-Chair

Representative Jean Preston, Co-Chair

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education — **Tuesday, October 21, 1997**

Name of Committee — **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Janis Ramquist	NCATA
Jan Cratts	NCASA
Karen Gray	Gov's Office
Jim Bethune	UNC Gen Admin / NCSU Ag Programs.
Clifton R. Metcalf	UNC GA
Richard Thompson	SOPI
Susan Harrison	WCPSS
[illegible]	THP/HP
Doug Dunn	NCCCS
Ed Regan	N.C.A.C.C.
Donald Bonner	House
Bill Wilson	NCAE
John I. Wilson	NCAE

Appropriations Subcommittee on Education
November Agenda

November 18th

10:00-10:45 AM	**Review of findings of UNC Equity Study** Dr. Kent Caruthers, MGT of America
11:00-11:30	Travel to **NC Central University** in Durham
11:30-12:30	Meet with Chancellor Chambers, Deans and staff
12:30-1:30	Lunch and presentations by NCCU
1:30-3:00 PM	Tour of campus facilities to view new construction, repair and renovations projects, facility conditions, and additional plans for continued development
3:00-3:30 PM	Return to Raleigh

November 19th

9:00-12:00

Community College System's Economic Development and Workforce Preparedness Efforts:

- Overview- Dr. Barry Russell, Executive Vice President, Department of Community Colleges

- Preparing People for Work (Welfare to Work; Workplace Literacy; Occupational Extension; Focused Industrial Training):
  Charles Barham, Department of Community Colleges
  Dr. Randy Whitfield, Department of Community Colleges
  Luby Weaver, Department of Community Colleges
  Rose Johnson, Forsyth Technical Community College

- Creating, Growing and Attracting Jobs (Small Business Centers, New and Expanding Industry Training):
  Dr. Scott Rawls, Department of Community Colleges
  Gayle Harvey, Department of Community Colleges
  Mike Wilkins, Department of Commerce
  Tom White, Durham Chamber of Commerce
  Rick Fior, ABT Company, Roaring River, NC,

1:00-3:00 PM

Review of Bonds and Construction Progress

- **Community Colleges**: Review of Status of unmatched 1993 bond funds- Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges
- **Public Schools**: Status on Rate of Commitment of $1.8 billion in state bonds
- Dr. Ben Matthews - Division of School Support, Department of Public Instruction
- Panel Discussion, Local School Personnel on Issues Relating to School Construction.

- **UNC:** Mr. Jeff Davies, Associate Vice president for Finance, UNC
    1. Review of revised Capital Prioritization Process
    2. Status of 1993 Bond Projects
    3. Review of planned approach to facilities study

3:00-4:00 PM

Enrollment Update

Reports on public schools, community colleges, and UNC preliminary enrollments for 1997-98 and implications for 1998-99 budgets:

- Mr. Philip Price, Division of School Business Services, Department of Public Instruction.
- Dr. Gary Barnes, Vice President for Program Assessment & Public Service, UNC
- Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Tuesday, November 18, 1997

MINUTES

The Joint Appropriations Subcommittee on Education met at 10:00 a.m. on Tuesday, November 18, 1997, in Room 421 of the Legislative Office Building.

Members present were: Representatives Arnold and Grady, Co-chairs; Representatives Bonner, Davis, Insko, Oldham, Reynolds, Rogers, Shubert, and Yongue; Senators Lee and Winner, Co-chairs; and Senator Dalton. A visitors sheet is attached to these minutes.

The meeting was called to order by Representative Gene Arnold. The first item of business was a review of the UNC Funding Equity Study. Mr. Jim Newlin, fiscal staff member for the committee, gave a brief overview and answered questions.

Following Mr. Newlin's presentation, Dr. J. Kent Caruthers, MGT of America, summarized background information on the Equity Funding Study which included special provision language; 1990 UNC funding levels study; 25-year history of funding, study activities, study principles, revenue domain of funding equity study; study design and comparison of analytic approaches. (See Handout #1).

Questions and some discussion followed Dr. Caruthers presentation. Subcommittee members expressed a desire to look more in depth at total funding. This would include problems such as raising matching funds.

The meeting was adjourned at 11:00 a.m. so that this subcommittee could travel to North Carolina Central University (NCCU) in Durham. Members were scheduled to meet with Chancellor Chambers, academic deans and staff members followed by a luncheon and presentations by NCCU. The agenda included a tour of campus facilities to view new construction, repair and renovation projects, facility conditions, and additional plans for continued development.

The APPROPRIATIONS/Subcommittee on Education returned to Raleigh at 3:30 p.m. and reconvened for a follow-up discussion. Representative Arnold asked for comments from staff. Mr. Newlin said that the questions and issues addressed to the NCCU Chancellor were on point. The trip allowed the committee to get a more accurate picture of needs that are important to the University.

Representative Yongue expressed appreciation to the committee leadership for the field trip and said that it gave a better perspective on what is going on at NCCU. He asked if there is a statewide format to evaluate buildings in terms of repairs and renovations and to determine

flexibility of use. Mr. Newlin responded that there is a format for repairs and renovations but probably not for the purpose of flexibility. This is difficult to get a handle on because campus needs in certain areas are not always known. Representative Shubert asked if the difficulties at NCCU were unique to that campus and would the committee be visiting other campuses. Representative Arnold said that the schedules of several education committees included field trips and that other campuses would be visited. Mr. Newlin said that all campuses have difficulties with physical plants many of which are uniquely their own, and that it would be good to visit two or three other campuses for comparisons.

Mr. Bill McCoy, Vice President for Finance, UNC System, commented on this issue. There was further discussion among members of the committee. Mr. Newlin pointed out that there is the question of resources and the fact that the University System was given authority to move money from one program to another. There is total flexibility with the monies received and the operating budget. He said that part of the equity study was a comparison within the system. For example, how they spend their money in the broad categories of expenditure. At NCCU, in institutional support, for example, they were spending 124% of the system average. When they compared with their peers, they were spending at a level of 147% of their peers. This has to be looked at from the standpoint of adequacy of resources and how those resources are allocated.

Representative Arnold said that equity of funding is not the issue. The issue appears to be funding of programs, or what you want the University to do and to be and then how to fund to meet that purpose. The Board of Governors has a responsibility and authority to come to the legislature with needs and a process for meeting those needs.

Representative Oldham said that when monies are given to start a program, there should be a provision to sustain. Representative Grady pointed out that there is a tendency to ask for a program and then at a later date to say that not enough was given for needs of the program. He suggested that someone needs to look carefully at why certain projects are chosen.

There was no further discussion at this time. Representative Arnold said that this subcommittee would meet again tomorrow, Wednesday, November 19, 1998, at 9:00 a.m. The meeting was adjourned.

Respectfully submitted by:

Gene Arnold

Representative Gene Arnold, Co-Chair

Peggy B. Murray

Peggy B. Murray, Committee Clerk

Appropriations Subcommittee on Education
November Agenda

November 18th

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November 19th
9:00-12:00

Community College System's Economic Development and Workforce Preparedness Efforts:

- Overview- Dr. Barry Russell, Executive Vice President, Department of Community Colleges

- Preparing People for Work (Welfare to Work; Workplace Literacy; Occupational Extension; Focused Industrial Training):
  Charles Barham, Department of Community Colleges
  Dr. Randy Whitfield, Department of Community Colleges
  Luby Weaver, Department of Community Colleges
  Rose Johnson, Forsyth Technical Community College

- Creating, Growing and Attracting Jobs (Small Business Centers, New and Expanding Industry Training):
  Dr. Scott Rawls, Department of Community Colleges
  Gayle Harvey, Department of Community Colleges
  Mike Wilkins, Department of Commerce
  Tom White, Durham Chamber of Commerce
  Rick Fior, ABT Company, Roaring River, NC,

1:00-3:00 PM

Review of Bonds and Construction Progress

- **Community Colleges**: Review of Status of unmatched 1993 bond funds- Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges
- **Public Schools**: Status on Rate of Commitment of $1.8 billion in state bonds
- Dr. Ben Matthews - Division of School Support, Department of Public Instruction
- Panel Discussion, Local School Personnel on Issues Relating to School Construction.

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    1. Review of revised Capital Prioritization Process
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Enrollment Update

Reports on public schools, community colleges, and UNC preliminary enrollments for 1997-98 and implications for 1998-99 budgets:

- Mr. Philip Price, Division of School Business Services, Department of Public Instruction.
- Dr. Gary Barnes, Vice President for Program Assessment & Public Service, UNC
- Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges

10:00 AM

VISITOR REGISTRATION SHEET

Joint Appropriations/Education Subcommittee — Name of Committee

Tuesday, November 18, 1997 — Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Meredith Miller	UNC General Administration
[illegible]	NCAICU
[illegible]	NCCCS
Hall Miller	NCACCT
Yon Craig Hall	UNC
Ann Bellam	SBE
Roz Fuse-Hall	UNCGA
W O McCoy	"
Kennis Chrogan	"
Julius F. Chambers	NCCU
Janet Pittard	OSBM
Kent Carruthers	MGT -- consultant to UNC
Daniel Brown	OSBM
[illegible]	UCSR
[illegible]	NCSU - UNC - GA
Bill Wilson	NCAE
Beryl E. Wade	DOT
[illegible]	Smith Anderson
[illegible]	Public School Forum
Barbara Harris	OSBM
[illegible]	OSR

MINUTES

JOINT LEGISLATIVE APPROPRIATIONS EDUCATION SUBCOMMITTEE

Wednesday, November 19 1997
9:14 a.m.
Room 421, Legislative Office Building

The Joint Legislative Appropriations Education Subcommittee met on Wednesday, November 19, 1997, in Room 421 of the Legislative Office Building. Three senators were present and Representatives Arnold, Grady, Bonner, Davis, Reynolds, Shubert, Black, Oldham, Rogers, and Yongue attended.

Senator Leslie Winner presided. She called the meeting to order and welcomed the presenters.

PRESENTATIONS

Community College System's Economic Development and Workforce Preparedness Efforts

Overview

Dr. Barry Russell, Executive Vice President, Department of Community Colleges, was introduced and presented an overview of the Community Colleges' work with Economic Development and Workforce Preparedness. Two specific programs are within the CC system: new and expanding industry program and the occupational extension program. Dr. Russell gave a brief history of previous farm workers needing more specific training for today's workforce; attracting and creating new jobs in North Carolina; and moving low level skills/pay to higher skill levels and pay. Training curriculum generally is one to two years long, depending on the area of concentration and diploma, certificate or associate status granted.

Preparing People for Work

Welfare to Work; Workplace Literacy; Occupational Extension; Focused Industrial Training

Mr. Charles Barham, Department of Community Colleges, presented information on the programs: Welfare to Work, Workplace Literacy, Occupational Extension; and Focused Industrial Training. These programs are 4-8 week segments, including Basic Skills work. A labor market analysis identified over 60,000 workers as potential participants.

Senator Winner discussed Pathways which is state-funded in the community colleges. Basic Skills funding is both federal and state monies. Pathways is at all 58 CC in some form. Discussion followed about amount of pay; tracking students as to where they go (into the workplace or other education programs); tracking participating agencies, with a goal being a common tracking system for all areas. Additional discussion noted interest in clarification of numbers and FTE credit and contact hours. Mr. Barham stated that FTE credit is received at the job site and is based on contact hours. Further discussion centered around basic skills programs offered at community colleges. Tutoring on 1:1 is available to enhance the former. Each local college decides which programs are appropriate to that college's region and location. Dr. Randy Whitfield, Dr. Scott Rawls and Luby Weaver, all of the Department of Community Colleges, responded to discussion about FTE funds. (Attachment 1)

Comments came from Representatives Shubert, Arnold and Yongue about duplication of programs with initiative suggested for program comparisons and bringing them together, in addition to comparisons with new and existing industry costs. Representative Davis noted coordination also needs to be in place with various departments and the correlated work at the Department of Commerce.

Additional questions centered around how programs were developed and if these programs were then available for other colleges. Dr. Rose Johnson, Forsyth Technical Community College, details the Jobs Skill Action Team. Eight staff members perform an assessment, with 480 training programs being customized. The expanded program divides areas as appropriate into Occupational Extension and Literary Skills. In response to Representative Grady's question about availability of these courses, she referred to the Common Course Catalog developed last year.

Sandra Babb, Education Advisor and Workforce Preparedness, Office of the Governor, addressed partnerships across the state. Local schools work with families, parents, community leaders, community colleges and universities to assist in training after high school. There is also involvement at the state level in the planning process. Technical preparation is the key cornerstone of School to Work program.

Creating, Growing and Attracting Jobs

Small Business Centers and New and Expanding Industry Training

Economic Development Director of the Community Colleges, Dr. Scott Rawls, cited information about programs creating and attracting jobs. (Attachments 2 & 3) Gayle Harvey, Department of Community Colleges, spoke about the 58 Small Business Centers throughout the state. Specialty programs exist such as Export Outreach, courses working with OSHA regulations, IRS and the Department of Human Resources, including Small Business incubators. She commented on the need to improve tracking of outcome and results. Discussion pursued tracking export business and the World Trade Association, the logic of funding formulas, university work with the Small Business Technology Center (differences and similarities to CC Small Business Centers). Currently there are partnerships with 14 of the Small Business Centers and universities.

Additional comments regarded the work with local Chamber of Commerce to attract companies to a county; focus on CC programs and Continuing Education (University acts as in-depth consultant). Two custom training programs are Focused Industrial Training (FIT), with 36 FIT centers; and New and Expanding Industry Training. Training videos, which have won two national awards, have been produced for the New and Expanding Industry Training. Questions centered around the competitiveness in North Carolina with technological training. In general the state is keeping up with these changes. Other states use more resources in certain areas, such as pay for trainee wages. Training is both at community colleges and at the worksite. Occupational Extension offers 1200 courses, with customized industry training available. Dr. Bryan Brooks, President of Davison County CC, explained to the committee how companies get appropriate services.

Mike Wilkins, Assistant Secretary of Commerce, described the work and coordination among Community Colleges, Industrial Trainers, School Superintendents, high school workers, City Managers, Mayors, Airport Commission Chairs and others. This relationship is a critical point in North Carolina's current and new industry. Tom White, Durham Chamber of Commerce, explained Job Link and the supply of skilled labor; the Basic Skills Centers and the Lee Act.

Rick Fior, Human Resources Manager, ABT Company, Roaring River, NC, presented ABT's experience in partnership with Wilkes County. (Attachment 4) Resources available in Wilkes include skilled labor, energy and transportation. He detailed training, a mobile computer lab, instructors supplied by Wilkes County Community College. ABT generated additional tax revenues for county both from company and employees. In addition, there has been less that 1% turnover with these trained employees.

Review of Bonds and Construction Progress

Community Colleges; Public Schools; and UNC

Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges, detailed the review of the status of unmatched 1993 bond funds. He spoke of system-wide projects; determination of institutional need ($4 million cap on need) versus dividing fund amounts evenly among colleges.

(Attachment 5) He explained bond authorizations, unobligated state bond funds, and matching funds. After discussion about arbitrage period, deadlines on settling bonds, and pledges, this committee recommends extension of time in order to sell bonds on the date state treasurer sees as reasonable and prudent.

Dr. Ben Matthews, Division of School Support, Department of Public Instruction, reported on the status of rate of commitment of $1.8 billion in state bonds. (Attachments 6 & 7) All systems are eligible to spend bond funds. Superintendents from LEA are involved, with $60.1 million given recently to LEA. Discussion focused on costs per square foot, including a specific request by Representative Shubert for documentation of cost range per square foot. Dr. Reginald Teague, Assistant Superintendent of Facilities, Forsyth County Schools, spoke about historical renovation, better project control, dispute resolution, sales tax issues and single prime & multi-prime contract legislation. Dr. Eric Smith, Mecklenburg County Schools, cited project management and quality control. He stated that major vendors will not participate in multi-prime projects and that single prime gives a more competitive approach. Florida and Virginia have single prime. Discussion related to single- and multi-prime followed his presentation. Senator Winner requested the staff supply information about the School Construction Bill.

Mr. Jeff Davies, Associate Vice President for Finance, UNC, presented a review of revised Capital Prioritization process, the status of 1993 Bond Projects, and a review of planned approach to facilities study. (Attachments 8 & 9) For the next 6 years $310 million is available for repairs and renovations. Discussion centered around allocations and how these are determined. Mr. Davies stated there are 7 variable formulas. Fiscal research staff member Jim Newlin said that this funding is in addition to scheduled repairs and renovations. Representative Shubert stated the need for a dollar limit and determining the adequacy of the bill. Further discussion focused on regular update of figures, checks and balance and enhancements to previously constructed buildings, private and public funds, and leasing building. Dr. Carroll and Mr. Henry Holmes, Office of State Construction, presented additional information. (Attachment 8, pg. 11)

Enrollment Update

Mr. Philip Price, Division of School Business services, Department of Public Instruction, Dr. Gary Barnes, Vice president for Program Assessment & Public Service, UNC and Kennon Briggs, Vice President for Business and Finance, Department of Community Colleges, gave reports on public schools, community colleges, and UNC preliminary enrollments for 1997-98 and implications for 1998-99 budgets. (Attachment 10) Dr. Barnes projected the future enrollment of students, including high school students, attendance rates and campus data. Discussion followed about a chancellor capping enrollment, noting the state of Virginia has reduced graduate enrollment in order to increase undergraduate enrollment, utilizing certain caps for the university.

The Committee adjourned at 4:09 p.m.

Leslie Winner

Senator Leslie Winner, Co-Chair Presiding

Betty E. Stoddard

Betty E. Stoddard, Clerk

Senator Howard N. Lee, Co-Chair

Representative Gene Arnold, Co-Chair

Representative Robert Grady, Co-Chair

Representative Jean Preston, Co-Chair

VISITOR REGISTRATION SHEET

Appropriations: EDUCATION — 11/19/97

Name of Committee — Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
[illegible]	PARKER, POE, ADAMS & BERNSTEIN
Rose Johnson	Forsyth Tech. Com. College
Barry Russell	NC Comm. College System
J.W. Fades	N.C. Comm College Sys
Scott Rolls	N.C. Comm College Sys.
Hal Miller	NCACCT
Calvin Dull	Wilkes Community College
Rick Fior	ABTCO
Rick Kimrey	N.C. COMMUNITY COLLEGE SYSTEM
[illegible]	

VISITOR REGISTRATION SHEET

Appropriations Sub.-Ed. 11-19-97

Name of Committee Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Gayle Harney	NCCCS
Judy Lynn	NCCCS
Luby Weaver	NCCS
J Bryan Booth	Davidson County Comm. College
Donny Hunter	NCCCS
Ellen Russell	The Arc of NC P.O. Box 20545 Raleigh 27619
Maurice Kay	OSBM
Janet Pulliam	OSBM
David Brown	OSBM
Randy Whitfield	NCCCS
Mike Wilson	Dept Commerce

VISITOR REGISTRATION SHEET

Appropriation-Sub-Education 11-19-97

Name of Committee Date

VISITORS: Please sign below and return to Committee Clerk.

NAME	FIRM OR STATE AGENCY AND ADDRESS
Sandy Babb	Gov Office, 116 W. Jones St.
Tom White	Durham Chamber of Commerce 300 W. Morgan St. Durham 27701
Chancy Kapp	NCCCS 200 W. Jones St. 27603
Tom Bryan	" "
Suzanne Williams	Bowen Assoc. PO BOX 28586
Jerry Davis	UNC Chapel Hill, NC
Ben Mills	NCDPI 311 N Wilmington St
JIM LORA	NCDPI 301 N. WILMINGTON
STEVE TAYLOR	
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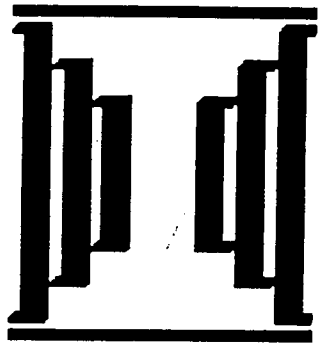
ATTACHMENT I

North Carolina Community College System

Workforce and Economic Development



Presentation to the Joint Appropriations Subcommittee on Education

November 19, 1997

Agenda

- **Overview**
  Dr. Barry W. Russell, NCCCS

- **Preparing People for Work**
  - **Introduction**
    Charles Barham, NCCCS
  - **Welfare to Work; Workplace Literacy**
    Dr. Randy Whitfield, NCCCS
  - **Occupational Extension**
    Charles Barham, NCCCS
    Dr. Rose Johnson, Forsyth Tech CC
  - **Focused Industrial Training (FIT)**
    Luby Weaver, NCCCS

- **Creating, Growing and Attracting Jobs**
  - **Introduction**
    Dr. Scott Ralls, NCCCS
  - **Small Business Centers**
    Gayle Harvey, NCCCS
  - **New and Expanding Industry Training**
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Welfare to Work
Pathways to Employment: Purpose

- Training program developed to support the Work First effort by enhancing coordination of workforce training for Work First participants. The program emphasizes:
  - Short-term training (job skills, workplace skills and occupational basic skills) tied directly to employment outcomes
  - Training components which are integrated
  - Training flexibility which allows Work First participants to move in and out of training as needed

Pathways to Employment:
Partners

- NC Division of Social Services
- NC Community College System
- Employment and Training Agencies (ESC, JobLink, JTPA, Vocational Rehab., CBOs, others)
- Other non-profits, faith community

Pathways to Employment: Program Description

Key elements of this model include offering integrated training in the following areas in four-, eight- or twelve-week segments:

- **Human Resources Development (self-directed or classroom pre-employment skills)**
- **Basic Skills (family/workplace/employment-related literacy)**
- **Occupational Extension (short-term skills geared to identified job-markets)**

Job Skill Development: Options for Training

(Based on Labor Market Analysis)

- **Office Assistant**
- **Custodial**
- **Adult Care Aide**
- **Carpenter Assistant**
- **Radio/TV/VCR/CD Repair**
- **Computer Repair**
- **Bank Teller**
- **Basic Cashiering**
- **Forklift Operator**
- **Nursing Assistant**
- **Shipping/Stock Clerk**
- **Food Service**
- **Child Care Aide**

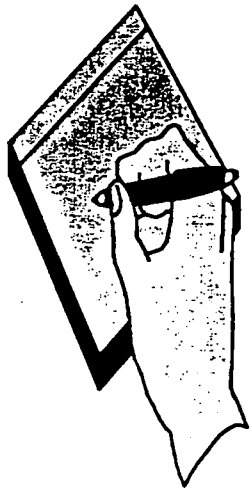
Pathways To Employment: Program Impact

- Potential participants
  - 61,376 Work First participants
- Desired outcomes
  - Increase in workers' skills
  - Decrease in public assistance for Work First clients
  - Increase in Work First clients placed into jobs
  - Increase in tax revenues

Pathways to Employment: Enrollment in Related Programs

(Headcount 1995-1996)

Basic Skills	127,263
Human Resources Development (HRD)	15,852
Occupational Extension	451,138

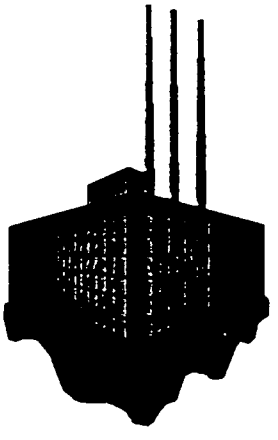


Pathways to Employment: Program Challenges/Critical Needs

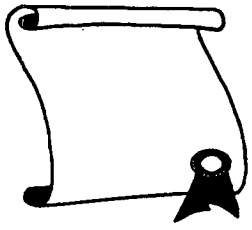
- Data collection/tracking
- Agency coordination
- Support of business/industry in hiring Work First participants
- Support services for participants (child care, transportation)
- Training for community college staff in implementation
- Coordination time for program staff

Workplace Literacy: Purpose

- A program that provides basic instruction in reading, mathematics, writing, communications, and critical-thinking/problem solving skills for adults 16 years or older and out of school, who do not have a high school diploma or who lack sufficient mastery of basic education skills to function effectively in the workplace.



Workplace Literacy: Major Goals



- Upgrade basic skills of employees
- Provide opportunity for employees without high school diplomas to obtain high school equivalency

Workplace Literacy: Participant Information

- All community colleges offer workplace literacy free of charge upon request to businesses and industries. Worksite programs are operated at approximately 300 companies annually. Company employees are also served at other locations; 60% - 80% of all Basic Skills students are employed.
- Employers served
  - Manufacturing
  - Meat Processing
  - Restaurants
  - Retail Businesses
  - Health Care
  - Utilities
  - State and Local Government

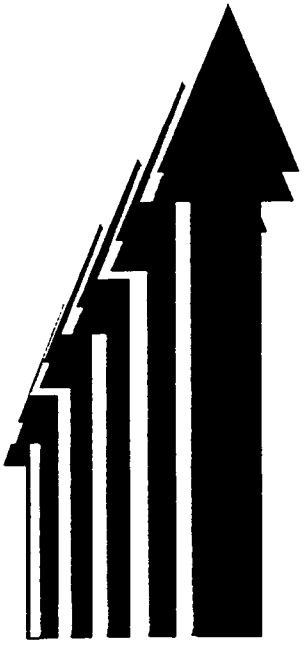
Workplace Literacy: Services/Funding

95-96	Worksite	Total
# Students	10,190	127,263
# Classes	1,362	12,691
Cost/student	$328	$328

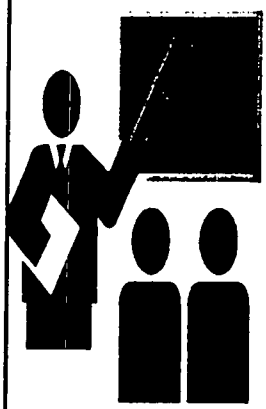
Workplace literacy is funded through the total Basic Skills budget of approximately $49 million ($10 million federal, $39 million state). Total costs for a given year vary with number of participants.

Workplace Literacy: Program Impact

- **Employee benefits**
  - Increase in skills
  - Increase in pay ($100/week more with high school diploma)
  - Increase in self-esteem
- **Employer benefits**
  - Higher-skilled workforce
  - Motivated workforce
  - Higher productivity



Workplace Literacy:
Program Challenges/Critical Issues



- Instructor training
- Planning/curriculum development time for instructors
- Coordination/collaboration

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OCCUPATIONAL EXTENSION
PURPOSE

Occupational Extension courses are designed for the specific purpose of:

- **training individuals for employment,**
- **upgrading the skills of persons presently employed, and**
- **retraining others for new employment in occupational fields.**

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STUDENT ENROLLMENTS AND AVERAGE ANNUAL FTE OCCUPATIONAL EXTENSION

Fiscal Year	Enrollments	Average Annual FTE
1996-97	451,138	16,519
1995-96	436,436	16,319
1994-95	425,375	15,719

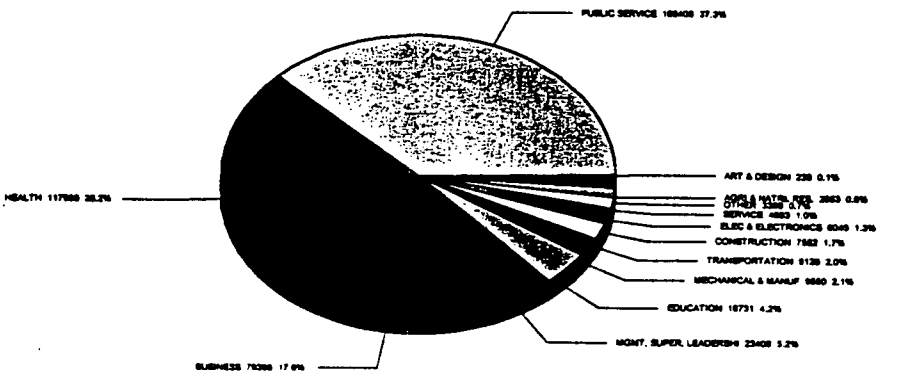
Special Report for Occupational Extension Data (539-1) 1996-97, 1995-96, and 1994-95
Annual FTE for Quarters Summer, Fall, Winter, Spring

OCCUPATIONAL EXTENSION
INSTRUCTIONAL COST PER ENROLLMENT

Fiscal Year	OE Cost Total	OE Enrollment	OE Cost/ Enrollment
1996-97	$20,133,655	451,138	$44.63
1995-96	$19,007,068	436,436	$43.55
1994-95	$17,499,241	425,375	$41.14/ OE Enrollment

BD701 Agency Management Budget Report
Special Report for Occupational Extension Data (539-1) 1996-97, 1995-96, and 1994-95

OCCUPATIONAL EXTENSION ENROLLMENTS BY PROGRAM AREA
1996 - 1997



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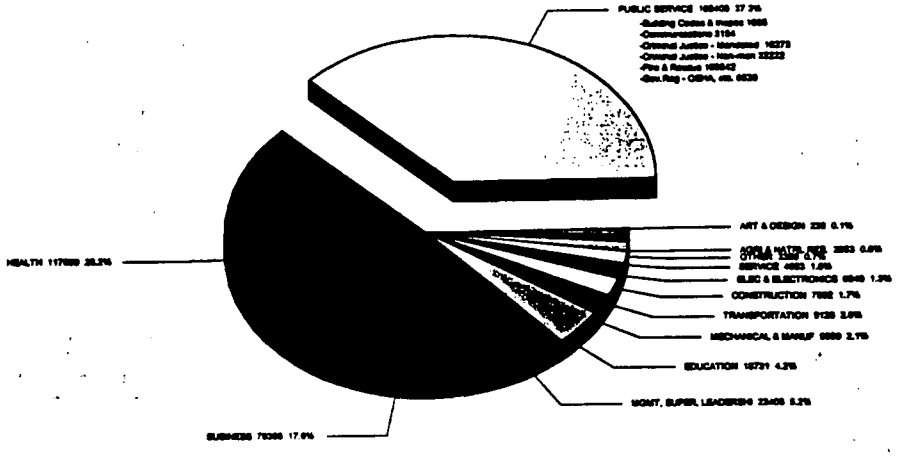

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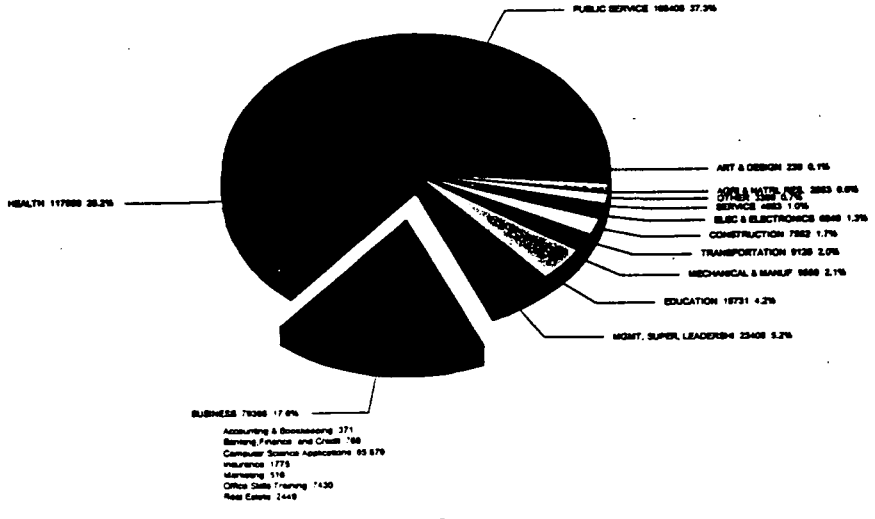

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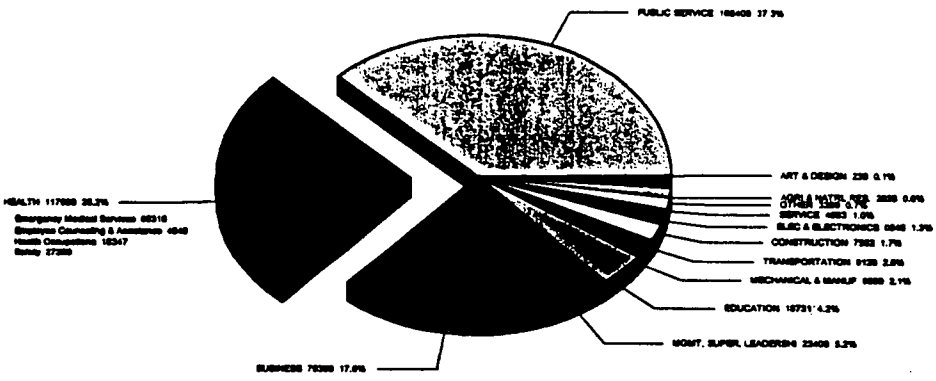
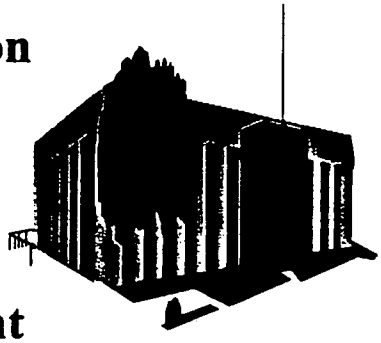


Special Report for Occupational Extension Data (539-1) 1996-97

Colleges' Model Occupational Extension Offerings During 1996-97 That Supported Economic Development



Model OE Offerings
1996-97

- Training assessment of 430 employees at Flynt/Wansona, textile manufacturer (Anson CC)
- Computer competencies course for public school teachers (Beaufort County CC)
- Customized courses for 36 businesses, industries, and agencies (Caldwell CC & TI)
- Partnership with GE Nuclear to provide Quality Training for 550 employees (Cape Fear CC)
- Partnered with American Institute of Banking to train employees from four area banks (Cape Fear CC)

Model OE Offerings
1996-97

- Specialized computer training at Hoechst Celanese (Cleveland CC)
- General Manufacturing Certification Program developed with four industrial partners (Fayetteville TCC)
- Offered International Standards Organization (IS0) training for various industries (Edgecombe CC)
- Work First training for 75+ welfare recipients (Halifax CC)
- Collaborated with hospitals in custom training program (Halifax CC, Davidson County CC)

Model OE Offerings

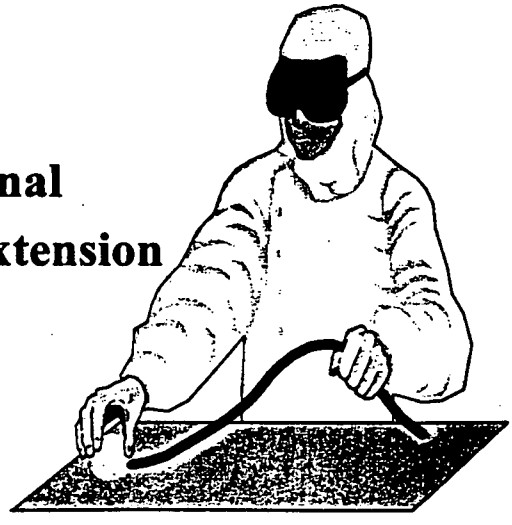
1996-97

- Provided low-cost, high-quality training for:
  - Law Enforcement,
  - Emergency Medical Rescue,
  - Fire Service Training,
  - other public service professionals charged with saving lives and protecting property. (Fayetteville TCC)

- Worked with four agencies to conduct more than 40 skills courses for more than 200 Work First, JTPA, and Food Stamp recipients (Forsyth TCC)

- Delivered more than 227 occupational classes to 4,069 employees in 70 different companies (Guilford TCC)

Colleges' Plans For Using 1997-98 Additional Occupational Extension Appropriation



Sample OE Plans
1997-98

- Employ additional full-time instructors in critical occupations, including:
  - industrial engineering/technology
  - computers
  - allied health
- Add instructor with CNC, PLC, and SPC skills applied to manufacturing.
- Increase access by employing full-time instructors and establishing computer labs at satellite campus locations.
- Provide more courses for construction trades and other occupations with certification/recertification requirements.

Sample OE Plans
1997-98

- Purchase laptop computers for customer training at worksites; establish "skills on wheels" program
- Expand services to furniture, hosiery, metals and plastics industries
- Develop Safety Institute; increase OSHA training
- Offer selected high cost/low enrollment courses; provide training to smaller class-size groups
- Provide additional offerings for Work First clients
- Provide occupational extension faculty development opportunities; provide staff development for instructors
- Improve customer access to customized training opportunities by seeking space in the community

Sample OE Plans

1997-98

- Update needs assessment survey for industry training; employ customized training specialists
- Expand American Institute of Banking training offerings
- Expand computer training to industry, health care providers, and government
- Establish OE newsletter for business and industry
- Implement basic statistics instructional program for industry
- Conduct Regional Hazardous Materials Technician Training program for industry
- Retrain 400 adults who have lost jobs due to one plant closing and a reduction in force at another plant

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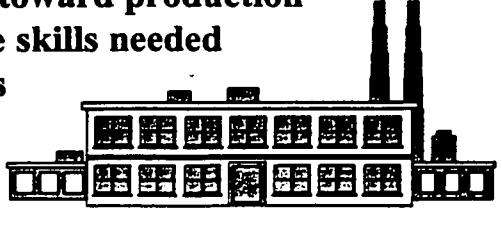
Focused Industrial Training (FIT): Purpose

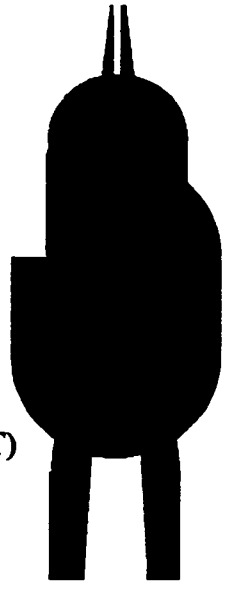
- Assist existing manufacturing industries to become more productive and competitive

- Provide customized training for individual companies and industry groups

- Training directed toward production workers to update skills needed because of changes in technology

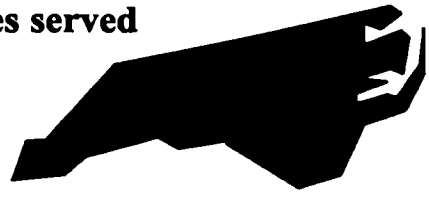


Focused Industrial Training (FIT): Funding/Services 1997-98



- $3,588,032 total appropriations
  - $1,962,032 General Fund
  - $1,596,000 Worker Training Trust Fund
- Program delivery
  - 36 programs
  - Balance of state (21 colleges & NCCATT)

Focused Industrial Training (FIT): Program Impact 1996-97



- 36 programs
- 711 different industries served
- 8,943 trainees
- 965 courses
- Top industries served
  - textile and apparel
  - metal working
  - furniture

Focused Industrial Training (FIT): An Example for 1996-97

- Vance-Granville Community College
- Americal Corporation (Hosiery)
- Maintenance Training for Production Machines
  - Assessed specific needs for training
  - Custom designed 4 non-credit courses
  - Employed instructor with appropriate skills
  - Low enrollment (FIT funds-no FTE)
  - Normal enrollment (regular funds)

Questions?

Utilization of Occupational Extension Newly-Appropriated Funds

Forsyth Technical Community College

Presented by Rose Johnson
November 19, 1997

Program Focus: In July, 1996, Corporate and Continuing Education developed a Job Skills Action Team to work with businesses, agencies, and industries to develop and deliver customized employee training programs. The Team is comprised of eight staff members who collectively conduct needs assessments, tasks analyses, and employability skill assessments to determine how to best upgrade the skills of existing and new employees. To date, the Team has developed and delivered over 480 customized occupational courses to train more than 7,700 employees for more than 115 different organizations. This focus on the delivery of the customized training programs contributed to a 12% growth in occupational extension FTE during the 1996/97 program year.

As a result of the Team's constant interaction with organizations, Corporate and Continuing Education has been able to determine additional programs needed in its service area which is comprised of Forsyth and Stokes counties. We are responding to specific identified needs by utilizing the occupational extension allocation to fund the following new positions:

- FT Leadership/Management Trainer/Coordinator
- FT Nursing Assistant Trainer
- Increased a 10 month Computer Trainer to 12 months
- FT Industrial Technologies Trainer/Coordinator
- FT Coordinator Evening and Hispanic Programs
- PT Coordinator/Recruiter for Stokes County Programs
- FT Secretary

Utilization of Future Proposed Funding: If occupational extension funding is increased for the 1998/99 program year, proposed utilization of the funds includes:

- FT Computer Trainer/Coordinator
- FT Emergency Services and Law Enforcement Trainer/Coordinator
- 2 FT program secretaries
- Increase allocation for instructional supplies and instructor/staff professional development
- Increase the PT instructor rate of pay

THE WALL STREET JOURNAL.

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VOL. CCXXVIII NO. 105

Ready to Work

To Bolster Economies, Some States Rely More On Two-Year Colleges

Specific Job Training Attracts And Retains Employers In North Carolina County

The Payoff: the Paychecks

By FRED R. BLEAKLEY
Staff Reporter of THE WALL STREET JOURNAL

GREENSBORO, N.C. — In the war among the states over economic development, many states offer tax breaks to lure companies in or dissuade them from leaving. But here in North Carolina, the secret—and often more successful—weapon is job training at community colleges.

In Guilford County, halfway between Charlotte and Raleigh, Guilford Technical Community College turns out a steady supply of graduates in more than 50 fields while racing to update its curriculum and equipment as business needs change.

GTCC largely explains why the thriving county's per-capita income has quintupled in 20 years to more than $22,000, why cutbacks in its textile, furniture and tobacco work forces have gone so smoothly and why the unemployment rate is only 3.5%. Nonagricultural employees in the county now total 253,000, up from 140,000 in the early 1970s.

An Array of New Jobs

"You look across the county now and you'll see telecommunications, auto-parts, electronics, plastics, metalworking, customer-service and financial jobs that weren't here in the 1970s," says Don Jud, an economist at the University of North Carolina at Greensboro. "GTCC has been the key to that."

Other Guilford County colleges, such as North Carolina Agricultural and Technical University, feed skilled workers to local companies as well. And many "comprehensive" community colleges like GTCC are spread around the country. California, South Carolina, Texas, Florida and other states support large community-college systems devoted to training and retraining workers for skilled jobs while broadening their outlook through liberal arts.

But few states have been as successful as North Carolina in building a manufacturing work force. The Tarheel State says that in each of the past eight years, it has been among the top three states in new-plant locations. Tired of North Carolina's attracting one business after another (including some from Maryland), Maryland Gov. Parris Glendening persuaded the state Legislature to double funding for community colleges this year.

Other States Take Notice

"Other states are beginning to wake up to the North Carolina model," says George Autry, president of MDC Corp., a labor think tank in Chapel Hill. Louisiana, Mississippi and Kentucky, he adds, want to start gearing their community colleges more toward economic development.

States are realizing that community colleges can help raise the living standards of millions of Americans. Two-year schools can encourage young and old workers alike to pursue education beyond high school without requiring the time and expense of a four-year college degree.

What makes such schools important is the transformation of many dead-end, repetitive factory and office jobs into work that requires employers and their shrinking work forces to keep improving and expanding their skills. To spur education beyond high school, President Clinton has proposed a $1,500-a-year tax credit for students at two-year schools.

Wooing the Japanese

North Carolina has attracted employers so effectively partly because it was the first state, and still is only one of a few, to offer free custom-training of workers in the specific skills a company needs. To attract Konica Corp. of Japan, GTCC officials went to Tokyo a few years ago to learn the manufacturing skills that the filmmaker required and that they should teach.

To students, GTCC offers the prospect of a good job at a tuition cost of less than $1,000 a year for full-time students. That is why GTCC's three campuses are packed with 10,000 students each day. A walk around the main campus — a sylvan 100 acres in Jamestown, just outside Greensboro — is like a tour through a commercial website. One path leads past a new Applied Technology Center, which houses 800 computers. Another goes by a Transportation Complex, where a Volvo AB truck-making unit is funding a new diesel-repair program and General Motors Corp. and Ford Motor Co. are relying on GTCC to train technicians in computer diagnosis of engine problems. Along the way are Dental Science and Business Careers buildings and signs pointing to Furniture Hall, Packaging Center and Machinery Hall.

And while the campus looks like a big-time university's, its students' ages range much more widely. More than half of GTCC's 10,000 students are at least 25, and about a sixth of them already have bachelor's or master's degrees.

Hurrying across the campus one recent day is Duchess Livingston, a 25-year-old single mother of three. She is learning to become a doctor's aide, a job paying more than $20,000 a year, while working part-time as a grocery clerk. Her goal: to move out of a housing project.

Like Ms. Livingston, three-fourths of GTCC's students are working full- or part-time while attending school. They make the effort, Prof. Jud says, "because they

Please Turn to Page A12, Column 1

Two-Year Colleges Can Help Create Jobs

Continued From First Page

see people actually getting jobs."

A study of about 600 recent graduates showed that 10% of them had a starting salary of more than $35,000 a year, 29% began at $25,000 to $30,000, and only 13% were earning less than $10,000. Jobs with high starting salaries included industrial maintenance (28 of 40 grads started out at more than $30,000) and dental hygienists (20 of 34 grads began above $30,000). As the hygienists' pay indicates, the ripple effect of new manufacturing jobs has produced a thriving service economy as well.

Another study, by North Carolina State University, shows that hourly wages of 2,600 of the state's community-college graduates rose an inflation-adjusted 9% to 17% in the four years after leaving school. Even those not getting a two-year degree were ahead of where they would have been with only a high-school diploma.

So, while broken dreams are the legacy of much job-training, GTCC's students see its formula – a mix of technical skills and liberal arts – as a way to get ahead.

Mastering Manufacturing

Debra Grubbs, 20, is going to GTCC full-time during the day and holding down a nearly full-time job as an apprentice technician at Dow Corning Corp., which starts each night at 11 p.m. Instead of attending a four-year college where "I would have been one of those students jumping from one curriculum to another," she is mastering manufacturing skills, such as the use of computers to control machines that fill vats of chemicals.

Although "the hours are killing me," she is eager to "earn my own keep, like my mom says, and work with my hands and my head." If Dow Corning hires her after she graduates next June, as seems likely, she will earn more than $20,000 a year to start and get an opportunity to advance.

One graduate who has already moved up the ladder is William Giordano, who enrolled in GTCC after drifting through a series of what he calls "poverty level" retail jobs and got an associate degree in electronic engineering in 1981. He now earns $70,000 a year fixing machines in a factory owned by the Lorillard Inc. subsidiary of Loews Corp. At 45, he lives with his wife and two young daughters in a contemporary ranch home near Greensboro.

For Banner Pharmacaps Inc., a Dutch-owned pharmaceuticals company, GTCC's offer to find and train workers was a big factor in recently moving a plant to the area from Newark, N.J. First, GTCC screened each candidate in a simulated factory for 15 hours. "I sat back, watched everyone play ball and then picked my team," says Don Hebner, vice president and general manager.

Then, for three months before the plant opened, GTCC trained 225 workers in process control, machine maintenance, packaging and other skills. With the plant now up and running for three months, Mr. Hebner couldn't be happier. When Banner's directors from the Netherlands were touring the plant last month, he noted that it is 12% more productive than similar Banner facilities in Mexico and Canada.

Remedial Skills Taught

Equally important to Guilford County is the way existing businesses can retrain workers, mostly at GTCC's expense, in everything from supervisory skills to blueprint reading and computer basics.

At Convatec, a manufacturing unit of Bristol-Myers Squibb Co., GTCC is bringing workers up to speed in remedial skills. Billie Overly, a 57-year-old warehouse worker with a reading problem, "faked it a whole lot" until her recent course, taken on company time. No longer does she shy away from new projects, a habit that had held her back. "Now I feel like I should be right up there with the rest of them," she says.

Despite its efforts, GTCC realized a few years ago that it might not be turning out enough graduates with the skills needed by many local employers. So, it commissioned a study. Companies told the college that it wasn't teaching the courses they needed and that the basic math and English skills of too many of its graduates were weak. AMP Inc., an electronic-parts maker, saw that employees sent there for retraining as machinery-repair technicians still couldn't be promoted to higher-level jobs; the college's equipment was outdated. Robert Mackey, president of machine-tool maker Burckhardt America Inc., needed better-trained recruits to reduce downtime on expensive machinery.

To attack such problems, GTCC President Don Cameron and Schools Superintendent Jerry Weast formed a turf-free alliance to better prepare students. Slowly, companies in one industry after another backed the effort. First it was the metal-working industry, sponsoring an ambitious high-school/higher-education apprenticeship and curriculum. Then, last April, a Greensboro Chamber of Commerce group committed more than $3 million for the transportation, financial, furniture, textile and chemical industries to embark on similar programs.

"In the past, our faculty designed the curriculum, and labs and business rarely came to the table," Mr. Cameron says. "Then, when companies said that wasn't good enough, we got defensive." Now, he adds, "we're partners."

Rapid Growth Expected

More than 100 students are enrolled in the fledgling programs, and within a few years about 1,000 high-school and GTCC apprentices will be in training. To encourage interest, business executives visit grade schools and run plant tours.

Mr. Cameron welcomed the business attention, partly because companies funded a lot of new equipment. Despite the successes at community colleges, North Carolina, like most states, is too strapped by prison costs and other social needs to keep community colleges up to date. The $549 million that North Carolina's 58 community colleges receive annually still leaves them about $160 million short of their needs, officials of the North Carolina Community College System say.

While the community-college/business alliance seems to be working well to help fill the skilled-labor gap in Guilford County, it is unclear whether similar linkups will work broadly throughout the nation. Labor Secretary Robert Reich, long a fan of community colleges, says he is encouraged because of evidence "business is rapidly getting involved in shaping particular courses and community-college curriculums all over the country."

But as business makes its wishes known to community colleges, it is likely to face opposition. Some people ask: How much public funding for community colleges should go toward subsidizing skills tailored for a specific company? And many educators argue that the prime mission of a college, even a two-year college, should be to broaden students' minds through liberal arts rather than lead them into blue-collar work.

Those arguments may well fade away. But one challenge that may continue to impede community colleges is the American dream of receiving a four-year degree. That dream is diverting many bright students from the practical-skills training they can get at schools such as GTCC.

Even though there aren't enough high-paying jobs for unskilled college graduates, says Jamie Vollmer, a consultant in Fairfield, Iowa, telling parents that a community college is the best option is often viewed as "tantamount to saying their children have a genetic virus."

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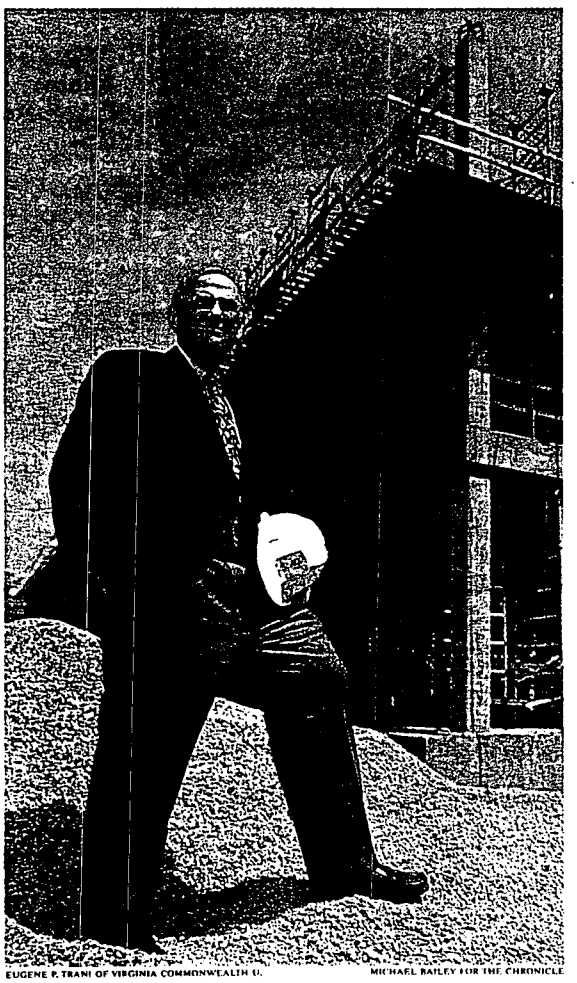

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States Turn to Community Colleges to Fuel Economic Growth

In North Carolina, customized job training is viewed as a key element in attracting and keeping businesses

BY PETER SCHMIDT

DURHAM, N.C.

THOMAS J. WHITE jumps at the chance to heap praise on Durham Technical Community College. He rattles off example after example of how it has helped drive one of the nation's strongest and longest-running regional development booms.

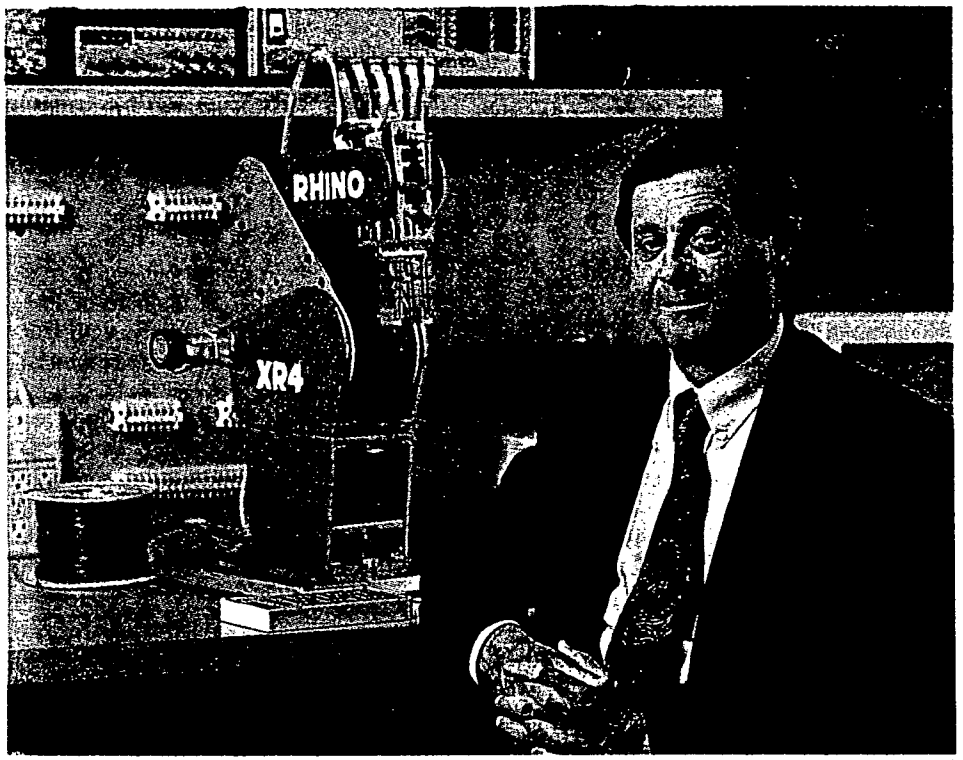
As vice-president for economic development of the Greater Durham Chamber of Commerce, he has given this spiel many times before. He keeps at hand a large aerial photograph of the region—North Carolina's thriving Research Triangle—so he can point out the dozens of new or expanding commercial laboratories and manufacturing plants. Viewed from above, the area resembles a cluttered Monopoly board late in the game.

Credit for the Triangle's economic development generally goes to the three research institutions that make up its corners: Duke University here, North Carolina State University in Raleigh, and the University of North Carolina at Chapel Hill. But Mr. White says Durham Tech is responsible for much of the growth.

Here and elsewhere in this state, business leaders and government officials point to community colleges—and their focus on training workers—as crucial to the boom that has transformed North Carolina into one of the brightest spots on the nation's economic map.

"The community colleges have enabled us to retrain an entire work force that, prior to their development, had been employed in textiles, tobacco, and furniture making," Mr. White says.

In most parts of the state, the unemployment rate is negligible, and businesses and economic plan[illegible] are grappling with a labor shortage. [illegible]vey of 758 people who graduated fro[illegible]2 to 1994 from Guilford



WILL OWENS FOR THE CHRONICLE

Durham Tech's Gordon E. Copeland: "We are the largest provider of training in the region. No one else can really afford to compete with us."

town, N.C., found that 52 per cent of them were earning at least $20,000 a year, and 21 per cent were earning $30,000 or more. (Many of those on the lower end of the income spectrum reported that they were at four-year colleges.) By contrast, state residents who had not continued their education beyond high school were earning an average of just under $13,000, nearly $9,000 less than the average community-college graduate.

Other states have begun looking to the North Carolina Community College Sys[illegible]tem as a model—in some cases, because it helped the state successfully to woo companies they had hoped to attract. And most states and individual community colleges appear to be focusing now on providing customized training to specific businesses.

"Community colleges have really assumed a new role in becoming engines of economic development in their communities," says Ernest R. Leach, executive vice-president of the League for Innovation in the Community College, a national consortium of two-year institutions.

Mr. Leach and others attribute these de[illegible]elopments to a confluence of political and economic trends, including recent changes in federal welfare policy and the competition among states for industry and the jobs it brings.

"As capital becomes more fluid, as plants can be set up at any location around the world, what really accounts for the strength of a location is its work force," says Scott Ralls, director of economic development for the North Carolina system.

AN EXPANDED MISSION

Community colleges have not backed away from their mission of offering associate's degrees to students who wish to go on to four-year institutions. But Tony Zeiss, chairman-elect of the American Association of Community Colleges and president of Central Piedmont Community College, in Charlotte, N.C., says corporate and continuing education have emerged from the shadow of associate's-degree programs. Two-year colleges around the nation report that many of their students—a tenth or more, and growing—already have bachelor's degrees. They are seeking training to adapt to new management structures or advances in technology, or simply to make themselves more marketable.

"A lot of our employers want short-term training that may only be 15 to 20 hours in some skill," says Bill Wenrich, chancellor of the Dallas County Community College District, in Texas.

The North Carolina system was ahead of the game in customizing training to serve the needs of businesses. The system was established in the late 1950s with economic development as its primary mission; many of its campuses began offering transfer credits to students bound for four-year colleges only a decade ago. And the state has long reimbursed two-year colleges for most of the costs associat[illegible]th providing not-for-credit occupatio[illegible]ning.

In 1958, North Carolina [illegible]ame the first

Continued on Following Page

Continued From Preceding Page
state to offer new companies free, customized training for their employees. Last year, it appropriated $6-million to offer such training to any new or expanding company with at least 12 employees.

Gary E. Carlton, director of business-and-industry development for the state's Department of Commerce, says such offers seem every bit as enticing to companies as the tax abatements volunteered by other states. For North Carolina, the training represents an investment rather than a giveaway, and it can provide an opportunity to prepare state residents to work in an emerging industry.

"It pays for itself," Mr. Carlton says. "We reap rewards through additional tax revenue by having the companies here and by having higher-paid employees."

Other states have embraced this belief. For example, Texas this year began to reimburse community colleges for non-credit or continuing-education courses that are work-related. The state also has pumped nearly $25-million into a fund that reimburses technical and community colleges for much of the cost of providing customized training for local businesses.

In Missouri and Iowa, community colleges finance customized training by issuing bonds that are paid off by tax revenues derived from its recipients. Colorado picks up a large share of the costs when two-year colleges help a company retrain workers.

'WE MAKE IT EASY'

North Carolina's efforts to reach out to businesses are helped by the fact its community-college system is the nation's third-largest, with 58 institutions. "You cannot drive 50 miles in any direction without hitting one of our county colleges," Mr. Carlton says. "We make it easy. If you're big enough, we'll put a campus right on your site."

The community colleges collaborate with each other, too. If one is unable to provide the training that a business seeks, it often refers the business to another.

The state's community-college and economic-development officials say they work hand-in-glove. Mr. White, of the Chamber of Commerce, says he can pick up the phone and arrange within minutes for Durham Tech officials to meet a company executive scouting the area. He sits on the college's Board of Trustees and has *carte blanche* to take business officials around its facilities.

Last year, he conducted such a tour for representatives of a major electronics company that wanted to move to the area but needed assurances that they would find competent assemblers. "When we walked out, the deal was sealed," he says.

Businesses have helped equip Durham Tech's programs by donating machinery that their workers are learning to use. A state-of-the-art robotics laboratory, for example, was financed in part by a $38,000 grant from the local Mitsubishi plant.

Largely because it is reimbursed by the state, Durham Tech says, it can offer businesses customized training for less than private contractors can. "We are the largest provider of training in the region. No one else can really afford to compete with us," says Gordon E. Copeland, assistant vice-president for corporate education.

'WHEN AND WHERE THEY WANT IT'

Officials of local proprietary schools, however, argue that their programs cost only marginally more and often are more effective and more convenient. "If we don't provide the service, we don't have the customers," says Joan M. Johnson, director of education for Raleigh-based IntraMed Institute, which trains health-care workers.

Mr. Copeland notes that there are challenges to providing such contract training. "One of the hard facts of life in providing services to business and industry is that you really have to provide it on their time, when and where they want it," he says.

Community colleges can have trouble finding instructors for such programs, because many of the fields are relatively new, or because would-be instructors can make more money on their own. What's more, businesses have been known to pull out of the programs at the last minute, wasting the college's investment in them.

So far, however, Durham Tech has found ways to meet businesses' demands. It maintains round-the-clock security at its facilities, so night classes can be offered for shift workers. When it set up a 20-credit-hour program at a factory of the International Business Machines Corporation, it handled course registration there, so workers would not have to go to the campus. It has helped train mechanics for American Airlines, health-care workers for Duke University, and computer operators who help Logic Marine manufacture boat hulls.

Some of Durham Tech's training programs focus on corporate culture rather than specific skills. A local General Electric jet-engine plant that wants a more horizontal management structure routinely uses the college to train its employees to work in teams.

"Whenever I've called them, they've met our needs," says Frederick L. Maurer, president of Cormetech Inc., a locally based manufacturer of pollution-abatement equipment. "I just take it at face value that if they say they'll do it, they'll do it." ■

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MARK CORNELISON/HERALD-LEADER

Family and friends gathered yesterday with, from left, seniors Derek Anderson, Jared Prickett and Anthony Epps.

SPORTS

UK stunned on Senior Day

Gamecocks outshoot Cats 72-66, win SEC title / Page B1

Colleges' industry ties pay off in N.C.

Schools provide workers, training

■ **Yesterday:** North Carolina's public university system routinely wins national praise. Ask leaders there how it happened and they'll say there's no magic formula.

■ **Today:** Community colleges in North Carolina and Kentucky have big differences in emphasis, history and culture — but North Carolina's system is recognized nationally for its work with local industries.

BY ANGIE MUHS
HERALD-LEADER EDUCATION WRITER

HICKORY, N.C. — A quick trip around the campus of Catawba Valley Community College in western North Carolina illustrates that what a community college is can depend on where you are.

You would find a parking lot roped off for a semi-truck driving school and a high-tech knitting machine in a mini-hosiery factory — vocational programs that you wouldn't find in Kentucky's community college system.

for Higher Education

SECOND OF TWO PARTS

You'd find the liberal arts programs meant to help students transfer to four-year universities — but at Catawba, unlike in Kentucky, they're not what the college was primarily founded to do.

In short, you'd find that a community college in North Carolina isn't exactly the same thing as a community college in Kentucky.

But in both states, most agree that community colleges are crucial to the state's future prosperity.

"A state, to step up as an economic force, cannot do it without a strong community college system," said William Friday, the former president of the University of North Carolina system.

The North Carolina system has been recognized nationally, including in a recent front-page Wall Street Journal article, for its work with local industries.

It's a theme that permeates the Catawba Valley's campus.

SEE **COLLEGES, A4**

ANGIE MUHS/HERALD-LEADER

Phail Wynn Jr., president of Durham Technical Community College, said, "Colleges have to realize it's a new day."

COLLEGES: Ties to industries provide benefits

FROM PAGE ONE

The Furniture Center features several large rooms, which contain an upholstery lab, sewing machines and many of the same machines that would be found in furniture plants.

The Hosiery Center's space is crammed with sock-knitting machines, ranging from antiques to sleek computerized machines with $40,000 price tags. It even teams up with the college's English as a Second Language program to offer customized courses for the growing number of millworkers who are Hmong and Hispanic immigrants.

The college almost always gets called on when new industries are thinking about locating in the area, said its president, Cuyler Dunbar.

That might be anything from training in a high-tech skill to teaching literacy courses — an area in which community colleges are primary players statewide.

A couple of years ago, Alcatel, which makes fiber-optic cable, was thinking of expanding a plant near Hickory. But it was worried about getting trained workers.

The college, with some state funding, offered training at its campus for potential workers while Alcatel was still building the plant. Now the college is hoping to start an associate degree program in fiber optics, Dunbar said.

"By the time they walked into that brand-new plant, they had a lot of trained workers," Dunbar said. "It worked beautifully, and to me, that's what a community college is all about."

But that partnership works only if the community college respects business's views and needs, said Dan St. Louis, who directs the Hosiery Center.

When it does work, though, the effort can pay off for the college. Most of the machines in the hosiery and furniture centers, for example, have been donated or lent to the college by plants or manufacturers.

"The industry's gone down to Raleigh and raised Cain to get us money before," St. Louis said. "Because they saw we were doing what they wanted, they stuck up for us down in Raleigh."

A few hours away, in the urban Raleigh-Durham area, the story is similar.

Durham Technical Community College once flew two instructors to a Motorola plant in Texas to learn what managers wanted from workers before the company opened a plant in the Research Triangle. The college then taught those skills to future workers.

It also teaches skills at an IBM plant and offers registered nursing courses for nurse's aides at Duke University's Medical Center — at the hospital.

"Colleges have to realize it's a new day and the campus is just a headquarters," college President Phail Wynn Jr. said. "When there's a need, we'll take it there."

And the college was ready to move when asked, said Bernard Farmer, director of the city of Durham's Office of Employee Training and Development. It asked the college to teach basic literacy and General Educational Development classes to city employees.

Re-engineering needed

But the differences in emphasis, history and culture, experts say, illustrate why policymakers can't just look at another state's system and think that they could come up with one-size-fits-all answers.

"It's worked well here because it started out this way and people are used to it," Dunbar said.

North Carolina's community college system, after all, is not without its occasional controversies and challenges.

For example, much like in Kentucky, one concern has been improving coordination and communication — both within the system and between it and universities, said former Gov. Bob Scott, the system's president from 1983 to 1995.

The result is a systemwide re-engineering that, among other things, is converting the colleges' calendar to semesters from the quarter system. It is also trying to make it easier for students to transfer without losing credits.

James Dixon, the system's vice president for academic and student services, said some students have had trouble transferring between community colleges.

"It was enough to give us pause," he said. "We want to be sure that English 101 at Asheville-Buncombe Tech is the same thing as English 101 at Edgecombe Community College."

N.C., Kentucky schools have different origins

BY ANGIE MUHS
HERALD-LEADER EDUCATION WRITER

HICKORY, N.C. — North Carolina's and Kentucky's different approaches to their community colleges and technical programs have deep historical roots.

Catawba Valley Community College, like most of North Carolina's community colleges, started its life as an "industrial education center," focusing on technical and vocational programs tailored to the local job market.

The mission of providing training for the work force remained paramount — even as the system grew to include a liberal arts college transfer program.

Kentucky, on the other hand, started its community college system to make a university education more accessible to the public. The idea was that students attended community college near home for the first two years before transferring to another university.

Meanwhile, the Kentucky Tech post-secondary vocational schools offered technical and vocational programs.

There are two other key differences in the systems.

In North Carolina, no one in the community college system has academic tenure. That's not true in Kentucky's community colleges, which have academic ranks and tenure.

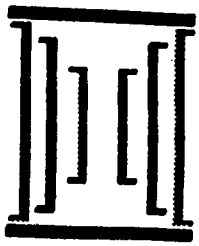
The other major difference is in the power structure. Kentucky's 14 community colleges fall under the University of Kentucky; their local boards are advisory and major decisions are made in Lexington.

The Kentucky Tech system, which includes 29 post-secondary schools, is run by the Workforce Development Cabinet, which is part of state government.

In North Carolina, the community college system falls under a statewide, freestanding board that was established in 1981. But most of the day-to-day decision-making rests with the local governing boards, not with the systems office.

"Each president of a community college is a little duke in his dukedom," said Ferrel Guillory, writer-in-residence at MDC Corp., a Chapel Hill-based non-profit corporation that studies economic development and work-force training issues.

Adopted by the State Board of Community Colleges
April 18, 1997



North Carolina Community College System
New and Expanding Industry Training (NEIT)
Program Guidelines

PURPOSE

The purpose of the New and Expanding Industry Training (NEIT) Program is to provide customized training assistance in support of new, full-time production positions created in the State of North Carolina, thereby enhancing the growth potential of companies located in the state while simultaneously preparing North Carolina's workforce with the skills essential to successful employment in emerging industries.

ELIGIBILITY

Companies creating 12 or more production jobs in excess of their previous 3-year maximum employment level are eligible for assistance through the New and Expanding Industry Training Program. Resources may support training assessment, program development, instructional costs, and training delivery for new front-line personnel involved in the direct production of goods and services and their first-line supervisors.

Companies which downsize positions in one area of the State and then transfer those positions to another area of the State are not eligible for training assistance for those transferred positions.

Employees of temporary or staffing agencies are not eligible for post-hire training support under the NEIT program.

Adopted by the State Board of Community Colleges
April 18, 1997

EXPENDITURE GUIDELINES

Salaries, Wages and Related Expenses:

- The following priorities will be given to the recruitment and utilization of instructors for New and Expanding Industry Training projects:
  1) community college permanent or part-time employees; 2) contractors of the community college; 3) company personnel or contractors. It shall be the responsibility of community college staff, with consultation from the client company, to determine the appropriate length and provision of training, and this shall be indicated in the Training Project Profile submitted for approval.

- Reimbursement for instructors will be made at a 6:1 or greater trainee to trainer ratio.

- In those cases when community college staff or contractors are used for instruction, they will be compensated directly in accordance with existing policies and guidelines. In addition to costs of instruction including travel expenses and course preparation time, community college staff or contractors may be reimbursed for costs associated with job analysis, training needs assessment and program development. The payment of social security taxes and other employee benefits to community college employees will be made in accordance with the existing policies and procedures of the college.

- Employees or contractors of the client company may be used as instructors if community college staff or contractors with the appropriate expertise are not readily available. The community colleges have the responsibility, in such circumstances, to insure that all trainees are registered, and to monitor the instruction so as to assure that it is being delivered according to the Training Plan and Project Profile.

  In such cases where company personnel or contractors are used as instructors, they will be reimbursed their normal rate of pay, not to exceed a

maximum of $26.50 per hour. In addition to actual hours of direct instruction, compensation for additional time devoted to training program preparation may be recommended by the Regional Economic Development Manager and authorized by the Director of Economic Development for the North Carolina Community College System. This amount may not exceed 15 percent of the scheduled training hours or a maximum of 80 hours total. Wages may not be paid to prospective trainers while they themselves are trained in production operations, and under no circumstances may funds be used to pay trainee wages or salaries.

- Colleges will receive 5 percent of the project costs as an administrative allowance, not to exceed $60,000 per project during any one fiscal year. Temporary clerical and administrative personnel, and project coordination staff, may be employed by a community college expressly for direct services related to a specific project, if recommended by the Regional Economic Development Manager and the Director of Economic Development.

- If recommended by the local community college and the Regional Economic Development Manager, and approved by the Director of Economic Development, NEIT funds may also support training of community college instructors for skill acquisition of strategic technologies associated with a New and Expanding Industry Training project. The purpose of these expenditures will be to support specialized college instructor training for skills deemed important for future support of employers within the college's service area.

Travel Expenses

- Community college instructors may be reimbursed for travel expenses in accordance with established travel policies and procedures.

- Out-of-state residents, employed or reimbursed directly by the company, may be temporarily assigned as training instructors and reimbursed for their expenses after having trained six or more North Carolina residents who are

new company employees. The number of individuals per project supported for travel to the state is subject to negotiation and prior approval, and under such circumstances they will be limited to:

a) a maximum of twelve (12) weeks per diem at a daily rate of $71.
b) one round-trip air fare (coach class, reimbursed at a 14-day prior purchase rate) or cost equivalent for each of the two complete or partial six-week periods of supported state residency.
c) local travel expenses as authorized by the Regional Economic Development Manager prior to departure.

- In-state residents, serving as instructors and employed by the company, may be reimbursed for previously authorized out-of-state travel, after having returned and trained six or more North Carolina residents who are new company employees in the knowledge or skills acquired as a result of the out-of-state travel. The intent of the out-of-state travel will be to acquire knowledge or skills necessary for NEIT project instruction. The number of individuals supported for out-of-state travel per project is subject to negotiation and prior approval, and under such circumstances they will be limited to:

a) a maximum of six weeks per diem at a daily rate of $83. Per diem allowances for international travel may be adjusted for actual cost differences in different locations.
b) one round-trip air fare (coach class, reimbursed at a 14-day prior purchase rate) or cost equivalent to location of the temporary assignment.
c) Local travel allowances as authorized by the Regional Economic Development Manager prior to departure.

Training Facilities

- Community colleges may be reimbursed for costs associated with providing dedicated training facilities for New and Expanding Industry projects. Reimbursement may be provided for the period required by the client company for dedicated temporary training space, not to exceed twelve

months in duration.

For training provided at existing college facilities, the college may be reimbursed a reasonable cost share of utilities (including electricity, gas, oil, water and sewer) for the space provided to the NEIT project. If suitable space is not available at a community college permanent facility, colleges may also be reimbursed for the costs of leasing space on a temporary basis. In such cases, colleges may be reimbursed the reasonable costs of leasing, utilities, maintenance, trash and garbage service, protective and security services, and insurance costs. Colleges may not lease temporary training space from New and Expanding Industry client companies or their subsidiaries.

Colleges may be reimbursed for reasonable costs associated with necessary alterations to facilities to accommodate the training. Authorization for the provision of training facility reimbursements, including costs associated with alterations to facilities, must be approved by the Director of Economic Development prior to initiation of the project.

Client companies may not be reimbursed for the leasing of training or other facilities through the New and Expanding Industry Training Program. They may, however, be reimbursed the reasonable costs of transporting, installing, and removing training equipment to and from community college- provided training facilities.

Training Materials, Supplies, and Equipment

- The State may provide necessary classroom and training-related supplies and materials in support of a specific training project.

- Media development services, including videos and print media, may be provided at State expense if recommended by the Regional Economic Development Manager and approved by the Director of Economic Development. In addition, if authorized, the State may assist with offsetting a

percentage of the expenses of developing and producing customized training manuals and computer-based training programs.

- The State may provide, install, and maintain at the training site, standard items of equipment normally associated with vocational-occupational training as available and typically used within the North Carolina Community College System.

- Considerations for non-salvageable material, consumed by company employees during formal training periods of instruction, may be reimbursed if approved in advance by the Director of Economic Development. The eligible company may be reimbursed for 50% of the costs of the non-salvageable materials consumed during formal training, not to exceed $100 per trainee participating in the training in which the materials were consumed. The cost and the amount of non-salvageable materials must be authenticated with appropriate company documentation.

APPROVAL PROCEDURES

- A Project Profile Form as well as Expenditure Authorization Forms must be signed by both a local college representative and the Regional Economic Development Manager and submitted for approval prior to project initiation. The Project Profile Forms must include total estimated project costs and a project time frame, not to exceed 36 months in duration after project approval. Time frames and project costs may be amended according to project training needs, with prior approval from the Director of Economic Development.

- Approval for projects with estimated total expenditures less than $75,000 may be made by the Director of Economic Development. Projects in excess of $75,000 must be approved by the Director of Economic Development, and submitted by the Director for secondary approval to a Joint Community College/Department of Commerce Review Panel consisting of a designate(s) of the President of the North Carolina Community College System and a

designate(s) of the Secretary of Commerce.

- Project expenditures must be in accordance with the approved profile and may not exceed the amount indicated in the profile without prior amendment and approval.

GUIDELINE EXCEPTIONS

- In unusual or extenuating circumstances, the Director of Economic Development after consultation with the Review Panel consisting of both designated representatives from the North Carolina Community College System and the Department of Commerce, may authorize exceptions to these Guidelines. Exceptions will be documented and included with the Project Profile Form as a matter of public record.

WORKER TRAINING TAX CREDIT PROVISIONS

- Provided that expenses claimed for the Worker Training Tax Credit are reasonable and directly related to support of the company's training plan, NEIT categorical reimbursement limitations (i.e., company instructor wages, instructor travel costs, and costs of non-salvageable training materials) will not apply in the administration of the Worker Training Tax Credit given that there is a tax credit limit per eligible employee.

- Any expenditures made through the New and Expanding Industry Training Program may not be claimed by the company for credit as an eligible expenditure under the Worker Training Tax Credit.

Adopted by State Board July 18, 1997

North Carolina Community College System
Focused Industrial Training (FIT)
Program Guidelines

Purpose

Focused Industrial Training (FIT) programs provide for customized training and services for manufacturing industries to help them become more productive and more competitive.

FIT programs are designed to assist industries with training needs assessment, assist in the development of company or industry specific plans for training and also to provide training for incumbent workers. Focused industrial training is directed toward workers who need to up-date their skills and technical knowledge because of technological changes. Instruction is customized to focus on specific training needs and may require small classes that cannot be conducted with regular program funds. Classes that are funded with Focused Industrial Training funds do not earn budget FTE.

Eligibility

Companies that manufacture products and/or process industrial materials are eligible for focused industrial training and services. Customized instruction will be directed toward skilled and semi-skilled production workers, industrial maintenance workers and leaders of personnel who perform industrial processes.

Expenditure Guidelines for FIT Program Funds

Focused Industrial Training programs are subject to approval on an annual basis by the State Board of Community Colleges. Colleges designated as FIT centers will be allocated grant funds to finance their Focused Industrial Training program. FIT programs may use funds for instructional and administrative costs as follows.

Instructional costs

Instructional costs for Focused Industrial Training programs may include:

- **Program/course development**
- **Instructional salaries**
- **Contracted instructional services**
- **Instructional materials**
- **Train the trainer expenses (trainer expected to train at least 6 workers)**
- **Other usual instructional costs except equipment**

A minimum of one third of the funds allocated annually to colleges for focused industrial training programs should be budgeted for instructional costs.

Administrative Costs

Administrative costs for Focused Industrial Training programs may include:

- **Program coordination and administration**
- **Clerical support services**
- **Other usual administrative costs except equipment, furniture or facility costs**

Salaries for administrative personnel should be budgeted proportionate to the amount of time to be spent operating and administering the FIT program.

Delivery of training

Training should result from a needs assessment and cooperative planning with personnel from the industry to customize the instruction. Classes/seminars should be conducted at a location most suitable for meeting the objectives for training. The location may be at a college or at a site provided by the industry or industries. It is expected that most training will be conducted as classroom, seminar or laboratory-type instruction; however, on-the-job training, with prior approval by the Director of Economic Development Services, is not precluded when it is necessary for teaching manipulative or process skills.

Registration fees

The usual registration fee charged for occupational extension courses should be charged for focused industrial training courses.

Expenditure Guidelines Balance of State FIT Funds

Colleges that are not approved for a Focused Industrial Training program may use Balance of State FIT funds for instructional costs for customized training for manufacturing industries. Initial allocations to colleges not approved for FIT programs from Balance of State funds will be authorized annually by the State Board of Community Colleges. The amount of funds to be allocated will be based on the number of persons employed in manufacturing jobs within the service area of the college. Colleges requiring additional funds may request them, and be approved, on an individual project basis. Classes that are funded with Balance of State FIT funds do not earn budget FTE.

Instructional costs

Colleges not approved for a Focused Industrial Training program may use Balance of State FIT funds for instructional costs as follows.

- **Program/course development**
- **Instructional salaries**
- **Contracted instructional services**
- **Instructional materials**
- **Train the trainer expenses (trainer expected to train at least 6 workers)**
- **Other usual instructional costs except equipment**

Delivery of training

Training should result from a needs assessment and cooperative planning with personnel from the industry to customize the instruction. Classes/seminars should be conducted at a location most suitable for meeting the objectives for training. The location may be at a college or at a site provided by the industry or industries. It is expected that most training will be conducted as classroom, seminar or laboratory-type instruction; however, on-the-job training, with prior approval by the Director of Economic Development Services, is not precluded when it is necessary for teaching manipulative or process skills.

Registration fees

The usual registration fee charged for occupational extension courses should be charged for focused industrial training courses.

Special training projects

Balance of State FIT funds may be used for special training projects that are designed to support manufacturing competitiveness. Special training projects are approvable by the System President or a designee to be carried out by a single college or by a group of colleges within the Community College System.

FIT Program Planning

In order to establish and maintain comprehensive Focused Industrial Training (FIT) programs, planning will be conducted on biennial basis with annual reviews and revisions as needed. Biennial program plans will include the following as a minimum.

- **Annual program goals**
- **Annual activities to accomplish program goals**
- **Time lines for implementing projected activities**
- **Plans for an annual evaluation of the FIT program**

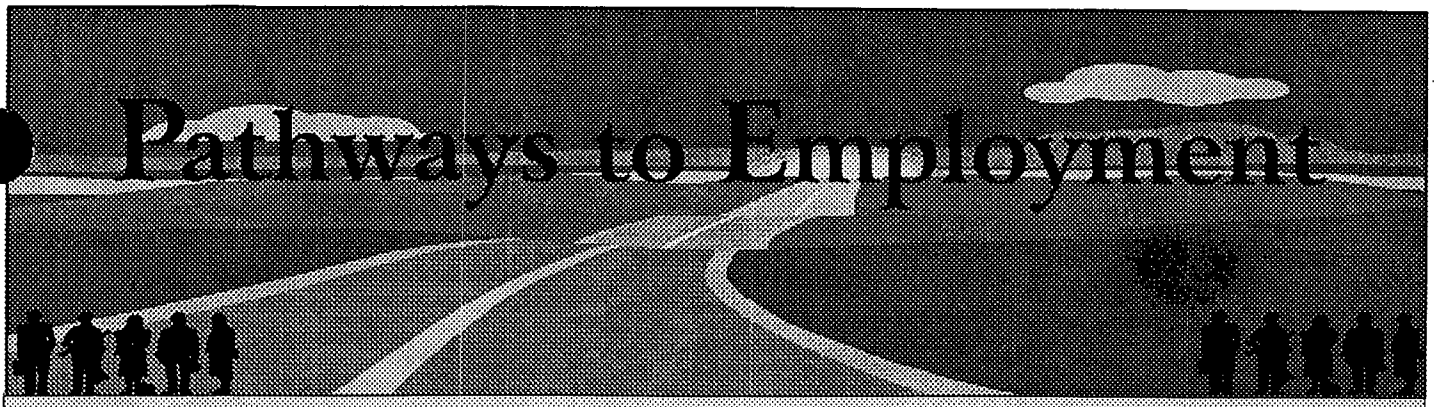
Colleges that receive Balance of State allocations but are not approved for a Focused Industrial Training program will not be expected to submit a biennial program plan; however, an annual report of FIT funded instructional offerings is required.

Records and reports

A record keeping system should be established and maintained so that complete and accurate information is readily available when reports are needed. The following information is required as a minimum.

- **Number of companies served by three digit SIC code**
- **Number of customized courses by location**
- **Number of customized training hours**
- **Number of face to face company consultation/planning sessions**
- **Degree of client company satisfaction for FIT funded classes**
- **Degree of trainee satisfaction for FIT funded classes**

All colleges approved for Focused Industrial Training programs are required to submit an annual Evaluation/Final Report to the State Program Director by August 15 of the following year. Colleges not approved for Focused Industrial Training programs that use Balance of State funds will also be required to submit a report by August 15 concerning customized classes funded with FIT funds.



WORK FIRST TRAINING PROGRAM

Developed by:

North Carolina
Community College System

North Carolina
Division of Social Services

North Carolina Association of
County Directors of Social Services

JULY 11, 1997

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EXECUTIVE SUMMARY

North Carolina's Work First program, implemented in July 1995, is one of the nation's toughest, most comprehensive welfare reform efforts. It demands work and personal and parental responsibility in exchange for temporary support as families move off welfare. Work First, a statewide welfare reform initiative, replaced a fragmented welfare system with a coordinated program that focuses on employment and economic self-sufficiency. Through Work First, welfare rolls are dropping; taxpayers are saving money; welfare parents are getting help with child care, transportation, and medical expenses; and welfare parents are signing binding personal responsibility contracts, pledging to get jobs and take care of their children.

WORK IS REQUIRED:

- Welfare parents are required to get a job - paid or unpaid - or be in short-term job training within 12 weeks.
- Welfare parents receiving intensive employment services must move off welfare in two years. After three years, they may reapply for benefits.

EVERYONE MUST TAKE PERSONAL RESPONSIBILITY:

- All welfare parents must sign a personal responsibility contract that spells out their plans for moving off welfare.
- Benefits are cut when families don't meet their Work First obligations.
- Teen parents are required to stay in school and live at home, or under approved adult supervision.
- No additional cash payments are provided for children born after a family has been in Work First longer than 10 months.

HELP IS AVAILABLE:

- Work First eases the transition into the work force through help with child care, transportation, job search, and short-term job training. Participants can get Medicaid to cover medical expenses up to a year after they leave welfare for work.
- For families at risk of going on welfare, one-time grants (called diversion grants) of up to three months of cash benefits can help families stay on their feet and off the welfare rolls.
- Families can save up to $3,000.
- Families can invest in a car valued up to $5,000 for reliable transportation to work.

EXPLORING STRATEGIES TO SUPPORT WORK FIRST:

In the Fall of 1996, staff from the North Carolina Department of Human Resources and the North Carolina Community College System came together for discussions aimed at developing ways to support the Work First effort by enhancing coordination of workforce training for Work First participants. One outcome of these planning discussions is a proposed training plan which includes elements deemed essential by those involved in providing services to Work First participants. This proposed plan places emphasis on:

- short-term training (job skills, workplace skills, and occupational basic skills) which is tied directly to employment outcomes;
- training components which are integrated; and
- training flexibility which allows Work First participants to move in and out of training streams as needed.

Key elements of this "model" include offering integrated training in the following areas in four-, eight-, or twelve-week segments.

- HRD (self-directed or classroom pre-employment training)
- Basic Skills (family/workplace/employment related literacy)
- Occupational Extension (short term skills geared to identified job markets)

Training components would be structured as concurrent rather than sequential in order for individual Work First participants to receive pre-employment, basic skills, and skills training in an integrated training system. All training in this effort will be focused on employment outcomes for the students.

LIFELONG LEARNING AND CAREER SERVICES

Work First participants, as all members of society, need access to the following services throughout their work career.

- Workplace Literacy
- Upgrading/Retraining Services
- Career Services
- JobLink Career Resource Center
- Others

Pathways to Employment

PART I
North Carolina Division of Social Services (NCDSS)

Work First
Orientation
Assessment
Personal Responsibility
Referral
Tracking

PART II
North Carolina Community College System (NCCCS)

Work First Training Options
Orientation to the Work Place
Orientation to Non-traditional Careers
Skill Assessment
Goal Setting/Study Skills

Work First Integrated Training Components
Self-Paced Individualized Instruction
Job Skill Development
Workforce Basic Skills
Human Resources Development

PART III
Employment and Training Agencies

Community-Based Organizations
Employment Security Commission
JobLink
Job Training Partnership Act
Vocational Rehabilitation
Others

NCDSS
Individual Case Management

PART IV
NCDSS and Departments of Social Services

Individual Case Assessment

Program Evaluation

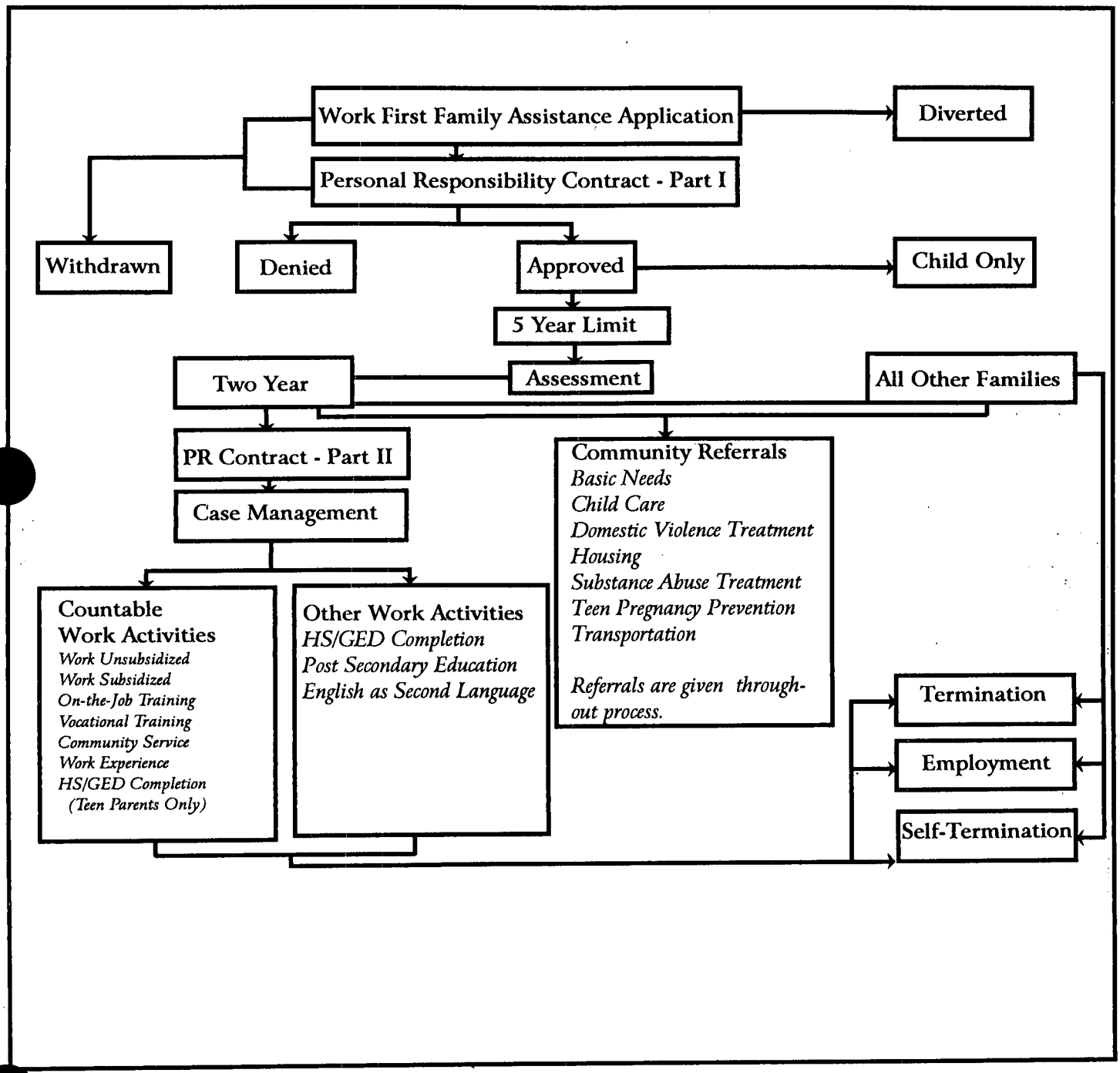
PART V
NCCCS and Employment and Training Agencies

Lifelong Learning and Career Services
Workplace Literacy
Upgrading/Retraining Services
Career Services
JobLink Career Resource Center
Others

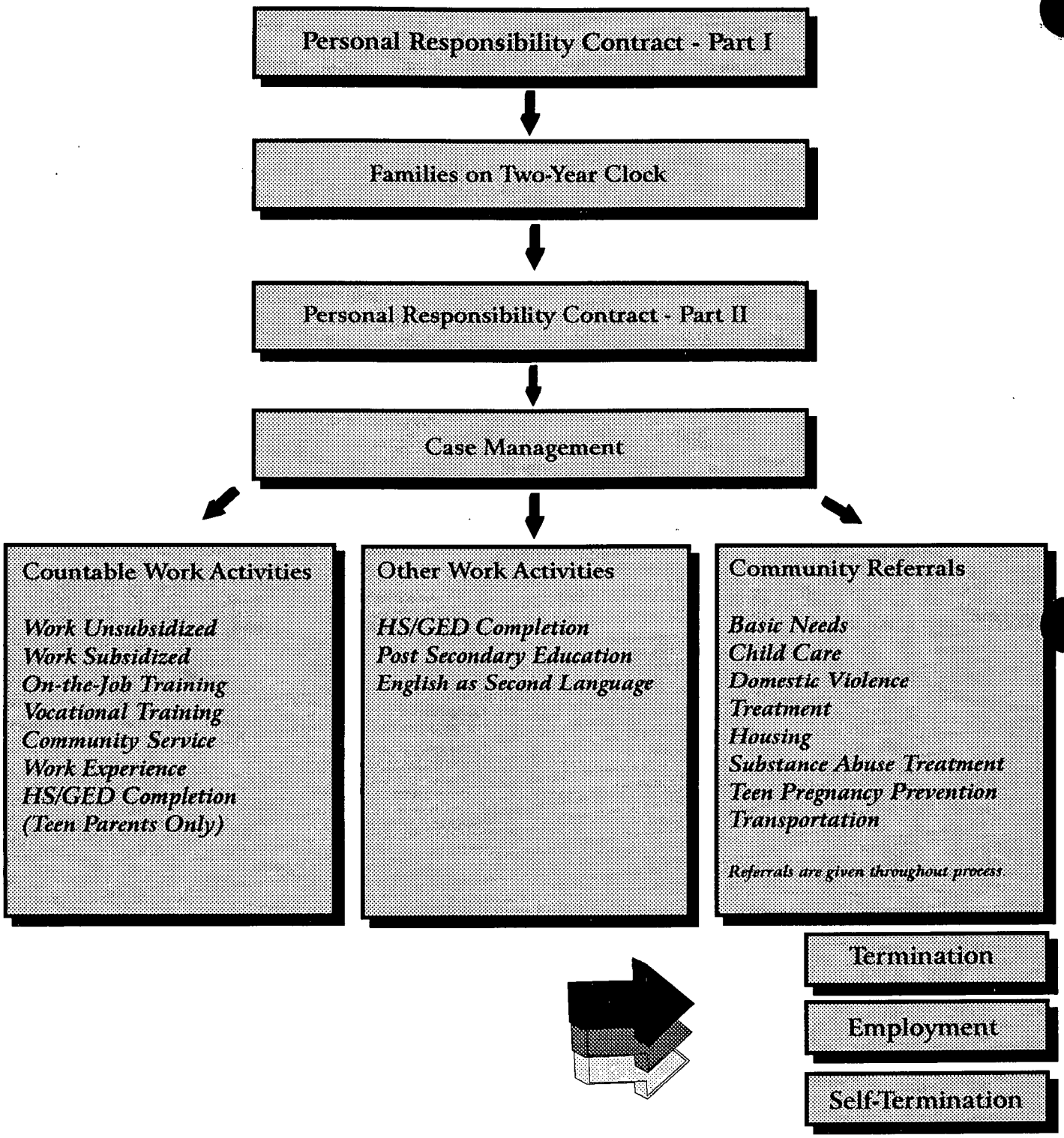
PART I

North Carolina Division of Social Services

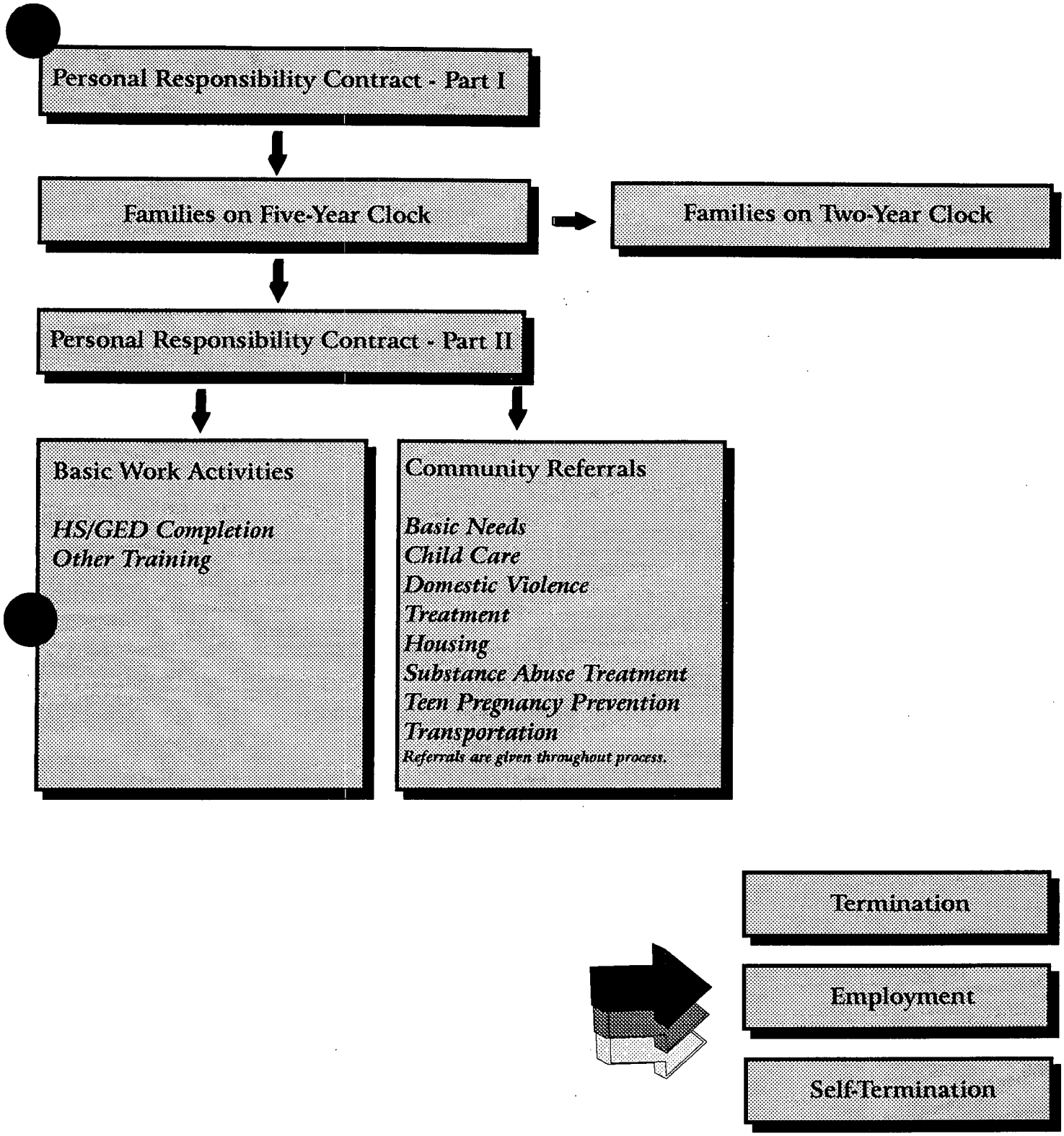
Work First Family Assistance Process



Work First Family Assistance Two-Year Clock Requirements



Work First Family Assistance Five-Year Clock Requirements



PART II
North Carolina Community College System

Work First Training Options

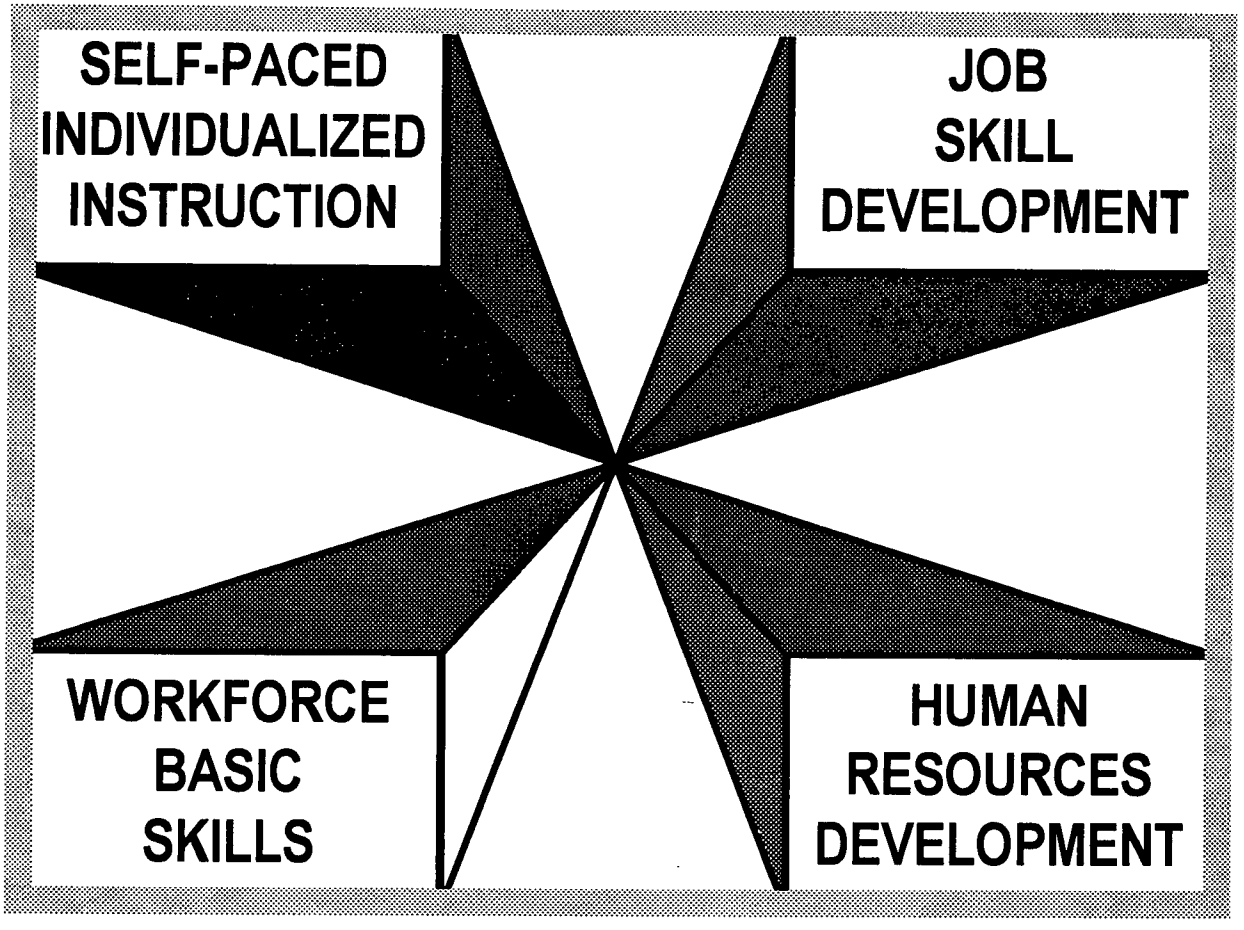
Orientation to the Work Place

Orientation to
Non-traditional Careers

Skill Assessment

Goal Setting/Study Skills

Work First Integrated Training Components



Work First Integrated Training Components

Self-Paced Individualized Instruction

- *Assessment*
- *Learning Skills*
- *Individualized Instruction*

Job Skill Development

Possible Options for Job Skill Development Training
(Based on Labor Market Analysis)

- *Office Assistant Skills (Basic, Intermediate, Advanced)*
- *Custodial Training*
- *Adult Care Aide*
- *Carpenter Assistant*
- *Radio/TV/VCR/CD Repair*
- *Computer Repair*
- *Bank Teller*
- *Basic Cashiering*
- *Forklift Operator*
- *Nursing Assistant*
- *Shipping/Stock Clerk*
- *Food Service*
- *Child Care Aide*

Workforce Basic Skills

- *Reading Skills*
- *Writing Skills*
- *Mathematical Skills*
- *Communication Skills*
- *Critical Thinking & Problem Solving Skills*

Human Resources Development

- *Self-Management*
- *Job Hunting*
- *Employment Expectations*
- *Communication Skills*

WORK FIRST PARTICIPANT'S INTEGRATED WEEKLY SCHEDULE

Day	SELF-PACED INDIVIDUALIZED INSTRUCTION	Hours	JOB SKILL DEVELOPMENT	Hours	WORKFORCE BASIC SKILLS	Hours	HUMAN RESOURCES DEVELOPMENT	Hours
Monday								
Tuesday								
Wednesday								
Thursday								
Friday								
TOTAL HOURS								
Grand Total Hours: 30-35								

SELF-PACED INDIVIDUALIZED INSTRUCTION

Assessment

- *Basic Skills, Reading, Writing, Mathematics*
- *Learning Styles*
- *Reading Interest Inventories*
- *Career Interest Inventories*
- *Study Skill Inventories*

Learning Skills

- *Listening Skills*
- *Notetaking Skills*
- *Test-taking Skills*
- *Organizational Skills*
- *Skills for Utilizing Resources*

Individualized Instruction

- *Generic Basic Skills*
- *Generic Job-Seeking, Job-Searching Skills*
- *Generic Marketplace Skills*
  - *Understanding the Workplace*
  - *The Impact of New Technology*
  - *The Marketplace*
  - *The Changing Workplace*
  - *Responsibility on the Job*
  - *Quality*
  - *Profit*
  - *Mobility*
  - *Teamwork*
  - *The Culture of the Workplace*
  - *Health and Safety on the Job*

JOB SKILL DEVELOPMENT

Possible Options for Job Skill Development Training
(Based on Labor Market Analysis)

FOUR-WEEK COMPONENT	TOTAL HOURS	EIGHT-WEEK COMPONENT	TOTAL HOURS	TWELVE-WEEK COMPONENT	TOTAL HOURS
1. Office Assistant Skills - Basic	*80*	*1. Nursing Assistant I*	*140*	*1. Food Service*	*360*
2. Bank Teller Training	*43*	*2. Office Assistant Skills -- Intermediate*	*160*	*2. Office Assistant Skills -- Advanced*	*360*
3. Basic Cashiering/ Customer Service	*40*	*3. Carpenter Assistant (Metal Building Assembler/Roofing/ Welding/Drywall)*	*150*	*3. Computer Repair*	*288*
4. Custodial Training	*72*	*4. Shipping/Stock Clerk*	*100*	*4. Child Care Aide*	*360*
5. Forklift Operator	*55*	*5. Radio & TV Repair and Servicing/VCR & CD Repair and Servicing*	*100*		
6. Adult Care Aide *- Family Home Care* *- Group Home Care*	 *40* *20*				

FOUR-WEEK COMPONENT Possible Options for Job Skill Development Training (Based on Labor Market Analysis)		Total Hours
1.	**Office Assistant Skills - Basic** Prepares graduates to be aware of most common general office practices including basic keyboarding, filing procedures, mail handling, telephone-answering and message-taking procedures, and duplicating processes.	80
2.	**Bank Teller Training** Graduates of this course will have learned competencies for entry-level bank teller and/or customer service representative. Students will learn teller operations, customer relations, security, credit applications, credit ratings and collecting accounts.	43
3.	**Basic Cashiering /Customer Service** Graduates of this course will have learned the competencies required for entry-level employment requiring customer service and cashiering skills. Students will learn computerized cash register training, guides to crime prevention, retail procedures, customer relations, and written and oral communication.	40
4.	**Custodial Training** Prepares graduates to know the proper techniques of building custodial care. Students will learn proper procedures for using tools, cleaning techniques and chemical agents, basis mechanical information, and basic building repair techniques.	72
5.	**Forklift Operator** Prepares graduates to safely and efficiently operate an industrial forklift truck. The emphasis will be on the safe operation of the forklift truck. Students will learn the basic operating procedures for using a forklift, basic maintenance of the forklift and basic safety driving and moving procedures.	55
6.	**Adult Care Aide** Graduates of this course (s) will be prepared for entry-level employment in family care or group homes. Students will learn the competencies required by DHR for working with clients of these facilities.	40 Family Home Care 20 Group Home Care

EIGHT-WEEK COMPONENT Possible Options for Job Skill Development Training (Based on Labor Market Analysis)	Total Hours
1. **Nursing Assistant I** Prepares graduates to provide personal care and perform basic nursing skills for the elderly and other adults. Emphasis on patient rights, nutrition management, elimination procedures, safe environment, personal and special care procedures and activities, human body structure and function and related common disease/disorders, communication and death and dying and roles of the nursing assistant.	140
2. **Office Assistant Skills -- Intermediate** Prepares graduates to have competencies in increased word processing skills, filing skills, and mail handling. Students will learn document formatting and preparation of specialized documents, and various ways to file documents and sorting, packaging, and delivery of mail and mail handling equipment.	160
3. **Carpenter Assistant (MetalBuildingAssembler/Roofing/Welding/Drywall)** Prepares graduates to handle skills required for an assistant in construction trades. Students will learn safety procedures and tool identification, basic terms, review of basic math, the proper use of various measuring instruments, and how to use a variety of hand and stationary power tools.	150
4. **Shipping/Stock Clerk** Prepares graduates to handle skills required for stocking produce/inventory in retail stores and for shipping and receiving merchandise. Students will learn basic inventory procedures, pricing mechanisms, shipping procedures and customer service.	100
5. **Radio & TV Repair and Servicing/VCR & CD Repair and Servicing** Prepares graduates of this course to have sufficient understanding of the various components of equipment to diagnose operating problems. Theory is covered in a practical manner with heavy emphasis on symptoms and trouble shooting diagnosis techniques when a failure occurs. Students will also learn make/model cross reference and installation guidelines.	100

TWELVE-WEEK COMPONENT Possible Options for Job Skill Development Training (Based on Labor Market Analysis)	Total Hours
1. **Food Service** Prepares graduates for employment in the food service industry. Emphasis is placed on attitude development; sanitation and safety; food service terminology and procedures; tools and equipment; and basic food preparation.	360
2. **Office Assistant Skills -- Advanced** Prepares graduates to have competencies in advanced word processing skills, filing skills, and mail handling. Students will learn advanced document formatting and preparation of specialized documents, and various ways to file documents and sorting, packaging, and delivery of mail and mail handling equipment.	360
3. **Computer Repair** Prepares graduates of this course to have sufficient understanding of the various components of equipment to diagnose operating problems. Course is a hands-on approach to installing, upgrading, and maintaining IBM and IBM compatible computers. Students will learn how to identify and define various components of a microcomputer system; operate the test equipment necessary for troubleshooting; locate and correct defective components; and perform preventive maintenance and alignment procedures.	288
4. **Child Care Aide** Prepares graduates to handle the responsibilities and skills required for working in a child care setting. Students will learn developmental activities, positive reinforcement techniques, health and safety issues, methods of appropriate guidance, CPR and planning skills needed in the classroom setting.	360

WORKFORCE BASIC SKILLS

Reading Skills

Learning Objective/Performance Indicator:
Upon completing this competency, the student will be able to:

1.	Read and interpret vocational vocabulary.	▸ Read and interpret general vocational vocabulary. ▸ Identify abbreviations and symbols specific to the job.
2.	Read and interpret job-specific materials.	▸ Read and perform work described in job description. ▸ Read and follow written instructions and directions. ▸ Read and interpret workplace manuals and written materials (messages, reports, etc.) ▸ Read and interpret charts, graphs, tables, and forms.
3.	Read and interpret basic safety manuals.	▸ Read and understand safety rules, posters, signs, and procedures. ▸ Read and interpret instructions for the safe use of equipment and machines.
4.	Read and interpret personnel materials.	▸ Read and interpret benefits materials. ▸ Read and interpret company policies and procedures (policies for leave, grievance, behavior, attendance, etc.) ▸ Read and understand employer evaluation materials.

Writing Skills

1.	Use legible writing and appropriate grammar.	▸ Print or write legibly. ▸ Use appropriate mechanics of standard English.
2.	Use job specific forms.	▸ Record date, time, and other requested information on forms. ▸ Write appropriate abbreviations specific to the job.
3.	Communicate appropriately in writing.	▸ Write information in clear, logical and complete manner. ▸ Take accurate telephone messages. ▸ Write short notes and simple messages. ▸ Write letters, memos, and/or reports. ▸ Use computer for simple word processing.

Mathematical Skills

1.	Use job specific math skills.	▸ Perform addition, subtraction, multiplication and division computations. ▸ Perform computations using common or mixed fractions, decimals, and percents. ▸ Compute averages using whole numbers, fractions, decimals or percentages. ▸ Convert U. S. Standard to International Metric System of Measurement and/or vice versa. ▸ Perform mathematical operations using equipment such as a calculator, cash register, business machine, and/or computer operated equipment.
2.	Understand job specific use of mathematical symbols.	▸ Interpret ratio and proportion for preparing mixtures, calculating pay rate, etc. ▸ Interpret data from graphs.
3.	Use job specific measurement skills.	▸ Calculate with units of time. ▸ Perform basic measurement tasks determining length, width, height, weight, including the use of conversion tables. ▸ Read and interpret basic measurement and numerical readings on instruments.

Communication Skills

1.	Communicate verbally.	▸ Follow spoken directions. ▸ Use the telephone to make and receive business calls. ▸ Formulate and ask questions. ▸ Engage in appropriate interaction with supervisors, the public, co-workers, and instructors. ▸ Verbally communicate ideas and opinions about job tasks. ▸ Orally communicate with supervisor for clarification of job tasks. ▸ Initiate action in response to requests. ▸ Use English that is acceptable on the job.
2.	Communicate in writing.	▸ Demonstrate effective written communication skills.
3.	Communicate nonverbally.	▸ Use appropriate non-verbal communications.

Critical Thinking and Problem Solving Skills

1.	Use critical thinking and problem solving skills.	▸	Identify effective problem-solving strategies and solve problems and arrive at decisions individually and as a team.
2.	Transfer skills.	▸	Demonstrate ability to apply skills learned in one job situation to another.

HUMAN RESOURCES DEVELOPMENT

Self Management	Hours	Job Hunting	Hours	Employment Expectation	Hours	Communication Skills	Hours
1. *Self-Motivation*		5. *Job Exploration*		10. *Personal Responsibility*		15. *Listening Skills*	
2. *Self-Esteem*		6. *Job Seeking*		11. *Time Management*		16. *Inter-personal Skills*	
3. *Self-Assessment*		7. *Job Application/ Resume*		12. *Interpersonal Relationships*		17. *Problem-Solving Conflict Manage-ment Skills*	
4. *Self-Advocacy*		8. *Job Interviewing*		13. *Workplace Attitudes/ Behaviors*		18. *Leadership Develop-ment*	
		9. *Job Selection Process*		14. *Job Performance*			
Total Hours		**Total Hours**		**Total Hours**		**Total Hours**	

Human Resources Development

Self-Management

Competency Area	Learning Objectives/Performance Indicators *Upon completing this training, the student will be able to:*
1. **Self-Motivation**	▸ prepare mentally to look for a job. ▸ recognize reasons why people work.
2. **Self-Esteem**	▸ identify characteristics of high and low self-esteem. ▸ explore positive and negative attitudes/behaviors. ▸ understand what shapes a person's self-esteem.
3. **Self-Assessment**	▸ assess personality traits, interest and work values. ▸ evaluate past, present and future strengths and accomplishments.
4. **Self-Advocacy**	▸ accept personal responsibility for self-sufficiency. ▸ maintain a positive view of self worth. ▸ recognize and address his/her emotional needs. ▸ develop positive support systems for work and family life. ▸ set short and long term goals for personal success. ▸ strive for continuous self-improvement.

Job Hunting

5. **Job Exploration**	▸ discuss personal career and employment aspirations. ▸ explore job opportunities and local labor market information through JobLink Career Centers and other resource networks. ▸ match job opportunities with prospective employers. ▸ set short and long term goals in relation to realistic job choices.
6. **Job Seeking**	▸ identify sources for job leads. ▸ develop a realistic job search plan.
7. **Application/Resume** ...	▸ compile documents necessary to complete an application package. ▸ accurately complete personal data profile and job application. ▸ develop a well-written resume and cover letter.
8. **Interviewing**	▸ understand what constitutes satisfactory preparation for a job interview. ▸ exhibit appropriate behavior during a job interview. ▸ deal effectively with questions asked or answers given in a job interview. ▸ identify reasons why people don't get hired.
9. **Job Selection Process** ..	▸ identify factors to be considered before accepting a job. ▸ make responsible employment decisions.

Employment Expectations

10. Personal Responsibility

make satisfactory arrangements for childcare and transportation to work.

- understand basic information concerning Wage and Labor Laws.
- understand basic information contained on a check stub.
- understand basic information concerning a company's fringe benefit package.
- identify reasons why people are fired.
- exhibit appropriate behavior in case of job termination.
- explore other job opportunities upon leaving or being terminated from a job.

11. Time Management . . . .

- apply effective time management techniques.
- understand the importance of being at work on time.
- understand the importance of maintaining regular attendance on a job.
- understand the importance of giving timely notice to employers for absences or changes in work schedule.

12. Interpersonal Relationships

- recognize verbal and non-verbal clues and signals.
- interact and cooperate effectively with co-workers and general public.
- react appropriately to directions and criticisms.
- respond appropriately to various supervisors.

13. Work Attitudes/Behaviors

- follow workplace standards of behavior.
- accept responsibility for his/her actions.
- demonstrate reliability and dependability.
- follow job safety and health rules.
- apply learning strategies when adapting to new technology and skills.
- work effectively under pressure.

14. Job Performance . . . . . .

- complete job duties as directed.
- anticipate and accept job responsibilities beyond job description.
- ask for clarification of directions as needed.
- perform work tasks that meet quality control standards.
- monitor and evaluate job performance for continuous improvement.

15. Listening Skills . . . . . .

- understand the difference between listening and hearing.
- give and receive information that is clear and logical.
- distinguish information as fact or opinion.
- eliminate blocks to effective listening.

Communication Skills

16.	**Interpersonal Skills . . .**	▸ make strong, positive first impressions. ▸ deal effectively with difficult people and negative situations. ▸ be assertive in various life and work situations.
17.	**Problem-Solving/ Conflict Management Skills**	▸ recognize causes of conflict and know how to defuse them. ▸ apply strategies to manage positive and negative emotions. ▸ apply strategies to cope with crisis/stress at home and in workplace. ▸ apply strategies to develop critical thinking skills.
18.	**Leadership Development**	▸ participate effectively in team-building activities in the workplace. ▸ take leadership responsibilities in work-related situations. ▸ understand a company's organizational structure. ▸ interact with a culturally diverse workforce.

PART III
Employment and Training Agencies

Community-Based Organizations

Employment Security Commission

JobLink

Job Training Partnership Act

Vocational Rehabilitation

Others

North Carolina Division of Social Services

Individual Case Management

PART IV
North Carolina Division of Social Services
and
Departments of Social Services

Individual Case Assessment

Program Evaluation

PART V
North Carolina Community College System
and
Employment and Training Agencies

LIFELONG LEARNING AND CAREER SERVICES

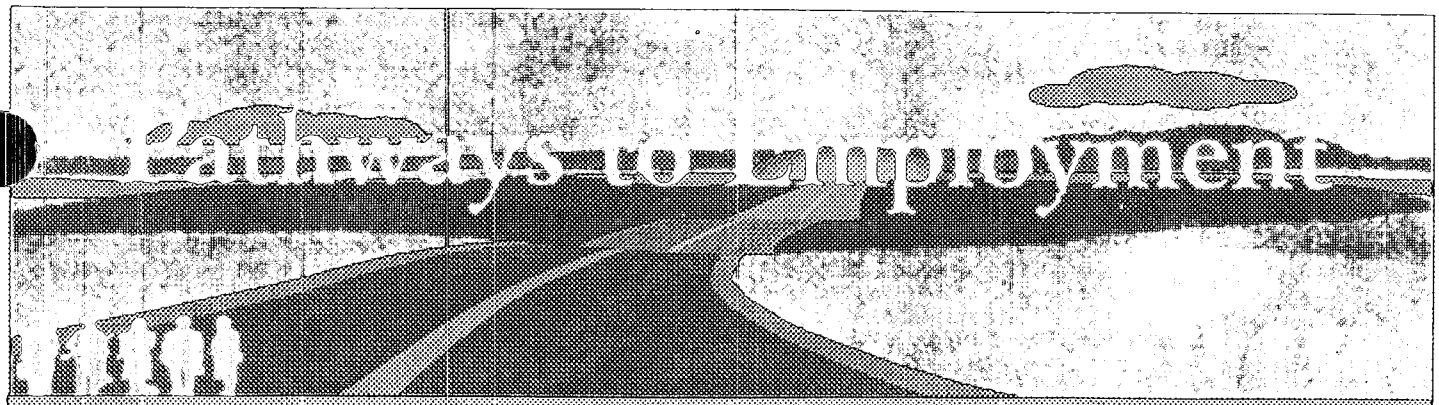
Workplace Literacy

Upgrading/Retraining Services

Career Services

JobLink Career Resource Center

Others



BRIEFING SUPPLEMENT TO WORK FIRST TRAINING PROGRAM

JULY 11, 1997

Developed by:

North Carolina Community College System
North Carolina Division of Social Services

NORTH CAROLINA
DIVISION OF SOCIAL SERVICES

Work First

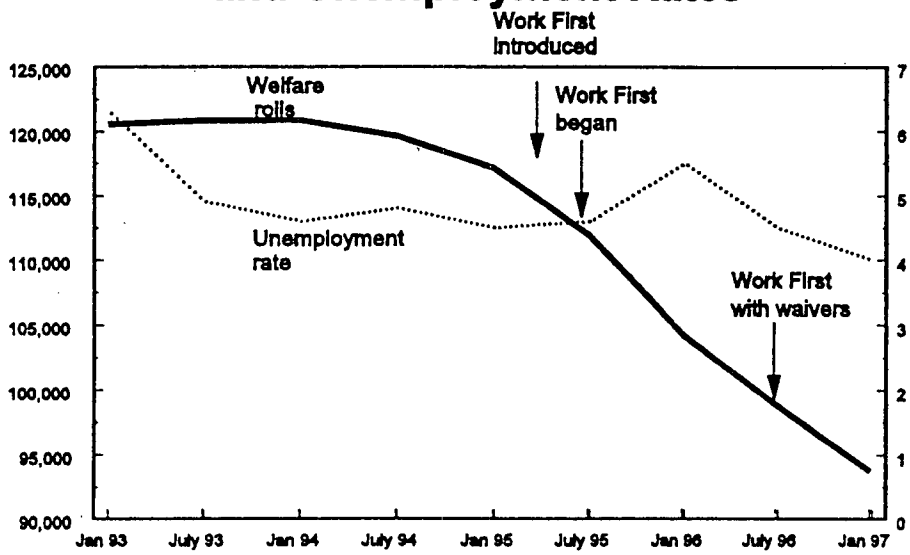
The First 18 Months of Welfare Reform in North Carolina

North Carolina's Work First program, implemented in July 1995, is one of the nation's toughest, most comprehensive welfare reform efforts. It demands work and personal and parental responsibility in exchange for temporary support as families move off welfare. Work First, a statewide welfare reform initiative, replaced a fragmented welfare system with a coordinated program that focuses on employment and economic self-sufficiency.

Through Work First:

- ✔ Welfare rolls are dropping.
- ✔ Taxpayers are saving money.
- ✔ Welfare parents are getting help with child care, transportation, and medical expenses.
- ✔ Welfare parents are signing binding personal responsibility contracts, pledging to get jobs and take care of their children.

Comparison of Welfare Rolls and Unemployment Rates



Despite fluctuations in the unemployment rate, Work First cuts the welfare rolls.

Changing the face of welfare

Work First's focus on employment is working. After 18 months, welfare rolls have dramatically decreased. The number of North Carolina families receiving welfare checks has declined by 17.4 percent—down from 113,485 families in June 1995 to 93,755 in January 1997.

While the welfare rolls were declining before Work First began (26,806 fewer families since January 1993), 73 percent of this reduction occurred since Work First began. Even when the unemployment rate sharply increased in January 1996, Work First kept cutting the welfare rolls.

A healthy economy creates a strong foundation for moving families into jobs, but changing the emphasis from a welfare check to a paycheck played the key role in reducing welfare rolls.

Moving from a welfare check to a paycheck

The cornerstone to Work First is the belief that ***families are better off working and every job has value.*** Families are clearly responding. In the first 18 months, 29,944 Work First parents got jobs that took them off welfare—they are now earning paychecks instead of welfare checks. Each of these jobs represents a triumph for the family, their caseworker, ***and*** for the community where they live.

Banks, state agencies, hospitals, nursing homes, county governments, restaurants, day care centers, manufacturers and law firms are hiring Work First participants. Some earn minimum wage, but others earn far more and have benefits such as health insurance.

Saving taxpayer dollars

In just 18 months, Work First has saved taxpayers $75 million. At the end of the first two years of Work First, savings are estimated to be $115.8 million ($75 million in federal taxes, $21.1 million in state taxes, and $19.7 million in county taxes).

Savings come not only from the declining welfare rolls, but also from the smaller welfare checks, since Work First participants are working more and earning more. In January 1997, the average welfare check was down by more than $2 since Work First began, saving taxpayers $200,000 a month, or $2.4 million a year.

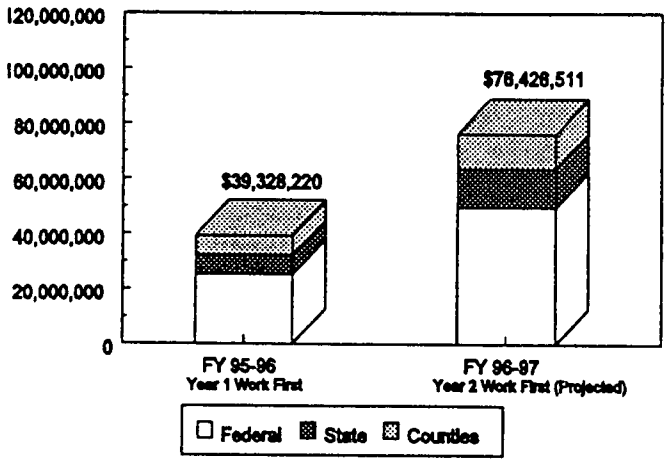
State and local governments can reinvest savings back into programs or services (such as transportation or child care) to help more families get jobs.

Federal Welfare Reform

Federal welfare reform took effect in North Carolina on January 1, 1997. Because the law mirrors much of N.C.'s welfare reform initiative, it has little impact on how Work First operates; however, it places almost all welfare recipients on a five-year lifetime limit for cash assistance.

Because of Work First's focus on employment, welfare families in North Carolina have a head start in beating the new federal lifetime limit.

Taxpayer Savings



Work First is saving money in welfare payments that can be reinvested in child care and other services for children and families.

Helping welfare parents go to work

Many families receiving cash assistance need help to return to the work force. To meet that need, all Work First participants have access to basic employment services, such as help with child care expenses, assistance with job applications, referrals to short-term job training and transportation assistance.

- ✔ About 20,000 children from Work First families receive help with child care expenses, which allows their parents to get jobs and participate in training and work-related activities.
- ✔ Approximately 15,000 Work First families receive transitional Medicaid that helps them cover health care costs, so they can stay independent.
- ✔ About 26,000 Work First participants a year receive transportation help so they can go to work or their children can go to child care.

Basic Employment Services

- ✔ Help with child care expenses
- ✔ Transportation assistance
- ✔ Health insurance through Medicaid for up to one year after leaving welfare for work
- ✔ Referrals to short-term job training
- ✔ Career counseling
- ✔ Assistance with job applications

Community colleges, local Employment Security Commission offices, vocational rehabilitation centers, temporary employment agencies, non-profit organizations, and faith communities help county departments of social services provide these services.

More than a third of Work First parents are targeted to receive additional, intensive employment services. These families are subject to the two-year time clock. They are assigned special case managers who work with the family to help them find a job. Case managers weigh the skills, job experiences and career goals of Work First parents, and send them to short-term training and GED programs if needed. Parents who need only minimal help are directed to immediately start their job search and may be sent to a five-day class to prepare them for the work force.

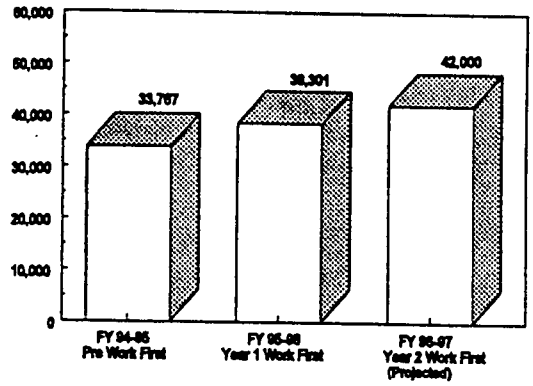
In the first six months of this fiscal year, more than 20,000 families received intensive employment services. By June 1997 (the end of the state fiscal year), an estimated 42,000 families will receive these services—an increase of 55 percent from fiscal year 1993 - 94.

In the early months, Work First focused on families with school-aged children. Now, ***all*** able-bodied adults whose children are over one-year old are considered for intensive employment services. As more families move into the work force, additional Work First families will receive intensive services and be subject to the two-year time clock.

Keeping costs down

While the number of Work First participants receiving intensive employment services has increased by 55 percent, the cost per participant has ***decreased*** by 16.7 percent. This means that Work First is moving more

People Receiving Employment Services

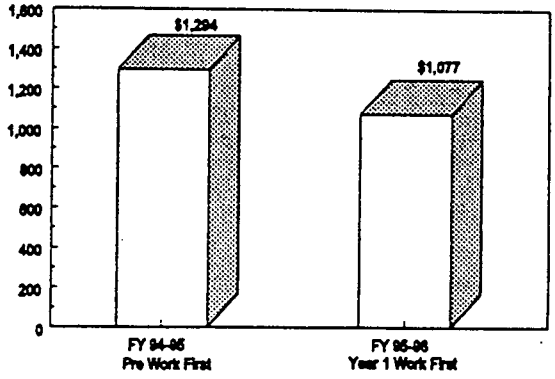


More Work First participants are receiving intensive employment services to help them get jobs.

families into jobs while keeping costs down. As county social services departments find more ways to collaborate with community groups, more low-to-no-cost training, transportation, and child care services become available for families trying to re-enter the work force. This collaboration continues to lower the cost of moving families off the welfare rolls.

The church donating a car for a Work First participant to get to work and the business sponsoring a training class are not only helping Work First participants succeed, they are also lowering the cost of welfare!

Costs for Employment Services



In the first year of Work First, the cost of intensive employment services decreased more than $200 per Work First participant.

Encouraging responsibility

Families are getting the message that Work First means business. Beginning July 1, 1996, families were required to sign personal responsibility contracts that described how they planned to become self-sufficient and that promised to keep their children in school, to ensure that their children receive regular immunizations and medical check ups, and to comply with the work requirement. Since that date, 3,458 families were sanctioned for failing to meet their contracts. Each of these violations amounts to a deduction of at least $50 for three months, or over $500,000 in reduced cash assistance payments.

Making strides in child support enforcement

A welfare parent who receives child support from an absent parent is one step closer to economic self-sufficiency. That's why the Work First personal responsibility contract requires cooperation with child support enforcement agencies. Together with the Governor's Crackdown for Children, Work First helped establish 28,000 paternities for Work First families in the first 18 months. Establishing paternity is the first step to ensuring parents take financial responsibility for their children.

When a Work First parent receives cash assistance, the child support payment goes to reimburse taxpayers, up to the amount of their cash benefit. In the first year of Work First, 17.7 percent of welfare payments were reimbursed with child support payments. That's a 3 percent increase over previous years.

Monthly child support payments are transferred back to parents when they leave welfare. These payments help them stay on their feet and off the welfare rolls.

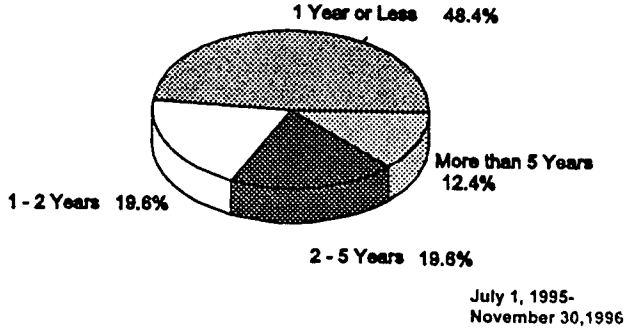
History of Work First

September 1994	**Governor's Welfare Reform Task Force** is established to develop recommendations for reforming welfare in NC.
March 1995	**Governor Hunt unveils his** Work First proposal.
July 1, 1995	**Work First officially begins,** shifting the focus from a welfare check to a paycheck and introducing the "Personal Responsibility Agreement."
September 14, 1995	**North Carolina submits request for waivers from federal rules** to U.S. Dept. of Health and Human Services so the state can fully implement Work First, with work requirements, time-limited benefits, family cap, binding personal responsibility contracts, sanctions and incentives. Waivers were approved February 5, 1996.
March - June 1996	**DHR retrains 4,000 county & state staff.**
July 1, 1996	**Work First's tougher requirements and incentives take effect**, requiring work and personal responsibility and limiting benefits.
July - Sept. 1996	**In six public forums, Governor Hunt enlists employers and churches** in the state's efforts to move families from welfare to work.
September 1996 - February 1997	**The Human Services Task Force** considers recommendations on how to make Work First better.
January 1, 1997	**All Work First** participants subject to federal 5-year lifetime limit for cash assistance.

Describing Work First families

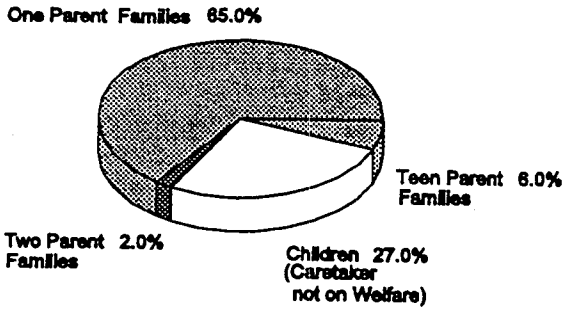
The typical Work First participant is a woman (95 percent), 24 years old, minority (70 percent) with two children. The average participant receives food stamps and Medicaid. Twenty-four percent of Work First participants receive housing assistance and 28 percent receive child support.

Length of Stay on Cash Assistance



Two-thirds of Work First participants stay on welfare less than two years.

Work First Families



In a quarter of N.C.'s welfare families, only the children receive cash benefits.

Most families are headed by one parent (65 percent). In slightly more than a quarter of the families (27 percent), only the children—not adults—are on public assistance. These families typically consist of children who live with their grandmother or other family member. Families headed by teen parents (under age 20) make up 6 percent of NC's welfare rolls, while two-parent families comprise only 2 percent.

Most families receive Work First cash benefits for less than two years. Only 12.4 percent of the families receive assistance for more than five years.

Looking to the future

In its first 18 months, Work First cut welfare rolls, saved millions of dollars and improved the lives of thousands of families. Now, the challenge is to continue that success.

Communities across the state can lend a hand to Work First participants. Businesses can hire and help meet the transportation and training needs of welfare parents. Faith and community groups can help with these issues, plus find other creative ways to support families trying to leave welfare. To achieve the goal of economic self-sufficiency for all North Carolinians, we must work together.

Call 1-800-724-0583 for more information on Work First.

Division of Social Services
Economic Independence Section
325 N. Salisbury Street
Raleigh, NC 27603
919 733-2873

Work First at a Glance

Work is required.

- ✔ Welfare parents are required to get a job—paid or unpaid—or be in short-term job training within 12 weeks.
- ✔ Welfare parents receiving intensive employment services must move off welfare in two years. After three years, they may reapply for benefits.

Everyone must take personal responsibility.

- ✔ All welfare parents must sign a personal responsibility contract that spells out their plans for moving off welfare.
- ✔ Benefits are cut when families don't meet their Work First obligations.
- ✔ Teen parents are required to stay in school and live at home, or under approved adult supervision.
- ✔ No additional cash payments are provided for children born after a family has been in Work First longer than 10 months.

Help is available.

- ✔ Work First eases the transition into the work force through help with child care, transportation, job search, and short-term job training. Participants can get Medicaid to cover medical expenses up to a year after they leave welfare for work.
- ✔ For families at risk of going on welfare, one-time grants (called diversion grants) of up to three months of cash benefits can help families stay on their feet and off the welfare rolls.
- ✔ Families can save up to $3,000.
- ✔ Families can invest in a car valued up to $5,000 for reliable transportation to work.

March 1997

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7500 copies of this public document were printed at a cost of $690.00 or .092 per copy.
NC Division of Social Services.

Community College and Work First Populations

College	Counties	Work First Population 6/1/97	College	Counties	Work First Population 6/1/97
Alamance Community College	Alamance	539	Catawba Valley Community College	Alexander, Catawba	926
Anson Community College	Anson, Union Consortium	766	Central Carolina Community College	Chatham, Harnett, Lee	1357
Asheville-Buncombe Technical Community College	Buncombe, Madison	1494	Central Piedmont Community College	Mecklenburg	4797
Beaufort County Community College	Beaufort, Hyde, Tyrrell, Washington	910	Cleveland Community College	Cleveland	932
Bladen Community College	Bladen	417	Coastal Carolina Community College	Onslow	937
Blue Ridge Community College	Henderson, Transylvania	689	College of the Albemarle	Camden, Chowan, Currituck, Dare, Gates, Perquimans, Pasquotank	1300
Brunswick Community College	Brunswick	449	Craven Community College	Craven	793
Caldwell Community College & Technical Institute	Watauga, Caldwell	503	Davidson County Community College	Davidson, Davie	794
Cape Fear Community College	New Hanover, Pender	1498	Durham Technical Community College	Durham, Orange	3020
Carteret Community College	Carteret	323	Edgecombe Community College	Edgecombe	1163

Community College and Work First Populations

College	Counties	Work First Population 6/1/97	College	Counties	Work First Population 6/1/97
Fayetteville Technical Community College	Cumberland	3171	Martin Community College	Martin, Bertie (3)	739
Forsyth Technical Community College	Forsyth, Stokes	2681	Mayland Community College	Mitchell, Avery, Yancey	181
Gaston College	Gaston, Lincoln	2262	McDowell Technical Community College	McDowell	200
Guilford Technical Community College	Guilford	3277	Mitchell Community College	Iredell	596
Halifax Community College	Halifax, Warren (1), Northampton(2)	1954	Montgomery Community College	Montgomery	213
Haywood Community College	Haywood	364	Nash Community College	Nash	644
Isothermal Community College	Polk, Rutherford	529	NC Center for Applied Textile Technology	Statewide	
James Sprunt Community College	Duplin	636	Pamlico Community College	Pamlico	117
Johnston Community College	Johnston	1282	Piedmont Community College	Person, Caswell	1586
Lenoir Community College	Greene, Lenoir, Jones	1772	Pitt Community College	Pitt	2157

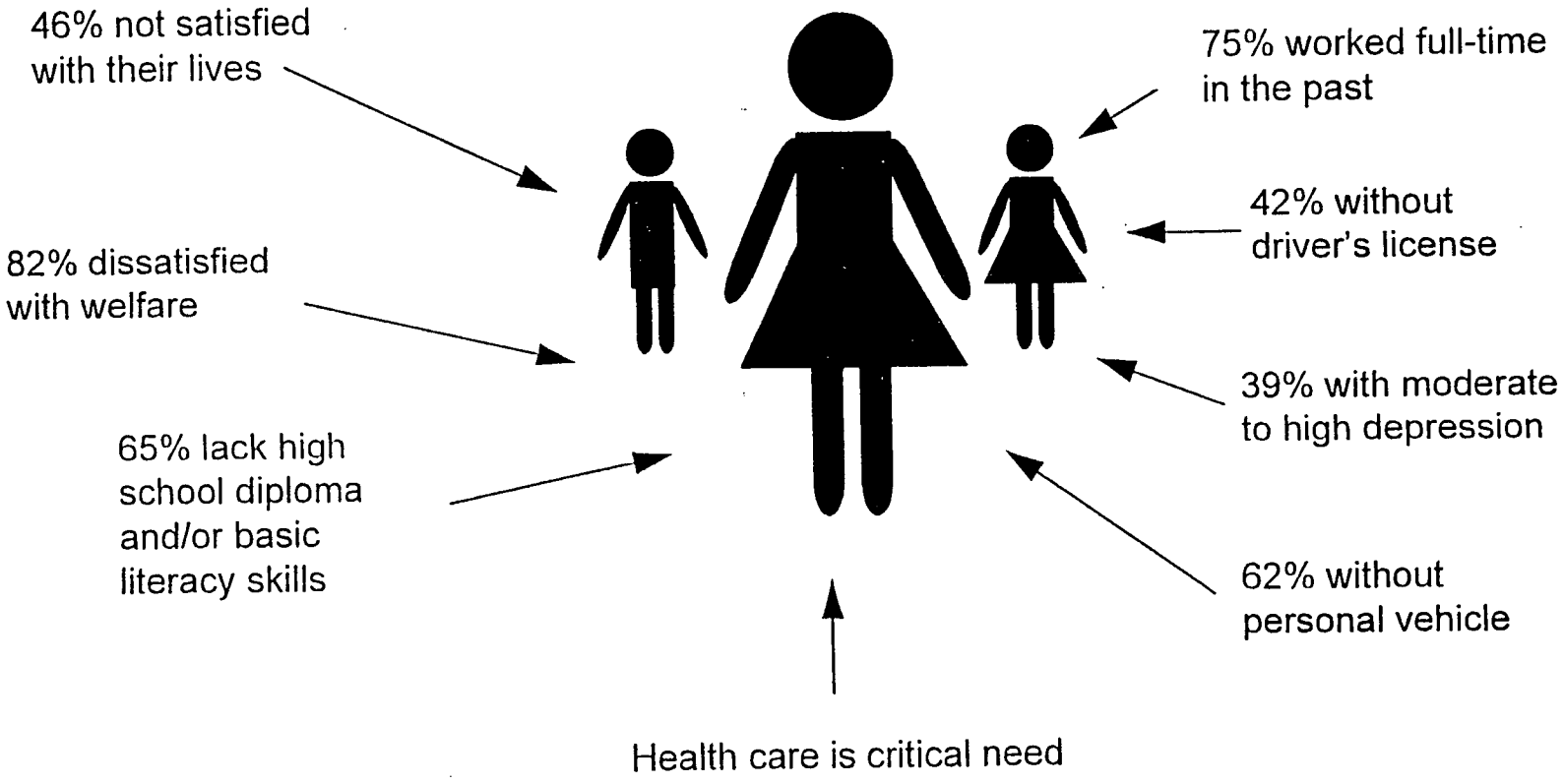
(1) Townships of Fishing Creek, River, Roanoke, & Judkins
(2) Townships of Gaston, Occoneechee, Pleasant Hill, & Seaboard
(3) Townships of Indian Woods & Merry Hill

Community College and Work First Populations

College	Counties	Work First Population 6/1/97	College	Counties	Work First Population 6/1/97
Randolph Community College	Randolph	452	Stanly Community College	Stanly, Union Consortium	715
Richmond Community College	Richmond, Scotland	1419	Surry Community College	Surry, Yadkin	343
Roanoke-Chowan Community College	Hertford, Bertie (4), Northampton (5)	1109	Tri-County Community College	Cherokee, Clay, Graham	220
Robeson Community College	Robeson	1831	Vance-Granville Community College	Vance, Franklin, Granville, Warren (6)	1680
Rockingham Community College	Rockingham	732	Wake Technical Community College	Wake	2731
Rowan-Cabarrus Community College	Cabarrus, Rowan	1147	Wayne Community College	Wayne	1173
Sampson Community College	Sampson	486	Western Piedmont Community College	Burke	458
Sandhills Community College	Hoke, Moore	975	Wilkes Community College	Alleghany, Ashe, Wilkes	667
Southeastern Community College	Columbus	571	Wilson Technical Community College	Wilson	869
Southwestern Community College	Jackson, Macon, Swain	439	Total	Statewide	61,376

(4) Townships of Colerain, Mitchells, Roxobel, Snakebite, Whites, and Woodville)
(5) Townships of Jackson, Kirby, Rich Square, Roanoke, & Wiccacanee
(6) Townships of Smith Creek, Nutbush, Sandy Creek, Shocco, Hawtree, Warrenton, Six Pound, & Ford

Work First Parent Characteristics: Participants Entering Former JOBS Program



Source: UNC-CH Human Services Research and Design Laboratory

ANNUAL WORK PARTICIPATION RATE REQUIREMENTS

States must meet the following annual work participation rates with respect to all families that include an adult or minor child head of household receiving assistance.

	ALL FAMILIES		TWO-PARENT FAMILIES	
Fiscal Year	Part. Rate	Hours of Work per Week to Count Toward Rate	Part. Rate	Hours of Work per Week to Count Toward Rate
1997	25%	20	75%	35
1998	30%	20	75%	35
1999	35%	25	90%	35
2000	40%	30	90%	35
2001	45%	30	90%	35
2002	50%	30	90%	35

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CALCULATING THE WORK PARTICIPATION RATE

FAMILY SUPPORT ACT (JOBS PROGRAM)	P.L. 104-193 (TEMPORARY ASSISTANCE TO NEEDY FAMILIES BLOCK GRANT/TANF)
Adults (mandatory participants and volunteers) with satisfactory participation in JOBS (work, education, training, job readiness and job search). / JOBS mandatory* (Those required to be in JOBS less exempted families, including those with young children under age 3, those who are ill or incapacitated or are caring for an ill or incapacitated household member, those in remote areas, and more). = % participating	Families that include an adult engaged in federally-specified work activities for the requisite number of hours (20 increasing to 30) per week. / All families with an adult or minor child head-of-household receiving assistance, less the number of families sanctioned for three months* (State option to exclude families with children under age one). = % participating
* Jobs eligibles are a much smaller percentage of the entire caseload. To count as participating, an individual must attend at least 75% of scheduled hours.	* This is a much larger pool of participants than the JOBS program.

LABOR MARKET INFORMATION DIVISION

of the

Employment Security Commission of North Carolina

The Human Resource Information System is easy to use. Mouse support, pull down menus and navigation buttons create a user friendly, intuitive interface.

Hardware Requirements

Minimum: The Human Resource Information System runs on a Windows 3.1 computer. A Windows system requires a 486/66 or higher processor running Windows 3.1, DOS 5.0 or higher, 16 MB of RAM, 250 MB free space on the hard drive and a VGA monitor. Note— DOS Share.exe must be loaded for proper performance.

Recommended: Windows System — Pentium 90 MHz. processor running Windows 3.1 and DOS 5.0 or higher; with 300 MB of hard disk; 17", 1024 x 768 color monitor; and, at least 16 MB of RAM.

If you would like more information on the Human Resources Information System contact:

Labor Market Information Division
Employment Security Commission
Post Office Box 25903
Raleigh, North Carolina 27611

Phone: (919) 733-2936
Fax: (919) 733-8662
E-Mail: Parker.Steve@esc.state.nc.us

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of North Carolina
Labor Market Information Division
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Phone: (919) 733-2936
FAX: (919) 733-8662
Internet Address:
http://www.esc.state.nc.us

North Carolina
Employment Security Commission

Human Resource Information System

Answering Data Needs

Researchers, analysts and developers have long needed a single source for demographic and labor market information. With current computer technology, up-to-date information can be made readily available.

The multitude of demographic and labor market information available can be confusing. This is especially true when dealing with a state the size of North Carolina, which has 18 Planning Regions, 11 Metropolitan Statistical Areas, four Broad Geographic Regions, 100 counties and 26 Service Delivery Areas. Locating and extracting the data can require extensive computer skills.

The North Carolina Human Resource Information System (HRIS) was developed to provide a convenient, flexible way to display summary and comparative data.

. . . . . Convenient

. . . . . Easy to Use

. . . . . Flexible

The user is not required to have extensive geographic information system abilities nor database management skills to successfully operate the HRIS. This system displays:

- Population
- Income
- Industry Data
- Industrial Projections
- Industrial Development
- Occupational Wages
- Occupational Projections
- Labor Force
- Labor Cost
- Local Sales & Tax Revenues
- Local Property Values
- Local Building Permits
- Local Government Payments
- ESC Applicants
- Returning Military
- Educational Completions
- Listings of North Carolina Firms
- Mass Layoff Statistics

Employment Security Commission

Geographic Areas . . . . .

Data are provided for various geographic areas including:

- BLS Southeast Region
- North Carolina Statewide
- Broad Geographic Regions
- Economic Development Regions
- Metropolitan Statistical Areas
- Service Delivery Areas
- Planning Regions
- Counties
- Custom Selectable Regions

The system incorporates a graphical user interface which displays the states in the BLS Southeast Region, North Carolina and areas within North Carolina. This interface allows an analyst to select the geographic area and data element of interest.

Descriptive tables are provided for analysis. Summary information for many data elements may be displayed on color coded maps.

Client Server Hardware Requirements

Server

Minimum: The State & Area Research & Analysis System operates under Windows NT 3.51 and Microsoft SQL Server 6.0. The system requires a minimum of 32 MB of RAM and 2GB hard disk space with a minimum of a 486/66 processor.

Recommended: A similarly configured Pentium class machine with a 90 MHz or faster processor running Windows NT.

Individual Workstation

Minimum: The State & Area Research & Analysis System runs on a Windows compatible computer. The application is compiled in Visual Basic running under Windows 3.1, Windows 95 or Windows NT. The system requires a 486/66 or faster processor, 16 MB of RAM, 20 MB free space on the hard drive and a VGA monitor.

Recommended: A Windows compatible Pentium class machine with a 90 MHz or faster processor with 30 MB of hard disk space, a 17", 1024 x 768 color monitor and at least 16 MB of RAM.

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North Carolina
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State Area Research Analysis System

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The North Carolina State & Area Research & Analysis System (SARAS) was developed to provide a convenient, flexible way to display summary and comparative data.

. . . . . Convenient

. . . . . Easy to Use

. . . . . Flexible

The user is not required to have extensive geographic information system abilities nor database management skills to successfully operate the SARAS. This system displays:

- Population
- Income
- Industry Data
- Industrial Projections
- Industrial Development
- Occupational Wages
- Occupational Projections
- Labor Force
- Labor Cost
- Local Sales & Tax Revenues
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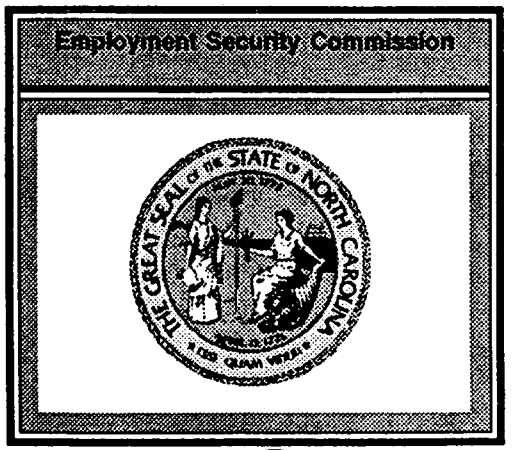

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- Economic Development Regions
- Metropolitan Statistical Areas
- Service Delivery Areas
- Planning Regions
- Counties
- Custom Selectable Regions

The system incorporates a graphical user interface which displays the states in the BLS Southeast Region, North Carolina and areas within North Carolina. This interface allows an analyst to select the geographic area and data element of interest.

Descriptive tables are provided for analysis. Summary information for many data elements may be displayed on color coded maps.

The State Area Research Analysis System is easy to use. Mouse support, pull down menus and navigation buttons create a user friendly, intuitive interface.

LABOR MARKET INFORMATION DIVISION
of the
Employment Security Commission of North Carolina
ONLINE

The mission of the Labor Market Information Division of the Employment Security Commission of North Carolina is to develop, refine, and manage a comprehensive system of state and local market information. The information generated by this system is designed to meet the needs of policy makers and planners in both the public and private sectors. Though intended for use in economic, education, manpower, and fiscal planning, the system also serves as a valuable tool for marketing, research, and individual career planning.

To obtain information relating to the following categories, access the Labor Market Information Division's web site: http://www.esc.state.nc.us/html/lmi.html

GENERAL INFORMATION
Labor Market Information Directory
Map of County Unemployment Rates
Map of Labor Force Distribution

APPLIED RESEARCH
Occupations Requiring a License in North Carolina
Reference Catalog

CURRENT EMPLOYMENT STATISTICS (CES)

EMPLOYMENT AND WAGES (ES-202)
*Employment and Wages in North Carolina
North Carolina's Largest Employers

LOCAL AREA UNEMPLOYMENT STATISTICS
Civilian Labor Force Estimates

NORTH CAROLINA
STATE OCCUPATIONAL INFORMATION COORDINATING COMMITTEE
(NC SOICC)

ADDITIONAL RESOURCES
Bureau of Labor Statistics Home Page

**A sample of statewide/county data on "Insured Employment and Wages in North Carolina by 2-digit SIC Industry for Year 1995" is provided on the following pages.*

Refer comments/questions to the North Carolina Labor Market Information Division at (919) 733-2936, 1-800-262-0516, or fax: 919-733-8662.

STATEWIDE

INSURED EMPLOYMENT AND WAGES IN NORTH CAROLINA
BY 2-DIGIT SIC INDUSTRY FOR YEAR 1995

INDUSTRY	SIC CODE	NO. OF UNITS	ANNUAL AVERAGE EMPLOYMENT	ANNUAL WAGES PAID	AVERAGE ANNUAL WAGE PER WORKER	TOTAL TAXABLE WAGES
TOTAL ALL INDUSTRIES		198,485	3,439,018	$ 83,821,562,109	$ 24,374	$ 31,053,821,970
PRIVATE TOTAL		190,922	2,905,468	69,991,175,446	24,089	31,029,095,413
AGRICULTURE, FORESTRY AND FISHING		4,829	42,332	693,303,356	16,378	451,827,829
AGRICULTURAL PRODUCTION-CROPS	01	1,023	11,720	146,476,421	12,498	110,331,147
AGRICULTURAL PRODUCTION-LIVESTOCK	02	542	10,172	212,052,308	20,847	124,777,469
AGRICULTURAL SERVICES	07	3,098	19,259	311,124,106	16,155	204,210,766
FORESTRY	08	151	1,109	22,074,471	19,905	11,737,181
FISHING, HUNTING AND TRAPPING	09	15	72	1,576,050	21,890	771,266
MINING		181	3,644	132,121,323	36,257	44,866,843
METAL MINING	10	5	17	466,582	27,446	180,498
COAL MINING	12	0	0	0	0	0
OIL AND GAS EXTRACTION	13	11	58	1,924,189	33,176	855,251
NONMETALLIC MINERALS, EXCEPT FUELS	14	165	3,569	129,730,552	36,349	43,831,094
CONSTRUCTION		23,161	174,889	4,216,564,177	24,110	2,245,949,889
GENERAL BUILDING CONTRACTORS	15	7,291	47,083	1,235,502,868	26,241	620,493,064
HEAVY CONSTRUCTION, EXCEPT BUILDING	16	1,578	25,980	673,096,629	25,908	350,963,257
SPECIAL TRADE CONTRACTORS	17	14,292	101,826	2,307,964,680	22,666	1,274,493,568
MANUFACTURING		12,160	862,290	23,928,006,929	27,749	10,359,253,168
FOOD AND KINDRED PRODUCTS	20	502	56,149	1,270,095,116	22,620	677,944,773
TOBACCO PRODUCTS	21	29	18,109	839,473,047	46,357	212,885,185
TEXTILE MILL PRODUCTS	22	1,396	197,939	4,492,513,987	22,696	2,395,849,345
APPAREL AND OTHER FINISHED PRODUCTS	23	847	63,702	1,063,833,459	16,700	682,187,549
LUMBER AND WOOD PRODUCTS	24	1,878	41,713	924,168,205	22,155	491,297,715
FURNITURE AND FIXTURES	25	800	78,808	1,712,668,605	21,732	942,970,449
PAPER AND ALLIED PRODUCTS	26	260	24,571	896,497,134	36,486	311,187,777
PRINTING AND PUBLISHING	27	1,552	32,312	860,252,327	26,623	368,985,809
CHEMICALS AND ALLIED PRODUCTS	28	374	49,798	2,174,603,550	43,668	613,740,650
PETROLEUM AND RELATED INDUSTRIES	29	23	779	23,631,936	30,336	8,589,373
RUBBER AND MISC. PLASTICS PRODUCTS	30	438	38,956	1,162,642,350	29,845	481,944,992
LEATHER AND LEATHER PRODUCTS	31	44	2,563	55,469,659	21,642	29,583,481
STONE, CLAY, GLASS, AND CONCRETE PROD.	32	508	23,061	688,984,902	29,877	283,699,394
PRIMARY METAL INDUSTRIES	33	151	15,976	525,699,487	32,906	196,170,163

FABRICATED METAL PRODUCTS	34	723	31,572	876,698,924	27,768	390,035,475
INDUSTRIAL MACHINERY AND EQUIPMENT	35	1,399	68,764	2,613,318,589	38,004	$ 847,652,091
ELECTRONIC & OTHER ELECTRICAL EQUIPMENT	36	385	60,883	1,998,584,242	32,827	736,977,234
TRANSPORTATION EQUIPMENT	37	331	33,434	1,060,453,954	31,718	409,890,311
INSTRUMENTS AND RELATED PRODUCTS	38	212	14,990	509,367,136	33,980	179,156,065
MISCELLANEOUS MANUFACTURING INDUSTRIES	39	308	8,211	179,050,320	21,806	98,505,337
TRANSPORTATION, COMM. & UTILITIES		7,329	162,419	5,461,314,280	33,625	2,020,601,076
LOCAL AND INTERURBAN PASSENGER TRANSIT	41	372	4,146	62,027,794	14,961	38,551,680
TRUCKING AND WAREHOUSING	42	4,008	68,139	1,801,587,082	26,440	846,501,686
WATER TRANSPORTATION	44	159	1,646	29,659,579	18,019	18,850,495
TRANSPORTATION BY AIR	45	249	21,304	835,975,106	39,240	256,664,641
PIPELINES, EXCEPT NATURAL GAS	46	9	108	5,182,358	47,985	1,315,390
TRANSPORTATION SERVICES	47	862	7,279	297,562,854	40,880	106,633,569
COMMUNICATIONS	48	1,190	32,401	1,228,706,512	37,922	414,540,092
ELECTRIC, GAS, AND SANITARY SERVICES	49	480	27,397	1,200,612,995	43,823	337,543,523
WHOLESALE TRADE		19,561	181,371	5,982,628,826	32,986	2,245,840,104
WHOLESALE TRADE-DURABLE GOODS	50	11,488	103,235	3,540,540,264	34,296	1,294,752,233
WHOLESALE TRADE-NONDURABLE GOODS	51	8,073	78,136	2,442,088,562	31,254	951,087,871
RETAIL TRADE		46,527	620,223	8,637,427,468	13,926	5,430,547,979
BUILDING MATERIALS & GARDEN SUPPLIES	52	2,557	32,285	698,756,289	21,643	379,530,685
GENERAL MERCHANDISE STORES	53	1,619	79,187	999,387,370	12,621	705,916,135
FOOD STORES	54	6,145	103,853	1,298,382,081	12,502	853,587,924
AUTOMOTIVE DEALERS & SERVICE STATIONS	55	6,323	60,924	1,546,674,948	25,387	726,962,555
APPAREL & ACCESSORY STORES	56	3,677	30,082	356,142,116	11,839	236,874,606
FURNITURE AND HOME FURNISHINGS STORES	57	4,354	32,068	660,052,896	20,583	349,174,433
EATING & DRINKING PLACES	58	12,159	215,061	2,012,268,905	9,357	1,569,124,767
MISCELLANEOUS RETAIL	59	9,693	66,765	1,065,762,863	15,963	609,376,874
FINANCE, INSURANCE AND REAL ESTATE		15,346	144,901	4,807,408,886	33,177	1,763,895,191
DEPOSITORY INSTITUTIONS	60	2,881	53,817	1,621,927,784	30,138	654,340,837
NONDEPOSITORY INSTITUTIONS	61	1,603	13,329	504,118,848	37,821	181,212,292
SECURITY AND COMMODITY BROKERS	62	538	6,020	430,000,865	71,429	77,830,846
INSURANCE CARRIERS	63	1,369	27,080	1,004,397,105	37,090	335,860,409
INSURANCE AGENTS, BROKERS & SERVICE	64	3,000	13,764	428,771,213	31,152	164,781,602
REAL ESTATE	65	5,715	28,446	649,711,974	22,840	316,502,232
HOLDING AND OTHER INVESTMENT OFFICES	67	240	2,445	168,481,097	68,908	33,366,973
SERVICES		61,828	713,399	16,132,400,201	22,613	$ 6,466,313,334
HOTELS AND OTHER LODGING PLACES	70	1,647	32,779	395,199,928	12,056	298,471,903
PERSONAL SERVICES	72	4,816	30,477	445,085,556	14,604	287,694,508
BUSINESS SERVICES	73	11,505	186,056	3,415,818,134	18,359	1,938,392,714
AUTO REPAIR, SERVICES AND PARKING	75	4,680	23,557	462,298,069	19,625	262,101,491
MISCELLANEOUS REPAIR SERVICES	76	2,059	9,034	204,502,284	22,637	106,938,150
MOTION PICTURES	78	1,124	8,308	76,351,323	9,190	54,070,319
AMUSEMENT & RECREATION SERVICES	79	2,504	28,954	419,501,764	14,489	241,404,552
HEALTH SERVICES	80	9,859	208,623	6,242,274,225	29,921	1,631,440,128
LEGAL SERVICES	81	3,131	16,111	566,492,887	35,162	197,614,371
EDUCATIONAL SERVICES	82	672	30,593	808,836,411	26,439	105,569,127

SOCIAL SERVICES	83	4,105	58,749	776,361,301	13,215	479,152,457
MUSEUMS, BOTANICAL & ZOOLOGICAL GARDENS	84	70	1,680	26,935,775	16,033	12,660,890
MEMBERSHIP ORGANIZATIONS	86	1,559	14,989	235,974,094	15,743	115,474,068
ENGINEERING & MANAGEMENT SERVICES	87	6,917	54,423	1,959,817,943	36,011	659,345,808
PRIVATE HOUSEHOLDS	88	7,085	8,684	84,269,794	9,704	70,761,637
MISCELLANEOUS SERVICES	89	95	383	12,680,713	33,109	5,221,211
NONCLASSIFIABLE ESTABLISHMENTS	99	0	0	0	0	0
GOVERNMENT		7,563	533,550	13,830,386,663	25,921	24,726,557
FEDERAL GOVERNMENT		1,832	61,070	2,103,510,715	34,444	0
STATE GOVERNMENT		2,180	143,587	3,928,227,837	27,358	181,933
LOCAL GOVERNMENT		3,551	328,894	7,798,648,111	23,712	24,544,624

"*" IN TABLES INDICATES DISCLOSURE SUPPRESSION.

COUNTY DATA

INSURED EMPLOYMENT AND WAGES IN NORTH CAROLINA BY 2-DIGIT SIC INDUSTRY FOR YEAR 1995

INDUSTRY	SIC CODE	NO. OF UNITS	ANNUAL AVERAGE EMPLOYMENT	ANNUAL WAGES PAID	AVERAGE ANNUAL WAGE PER WORKER	TOTAL TAXABLE WAGES
TOTAL ALL INDUSTRIES		17,672	303,619	$ 8,055,361,884	$ 26,531	$ 2,699,217,849
PRIVATE TOTAL		17,309	244,470	6,288,015,639	25,721	2,698,871,105
AGRICULTURE, FORESTRY AND FISHING		366	2,837	48,486,830	17,091	30,160,228
AGRICULTURAL PRODUCTION-CROPS	01	37	356	5,511,467	15,482	3,518,796
AGRICULTURAL PRODUCTION-LIVESTOCK	02	5	133	2,858,527	21,493	1,605,776
AGRICULTURAL SERVICES	07	314	2,327	39,398,221	16,931	24,683,706
FORESTRY	08	10	22	718,615	32,664	351,950
FISHING, HUNTING AND TRAPPING	09	0	0	0	0	0
MINING		12	430	22,980,957	53,444	7,210,992
METAL MINING	10	*	*	*	*	*
COAL MINING	12	0	0	0	0	0
OIL AND GAS EXTRACTION	13	0	0	0	0	0
NONMETALLIC MINERALS, EXCEPT FUELS	14	*	*	*	*	*
CONSTRUCTION		2,073	18,166	490,681,259	27,011	240,429,401
GENERAL BUILDING CONTRACTORS	15	723	4,656	150,546,936	32,334	62,535,305
HEAVY CONSTRUCTION, EXCEPT BUILDING	16	122	1,858	50,260,119	27,051	25,109,934
SPECIAL TRADE CONTRACTORS	17	1,228	11,652	289,874,204	24,878	152,784,162
MANUFACTURING		635	28,243	902,762,276	31,964	346,437,545
FOOD AND KINDRED PRODUCTS	20	21	2,458	68,812,167	27,995	30,300,664
TOBACCO PRODUCTS	21	0	0	0	0	0
TEXTILE MILL PRODUCTS	22	20	1,514	35,869,736	23,692	16,810,344
APPAREL AND OTHER FINISHED PRODUCTS	23	28	1,405	19,806,591	14,097	15,845,535
LUMBER AND WOOD PRODUCTS	24	52	662	15,615,419	23,588	8,127,763
FURNITURE AND FIXTURES	25	18	281	7,599,586	27,045	4,703,844
PAPER AND ALLIED PRODUCTS	26	14	654	20,510,081	31,361	7,635,644
PRINTING AND PUBLISHING	27	184	3,008	86,886,868	28,885	35,017,242
CHEMICALS AND ALLIED PRODUCTS	28	19	2,492	104,120,694	41,782	27,477,426
PETROLEUM AND RELATED INDUSTRIES	29	*	*	*	*	*
RUBBER AND MISC. PLASTICS PRODUCTS	30	18	1,382	46,655,841	33,760	17,296,516
LEATHER AND LEATHER PRODUCTS	31	*	*	*	*	*
STONE, CLAY, GLASS, AND CONCRETE PROD.	32	30	1,210	31,660,394	26,166	15,376,769
PRIMARY METAL INDUSTRIES	33	8	338	15,017,013	44,429	5,001,343

FABRICATED METAL PRODUCTS	34	46	2,091	68,718,626	32,864	27,258,828
INDUSTRIAL MACHINERY AND EQUIPMENT	35	48	2,390	99,512,694	41,637 $	31,918,257
ELECTRONIC & OTHER ELECTRICAL EQUIPMENT	36	64	6,369	216,703,027	34,025	79,118,309
TRANSPORTATION EQUIPMENT	37	8	348	10,191,787	29,287	4,550,015
INSTRUMENTS AND RELATED PRODUCTS	38	29	1,324	45,387,684	34,281	16,198,678
MISCELLANEOUS MANUFACTURING INDUSTRIES	39	22	230	7,160,273	31,132	2,707,428
TRANSPORTATION, COMM. & UTILITIES		516	17,821	584,286,968	32,786	221,814,144
LOCAL AND INTERURBAN PASSENGER TRANSIT	41	33	592	9,972,000	16,845	6,160,585
TRUCKING AND WAREHOUSING	42	212	4,712	109,685,022	23,278	52,715,183
WATER TRANSPORTATION	44	0	0	0	0	0
TRANSPORTATION BY AIR	45	32	3,958	96,319,526	24,335	47,579,399
PIPELINES, EXCEPT NATURAL GAS	46	3	16	750,620	46,914	176,268
TRANSPORTATION SERVICES	47	84	714	23,038,523	32,267	9,062,224
COMMUNICATIONS	48	126	3,745	149,480,882	39,915	49,903,537
ELECTRIC, GAS, AND SANITARY SERVICES	49	26	4,083	195,040,395	47,769	56,216,948
WHOLESALE TRADE		1,721	17,449	662,155,627	37,948	227,986,935
WHOLESALE TRADE-DURABLE GOODS	50	1,105	12,151	487,203,767	40,096	162,058,416
WHOLESALE TRADE-NONDURABLE GOODS	51	616	5,298	174,951,860	33,022	65,928,519
RETAIL TRADE		3,639	56,208	846,935,206	15,068	511,954,781
BUILDING MATERIALS & GARDEN SUPPLIES	52	165	2,880	64,540,838	22,410	32,489,622
GENERAL MERCHANDISE STORES	53	100	7,633	98,083,334	12,850	69,984,864
FOOD STORES	54	388	7,798	107,823,874	13,827	68,651,845
AUTOMOTIVE DEALERS & SERVICE STATIONS	55	335	4,554	135,504,259	29,755	56,095,718
APPAREL & ACCESSORY STORES	56	315	3,288	35,986,107	10,945	25,058,541
FURNITURE AND HOME FURNISHINGS STORES	57	412	3,382	82,647,061	24,437	38,036,552
EATING & DRINKING PLACES	58	1,070	19,947	213,376,801	10,697	161,789,414
MISCELLANEOUS RETAIL	59	854	6,727	108,972,932	16,199	59,848,225
FINANCE, INSURANCE AND REAL ESTATE		1,529	16,544	553,186,363	33,437	205,559,017
DEPOSITORY INSTITUTIONS	60	211	4,583	131,507,292	28,695	55,927,876
NONDEPOSITORY INSTITUTIONS	61	135	1,564	52,884,154	33,813	19,298,092
SECURITY AND COMMODITY BROKERS	62	69	475	31,852,441	67,058	6,416,255
INSURANCE CARRIERS	63	180	4,859	187,166,062	38,519	62,992,868
INSURANCE AGENTS, BROKERS & SERVICE	64	314	1,394	43,174,056	30,971	16,949,135
REAL ESTATE	65	594	3,420	96,134,168	28,109	41,014,866
HOLDING AND OTHER INVESTMENT OFFICES	67	26	249	10,468,190	42,041	2,959,925
SERVICES		6,818	86,773	2,176,540,153	25,083 $	907,318,062
HOTELS AND OTHER LODGING PLACES	70	85	3,530	47,790,152	13,538	35,535,100
PERSONAL SERVICES	72	423	3,092	45,482,927	14,710	29,708,430
BUSINESS SERVICES	73	1,657	33,943	755,304,218	22,252	385,020,861
AUTO REPAIR, SERVICES AND PARKING	75	400	2,745	54,702,314	19,928	31,388,810
MISCELLANEOUS REPAIR SERVICES	76	154	562	13,481,648	23,989	6,944,143
MOTION PICTURES	78	86	825	8,338,431	10,107	5,566,642
AMUSEMENT & RECREATION SERVICES	79	225	2,874	34,439,594	11,983	22,271,213
HEALTH SERVICES	80	938	14,856	526,376,423	35,432	142,065,023
LEGAL SERVICES	81	314	2,524	100,144,523	39,677	31,830,950
EDUCATIONAL SERVICES	82	97	2,634	55,434,009	21,046	10,419,505

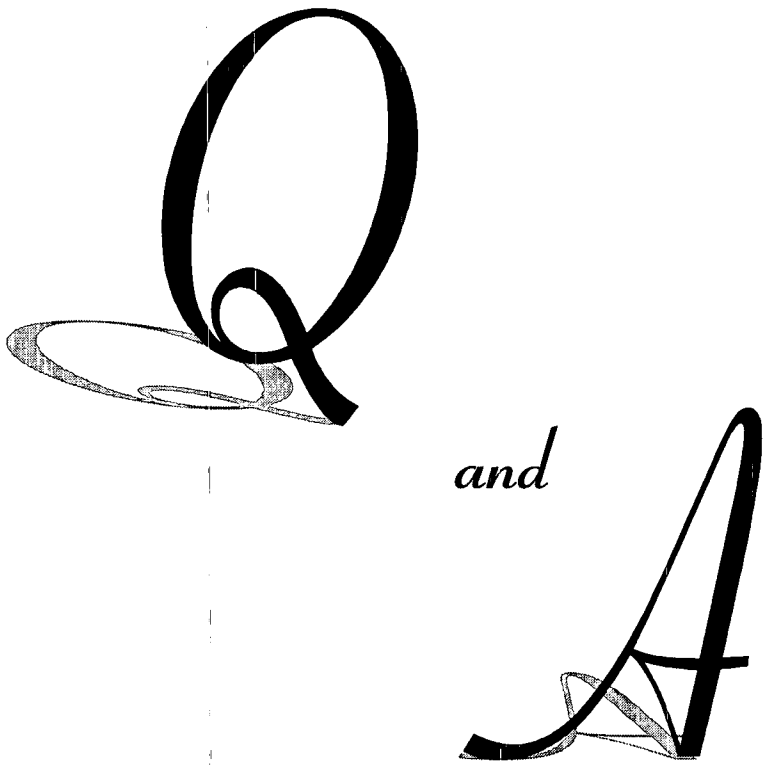
SOCIAL SERVICES	83	329	6,269	87,356,093	13,935	49,532,778
MUSEUMS, BOTANICAL & ZOOLOGICAL GARDENS	84	4	22	288,297	13,104	168,927
MEMBERSHIP ORGANIZATIONS	86	219	2,460	49,372,714	20,070	20,647,685
ENGINEERING & MANAGEMENT SERVICES	87	1,140	9,632	388,403,804	40,324	128,902,309
PRIVATE HOUSEHOLDS	88	724	772	8,430,694	10,921	6,792,679
MISCELLANEOUS SERVICES	89	23	34	1,194,312	35,127	523,007
NONCLASSIFIABLE ESTABLISHMENTS	99	0	0	0	0	0
GOVERNMENT		363	59,149	1,767,346,245	29,880	346,744
FEDERAL GOVERNMENT		88	3,675	154,549,311	42,054	0
STATE GOVERNMENT		126	33,809	1,029,958,128	30,464	181,933
LOCAL GOVERNMENT		149	21,666	582,838,806	26,901	164,811

"*" IN TABLES INDICATES DISCLOSURE SUPPRESSION.

PATHWAYS TO EMPLOYMENT

Work First Training Program
Questions and Answers

September 1997



Developed by the
North Carolina Community College System and North Carolina Division of Social Services

WORK FIRST: PATHWAYS TO EMPLOYMENT
QUESTIONS AND ANSWERS

This document has been developed by the North Carolina Community College System and the North Carolina Division of Social Services in response to questions regarding Work First training. It is intended to provide assistance in the coordination and implementation of the Work First "Pathways to Employment" training model. If you need further clarification or have additional questions, please contact the appropriate individual listed on page 9 of this document.

I. NORTH CAROLINA DIVISION OF SOCIAL SERVICES (DSS)

A. PROGRAM COORDINATION, IMPLEMENTATION, AND PARTICIPATION

Q1. ***Who at each local DSS will be responsible for coordinating the "Pathways to Employment" model?***

A1. The county DSS director will identify a staff person to coordinate this model, and will inform their local community college. Under most circumstances, the Work First Employment Supervisor will be responsible for overseeing this model. In larger counties, a program manager or administrator may assume this role. In our smaller counties, the county director or a Work First Employment Case Manager may coordinate directly with their community college partners.

Q2. ***How will case management be accomplished at the local level to ensure success?***

A2. Local case managers will work closely with community college staff to ensure successful participation in these short-term training programs. Case managers will communicate frequently with the classroom instructor to monitor attendance, overall performance, and compliance with the client's Personal Responsibility Contract.

Q3. ***Is Basic Skills an allowable activity for Work First clients?***

A3. Basic Skills training <u>is</u> an allowable activity under Work First.

Q4. ***Is Adult High School (AHS) and General Educational Development (GED) eligible Work First activities?***

A4. Participation in AHS and GED programs <u>are</u> eligible Work First activities.

Q5. ***How is HRD classified under "allowable" activities...Job Readiness Training or Vocational Educational Training?***

A5. HRD, as a stand-alone activity, is considered a DSS Job Readiness/Job Search activity. If HRD is integrated with a training component (i.e., Nurse's Aide Training and HRD), that combined activity should be classified as DSS Vocational Educational Training.

Q6. ***What are the time limitations for Work First clients to participate in a training component?***

A6. There are no time limitations for Work First clients to participate in a training component. Local DSS staff begin stressing the importance of obtaining a high school diploma, GED, and other short-term training activities at the initial application for assistance. That message is continually reinforced as families prepare for more intensive employment services.

Since January 1997, all Work First families are limited to a lifetime of five years of cash assistance. Families receiving intensive employment services are restricted to two-year periods of eligibility of cash assistance (within their lifetime cap of five years). Understandably, these time limits should be considered when developing a training plan.

The new federal, welfare reform law establishes a limitation on the length and type of training activities that "count" toward the mandated participation rates. While the new federal law restricts the length in some training activities, local departments of social services are free to support training beyond the federal limitations.

Q7. ***Are all Work First clients required to be registered for work at the Employment Security Commission (ESC) or JobLink Center for placement?***

A7. Not at this time; however, the policy to implement this change in state law is under development.

Q8. ***How is Work First different from the JOBS Program?***

A8. The former JOBS Program was a "human capital investment" model that focused upon long-term training, while Work First is a "labor-force attachment" model that focuses upon a combination of work and work-related activities. Participation in Work First is more intensive - requiring a minimum of 30 hours of weekly participation (the JOBS Program encouraged 15-20 hours of participation). Under Work First, more case managers are serving more families. And, these case managers work as a team in an agency-wide effort to prepare families for work and "life without welfare."

B. REFERRALS (From DSS to Community Colleges)

Q1. ***How will clients be referred to the program?***

A1. Clients will be referred by the DSS coordinator to the local community college coordinator.

Q2. ***How will DSS ensure that the clients referred to the program will be able to be successful in the program? Will DSS develop any suitable criteria for the target population?***

A2. Prior to referral to an outside agency, Work First clients undergo an intensive assessment. That effort examines a client's educational, work, social, and medical histories. It also identifies an array of vocational interests, aptitudes, and limitations. When completed, this assessment data is used to develop an individual self-sufficiency contract with each client. That contract identifies a realistic (*and attainable*) employment goal; services to be provided by the agency; and a mix of work and training activities to move that family toward independence and improved self-sufficiency. In essence, this contract is their "road map" while receiving time-limited cash assistance.

While no one can guarantee that a client will be "successful" in a training program, local staff will screen each client prior to referral to the local community college. That screening will be based upon assessment data, observed client motivation and interest, and local labor market demands.

Q3. ***When will clients with major problems (i.e., substance abuse, domestic violence, etc.) be referred?***

A3. This will be determined by each local DSS. Each case will be evaluated individually. It is very likely that substance abusers will be first referred to a local treatment program. In those cases, participation in a training activity may be deferred until a qualified substance abuse counselor determines that participation in a training program would more likely be effective and successful.

Q4. ***Will Work First "applicants" be referred prior to approval of their application?***

A4. Yes, applicants will be referred.

Q5. ***Can only Work First clients participate?***

A5. Local DSS staff will screen and refer numerous individuals for participation. The majority of those individuals will be Work First, others may be food stamps, Medicaid, and Child Support Enforcement clients. We also feel that these classes should be available to non-DSS clients such as JTPA, Vocational Rehabilitation, and JobLink; however, the local DSS would not cover the cost of their participation.

C. TRAINING COSTS

Q1. ***Who pays the training cost for Work First clients who are referred by DSS to a local community college?***

A1. The local DSS will cover the $35 occupational extension registration fee and all other applicable fees/costs associated with special training requirements for Work First clients who are referred by their agency to the local community college. The total cost of participation, when possible, should be limited to $100 or less, per client (*see North Carolina Community College System section, item E, page 6*).

II. NORTH CAROLINA COMMUNITY COLLEGE SYSTEM (NCCCS)

A. PROGRAM COORDINATION, IMPLEMENTATION, AND PARTICIPATION

Q1. ***Who in each community college will be responsible for coordinating the Work First model?***

A1. College presidents have been asked to identify a Work First contact at each college. Each college should inform their local DSS after the Work First contact has been selected.

Q2. ***Who determines what skill training areas should be offered?***

A2. Training needs should be determined based on the local labor market analysis. Local offices of the Employment Security Commission, Department of Social Services, and Service Delivery Area should jointly determine which training areas are appropriate for the community, based on current job openings. Input from local employers should be included in this process.

Q3. ***What happens if there are not enough clients referred at the same time to fill a class?***

A3. Clients may be referred to the "Self-Paced Individualized Instruction" component of the college to be assessed and begin individualized work until there are enough clients to fill a class. Consideration should also be given to individually placing Work First clients into regularly scheduled continuing education offerings.

Q4. ***Who will be responsible for organizing the "Self-Paced Individualized Instruction" component?***

A4. It depends on the individual college structure and the instruction needs of the Work First client. Based on identified need, it should be a collaborative endeavor involving the appropriate college personnel.

Q5. ***What if a client only needs one of the components of the "Pathways to Employment" training model?***

A5. Work First clients are not required to participate in all components of the training model. Training provided to a Work First client should be based on the workforce training needs of that client.

B. BASIC SKILLS

Q1. ***How does the NCCCS determine which job-specific basic skills competencies will be taught?***

A1. A job task analysis of the Occupational Extension courses should be conducted and appropriate competencies should be selected for instruction.

Q2. ***Who should conduct the job task analysis?***

A2. Job task analyses should be conducted by Basic Skills staff, preferably the instructors.

Q3. ***Can instructors be paid out of Basic Skills funds to conduct job task analyses and develop job-specific curricula?***

A3. Instructors may be paid to conduct job task analyses and develop job-specific curricula.

Q4. ***Who will train Basic Skills staff in conducting job task analyses and developing job-specific curricula?***

A4. Community college Basic Skills staff should contact Dr. Jay Camp at the System Office for free training in conducting job task analyses and developing job-specific curricula. The state is funding seven trainers to help with competency-based

instruction. These trainers, formerly known as the CASAS trainers, will train Basic Skills staff in these areas, even if the college does not use or plan to use CASAS.

Q5. ***Who will develop the curricula for the job-specific basic skills competencies?***

A5. Curriculum materials are already available for specific career areas (i.e., career curriculum by Thomas Sticht is published by Glencoe-McGraw-Hill). CASAS also has an index of published materials that cover job-specific competencies. Linda Ray and Mary Lou Garrison from Wake Technical Community College have written a book of generic curriculum, Basic Skills Workplace Lesson Plans, that can be adapted to many different occupations. The book is free of charge and will be distributed to all colleges. Basic Skills staff should also develop curricula for the programs.

C. HUMAN RESOURCES DEVELOPMENT (HRD)

Q1. ***What type of assessments (suitability, job readiness, academic, occupational) are needed to better serve Work First clients?***

A1. Either HRD or Basic Skills programs have the ability to provide various types of assessment for Work First clients. Local DSS programs should contact the director of either program for more details.

Q2. ***Should "Survival Skills for Women" be taught as a separate training component from the "Pathways to Employment" model?***

A2. Survival Skills for Women may either be a stand-alone training component or incorporated into existing HRD curriculum components depending on the time allotted for Work First clients to participate in a training activity.

D. OCCUPATIONAL EXTENSION

Q1. ***What is the cost of training for Occupational Extension courses?***

A1. The cost of training for Occupational Extension courses is a $35 registration fee *(see item E).*

Q2. ***Will only Work First clients be enrolled in Occupational Extension courses which have been designed as part of the "Pathways to Employment" training model?***

A2. Many of the courses designed for Work First training will include students from the general public as well as Work First referrals. If DSS identifies special training needed for Work First clients only, this can be developed through collaboration between the community college and DSS staff.

Q3. ***Are colleges limited to the job skills training courses listed in the "Pathways to Employment" training model?***

A3. No. The job skills training courses listed in the training model are only examples of the types of job-related training which could be offered. Colleges should develop

specific training courses based on a labor market analysis of their service area and in collaboration with DSS, ESC, SDA, and local employers.

E. TRAINING COSTS

Q1. ***What is the training cost for Work First clients and for non-Work First clients who are referred by DSS to a community college?***

A1. The cost is the same for both Work First clients and non-Work First clients. Any student registering for an Occupational Extension course will have to pay a $35 registration fee ***(which has been set by the General Assembly and approved by the State Board of Community Colleges),*** and additional fees/costs associated with special training requirements such as textbooks, accident/liability insurance, supplies, uniforms, immunizations, etc. **Students enrolling in Human Resources Development and Basic Skills programs will not have to pay a fee for training.**

F. UTILIZING OTHER RESOURCES

Q1. ***What other resources are available and how can they be utilized to assist with Work First Training?***

A1. The State's customized training programs -- Focused Industrial Training (FIT) and New and Expanding Industry Training (NEIT) -- are resources that can be used to provide customized job training for Work First clients. Both programs are employer-based, meaning that the programs are developed to meet the training needs of North Carolina employers.

The **FIT** program provides job-specific retraining in the manufacturing sector, and provides a funding resource for community colleges to provide manufacturing-related training to companies in cases where it would not be economically feasible through traditional continuing education programs. This is particularly the case when the training is either highly technical, or when there are small class sizes. If a manufacturing company requires customized job training for only a handful of new employees, who may be Work First clients, FIT resources provide a way in which the local college can provide that job-specific training.

The **NEIT** program provides training for companies hiring new production workers. To qualify for this program, a company must be creating 12 or more new production jobs. If any of those positions are filled by Work First clients, the local community college will provide free job training to support those new positions, and that training could be customized to meet any special needs required by Work First clients.

The Small Business Center Network **(SBCN)**, which is comprised of a Small Business Center at each of the community colleges, provides support for the growth of existing businesses and the development of new businesses by delivering business training, counseling, and information.

(this page revised 9/97)

The SBCN offers *Education and Training* (free or low cost seminars/workshops and courses on business startup, management, marketing, advertising, record keeping, taxes, and finances; and training for small business employees in computer/software, communications, and interpersonal skills development); *Consultation and Referral* (one-on-one, confidential business counseling on business startup and business plan development with linkage to other local state and federal resources); *Resource and Information Center* (printed and audiovisual materials, computer software, computer network linkages, and teleconferencing capability for the existing or startup entrepreneur). For information on the Small Business Center nearest you, call your local community college.

The Work Opportunities Tax Credit **(WOTC)** program offers employers a credit against their tax liability for hiring individuals from seven target groups (Qualified IV-A Recipients, Qualified Veterans, Qualified Ex-Felons, High Risk Youth, Vocational Rehabilitation Referral, Qualified Summer Youth Employee, and Qualified Food Stamp Recipient) who have traditionally had difficulty obtaining and retaining jobs. For more information, contact your local Employment Security Commission.

The Worker Training Tax Credit **(WTTC)**, enacted by the North Carolina General Assembly in 1996 as part of the William S. Lee Quality Jobs Act, provides an incentive to companies to grow jobs and make investments in North Carolina. The WTTC provides a credit against State franchise or corporate income taxes for expenditures incurred by eligible companies in training their workers for new jobs, or for training workers as a result of investments in machinery and equipment. For more information, contact Scott Ralls at (919) 733-7051.

Low income working families can qualify to get more take home pay through the Earned Income Tax Credit **(EITC)**. The amount of EITC a family can receive depends on their income and the number of children in the household. A family can receive some portion of the EITC in advance with each paycheck and the rest when they file their tax return. The employer adds a portion to the credit to the paycheck. The amount of the credit is then subtracted from the federal withholding deposit. For more information, contact your local Department of Social Services.

G. COORDINATED JOB PLACEMENT

Q1. ***How will colleges know if local employers will hire Work First clients upon completion of the program?***

A1. Employers are crucial to the success of the "Pathways to Employment" model. It is suggested that local offices of DSS, ESC, and SDA engage in employer focus group discussions and that emphasis be placed on ensuring that Work First clients possess the skills employers want them to have before job referrals are made. JobLink Career Centers may assist in job placement and job development activities, as well as the Employment Security Commission and the SDA. Clearly, a locally-driven coordinated job placement strategy must be developed by the local partners.

Job development should be viewed as an ongoing effort. Meaning, these short-term training activities should include continual access to prospective employers, such as local employers' visits to the classroom and periodic "Job Fairs."

A critical strategy is to involve employers in the design of skills training classes offered and other planned activities. This will help to ensure the employers' commitment to hire trainees up front.

Q2. ***How does the "Pathways to Employment" model interact with the JobLink Career Center?***

A2. The JobLink Career Center (where available) should be used as a resource for job placement or job development upon completion of training by Work First clients. The JobLink Career Center may also refer clients to the college to participate in the "Pathways to Employment" training model.

If you need further clarification or have additional Work First questions pertaining to this document, please contact the appropriate individual listed below.

NORTH CAROLINA DIVISION OF SOCIAL SERVICES
325 N. Salisbury Street, Raleigh, NC 27603-5905 Tele: 919/733-7831 Fax: 919/715-5457
Contacts:
Ben Watts, Chief
Economic Independence Branch

Jane Smith, Chief
Work First Local Support

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
200 W. Jones Street, Raleigh, NC 27603-1379 Tele: 919/733-7051 Fax: 919/733-0680
Contacts:
Chuck Barham, Associate Vice President
Academic and Student Services

Barbara Boyce, Coordinator
Human Resources Development (HRD)

Stephanie Deese, Associate Director
Job Training Partnership Act (JTPA)

Peggy Graham, Associate Director
Continuing Education Services

Scott Ralls, Director
Economic Development (*which includes NEIT, FIT, SBCN*)

Randy Whitfield, Associate Director
Basic Skills and HRD Programs

Lynda Wilkins, Social Research Assistant
Academic and Student Services

ATTACHMENT 2

1 North Carolina Community College System

Creating, Growing and Attracting Jobs

2

3 Presenters

- Gayle Harvey
  - Small Business Center Network
- Scott Ralls
  - New and Expanding Industry Training
- Mike Wilkins
  - Assistant Secretary of Commerce
- Rick Fior - ABT Company
- Tom White
  - Interim President, Durham Chamber of Commerce

4 **Small Business Center Network Purpose**

- Support the growth of existing small business
- Develop new small business.
- A community based provider of training, counseling and information

5 **Small Business Centers**

- **Serve as the first point of contact for local, state and federal business startup information**
- **Provide entrepreneurial**
  - **education and employee training**
  - **consultation**
  - **referral to other small business service providers**

6 **SBC Network Customers**

Potential or existing business with

- one to ten employees
- less than one-hundred employees

7 Seminars, Workshops, Courses

- **How to start and operate a business**
- **Business Plan development**
- **Management**
- **Computer and software**
- **Customer Service**

- **Finance**
- **Taxes**
- **Specialty Programs: Export Outreach, OSHA Regulations, IRS Small Business Taxes, REAL**

8 ## Services

- **Consultation and Referral**
  - individual counseling
  - business plan development
  - linkage with community and state resources

- **Resource / Information Center**
  - printed and audiovisual materials
  - computer softwar
  - computer network linkages
  - teleconferencing capability

9 ## SBC Program Goals

- Provide high quality, cost-effective and accessible education and training programs
- Update business owners on governmental and environmental regulations
- Support
  - preparation of business plan and loan packages
  - small business start-up incubators
- Assist in downtown revitalization and rural initiatives

10 ## 1995 - 1996 Services and Funding

- Total Clients 62,196
  - Workshop / seminar participants 42,905
  - 2,319 seminars
  - Counseling 13,967
  - Referrals 5,324
- **58 SBCs funded at**
  - $59,018 each
  - $3,423,044 total
- **Cost to serve each SBC client $55**

11 ## 1995 - 1996 Customer Satisfaction

- 90% of customers rate SBC services as "excellent" or "very good"
- June 1996 NC Manufacturing Extension Partnership survey rates SBC
  - 1st in satisfaction among clients using assistance resources

12

New and Expanding Industry Training Program Purpose

- enhance the growth potential of companies located in NC
- prepare North Carolina's workforce for successful employment in emerging industries.

13

Program Highlights

- 1958: NC creates the first customized training program in the nation
- 1995:
  - 47 states have customized training programs
  - NC ranked 16th in per capita spending
- Close partnership with
  - Department of Commerce
  - local economic development agencies

14

- Eligibility: Companies creating 12 or more full-time production-oriented jobs
- Programs developed as partnership between
  - company
  - local community college
  - regional field staff
- Programs approved by
  - Community College System
  - Department of Commerce officials

15

Funding supports direct training costs:

- instructor wages and travel costs
- training materials and supplies
- facilities and equipment

16

Impact

- 1996 - 1997 Provided training to:
  - 184 companies
  - 25,076 North Carolinians
  - Cost: $385.09 per trainee
- Over the last 10 years, provided training to:
  - 193,391 North Carolinians

17

Benefits / Costs

- 1993 Initiated 107 new projects. By 1996, these companies had created 14, 792 new jobs. Assuming average manufacturing wages:
  - $300 million in cumulative annual income
  - income and business tax revenue
    - approximately $15 million in annual employer withholding taxes

18

19

Challenges

Demand

- Program supports twice as many expanding NC companies as 10 years ago

20

Competition

- States increased economic development spending by approx. 29% in 10 years
- Southern states are very aggressive
  - South Carolina
  - Alabama
  - Virginia
  - Georgia
- Rust-belt states have significantly increased activity in 2 years
  - Pennsylvania
  - Ohio

ATTACHMENT 3

New and Expanding Industry Training Program

Purpose: **To provide customized training assistance in support of new, full-time production positions created in the State of North Carolina, thereby enhancing the growth potential of companies located in the state while simultaneously preparing North Carolina's workforce with the skills essential to successful employment in emerging industries.**

Program Highlights

- **First customized training program in the nation, started in 1958.**

- **As of 1995, 47 states had customized training programs and North Carolina ranked 16th in per capita spending.**

- **Close partnership with Department of Commerce, and local economic development agencies.**

- **Eligibility: Companies creating 12 or more production-oriented jobs.**

- **Training programs developed as partnership between company, local community college, and regional field staff. Approved by Community College System and Department of Commerce officials.**

- **Funding supports direct training costs:**
  - **instructor wages and travel costs**
  - **training materials and supplies**
  - **facilities and equipment**

Impact

- 1996-97: Provided training to 184 companies and 25,076 North Carolinians, at a cost of $385.09 per trainee.

- Over the last 10 years, provided training to 193,391 North Carolinians.

- In 1993, initiated 107 new projects with companies. By 1996, those companies had created 14,792 new jobs. Assuming they paid average manufacturing wages, equates to $300 million in cumulative annual income and approximately $15 million in annual employer witholding taxes.

- Recognized as major factor in recruitment of new companies.

Challenges

DEMAND

- Program supports twice as many expanding North Carolina companies as 10 years ago, reflecting growth in NC economy.

COMPETITION

- Economic development spending increased by approximately 29% per year over past 10 years.

- Southern states are very aggressive.
  - South Carolina
  - Alabama
  - Virginia
  - Georgia

- Industrialized states have significantly increased activity in past two years.
  - Pennsylvania
  - Ohio

ATTACHMENT 4

ABTCO
Roaring River, North Carolina

Exterior Products Group

Hardboard Operations
Pro 1 Process
Fiber Cement Operations
Dura Press System

Americk Fior, Jr. (Rick)
Human Resources Manager
Siding Division

ABTCO
ABT BUILDING PRODUCTS CORPORATION

ABTco, Inc.
Hwy. 268, P.O. Box 98
Roaring River, North Carolina 28669
Telephone: (910) 696-2751 Ext. 470
Fax: (910) 696-3412
(800) 334-3551

ABTCO

ABT BUILDING PRODUCTS CORPORATION

ABTco / WCC Partnership Presentation - Raleigh, NC

Prepared by: Rick Fior

ABTco
Roaring River Facility

- This facility began as a small siding producer in 1970, producing 40 million surface feet, but through several major capital expansions, has grown to be the **World's Largest Manufacturer of exterior hardboard products.**

- **Beginning in the spring of 1997, Roaring River entered the Fiber Cement business with a new State-Of-The-Art facility presently under construction.**

- Our modern history began when in October of 1992 we became **ABTco** through the purchase of Abitibi-Price's Building Products Group by a management team.

- Since that time, Roaring River has seen tremendous growth with increased capital resources from our new management family enabling the recognition that we are the leader in the building products industry.

Why A Plant At Roaring River

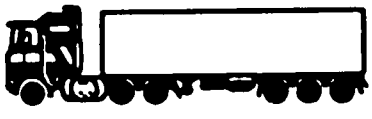
Abundant Wood

Water Supply

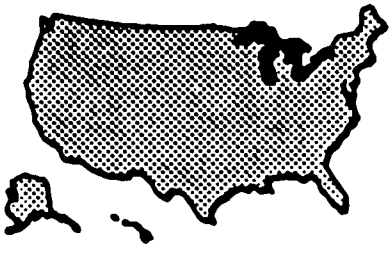
Skilled Labor

Energy

Transportation Route



Location To Markets



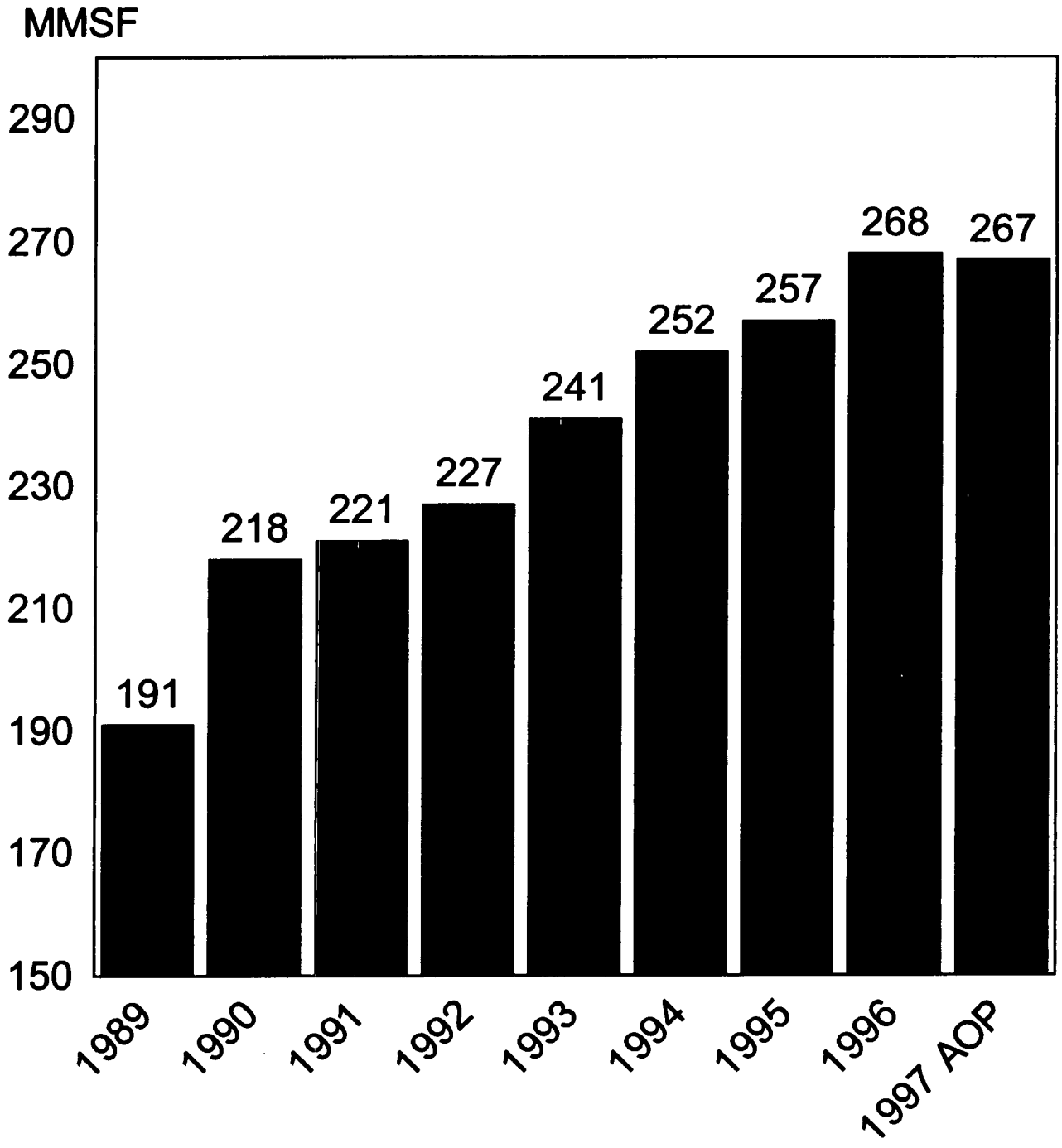
"The River"

- World's Safest Hardboard Plant! AHA 5Years Consecutively
- World's Largest Manufacturer of Hardboard Siding!
- Pro 1 Process!
- Low Cost Quality Producer!
- Preferred Supplier of Building Products to Our Customer!
- Innovators in Product Mix!
  - Reversible Trimboard
  - 4/4 & 5/4
  - Lockside 7/16"
  - Utility Panels
  - 1/2" Products
  - 7/16" Bevelside
  - PF Lockside
  - Vinyl
- **Fiber Cement**

  The Next Generation Product

Gross Press

By Year



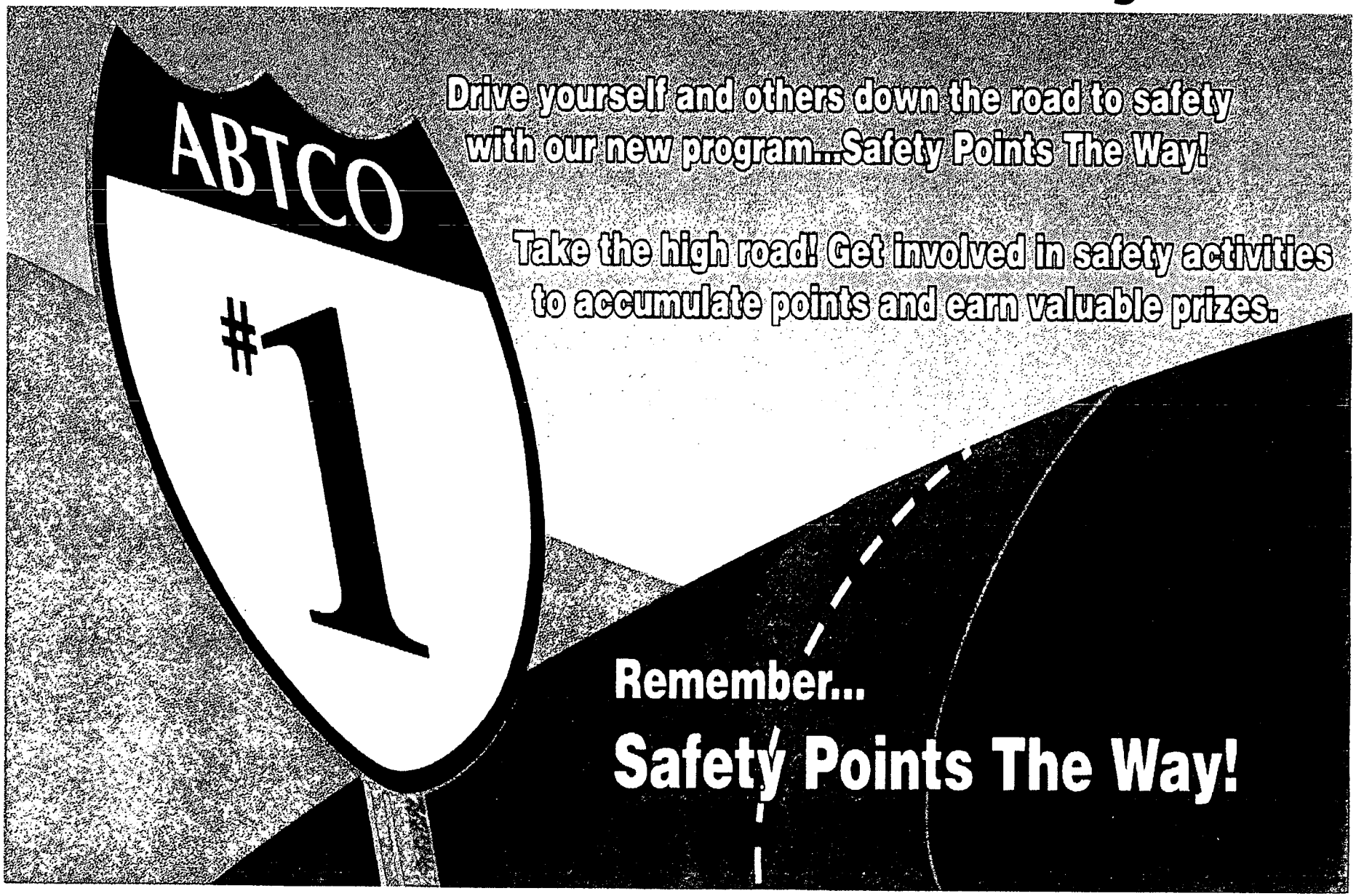
Internal Goal

To create and maintain a business culture based on customer satisfaction and responsiveness through emphasis on quality management techniques, employee involvement, and continuous development and improvement of products, processes, and services.

Quality Policy

To be the preferred supplier of building products in the industry with a consistently high level of quality, service and support for our customers.

Safety Points The Way



ABTco Exterior Products Group
Roaring River

Fiber Cement Dura Press System

Fiber Cement Operation

Product Features

PERFORMANCE

- **Unaffected By Moisture**

  Will Not Welt
  Will Not Rot
  Will Not Buckle

- **Class I Fire Rating**

  Greater Access To Multi-Family Housing
  Greater Access To Commercial Builders

- **Immune From Wood Eating Insects**

- **No Known Long-Term Weaknesses**

The International Project

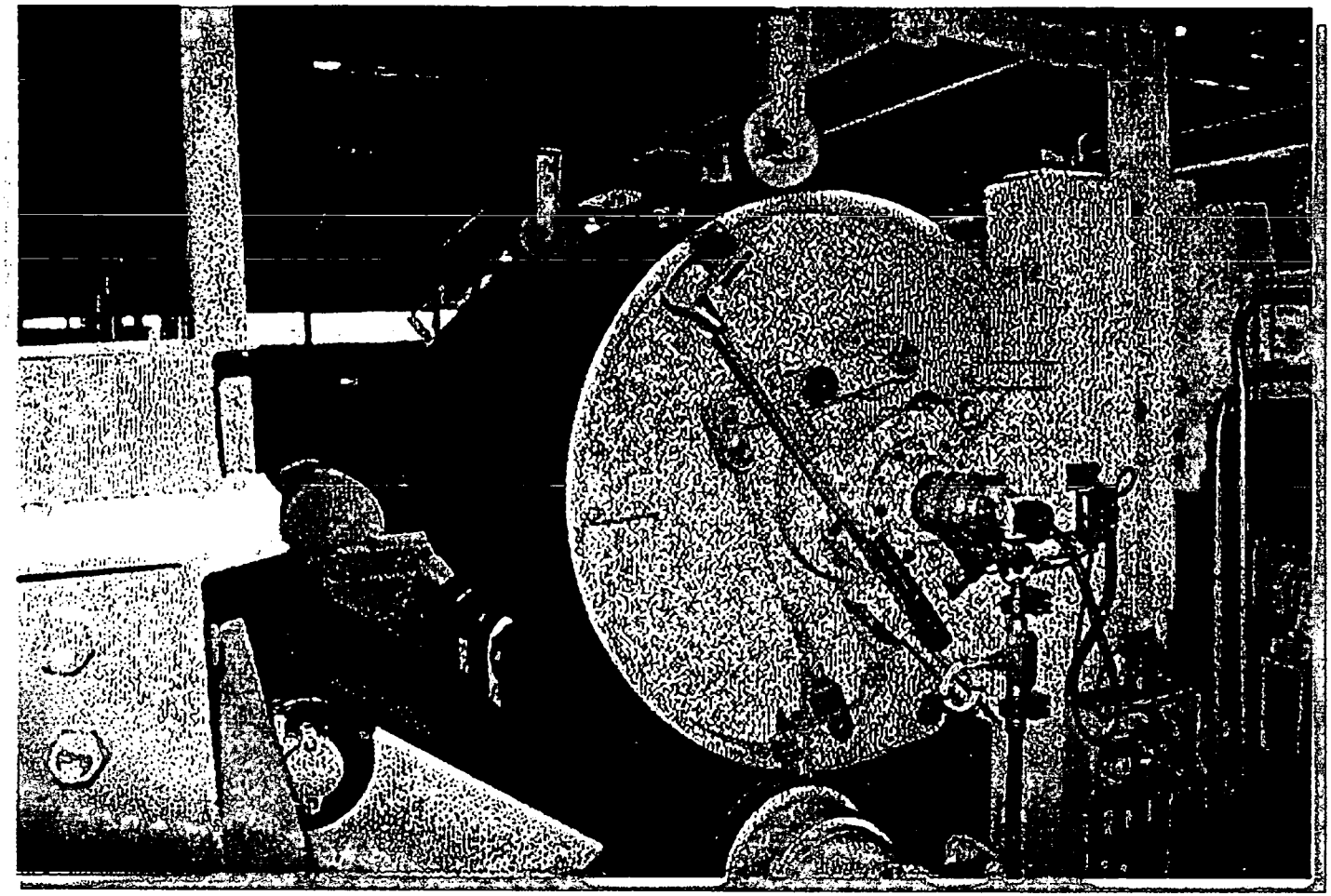
- Company - USA (Roaring River)
- Engineering - N.C. & Alabama
- Equipment - Austria, Germany & USA
- Technology - Germany & USA
- Resin Moulds - Belgium
- Training - Germany & Australia
- Sister Equipment - Australia
- Fiber - Russia
- Machine Felts - Italy

Hatschek

Sheet Formation

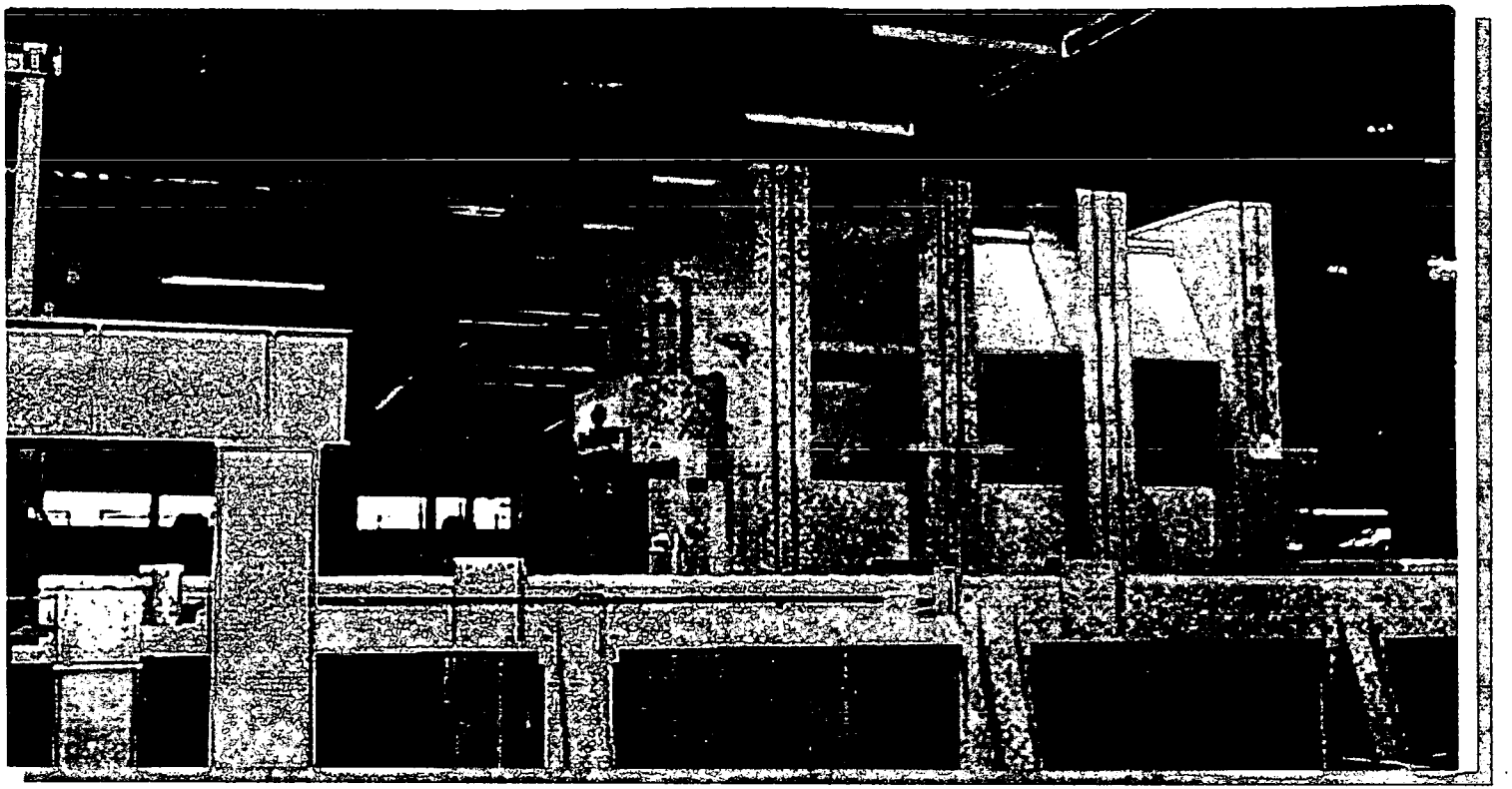
Flow Direction

Accumulator Roll



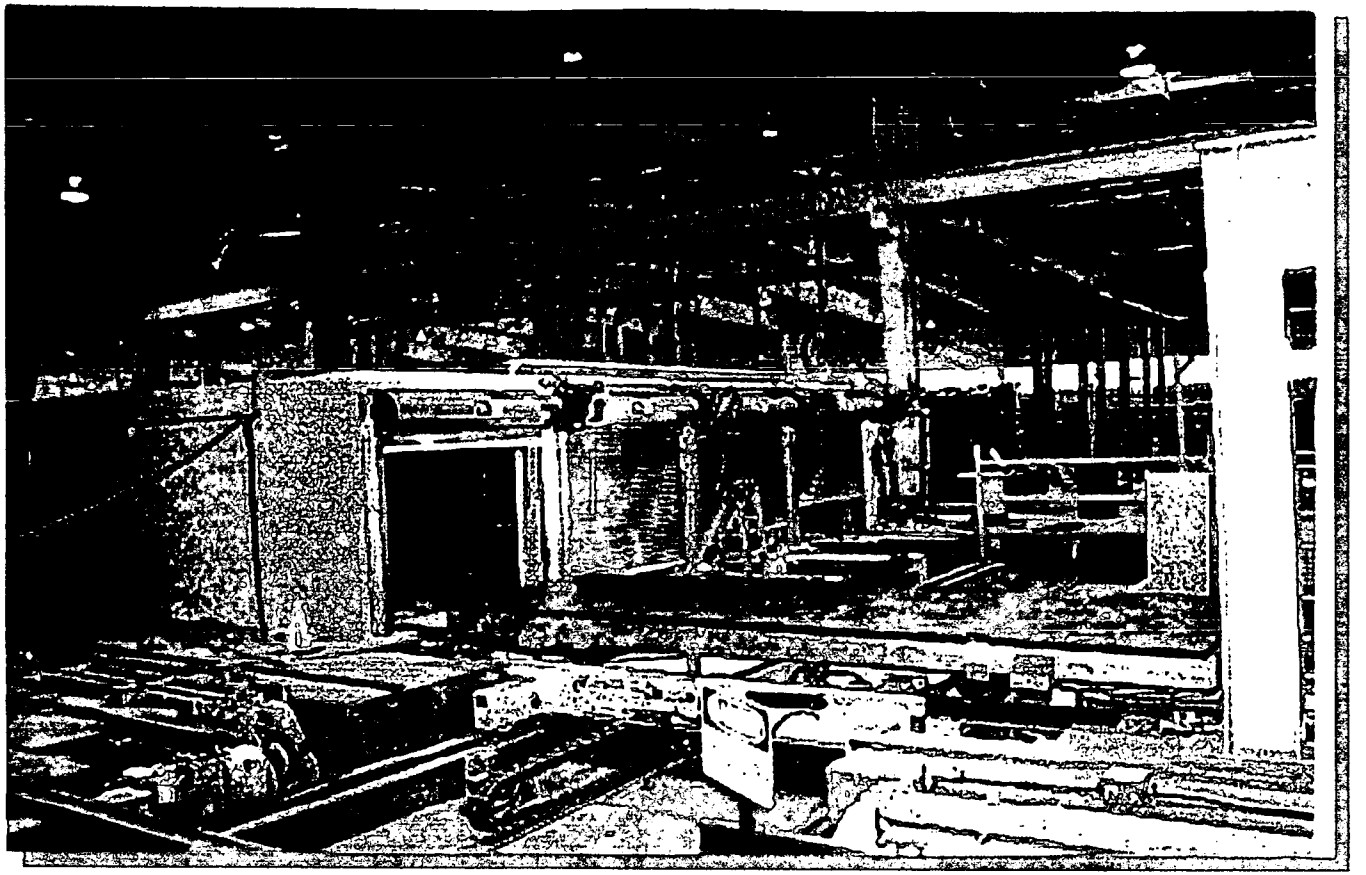
Enhanced Bonding/Strength

Pressing



Product Design, Bonding, Homogeneous Sheet, Enhanced Strength

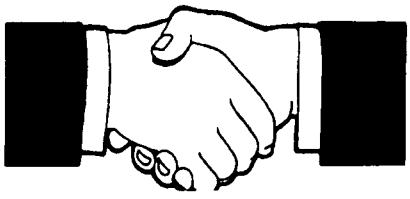
Precuring Chamber



Controlled Curing

Autoclave

Final Drying for Enhanced Quality/Strength

ABTco  WCC

- Pre Employment Skills Assessment
- Technology Transfer
- Mobile Computer Lab

Tax Revenue Generated for Wilkes County from ABTco and its Employees

		Hardboard Plant Annual	First Fiber Cement Annual	Second Fiber Cement Annual	Totals
Sales Tax From Plant	1996	$ 10,000			$ 10,000
	1997	$ 11,000	$ 3,758		$ 14,758
	1998	$ 12,000	$ 4,100	$ 4,100	$ 20,200
	1999	$ 13,000	$ 4,420	$ 4,420	$ 21,840
Sales Tax from Employee Purchases in the County	1996	$ 93,856			$ 93,856
	1997	$ 93,856	$ 13,400		$ 107,256
	1998	$ 93,856	$ 13,400	$ 13,400	$ 120,656
	1999	$ 93,856	$ 13,400	$ 13,400	$ 120,656
Total Sales Tax from ABTco and Employees	1996	$ 103,856	$ -	$ -	$ 103,856
	1997	$ 104,856	$ 17,158	$ -	$ 122,014
	1998	$ 105,856	$ 17,500	$ 17,500	$ 140,856
	1999	$ 106,856	$ 17,820	$ 17,820	$ 142,496

Property Taxes	1996	$ 256,500			$ 256,500
	1997	$ 270,000	$ 252,000		$ 522,000
	1998	$ 275,000	$ 350,000	$ 105,000	$ 730,000
	1999	$ 280,000	$ 355,000	$ 280,000	$ 915,000

Annual Wilkes Co. Revenue	1996	$ 360,356	$ -	$ -	$ 360,356
	1997	$ 374,856	$ 269,158	$ -	$ 644,014
	1998	$ 380,856	$ 367,500	$ 122,500	$ 870,856
	1999	$ 386,856	$ 372,820	$ 297,820	$ 1,057,496

Computer Training

- Mobile Computer Lab purchased by Wilkes Community College and used in Roaring River

- Instructors provided as well to teach Microsoft Word and Excel

- Computer Lab also used for Advanced Wonderware Training

Transfer of Technology

- ABTco Employees traveled to Germany
- Trained with Germans on Fiber Cement technology
- Returned to Roaring River as Trainers
- Trained Remainder of Employees on Fiber Cement Technology

Pre-Employment Skills Assessment

- 1,000 Applicants
- 500 Interviewed
- 150 Attended Skill Session
- 67 New Employees Hired

Additional Revenue for surrounding areas:

- Procure $14 Million worth of wood from local wood dealer .
- Rail Freight (Hardboard) $2,644,000 Annually Yadkin Valley RR/NS.
- Truck Freight $6,820,000 Annually.
- Truck Freight (Fiber Cement) $2,250,000.
- BE&K Construction in Wilkes County for approximately 1 year:
  $4.5 Million Payroll
  $1.5 Million Retail Sales
  $30,000 in Sales Tax.
- ABTco has invested $85 million in Roaring River since October 1992.
- 90-100 new jobs since 1994.
- New ☆ Expansion at Fiber Cement Facility (New 2nd Line) will be $44 million and 70 new jobs if approved.
- ☆ Chip Mill can be doubled in size adding $4 million in round wood procurement from local area.

Pertinent Information

Largest tax payers in Wilkes County (Property Tax):

1996	1997	1998	1999
Duke 404,954	**ABTco** (Partial FC Line) 522,000	**ABTco** (#1 Line FC) 730,000	**ABTco** #2 Line FC) 915,000
Tyson 289,755	**Duke** 404,954	**Duke** 404,954	**Duke** 404,954
Lowes 262,175	**Tyson** 289,755	**Tyson** 289,755	**Tyson** 289,755
ABTco 256,511	**Lowes** 262,175	**Lowes** 262,175	**Lowes** 262,175
Central Telephone 129,556	**Central Telephone** 129,556	**Central Telephone** 129,556	**Central Telephone** 129,556
Lowes Investments 108,235	**Lowes Investments** 108,235	**Lowes Investments** 108,235	**Lowes Investments** 108,235
Ladd Furniture 82,031	**Ladd Furniture** 82,031	**Ladd Furniture** 82,031	**Ladd Furniture** 82,031
Bassett Walker 52,563	**Bassett Walker** 52,563	**Bassett Walker** 52,563	**Bassett Walker** 52,563
Blue Ridge Electric 48,248	**Blue Ridge Electric** 48,248	**Blue Ridge Electric** 48,248	**Blue Ridge Electric** 48,248
First Union Real Estate 47,058	**First Union Real Estate** 47,058	**First Union Real Estate** 47,058	**First Union Real Estate** 47,058

Employment Changes Resulting from 67 Workers Added Manufacturing Sector of a Community

67 New Manufacturing Jobs = 63 New Nonmanufacturing Jobs

Wholesale & Retail Trade Entertainment & Recreation +44	Transportation +7	Finance Insurance & Real Estate +3
Business Repairs & Services +4	Construction +4	Public Administration +5

More Income Means More Sales or, New Business Means More Business.

Some of that figure of nearly $2 million additional dollars in personal income from new jobs (see Figure 1) is naturally going to flow into retail sales. The Chamber determined that an increase of 100 manufacturing jobs boosted retail sales to $1,477,453 (this figure allows for inflation). Figure 3 shows the most likely distribution of this increase.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
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ALAMANCE CC	PHASE IIB-CLASS SHOP BLDG. -587	3,659,725	1,358,500	3,659,725	3,654,914.81	3,659,725	AUG. 94	MAY. 96
ANSON CC	MARTIN TECHNOLOGY COMPLEX - 767	1,996,083	910,794	1,996,083	516,757.52	1,996,083	JUN. 97	JUL. 98
ANSON CC	AUTOMOTIVE CLASSROOM/SHOP - 874	150,000	0	0	0.00	0	FEB. 98	JUN. 98
ANSON CC	LRC EXPANSION/RENOVATION - 875	250,000	0	0	0.00	0	OCT. 98	JUL. 99
ANSON CC	GARIBALDI BLDG. RENOVATION - 876	250,000	0	0	0.00	0	OCT. 98	JUL. 99
ANSON CC	STUDENT CENTER - 877	669,336	0	0	0.00	0	OCT. 99	JUN. 00
UNION CTY.	CLASSROOM/LRC BUILDING - 768	2,764,264	0	0	0.00	0	APR. 98	APR. 99
ASHEVILLE-BUNCOMBE TCC	PUBLIC SERVICE OCCUPATION BLDG. - 738	3,200,000	0	3,200,000	3,084,249.04	3,200,000	MAR. 96	JUL. 97
ASHEVILLE-BUNCOMBE TCC	ADDITIONS & RENOVATIONS - 739	2,328,527	0	2,328,527	1,294,224.64	2,328,527	OCT. 96	MAR. 98
BEAUFORT COUNTY CC	STUDENT SERVICES/SCIENCE CLASS BLDG. - 731	2,577,279	0	2,577,279	2,568,381.35	2,577,279	NOV. 94	DEC. 96
BEAUFORT COUNTY CC	RENOVATE ADMINISTRATION BLDG. - 832	172,721	33,787	172,721	172,714.02	172,721	APR. 96	AUG. 97
BEAUFORT COUNTY CC	CLASS/LAB/PE COMPLEX - 833	150,000	0	133,192	133,192.00	150,000	JAN. 98	JAN. 00
BEAUFORT COUNTY CC	MAINTENANCE BUILDING. - 849	306,546	133,000	35,967	27,200.23	306,546	MAY. 97	NOV. 98
BLADEN CC	HEALTH EDUCATION BUILDING - 751A	505,000	1,105,000	505,000	456,872.26	505,000	AUG. 95	MAR. 97
BLADEN CC	RENOVATION OF BLDG. #2 - 751B	617,813	67,875	617,813	616,048.80	617,813	AUG. 95	NOV. 96
BLUE RIDGE CC	ALLIED HEALTH/HUMAN SERVICE BLDG. - 736	5,528,527	306,541	5,528,527	5,301,777.93	5,528,527	OCT. 95	MAY. 97
TRANSYLVANIA CTY.	STRAUSS SCHOOL RENOVATIONS - 806	555,313	175,000	555,313	523,612.81	555,313	OCT. 96	JUL. 97
BRUNSWICK CC	SCIENCE & HEALTH EDUCATION FACILITY - 794A	3,900,000	296,535	3,900,000	1,589,645.60	3,900,000	DEC. 96	JUN. 98
BRUNSWICK CC	AQUACULTURE TECHNOLOGY/LELAND CTR. - 794B	100,000	1,703,465	100,000	77,829.01	100,000	JAN. 98	JAN. 99
BRUNSWICK CC	WASTEWATER TREATMENT SYSTEM - 859	422,822	128,676	422,822	404,821.31	422,822	JAN. 96	DEC. 97
CALDWELL CC & TI	CLASSROOM/LAB MULTI-PURPOSE BLDG. - 759	6,100,000	0	6,100,000	2,428,043.81	6,100,000	JAN. 97	JUN. 98
WATAUGA CTY.	CLASSSROOM/LAB BUILDING - 567	3,145,399	87,488	3,145,399	2,318,874.50	3,145,399	DEC. 96	DEC. 97
CAPE FEAR CC	WORKFORCE TRNG CTR. & RENOV. - PH. I - 801B	1,655,569	3,142,878	1,655,569	1,566,890.17	1,655,569	OCT.96	NOV. 97
CAPE FEAR CC	CLASSROOM/LAB BLDGS. & RENOV. - PH. II - 801C	5,684,916	10,757,122	5,684,916	200,247.28	5,684,916	NOV. 97	NOV. 98
CAPE FEAR CC	LAND/BUILDING ACQUISITION & RENOV. - 902	540,000	200,000	0	0.00	540,000	APR. 98	AUG. 98
CAPE FEAR CC	BALANCE	308,888	0	0	0.00	0	APR. 98	SEP. 98
PENDER CTY.	CLASSROOM BUILDING - 773	690,212	0	63,837	43,115.93	690,212	FEB. 98	AUG. 98
CARTERET CC	CLASSROOM/STUDENT UNION BUILDING - 572	2,270,604	514,303	2,270,604	2,132,584.03	2,270,604	APR. 96	AUG. 97
CARTERET CC	LAND ACQUISITION - 793	425,000	475,000	425,000	425,000.00	425,000	AUG. 94	AUG. 94
CATAWBA VALLEY CC	CLASSROOM/PHYSICAL ED. BUILDINGS - 585B	6,176,712	1,501,365	6,176,712	4,956,917.24	6,176,712	FEB. 96	DEC. 97
CENTRAL CAROLINA CC	CLASSROOM/LAB BUILDING - 755	2,211,411	410,000	2,211,411	2,210,411.00	2,211,411	MAR. 95	OCT. 96
CHATHAM CTY.	CLASSROOM/LAB BUILDING - 766	2,000,000	0	2,000,000	1,985,147.80	2,000,000	JUN. 95	OCT. 96
CHATHAM CTY.	RENOV. CLASSROOM BLDG.-SILER CITY - 862	211,411	5,000	19,500	11,212.50	211,411	NOV. 97	NOV. 98
HARNETT CTY.	CLASSROOM/LAB BUILDING - 808	1,105,705	1,008,181	1,105,705	172,817.32	1,105,705	JUN. 97	SEP. 98
CENTRAL PIEDMONT CC	PUBLIC SAFETY TRAINING FACILITY - 743	4,367,536	0	4,367,534	4,364,393.93	4,367,534	OCT. 95	DEC. 96
CLEVELAND CC	BUSINESS TECHNOLOGY BUILDING - 778	2,446,950	3,100,000	276,918	163,962.50	2,446,950	DEC. 97	DEC. 98
COASTAL CAROLINA CC	CONTINUING ED/PUBLIC SERVICE BLDG. - 612	3,000,000	57,800	3,000,000	2,966,760.89	3,000,000	DEC. 94	APR. 96
COASTAL CAROLINA CC	CAMPUS CABLING - 853	317,116	0	317,116	296,422.35	317,116	MAY. 96	NOV. 97
COLLEGE OF THE ALBEMARLE	LAND ACQUISITION - 756	1,550,000	38,081	1,550,000	1,550,000.00	1,550,000	AUG. 94	MAY. 98
COLLEGE OF THE ALBEMARLE	CLASSROOM BLDG./STUDENT SVCS. RENOV - 757	2,005,865	1,000,000	199,224	109,516.67	2,005,865	MAR. 98	JUL. 99
DARE CTY.	CLASS/LAB/STUDENT SERVICE BLDG. - 809	1,658,558	500,000	145,159	29,994.24	1,658,558	APR. 98	APR. 99
CRAVEN CC	ACADEMIC STUDIES/BASIC SKILLS BLDG. - 760	3,085,223	381,947	3,085,223	1,051,201.01	3,085,223	MAY. 97	NOV. 98
DAVIDSON COUNTY CC	ADVANCED TECHNOLOGY BUILDING - 745	4,284,609	0	4,284,609	4,026,418.74	4,284,609	AUG. 95	MAR. 97
DAVIE CTY.	INSTRUCTIONAL FACILITIES - 746	2,189,297	0	2,189,297	2,189,297.00	2,189,297	FEB. 96	APR. 97
DURHAM TCC	LAND ACQUISITION - 795	312,500	0	312,500	312,500.00	312,500	APR. 94	APR. 94
DURHAM TCC	CLASS/LAB/OFFICE BUILDING - 775	4,843,252	0	4,843,252	4,222,680.98	4,843,252	FEB. 96	DEC. 97
DURHAM TCC	RENOVATE LITERACY CENTER - 796	832,955	219,990	832,955	832,955.00	832,955	FEB. 96	DEC. 96
DURHAM TCC	LAND/BUILDING ACQUISITION	424,385	0	0	0.00	0	-	-

ATTACHMENT 5

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
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COLLEGE/COUNTY	PROJECT	BOND FUNDS AUTHORIZED	OTHER FUNDING SOURCES(a)	BOND FUNDS UNDER CONTRACT AS OF 10-31-97	BOND FUNDS EXPENDED THROUGH 10-31-97	BOND FUNDS COMMITTED TO A PROJECT AS OF 10-31-97	ESTIMATED DATE TO AWARD CONTRACTS	ESTIMATED COMPLETION DATE
EDGECOMBE CC	CLASSROOM/LAB ADDITION - 747	1,326,847	100,000	1,326,847	1,326,847.00	1,326,847	FEB. 95	MAY. 96
FAYETTEVILLE TCC	HEALTH SCIENCE TECHNOLOGY BLDG. - 744	6,019,817	0	6,019,817	3,852,673.34	6,019,817	JUN. 96	MAR. 98
FAYETTEVILLE TCC	RENOVATIONS/ADDITION TO ADMIN. BLDG. - 868	614,416	0	58,300	12,245.00	614,416	MAR. 98	OCT. 98
FORSYTH TCC	MAINTENANCE BUILDING REPLACEMENT - 799	450,588	185,000	450,588	450,588.00	450,588	JUN. 95	JUN. 96
FORSYTH TCC	CLASS/LAB/ADMINISTRATION BLDGS. - 826	7,784,485	0	7,784,485	3,426,695.01	7,784,485	NOV. 96	JUN. 98
FORSYTH TCC	WEST & MAIN CAMPUS RENOVATIONS - 869	500,000	700,000	96,000	0.00	500,000	AUG. 98	AUG. 99
GASTON COLLEGE	RAUCH SCIENCE & VISUAL ARTS BLDG. - 804	1,499,604	3,244,843	350,000	159,874.00	1,499,604	APR. 98	APR. 00
GASTON COLLEGE	LIBRARY - 710	2,979,830	512,667	2,979,830	2,979,798.00	2,979,830	FEB. 95	JUN. 97
LINCOLN CTY.	RENOVATIONS - 830	2,000,000	2,134,786	2,000,000	201,183.41	2,000,000	JUN. 97	JUN. 98
GUILFORD TCC	PERCY H. SEARS APPLIED TECH. BUILDING - 634	8,140,000	815,829	8,140,000	7,977,633.27	8,140,000	JUN. 94	JUN. 96
GUILFORD TCC	PUBLIC SAFETY BUILDING - 839	418,160	4,100,000	418,160	0.00	418,160	DEC. 96	JUN. 98
HALIFAX CC	CLASSROOM BUILDING & RENOVATIONS - 777	2,056,836	0	2,056,836	2,056,836.00	2,056,836	JUN. 95	MAR. 97
HALIFAX CC	SMALL BUS./ECONOMIC DEV. CENTER - 850	164,075	0	0	0.00	0	-	-
HAYWOOD CC	CLASSROOM BUILDING & RENOVATIONS - 798	1,216,276	213,056	1,216,276	898,597.30	1,216,276	NOV. 96	DEC. 97
ISOTHERMAL CC	PERFORMING ARTS CENTER - 582	6,057,866	5,224,369	6,057,866	455,170.45	6,057,866	JUN. 97	DEC. 98
POLK CTY.	CLASS/LAB ADDITION - 810	267,373	0	25,737	19,539.61	267,373	DEC. 97	JUN. 98
POLK CTY.	BALANCE	91,313	0	0	0.00	0	-	-
JAMES SPRUNT CC	LIBRARY/CONT.ED./BUS. & IND. CTR. - 748	3,260,282	0	3,260,282	2,265,585.84	3,260,282	SEP. 96	DEC. 97
JAMES SPRUNT CC	STUDENT SERVICES ADDITION - 879	840,123	0	0	0.00	0	-	-
JOHNSTON CC	ALLIED HEALTH BUILDING - 595	3,317,116	421,073	3,317,116	2,756,296.06	3,317,116	JUL. 96	MAR. 98
LENOIR CC	RENOV./ADTNS INDUST. SKILLS BLDG. - 588	2,551,613	148,387	2,551,613	2,490,998.91	2,551,613	JAN. 96	NOV. 97
LENOIR CC	CLASSROOM/AUDITORIUM BUILDING - 606	1,126,348	3,349,604	1,126,348	827,542.34	1,126,348	JUN. 96	DEC. 97
GREENE CTY.	CLASSROOM BUILDING - 761	1,500,000	10,000	97,500	5,622.01	1,500,000	JAN. 98	JAN. 99
GREENE CTY.	BALANCE	119,359	0	0	0.00	0	-	-
JONES CTY.	CLASSROOM/LAB ADDITION - 762	149,770	150,000	149,770	141,919.32	149,770	MAY. 96	JUN. 97
MARTIN CC	PHASE III EQUINE ARENA - 789	287,964	129,376	287,964	287,963.74	287,964	JAN. 96	JUL. 96
MARTIN CC	TELECOMMUNICATION AUDITORIUM - 835	237,684	106,786	237,684	235,381.64	237,684	NOV. 96	APR. 97
MARTIN CC	CAMPUS HEATING & COOLING LOOP - 861	49,800	340,000	28,500	0.00	49,800	JAN. 98	OCT. 98
MARTIN CC	CAMPUS NETWORKING SYSTEM - 872	63,155	0	0	0.00	0	DEC. 97	FEB. 98
BERTIE CTY.	RENOVATE CLASS/OFFICE/AUD. - 781	276,426	348,208	276,426	99,107.69	276,426	JUN. 97	DEC. 97
MAYLAND CC	CLASS/OFFICE/AUDITORIUM & RENOV. - 770	3,327,621	0	3,327,621	3,115,512.25	3,327,621	OCT. 95	APR. 97
MAYLAND CC	PUBLIC SERVICE CENTER RENOV. - 821	17,150	17,150	17,150	15,272.26	17,150	DEC. 94	NOV. 97
MAYLAND CC	BURN BUILDING - 822	19,250	19,250	19,250	18,862.94	19,250	NOV. 95	NOV. 97
MAYLAND CC	BALANCE	1,100,338	0	0	0.00	0	-	-
MCDOWELL TCC	CLASS BLDG./LRC ADD./CHAIR LIFT - 594	2,100,840	19,522	2,100,840	2,060,461.44	2,100,840	JAN. 96	MAY. 97
MITCHELL CC	RENOVATE MAIN BUILDNG - 785	2,353,489	0	2,353,489	1,603,817.40	2,353,489	NOV. 96	JAN. 98
MITCHELL CC	MOORESVILLE CENTER EXPANSION - 700	79,063	762,735	79,063	78,880.81	79,063	AUG. 95	OCT. 96
MONTGOMERY CC	BUS. IND. TECH. RESOURCE CENTER - 752	2,766,772	2,592,709	2,766,772	2,437,483.41	2,766,772	MAR. 96	NOV. 97
MONTGOMERY CC	CAMPUS RENOVATIONS - 889	100,000	0	0	0.00	100,000	-	-
NASH CC	LIBRARY ADDITION - 715	1,877,854	50,965	1,877,854	1,877,854.00	1,877,854	OCT. 94	MAY. 96
NASH CC	BUSINESS & INDUSTRY CENTER - 851B	2,697,399	2,311,000	355,000	10,660.00	2,697,399	FEB. 98	FEB. 99
NASH CC	RENOVATE BLDGS. A, C & D - 851D	300,000	0	27,300	0.00	300,000	JUN. 98	DEC. 98
PAMLICO CC	MULTI-PURPOSE CLASS/OFFICE BLDG. - 800	1,164,959	9,304	1,164,959	48,343.87	1,164,959	JUN. 97	JUL. 98
PAMLICO CC	MULTI-PURPOSE SHOP/INSTRUCTION FAC. - 880	123,143	68,114	0	0.00	123,143	AUG. 97	MAR. 98
PIEDMONT CC	CLASSROOM/FACULTY OFFICE - 763	645,837	98,200	645,837	207,239.13	645,837	JUN. 97	JUL. 98
CASWELL CTY.	ADULT LEARNING CENTER - 573	1,300,000	64,503	1,300,000	1,270,150.81	1,300,000	AUG. 95	NOV. 96
PITT CC	STUDENT SERVICES BLDG. - 636	4,003,611	0	4,003,611	201,565.05	4,003,611	JUN. 97	DEC. 98
PITT CC	CONTINUING EDUCATION BUILDING - 624	972,063	2,075,203	972,063	924,598.48	972,063	FEB. 95	NOV. 96

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RANDOLPH CC	PHOTOGRAPHY STUDIO - 659	1,200,000	208,803	1,200,000	1,200,000.00	1,200,000	OCT. 94	SEP. 95
RANDOLPH CC	HLTH & SCI CTR./DESIGN CTR. ADD. - 805	1,914,637	546,057	1,914,637	1,914,637.00	1,914,637	JAN. 96	JAN. 97
RICHMOND CC	FINE ARTS CENTER - 709	2,489,401	4,905,331	2,489,401	887,222.89	2,489,401	NOV. 97	DEC. 98
ROANOKE-CHOWAN CC	CLASSROOM/STUDENT SUPPORT CENTER - 811	2,818,539	0	0	0.00	0	MAY. 98	MAY. 99
ROBESON CC	EMERGENCY SERVICE TRNG FACILITY - 666	1,508,390	0	1,508,390	1,372,064.42	1,508,390	APR. 95	JUN. 96
ROBESON CC	HOT WATER PIPING - 824	73,021	0	73,021	73,021.00	73,021	OCT. 94	MAY. 95
ROCKINGHAM CC	N. JERRY OWENS JR. HUMAN SERVS BLDG. - 726	2,700,000	20,000	2,700,000	2,699,991.22	2,700,000	SEP. 94	NOV. 95
ROCKINGHAM CC	FIRE SERVICE TRAINING FACILITY - 640	285,405	279,750	285,405	242,037.46	285,405	NOV. 96	SEP. 97
ROWAN-CABARRUS CC	CLASSROOM/LAB BUILDING - 764	4,518,963	0	4,518,963	3,948,208.64	4,518,963	DEC. 95	JUL. 97
ROWAN-CABARRUS CC	SEWER LINE - 820	125,000	62,135	125,000	125,000.00	125,000	JUN. 95	SEP. 96
CABARRUS CTY.	CLASSROOM BUILDING - 812	1,739,620	2,205,308	1,739,620	170,200.75	1,739,620	NOV. 97	AUG. 98
SAMPSON CC	EDUCATIONAL TECHNOLOGY BLDG. - 807	2,764,264	2,001,820	260,000	1,704,907.98	2,764,264	DEC. 96	DEC. 97
SANDHILLS CC	CONTINUING ED .CLASSROOM BUILDING - 617	5,307,386	0	5,307,386	4,508,128.04	5,307,386	DEC. 95	NOV. 97
HOKE CTY.	RENOVATE CLASSROOMS - 813	331,710	0	0	0.00	0	-	-
SOUTHEASTERN CC	NURSING/ALLIED HEALTH BLDG. - 776	1,309,400	0	1,309,400	1,309,400.00	1,309,400	MAR. 95	MAY. 96
SOUTHEASTERN CC	BUSINESS/IND. SKILLS TRNG. CTR. - 857	138,411	1,595,982	138,411	16,756.43	138,411	JUN. 97	JUL. 98
SOUTHWESTERN CC	GENERAL CLASSROOM BUILDING - 814	2,211,411	0	170,000	0.00	2,211,411	JAN. 98	JAN. 99
MACON CTY.	REGION. LAW ENFORCE. DEF. DRIVING - 787	331,712	0	0	0.00	0	FEB. 98	AUG. 98
SWAIN CTY.	RENOVATE CLASS/LAB/OFFICE BLDG. - 788	995,135	11,000	995,135	976,193.09	995,135	AUG. 95	JUL. 96
STANLY CC	LEARNING RESOURCE CENTER - 495	1,900,000	903,310	1,900,000	1,732,825.72	1,900,000	OCT. 95	FEB. 97
STANLY CC	CLASSROOM-TECHNOLOGY CENTER - 881	538,689	561,311	81,400	12,210.00	538,689	JUN. 98	SEP. 99
STANLY CC	BALANCE	150,000	0	0	0.00	0	-	-
SURRY CC	CLASSROOM/HEALTH BUILDING - 732	3,555,032	1,435,239	3,555,032	3,555,032.00	3,555,032	DEC. 94	JUL. 96
SURRY CC	EMERGENCY SERVICES TRAINING CTR. - 843	927,959	616,506	927,959	523,468.72	927,959	MAY. 97	APR. 98
TRI-COUNTY CC	STUDENT SERVICES BLG. & CHILD CARE CTR. - 815	1,098,731	436,353	1,098,731	190,022.74	1,098,731	APR. 97	APR. 98
TRI-COUNTY CC	BALANCE	71,271	0	0	0.00	0	-	-
GRAHAM CTY.	CLASS/LAB/STUDY BUILDING - 816	602,455	91,915	602,455	363,865.56	602,455	APR. 97	JAN. 98
VANCE-GRANVILLE CC	DAYCARE/CLASS/OFFICE BLDG.&RENOV. - 749	2,152,278	0	2,152,278	2,146,768.00	2,152,278	APR. 95	OCT. 96
VANCE-GRANVILLE CC	EXTEND CAMPUS SEWAGE LINE - 852	200,000	200,000	0	0.00	200,000	DEC. 97	SEP. 98
FRANKLIN CTY.	CLASS/LAB/OFFICE BLDG. 753	1,658,558	2,191,490	1,658,558	675,274.80	1,658,558	AUG. 97	JUL. 98
GRANVILLE CTY.	ADDITIONAL CLASSROOMS - 754	417,404	367,404	120,000	75,000.00	417,404	SEP. 97	SEP. 98
WARREN CTY.	RENOVATIONS & LAND ACQUISITION - 750	234,962	0	234,962	234,962.00	234,962	FEB. 95	OCT. 95
WAKE TCC	LAND ACQUISITION - 774	1,588,955	0	1,588,955	1,588,954.77	1,588,955	FEB. 94	FEB. 94
WAKE TCC	STUDENT EDUCATION BUILDING - 555	9,411,045	1,588,955	9,411,045	7,542,597.92	9,411,045	MAR. 94	NOV. 96
WAKE TCC	BALANCE	1,162,760	0	0	0.00	0	-	-
WAYNE CC	CLASSROOM/LAB B&H BLDGS. - 735	5,724,375	0	5,724,375	5,724,374.58	5,724,375	APR. 95	NOV. 96
WAYNE CC	CLASS/LAB BUILDING - AIRPORT - 782	568,622	5,385	568,622	568,622.00	568,622	AUG. 95	JUL. 96
WAYNE CC	CAMPUS ROADS & PARKING - 870	704,595	0	51,000	37,871.90	704,595	JAN. 98	JAN. 99
WESTERN PIEDMONT CC	BUSINESS TECHNOLOGY BUILDING - 769	3,719,565	900,000	3,719,565	3,654,020.41	3,719,565	JAN. 96	JUN. 97
WESTERN PIEDMONT CC	CHILLER REPLACEMENT - 733	62,133	300,000	62,133	62,132.62	62,133	SEP. 94	SEP. 95
WILKES CC	LRC/STUDENT SERVICES BLDG. - 758	5,034,757	0	5,034,757	3,994,227.24	5,034,757	JUL. 96	DEC. 97
ASHE CTY.	CLASSROOM BUILDING - 817	383,200	101,122	383,200	383,200.00	383,200	AUG. 95	MAY. 96
WILSON TCC	MULTI-PURPOSE BUILDING - 784	1,105,705	4,493	1,105,705	1,077,437.09	1,105,705	APR. 96	SEP. 97
					134,149.87			
TOTAL		$ 250,000,000	$ 81,480,636	$ 218,035,664	$ 163,213,192.87	$ 237,938,770		
PERCENTAGE		100%		87%	65%	95%		

(a) Includes local funds, federal funds and possibly previous state funds

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BOND PROJECT STATUS REPORT
AS OF OCTOBER 31, 1997

COLLEGE/COUNTY	PROJECT	STATUS
ALAMANCE CC	PHASE IIB-CLASS SHOP BLDG. -587	COMPLETE
ANSON CC	MARTIN TECHNOLOGY COMPLEX - 767	UNDER CONSTRUCTION
ANSON CC	AUTOMOTIVE CLASSROOM/SHOP - 874	SEEKING MATCH
ANSON CC	LRC EXPANSION/RENOVATION - 875	SEEKING MATCH
ANSON CC	GARIBALDI BLDG. RENOVATION - 876	SEEKING MATCH
ANSON CC	STUDENT CENTER - 877	SEEKING MATCH
UNION CTY.	CLASSROOM/LRC BUILDING - 768	SEEKING MATCH
ASHEVILLE-BUNCOMBE TCC	PUBLIC SERVICE OCCUPATION BLDG. - 738	COMPLETE
ASHEVILLE-BUNCOMBE TCC	ADDITIONS & RENOVATIONS - 739	UNDER CONSTRUCTION
BEAUFORT COUNTY CC	STUDENT SERVICES/SCIENCE CLASS BLDG. - 731	COMPLETE
BEAUFORT COUNTY CC	RENOVATE ADMINISTRATION BLDG. - 832	COMPLETE
BEAUFORT COUNTY CC	CLASS/LAB/PE COMPLEX - 833	UNDER DESIGN
BEAUFORT COUNTY CC	MAINTENANCE BUILDING. - 849	UNDER DESIGN
BLADEN CC	HEALTH EDUCATION BUILDING - 751A	COMPLETE
BLADEN CC	RENOVATION OF BLDG. #2 - 751B	COMPLETE
BLUE RIDGE CC	ALLIED HEALTH/HUMAN SERVICE BLDG. - 736	COMPLETE
TRANSYLVANIA CTY.	STRAUSS SCHOOL RENOVATIONS - 806	COMPLETE
BRUNSWICK CC	SCIENCE & HEALTH EDUCATION FACILITY - 794A	UNDER CONSTRUCTION
BRUNSWICK CC	AQUACULTURE TECHNOLOGY/LELAND CTR. - 794B	UNDER DESIGN
BRUNSWICK CC	WASTEWATER TREATMENT SYSTEM - 859	UNDER CONSTRUCTION
CALDWELL CC & TI	CLASSROOM/LAB MULTI-PURPOSE BLDG. - 759	UNDER CONSTRUCTION
WATAUGA CTY.	CLASSSROOM/LAB BUILDING - 567	UNDER CONSTRUCTION
CAPE FEAR CC	WORKFORCE TRNG CTR. & RENOV. - PH. I - 801B	UNDER CONSTRUCTION
CAPE FEAR CC	CLASSROOM/LAB BLDGS. & RENOV. - PH. II - 801C	UNDER CONSTRUCTION
CAPE FEAR CC	LAND/BUILDING ACQUISITION & RENOV. - 902	PURCHASING LAND
CAPE FEAR CC	BALANCE	MATCHED
PENDER CTY.	CLASSROOM BUILDING - 773	UNDER DESIGN
CARTERET CC	CLASSROOM/STUDENT UNION BUILDING - 572	COMPLETE
CARTERET CC	LAND ACQUISITION - 793	PURCHASE COMPLETE
CATAWBA VALLEY CC	CLASSROOM/PHYSICAL ED. BUILDINGS - 585B	UNDER CONSTUCTION
CENTRAL CAROLINA CC	CLASSROOM/LAB BUILDING - 755	COMPLETE
CHATHAM CTY.	CLASSROOM/LAB BUILDING - 766	COMPLETE
CHATHAM CTY.	RENOV. CLASSROOM BLDG.-SILER CITY - 862	UNDER DESIGN
HARNETT CTY.	CLASSROOM/LAB BUILDING - 808	UNDER CONSTRUCTION
CENTRAL PIEDMONT CC	PUBLIC SAFETY TRAINING FACILITY - 743	COMPLETE
CLEVELAND CC	BUSINESS TECHNOLOGY BUILDING - 778	UNDER DESIGN
COASTAL CAROLINA CC	CONTINUING ED/PUBLIC SERVICE BLDG. - 612	COMPLETE
COASTAL CAROLINA CC	CAMPUS CABLING - 853	UNDER CONSTRUCTION
COLLEGE OF THE ALBEMARLE	LAND ACQUISITION - 756	PURCHASE ALMOST COMPLETE
COLLEGE OF THE ALBEMARLE	CLASSROOM BLDG./STUDENT SVCS. RENOV - 757	UNDER DESIGN
DARE CTY.	CLASS/LAB/STUDENT SERVICE BLDG. - 809	UNDER DESIGN
CRAVEN CC	ACADEMIC STUDIES/BASIC SKILLS BLDG. - 760	UNDER CONSTRUCTION
DAVIDSON COUNTY CC	ADVANCED TECHNOLOGY BUILDING - 745	COMPLETE
DAVIE CTY.	INSTRUCTIONAL FACILITIES - 746	COMPLETE
DURHAM TCC	LAND ACQUISITION - 795	PURCHASE COMPLETE
DURHAM TCC	CLASS/LAB/OFFICE BUILDING - 775	UNDER CONSTRUCTION
DURHAM TCC	RENOVATE LITERACY CENTER - 796	COMPLETE
DURHAM TCC	LAND/BUILDING ACQUISITION	NEGOTIATING PURCHASE

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BOND PROJECT STATUS REPORT
AS OF OCTOBER 31, 1997

COLLEGE/COUNTY	PROJECT	STATUS
EDGECOMBE CC	CLASSROOM/LAB ADDITION - 747	COMPLETE
FAYETTEVILLE TCC	HEALTH SCIENCE TECHNOLOGY BLDG. - 744	UNDER CONSTRUCTION
FAYETTEVILLE TCC	RENOVATIONS/ADDITION TO ADMIN. BLDG. - 868	UNDER DESIGN
FORSYTH TCC	MAINTENANCE BUILDING REPLACEMENT - 799	COMPLETE
FORSYTH TCC	CLASS/LAB/ADMINISTRATION BLDGS. - 826	UNDER CONSTRUCTION
FORSYTH TCC	WEST & MAIN CAMPUS RENOVATIONS - 869	UNDER DESIGN
GASTON COLLEGE	RAUCH SCIENCE & VISUAL ARTS BLDG. - 804	UNDER DESIGN
GASTON COLLEGE	LIBRARY - 710	COMPLETE
LINCOLN CTY.	RENOVATIONS - 830	UNDER CONSTRUCTION
GUILFORD TCC	PERCY H. SEARS APPLIED TECH. BUILDING - 634	COMPLETE
GUILFORD TCC	PUBLIC SAFETY BUILDING - 839	UNDER CONSTRUCTION
HALIFAX CC	CLASSROOM BUILDING & RENOVATIONS - 777	COMPLETE
HALIFAX CC	SMALL BUS./ECONOMIC DEV. CENTER - 850	MATCHED
HAYWOOD CC	CLASSROOM BUILDING & RENOVATIONS - 798	UNDER CONSTRUCTION
ISOTHERMAL CC	PERFORMING ARTS CENTER - 582	UNDER CONSTRUCTION
POLK CTY.	CLASS/LAB ADDITION - 810	UNDER DESIGN
POLK CTY.	BALANCE	SEEKING MATCH
JAMES SPRUNT CC	LIBRARY/CONT.ED./BUS. & IND. CTR. - 748	UNDER CONSTRUCTION
JAMES SPRUNT CC	STUDENT SERVICES ADDITION - 879	SEEKING MATCH
JOHNSTON CC	ALLIED HEALTH BUILDING - 595	UNDER CONSTRUCTION
LENOIR CC	RENOV./ADTNS INDUST. SKILLS BLDG. - 588	UNDER CONSTRUCTION
LENOIR CC	CLASSROOM/AUDITORIUM BUILDING - 606	UNDER CONSTRUCTION
GREENE CTY.	CLASSROOM BUILDING - 761	UNDER DESIGN
GREENE CTY.	BALANCE	MATCHED
JONES CTY.	CLASSROOM/LAB ADDITION - 762	COMPLETE
MARTIN CC	PHASE III EQUINE ARENA - 789	COMPLETE
MARTIN CC	TELECOMMUNICATION AUDITORIUM - 835	COMPLETE
MARTIN CC	CAMPUS HEATING & COOLING LOOP - 861	UNDER DESIGN
MARTIN CC	CAMPUS NETWORKING SYSTEM - 872	MATCHED
BERTIE CTY.	RENOVATE CLASS/OFFICE/AUD. - 781	UNDER CONSTRUCTION
MAYLAND CC	CLASS/OFFICE/AUDITORIUM & RENOV. - 770	COMPLETE
MAYLAND CC	PUBLIC SERVICE CENTER RENOV. - 821	UNDER CONSTRUCTION
MAYLAND CC	BURN BUILDING - 822	UNDER CONSTRUCTION
MAYLAND CC	BALANCE	SEEKING MATCH
MCDOWELL TCC	CLASS BLDG./LRC ADD./CHAIR LIFT - 594	COMPLETE
MITCHELL CC	RENOVATE MAIN BUILDNG - 785	UNDER CONSTRUCTION
MITCHELL CC	MOORESVILLE CENTER EXPANSION - 700	COMPLETE
MONTGOMERY CC	BUS. IND. TECH. RESOURCE CENTER - 752	UNDER CONSTRUCTION
MONTGOMERY CC	CAMPUS RENOVATIONS - 889	MATCHED
NASH CC	LIBRARY ADDITION - 715	COMPLETE
NASH CC	BUSINESS & INDUSTRY CENTER - 851B	UNDER DESIGN
NASH CC	RENOVATE BLDGS. A, C & D - 851D	UNDER DESIGN
PAMLICO CC	MULTI-PURPOSE CLASS/OFFICE BLDG. - 800	UNDER CONSTRUCTION
PAMLICO CC	MULTI-PURPOSE SHOP/INSTRUCTION FAC. - 880	MATCHED
PIEDMONT CC	CLASSROOM/FACULTY OFFICE - 763	UNDER CONSTRUCTION
CASWELL CTY.	ADULT LEARNING CENTER - 573	COMPLETE
PITT CC	STUDENT SERVICES BLDG. - 636	UNDER CONSTRUCTION
PITT CC	CONTINUING EDUCATION BUILDING - 624	COMPLETE

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
BOND PROJECT STATUS REPORT
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COLLEGE/COUNTY	PROJECT	STATUS
RANDOLPH CC	PHOTOGRAPHY STUDIO - 659	COMPLETE
RANDOLPH CC	HLTH & SCI CTR./DESIGN CTR. ADD. - 805	COMPLETE
RICHMOND CC	FINE ARTS CENTER - 709	UNDER DESIGN, SITE WORK COMPLETE
ROANOKE-CHOWAN CC	CLASSROOM/STUDENT SUPPORT CENTER - 811	SEEKING BALANCE OF MATCH
ROBESON CC	EMERGENCY SERVICE TRNG FACILITY - 666	COMPLETE
ROBESON CC	HOT WATER PIPING - 824	COMPLETE
ROCKINGHAM CC	N. JERRY OWENS JR. HUMAN SERVS BLDG. - 726	COMPLETE
ROCKINGHAM CC	FIRE SERVICE TRAINING FACILITY - 640	COMPLETE
ROWAN-CABARRUS CC	CLASSROOM/LAB BUILDING - 764	COMPLETE
ROWAN-CABARRUS CC	SEWER LINE - 820	COMPLETE
CABARRUS CTY.	CLASSROOM BUILDING - 812	UNDER CONSTRUCTION
SAMPSON CC	EDUCATIONAL TECHNOLOGY BLDG. - 807	UNDER CONSTRUCTION
SANDHILLS CC	CONTINUING ED .CLASSROOM BUILDING - 617	UNDER CONSTRUCTION
HOKE CTY.	RENOVATE CLASSROOMS - 813	SEEKING MATCH
SOUTHEASTERN CC	NURSING/ALLIED HEALTH BLDG. - 776	COMPLETE
SOUTHEASTERN CC	BUSINESS/IND. SKILLS TRNG. CTR. - 857	UNDER CONSTRUCTION
SOUTHWESTERN CC	GENERAL CLASSROOM BUILDING - 814	UNDER DESIGN
MACON CTY.	REGION. LAW ENFORCE. DEF. DRIVING - 787	SELECTING DESIGNER
SWAIN CTY.	RENOVATE CLASS/LAB/OFFICE BLDG. - 788	COMPLETE
STANLY CC	LEARNING RESOURCE CENTER - 495	COMPLETE
STANLY CC	CLASSROOM-TECHNOLOGY CENTER - 881	UNDER DESIGN
STANLY CC	BALANCE	MATCHED
SURRY CC	CLASSROOM/HEALTH BUILDING - 732	COMPLETE
SURRY CC	EMERGENCY SERVICES TRAINING CTR. - 843	UNDER CONSTRUCTION
TRI-COUNTY CC	STUDENT SERVICES BLG. & CHILD CARE CTR. - 815	UNDER CONSTRUCTION
TRI-COUNTY CC	BALANCE	SEEKING BALANCE OF MATCH
GRAHAM CTY.	CLASS/LAB/STUDY BUILDING - 816	UNDER CONSTRUCTION
VANCE-GRANVILLE CC	DAYCARE/CLASS/OFFICE BLDG.&RENOV. - 749	COMPLETE
VANCE-GRANVILLE CC	EXTEND CAMPUS SEWAGE LINE - 852	UNDER DESIGN BY THE CITY
FRANKLIN CTY.	CLASS/LAB/OFFICE BLDG. 753	PURCHASED LAND/UNDER CONSTRUCTION
GRANVILLE CTY.	ADDITIONAL CLASSROOMS - 754	PURCHASED LAND/UNDER DESIGN
WARREN CTY.	RENOVATIONS & LAND ACQUISITION - 750	COMPLETE
WAKE TCC	LAND ACQUISITION - 774	PURCHASE COMPLETE
WAKE TCC	STUDENT EDUCATION BUILDING - 555	COMPLETE
WAKE TCC	BALANCE	MATCHED
WAYNE CC	CLASSROOM/LAB B&H BLDGS. - 735	COMPLETE
WAYNE CC	CLASS/LAB BUILDING - AIRPORT - 782	COMPLETE
WAYNE CC	CAMPUS ROADS & PARKING - 870	UNDER DESIGN
WESTERN PIEDMONT CC	BUSINESS TECHNOLOGY BUILDING - 769	COMPLETE
WESTERN PIEDMONT CC	CHILLER REPLACEMENT - 733	COMPLETE
WILKES CC	LRC/STUDENT SERVICES BLDG. - 758	UNDER CONSTRUCTION
ASHE CTY.	CLASSROOM BUILDING - 817	COMPLETE
WILSON TCC	MULTI-PURPOSE BUILDING - 784	COMPLETE
TOTAL		
PERCENTAGE		

(a) Includes local funds, federal funds and possibly previous state funds

ATTACHMENT 6

North Carolina Public School Building Bond Act of 1996: Current Status

Expenditure plans received from 113 local school systems show:

- **837** school projects using state bonds
- **121** are new schools
- **716** are additions and/or renovations to existing schools

(4 units have not submitted expenditure plans - - usually because of merger or waiting for the results of local bond referenda.)

The first bonds were sold on March 17, 1997, with funds available on March 22. The first funds were disbursed on April 1, 1997.

As of *November 14, 1997*:

- ***185*** projects have been authorized to begin drawing bond funds. Additional projects are authorized weekly.

- The total bond amount for these projects is ***$568,424,295***(with *$180,851,152* scheduled for the '97-'98 bond year).

- Funds totaling ***$60,085,251.79*** have been disbursed (bond funds are paid to reimburse or pay current invoices during the design and construction of each project). Fund requests are processed weekly on Wednesday morning, with funds deposited electronically on Friday.

- The rate of bond disbursements is increasing as more projects move from the design phase into construction. In the last month, $16.6 million in bond requests were funded compared with $43.5 million total for the previous seven months. More projects are coming, plans submitted for review by School Planning have increased by about 40% compared to a year ago.

Local units are doing their part to meet the facility needs.

- **110** units have fully met the matching requirements of the bond legislation.
  (Two units that had the largest amounts of match requirements remaining, met their match with bond issues passed in October and November. The remaining units should meet their matches out of local capital outlay.)

- Local bond issues totaling **$82.5 million** passed last fall and spring, bond issues totaling **$759.3 million** passed in October and November, and another **$46.5 million** is

on the ballot this fall.

The process:

- Assistance with developing and revising bond expenditure plans, cash flow projections (to stay within legislated yearly limits), review and consultation on building design plans, and authorization of project funding are provided by School Planning, Division of School Support.

- Cash management and accounting, including disbursement and tracking of funds, are provided by the Financial Services and School Business Divisions.

- The Superintendents' Bond Advisory Council, made up of local school superintendents, meets periodically to review progress and provide oversight for the process.

An electronic system will soon allow school systems to request funds on-line and deposit funds electronically.

ATTACHMENT 7

North Carolina Public School Building Bond Act of 1996
The Superintendents' Bond Advisory Council:

The Superintendents' Bond Advisory Council was formed in February, 1997, to provide oversight and monitor progress of the bond program. This was in response to a request from the N. C. Association of School Administrators that the State Board allow local input in the bond process and a request from the Division of School Support for assistance with managing the process.

The bond expenditure plans submitted by local school systems in January indicated cash flow projections totaling **$1.23 billion** for the first two bond years. The legislation limits the amount of bonds that can be sold each year to $450 million. The Superintendents' Bond Advisory Council was enlisted to help determine a system of yearly allocations to keep within the $450 million per year maximum.

The Bond Advisory Council, working with the Division of School Support, developed the criteria for adjusting yearly allocations to fit within maximum limits. Yearly allocations were established and sent to each school system on March 13, 1997. Some expenditure plans were approved and other units were required to revise and resubmit their lists of projects and schedules. Allocations are made by project for each bond year. Funds available are limited to the amount of the yearly allocations. Expenditure plans can be revised or adjusted within the limits of the total yearly allocation of each school system.

The Superintendents' Bond Advisory Council has continued to meet periodically to evaluate the progress of the bond program and to consider requests for adjustments to expenditure plans. ***Yearly allocations are committed to units with approved expenditure plans.*** Revisions to expenditure plans have made some cash flow available. In addition, amounts reserved for units that do not yet have approved expenditure plans have been reduced for the first bond year, and units that are behind schedule are being asked to revise their plans. The Bond Advisory Council has used this availability to adjust the expenditure plans of units that have requested acceleration of their cash flow due to hardships. Priority has been given to small and poor school systems, severe scheduling problems, and critical projects.

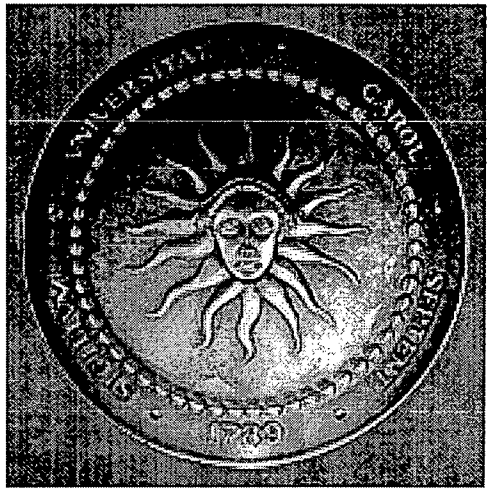
Adjustments have been made (or in progress) for Cherokee County Schools, Clay County Schools, Graham County Schools, Greene County Schools, Roanoke Rapids City Schools, Jackson County Schools, Jones County Schools, Swain County Schools, Lee County Schools, Whiteville City Schools, Lincoln County Schools, Vance County Schools, Guilford County Schools, Hertford County Schools, Lenoir County Schools, Warren County Schools, Camden County Schools, and Watauga County Schools. Adjustments will be made when more cash flow becomes available for Sampson County Schools and Rockingham County Schools. Eight other school systems have requested adjustment to their expenditure plans; their requests can be considered at the next council meeting in January, 1998.

The Superintendents' Bond Advisory Council includes local school superintendents from across the state and representatives of the School Boards Association and the Association of County Commissioners. Members are:

Dr. David Bryant, Edgecombe County Schools
Mr. George Fleetwood, Rockingham County Schools
Mr. Roger Petty, Rutherford County Schools
Dr. James Causby, Johnston County Schools
Mr. Steve Wrenn, Lee County Schools
Dr. Norma Sermon-Boyd, Jones County Schools
Dr. Byron Lawson, Bladen County Schools
Dr. Phyllis Crain, Avery County Schools
Mr. Ray Massey, Associate Superintendent, Wake County Schools
Mr. Ed Regan, NC Association of County Commissioners
Mr. Ed Dunlap, NC School Boards Association

THE UNIVERSITY OF NORTH CAROLINA

- Board of Governors' Process for Prioritizing Capital Improvements Projects
- Status of Projects funded from the 1993 University Improvement Bonds
- Plan for Studying the Relative Equity and Adequacy of the Physical Facilities at the Constituent Institutions



ATTACHMENT 8

THE UNIVERSITY OF NORTH CAROLINA
Process Prior to the 1997-99 Biennium

- **Separate Budget Requests for:**
  - Repairs and Renovations
  - Architectural Barrier Removal Projects
  - Occupational Safety and Health Projects
  - Utilities Repairs and Improvements
  - Roads, Walks, and Drives
  - UNC Center for Public Television Facilities
  - Automated Energy Management Systems
  - Land Acquisition
  - Area Health Education Center
  - New Facilities and Major Renovations to Existing Facilities
  - Agricultural Programs
  - North Carolina School of Science and Mathematics

- **Within each line of the Budget Request, projects were presented by institution in the priority order recommended by each institution.**

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

1995 Session

House Bill 230, Section 15.3 (a):

> ***The Board of Governors of the University of North Carolina shall develop a capital improvement request process than can be used to make its capital priorities across campuses known to the General Assembly. The process shall include needs criteria based on mission, enrollment, adequacy of facilities, the functional age of facilities, utilization of facilities, and other objective factors.***

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

The Board of Governors contracted with Eva Klein and Associates, a higher education management consultant, to recommend a method for prioritizing capital improvements projects. Ms. Klein had previously provided assistance to the General Assembly on the work performed by the Government Performance Audit Committee (GPAC). In her research, Ms. Klein:

- conducted a review of current literature related to the prioritization of projects for presentation to Boards and General Assemblies
- conducted interviews with members of the General Assembly, representatives from state Government agencies, representatives from the constituent institutions, representatives from General Administration, and members of the Board of Governors
- surveyed other states to determine other prioritization methodologies

In March, 1996, the Board of Governors adopted the consultant's recommendations.

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

The Board of Governors adopted a new policy framework for all elements of the capital planning and budgeting processes. The new framework articulated, updated, or modified statements of objectives, policy, process, space standards, and information requirements for submissions.

- Descriptions of process have been and are continuing to be reviewed and revised:

  Long-Range Capital Planning

  Institutional Campus Master Planning

  Multi-Year Capital Budgeting

  Biennial Capital Budget Requests/Submission

  Linking of all Processes to Academic Planning

- Promulgation of new guidelines and standards is an ongoing process

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

The Board of Governors Budget Request to the General Assembly outlines a six-year capital plan for General Fund supported facilities. The plan, as refined over time, should be subdivided to further define three two-year capital plans.

The Budget Request is presented in a simplified two-line presentation.

Line 1: Repairs and Renovations

essentially represents all of the projects intended to be funded from the Reserve for Repairs and Renovations

Line 2: Major Capital Improvements

incorporates all other capital improvements projects, including "major renovations" as well as new facilities

Projects for the N.C. School of Science and Mathematics are presented separately.

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

Repair and renovation projects are those projects that are less than 2/3 of the anticipated annual allocation from the Reserve for Repairs and Renovations. Any project that is estimated to cost in excess of 2/3 of the anticipated annual allocation are "major renovations" and incorporated into Line 2, the 1997-99 University-wide Facilities Plan.

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

Within the 1997-99 University-wide Facilities Plan, the Board of Governors has established "Program Priority Categories" and prioritized the categories. The categories are as follows:

(1) Current Capacity
(2) Future Capacity
(3) Technology
(4) Program Quality
(5) Special Purpose
(6) Support Facilities
(7) Land Acquisition

Within each category, projects are listed in institutional order.

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

The Board of Governors created a secondary set of "other criteria" to further indicate characteristics of projects. This matrix of information is designed to provide further information of interest to the Board and to the General Assembly.

- Is the project a major repair or renovation or a new facility?
- Does the project re-use an existing facility?
- Is the project a renovation in lieu of new construction?
- Does the project complete a partially built facility?
- Does the project achieve material operating savings?
- Does the project benefit a significant portion of the population?
- Does the project reward good planning and management?
- Does the project address an urgent need, e.g., code compliance?
- What other funding is available for this project?

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

The "matrix" will be enhanced in the next biennial presentation when the Board incorporates "space standards" which are currently under development. Each proposed project will be measured against the standards adopted by the Board.

The University of North Carolina
Capital Improvements Prioritization Process

Institution/Project	Cost Estimate	Supplemental Information: Major Repair/ Renovation Project	Re-Use of an Existing Facility	Renovation In Lieu of New Construction	Completes a Partially Built Facility	Achieves Material Operating Savings	Benefits a Significant % of the Population	Rewards Good Planning & Management	"Urgent" Need, Code Compliance	Appro-priations, Other Funding
Appalachian State University										
Renovation of Rankin Science Building	$ 6,666,000	XXX	XXX				XXX	XXX		
Addition and Renovation to Belk Library	10,629,400	XXX					XXX			
East Carolina University, Academic Affairs										
Science Laboratories and Technology Building	47,997,600						XXX	XXX	XXX	$ 1,000,000
East Carolina University, Health Affairs										
Health Sciences Library Expansion	6,106,600						XXX	XXX		
Elizabeth City State University										
G. R. Little Library Addition and Renovation	10,723,600	XXX					XXX			
Addition to the Academic Computing Center	3,557,600						XXX	XXX		150,000
Fayetteville State University										
Fine Arts and General Classroom Facility	15,524,400						XXX	XXX		750,000
North Carolina Central University										
Lee Biology Building Renovation	1,359,200	XXX		XXX			XXX	XXX	XXX	
Repairs to Five Academic Buildings	10,515,000	XXX		XXX			XXX		XXX	
Robinson Science Building	946,000	XXX		XXX			XXX		XXX	
North Carolina School of the Arts										
Basic Educational Complex	6,133,400						XXX	XXX		
Filmmaking Office/Classroom Post Production Complex	2,000,000				XXX					
North Carolina State University										
Nelson Hall Renovation - Phase II	6,914,900	XXX	XXX	XXX		XXX	XXX	XXX	XXX	1,350,000
Toxicology Building	14,566,700					XXX		XXX	XXX	
College of Veterinary Medicine, Main Building Addition	24,262,000						XXX	XXX		
David Clark Laboratory Renovation and Addition	9,990,800	XXX	XXX	XXX		XXX	XXX	XXX	XXX	
UNC-Asheville										
Asheville Graduate Center, Phase II	792,700				XXX		XXX			
Highsmith Center Renovation and Addition	8,782,000	XXX	XXX				XXX	XXX		
UNC-Chapel Hill, Academic Affairs										
R. B. House Library Renovations	6,629,400	XXX	XXX	XXX			XXX	XXX		
Student Services Building	18,857,500				XXX		XXX	XXX		

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

In preparing the 1997-99 Budget Request, the Board required input to ensure the linkage of capital planning, academic planning, and capital budgeting.

Campus submissions met guidelines promulgated by General Administration, including project estimates prepared by the Office of State Construction.

Within UNC-General Administration, the capital budget has been prepared by the President and the Vice Presidents for Finance, Academic Affairs, Planning, Public Affairs, and Student Affairs.

This group was assisted by a campus advisory committee.

THE UNIVERSITY OF NORTH CAROLINA
Capital Improvements Prioritization Process

Given competing demands for limited resources, the Board of Governors determined that it was inappropriate to ask the General Assembly to fund projects that can be funded by each institution on a "self-liquidating" basis.

The Board has provided two additional schedules as "supplementary information" for use by the General Assembly:

(1) A schedule of institutional priorities

(2) A schedule of projects with funding for advanced planning or partial construction

THE UNIVERSITY OF NORTH CAROLINA
Requirements of Senate Bill 352

Senate Bill 352 included the "Capital Improvement Planning Act."

- A six-year Capital Improvement Plan in two parts:
  1. Requirements for repairs and renovations
  2. Land acquisition and projects involving either construction of new facilities or rehabilitation of existing facilities
- The second part of the Plan must be justified to needs criteria established by the Office of State Budget and Management.
- The Plan "shall address the long-term capital improvement needs . . . and shall incorporate all capital projects, however financed . . ."
- The second part of the Plan shall set forth an integrated schedule . . . within each year of the six-year planning period.

THE UNIVERSITY OF NORTH CAROLINA

Status of Projects Funded from the 1993 University Improvement Bonds

- The bonds provided $310,000,000 for 48 projects at the constituent institutions, the North Carolina Arboretum, the North Carolina School of Science and Mathematics, and the UNC Center for Public Television.
- As of September 30, 1997, The University has spent $251,312,350 (81% of the funds) and completed 26 projects. During the most recent quarter, The University spent $15,075,953.
- Report quarterly to the Joint Legislative Commission on Governmental Operations, the Chairs of the House and Senate Appropriations Committees, and the Director of Fiscal Research.

The University of North Carolina

GENERAL ADMINISTRATION

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Appalachian State University

East Carolina University

Elizabeth City State University

Fayetteville State University

North Carolina Agricultural and Technical State University

North Carolina Central University

North Carolina School of the Arts

rth Carolina e University aleigh

University of North Carolina at Asheville

University of North Carolina at Chapel Hill

University of North Carolina at Charlotte

University of North Carolina at Greensboro

University of North Carolina at Pembroke

University of North Carolina at Wilmington

Western Carolina University

nston-Salem e University

An Equal Opportunity/ Affirmative Action Employer

November 12, 1997

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Senate Appropriations Committee
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House Appropriations Committee
Representative Billy J. Creech, Co–Chair
Representative Theresa H. Esposito, Co–Chair
Representative George M. Holmes, Co-Chair
Representative James W. Crawford, Jr., Co-Chair

Fiscal Research Division
Mr. Tom Covington, Director

Subject: Quarterly Report — University Improvement Bond Funds

Chapter 542 of the 1993 Session Laws (Senate Bill 14), authorized the issuance of general obligation bonds of the State, subject to a vote of the qualified voters of the State, to provide $310 million for capital improvements for The University of North Carolina. The Bill further provided, in Section 5. (a) that:

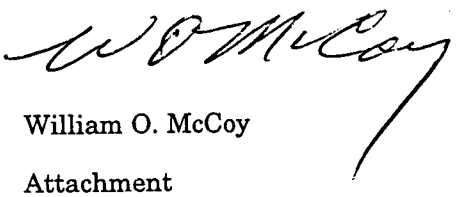
> The Board of Governors of The University of North Carolina shall provide quarterly reports to the Joint Legislative Commission on Governmental Operations, the chairs of the Senate and House of Representatives Appropriations Committees, and the Fiscal Research Division on the expenditure of moneys from the University Improvement Bond Funds.

The attached report provides the required expenditure information.

In general, the "Project Status" column reflects one of the following steps toward the completion of a typical capital improvements project.

1. Selection of Architect in Process
2. Architect Selected, Design in Process
3. Final Plans Submitted to Office of State Construction
4. Final Plans Approved by Office of State Construction
5. Solicitation of Construction Bids in Process
6. Construction Contracts Awarded
7. Construction in Process
8. Project Completed

Sincerely,



William O. McCoy

Attachment

cc: Mr. Jim Newlin

THE UNIVERSITY OF NORTH CAROLINA
University Improvements Bonds Projects
Expenditures through September 30, 1997

	Bond Funds Available	Expenditures Through 9/30/97	Project Status
Appalachian State University			
Academic Support Services Building	$ 8,794,900	$ 8,513,258	8. Project Completed
Science/Mathematics Complex, Phase I	15,000,000	10,356,654	7. Construction in Process
East Carolina University			
Addition to Joyner Library	28,900,000	22,809,529	7. Construction in Process
Land	5,000,000	2,565,244	– Under Negotiation
Elizabeth City State University			
Fine Arts and Mass Communications Building	6,432,600	1,153,179	7. Construction in Process
Repairs and Renovations to Campus Facilities	1,035,500	1,035,500	8. Project Completed
Landscaping and Roadway Improvements	446,500	446,500	8. Project Completed
Low Power Television Studio (Project Supplement)	150,000	150,000	8. Project Completed
Land Acquisition	500,000	334,872	– Under Negotiation
Fayetteville State University			
Residence Hall Renovations	9,479,600	9,478,330	8. Project Completed
Telecommunications Center Renovations	299,600	299,600	8. Project Completed
Rosenthal Building Renovations	1,685,100	189,476	7. Construction in Process
North Carolina A & T State University			
School of Technology Classroom/Laboratory Building	7,961,900	6,278,924	7. Construction in Process
Renovation of Bluford Library Building	5,051,400	5,051,400	7. Construction in Process
Dudley Hall Renovations	1,308,500	941,004	7. Construction in Process
Crosby Hall Renovations	700,000	688,196	8. Project Completed
North Carolina Central University			
Conversion of Women's Gymnasium in Support of Academic Programs	1,970,900	1,436,132	7. Construction in Process
Chidley Hall Complex	9,018,300	5,819,057	7. Construction in Process
Physics Building Renovations	1,000,000	97,964	5. Solicitation of Construction Bids in Process
Jones Building Renovations	1,018,873	1,018,873	8. Project Completed
North Carolina School of the Arts			
School of Filmmaking	6,999,200	6,886,119	7. Construction in Process
North Carolina State University at Raleigh			
Engineering Graduate Research Center	34,918,200	34,918,200	8. Project Completed
Agricultural Communications Building	4,484,900	3,284,267	7. Construction in Process
Agricultural Programs-Laboratory Animal Facilities	4,484,100	4,484,100	8. Project Completed

THE UNIVERSITY OF NORTH CAROLINA
University Improvements Bonds Projects
Expenditures through September 30, 1997

	Bond Funds Available	Expenditures Through 9/30/97	Project Status
The University of North Carolina at Asheville			
Conference Center	3,574,400	3,027,869	7. Construction in Process
Physical Education Building (Health Promotion)	5,875,600	5,816,949	8. Project Completed
The North Carolina Arboretum	2,500,000	2,500,000	8. Project Completed
The University of North Carolina at Chapel Hill			
New Building, School of Business Administration	13,490,900	13,490,900	8. Project Completed
Addition to Lineberger Cancer Research Center	8,119,900	8,119,900	7. Construction in Process
Addition to the School of Dentistry	8,887,100	6,344,794	7. Construction in Process
Carolina Living and Learning Center for Autistic Adults, Ph II	1,190,400	1,190,400	8. Project Completed
Area Health Education Center-Construction Grants	3,370,800	2,970,233	– Award of Grants in Process
The University of North Carolina at Charlotte			
Classroom and Academic Support Facility	22,610,400	22,423,300	8. Project Completed
The University of North Carolina at Greensboro			
New Music Building	23,357,000	2,165,239	7. Construction in Process
The University of North Carolina at Pembroke			
New Administrative Office Building	6,419,300	6,230,195	8. Project Completed
Repairs and Renovations to Business Administration Building	422,700	422,700	8. Project Completed
Sampson Hall Renovations	1,229,927	787,214	7. Construction in Process
The University of North Carolina at Wilmington			
Physical Sciences Building and Renovation of DeLoach Hall	18,347,900	18,087,206	8. Project Completed
Construct West Wing of Bear Hall and Renovate West End of Bear Hal	1,167,050	1,163,991	8. Project Completed
Western Carolina University			
Completion of Belk Building and Asbestos Removal	2,834,145	2,351,742	8. Project Completed
Renovate Moore Hall, Phase II	2,043,900	2,024,007	8. Project Completed
Renovate Camp Lab School	1,896,500	851,335	7. Construction in Process
Renovate Reid Gym	2,825,455	2,798,470	8. Project Completed
Winston-Salem State University			
Student Services/Cafeteria/Student Union Complex	8,003,350	8,003,350	8. Project Completed
Renovations to O'Kelly Library	1,119,500	1,104,643	8. Project Completed
North Carolina School of Science and Mathematics			
Educational Technologies Center and Auditorium	8,073,700	5,201,535	7. Construction in Process
UNC Center for Public Television			
UNC-TV Channel 4	4,000,000	4,000,000	8. Project Completed
Lumberton Station	2,000,000	2,000,000	8. Project Completed
Total	**310,000,000**	**251,312,350**	

THE UNIVERSITY OF NORTH CAROLINA

Plan for Studying the Relative Equity and Adequacy of the Physical Facilities at the Constituent Institutions

- Working to engage a consultant to conduct the study
- Consultant will spend the first month determining a specific plan of action to include:
  1. Visits to each constituent institution
  2. Discussions with the President and the Chancellors
  3. Discussions with Members of the General Assembly
  4. A working committee of campus personnel, members of the Board of Governors, representatives of State agencies and GA staff
  5. Bond administration attorneys and financial advisors
- Frequent updates on activities to the President, Chancellors, Board of Governors and Members of the General Assembly
- Report due to the General Assembly by January 15, 1999

ATTACHMENT 9

Report to the Board of Governors
Estimates of Regular Term, Full-Time Equivalent Enrollment for 1997-98

November 14, 1997

At its September 12 meeting, the Board of Governors established the enrollments upon which the 1997-98 institutional budgets are based. The anticipated enrollment levels are specified in terms of budgeted, regular term, full-time equivalent students (FTEs).

In accordance with Board policy, projected enrollment for each institution is expressed in terms of a range. That policy permits the Board to transfer, if necessary, appropriations among the constituent institutions to provide for enrollment over or under the enrollment levels set by the Board prior to the beginning of the fiscal year.

Board regulations further require an enrollment report from the president in November when more precise estimates of annual enrollments can be made for each institution. This report fulfills that requirement.

You have in your packets the annual Report on FTE Enrollment Estimates for the current 1997-98 year. In addition, there are four other related reports: Attachment 1, UNC Fall Headcount Enrollment by Race, 1972, 1980-1997; and Attachment 2, UNC College Going Rates of North Carolina First-Time Freshmen, 1987-1997; Attachment 3, Number and Average Recentered SAT scores of UNC First-Time Freshman, 1987-1997; and attachment 4, out-of-state Headcount Enrollment, 1985-1997.

Established Enrollment Ranges

The following table presents the budgeted enrollment, established enrollment ranges, and estimated 1997-98 FTE enrollments for each institution.

Average Annual FTE Enrollment Estimates for 1997-98

Institution	Established Average Annual FTE Range			Estimated Average Annual Enrollment	Relationship of Estimate to Range		
	Low	Mid-point (Budgeted)	High		Below	Within	Above
ASU	10,755	10,975	11,195	11,075		x	
ECU (AA)	14,815	15,115	15,415	15,440			x
ECSU	1,800	1,835	1,870	1,800		x	
FSU	3,310	3,380	3,450	3,330		x	
NCA&T	6,665	6,800	6,935	6,695		x	
NCCU	4,485	4,575	4,665	4,750			x
NCSA	925	945	965	960		x	
NCSU	20,415	20,830	21,245	21,250			x
UNC-A	2,570	2,625	2,680	2,600		x	
UNC-CH (AA)	16,855	17,200	17,545	17,135		x	
UNC-CH (HA)	4,956	5,056	5,156	5,135		x	
UNC-C	12,665	12,925	13,185	13,150		x	
UNC-G	10,190	10,400	10,610	10,305		x	
UNC-P	2,490	2,540	2,590	2,470	x		
UNC-W	7,680	7,835	7,990	8,000			x
WCU	5,680	5,795	5,910	5,725		x	
WSSU	2,430	2,480	2,530	2,530		x	
UNC Total	128,686	131,311	133,936	132,350		x	

UNC-GA Planning/Enr.AT030/11-14-97

Overall, enrollment in regular term full-time equivalent students (FTEs) for 1997-98 is now estimated to be 132,350, or 2,005 FTEs (1.5%) higher than last year's (1996-97) actual enrollment of 130,345 FTEs, and 1,039 FTEs (0.8%) higher than budgeted for 1997-98. The total is still within the established range for budget purposes.

The estimated enrollments for eleven of the institutions are within the established ranges:

- Appalachian State University
- Elizabeth City State University
- Fayetteville State University
- North Carolina Agricultural and Technical State University
- North Carolina School of the Arts
- University of North Carolina at Asheville
- University of North Carolina at Chapel Hill
- University of North Carolina at Charlotte
- University of North Carolina at Greensboro
- Western Carolina University
- Winston-Salem State University

The estimated enrollments for one institution is below the budgeted ranges:

- University of North Carolina at Pembroke

Four institutions have estimated enrollments above the budgeted range:

- East Carolina University
- North Carolina Central University
- North Carolina State University
- University of North Carolina at Wilmington

The Board's regulations call for an explanation from the chancellor of any institution whose enrollment is estimated to be more that two percent in excess of the top of the established range, accompanied by the comments and recommendations of the president. No institution's enrollment is estimated to be in excess of the range by more than two percent.

Board regulations further require that, upon review of enrollments, consideration be given to transferring appropriated funds among institutions which are under or over the levels established by the Board. No reduction is proposed in the academic budget of the one institution whose estimated enrollment is below the authorized range. Due largely to the commitment made by this institution under the Management Flexibility policy, budget reductions at this time would unnecessarily compromise the spending plans already initiated by the chancellor. Since no transfer of funds is proposed from the institution, no funds are made available for supplementing the budgets of the institutions with a projected enrollment in excess of the established range.

Additional Enrollment Reports

The attached tables provide additional data and offer historical perspectives on the enrollment data presented above. The tables focus on the fall headcount enrollment (rather than FTE enrollment) by institution and race, the college-going rates of North Carolina first-time freshmen by race, the residency status and SAT scores of first-time freshmen, and trends in out-of-

state enrollment since 1985. The total headcount enrollment stands at 154,500 for the fall of 1997, an increase of 2,017 (1.3%) over the fall of 1996.

Minority Presence. Overall, white student enrollment increased by only 326 students (0.3%), while black student enrollment increased by 1,116 students (3.7%). Enrollment of other minorities increased by 575 (5.4%). A total enrollment increase of 264 was seen among the historically black institutions but was accompanied by a decline in minority presence (i.e. white) enrollment of 194 students (5.4%). This represents a decline in minority presence at the historically black institutions from 16.6% to 15.5%. While the total enrollment among the historically white institutions increased by 1,725 students (1.4%), their minority presence enrollment increased by 669 students (5.5%). Black students at the historically white institutions accounted for 38.8 percent of the total system-wide headcount growth. The combined effect of these changes is a record high percentage of black student enrollment at the historically white institutions (12,739 or 9.9% of the total). It is encouraging, too, that American Indian enrollment at UNC institutions increased again for the fourth straight year.

If you look at the trend data, you will be struck by the University's overall success we had in improving the enrollments of minority students. Over the past ten years, 1987-1997, total headcount enrollment in the University increased 22,360 (16.9%) and white student enrollment rose 10.1% (10,347), but enrollment of black students increased by 6,966 (28.9)%, enrollment of American Indian students increased by 50.0% (556), and enrollment of other races 91.5% (4,529).

Freshman Attendance

As can be seen from the attached tables, the proportion of North Carolina high school graduates entering a UNC institution as first-time freshmen within the same year increased from 29.7 percent in the fall of 1996 to 30.4 percent in the fall of 1997. This increase of 0.7 percentage points follows last year's record-setting increase amid a stream of increases occurring since 1983. Notice especially the improvement over the past decade in the rates for blacks and American Indians.

Analysis of Overall Enrollment Growth

The total increase in headcount enrollment for the University in the fall of 1997 was 2,017 or 1.3% over the previous fall.

- First time students accounted for an increase of 874 (1.9% increase), 734 of whom were freshmen, representing an increase of 3.3% over the previous fall. Most of the growth (78.6%) among new freshmen came from in-state students.

- Transfer students at all levels accounted for an increase of 230 students (2.3%), with the number of in-state transfer students increasing by 248 (3.0%), and the number of out-of-state transfers decreasing by 18 (-1.2%).

- The enrollment of continuing students (those who were present in the previous spring semester) was up by 1,278 (1.3%), with an observed increase among in-state students (1,693 or 1.9%), and a decrease among out-of-state students (-415 or -3.2%).

- Returning students (those who continued their enrollment after having not enrolled for at least one regular semester) experienced an enrollment decrease of 150 (-2.5%). These are students who may have dropped out or stopped out of their education programs.

- By student level, this year's increase is mostly at the undergraduate level, where an increase of 1,822 students was observed in contrast to the 253 student increase in

graduate students. In both instances, the increase among in-state students was positive while out-of-state students enrollment experienced a decline.

Out-of-State Enrollment. Most of our institutions have expressed a growing concern about the decline in out-of-state enrollment in recent years. Since 1993, when out-of-state enrollment was at an all-time high, the number of out-of-state students has fallen by a total of 891 students. Most of this decline has been at the undergraduate level (-760), but there have been losses at the graduate level as well (-131).

Declines in the number of out-of-state undergraduates have occurred at 10 of the 16 UNC institutions, with the more significant losses at East Carolina University (-213), North Carolina A&T State University (-196), North Carolina Central University (-142), North Carolina State University (-398), and UNC-Greensboro (-285). (East Carolina and North Carolina Central saw some slight improvement this year.)

Careful analysis suggests that there is no simple answer for this decline. It is sometimes said that this Board's limit on out-of-state enrollment is a major factor, but the Board has imposed no such limit. In 1987, in response to growing legislative concern that qualified in-state applicants were being denied places to make room for out-of-state applicants at Chapel Hill and elsewhere, the Board of Governors adopted a policy that the number of out-of-state entering freshmen enrolling at each UNC institution each fall be limited to no more than 18 percent (by legislative action, the North Carolina School of the Arts is exempt from this requirement).

In addition, to ensure that less-qualified out-of-state students did not replace fully-qualified in-state students, the Board adopted a policy that requires that the average combined SAT scores of out-of-state freshmen equal or exceed those of in-state freshmen (again, the NC School of the Arts is exempt from this requirement).

It is apparent from the graph in Attachment 4 that the trend in the percentage of out-of-state students, whether undergraduate or graduate, has been generally downward since the adoption of these two policies.

However, in terms of absolute numbers, the enrollment of out-of-state students actually increased through the fall of 1993. (Enrollment of out-of-state graduate students peaked at 6,024 in Fall 1993; that of undergraduates at 15,899 in Fall 1994.)

The decline in the number of out-of-state undergraduates since 1993 is due, in part, to a decline in the number of high school graduates in other states, particularly the neighboring states from which we admit and enroll the most of our out-of-state students. From Fall 1993 to Fall 1997 the number of out-of-state freshmen applicants fell by 1,000, and though the number accepted went up, the number who actually enrolled went down.

The decline in the number of out-of-state freshmen applicants, the decrease in the number of out-of-state transfers, the decrease in the number of out-of-state students continuing from year to year suggests strongly that the overall decline in out-of-state enrollment is due, primarily, to the increased cost imposed on out-of-state students.

The increase in tuition and the widening of the gap between in-state and out-of-state charges have been dramatic. Since 1985, in-state tuition and fees charged to undergraduates has risen by $1,003, from $788 to $1,791. By contrast, tuition and fees charged to out-of-state students has risen by $5,606, from $3,544 to $9,150. Many of our institutions are convinced that the level of out-of-state tuition if hurting enrollments. They may be right, and this is an issue which we intend to look at in our study of tuition policies.

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority
Historically Black Institutions							**% White**
Elizabeth City	1972	1,038	71	0	0	1,109	6.40%
	1980	1,278	188	3	19	1,488	12.63%
	1981	1,387	242	3	27	1,659	14.59%
	1982	1,326	222	5	21	1,574	14.10%
	1983	1,226	279	5	19	1,529	18.25%
	1984	1,304	303	4	19	1,630	18.59%
	1985	1,286	324	1	15	1,626	19.93%
	1986	1,356	369	1	10	1,736	21.26%
	1987	1,296	356	1	15	1,668	21.34%
	1988	1,369	347	1	14	1,731	20.05%
	1989	1,352	405	0	14	1,771	22.87%
	1990	1,330	453	2	19	1,804	25.11%
	1991	1,337	480	4	24	1,845	26.02%
	1992	1,493	529	4	32	2,058	25.70%
	1993	1,572	582	6	32	2,192	26.55%
	1994	1,571	578	3	22	2,174	26.59%
	1995	1,492	489	4	25	2,010	24.33%
	1996	1,429	493	5	25	1,952	25.26%
	1997	1,446	482	4	30	1,962	24.57%
Fayetteville	1972	1,588	49	6	0	1,643	2.98%
	1980	2,043	379	6	37	2,465	15.38%
	1981	1,989	487	12	59	2,547	19.12%
	1982	1,859	490	13	48	2,410	20.33%
	1983	2,079	498	17	72	2,666	18.68%
	1984	1,992	600	19	68	2,679	22.40%
	1985	2,236	655	12	54	2,957	22.15%
	1986	2,171	679	20	51	2,921	23.25%
	1987	1,935	644	16	44	2,639	24.40%
	1988	1,908	738	22	58	2,726	27.07%
	1989	2,067	881	21	65	3,034	29.04%
	1990	2,202	1,019	32	84	3,337	30.54%
	1991	2,357	1,228	41	110	3,736	32.87%
	1992	2,444	1,274	49	135	3,902	32.65%
	1993	2,523	1,320	41	148	4,032	32.74%
	1994	2,632	1,261	51	165	4,109	30.69%
	1995	2,610	1,165	58	176	4,009	29.06%
	1996	2,621	1,061	51	218	3,951	26.85%
	1997	2,706	946	57	207	3,916	24.16%
N.C. A and T	1972	4,290	219	1	0	4,510	4.86%
	1980	4,700	438	0	329	5,467	8.01%
	1981	4,655	364	2	429	5,450	6.68%
	1982	4,295	448	4	453	5,200	8.62%
	1983	4,663	505	6	448	5,622	8.98%
	1984	4,464	557	11	365	5,397	10.32%
	1985	4,717	623	16	310	5,666	11.00%
	1986	4,962	620	25	258	5,865	10.57%
	1987	5,105	660	16	210	5,991	11.02%
	1988	5,250	697	13	201	6,161	11.31%
	1989	5,554	776	14	192	6,536	11.87%
	1990	5,577	764	12	162	6,515	11.73%
	1991	6,097	834	19	169	7,119	11.72%
	1992	6,516	870	19	175	7,580	11.48%
	1993	6,851	900	15	207	7,973	11.29%
	1994	7,026	789	19	216	8,050	9.80%
	1995	6,855	749	23	219	7,846	9.55%
	1996	6,651	657	25	200	7,533	8.72%
	1997	6,636	592	28	212	7,468	7.93%

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority % White
N.C. Central	1972	3,521	231	5	3	3,760	6.14%
	1980	4,320	502	9	79	4,910	10.22%
	1981	4,313	539	5	87	4,944	10.90%
	1982	4,285	609	7	89	4,990	12.20%
	1983	4,464	647	13	104	5,228	12.38%
	1984	3,773	671	5	103	4,552	14.74%
	1985	3,918	689	8	85	4,700	14.66%
	1986	4,080	802	12	94	4,988	16.08%
	1987	4,228	775	12	73	5,088	15.23%
	1988	4,280	805	20	77	5,182	15.53%
	1989	4,444	811	14	74	5,343	15.18%
	1990	4,564	829	14	74	5,481	15.12%
	1991	4,487	801	19	78	5,385	14.87%
	1992	4,747	806	22	92	5,667	14.22%
	1993	4,736	777	20	102	5,635	13.79%
	1994	4,761	779	19	96	5,655	13.78%
	1995	4,551	807	21	91	5,470	14.75%
	1996	4,483	778	22	117	5,400	14.41%
	1997	4,727	776	23	138	5,664	13.70%
Winston-Salem	1972	1,654	66	0	0	1,720	3.84%
	1980	1,919	294	0	7	2,220	13.24%
	1981	1,960	361	0	4	2,325	15.53%
	1982	1,960	329	2	11	2,302	14.29%
	1983	2,044	424	2	12	2,482	17.08%
	1984	2,106	490	2	15	2,613	18.75%
	1985	2,084	443	1	11	2,539	17.45%
	1986	2,204	480	7	8	2,699	17.78%
	1987	2,144	531	6	19	2,700	19.67%
	1988	2,164	459	6	12	2,641	17.38%
	1989	2,188	475	5	16	2,684	17.70%
	1990	2,083	543	6	18	2,650	20.49%
	1991	2,115	544	5	25	2,689	20.23%
	1992	2,129	594	2	29	2,754	21.57%
	1993	2,213	725	2	36	2,976	24.36%
	1994	2,246	682	2	33	2,963	23.02%
	1995	2,191	623	4	45	2,863	21.76%
	1996	2,216	608	5	51	2,880	21.11%
	1997	2,308	607	6	49	2,970	20.44%
HBI TOTAL	1972	12,091	636	12	3	12,742	4.99%
	1980	14,260	1,801	18	471	16,550	10.88%
	1981	14,304	1,993	22	606	16,925	11.78%
	1982	13,725	2,098	31	622	16,476	12.73%
	1983	14,476	2,353	43	655	17,527	13.43%
	1984	13,639	2,621	41	570	16,871	15.54%
	1985	14,241	2,734	38	475	17,488	15.63%
	1986	14,773	2,950	65	421	18,209	16.20%
	1987	14,708	2,966	51	361	18,086	16.40%
	1988	14,971	3,046	62	362	18,441	16.52%
	1989	15,605	3,348	54	361	19,368	17.29%
	1990	15,756	3,608	66	357	19,787	18.23%
	1991	16,393	3,887	88	406	20,774	18.71%
	1992	17,329	4,073	96	463	21,961	18.55%
	1993	17,895	4,304	84	525	22,808	18.87%
	1994	18,236	4,089	94	532	22,951	17.82%
	1995	17,699	3,833	110	556	22,198	17.27%
	1996	17,400	3,597	108	611	21,716	16.56%
	1997	17,823	3,403	118	636	21,980	15.48%

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority	
Historically American Indian Institution							**% Black**	**% Am.Ind.**
UNC-Pembroke	1972	55	1,611	304	0	1,970	2.79%	15.43%
	1980	283	1,436	557	25	2,301	12.30%	24.21%
	1981	272	1,354	523	38	2,187	12.44%	23.91%
	1982	282	1,343	520	46	2,191	12.87%	23.73%
	1983	268	1,280	528	46	2,122	12.63%	24.88%
	1984	315	1,305	541	36	2,197	14.34%	24.62%
	1985	323	1,393	591	32	2,339	13.81%	25.27%
	1986	330	1,506	605	40	2,481	13.30%	24.39%
	1987	330	1,660	609	46	2,645	12.48%	23.02%
	1988	342	1,791	662	40	2,835	12.06%	23.35%
	1989	356	1,927	750	48	3,081	11.55%	24.34%
	1990	347	1,987	747	52	3,133	11.08%	23.84%
	1991	320	1,878	691	55	2,944	10.87%	23.47%
	1992	336	1,927	721	57	3,041	11.05%	23.71%
	1993	367	1,910	715	53	3,045	12.05%	23.48%
	1994	388	1,839	723	67	3,017	12.86%	23.96%
	1995	407	1,811	731	51	3,000	13.57%	24.37%
	1996	419	1,787	743	57	3,006	13.94%	24.72%
	1997	443	1,735	755	101	3,034	14.60%	24.88%
Historically White Institutions								
Appalachian	1972	101	7,195	33	24	7,353	1.37%	
	1980	243	9,457	21	73	9,794	2.48%	
	1981	240	9,356	19	75	9,690	2.48%	
	1982	298	9,652	24	77	10,051	2.96%	
	1983	361	9,373	15	95	9,844	3.67%	
	1984	410	8,962	27	108	9,507	4.31%	
	1985	443	9,190	23	104	9,760	4.54%	
	1986	453	9,838	19	109	10,419	4.35%	
	1987	493	10,452	18	107	11,070	4.45%	
	1988	505	10,488	21	116	11,130	4.54%	
	1989	492	10,840	25	144	11,501	4.28%	
	1990	499	10,809	18	157	11,483	4.35%	
	1991	467	10,705	27	168	11,367	4.11%	
	1992	462	10,970	31	187	11,650	3.97%	
	1993	461	10,942	33	205	11,641	3.96%	
	1994	413	11,187	29	237	11,866	3.48%	
	1995	383	11,366	31	240	12,020	3.19%	
	1996	336	11,293	39	241	11,909	2.82%	
	1997	329	11,462	43	274	12,108	2.72%	
East Carolina	1972	333	10,354	78	93	10,858	3.07%	
	1980	1,329	11,649	54	133	13,165	10.09%	
	1981	1,334	11,699	71	160	13,264	10.06%	
	1982	1,377	11,639	67	228	13,311	10.34%	
	1983	1,467	11,537	77	276	13,357	10.98%	
	1984	1,508	11,944	81	293	13,826	10.91%	
	1985	1,620	12,124	80	293	14,117	11.48%	
	1986	1,620	12,505	84	250	14,459	11.20%	
	1987	1,603	12,953	69	253	14,878	10.77%	
	1988	1,569	13,653	76	281	15,579	10.07%	
	1989	1,478	14,157	79	315	16,029	9.22%	
	1990	1,456	14,587	81	376	16,500	8.82%	
	1991	1,508	14,682	77	423	16,690	9.04%	
	1992	1,601	15,610	81	465	17,757	9.02%	
	1993	1,651	15,476	79	523	17,729	9.31%	
	1994	1,711	15,233	84	539	17,567	9.74%	
	1995	1,746	15,044	101	554	17,445	10.01%	
	1996	1,882	14,875	106	616	17,479	10.77%	
	1997	2,069	14,947	115	715	17,846	11.59%	

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority
							% Black
N.C. School of the Arts	1972	29	319	0	3	351	8.26%
	1980	48	372	1	17	438	10.96%
	1981	49	428	1	25	503	9.74%
	1982	43	469	1	22	535	8.04%
	1983	47	462	1	25	535	8.79%
	1984	62	425	0	18	505	12.28%
	1985	59	399	3	28	489	12.07%
	1986	53	389	3	23	468	11.32%
	1987	56	400	4	26	486	11.52%
	1988	57	426	1	31	515	11.07%
	1989	41	424	2	40	507	8.09%
	1990	42	395	4	45	486	8.64%
	1991	35	423	1	49	508	6.89%
	1992	30	432	3	45	510	5.88%
	1993	38	520	2	50	610	6.23%
	1994	44	539	3	58	644	6.83%
	1995	48	576	2	53	679	7.07%
	1996	57	606	2	67	732	7.79%
	1997	53	631	3	84	771	6.87%
N.C. State	1972	222	13,505	21	61	13,809	1.61%
	1980	1,355	18,567	49	1,198	21,169	6.40%
	1981	1,461	18,765	55	1,196	21,477	6.80%
	1982	1,656	19,323	71	1,321	22,371	7.40%
	1983	1,793	19,356	56	1,352	22,557	7.95%
	1984	1,917	20,046	69	1,474	23,506	8.16%
	1985	2,116	20,282	71	1,554	24,023	8.81%
	1986	2,290	20,372	62	1,834	24,558	9.32%
	1987	2,202	19,984	64	1,771	24,021	9.17%
	1988	2,380	21,220	68	1,869	25,537	9.32%
	1989	2,352	21,797	78	1,982	26,209	8.97%
	1990	2,332	22,210	87	2,054	26,683	8.74%
	1991	2,380	22,546	114	2,196	27,236	8.74%
	1992	2,461	22,259	121	2,315	27,156	9.06%
	1993	2,488	22,202	137	2,343	27,170	9.16%
	1994	2,533	22,403	138	2,503	27,577	9.19%
	1995	2,607	22,229	165	2,536	27,537	9.47%
	1996	2,542	21,804	161	2,662	27,169	9.36%
	1997	2,629	21,946	171	2,783	27,529	9.55%
UNC-Asheville	1972	27	937	2	2	968	2.79%
	1980	99	1,967	2	31	2,099	4.72%
	1981	94	2,123	5	44	2,266	4.15%
	1982	95	2,369	5	51	2,520	3.77%
	1983	118	2,472	4	54	2,648	4.46%
	1984	128	2,464	3	56	2,651	4.83%
	1985	112	2,518	8	48	2,686	4.17%
	1986	114	2,729	7	50	2,900	3.93%
	1987	120	2,842	6	62	3,030	3.96%
	1988	110	2,943	4	67	3,124	3.52%
	1989	118	3,074	7	66	3,265	3.61%
	1990	126	3,059	12	74	3,271	3.85%
	1991	97	3,040	10	78	3,225	3.01%
	1992	113	3,030	12	85	3,240	3.49%
	1993	118	2,898	11	103	3,130	3.77%
	1994	117	2,922	15	111	3,165	3.70%
	1995	136	2,955	14	117	3,222	4.22%
	1996	117	2,833	17	125	3,092	3.78%
	1997	108	2,927	14	130	3,179	3.40%

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority
							% Black
UNC-Chapel Hill	1972	842	18,247	40	95	19,224	4.38%
	1980	1,650	18,925	117	513	21,205	7.78%
	1981	1,779	18,850	128	589	21,346	8.33%
	1982	1,893	19,133	138	659	21,823	8.67%
	1983	1,869	18,876	136	730	21,611	8.65%
	1984	1,760	18,714	130	796	21,400	8.22%
	1985	1,712	19,134	127	902	21,875	7.83%
	1986	1,735	19,724	119	1,047	22,625	7.67%
	1987	1,703	19,834	127	1,111	22,775	7.48%
	1988	1,838	20,267	131	1,252	23,488	7.83%
	1989	1,907	19,992	131	1,384	23,414	8.14%
	1990	2,045	19,936	142	1,551	23,674	8.64%
	1991	2,010	19,737	142	1,703	23,592	8.52%
	1992	2,045	19,545	142	1,895	23,627	8.66%
	1993	2,057	19,663	143	2,050	23,913	8.60%
	1994	2,154	19,860	138	2,108	24,260	8.88%
	1995	2,229	19,575	153	2,187	24,144	9.23%
	1996	2,278	18,980	143	2,273	23,674	9.62%
	1997	2,333	18,900	153	2,282	23,668	9.86%
UNC-Charlotte	1972	191	4,913	28	27	5,159	3.70%
	1980	786	8,282	15	300	9,383	8.38%
	1981	762	8,417	14	381	9,574	7.96%
	1982	806	8,709	20	534	10,069	8.00%
	1983	841	8,861	23	622	10,347	8.13%
	1984	901	8,861	28	669	10,459	8.61%
	1985	961	9,216	32	633	10,842	8.86%
	1986	1,118	9,884	33	718	11,753	9.51%
	1987	1,100	10,195	32	704	12,031	9.14%
	1988	1,246	11,009	42	673	12,970	9.61%
	1989	1,449	11,030	62	681	13,222	10.96%
	1990	1,594	11,907	86	736	14,323	11.13%
	1991	1,680	12,394	95	889	15,058	11.16%
	1992	1,801	12,389	110	1,063	15,363	11.72%
	1993	2,002	12,395	104	1,144	15,645	12.80%
	1994	2,154	12,106	112	1,141	15,513	13.89%
	1995	2,278	12,321	101	1,195	15,895	14.33%
	1996	2,341	12,098	100	1,256	15,795	14.82%
	1997	2,606	12,348	85	1,331	16,370	15.92%
UNC-Greensboro	1972	327	6,822	125	154	7,428	4.40%
	1980	1,077	9,135	13	165	10,390	10.37%
	1981	1,045	8,935	9	212	10,201	10.24%
	1982	1,023	8,834	20	249	10,126	10.10%
	1983	986	8,651	29	258	9,924	9.94%
	1984	1,009	8,781	31	269	10,090	10.00%
	1985	999	8,819	40	292	10,150	9.84%
	1986	1,038	8,986	42	316	10,382	10.00%
	1987	1,035	9,300	34	319	10,688	9.68%
	1988	1,107	9,694	35	338	11,174	9.91%
	1989	1,177	10,057	38	312	11,584	10.16%
	1990	1,268	10,242	37	345	11,892	10.66%
	1991	1,195	10,016	39	398	11,648	10.26%
	1992	1,352	10,294	46	485	12,177	11.10%
	1993	1,361	10,153	31	569	12,114	11.23%
	1994	1,486	10,001	43	564	12,094	12.29%
	1995	1,705	10,259	39	641	12,644	13.48%
	1996	1,681	9,961	49	632	12,323	13.64%
	1997	1,767	9,848	53	640	12,308	14.36%

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority
							% Black
UNC-Wilmington	1972	76	2,156	0	1	2,233	3.40%
	1980	298	4,341	8	49	4,696	6.35%
	1981	320	4,719	9	58	5,106	6.27%
	1982	329	4,936	4	65	5,334	6.17%
	1983	363	4,983	10	76	5,432	6.68%
	1984	354	5,089	10	82	5,535	6.40%
	1985	379	5,294	18	86	5,777	6.56%
	1986	374	5,461	19	83	5,937	6.30%
	1987	435	5,965	17	84	6,501	6.69%
	1988	441	6,015	14	83	6,553	6.73%
	1989	446	6,440	18	99	7,003	6.37%
	1990	444	6,403	21	110	6,978	6.36%
	1991	461	7,448	28	153	8,090	5.70%
	1992	469	7,239	24	166	7,898	5.94%
	1993	520	7,413	32	192	8,157	6.37%
	1994	506	7,664	38	227	8,435	6.00%
	1995	529	7,783	39	250	8,601	6.15%
	1996	551	8,221	46	259	9,077	6.07%
	1997	559	8,282	54	281	9,176	6.09%
Western Carolina	1972	146	5,799	15	12	5,972	2.44%
	1980	313	5,950	103	93	6,459	4.85%
	1981	320	5,870	92	84	6,366	5.03%
	1982	327	5,566	87	86	6,066	5.39%
	1983	320	5,502	105	100	6,027	5.31%
	1984	341	5,578	87	125	6,131	5.56%
	1985	332	5,371	105	127	5,935	5.59%
	1986	309	5,391	94	127	5,921	5.22%
	1987	292	5,448	81	108	5,929	4.92%
	1988	284	5,568	90	113	6,055	4.69%
	1989	239	5,706	77	112	6,134	3.90%
	1990	229	5,775	89	129	6,222	3.68%
	1991	229	5,901	109	133	6,372	3.59%
	1992	213	6,114	96	153	6,576	3.24%
	1993	235	5,895	96	142	6,368	3.69%
	1994	259	6,128	101	131	6,619	3.91%
	1995	276	6,045	91	139	6,551	4.21%
	1996	285	5,965	94	167	6,511	4.38%
	1997	286	5,917	104	224	6,531	4.38%
HWI TOTAL	1972	2,294	70,247	342	472	73,355	3.13%
	1980	7,198	88,645	383	2,572	98,798	7.29%
	1981	7,404	89,162	403	2,824	99,793	7.42%
	1982	7,847	90,630	437	3,292	102,206	7.68%
	1983	8,165	90,073	456	3,588	102,282	7.98%
	1984	8,390	90,864	466	3,890	103,610	8.10%
	1985	8,733	92,347	507	4,067	105,654	8.27%
	1986	9,104	95,279	482	4,557	109,422	8.32%
	1987	9,039	97,373	452	4,545	111,409	8.11%
	1988	9,537	101,283	482	4,823	116,125	8.21%
	1989	9,699	103,517	517	5,135	118,868	8.16%
	1990	10,035	105,323	577	5,577	121,512	8.26%
	1991	10,062	106,892	642	6,190	123,786	8.13%
	1992	10,547	107,882	666	6,859	125,954	8.37%
	1993	10,931	107,557	668	7,321	126,477	8.64%
	1994	11,377	108,043	701	7,619	127,740	8.91%
	1995	11,937	108,153	736	7,912	128,738	9.27%
	1996	12,070	106,636	757	8,298	127,761	9.45%
	1997	12,739	107,208	795	8,744	129,486	9.84%

University of North Carolina Fall Headcount Enrollment by Institution and Race, 1972, 1980 - 1997

Institution	Year	Black	White	Am. Indian	Other Races	Total	% Minority
UNC TOTAL	1972	14,440	72,494	658	475	88,067	
	1980	21,741	91,882	958	3,068	117,649	
	1981	21,980	92,509	948	3,468	118,905	
	1982	21,854	94,071	988	3,960	120,873	
	1983	22,909	93,706	1,027	4,289	121,931	
	1984	22,344	94,790	1,048	4,496	122,678	
	1985	23,297	96,474	1,136	4,574	125,481	
	1986	24,207	99,735	1,152	5,018	130,112	
	1987	24,077	101,999	1,112	4,952	132,140	
	1988	24,850	106,120	1,206	5,225	137,401	
	1989	25,660	108,792	1,321	5,544	141,317	
	1990	26,138	110,918	1,390	5,986	144,432	
	1991	26,775	112,657	1,421	6,651	147,504	
	1992	28,212	113,882	1,483	7,379	150,956	
	1993	29,193	113,771	1,467	7,899	152,330	
	1994	30,001	113,971	1,518	8,218	153,708	
	1995	30,043	113,797	1,577	8,519	153,936	
	1996	29,889	112,020	1,608	8,966	152,483	
	1997	31,005	112,346	1,668	9,481	154,500	

UNC-GA Planning/Enr.AT003/11-14-97

SOURCE: OCR (Compliance Report of Institutions of Higher Education). Fall 1981-1997 include graduate center enrollments. Fall 1990 and later - "Other Races" includes unreported and mixed race.

Attachment 2

UNC College-Going Rates of North Carolina
First-Time Freshmen, 1987 - 1997

	Black	White	Amer. Indian	Other Races	Total
a. N.C. High School Graduates*					
1986-87	17,811	50,071	800	614	69,296
1987-88	18,288	51,785	785	719	71,577
1988-89	19,170	52,290	828	817	73,105
1989-90	18,281	47,604	888	963	67,736
1990-91	18,055	45,798	794	1,017	65,664
1991-92	17,371	44,624	873	1,119	63,987
1992-93	17,131	44,084	815	1,225	63,255
1993-94	16,094	42,164	813	1,367	60,438
1994-95	16,426	43,578	835	1,449	62,288
1995-96	15,608	41,776	764	1,522	59,670
1996-97	16,031	42,388	728	1,718	60,865
b. Enrolled as First-Time Freshmen in UNC Institutions Within the Same Year					
Fall 1987	3,747	12,915	146	279	17,087
Fall 1988	3,877	13,237	174	310	17,598
Fall 1989	4,075	12,732	201	378	17,386
Fall 1990	3,556	11,880	178	416	16,030
Fall 1991	3,702	11,652	156	458	15,968
Fall 1992	3,817	11,867	190	488	16,362
Fall 1993	3,897	11,833	190	543	16,463
Fall 1994	3,785	11,992	197	594	16,568
Fall 1995	4,026	12,494	213	630	17,363
Fall 1996	4,168	12,676	249	635	17,728
Fall 1997	4,358	13,153	223	765	18,499
c. Proportion Entering a UNC Institution					
Fall 1987	21.0%	25.8%	18.3%	45.4%	24.7%
Fall 1988	21.2%	25.6%	22.2%	43.1%	24.6%
Fall 1989	21.3%	24.3%	24.3%	46.3%	23.8%
Fall 1990	19.5%	25.0%	20.0%	43.2%	23.7%
Fall 1991	20.5%	25.4%	19.6%	45.0%	24.3%
Fall 1992	22.0%	26.6%	21.8%	43.6%	25.6%
Fall 1993	22.7%	26.8%	23.3%	44.3%	26.0%
Fall 1994	23.5%	28.4%	24.2%	43.5%	27.4%
Fall 1995	24.5%	28.7%	25.5%	43.5%	27.9%
Fall 1996	26.7%	30.3%	32.6%	41.7%	29.7%
Fall 1997	27.2%	31.0%	30.6%	44.5%	30.4%

UNC-GA Planning/HSGrads.AT007/11-14-97

* Estimates of private N.C. high school graduates by race assume that five percent were black and one percent were classified as "other" in each year. Estimated numbers are used because enrollment and high school graduate data by race are not provided by N.C. private high schools.

Source:
1. Public high school graduates - State Department of Public Instruction.
2. Private high school graduates - Estimated by GA Staff.
3. Special high school graduates - survey directly from the high school, except NCSA which provided Student Data File.
4. First-time freshmen enrollments - Student Data Files.

Number and Average* Recentered SAT Scores of UNC First-Time Freshmen** by Residence Status and Institution, Fall 1987 - Fall 1997

Institution and Year	Total First-Time Freshmen		In-State			Out-of-State		
	Number of Students	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT
ASU								
1987	2,008	1037	1,775	88.4%	1033	233	11.6%	1072
1988	1,835	1055	1,622	88.4%	1051	213	11.6%	1086
1989	1,983	1067	1,682	84.8%	1065	301	15.2%	1078
1990	1,829	1057	1,609	88.0%	1057	220	12.0%	1062
1991	1,891	1070	1,658	87.7%	1067	233	12.3%	1092
1992	2,054	1080	1,776	86.5%	1078	278	13.5%	1094
1993	1,910	1088	1,621	84.9%	1083	289	15.1%	1114
1994	1,971	1091	1,671	84.8%	1090	300	15.2%	1101
1995	2,206	1094	1,858	84.2%	1089	348	15.8%	1122
1996	2,032	1087	1,753	86.3%	1084	279	13.7%	1104
1997	2,170	1076	1,821	83.9%	1073	349	16.1%	1093
ECU								
1987	2,754	979	2,219	80.6%	967	535	19.4%	1027
1988	2,991	970	2,433	81.3%	962	558	18.7%	1003
1989	2,633	983	2,213	84.0%	974	420	16.0%	1035
1990	2,645	985	2,117	80.0%	976	528	20.0%	1019
1991	2,336	997	1,887	80.8%	990	449	19.2%	1029
1992	2,866	1008	2,175	75.9%	999	691	24.1%	1036
1993	2,435	1026	1,975	81.1%	1016	460	18.9%	1067
1994	2,363	1019	1,973	83.5%	1009	390	16.5%	1069
1995	2,642	1018	2,177	82.4%	1009	465	17.6%	1061
1996	2,807	1015	2,348	83.6%	1009	459	16.4%	1046
1997	2,935	1014	2,346	79.9%	1009	589	20.1%	1035
ECSU								
1987	413	785	351	85.0%	777	62	15.0%	829
1988	434	830	381	87.8%	823	53	12.2%	881
1989	343	850	301	87.8%	848	42	12.2%	866
1990	309	856	270	87.4%	849	39	12.6%	908
1991	405	875	332	82.0%	866	73	18.0%	915
1992	545	906	458	84.0%	901	87	16.0%	933
1993	461	902	404	87.6%	894	57	12.4%	966
1994	391	883	330	84.4%	873	61	15.6%	939
1995	382	857	333	87.2%	852	49	12.8%	895
1996	381	840	329	86.4%	836	52	13.6%	863
1997	427	825	376	88.1%	820	51	11.9%	858
FSU								
1987	471	718	428	90.9%	707	43	9.1%	831
1988	436	788	396	90.8%	781	40	9.2%	854
1989	537	808	499	92.9%	800	38	7.1%	908
1990	402	891	348	86.6%	888	54	13.4%	907
1991	456	915	377	82.7%	905	79	17.3%	963
1992	353	927	322	91.2%	926	31	8.8%	928
1993	452	931	406	89.8%	925	46	10.2%	979
1994	453	918	370	81.7%	913	83	18.3%	936
1995	389	915	338	86.9%	912	51	13.1%	934
1996	597	867	539	90.3%	862	58	9.7%	905
1997	515	833	464	90.1%	832	51	9.9%	843
NCA&T								
1987	1,215	863	888	73.1%	844	327	26.9%	911
1988	1,126	897	938	83.3%	878	188	16.7%	994
1989	1,158	903	950	82.0%	881	208	18.0%	1003
1990	1,084	895	911	84.0%	872	173	16.0%	1018
1991	1,485	920	1,213	81.7%	898	272	18.3%	1023
1992	1,495	935	1,170	78.3%	907	325	21.7%	1032
1993	1,444	938	1,163	80.5%	911	281	19.5%	1046
1994	1,342	946	1,094	81.5%	919	248	18.5%	1049
1995	1,404	953	1,159	82.5%	923	245	17.5%	1064
1996	1,324	933	1,090	82.3%	903	234	17.7%	1047
1997	1,391	928	1,176	84.5%	907	215	15.5%	1028

Number and Average* Recentered SAT Scores of UNC First-Time Freshmen** by Residence Status and Institution, Fall 1987 - Fall 1997

Institution and Year	Total First-Time Freshmen		In-State			Out-of-State		
	Number of Students	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT
NCCU								
1987	903	835	678	75.1%	823	225	24.9%	869
1988	764	851	613	80.2%	837	151	19.8%	899
1989	999	842	765	76.6%	830	234	23.4%	879
1990	794	863	679	85.5%	850	115	14.5%	937
1991	559	879	457	81.8%	867	102	18.2%	922
1992	784	876	605	77.2%	868	179	22.8%	900
1993	855	898	661	77.3%	891	194	22.7%	919
1994	767	962	659	85.9%	952	108	14.1%	1007
1995	553	931	459	83.0%	913	94	17.0%	1016
1996	706	912	584	82.7%	901	122	17.3%	967
1997	736	894	587	79.8%	867	149	20.2%	992
NCSA								
1987	65	1123	35	53.8%	1114	30	46.2%	1132
1988	87	1094	44	50.6%	1070	43	49.4%	1119
1989	66	1101	34	51.5%	1070	32	48.5%	1139
1990	66	1079	31	47.0%	1094	35	53.0%	1065
1991	51	1146	21	41.2%	1130	30	58.8%	1162
1992	78	1099	36	46.2%	1090	42	53.8%	1108
1993	98	1135	39	39.8%	1138	59	60.2%	1132
1994	90	1109	40	44.4%	1121	50	55.6%	1098
1995	99	1154	43	43.4%	1153	56	56.6%	1156
1996	105	1107	44	41.9%	1134	61	58.1%	1086
1997	157	1139	66	42.0%	1155	91	58.0%	1130
NCSU								
1987	3,268	1134	2,771	84.8%	1132	497	15.2%	1144
1988	3,465	1141	2,924	84.4%	1137	541	15.6%	1161
1989	3,374	1143	2,869	85.0%	1140	505	15.0%	1159
1990	3,263	1141	2,755	84.4%	1139	508	15.6%	1155
1991	3,243	1139	2,689	82.9%	1137	554	17.1%	1147
1992	3,065	1156	2,519	82.2%	1158	546	17.8%	1148
1993	3,176	1158	2,678	84.3%	1159	498	15.7%	1153
1994	3,530	1143	2,986	84.6%	1144	544	15.4%	1139
1995	3,528	1149	3,047	86.4%	1150	481	13.6%	1147
1996	3,535	1148	3,087	87.3%	1149	448	12.7%	1145
1997	3,650	1154	3,195	87.5%	1154	455	12.5%	1151
UNC-A								
1987	458	1033	399	87.1%	1027	59	12.9%	1076
1988	460	1053	413	89.8%	1051	47	10.2%	1072
1989	429	1088	374	87.2%	1088	55	12.8%	1089
1990	387	1093	337	87.1%	1092	50	12.9%	1099
1991	346	1121	302	87.3%	1121	44	12.7%	1121
1992	365	1135	315	86.3%	1133	50	13.7%	1144
1993	397	1145	317	79.8%	1150	80	20.2%	1126
1994	398	1137	339	85.2%	1135	59	14.8%	1151
1995	397	1133	324	81.6%	1133	73	18.4%	1132
1996	455	1141	380	83.5%	1141	75	16.5%	1144
1997	473	1150	392	82.9%	1150	81	17.1%	1148
UNC-CH								
1987	3,151	1184	2,599	82.5%	1169	552	17.5%	1255
1988	3,293	1186	2,729	82.9%	1170	564	17.1%	1263
1989	3,191	1193	2,616	82.0%	1175	575	18.0%	1275
1990	3,252	1195	2,647	81.4%	1175	605	18.6%	1280
1991	3,142	1202	2,583	82.2%	1183	559	17.8%	1287
1992	3,211	1204	2,627	81.8%	1186	584	18.2%	1288
1993	3,331	1207	2,659	79.8%	1187	672	20.2%	1291
1994	3,496	1211	2,761	79.0%	1188	735	21.0%	1300
1995	3,239	1222	2,678	82.7%	1206	561	17.3%	1299
1996	3,274	1222	2,661	81.3%	1206	613	18.7%	1290
1997	3,417	1220	2,853	83.5%	1207	564	16.5%	1289

Number and Average* Recentered SAT Scores of UNC First-Time Freshmen** by Residence Status and Institution, Fall 1987 - Fall 1997

Institution and Year	Total First-Time Freshmen		In-State			Out-of-State		
	Number of Students	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT
UNC-C								
1987	1,681	1031	1,469	87.4%	1027	212	12.6%	1059
1988	1,858	1041	1,605	86.4%	1036	253	13.6%	1078
1989	1,618	1024	1,447	89.4%	1022	171	10.6%	1049
1990	1,847	1037	1,595	86.4%	1034	252	13.6%	1058
1991	1,638	1033	1,379	84.2%	1029	259	15.8%	1056
1992	1,641	1035	1,358	82.8%	1033	283	17.2%	1047
1993	1,730	1029	1,450	83.8%	1026	280	16.2%	1048
1994	1,587	1035	1,286	81.0%	1031	301	19.0%	1050
1995	1,686	1035	1,385	82.1%	1029	301	17.9%	1060
1996	1,719	1023	1,427	83.0%	1019	292	17.0%	1043
1997	1,955	1015	1,649	84.3%	1010	306	15.7%	1046
UNC-G								
1987	1,652	1048	1,347	81.5%	1036	305	18.5%	1103
1988	1,723	1055	1,441	83.6%	1046	282	16.4%	1104
1989	1,653	1062	1,375	83.2%	1053	278	16.8%	1109
1990	1,513	1062	1,250	82.6%	1053	263	17.4%	1103
1991	1,359	1060	1,122	82.6%	1054	237	17.4%	1091
1992	1,522	1060	1,233	81.0%	1053	289	19.0%	1089
1993	1,525	1058	1,227	80.5%	1055	298	19.5%	1071
1994	1,427	1041	1,161	81.4%	1037	266	18.6%	1060
1995	1,821	1011	1,524	83.7%	1007	297	16.3%	1037
1996	1,567	1027	1,331	84.9%	1023	236	15.1%	1055
1997	1,595	1028	1,354	84.9%	1025	241	15.1%	1049
UNC-P								
1987	433	935	410	94.7%	929	23	5.3%	1013
1988	529	906	497	94.0%	902	32	6.0%	974
1989	475	924	448	94.3%	920	27	5.7%	989
1990	432	947	412	95.4%	946	20	4.6%	964
1991	394	939	372	94.4%	937	22	5.6%	969
1992	435	940	406	93.3%	935	29	6.7%	1016
1993	440	933	413	93.9%	930	27	6.1%	990
1994	433	942	419	96.8%	941	14	3.2%	966
1995	418	938	403	96.4%	937	15	3.6%	948
1996	465	898	451	97.0%	896	14	3.0%	979
1997	494	914	478	96.8%	914	16	3.2%	919
UNC-W								
1987	1,636	987	1,384	84.6%	981	252	15.4%	1024
1988	1,260	1014	1,107	87.9%	1009	153	12.1%	1057
1989	1,509	1010	1,302	86.3%	1004	207	13.7%	1048
1990	1,120	1032	935	83.5%	1028	185	16.5%	1052
1991	1,561	1019	1,289	82.6%	1016	272	17.4%	1038
1992	1,237	1039	978	79.1%	1027	259	20.9%	1085
1993	1,449	1038	1,163	80.3%	1031	286	19.7%	1068
1994	1,343	1066	1,070	79.7%	1056	273	20.3%	1105
1995	1,412	1062	1,193	84.5%	1054	219	15.5%	1104
1996	1,670	1055	1,390	83.2%	1044	280	16.8%	1112
1997	1,378	1080	1,157	84.0%	1072	221	16.0%	1124
WCU								
1987	1,064	942	858	80.6%	933	206	19.4%	981
1988	1,121	961	951	84.8%	955	170	15.2%	992
1989	1,284	956	1,110	86.4%	953	174	13.6%	975
1990	999	964	858	85.9%	961	141	14.1%	981
1991	1,016	964	881	86.7%	961	135	13.3%	988
1992	1,069	974	965	90.3%	971	104	9.7%	1001
1993	1,057	977	941	89.0%	977	116	11.0%	982
1994	1,248	977	1,120	89.7%	975	128	10.3%	989
1995	1,161	965	1,048	90.3%	964	113	9.7%	984
1996	1,182	983	1,071	90.6%	984	111	9.4%	980
1997	1,226	980	1,115	90.9%	977	111	9.1%	1009

Number and Average* Recentered SAT Scores of UNC First-Time Freshmen** by Residence Status and Institution, Fall 1987 - Fall 1997

Institution and Year	Total First-Time Freshmen		In-State			Out-of-State		
	Number of Students	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT	Number of Students	Percent of Total	Average Combined SAT
WSSU								
1987	431	800	389	90.3%	792	42	9.7%	877
1988	451	813	389	86.3%	808	62	13.7%	846
1989	425	805	372	87.5%	805	53	12.5%	806
1990	379	821	323	85.2%	815	56	14.8%	860
1991	462	850	402	87.0%	845	60	13.0%	883
1992	408	862	359	88.0%	859	49	12.0%	879
1993	385	893	344	89.4%	895	41	10.6%	874
1994	342	918	319	93.3%	914	23	6.7%	994
1995	457	870	420	91.9%	862	37	8.1%	988
1996	494	851	454	91.9%	848	40	8.1%	889
1997	493	849	462	93.7%	846	31	6.3%	899
UNC TOTAL								
1987	21,603	1023	18,000	83.3%	1016	3,603	16.7%	1062
1988	21,833	1036	18,483	84.7%	1028	3,350	15.3%	1085
1989	21,677	1038	18,357	84.7%	1029	3,320	15.3%	1088
1990	20,321	1049	17,077	84.0%	1040	3,244	16.0%	1096
1991	20,344	1052	16,964	83.4%	1044	3,380	16.6%	1094
1992	21,128	1059	17,302	81.9%	1051	3,826	18.1%	1094
1993	21,145	1067	17,461	82.6%	1058	3,684	17.4%	1109
1994	21,181	1074	17,598	83.1%	1064	3,583	16.9%	1122
1995	21,794	1068	18,389	84.4%	1060	3,405	15.6%	1114
1996	22,313	1061	18,939	84.9%	1053	3,374	15.1%	1107
1997	23,012	1060	19,491	84.7%	1053	3,521	15.3%	1100

UNC-GA Planning/Admiss.AT001/11-14-97

*Averages are based only on freshmen with SAT scores. Three percent of the total first-time freshmen in Fall 1997 did not have SAT scores.

**Excludes four-year diploma students at NCSA and Agricultural Institute students at NCSU.

Out-of-State Headcount Enrollment in the Uni[illegible]ty of North Carolina, Fall 1985 - Fall 1997

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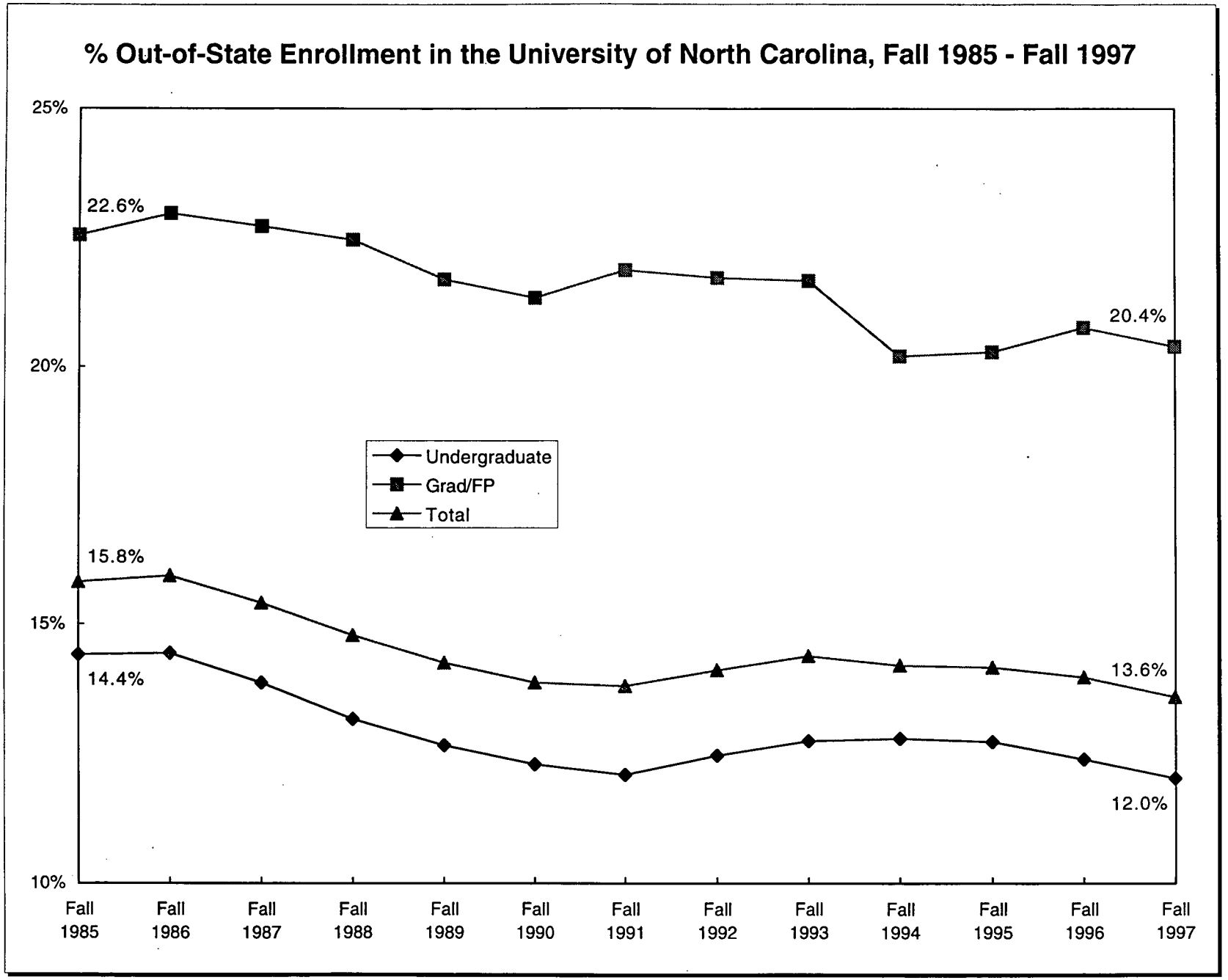
	Fall 1985		Fall 1986		Fall 1987		Fall 1988		Fall 1989		Fall 1990		Fall 1991		Fall 1992		Fall 1993		Fall 1994		Fall 1995		Fall 1996		Fall 1997	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
ASU																										
Undergrad	884	9.8%	947	9.8%	980	9.7%	954	9.3%	1,033	9.7%	1,010	9.5%	975	9.2%	1,101	10.3%	1,146	10.7%	1,207	11.2%	1,274	11.6%	1,236	11.4%	1,316	11.8%
Grad/FP	53	7.0%	61	7.9%	69	7.5%	72	7.8%	87	10.3%	82	9.7%	83	10.1%	106	11.5%	103	10.9%	108	10.2%	120	11.6%	123	11.9%	120	12.7%
Total	937	9.6%	1,008	9.7%	1,049	9.5%	1,026	9.2%	1,120	9.7%	1,092	9.5%	1,058	9.3%	1,207	10.4%	1,249	10.7%	1,315	11.1%	1,394	11.6%	1,359	11.4%	1,436	11.9%
ECU																										
Undergrad	2,373	20.1%	2,316	19.2%	2,229	18.0%	2,214	17.1%	2,031	15.3%	2,042	14.8%	2,021	14.6%	2,357	15.9%	2,283	15.5%	2,174	15.0%	2,161	15.1%	2,054	14.3%	2,070	14.1%
Grad/FP	133	5.8%	145	6.0%	164	6.6%	148	5.7%	166	6.1%	165	6.1%	202	7.2%	200	6.9%	242	8.2%	243	7.9%	276	8.9%	258	8.3%	243	7.7%
Total	2,506	17.8%	2,461	17.0%	2,393	16.1%	2,362	15.2%	2,197	13.7%	2,207	13.4%	2,223	13.3%	2,557	14.4%	2,525	14.2%	2,417	13.8%	2,437	14.0%	2,312	13.2%	2,313	13.0%
ECSU																										
Undergrad	375	24.5%	368	22.8%	304	19.2%	237	14.4%	219	12.9%	205	11.7%	210	11.8%	243	12.0%	238	11.2%	231	11.0%	221	11.2%	204	10.6%	193	10.1%
FSU																										
Undergrad	346	13.5%	317	12.8%	240	10.6%	189	8.2%	186	7.5%	188	7.1%	249	8.4%	225	7.2%	234	7.2%	274	8.4%	275	8.6%	304	9.5%	249	7.9%
Grad/FP	3	0.8%	4	0.9%	1	0.3%	3	0.7%	3	0.5%	14	2.0%	32	4.2%	35	4.5%	22	2.8%	29	3.4%	35	4.4%	31	4.1%	25	3.3%
Total	349	11.8%	321	11.0%	241	9.1%	192	7.0%	189	6.2%	202	6.1%	281	7.5%	260	6.7%	256	6.3%	303	7.4%	310	7.7%	335	8.5%	274	7.0%
NCA&T																										
Undergrad	1,369	27.6%	1,385	26.9%	1,313	24.9%	1,214	22.5%	1,204	21.2%	1,078	18.9%	1,051	16.6%	1,109	16.6%	1,166	16.6%	1,171	16.6%	1,166	17.0%	1,084	16.4%	989	15.2%
Grad/FP	125	17.6%	111	15.4%	114	15.8%	127	16.6%	124	14.6%	110	13.8%	115	14.8%	140	15.8%	158	16.8%	172	17.3%	177	17.8%	160	17.1%	158	16.2%
Total	1,494	26.4%	1,496	25.5%	1,427	23.8%	1,341	21.8%	1,328	20.3%	1,188	18.2%	1,166	16.4%	1,249	16.5%	1,324	16.6%	1,343	16.7%	1,343	17.1%	1,244	16.5%	1,147	15.4%
NCCU																										
Undergrad	580	15.6%	568	14.5%	654	16.3%	668	17.1%	722	17.7%	662	15.8%	589	14.6%	601	13.9%	654	15.1%	594	14.0%	534	13.2%	507	13.0%	522	12.7%
Grad/FP	86	8.7%	86	8.1%	85	7.8%	78	6.1%	85	6.7%	98	7.5%	110	8.2%	115	8.7%	121	9.2%	125	8.8%	128	8.9%	115	7.7%	111	7.2%
Total	666	14.2%	654	13.1%	739	14.5%	746	14.4%	807	15.1%	760	13.9%	699	13.0%	716	12.6%	775	13.8%	719	12.7%	662	12.1%	622	11.5%	633	11.2%
NCSA																										
Undergrad	269	57.2%	274	61.0%	237	50.2%	236	47.0%	231	48.1%	232	51.7%	246	52.8%	236	52.0%	265	48.3%	283	48.4%	299	47.8%	333	49.6%	344	48.8%
Grad/FP	19	100.0%	17	89.5%	12	85.7%	9	69.2%	13	48.1%	18	48.6%	15	35.7%	26	46.4%	23	37.7%	31	52.5%	26	49.1%	26	43.3%	34	51.5%
Total	288	58.9%	291	62.2%	249	51.2%	245	47.6%	244	48.1%	250	51.4%	261	51.4%	262	51.4%	288	47.2%	314	48.8%	325	47.9%	359	49.0%	378	49.0%
NCSU																										
Undergrad	2,593	12.7%	2,760	13.3%	2,533	12.5%	2,588	11.9%	2,522	11.4%	2,423	10.7%	2,426	10.6%	2,411	10.7%	2,285	10.7%	2,292	10.7%	2,228	10.4%	2,057	9.7%	1,975	9.2%
Grad/FP	1,226	34.0%	1,396	36.3%	1,363	36.0%	1,418	36.7%	1,464	35.8%	1,390	33.6%	1,440	32.8%	1,478	31.6%	1,525	26.5%	1,448	23.3%	1,359	21.9%	1,356	22.5%	1,367	22.7%
Total	3,819	15.9%	4,156	16.9%	3,896	16.2%	4,006	15.7%	3,986	15.2%	3,813	14.3%	3,866	14.2%	3,889	14.3%	3,810	14.0%	3,740	13.6%	3,587	13.0%	3,413	12.6%	3,342	12.1%
UNC-A																										
Undergrad	167	6.2%	192	6.6%	222	7.3%	222	7.1%	223	7.0%	242	7.5%	244	7.7%	260	8.1%	298	9.7%	306	9.8%	354	11.1%	334	11.0%	344	11.0%
Grad/FP	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%	1	2.0%	1	2.7%	1	2.2%	1	1.8%	1	2.4%
Total	167	6.2%	192	6.6%	222	7.3%	222	7.1%	223	6.8%	242	7.4%	244	7.6%	260	8.0%	299	9.6%	307	9.7%	355	11.0%	335	10.8%	345	10.9%
UNC-CH																										
Undergrad	2,255	15.1%	2,377	15.5%	2,385	15.6%	2,528	16.1%	2,422	15.7%	2,494	15.9%	2,513	16.3%	2,528	16.6%	2,789	17.8%	2,877	18.2%	2,856	18.2%	2,779	18.2%	2,712	17.7%
Grad/FP	2,778	40.1%	2,962	40.5%	2,964	39.4%	3,002	38.6%	2,914	36.7%	2,901	36.1%	2,931	36.0%	2,885	34.5%	2,947	35.8%	2,871	34.0%	2,945	34.8%	3,016	36.0%	2,989	35.8%
Total	5,033	23.0%	5,339	23.6%	5,349	23.5%	5,530	23.5%	5,336	22.8%	5,395	22.8%	5,444	23.1%	5,413	22.9%	5,736	24.0%	5,748	23.7%	5,801	24.0%	5,795	24.5%	5,701	24.1%
UNC-C																										
Undergrad	1,147	12.3%	1,197	12.1%	1,162	11.3%	1,205	10.9%	1,184	10.6%	1,272	10.4%	1,307	10.2%	1,462	11.2%	1,533	11.6%	1,530	11.8%	1,602	12.1%	1,602	12.2%	1,647	12.0%
Grad/FP	79	5.3%	102	5.6%	129	7.3%	138	7.1%	147	7.1%	179	8.4%	253	11.2%	311	13.7%	358	14.7%	340	13.4%	373	13.9%	383	14.5%	336	12.8%
Total	1,226	11.3%	1,299	11.1%	1,291	10.7%	1,343	10.4%	1,331	10.1%	1,451	10.1%	1,560	10.4%	1,773	11.5%	1,891	12.1%	1,870	12.1%	1,975	12.4%	1,985	12.6%	1,983	12.1%
UNC-G																										
Undergrad	1,048	14.2%	1,163	15.2%	1,111	13.9%	1,134	13.4%	1,169	13.1%	1,201	13.1%	1,113	12.5%	1,186	12.7%	1,166	12.4%	1,116	12.0%	1,134	11.4%	1,010	10.4%	941	9.7%
Grad/FP	312	11.3%	304	11.1%	270	9.9%	303	11.1%	296	11.2%	305	11.3%	350	12.8%	386	13.6%	373	13.6%	382	13.5%	345	12.7%	343	13.0%	313	12.2%
Total	1,360	13.4%	1,467	14.1%	1,381	12.9%	1,437	12.9%	1,465	12.6%	1,506	12.7%	1,463	12.6%	1,572	12.9%	1,539	12.7%	1,498	12.4%	1,479	11.7%	1,353	11.0%	1,254	10.2%
UNC-P																										
Undergrad	81	4.1%	92	4.4%	97	4.3%	80	3.2%	102	3.8%	96	3.5%	93	3.5%	86	3.2%	79	2.9%	78	2.9%	62	2.3%	65	2.4%	69	2.6%
Grad/FP	0	0.0%	1	0.3%	4	1.0%	0	0.0%	1	0.3%	4	1.0%	5	1.6%	6	1.8%	2	0.6%	2	0.6%	1	0.3%	1	0.3%	3	0.9%
Total	81	3.5%	93	3.7%	101	3.8%	80	2.8%	103	3.3%	100	3.2%	98	3.3%	92	3.0%	81	2.7%	80	2.7%	63	2.1%	66	2.2%	72	2.4%
UNC-W																										
Undergrad	456	8.3%	497	8.8%	695	11.2%	570	9.1%	646	9.7%	698	10.5%	864	11.2%	939	12.5%	1,049	13.5%	1,138	14.3%	1,082	13.3%	1,157	13.5%	1,129	13.1%
Grad/FP	15	5.7%	22	8.3%	22	7.7%	26	9.8%	35	9.9%	35	10.4%	33	8.6%	34	8.3%	41	10.9%	57	12.5%	61	12.3%	76	15.4%	76	13.7%
Total	471	8.2%	519	8.7%	717	11.0%	596	9.1%	681	9.7%	733	10.5%	897	11.1%	973	12.3%	1,090	13.4%	1,195	14.2%	1,143	13.3%	1,233	13.6%	1,205	13.1%
WCU																										
Undergrad	734	15.2%	728	15.2%	703	14.5%	635	12.7%	596	11.7%	574	10.9%	564	10.4%	495	8.8%	447	8.1%	437	7.6%	414	7.3%	410	7.2%	416	7.5%
Grad/FP	62	5.5%	61	5.4%	66	6.2%	63	5.9%	58	5.6%	61	6.3%	71	7.6%	98	10.5%	108	12.7%	83	9.8%	86	9.9%	89	10.6%	117	12.3%
Total	796	13.4%	789	13.3%	769	13.0%	698	11.5%	654	10.7%	635	10.2%	635	10.0%	593	9.0%	555	8.7%	520	7.9%	500	7.6%	499	7.7%	533	8.2%
WSSU																										
Undergrad	247	10.2%	250	9.7%	202	7.9%	219	8.6%	218	8.5%	214	8.5%	215	8.3%	206	7.8%	206	7.3%	187	6.6%	184	6.6%	165	5.9%	162	5.7%
UNC Total																										
Undergrad	14,924	14.4%	15,431	14.4%	15,067	13.9%	14,893	13.2%	14,708	12.6%	14,631	12.3%	14,680	12.1%	15,445	12.5%	15,838	12.7%	15,895	12.8%	15,846	12.7%	15,301	12.4%	15,078	12.0%
Grad/FP	4,891	22.6%	5,272	23.0%	5,263	22.7%	5,387	22.5%	5,393	21.7%	5,362	21.3%	5,640	21.9%	5,820	21.7%	6,024	21.7%	5,892	20.2%	5,933	20.3%	5,978	20.8%	5,893	20.4%
Total	19,815	15.8%	20,703	15.9%	20,330	15.4%	20,280	14.8%	20,101	14.2%	19,993	13.9%	20,320	13.8%	21,265	14.1%	21,862	14.4%	21,787	14.2%	21,779	14.2%	21,279	14.0%	20,971	13.6%

UNC-GA Planning/Enr.AT034A/11-14-97

Attachment 4



UNC-GA Planning/Enr.AT034B/11-14-97

UNIVERSITY OPERATIONS (Continued)

SCHEDULE OF PRIORITIES

Line	Budget Request for General Fund Appropriations for Current Operations	1997-98	1998-99
1.	Enrollment Changes	$ (1,895,403)	$ 3,744,391
2.	Funding Equity	21,000,000	21,000,000
3.	Information Technology – Computing and Telecommunications	19,311,078	19,583,866
4.	Libraries	12,803,652	11,782,276
5.	Rewarding Teaching Excellence	6,322,760	12,781,584
6.	University Outreach to the Public Schools	5,466,101	5,978,301
7.	New Degree Programs	3,000,000	3,000,000
8.	Graduate Education and Research	9,103,699	9,103,699
9.	Area Health Education Centers	4,000,000	4,000,000
10.	Administrative Support for New Processes	906,795	915,466
11.	Remove 2% Reversion Requirement	no appropriation	no appropriation
12.	Distinguished Professors Endowment Trust Fund – State Matching Funds	2,000,000	2,000,000
13.	Interinstitutional Programs	1,981,875	2,100,201
	TOTAL	**84,000,557**	**95,989,784**

Parentheses denote a reduction.

Line	Budget Request for General Fund Appropriations for Capital Improvements	1997-99
1.	Repairs and Renovations	$ 130,000,000
2.	Fire Safety Improvements, Student Residence Halls	69,734,400
3.	1997 University-wide Facilities Plan	642,894,800
	TOTAL	**842,629,200**

ATTACHMENT 10

The University of North Carolina
Schedule of Priorities Requests -Current Operations and Governor's Recommendations
1998-99

Line	Schedule of Priorities Budget Request for Current Operations	1997 Regular Session Appropriations	1998-99 Supplemental Request	1998-99 Governor's Recommendation Recurring	1998-99 Governor's Recommendation Nonrecurring
1.	Enrollment Changes:				
	Regular Term	$ 3,744,391	$ 13,730,338	$ 13,730,338	0
	Distance Learning/Extension Degree Credit	0	18,046,943	0	0
	Total - Enrollment Changes	3,744,391	31,777,281	13,730,338	0
2.	Funding Equity	21,000,000	0	0	0
3.	Information Technology - Computing and Telecommunications		19,583,866	0	18,025,000
	Year 2000 Computer Compliance (non-recurring)	0	6,011,056	0	3
4.	Libraries	2,000,000	9,782,276	0	0
5.	Rewarding Teaching Excellence	0	6,695,697	0	13,391,394
6.	University Outreach to the Public Schools	1,185,000	5,032,371	580,000	1,775,000
7.	New Degree Programs	2,325,000	800,000	0	0
8.	Graduate Education and Research	7,700,659	1,876,326	0	0
9.	Area Health Education Centers	2,750,000	1,250,000	0	0
10.	Administrative Support for New Processes	481,521	433,945	0	0
11.	Remove 2% Reversion Rate Requirement	1% approved	1% requested	1% recommended 4	0
	Distinguished Professors Endowment Trust Fund: State				
12.	Matching Funds	1,000,000	5,600,000	0	5,600,000
13.	Interinstitutional Programs	794,000	5,960,517	0	900,000

TOTAL	**42,980,571**	**94,803,335**	**14,310,338**	**39,691,394**
Less: Tuition Increase[1]	**(12,067,925)**	**(94,116)**	**0**	**0**
Net Appropriation	**30,912,646**	**94,709,219**	**14,310,338**	**39,691,394**

[1] *By actions of 1997 Regular Session tuition rate increases:*
1997-98 – residents, 3%; nonresidents at NCSU and UNC-CH, 5% and NCSA, 3%; 1998-99 – both residents and nonresidents, 2%

By a special provision enacted by the 1997 Regular session, each special responsibility constituent institution is authorized to use 1% of its required reversion for nonrecurring costs of technology, including infrastructure for academic facilities on the campus; for implementation of the campus technology plan as approved by the Board of Governors; or for libraries.

[3] *Statewide reserve includes $5.4 million for UNC for Year 2000 computer compliance.*

[4] *Removal of the remaining 1% Required Reversion is recommended effective with the 1998-99 fiscal year. For 1999-2000 and thereafter a special provision is recommended whereby the 1% required reversion shall be used to fund the Excellence in Teaching Awards at the campus level.*

Other Programs	**1997 Regular Session Appropriations**	**1998-99 Supplemental Request**	**1998-99 Governor's Recommendation**	
			Recurring	**Nonrecurring**
NC Global Schools Partnership				90,000
Center for Global Business Education and Research				60,000
Special Olympics Related Expenses (NCSU & UNC-CH)				392,000
Leadership North Carolina				75,000
Total - Other Programs	**0**	**0**	**0**	**617,000**

	1997 Regular Session Appropriations	1998-99 Supplemental Request	1998-99 Governor's Recommendation	
			Recurring	Nonrecurring
Agricultural Programs				
Program Enhancement:				
Academic Enhancement Salary Increases		1,396,692		
Non-personnel Support		831,120		
Agricultural Production and Life Sciences Industries		1,400,000		
Natural Resources and the Environment	500,000	900,000		
Communities and Rural Development		600,000		
Pfiesteria Research		500,000	606,000	1,586,000
Water Quality Research- Neuse & Cape Fear River Basins		400,000		
Agricultural Research		(500,000)		
Total - Agricultural Programs	**500,000**	**5,527,812**	**606,000**	**1,586,000**

North Carolina School of Science and Mathematics	1997 Regular Session Appropriations	1998-99 Supplemental Request	1998-99 Governor's Recommendation	
			Recurring	Nonrecurring
Residential Program Enhancements		$ 285,455	$ 300,000	
Student Leadership Development Program with Israel		111,059		
Coordinated Growth of Outreach, Residential, & Support Services		655,020		
Salary Plan		38,952		
Total - N.C. School of Science and Mathematics	**0**	**1,090,486**	**300,000**	

Related Educational Programs

Aid to N.C. Students Attending N.C. Independent Colleges and Universities (overall increase of $300 per student from $2,200 to $2,500)			7,248,986	
Total Expansion Budget–Current Operations Appropriations	**$ 31,412,646.00**	**$ 101,327,517.00**	**$ 22,465,324**	**$ 41,894,394**

	1997 Regular Session Appropriations	1998-99 Supplemental Request	1998-99 Governor's Recommendation	
Salary Increases			**Recurring**	**Nonrecurring**
EPA Academic Salary Increases				
Request - 6% -University-wide		$ 54,496,078		
Recommendation - 4%			37,004,302	
Plus 2% non-recurring funds for rewarding teaching excellence included in Schedule of Priorities, Line 5 above				13,391,394
SPA Employees' Recommendation - 4% (salary increases for SPA employees are not included in the Board's Budget Request)			16,491,000	
1% bonus for non-teaching EPA and SPA employees				6,409,874
Subtotal-Salaries	**$ -**	**$ 54,496,078**	**$ 53,495,302**	**$ 19,801,268**
Total Governor's Recommendations			**91,176,964**	**103,590,056**

Includes 6.5% for teacher schedule at NCSSM and an adjustment comparable to the local supplement paid public school teachers in Durham County.

[2] *Non-add figure*

UNIVERSITY OPERATIONS (Continued)

Legislative approval is requested to Remove the 2% Required Reversion on Line 11 of the Schedule. Action taken in the 1995 Regular Session reduced the required reversion rate for Special Responsibility Constituent Institutions to a uniform 2% rate. Elimination of the remaining required reversion would increase spending availability by approximately $25 million annually without increases in appropriated dollars. However, at the end of the fiscal year, reversions to the General Fund would be reduced by the same amount. (Document reference pp. 162 - 165)

Additional State Matching Funds for the Distinguished Professors Endowment Trust Fund are requested on Line 12 ($2 million each year). Under this program instituted in 1985 by special legislation, every $2 in private funds raised by the constituent institutions are matched with $1 of state funds to establish endowments of $500 thousand and $1 million in order to provide funds to attract distinguished professors to the faculties. (Document reference pp. 166 - 167)

Funding for special Interinstitutional Programs involving two or more constituent institutions or educational sectors is requested on Line 13 ($2 million in 1997-98 and $2.1 million in 1998-99). These inter-institutional programs are diverse and include the Water Resources Research Institute, the Sea Grant Program, the North Carolina Health Careers Access Program, the North Carolina Center for Nursing, the University Council on International Programs, the Summer Institute of the North Carolina School of the Arts on Roanoke Island, and the North Carolina Scholastic Media Association Program. This request also seeks funds for the North Carolina Arboretum, the UNC Press, the State Education Assistance Authority, and for additional support of the Board's doctoral study assignment program. (Document reference pp. 168 - 174)

The second part of the **Schedule of Priorities** presents the capital improvements requests of the Board of Governors for the 16 constituent institutions of the University and the UNC Center for Public Television and Agricultural Programs. The request for the biennium is $842.6 million.

Line 1, Repairs and Renovations, identifies the high priority needs for general repairs and renovations; utilities repairs and improvements; roads, walks, and drives; occupational safety and health act projects; automated energy management systems; and projects to meet requirements of the Americans with Disabilities Act. The Line presents institutional five-year plans for repairs

UNIVERSITY OPERATIONS (Continued)

and renovations that total $329,427,900 and requests $130 million for repair and renovation projects for the biennium. (Document reference pp. 176 – 195)

Line 2, Fire Safety Improvements, Student Residence Halls, presents a request, based on a comprehensive survey at each constituent institution, for the installation of centrally monitored smoke detection and alarm systems and sprinkler systems in all student residence facilities that are not so equipped. In 1996, the General Assembly directed the Board of Governors to survey student residence facilities and to include a request for unfunded fire safety needs within the *1997-99 Budget Request.* In accordance with House Bill 53, Sec. 16.4(c), this Line seeks $69.7 million to address fire safety needs in all student residence facilities. (Document reference pp. 196 – 204)

Line 3, 1997 University-Wide Facilities Plan, is a comprehensive, $642.9 million plan for new buildings, major renovations and extensive remodeling of existing buildings, technology infrastructure, and land acquisition. For the first time, the projects within the Plan are categorized, and the categories are prioritized to provide explicit information on the priorities of the Board of Governors. The highest priority category of the Board is that which provides for new facilities or major renovations to existing facilities to meet the needs of students currently enrolled in the University. The second highest priority category addresses facilities which would accommodate enrollment growth. The remaining five categories request funds for technology infrastructure, projects for facilities to improve program quality, projects for facilities to serve special purposes, projects for support facilities, and land acquisition. (Document reference pp. 205 – 255)

While the projects represent current needs, it is recognized that it is not likely that all of this Plan can be funded in a single Session of the General Assembly. The Board therefore commends the approach that was followed in response to the presentation of similar University-wide Facilities Plans in previous biennia. In those instances, successive Sessions funded some projects for construction, others for partial or phased construction and others for advanced planning. This permitted a methodical program for completion of all projects, with the responsibility for the timing and sequence appropriately shared by the Board, the Governor and the Advisory Budget Commission, and the General Assembly. A complete list of the projects in the 1997 University-wide Facilities Plan is shown below:

UNIVERSITY OPERATIONS (Continued)

Category: Current Capacity

Appalachian State University	
Renovation of Rankin Science Building	$ 6,666,000
Addition and Renovation to Belk Library	10,629,400
East Carolina University	
Science Laboratories and Technology Building	47,997,600
Health Sciences Library Expansion	6,106,600
Elizabeth City State University	
G. R. Little Library Addition and Renovation	10,723,600
Addition to the Academic Computer Center	3,557,600
Fayetteville State University	
Fine Arts and General Classroom Facility	15,524,400
North Carolina Central University	
Lee Biology Building Renovation	1,359,200
Repairs to Five Academic Buildings	10,515,000
Robinson Science Building	946,000
North Carolina School of the Arts	
Basic Education Complex	6,133,400
Filmmaking Office/Classroom Post Production Complex	2,000,000
North Carolina State University	
Nelson Hall Renovation - Phase II	6,914,900
Toxicology Building	14,566,700
College of Veterinary Medicine, Main Building Addition	24,262,000
David-Clark Laboratory Renovation and Addition	9,990,800

UNIVERSITY OPERATIONS (Continued)

Category: Current Capacity (Continued)

The University of North Carolina at Asheville	
Asheville Graduate Center - Phase II	$ 792,700
Highsmith Center Renovation and Addition	8,782,000
The University of North Carolina at Chapel Hill, Academic Affairs	
R. B. House Library	6,629,400
Student Services Building	18,857,500
The University of North Carolina at Chapel Hill, Health Affairs	
Addition to Beard Hall - School of Pharmacy	8,824,600
Medical Biomolecular Research Building	29,493,800
The University of North Carolina at Charlotte	
Academic Facilities - Humanities	20,597,300
Academic Facilities - Sciences	32,371,700
The University of North Carolina at Greensboro	
North Campus Infrastructure Development	5,681,600
The University of North Carolina at Wilmington	
General Classroom Building	8,465,500
School of Education Building	16,656,100
Fine Arts Building	14,041,400
Western Carolina University	
Fine and Performing Arts Center	25,422,100
Renovate Camp Lab School - Phase II	2,226,600
Winston-Salem State University	
Addition and Renovation to the F. L. Atkins Building	5,198,500
Computer Science Facility	6,316,000

UNIVERSITY OPERATIONS (Continued)

Category: Future Capacity

Appalachian State University	
Science/Mathematics Complex, Phase II	$27,495,500
East Carolina University	
Third Floor Addition to the Home Economics/Nursing Building	6,700,700

Category: Technology

Infrastructure for all Sixteen Institutions	32,340,600

Category: Program Quality

North Carolina A & T State University	
General Classroom and Laboratory Building Complex #1	31,526,200
North Carolina Central University	
B. N. Duke Auditorium, Renovations and Addition	2,962,500
North Carolina State University	
Undergraduate Science Teaching Laboratories - Phase I	21,228,900
Riddick, Mann, Daniels, and Burlington Hall Renovations	8,644,100
The University of North Carolina at Chapel Hill	
Hill Hall Music Library	7,170,900
The University of North Carolina at Greensboro	
Science Instructional Building	37,099,400
The University of North Carolina at Pembroke	
Regional Center for Economic, Professional, and Community Development	6,157,600

UNIVERSITY OPERATIONS (Continued)

Category: Special Purpose

North Carolina State University	
Research and Teaching Feed Mill	$ 2,604,400
The University of North Carolina at Asheville	
Conference Center (partial)	3,000,000
The North Carolina Arboretum	10,681,000
The University of North Carolina at Chapel Hill	
Addition and Renovation of the Knapp Building - Institute of Government	16,102,700
The University of North Carolina - Center for Public Television	
Replacement and Upgrade of WUND-TV, Channel 2, Columbia Transmitter, Tower and Ancillary Equipment	7,144,500
Replacement and Upgrade of WUNK-TV, Channel 25, Greenville Transmitter and Ancillary Equipment	2,372,000
Mobile Satellite Uplink	743,700
Replace and Upgrade Studio Production Equipment	3,747,200

Category: Support Facilities

North Carolina Central University	
New Admissions Building	5,943,400
The University of North Carolina at Pembroke	
New Residence Hall	5,979,500

Category: Land Acquisition 15,000,000

CAPITAL IMPROVEMENTS REQUESTS

Line	Schedule of Priorities Request for General Fund Appropriations for Capital Improvements	1997-99
1.	Repairs and Renovations	$ 130,000,000
2.	Fire Safety Improvements, Student Residence Halls	69,734,400
3.	1997 University-Wide Facilities Plan	642,894,800
	Total	**842,629,200**

Schedule of Priorities – Capital Improvements

Line 1: Repairs and Renovations – $130,000,000

In 1993, the General Assembly established a state-wide Reserve for Repairs and Renovations to address the deferred maintenance needs of General Fund supported facilities. General Statute 143-15.3A(a) states that "the State Controller shall reserve to the Repairs and Renovations Reserve Account three percent (3%) of the replacement value of all State buildings supported from the General Fund, at the end of each fiscal year." For the 1995-97 biennium, 46 percent of the amount reserved by the State Controller was allocated to the Board of Governors of the University of North Carolina – totals of $57.5 million for 1995-96 and $59.8 million for 1996-97. The repair and renovation funds were then allocated by the Board of Governors to the sixteen constituent institutions in accordance with the Board's Funding Allocation Model developed specifically for this purpose. Other organizations for which the Board has responsibility, e.g., the University of North Carolina Center for Public Television and the North Carolina School of Science and Mathematics, were allocated funds for high priority projects prior to applying the Board's formula to determine institutional allocations.

The Reserve for Repairs and Renovations has provided the University with the ability to begin to address the significant deferred maintenance needs of the institutions. The Board of Governors wishes to express its gratitude to the General Assembly for recognizing that significant expenditures must be made to repair and replace roofs, address fire safety needs, improve classroom facilities, address

Repairs and Renovations (Continued)

deteriorating infrastructure, meet federal and State standards and meet the requirements of the Americans with Disabilities Act. Consistent with the requirement of the statutes, none of the repair and renovation funding has been used to increase the footprint of any facility; rather, each dollar has been spent to protect and improve upon the significant investment that the State has made in the facilities that support the University of North Carolina.

The statutes governing the Reserve for Repairs and Renovations define categories of projects that may be funded from the Reserve. Each project that the University has funded, and each that is now requested, fits within one of the categories listed below.

1. Roof repairs and replacements
2. Structural repairs
3. Repairs and renovations to meet federal and state standards
4. Repairs to electrical, plumbing, and heating, ventilating, and air-conditioning systems
5. Improvements to meet the requirements of the Americans with Disabilities Act, 42 U.S.C. § 12101 et seq., as amended
6. Improvements to meet fire safety needs
7. Improvements to existing facilities for energy efficiency
8. Improvements to remove asbestos, lead paint, and other contaminants, including the removal and replacement of underground storage tanks
9. Improvements and renovations to improve use of existing space
10. Historical restoration
11. Improvements to roads, walks, drives, and utilities infrastructure
12. Drainage and landscape improvements

Repairs and Renovations (Continued)

The list that follows, which totals $329,427,900, represents the portion of system-wide repair and renovation needs that institutions propose to fund from the Reserve for Repairs and Renovations over the next five years. The specific projects will be revised as buildings and infrastructure deteriorate and lower priority projects move to the top of the list. The amount requested, $130,000,000, represents anticipated funding for the biennium assuming that the current level of funding prescribed by the statutes continues. The requested amount further assumes that the University's allocation from the state-wide Reserve will increase from 46 percent to 50 percent. Any additional funds provided to the University would allow for the acceleration of institutional repair and renovation plans.

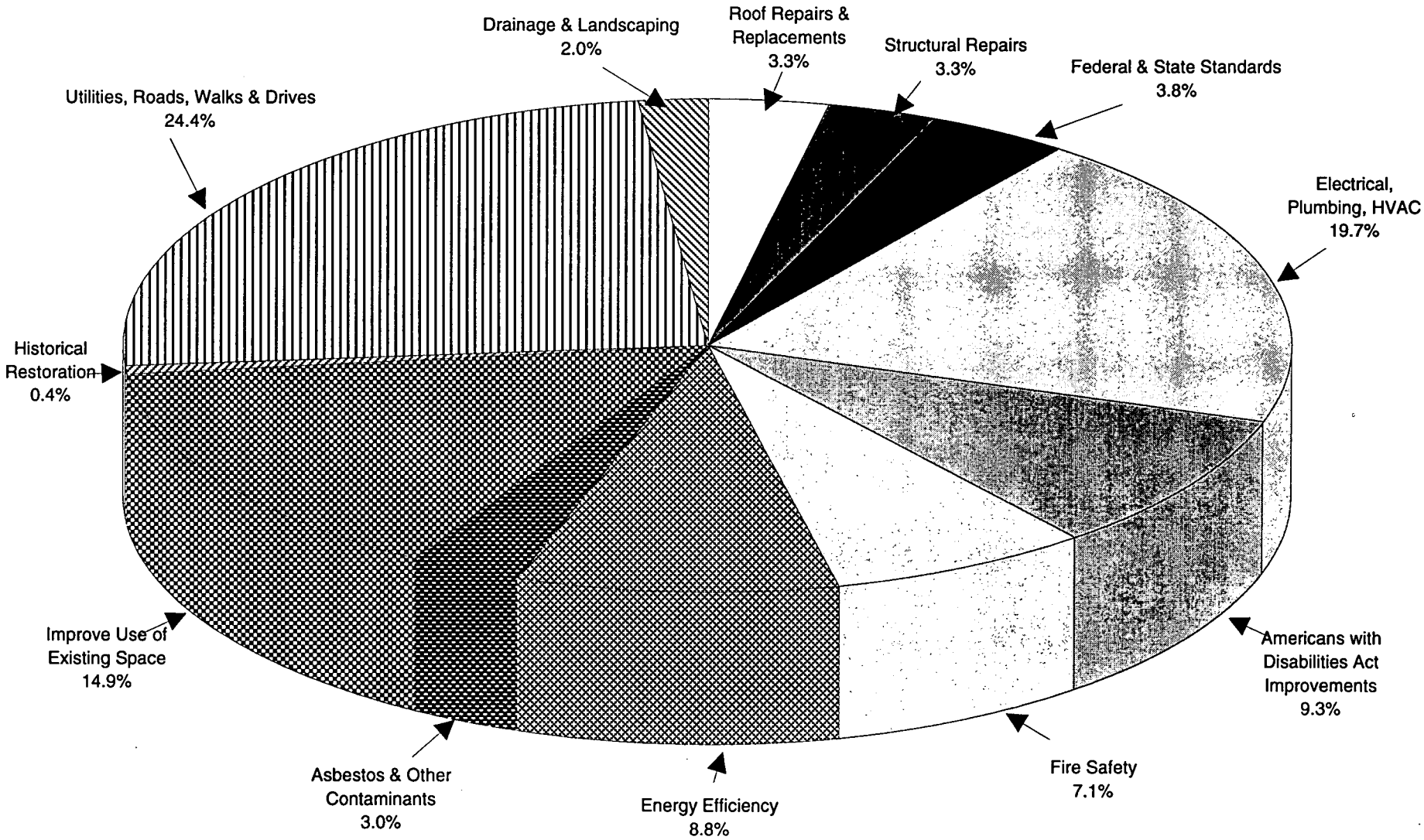
As illustrated in the chart on the following page, all of the projects identified in the five-year institutional plans fit within the statutory categories. The category in need of the largest amount of funding is the one that includes utilities infrastructure. For example, 50 percent of the request for the University of North Carolina at Greensboro, an older campus with significant infrastructural problems, fits within this category. The second greatest category of need is the one that addresses problems with electrical, plumbing, heating, ventilating, and air conditioning systems. Twenty percent of all projects fall within this category. Next, the category for improving the usage of existing space represents 15 percent of the request as institutions strive to meet current standards for classroom and

Repairs and Renovations (Continued)

laboratory facilities. The remaining 40 percent of the request covers the remaining nine statutorily defined categories.

It is significant to note that 51 percent of the projects identified, or a total of $168 million, directly address deficiencies documented by the Facilities Condition Assessment Program conducted by the Office of State Construction.

REPAIRS AND RENOVATIONS REQUESTS BY CATEGORY OF PROJECT



Repairs and Renovations (Continued)

The projects to be addressed by each institution over the next five years are listed below. The estimated amount for several of the projects is more than the amount that an institution could reasonably anticipate to be allocated on an annual basis, and institutional plans thus call for these projects to be phased-in over time. The cost of each project has been estimated by the Office of State Construction, Department of Administration.

Repairs and Renovations (Continued)

APPALACHIAN STATE UNIVERSITY

Roof Repairs and Replacements - Five Academic Buildings	$ 677,500
Window/Door Replacements for Seven Buildings, Waterproofing Eight Bldgs.	1,563,500
Improvements to Roads, Walks, Drives, and Utilities	1,422,200
Improvements to Meet Requirements of Americans with Disabilities Act	2,720,800
Improvements to Meet Fire and Life Safety Needs in Academic Buildings	2,489,900
Removal of Asbestos, Lead Based Paint, and Other Contaminants	1,917,600
Renovations to Improve Use of Existing Space	6,298,000
Repairs to Air Conditioning Systems	714,400
Drainage and Landscape Improvements	723,400
Total - Appalachian State University	**18,527,300**

EAST CAROLINA UNIVERSITY

Renovations to Twelve Academic Buildings	7,327,600
Renovations to Christenbury Gymnasium	5,813,700
Improvements Recommended by Department of Insurance-Academic Bldgs.	4,746,800
Academic Elevators Upgrade	4,207,100
Window Replacements - Seventeen Academic Buildings	3,802,400
Electrical Distribution Upgrade	3,744,900
Upgrade Academic Classrooms and Learning Laboratories	3,636,400
East Campus Irrigation System	2,880,000
Roof Replacements in Academic Facilities	1,831,200
Steam Plant Modifications	1,966,400
Total - East Carolina University	**39,956,500**

Repairs and Renovations (Continued)

ELIZABETH CITY STATE UNIVERSITY

Architectural Barrier Removal Projects - Nine Campus Buildings	$ 172,100
Elevator Installations - Lester and Williams Halls	356,000
Automated Energy Management System	681,400
G. R. Little Library Sprinkler System	515,600
Improvements to Roads and Walks	477,200
Repairs and Renovations to Eleven Campus Buildings	1,149,100
Structural Repairs to Lane Hall	165,900
Improvements to Four Campus Buildings for Energy Efficiency (Lighting)	253,600
Upgrade Campus Utilities	642,100
Roof Replacement to Dixon Hall	192,800
Roof Replacement to Thomas/Jenkins Facilities Management Building	125,500
Resurfacing Six Tennis Courts	76,300
Total - Elizabeth City State University	**4,807,600**

FAYETTEVILLE STATE UNIVERSITY

Renovations to the Cook Building	430,000
Renovations to Seabrook Auditorium	488,500
Renovations to the Taylor Science Building	694,600
Renovations to the Taylor Science Annex	478,900
Renovations to the G. L. Butler Building	417,700
Campus Landscaping West Campus	355,200
Renovations to the Lyons Science Building	733,300
Renovations to the Telecommunications Center	156,000
Renovations to Spaulding Infirmary	186,600
Automated Energy Management System	364,900
Floor Tile Replacement, Vance and Bryant Halls	752,400
Carpet Replacement School of Business and Economics	156,300
Mechanical System Upgrade, Harris Hall	189,500

Repairs and Renovations (Continued)

FAYETTEVILLE STATE UNIVERSITY (Continued)

Campus Landscaping East Campus	$ 355,200
Repairs to Connector, Bryant Hall	100,700
Total - Fayetteville State University	**5,859,800**

NORTH CAROLINA A & T STATE UNIVERSITY

Roof Replacements and Repairs	1,115,300
T. E. Neal Boiler Replacement - Phase II	3,060,800
Barnes Hall Renovations	3,407,500
Benbow Hall Repairs	1,863,400
General Building Repairs - Twelve Academic Buildings	5,089,000
Cherry Hall Renovations	4,141,300
Campus Utilities Improvements	3,387,200
Total - North Carolina A&T State University	**22,064,500**

NORTH CAROLINA CENTRAL UNIVERSITY

Campus Safety Improvements	2,270,900
Repairs to the Underground Steam Distribution Lines	8,889,500
Removal of Underground Storage Tanks	48,900
Emergency Power Generator System	69,400
Chemistry Building Renovations	550,400
Old Health Building Electrical Upgrade	172,800
Safety Improvements to Physical Plant	762,900
Improvements to Turner Law School Book Storage	163,500
Improvements to Administration Offices - College of Arts and Sciences	459,900
Energy Conservation Improvements	1,220,100
Total - North Carolina Central University	**14,608,300**

Repairs and Renovations (Continued)

NORTH CAROLINA SCHOOL OF THE ARTS

Fire Detection and Sprinkler Systems in Academic Buildings	$ 942,400
Roof Repairs and Exterior Waterproofing - Four Buildings	361,100
Replace HVAC System in the Chancellor's Residence	34,500
Replace Flooring and Acoustical Retrofit - Gray Building	54,200
Repairs to Campus Roadways and Parking Lots	173,800
Improvements to Costume Shops - Buildings 14 &15	749,000
Repairs and Renovations to Crawford Hall and Recital Hall	476,100
Renovations to the Stevens Center	1,589,300
Repairs to High Voltage Electrical Service	103,300
HVAC Chiller Replacement in Workplace Building	122,500
Renovations to DeMille Theatre	224,700
Reroofing and Window Replacements in Moore and Sanford Residence Halls	304,900
Masonry Repairs	55,200
Total - North Carolina School of the Arts	**5,191,000**

NORTH CAROLINA STATE UNIVERSITY

Gardner Hall - Replace Drain System - Phase II	616,800
Fire Suppression Upgrade - Phase II (4 Buildings)	456,900
Campus Automated Energy System Installations and Upgrades - Phase I	653,700
Yarbrough Steam Plant Asbestos Abatement/Reinsulation - Phase I	2,075,200
Campus Masonry, Concrete and Waterproofing Repairs (16 Buildings)	804,100
Renovations to Cox Hall	2,935,300
Lake Wheeler Road Poultry Building Repairs - Phase I	177,000
CVM - Secondary Electrical Service Upgrade	572,500
Fire Detection Upgrade - Phase III (21 Buildings)	1,142,300
Campus - EPA "Greenlights" Lighting Upgrade - Phase I	415,100
Rocky Branch Restoration/Erosion Control - Phase III	417,800
Primary High Voltage Electrical Distribution - Phase IV	386,900

Repairs and Renovations (Continued)

NORTH CAROLINA STATE UNIVERSITY (Continued)

Lake Wheeler Road Dairy Building Repairs - Phase I	$ 87,000
Renovations to Academic Classroom Facilities	929,500
Roof Repair - Phase III (6 Buildings)	748,000
Extension of NE Campus Chilled Water Loop - Phase III	1,783,100
Chilled Water Line Replacement - CVM Finger Barns	484,800
Secondary Electrical Renovations - Phase VII (7 Academic Buildings)	1,208,300
College of Veterinary Medicine - Floor Replacement	249,700
Pamlico Aquaculture Building Repairs - Phase I	163,000
Energy Studies - Demand Side Management and System Efficiency	150,000
Replacement of Steam Distribution Expansion Joints	57,400
Fire Detection Upgrade - Phase IV (29 Buildings)	1,631,800
Architectural Barrier Removal Projects Throughout Campus	3,658,800
Riddick Labs HVAC Renovation	3,454,400
Repair and Replacement of Cates Steam Plant Pumps and Compressors	62,400
Horticultural Crops Research Station Repairs - Phase I	107,000
Gardner Hall HVAC Renovations	3,501,500
Upgrades to Fume Hoods - Riddick, Burlington, Withers, and Research I	5,767,200
Primary High Voltage Electrical Distribution - Phase V	386,900
Fire Code Upgrade - Emergency Egress Lighting - Phase I	337,100
Fire Partition Rating Upgrade (11 Buildings)	135,700
CVM - New Fire Main	313,400
Cunningham Research Station Repairs - Phase I	88,000
Renovations to the Minerals Research Laboratory	2,170,300
Centennial Campus Infrastructure Improvements	2,308,500
Install Fume Hood Air Flow Monitors	2,247,000
Install New Area Lighting - Phase I	261,100
OSHA Handrails/Egress Renovations Throughout Campus	744,100
Fire Suppression Upgrade - Phase III (5 Buildings)	832,300
Reedy Creek Road Building Repairs - Phase I	108,000
Condensate and Steam Line Upgrades - Phase I	329,000

Repairs and Renovations (Continued)

NORTH CAROLINA STATE UNIVERSITY (Continued)

Roof Replacement - Phase IV (9 Buildings)	$ 778,200
Cooling Tower Replacements - Kamphoefner, Biltmore, Harris, and Gardner	299,600
Branch Circuit Renovations - Gardner Hall - Phase I	374,500
Bragaw Substation Upgrade	1,685,200
Cates Plant Oil Contamination Remediation	237,200
Renovations to Poe Hall	852,500
Central Crops Research Station Reports	129,000
Miscellaneous Plumbing Repairs - Phase I	381,700
Substation Landscaping Improvements	181,000
Campus-Wide Recycling Stations	287,200
Window Replacement - Mycotoxin, Patterson, and Kilgore	386,300
Lake Wheeler Road Poultry Building Repairs - Phase II	125,000
Kilgore Hall HVAC Renovations	951,700
Cox Hall Air Quality and Performance Upgrade	1,145,600
Gardner South - Air Quality and Performance Upgrade	2,219,900
Harrelson Hall - Air Quality and Performance Upgrade	1,296,100
Street Repairs - Phase I	624,400
Pamlico Aquaculture Building Repairs - Phase II	200,000
Campus Entrance Landscape Improvements	763,000
Sullivan Site Steam Line Installation	2,995,900
Primary High Voltage Electrical Distribution - Phase VI	395,200
Sullivan Site Utility Development - Phase I	382,000
Yarbrough Steam Plant Smoke Stack Repairs	64,900
Lake Wheeler Road Dairy Building Repairs - Phase II	212,000
Winston, Caldwell, and Tompkins Chilled Water Controls	417,600
Installation of Energy Management Control Center	184,200
Broughton Hall HVAC Renovations	1,862,300
Total - North Carolina State University	**64,391,100**

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE

Repair and Renovation of Rhoades Science Tower Laboratory	$ 552,300
HVAC Improvements - Rhoades Science Hall	791,700
Repairs to Lipinsky Hall	513,700
Phillips Hall Window Replacements	188,000
Upgrade Secondary Electrical Distribution System - Two Academic Buildings	376,000
Repairs to Roads, Streets, and Sidewalks	1,018,100
Removal of Underground Storage Tanks	191,500
Upgrade Fire Alarm Systems in Academic Facilities	191,500
HVAC System Improvements - Justice Center	753,400
Phillips Hall Renovations	1,471,100
Asbestos Removal - Campus-wide Mechanical Rooms	127,700
Improvements to Electrical System - Justice Center	178,800
Elevator Installation - Phillips Hall	191,500
Total - UNC-Asheville	**6,545,300**

THE NORTH CAROLINA ARBORETUM

Improvements to the Utility Corridor	288,700
Fire Safety Improvements	546,500
Roof Replacement - Visitor Education Center	333,500
Total - The North Carolina Arboretum	**1,168,700**

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL – ACADEMIC AFFAIRS

Hot Water Heating System Replacement (Phase 1 and 2)	$ 6,087,100
Renovate Carroll Hall for Journalism and Mass Communications	4,370,300
Renovations in Peabody Hall	2,702,800
Infrastructure Improvements, Meadowmont	1,192,400
Install Fire Alarm/Detection Systems in Twenty Buildings	1,343,400
Renovate Murphey Hall	1,727,500
Install Chilled Water A/C in Classroom Buildings (Advance Planning)	600,000
Upgrade Energy Management and Control System	3,381,900
Renovations - Institute of Marine Sciences	1,658,000
Architectural Barrier Removal Projects	5,112,400
Replace/Repair Roofs on Ten Buildings	973,200
Waterproof Foundation of Alumni Building	153,200
Waterproof Foundation of Bynum Hall	127,700
Hill Hall - Refurbish Auditorium and Replace Seating	1,052,800
PlayMakers Theatre - Air Condition and Replace Seating	873,400
Extend Chilled Water System to Davie, Alumni and Morehead	638,400
Install 18-Inch Steam Line, Venable Hall to Dey Hall	296,400
Exhaust Fan Replacement - Venable Hall	420,100
Repairs to Bowman Gray Pool	157,000
Water Line Renovation, Wilson Hall	87,600
Storm Drainage System Repair (Advance Planning)	250,000
Upgrade Electric Service, Hill Hall	150,800
Repairs to Sidewalks	358,300
Repairs to Physical Education Facilities	860,800
Replace Broadcast Antenna System, WUNC	687,600
Roof Repairs and Waterproofing, Smith Center	300,900
Total - UNC-Chapel Hill - Academic Affairs	**35,564,000**

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL – HEALTH AFFAIRS

Replace Boiler #5	$ 3,475,900
Renovation of Medical Science Research Building	5,390,800
Renovations to Old Dental Building	5,458,700
HVAC Renovations, Rosenau Hall	3,735,600
Renovations, Beard Hall First Floor	96,500
Replace Emergency Generator, Molecular Biology/Glaxo Building	193,300
Reconstruct Playground, Frank Porter Graham Center	100,600
Architectural Barrier Removal Projects	3,778,600
Renovate Miller Hall	768,900
Recaulk Exterior, Brinkhous-Bullitt Building	126,500
South Chiller Plant Expansion - Phase II	4,467,500
Improvements to Steam Service for Central Research & Burnett Womack Bldgs.	1,021,500
Replace Generator, Taylor Hall	456,700
Steam Line Improvements, Carolina Inn to Beard Hall	766,100
Replace Roofs - Three Buildings	505,800
Health Sciences Library Renovation (Advance Planning)	200,000
Repairs to Roads and Sidewalks	340,500
Steam Absorption Chiller, Wilson-Coker-Mitchell Plant (Advance Planning)	250,000
Renovate Design and Education Support Center - School of Nursing	158,100
Renovate Orthodontic and Pediatric Clinics, Brauer Hall	1,762,000
Door Security Systems, School of Medicine	334,000
Renovate Basement of Rosenau Hall	419,300
Replace Gilsulate Steam Distribution System (Advance Planning)	500,000
Renovate Dental Faculty Practice Area, Brauer Hall	515,800
Classroom Improvements, School of Medicine	416,200
Renovation of Observation Laboratory, Frank Porter Graham Center	59,100
HVAC Upgrade, First Floor Brauer Hall	976,800
Renovations in Animal Quarters, Burnett-Womack Building	633,400
Renovate Graduate Student Clinic, Brauer Hall	834,100
Construct South Loop Road - Phase I	4,268,800
Total - UNC-Chapel Hill, Health Affairs	**42,011,100**

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE

Academic Facilities Renovations - Phase 2	$ 638,900
Roadway Improvements - Phase 1	2,798,600
Chiller Replacement and Conversion	740,200
Campus Sign System	572,300
Library Renovations - Phase 1	1,185,900
Renovations to the Physical Sciences Building Chemistry Laboratories	235,900
Improvements to Exterior Lighting - Phase 1	154,600
Repairs and Improvements to Campus Roadways	407,200
Classroom Improvements - Phase 1	494,600
Renovations for Multimedia Language Laboratory	334,300
Fire Safety Improvements in Academic Facilities	321,000
High Voltage Switch Replacement	558,100
Architectural Barrier Removal Projects - Phase 1	12,700
Installation of Water System Loop - Phase 2	299,600
Window Replacements - Kennedy Building	230,700
Academic Facilities Renovations - Phase 3	997,500
Energy Monitoring System - Phase 2	262,100
Roadway Improvements - Phase 2	1,766,700
Total - UNC-Charlotte	**12,010,900**

THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

Fire and Life Safety Improvements - Academic Buildings	373,000
High Voltage Electrical Switch Replacements	1,105,600
Roof Replacements and Repairs - Academic Buildings	109,700
Asbestos Removal	208,000
Building Waterproofing	658,300
Underground Fuel Storage Removal - Phase I	304,800
Architectural Barrier Removal Projects - Phase I	233,100

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO (Continued)

Utilities Infrastructure Improvements	$ 4,486,300
New Electrical Substation	1,874,600
Elevator Upgrade - Phase I	261,700
CFC Refrigerant Management and Mechanical Systems Replacement	1,344,300
Campus-wide Utility Repairs, Replacements and Extensions	1,029,500
Central Automated Utilities Control - Phase I	1,841,200
Renovations for Energy Efficiency	1,147,800
HVAC System Controls Replacement - Phase I	546,200
Architectural Barrier Removal Projects - Phase II	466,200
Renovations to Sanitary Sewer System	251,200
Improvements to Roads and Walks - Phase II	228,900
Carpet Replacement - Various Locations	400,500
Mechanical, Electrical, and Plumbing System Improvements	972,600
Repairs and Improvements to Campus Landscaping	326,200
Renovations to Brown and Brown Annex Buildings	1,366,800
Wall Repairs - Eberhart Building	944,000
Total - UNC-Greensboro	**20,480,500**

THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE

Window Replacements in Campus Facilities	769,900
Boiler Replacement - Jacobs Hall	71,300
Improvements for Fire Safety in Academic and Administrative Facilities	320,500
Electrical System Improvements	33,400
New Earth Science Laboratory - Business Administration Building	130,200
Roof Replacement - Upper Levels of Health and Physical Education Building	469,000
Roof Replacement - Central Stores	219,000
Lighting and Sound System Improvements - Performing Arts Center	560,000
Power Winches - Health and P.E. Building	11,900
Automated Energy Management System	343,600
Renovations to Old Main	255,900
Total - UNC-Pembroke	**3,184,700**

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT WILMINGTON

Roof Repairs - Main Campus	$ 414,800
Structural Repairs to Campus Facilities	454,400
HVAC Improvements to Campus Facilities	491,000
Repairs and Improvements to Electrical Distribution System	419,400
Renovations to Academic Facilities	153,500
Water Tower Protective Coating	65,900
Sidewalk Improvements and Bike Paths	239,100
Improvements to Storm Drainage System	410,700
Natural Gas Loop Completion and Cathodic Protection	290,400
Facility Improvements for Energy Efficiency	617,700
Improvements to Primary Electrical Distribution System	1,093,400
Renovation of Hoggard Hall	1,727,200
Renovation of Physical Plant Administration Building	114,700
Emergency Electrical Generators	227,800
Architectural Barrier Removal Projects - Phase I	34,700
HVAC Improvements - Alderman, Hanover, and Westside Halls	1,075,200
Campus Road Improvements - Hooker Road	568,000
Total - UNC-Wilmington	**8,397,900**

WESTERN CAROLINA UNIVERSITY

Roof Replacement and Repairs	442,500
Improvements to Roads, Walks, and Drives	469,800
Minor Building Renovations - Various Locations	227,900
Chiller Replacement/CFC Retrofit - Academic and Support Buildings	1,433,900
Renovations to Clinic Annex	2,709,900
Window Replacement - Belk Building	715,400
Steam Distribution System Renovations	737,500
Installation of Automated Energy Management System	725,200

Repairs and Renovations (Continued)

WESTERN CAROLINA UNIVERSITY (Continued)

Correct Fire Safety Deficiencies - Academic and Administrative Facilities	$ 328,000
Renovations to Bird Building	1,093,100
Steam Plant Improvements	1,033,700
Central Fire Reporting - Phase IV	403,700
OSHA Improvements - Phase II	441,200
Renovations to Breese Gym - Phase II	283,500
Repairs to Exterior Walls	125,400
Upgrade Underground Electrical Distribution System	1,003,700
Architectural Barrier Removal Projects - Phase I	953,600
HVAC Improvements - Old Student Union	178,800
Repairs to Ice Rink - Ramsey Activity Center	523,900
Renovate Lockset Hardware in Eleven Buildings	114,900
Renovate Child Care Area - Camp Building	882,500
Upgrade Overhead Electrical Distribution System	776,700
Renovate Tennis Courts	289,600
Art Department Renovation - Belk Building	284,600
Activate Broadband Cable System	232,800
Fire Safety Renovations - Hunter Library	329,700
Reconstruct Physical Education Track Facility	741,200
Highlands Biological Station - Renovate Clark Foreman Museum Building	187,800
Total - Western Carolina University	**17,670,500**

WINSTON-SALEM STATE UNIVERSITY

Renovations of Anderson Jr. High School - Phase III	1,490,700
Campus Infrastructure Improvements for Roads and Pedestrian Walkways	3,053,900
Building Repairs to Academic Facilities	321,100
HVAC System Repairs - Hill Hall	1,012,300
Total - Winston-Salem State University	**5,878,000**

Repairs and Renovations (Continued)

THE UNIVERSITY OF NORTH CAROLINA CENTER FOR PUBLIC TELEVISION

Electrical System Improvements - Bryan Center	$ 333,600
Emergency Generator Systems at Transmitter Sites	624,300
Improvements to the Emergency Broadcast System	152,300
Total - The University of North Carolina Center for Public Television	**1,110,200**
TOTAL – REPAIRS AND RENOVATIONS	**329,427,900**

Schedule of Priorities – Capital Improvements

Line 2: Fire Safety Improvements, Student Residence Halls – $69,734,400

House Bill 53, Sec. 16.4(a), which was ratified by the General Assembly in 1996, required that the Board of Governors conduct a comprehensive survey of campus residential facilities, including facilities at the North Carolina School of Science and Mathematics, to examine "potential fire hazards at those facilities, and the fire detection and safety equipment currently installed in those facilities." The survey found that $4,721,040 was needed to complete the installation of central smoke detection and alarm systems in all residence halls. This estimate provides for systems that would be interconnected with a central campus alarm system that is continuously monitored at a single location beyond the confines of each residence building. The Board of Governors' survey reported that the installation of sprinkler systems in all residence halls not so equipped would cost $76,514,121. The University's residence halls house approximately 49,000 occupants in 25,371 separate residence rooms.

House Bill 53, Sec. 16.4(b) required that improvements to fire safety systems be addressed by using institutional housing trust funds and other institutional resources as a first source of funding. The legislation further allowed the University to use 1996 repair and renovation funds as a secondary source of funding. In 1996 the Board of Governors authorized fire safety projects in residence halls totaling $9.9 million – $4.1 million to be financed from Institutional Housing

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

Trust Funds and $5.8 million from the 1996 Reserve for Repairs and Renovations. House Bill 53, Sec. 16.4(c) required that all unfunded needs identified by the survey be addressed by the Board of Governors in the 1997-99 Budget Request. This line, coupled with an additional $1.6 million from anticipated institutional housing trust fund reserves, meets that legislative directive and identifies unfunded fire safety projects totaling $69,734,400.

The installation of fire safety and sprinkler systems throughout campus residence halls is anticipated to occur throughout and beyond the 1997-99 biennium. In the majority of residence halls, to avoid disruption of the academic life of residents, fire sprinkler systems would be installed when all occupants have been removed. Removal of residence halls from service during the academic year would result in problems for large numbers of students who would be forced to obtain local private housing. For this reason, much of the program would be accomplished during the summer term, when the demand for housing is lower. A secondary issue for consideration is the market limitation on the contracting capacity of licensed fire sprinkler contractors.

The following program is based on institutional project groupings of residential facilities. All cost estimates have been approved by the Office of State Construction, Department of Administration.

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

APPALACHIAN STATE UNIVERSITY

Sprinkler Systems - East Area Residence Halls (Cannon, Hoey, Doughton, Lovill, White, Coffey, Cone, and East Residence Halls)	$ 1,448,900
This $2,448,900 project would be funded through a combination of Institutional Housing Trust Funds ($1,000,000) and 1997-99 appropriated funds ($1,448,900).	
Sprinkler Systems - West Area Residence Halls (Justice, Gardner, Coltrane, Bowie, Eggers, Winkler, Frank, and Belk Residence Halls)	2,507,900
TOTAL – Appalachian State University	**3,956,800**

EAST CAROLINA UNIVERSITY

Fire Safety Renovations for Greene and Clement Residence Halls	1,347,900
Fire Safety Renovations for Cotten Residence Hall	401,200
Fire Safety Renovations for White Residence Hall	684,700
Fire Safety Renovations for Tyler Residence Hall	783,200
Fire Safety Renovations for Fleming Residence Hall	285,400
Fire Safety Renovations for Fletcher Residence Hall	2,022,300
Fire Safety Renovations for Garrett Residence Hall	451,200
Fire Safety Renovations for Aycock Residence Hall	737,000
Fire Safety Renovations for Jones Residence Hall	840,600
Fire Safety Renovations for Belk Residence Hall	2,219,900
Fire Safety Renovations for Scott Residence Hall	799,100
Fire Safety Renovations for Slay and Umstead Residence Halls	512,100
TOTAL – East Carolina University	**11,084,600**

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

ELIZABETH CITY STATE UNIVERSITY

Sprinkler Systems for Five Residence Halls (Bias, Butler, Cale, Doles, and Mitchell-Lewis Residence Halls)	599,800
Sprinkler Systems (Symera and Wamack Residence Halls)	285,300
TOTAL – Elizabeth City State University	**885,100**

FAYETTEVILLE STATE UNIVERSITY

Sprinkler Installations (Bryant and Harris Residence Halls)	$ 341,500
Sprinkler Installations (New Residence, Smith, Vance, and Williams Residence Halls)	687,000
TOTAL – Fayetteville State University	**1,028,500**

NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY

Residence Halls Fire Safety Systems - Phase III (Barbee, Cooper, Gamble, Haley, Holt, Morrison, Morrow, Scott, and Vanstory Residence Halls)	**2,372,600**

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

NORTH CAROLINA CENTRAL UNIVERSITY

Installation of Sprinkler Systems in Eagleson/Graduate Apartments	$ 500,000
This $578,900 project would be funded using $78,900 from Institutional Housing Trust Funds and $500,000 from appropriated funds.	
Installation of Sprinkler Systems in Baynes and McLean Residence Halls	500,000
Project total cost is $667,000 to be funded using $167,000 from Institutional Housing Trust Funds and $500,000 from appropriated funds.	
Installation of Sprinkler Systems in Annie Day/Latham/Rush Residence Halls	701,700
Installation of Sprinkler Systems in Chidley Hall	834,200
TOTAL – North Carolina Central University	**2,535,900**

NORTH CAROLINA SCHOOL OF THE ARTS

Automatic Sprinkler and Fire Control System for Eight Residence Halls (Moore, Sanford, and Residence Halls A-F)	**670,800**

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

NORTH CAROLINA STATE UNIVERSITY

Fire Suppression Systems (Bowen, Carroll, and Metcalf Residence Halls)	$ 1,505,700
Fire Suppression Systems (Lee and Sullivan Residence Halls)	2,160,000
Fire Suppression System (North Residence Hall)	599,900
Fire Suppression Systems (Bagwell, Becton, & Berry Residence Halls)	549,000
Fire Suppression Systems (Gold, Welch, and Syme Residence Halls)	438,700
Fire Suppression Systems (E. S. King Village)	1,457,200
Fire Suppression Systems (Alexander, Tucker, Owen, and Turlington Residence Halls)	1,263,800
Fire Suppression System (Watauga Residence Hall)	240,000
Fire Suppression System Installations (12 Fraternity Residence Buildings)	745,100
Fire Suppression System Installations (Bragaw & Wood Residence Halls)	1,675,900
TOTAL – North Carolina State University	**10,635,300**

THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE

Install Sprinkler Systems in 11 Residence Halls (9 Governor's Village units, High Rise, and Mills Residence Halls)	**868,500**

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

Install Sprinkler Systems in High Rise Residence Halls (Craige, Ehringhaus, Hinton-James, and Morrison)	$ 11,684,100
Install Sprinkler Systems (Alderman, Kenan, McIver, Spencer, Carmichael, Cobb, and Whitehead Residence Halls)	1,285,700
Install Sprinkler Systems (Parker, Teague, and Avery Residence Halls)	2,477,900
Install Sprinkler Systems (Ruffin, Grimes, Manly, Mangum, Lewis, Everett, and Stacy Residence Halls)	503,600
Install Sprinkler Systems (Alexander, Connor, Joyner, and Winston Residence Halls)	581,700
Install Sprinkler Systems in Odum Village	1,498,000
TOTAL – UNC-Chapel Hill	**18,031,000**

THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE

Residence Halls Fire Detection Systems - Phase II (Scott, Sanford, Holshouser, Moore, Hickory, Sycamore, Cedar, Hawthorn, Poplar, Oak, Maple, Elm, and Pine)	1,055,400
Residence Halls Sprinkler Systems (Scott, Sanford, Holshouser, Moore, Hunt Village, Martin Village - Phase III, Hickory, Sycamore, Cedar, Hawthorn, Oak, Maple, Elm, and Pine)	5,327,800
TOTAL – UNC-Charlotte	**6,383,200**

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

Fire Sprinkler Systems (Grogan and Reynolds Residence Halls)	$ 983,500
Fire Sprinkler Systems for Quad Residence Halls (Shaw, Hinshaw, Gray, Bailey, Cotton, Jamison, and Coit Residence Halls)	1,134,700
Fire Sprinkler Systems for Nine Residence Halls (Winfield, Weil, Ragsdale, Mendenhall, S. Spencer, N. Spencer, Guilford, Mary Foust, and Spring Garden Apartments)	2,435,400
TOTAL – UNC-Greensboro	**4,553,600**

THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE

Sprinkler Systems in Five Dorms (Belk, North, West, Jacobs, and Wellons Residence Halls)	**912,600**

THE UNIVERSITY OF NORTH CAROLINA AT WILMINGTON

Sprinkler System for Galloway Residence Hall	402,000
Sprinkler Systems (Belk and Graham Residence Halls)	312,300
Sprinkler Systems (Hewlett and Schwartz Residence Halls)	341,200
Alarm Detection System for Galloway Residence Hall	128,700
Sprinkler Systems (Suites O through U)	514,000
Alarm Detection Systems (Bell, Graham, and Hewlett Residence Halls)	245,600
TOTAL – UNC-Wilmington	**1,943,800**

Line 2: Fire Safety Improvements, Student Residence Halls (Continued)

WESTERN CAROLINA UNIVERSITY

Fire Safety Improvements - Residential Facilities - Phase II (Albright-Benton, Buchanan, Helder, Leatherwood, and Reynolds Residence Halls)	**$ 2,277,800**

WINSTON-SALEM STATE UNIVERSITY

Fire Safety System for Brown Hall	**1,594,300**
GRAND TOTAL – FIRE SAFETY	**69,734,400**

Schedule of Priorities – Capital Improvements

Line 3: 1997 University-Wide Facilities Plan – $642,894,800

On this Line the Board of Governors presents the comprehensive six-year plan on behalf of the sixteen constituent institutions, the North Carolina Arboretum, and the University of North Carolina Center for Public Television for new buildings, major additions to or extensive remodeling of existing buildings, and infrastructure improvements. The Plan includes the highest priorities for new construction and renovations. The General Assembly has previously appropriated advanced planning or partial financing for a number of the projects. Those projects are included in this request and the amounts appropriated are detailed in the project descriptions.

The Board of Governors in May 1996 adopted a new format for the presentation of the capital improvements request to the General Assembly. Projects are categorized and the categories are presented in priority order to provide explicit information about the Board's priorities. The category of projects to meet "current capacity" needs is the highest priority category and the largest category. The University is currently establishing standards for instructional, laboratory, and faculty and administrative office space. When the standards are finalized, they will provide substantially improved information to assist in prioritizing projects

1997 University-Wide Facilities Plan (Continued)

within this category, as well as other categories. The completion of the development of standards will allow for projects within categories to be prioritized.

At the end of each category is a matrix containing supplemental information for each project. These matrices are presented to the General Assembly for the first time in this budget request and provide useful information for identifying projects for funding. As the University's capital improvements processes are further defined and space standards are developed, the information presented in matrix format should become even more useful.

The project priority categories of the Board of Governors are as follows:

Project Category	**Request**
Current Capacity	$ 388,250,000
Future Capacity	34,196,200
Technology	32,340,600
Program Quality	114,789,600
Special Purpose	46,395,500
Support Facility	11,922,900
Land Acquisition	15,000,000
Total	**642,894,800**

While the projects represent current needs, it is recognized that it is not likely that all of this plan can be funded in a single Session of the General Assembly. The Board therefore commends the approach that was followed in response to the presentation of similar University-wide Plans in

1997 University-Wide Facilities Plan (Continued)

previous biennia. In those instances, successive Sessions funded some projects for construction, others for partial or phased construction, and others for advanced planning. This permitted a methodical program for completion of all projects, with the responsibility and the timing of sequence appropriately shared by the Board, the Governor and the Advisory Budget Commission, and the General Assembly.

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity
$388,250,000

The first priority category of the Board of Governors provides for new facilities or major renovations to existing facilities to meet the needs of students currently enrolled in the University. Twenty-eight projects totaling $352,702,300 provide for expanded and improved classrooms, laboratories, and libraries. Three projects totaling $29,866,100 provide expanded student service facilities and one project for $5,681,600 provides for infrastructure development.

Descriptions of the projects follow, including cost estimates approved by the Office of State Construction, Department of Administration. Following the project descriptions is a matrix that summarizes the current capacity projects and provides supplementary information.

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

APPALACHIAN STATE UNIVERSITY

Renovation of Rankin Science Building, $6,666,000

The project would provide modernized laboratory and classroom facilities throughout the 134,984 square-foot Rankin Science Building, constructed in phases from 1962 through 1970. Interior and exterior renovations would include new windows, doors, roofing, flooring, ceilings, stairs, and elevators as well as major changes to the plumbing, electrical, and data wiring systems. Toxic surveys and asbestos abatement are requirements of this project. The Rankin Science Building renovation would allow modernization of areas to accommodate the departments of Biology, Geography and Planning, Geology, and Astronomy. In the last five years, the number of students in these four departments has grown from 500 to over 800 with similar growth projected through the year 2001. The major cost components are:

Design	$ 327,800
Site Preparation	135,000
Construction	5,468,200
Fixed and Movable Equipment	735,000
Total	**6,666,000**

Addition and Renovation to Belk Library, $10,629,400

The project would provide for construction of a 65,000 square-foot addition to Belk Library as well as substantial renovation of the existing 142,672 square-foot facility. Belk Library was constructed in 1980 to provide facilities for 10,000 students; enrollment at Appalachian State University is now approaching 13,000 students. The project would provide expanded study and research areas, improvements to the Reference Department, and major technological updates to meet the specialized library requirements of today's students. The major cost components are:

Design	$ 531,200
Site Preparation	381,900
Construction	9,251,300
Fixed and Movable Equipment	465,000
Total	**10,629,400**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

EAST CAROLINA UNIVERSITY – ACADEMIC AFFAIRS

Science Laboratories and Technology Building, $47,997,600

The project would provide for construction of a 259,000 square-foot building for use by the Departments of Chemistry and Industrial Technology. The building would contain laboratories, classrooms, an auditorium, faculty offices, and support areas. Currently, the departments utilize a facility constructed during the 1930s with laboratories that have not been updated since the 1950s. The newly constructed building would serve in excess of 2,300 students majoring in science and technology curricula. In 1996 the General Assembly appropriated $1,000,000 toward this $48,997,600 project. The major cost components are:

Design	$ 2,519,500
Site Preparation	360,000
Construction	44,118,100
Fixed and Movable Equipment	2,000,000
Total	**48,997,600**

EAST CAROLINA UNIVERSITY – HEALTH AFFAIRS

Health Sciences Library Expansion, $6,106,600

The project would provide for construction of a 37,074 square-foot addition to the Brody Building to expand the existing Health Sciences Library. Fifty-five percent of the addition would consist of stacks for housing books; the remainder would consist of carrels, individual and group study areas, and administrative offices. The library facilities serve 2,600 students in the Schools of Medicine, Nursing, Allied Health, and Social Work. The major cost components are:

Design	$ 410,900
Site Preparation	15,000
Construction	5,430,700
Fixed and Movable Equipment	250,000
Total	**6,106,600**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

ELIZABETH CITY STATE UNIVERSITY

G. R. Little Library Addition and Renovation, $10,723,600

The project would provide for renovation of the 42,000 square-foot G. R. Little Library and for an addition to double the amount of space currently available. The addition would house 700,000 volumes and contain study rooms and cubicles for students, conference and seminar rooms, and office space. The current facilities seat 500 students; when the renovations and addition are completed, the facilities would seat 2,500 students. The major cost components are:

Design	$ 637,300
Site Preparation	84,000
Construction	9,038,400
Fixed and Movable Equipment	963,900
Total	**10,723,600**

Addition to the Academic Computer Center, $3,557,600

The project would provide a 25,000 square-foot addition to the Academic Computer Center. The addition would contain instructional laboratories, general purpose areas, a technical library, and administrative offices. New videoconferencing and data communications services would be available through this project. Construction of the new facility would permit consolidation of the university computing function which is currently housed in four separate locations on campus. The consolidated facility would serve all students and faculty. In 1995, $150,000 in advance planning funds were provided for this project The major cost components are:

Design	$ 278,100
Construction	3,279,500
Fixed and Movable Equipment	150,000
Total	**3,707,600**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

FAYETTEVILLE STATE UNIVERSITY

Fine Arts and General Classroom Facility, $15,524,400

The project would provide for construction of a 114,000 square-foot building with classrooms, laboratories, studios, galleries, and a theater. The building would accommodate the fine arts program and provide classrooms to meet the instructional requirements of the College of Arts and Sciences. The facilities would serve 1,800 students majoring in disciplines offered by this college as well other students taking required and elective courses. The General Assembly has previously appropriated $750,000 toward this $16,274,400 project. The major cost components are:

Design	$ 1,070,600
Site Preparation	300,000
Construction	14,493,800
Fixed and Movable Equipment	410,000
Total	**16,274,400**

NORTH CAROLINA CENTRAL UNIVERSITY

Lee Biology Building Renovation, $1,359,200

The project would provide for renovation of the 31,000 square-foot building which houses the Department of Biology. The renovations would include improvements to laboratories, improvements to the electrical system, roof replacement, basement waterproofing, and modifications to meet the requirements of the Americans with Disabilities Act. The building currently serves 297 undergraduate and 30 graduate students pursuing academic majors in biology as well as 400 additional students taking elective courses in the field of biology. The major cost components are:

Design	$ 104,500
Construction	1,254,700
Total	**1,359,200**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

NORTH CAROLINA CENTRAL UNIVERSITY (Continued)

Repairs to Five Academic Buildings, $10,515,000

The project would provide for the renovation of several academic facilities containing over 120,000 square feet of space. Included are improvements to Taylor Education Building, Edmonds Classroom Building, Farris-Newton Communications Building, the Fine Arts Building, and five cottages. The project includes roof repairs and replacements, HVAC system repairs and replacements, the installation of energy efficient lighting, and modifications to meet requirements of the Americans with Disabilities Act. The major cost components are:

Design	$ 868,400
Construction	9,646,600
Total	**10,515,000**

Robinson Science Building, $946,000

The proposed project would provide for improvements to the 28,000 square-foot Robinson Science Building including electrical system upgrades, asbestos and lead paint removal, roof replacement, and telecommunications improvements. The building supports 1,800 students taking courses in the Mathematics and Computer Science Department and the Physics Department. The major cost components are:

Design	$ 56,200
Construction	789,900
Fixed Equipment	99,900
Total	**946,000**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

NORTH CAROLINA SCHOOL OF THE ARTS

Basic Education Complex, $6,133,400

The proposed project would provide for the construction of a 37,100 square-foot complex with general purpose classrooms, a 250-seat recital hall, a hall for drama rehearsal and informal public performances, and faculty offices. Also, the project would provide 7,000 additional square feet of housing for 60 high school students. The major cost components are:

Design	$ 399,000
Site Preparation	100,000
Construction	5,059,400
Fixed and Movable Equipment	575,000
Total	**6,133,400**

Filmmaking Office/Classroom Post Production Complex, $2,000,000

The project would provide for construction of a 14,769 square-foot facility to support the School of Filmmaking. Included would be classrooms, offices, a library, and a computer laboratory. The major cost components are:

Design	100,300
Construction	1,799,700
Fixed and Movable Equipment	100,000
Total	**2,000,000**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

NORTH CAROLINA STATE UNIVERSITY

Nelson Hall Renovation - Phase II, $6,914,900

The project would provide for conversion of existing space (150,000 square feet) in Nelson Hall into functional, efficient space for the new College of Management. The renovation would include HVAC installation and internal reconfigurations as required. The College of Management serves 2,650 students in its academic major fields with 4,465 additional students taking elective courses each semester. Advance planning funds totaling $1,350,000 have been previously appropriated for this $8,264,900 project. The major cost components are:

Design	$ 562,600
Construction	7,702,300
Total	**8,264,900**

Toxicology Building, $14,566,700

The project would provide for construction of a 55,000 square-foot facility on the Centennial Campus to consolidate the existing Toxicology Program into one building. The facility would include classrooms, research laboratories, and offices. The use of toxic and carcinogenic chemicals and radioactive substances requires precise design and construction with particular attention devoted to air quality, life safety, and waste management. The major cost components are:

Design	$ 760,600
Site Preparation	1,004,000
Construction	11,262,100
Fixed and Movable Equipment	1,540,000
Total	**14,566,700**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

NORTH CAROLINA STATE UNIVERSITY (Continued)

College of Veterinary Medicine, Main Building Addition, $24,262,000

The project would provide for a 100,000 square-foot addition to the College of Veterinary Medicine. Included in the project are 40 research laboratories, four multipurpose central procedural laboratories, ten central research facilities, two clinical research laboratories, one electron and light microscopy laboratory, one population medicine/computer laboratory, nine animal rooms, 24 seminar/conference rooms, and a 300-seat lecture hall. The facility would serve all 460 students in the College of Veterinary Medicine. The major cost components are:

Design	$ 1,657,900
Construction	20,054,100
Fixed and Movable Equipment	2,550,000
Total	**24,262,000**

David-Clark Laboratory Renovation and Addition, $9,990,800

The project would provide for the addition of 18,368 square feet and the renovation of 37,124 square feet of space in David-Clark Laboratory. The building has been partially vacant since the Department of Textiles moved to the Centennial Campus in 1991. The project would provide needed laboratory, classroom, and office facilities for zoology programs. The facilities would serve 2,400 students taking courses in the field of zoology. The major cost components are:

Design	$ 521,700
Construction	8,521,500
Fixed and Movable Equipment	947,600
Total	**9,990,800**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE

Asheville Graduate Center - Phase II, $792,700

The project would provide for completion of 7,900 square feet of space on the third floor of Karpen Hall to house the Department of Mass Communications. The major cost components are:

Design	$ 53,350
Construction	499,350
Fixed and Movable Equipment	240,000
Total	**792,700**

Highsmith Center Renovation and Addition, $8,782,000

The project would provide for the renovation of 34,000 square feet and the addition of 41,400 square feet to the Highsmith Center, a facility that is utilized by the entire student body as well as faculty and staff. The Center houses the student union, the campus bookstore, and student program facilities: the career center, student government operations, the school newspaper, student lounges, and the campus post office. The center also provides student dining facilities. The Highsmith Center was constructed in the early 1980s when campus enrollment was approximately 1,400 students; the enrollment for 1996 is anticipated to be in excess of 2,600 students. The major cost components are:

Design	$ 458,600
Site Preparation	235,000
Construction	7,578,400
Fixed and Movable Equipment	510,000
Total	**8,782,000**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL – ACADEMIC AFFAIRS

R. B. House Library, $6,629,400

The project would provide for complete renovation of the R. B. House Library, constructed in 1968. The library would be reconfigured to serve library needs of over 17,000 undergraduate students as well as the needs of the Office of Information Technology (OIT). The library and the OIT would share a lecture/demonstration room and a computer-equipped classroom. Student study areas would be expanded and group study rooms would be provided. The computing lab of the Office of Information Technology would contain 80 workstations. The project also includes new HVAC and electrical systems, as well as asbestos removal. The major cost components are:

Design	$ 403,200
Site Preparation	645,000
Construction	4,330,900
Fixed and Movable Equipment	1,250,300
Total	**6,629,400**

Student Services Building, $18,857,500

The project would provide a six-story 116,000 square-foot addition on top of the existing Daniels Building (Student Stores). The Daniels Building was constructed with foundations to accommodate later addition if required. The addition would support student needs including Student Affairs, Records and Registration, Student Aid, the Placement Service, General College Advisors, Arts and Sciences Advisors, Housing, Job Counseling, the Reading Program, and the Cashier's Office. Centralizing these administrative functions will free campus space for academic purposes. The major cost components are:

Design	$ 948,000
Site Preparation	435,000
Construction	16,414,500
Fixed and Movable Equipment	1,060,000
Total	**18,857,500**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL – HEALTH AFFAIRS

Addition to Beard Hall - School of Pharmacy, $8,824,600

The project would provide a 50,000 square-foot addition to Beard Hall containing classrooms, laboratories, student work space, and faculty offices. The School of Pharmacy first occupied Beard Hall in 1960 when the School consisted of 248 students and 13 faculty and staff members. The School currently has 619 students and 85 faculty and staff members. Advance planning funds of $1,000,000 have previously been appropriated for this $9,824,600 project. The major cost components are:

Design	$ 597,600
Site Preparation	630,000
Construction	7,347,000
Fixed and Movable Equipment	1,250,000
Total	**9,824,600**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL – HEALTH AFFAIRS (Continued)

Medical Biomolecular Research Building, $29,493,800

The project would provide for construction of a 125,000 square-foot building to house basic research components and allow for the initiation and development of new programs that incorporate the tools of cellular and molecular biology. The proposed building would contain faculty laboratories and facilities for laboratory support including specialized laboratories for sequencing and synthesizing proteins; tissue culture laboratories; environmental rooms (both warm and cold); photographic dark rooms; equipment rooms for high-speed and refrigerated centrifuges; radioisotope laboratories, including special fume hoods; maintenance shop facilities; and facilities to house and maintain a number of different species of animals. Advance planning funds of $1,000,000 have previously been appropriated for this $30,493,800 project. The major cost components are:

Design	$ 1,730,300
Site Preparation	645,000
Construction	24,143,500
Fixed and Movable Equipment	3,975,000
Total	**30,493,800**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE

Academic Facilities - Humanities, $20,597,300

The project would provide for construction of a 120,000 square-foot building to support the Department of Music, the Department of Dance and Theater, and other humanities departments. The facility would house classrooms, teaching studios, meeting rooms, offices, and theater space. UNC-Charlotte has the lowest ratio of academic facilities per student within the University. This facility would serve 2,400 students enrolled in music, dance, and theater courses each semester, as well as 1,800 students enrolled in other humanities courses. Completion of the facility would release space in Rowe building to accommodate an overcrowded and expanding Art Department. Advance planning funds of $1,000,000 have previously been appropriated for this $21,597,300 project. The major cost components are:

Design	$ 1,110,500
Site Preparation	666,000
Construction	18,170,800
Movable Equipment	1,650,000
Total	**21,597,300**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT CHARLOTTE (Continued)

Academic Facilities - Sciences, $32,371,700

The project would provide for construction of a 180,000 square-foot building for departments and programs in the sciences and engineering, including Adult Health Nursing, Family and Community Nursing, and Health Promotion and Kinesiology in the College of Nursing and Health Professions; civil engineering in the College of Engineering; and the interdisciplinary areas of Environmental Science and Health Science. The facility would provide classroom space for over 7,500 students enrolled in these courses each semester. It also would provide auditoriums, instructional lab space, computer labs, study rooms, seminar and conference rooms, and faculty and administrative offices. The major cost components are:

Design	$ 2,178,300
Site Preparation	44,000
Construction	27,649,400
Movable Equipment	2,500,000
Total	**32,371,700**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

North Campus Infrastructure Development, $5,681,600

The project would provide for rebuilding and adding to utility systems located throughout the northeast quadrant of the University campus. The project further provides for new traffic and pedestrian walkway facilities. The new Music Building and the McIver Street Parking Deck are to be located in areas served by the proposed infrastructure development. This project complements those projects listed under Line 1, Repairs and Renovations, to provide for necessary improvements to infrastructure throughout the UNC-Greensboro campus. The major cost components are:

Design	$ 345,600
Site Preparation	1,479,600
Construction	3,856,400
Total	**5,681,600**

THE UNIVERSITY OF NORTH CAROLINA AT WILMINGTON

General Classroom Building, $8,465,500

The project would provide for construction of a 51,600 square-foot general classroom and office building. The project would alleviate the severe shortage of instructional and laboratory space as well as a general shortage of faculty office spaces. The facility would contain two auditoriums (one with 200 seats and one with 250 seats), 21 classrooms (for a total of 1,085 seats), four seminar rooms, two large conference rooms, and 83 offices. The major cost components are:

Design	$ 536,500
Construction	7,619,400
Fixed and Movable Equipment	309,600
Total	**8,465,500**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT WILMINGTON (Continued)

School of Education Building, $16,656,100

The project would provide for an 80,000 square-foot building to house the Watson School of Education. The facility would contain 23 classrooms, two auditoriums, 35 faculty offices, as well as numerous learning laboratories and other instructional space. In the last five years, the University has added three master's degree programs, a baccalaureate program, and fourteen outreach programs in the School of Education. Student enrollment has grown from 621 students to 1,031 students during this same period. The facility is needed to accommodate the present enrollment and to gather teaching faculty into one building. The major cost components are:

Design	$ 819,000
Construction	14,837,100
Movable Equipment	1,000,000
Total	**16,656,100**

Fine Arts Building, $14,041,400

The project would provide for construction of an 87,000 square-foot building to house the Departments of Visual Arts, Theater and Dance, Music, and Speech Communications. The facility would include 23 classrooms, three auditoriums, eight seminar rooms, 16 individual studios, 13 teaching studios, and 23 faculty offices. The Department of Fine Arts is currently housed in Kenan Hall which was originally designed as a general classroom facility and lacks adequate facilities, e.g., sound isolation and acoustical control, that are needed for specialized instruction. The major cost components are:

Design	$ 882,500
Construction	12,458,900
Movable Equipment	700,000
Total	**14,041,400**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

WESTERN CAROLINA UNIVERSITY

Fine and Performing Arts Center, $25,422,100

The project would provide for construction of a 139,200 square-foot building to be used by the Visual Art, Music and Communication, and Theater Arts Departments. Included in the project would be three galleries; 39 private studios for faculty, senior/graduate students, and artists in residence; 12 classroom studios; 12 studio support rooms, e.g., dark rooms, ceramic preparation rooms; three critique rooms, two lecture auditoriums, one seminar room, and one production studio, as well as faculty and support facilities. The General Assembly has previously appropriated $2,000,000 toward this $27,422,100 project. The major cost components are:

Design	$ 1,738,000
Site Preparation	900,000
Construction	21,241,500
Fixed and Movable Equipment	3,542,600
Total	**27,422,100**

Renovate Camp Lab School - Phase II, $2,226,600

The project would provide for conversion of building interiors configured for a public school (K-12) to space designed for University programs and operations. Phase I of the project, financed from the 1993 University Improvement Bonds, provided for general repairs to correct deferred maintenance and code compliance deficiencies. The Camp Lab facilities consist of a classroom building (55,618 square feet), a shop (4,826 square feet), and a gymnasium (14,821 square feet). The major cost components are:

Design	$ 132,300
Site Preparation	325,500
Construction	1,768,800
Total	**2,226,600**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

WINSTON-SALEM STATE UNIVERSITY

Addition and Renovation to the F. L. Atkins Building, $5,198,500

The project would provide for renovations to the F. L. Atkins Building and for the construction of a 19,044 square-foot addition to meet the requirements of the Nursing, Medical Technology, and Physical Therapy Departments and to provide space for the new occupational therapy program. The addition would primarily be a laboratory facility with faculty offices and conference rooms. The major cost components are:

Design	$ 349,800
Site Preparation	126,500
Construction	4,375,000
Fixed and Movable Equipment	347,200
Total	**5,198,500**

Computer Science Facility, $6,316,000

The project would provide for construction of a new 35,700 square-foot facility which would consolidate computer science activities currently housed in three separate facilities. Included in the facility would be eight classrooms, two microcomputer laboratories, a research laboratory, facilities to house computer mainframes in support of both academic and administrative computing, and 16 faculty offices. The facility would accommodate 3,400 students taking courses in computer science. The major cost components are:

Design	$ 463,100
Site Preparation	326,700
Construction	4,806,200
Fixed and Movable Equipment	720,000
Total	**6,316,000**

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

Institution/Project	Cost Estimate	Supplemental Information: Major Repair/ Renovation Project	Re-Use of an Existing Facility	Renovation In Lieu of New Construction	Completes a Partially Built Facility	Achieves Material Operating Savings	Benefits a Significant % of the Population	Rewards Good Planning & Management	"Urgent" Need, Code Compliance	Appro-priations, Other Funding
Appalachian State University										
Renovation of Rankin Science Building	$ 6,666,000	XXX	XXX				XXX	XXX		
Addition and Renovation to Belk Library	10,629,400	XXX					XXX			
East Carolina University, Academic Affairs										
Science Laboratories and Technology Building	47,997,600						XXX	XXX	XXX	$ 1,000,000
East Carolina University, Health Affairs										
Health Sciences Library Expansion	6,106,600						XXX	XXX		
Elizabeth City State University										
G. R. Little Library Addition and Renovation	10,723,600	XXX					XXX			
Addition to the Academic Computing Center	3,557,600						XXX	XXX		150,000
Fayetteville State University										
Fine Arts and General Classroom Facility	15,524,400						XXX	XXX		750,000
North Carolina Central University										
Lee Biology Building Renovation	1,359,200	XXX		XXX			XXX	XXX	XXX	
Repairs to Five Academic Buildings	10,515,000	XXX		XXX			XXX		XXX	
Robinson Science Building	946,000	XXX		XXX			XXX		XXX	
North Carolina School of the Arts										
Basic Educational Complex	6,133,400						XXX	XXX		
Filmmaking Office/Classroom Post Production Complex	2,000,000				XXX					
North Carolina State University										
Nelson Hall Renovation - Phase II	6,914,900	XXX	XXX	XXX		XXX	XXX	XXX	XXX	1,350,000
Toxicology Building	14,566,700					XXX		XXX	XXX	
College of Veterinary Medicine, Main Building Addition	24,262,000						XXX	XXX		
David Clark Laboratory Renovation and Addition	9,990,800	XXX	XXX	XXX		XXX	XXX	XXX	XXX	
UNC-Asheville										
Asheville Graduate Center, Phase II	792,700				XXX		XXX			
Highsmith Center Renovation and Addition	8,782,000	XXX	XXX				XXX	XXX		
UNC-Chapel Hill, Academic Affairs										
R. B. House Library Renovations	6,629,400	XXX	XXX	XXX			XXX	XXX		
Student Services Building	18,857,500				XXX		XXX	XXX		

1997 University-Wide Facilities Plan (Continued)

Category: Current Capacity (Continued)

Institution/Project	Cost Estimate	Supplemental Information: Major Repair/ Renovation Project	Re-Use of an Existing Facility	Renovation In Lieu of New Construction	Completes a Partially Built Facility	Achieves Material Operating Savings	Benefits a Significant % of the Population	Rewards Good Planning & Management	"Urgent" Need, Code Compliance	Appro-priations, Other Funding
UNC-Chapel Hill, Health Affairs										
Medical Biomolecular Research Building	$29,493,800							XXX		$ 1,000,000
Addition to Beard Hall - School of Pharmacy	8,824,600						XXX		XXX	1,000,000
UNC-Charlotte										
Academic Facilities - Humanities	20,597,300						XXX	XXX		1,000,000
Academic Facility - Sciences	32,371,700						XXX	XXX		
UNC-Greensboro										
North Campus Infrastructure Development	5,681,600						XXX	XXX	XXX	
UNC-Wilmington										
General Classroom Building	8,465,500						XXX	XXX		
School of Education Building	16,656,100						XXX	XXX		
Fine Arts Building	14,041,400						XXX	XXX		
Western Carolina University										
Fine and Performing Arts Center	25,422,100						XXX	XXX		2,000,000
Renovate Camp Lab School - Phase II	2,226,600	XXX	XXX		XXX		XXX			
Winston-Salem State University										
Addition and Renovation to the F.L. Atkins Building	5,198,500						XXX		XXX	
Computer Science Facility	6,316,000						XXX	XXX		
Total – Current Capacity	**388,250,000**									

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1997 University-Wide Facilities Plan (Continued)

Category: Future Capacity
$34,196,200

The Board of Governors requests two projects to expand instructional facilities to accommodate growth in enrollment. The 1993 University Improvement Bonds provided $15,000,000 to Appalachian State University for the first phase of expansion to science and mathematics facilities; Phase II of the project is estimated to cost $27,495,500. At East Carolina University, an addition to the Rivers Building would provide expanded facilities for the Schools of Nursing and Human Environmental Sciences.

Descriptions of the projects follow, including cost estimates approved by the Office of State Construction, Department of Administration. Following the project descriptions is a matrix that summarizes the "future capacity" projects and provides supplementary information.

1997 University-Wide Facilities Plan (Continued)

Category: Future Capacity (Continued)

APPALACHIAN STATE UNIVERSITY

Science/Mathematics Complex, Phase II, $27,495,500

The project would provide for construction of a 112,000 square-foot building to upgrade the facilities for the Natural and Mathematical Sciences – the second phase of a major institutional initiative to improve science facilities. The building would contain instructional classrooms, teaching laboratories, research laboratories, and computer laboratories as well as offices for faculty and graduate assistants. Phase I of the Science/Mathematics Complex was financed through the 1993 University Improvement Bonds. The major cost components are:

Design	$ 1,413,800
Site Preparation	10,000
Construction	23,071,700
Fixed and Movable Equipment	3,000,000
Total	**27,495,500**

EAST CAROLINA UNIVERSITY, ACADEMIC AFFAIRS

Third Floor Addition to the Home Economics/Nursing Building, $6,700,700

The project would provide for the construction of a third floor addition to the Rivers Building which houses the Schools of Nursing and Human Environmental Sciences. The Rivers Building was constructed in 1967 with plans to add a third floor when funding became available. The addition would provide lecture rooms, laboratories, educational technology support facilities, and offices for faculty and graduate assistants. The major cost components are:

Design	$ 424,700
Site Preparation	88,600
Construction	5,822,100
Fixed and Movable Equipment	365,300
Total	**6,700,700**

1997 University-Wide Facilities Plan (Continued)

Category: Future Capacity (Continued)

Project	Estimated Cost	Supplemental Information: Completes an Underfunded or Partially Built Facility	Supplemental Information: Benefits a Significant % of the Population	Supplemental Information: Rewards Good Facilities Planning & Management
Appalachian State University				
Science/Mathematics Complex, Phase II	$27,495,500	XXX	XXX	
East Carolina University, Academic Affairs				
Third Floor Addition to the Home Economics/ Nursing Building	6,700,700	XXX	XXX	XXX
Total - Future Capacity	**34,196,200**			

1997 University-Wide Facilities Plan (Continued)

Category: Technology
$32,340,600

The Board of Governors' budget request for "Information Technology - Computing and Telecommunications" in the section on "Expansions and Improvements Current Operations" (Line 3) discusses the need for institutions to transform themselves to "realize the potential of information technology for instruction and foster the innovation that is bound to follow." The initial investment in required infrastructure is both substantial and critical to ensure that faculty and students have the technological resources available as they make the transition to the 21st century. The installation of basic network infrastructure throughout all academic, administrative, and student facilities is essential to the teaching, learning, and research processes. Long-range institutional plans provide for the wiring of all residence halls to ensure that students have access to technology at all times. For the biennium, the request of $32,340,600 would complete the installation of fiber optics backbones at all institutions and complete the wiring of all academic facilities.

Institutional investments to date in technology have occurred as fast as resources have become available for this purpose. State appropriations, institutional trust funds, and borrowed funds have been used to make the necessary investment in technology. As a result, the level of technology available to students and faculty varies among the institutions. This request helps

1997 University-Wide Facilities Plan (Continued)

Category: Technology (Continued)

ensure that all campuses will have the resources available to make technology available throughout all academic facilities.

Institutional requests for funds for technology infrastructure are identified in the following table:

Institution	Budget Request
Appalachian State University	$ 770,000
East Carolina University	1,033,000
Elizabeth City State University	1,011,000
Fayetteville State University	507,000
North Carolina A & T State University	1,250,800
North Carolina Central University	5,866,700
North Carolina School of the Arts	1,303,800
North Carolina State University	4,028,400
University of North Carolina at Asheville	1,420,000
University of North Carolina at Chapel Hill	8,682,800
University of North Carolina at Charlotte	1,690,300
University of North Carolina at Greensboro	1,511,200
University of North Carolina at Pembroke	395,600
The University of North Carolina at Wilmington	445,000
Western Carolina University	670,600
Winston-Salem State University	1,754,400

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality
$114,789,600

The third project category of the Board of Governors presents seven projects to improve the quality of programs offered at six institutions. The projects provide for improvements in undergraduate instructional opportunities and for enhancements to meet and exceed prescribed academic standards and long established missions or programs offered by institutions. The request addresses specific needs of institutions in the areas of science, music, engineering, and business. Quality facilities enable an institution to attract high caliber students and faculty and to compete successfully for research grants.

Descriptions of the projects follow, including cost estimates approved by the Office of State Construction, Department of Administration. Following the project descriptions is a matrix that summarizes the "program quality" projects and provides supplementary information.

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality (Continued)

NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY

General Classroom and Laboratory Building Complex #1, $31,526,200

The project would provide for the construction of a 135,200 square-foot building and the renovation of two buildings, Crosby Hall (57,796 square feet) and Merrick Hall (57,485 square feet), to support classroom and laboratory needs of the College of Arts and Sciences, the School of Business and Economics, and the Academic Advisory Counseling Center. The three-building complex would be connected with overhead pedestrian crosswalks. Included in the proposed new building are 44 classrooms, three computer classrooms, four teleclassrooms, three computer laboratories, 15 small rooms for advising/counseling, two departmental libraries, a mainframe computer facility, and offices for academic administration, faculty, and staff. The renovations in Crosby Hall and Merrick Hall would provide modernized laboratory facilities, upgraded classrooms and teleclassrooms, roof and window replacements, and HVAC system improvements. The project further includes the construction of a 300 car parking structure. Advance planning funds totaling $2,000,000 have been previously appropriated for this $33,526,200 project. The major cost components are:

Design	$ 1,723,900
Construction	26,464,600
Fixed and Movable Equipment	5,337,700
Total	**33,526,200**

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality (Continued)

NORTH CAROLINA CENTRAL UNIVERSITY

B. N. Duke Auditorium, Renovations and Addition, $2,962,500

The project would provide for renovation of the 14,316 square-foot B. N. Duke Auditorium building to provide improvements to the projection, sound, and lighting systems and to meet all requirements of the Americans with Disabilities Act. In addition, the second floor of the existing band room would be expanded by 5,684 square feet. Elevator installation, improvements to the HVAC system, and roof repairs are all components of this project. The major cost components are:

Design	$ 244,700
Construction	2,667,800
Fixed and Movable Equipment	50,000
Total	**2,962,500**

NORTH CAROLINA STATE UNIVERSITY

Undergraduate Science Teaching Laboratories - Phase I, $21,228,900

The project would provide for construction of a 45,000 square-foot Science Teaching Laboratory building. The facility would support undergraduate instruction in chemistry, biochemistry, and physics. Each semester 7,500 students take courses in these subject areas. The project further includes the construction of parking facilities. The General Assembly has previously appropriated $650,000 toward this $21,878,900 project. The major cost components are:

Design	$ 1,142,500
Site Preparation	5,019,000
Construction	14,603,600
Fixed and Movable Equipment	1,113,800
Total	**21,878,900**

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality (Continued)

NORTH CAROLINA STATE UNIVERSITY (Continued)

Riddick, Mann, Daniels, and Burlington Hall Renovations, $8,644,100

The project would provide for the renovation of 60,000 square feet of instructional and office space in four buildings in the College of Engineering. The renovations would include building reconfigurations and general refurbishment, increased electrical system capacity, and improved HVAC systems and ventilation systems. The four buildings support 2,495 undergraduate and 474 graduate students. The major cost components are:

Design	$ 451,400
Construction	6,122,700
Fixed and Movable Equipment	2,070,000
Total	**8,644,100**

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL, ACADEMIC AFFAIRS

Hill Hall Music Library, $7,170,900

The project would provide for a 34,250 square-foot addition to Hill Hall to house the library for the Department of Music. Hill Hall was originally constructed in 1907 and has been the home of the Department of Music since 1929. The current library has less than 7,000 square feet and houses over 90,000 volumes, 6,000 microfilms, and 24,500 sound recordings. Much of the collection is housed in stacks on the basement level which has been expanded by excavating a catacomb around the pier foundation. The resulting space is contorted, damp, and not satisfactory for its use. The current library space would be renovated for seminar and music practice rooms. Advance planning funds of $850,000 have previously been appropriated for this $8,020,900 project. The major cost components are:

Design	$ 552,400
Site Preparation	415,000
Construction	5,853,500
Movable Equipment	1,200,000
Total	**8,020,900**

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

Science Instructional Building, $37,099,400

The project would provide for construction of 157,000 square feet of classroom, laboratory, and office space for use by the Departments of Chemistry, Biology, Anthropology, Physics, Psychology, and Food Management. The facility would include 23 classrooms, 2 auditoriums, 46 laboratories, and 32 faculty offices. The Petty Science Building and the Eberhart Building, which currently house the chemistry and biology programs, would later be renovated to meet general classroom and research needs. Completion of the facility would significantly enhance the program quality of the science curriculum of the University. Advance planning funds of $2,000,000 have previously been appropriated for this $39,099,400 project. The major cost components are:

Land	$ 1,500,000
Design	1,965,500
Site Preparation	375,000
Construction	32,481,400
Fixed and Movable Equipment	2,777,500
Total	**39,099,400**

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE

Regional Center for Economic, Professional and Community Development, $6,157,600
The project would provide for construction of a 71,854 square-foot building for use as a Continuing Education Center for Business and Economics. The center would house research and assistance programs for businesses and potential entrepreneurs to enhance the economic quality of life in the south central region of North Carolina. The facility includes guest sleeping quarters. The School of Business would also be housed within the center. The total cost of the project is $12,315,200; matching funds would be provided from a federal grant. The major cost components are:

Design	$ 792,400
Site Preparation	646,700
Construction	10,157,500
Fixed and Movable Equipment	718,600
Total	**12,315,200**

1997 University-Wide Facilities Plan (Continued)

Category: Program Quality (Continued)

Institution/Project	Estimated Cost	Supplemental Information: Major Repair/ Renovation Project	Re-Use of an Existing Facility	Achieves Material Operating Savings	Benefits a Significant % of the Population	Rewards Good Facilities Planning & Management	"Urgent" Need, Code Compliance	Previous Appro-priations
North Carolina A & T State University								
General Classroom and Laboratory Building Complex #1	$ 31,526,200				XXX	XXX		$2,000,000
North Carolina Central University								
B. N. Duke Auditorium	2,962,500	XXX					XXX	
North Carolina State University								
Undergraduate Science Teaching Laboratories - Phase I	21,228,900				XXX	XXX	XXX	650,000
Riddick, Mann, Daniels and Burlington Hall Renovations	8,644,100	XXX	XXX	XXX		XXX	XXX	
UNC-Chapel Hill, Academic Affairs								
Hill Hall Music Library	7,170,900						XXX	850,000
UNC-Greensboro								
Science Instructional Building	37,099,400				XXX	XXX		2,000,000
UNC-Pembroke								
Regional Center for Economic, Professional and Community Development	6,157,600				XXX			
Total – Program Quality	**114,789,600**							

3/25/97

1997 University-Wide Facilities Plan (Continued)

Category: Special Purpose
$46,395,500

The next priority category of the Board of Governors presents projects that serve special purposes and provide service to both student and non-student constituencies. These projects meet state-wide public policy needs and contribute to the economic development and growth of the state. The category requests funds for a project at North Carolina State University for agricultural research, projects for the continued development of the North Carolina Arboretum, a proposed conference center at UNC-Asheville, a project for expanding the services of the Institute of Government, and four projects for the University of North Carolina Center for Public Television.

Descriptions of the projects follow, including cost estimates approved by the Office of State Construction, Department of Administration. Following the project descriptions is a matrix that summarizes the special purpose projects and provides supplementary information.

1997 University-Wide Facilities Plan (Continued)

Category: Special Purpose (Continued)

NORTH CAROLINA STATE UNIVERSITY

Research and Teaching Feed Mill, $2,604,400
The proposed project would provide for construction of a 10,000 square-foot building to serve as a research and demonstration facility for feed manufacturing processes. The major cost components are:

Design	$ 157,200
Construction	1,137,200
Fixed and Movable Equipment	1,310,000
Total	**2,604,400**

THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE

Conference Center, $3,000,000
The project would provide for construction of the multi-purpose Asheville Conference Center Complex of approximately 76,650 square feet. The project has five components: a 1200 seat regional meeting center; conference center clusters; the Center for Creative Retirement; support offices; and space for maintenance, circulation, mechanical, and toilet facilities. Advance planning funds and partial construction funds totaling $4,251,400 have been previously appropriated for this $21,320,600 project. The requested funds would allow the University to continue to plan the facility and extend infrastructure to the proposed site. Full funding is anticipated to be requested in the 1999-2001 biennium. The major cost components are:

Design	$ 887,500
Site Preparation	390,500
Construction	17,092,600
Fixed and Movable Equipment	2,950,000
Total	**21,320,600**

1997 University-Wide Facilities Plan (Continued)

Category: Special Purpose (Continued)

THE UNIVERSITY OF NORTH CAROLINA AT ASHEVILLE (Continued)

THE NORTH CAROLINA ARBORETUM, $10,681,000

The projects would provide for the continuing, orderly development of the North Carolina Arboretum, a special activity of the University administered through a Board of Directors and The University of North Carolina at Asheville. The projects, in priority order, are:

Demonstration Greenhouse	$ 3,269,600
Bus Parking	843,100
Main Entrance Road Utility and Landscape Development	1,956,200
Entrance Gates and Gatehouses	689,900
Plant Development and Introduction Center	1,677,800
Maintenance and Operations Facility	1,124,600
Roads and Walks	1,119,800
Total	**10,681,000**

THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL – ACADEMIC AFFAIRS

Addition and Renovation of the Knapp Building - Institute of Government, $16,102,700

The project would provide for complete renovation of 55,000 square feet and the addition of 64,300 square feet to the Knapp Building to meet the requirements of the Institute of Government. The building was constructed in 1956 when the Institute had 21 faculty members and a support staff of 20; the Institute now has 96 faculty and staff members. More than 6,000 people take courses at the Institute each year. The project also includes the construction of a parking deck. In 1994 the General Assembly appropriated $700,000 for planning this $16,802,700 project. The major cost components are:

Design	$ 1,022,000
Site Preparation	1,588,000
Construction	13,174,700
Fixed and Movable Equipment	1,018,000
Total	**16,802,700**

1997 University-Wide Facilities Plan (Continued)

Category: Special Purpose (Continued)

THE UNIVERSITY OF NORTH CAROLINA – CENTER FOR PUBLIC TELEVISION

Replacement and Upgrade of WUND-TV, Channel 2, Columbia Transmitter, Tower and Ancillary Equipment, $7,144,500

The project would provide for construction of a 1,500 foot tower and replacement of the existing transmitter with a 60kw transmitter to better serve fifteen counties in the northeastern region of North Carolina. The project also provides for replacement of terminal and remote control equipment and microwave interconnection equipment and the purchase of a 500kw emergency generator and load management system. The transmitter building would be renovated and updated. Advance planning funds of $500,000 have previously been appropriated for this $7,644,500 project. The major cost components are:

Land	$ 50,000
Design	514,400
Site Preparation	100,000
Construction	4,931,200
Fixed Equipment	2,048,900
Total	**7,644,500**

Replacement and Upgrade of WUNK-TV, Channel 25, Greenville Transmitter and Ancillary Equipment, $2,372,000

The project would provide for replacement of the transmitter and transmission line and modifications to the tower which serves ten counties surrounding Greenville. Included in the project are terminal equipment updates, a 500kw emergency generator, and general refurbishment of the transmitter building. The major cost components are:

Design	$ 160,000
Construction	736,800
Fixed Equipment	1,475,200
Total	**2,372,000**

1997 University-Wide Facilities Plan (Continued)

Category: Special Purpose (Continued)

THE UNIVERSITY OF NORTH CAROLINA – CENTER FOR PUBLIC TELEVISION (Continued)

Mobile Satellite Uplink, $743,700
The project would provide for the purchase of a mobile satellite uplink and related support equipment. The uplink would send electromagnetic signals capable of carrying broadcast quality video and audio as well as text and data to communications satellites for subsequent broadcast to viewers. The mobile uplink would support and improve the live production of the Center's original programs, especially from remote locations across the State.

Replace and Upgrade Studio Production Equipment, $3,747,200
The project would provide for replacement of production equipment for studios in the Joseph and Kathleen Bryan Communications Center in the Research Triangle Park.

1997 University-Wide Facilities Plan (Continued)

Category: Special Purpose (Continued)

Institution/Project	Estimated Cost	Supplemental Information: Major Repair/ Renovation Project	Renovation In Lieu of New Construction	Completes an Underfunded or Partially Built Facility	Achieves Material Operating Savings	Benefits a Significant % of the Population	Rewards Good Facilities Planning & Management	"Urgent" Need, Code Compliance	Previous Appro-priations, Other funds
North Carolina State University									
Research and Teaching Feed Mill	$2,604,400						XXX		
UNC-Asheville									
Asheville Conference Center - Phase II	3,000,000			XXX		XXX			$4,251,400
The North Carolina Arboretum									
Demonstration Greenhouse	3,269,600					XXX			
Bus Parking	843,100					XXX	XXX		
Main Entrance Road Utility & Landscape Development	1,956,200					XXX	XXX		
Entrance Gates and Gatehouses	689,900					XXX		XXX	
Plant Development and Introduction Center	1,677,800					XXX			
Maintenance and Operations Facility	1,124,600						XXX	XXX	
Roads and Walks	1,119,800					XXX	XXX	XXX	
UNC-Chapel Hill, Academic Affairs									
Additions and Renovations to the Knapp Building – Institute of Government	16,102,700	XXX	XXX			XXX	XXX		700,000
UNC Center for Public Television									
Replacement and Upgrade of WUND-TV, Channel 2, Columbia Transmitter, Tower & Ancillary Equipment	7,144,500	XXX			XXX	XXX		XXX	500,000
Replacement and Upgrade of WUNK-TV, Channel 25 Greenville Transmitter and Ancillary Equipment	2,372,000	XXX			XXX	XXX		XXX	
Mobile Satellite Uplink	743,700					XXX			
Replace and Upgrade Studio Production Equipment	3,747,200	XXX			XXX	XXX		XXX	
Total – Special Purpose	**46,395,500**								

1997 University-Wide Facilities Plan (Continued)

Category: Support Facilities
$11,922,900

The sixth priority category of the Board of Governors presents two projects for new "support facilities." The first project would provide a new admissions building for North Carolina Central University. The admissions office currently occupies an old converted house that does not serve the institution well. The second project would provide a new residence hall at UNC-Pembroke. The General Assembly has authorized UNC-Pembroke to issue bonds for a portion of this project with the remainder to be provided through State appropriations.

Descriptions of the projects follow, including cost estimates approved by the Office of State Construction, Department of Administration. Following the project descriptions is a matrix that summarizes the projects for support facilities and provides supplementary information.

1997 University-Wide Facilities Plan (Continued)

Category: Support Facilities (Continued)

NORTH CAROLINA CENTRAL UNIVERSITY

New Admissions Building, $5,943,400

The project would provide for construction of a 34,000 square-foot building to support the Undergraduate and Graduate Admissions Departments. The building would contain office space, classrooms, conference rooms, and an auditorium. The major cost components are:

Design	$ 329,500
Construction	4,763,900
Fixed and Movable Equipment	850,000
Total	**5,943,400**

THE UNIVERSITY OF NORTH CAROLINA AT PEMBROKE

New Residence Hall, $5,979,500

The project would provide for construction of a 72,000 square-foot residence hall to house 300 students. The facility would replace Wellons Hall and Jacobs Hall, two outdated and unattractive residence halls which house 235 students and are not code compliant. The University proposes to borrow $2,800,000 toward financing this project as authorized by the General Assembly in 1996. The major cost components are:

Design	$ 521,800
Construction	8,149,000
Fixed Equipment	108,700
Total	**8,779,500**

1997 University-Wide Facilities Plan (Continued)

Category: Support Facilities (Continued)

Institution/Project	Estimated Cost	Supplemental Information: Benefits a Significant % of the Population	Supplemental Information: "Urgent" Need, Code Compliance	Supplemental Information: Other Funds
North Carolina Central University				
New Admissions Building	$ 5,943,400	XXX		
UNC-Pembroke				
New Residence Hall	5,979,500	XXX	XXX	$2,800,000
Total – Support Facilities	**11,922,900**			

1997 University-Wide Facilities Plan (Continued)

Category: Land Acquisition
$15,000,000

The final priority of the Board of Governors requests $15,000,000 to be utilized by the University for acquisition of land. The request is presented without identification of specific requirements for individual institutions of the University, as advance disclosure of land acquisition plans tends to push prices higher. Further, a detailed land acquisition plan is often subject to interruptions of timing by factors which are not entirely controllable by the State and the University. Land acquisitions are planned to accommodate long-range growth and development and usually involve properties adjoining or near campus boundaries. Such properties are generally advantageous building or parking sites or serve to provide buffer areas for the campus.

1997 University-Wide Facilities Plan (Continued)

Supplementary Information

Two tables are provided as supplementary information to the Board of Governors' request for capital improvements projects. The first table lists projects for new facilities or for major repairs to existing facilities in the order of institutional priority. The second table lists projects for which funds have previously been provided for advanced planning or for partial construction.

Institutional Priorities -
New Facilities or Major Renovations to Existing Facilities

Appalachian State University	
Renovation of Rankin Science Building	$ 6,666,000
Addition and Renovation to Belk Library	10,629,400
Science/Mathematics Complex, Phase II	27,495,500
East Carolina University	
Science Laboratories and Technology Building	47,997,600
Health Sciences Library Expansion	6,106,600
Third Floor Addition to the Home Economics/Nursing Building	6,700,700
Elizabeth City State University	
G.R. Little Library Addition and Renovation	10,723,600
Addition to the Academic Computer Center	3,557,600
Fayetteville State University	
Fine Arts and General Classroom Facility	15,524,400
North Carolina A&T State University	
General Classroom and Laboratory Building Complex #1	31,526,200

1997 University-Wide Facilities Plan (Continued)

North Carolina Central University	
Lab Biology Building Renovation	$ 1,359,200
B. N. Duke Auditorium, Renovations and Addition	2,962,500
Repairs to Five Academic Buildings	10,515,000
Robinson Science Building	946,000
New Admissions Building	5,943,400
North Carolina School of the Arts	
Basic Education Complex	6,133,400
Filmmaking Office/Classroom Post Production Complex	2,000,000
North Carolina State University	
Nelson Hall Renovation - Phase II	6,914,900
Toxicology Building	14,566,700
Research and Teaching Feed Mill	2,604,400
Undergraduate Science Teaching Laboratories - Phase I	21,228,900
Riddick, Mann, Daniels, and Burlington Hall Renovations	8,644,100
College of Veterinary Medicine, Main Building Addition	24,262,000
David-Clark Laboratory Renovation and Addition	9,990,800
The University of North Carolina at Asheville	
Asheville Graduate Center - Phase II	792,700
Highsmith Center Renovation and Addition	8,782,000
Conference Center	3,000,000
The North Carolina Arboretum	
Demonstration Greenhouse	3,269,600
Bus Parking	843,100
Main Entrance Road Utility and Landscape Development	1,956,200
Entrance Gates and Gatehouses	689,900
Plant Development and Introduction Center	1,677,800
Maintenance and Operations Facility	1,124,600
Roads and Walks	1,119,800

1997 University-Wide Facilities Plan (Continued)

The University of North Carolina at Chapel Hill	
R. B. House Library	$ 6,629,400
Addition to Beard Hall - School of Pharmacy	8,824,600
Student Services Building	18,857,500
Medical Biomolecular Research Building	29,493,800
Addition and Renovation of the Knapp Building - Institute of Government	16,102,700
Hill Hall Music Library	7,170,900
The University of North Carolina at Charlotte	
Academic Facilities - Humanities	20,597,300
Academic Facilities - Sciences	32,371,700
The University of North Carolina at Greensboro	
Science Instructional Building	37,099,400
North Campus Infrastructure Development	5,681,600
The University of North Carolina at Pembroke	
New Residence Hall	5,979,500
Regional Center for Economic, Professional and Community Development	6,157,600
The University of North Carolina at Wilmington	
General Classroom Building	8,465,500
School of Education Building	16,656,100
Fine Arts Building	14,041,400
Western Carolina University	
Fine and Performing Arts Center	25,422,100
Renovate Camp Lab School - Phase II	2,226,600
Winston-Salem State University	
Addition and Renovation to the F.L. Atkins Building	5,198,500
Computer Science Facility	6,316,000

1997 University-Wide Facilities Plan (Continued)

The University of North Carolina - Center for Public Television	
Replacement and Upgrade of WUND-TV, Channel 2, Columbia Transmitter, Tower and Ancillary Equipment	$ 7,144,500
Replacement and Upgrade of WUNK-TV, Channel 25, Greenville Transmitter and Ancillary Equipment	2,372,000
Mobile Satellite Uplink	743,700
Replace and Upgrade Studio Production Equipment	3,747,200

Projects With Funding for Advanced Planning or Partial Construction

East Carolina University	
Science Laboratories and Technology Building	$1,000,000
Elizabeth City State University	
Addition to the Academic Computer Center	150,000
Fayetteville State University	
Fine Arts and General Classroom Facility	750,000
North Carolina A&T State University	
General Classroom and Laboratory Building Complex #1	2,000,000
North Carolina State University	
Nelson Hall Renovation - Phase II	1,350,000
Undergraduate Science Teaching Laboratories – Phase I	650,000
The University of North Carolina at Asheville	
Conference Center	4,251,400
The University of North Carolina at Chapel Hill, Academic Affairs	
Addition and Renovation of the Knapp Building - Institute of Government	700,000
Hill Hall Music Library	850,000
The University of North Carolina at Chapel Hill, Health Affairs	
Addition to Beard Hall - School of Pharmacy	1,000,000
Medical Biomolecular Research Building	1,000,000

1997 University-Wide Facilities Plan (Continued)

The University of North Carolina at Charlotte Academic Facilities - Humanities	$1,000,000
The University of North Carolina at Greensboro Science Instructional Building	2,000,000
The University of North Carolina at Pembroke New Residence Hall	2,800,000
Western Carolina University Fine and Performing Arts Center	2,000,000
The University of North Carolina Center for Public Television Replacement and Upgrade of WUND-TV, Channel 2, Columbia Transmitter, Tower and Ancillary Equipment	500,000

Note: All of the funds provided have been specific appropriations made by the General Assembly except for the following projects: ECSU Addition to the Academic Computer Center funds were allocated by the Board of Governors from a general appropriation for Advance Planning; UNC-P was authorized by the General Assembly to issue revenue bonds; and UNC CPTV funds were allocated from the Reserve for Repairs and Renovations as required by legislation.

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Wednesday, January 21, 1998

MINUTES

The Joint Appropriations Subcommittee on Education met at 9:00 a.m. on Wednesday, January 21, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Arnold, Preston and Grady, Co-chairs; Representatives Black, Bonner, Davis, Insko, Oldham, Reynolds, Rogers, Russell, Shubert, and Yongue; Senators Lee and Winner, Co-chairs; and Senator Dalton. Representative Moore was absent. A visitors sheet is attached to these minutes.

Representative Robert Grady presided and called the meeting to order. Reports on enrollment were presented as follows: Public Schools - Mr. Philip Price, Department of Public Instruction; Community Colleges - Mr. Kennon Briggs, Department of Community Colleges; University of North Carolina System - Dr. Judith Pulley, Vice President for Planning, UNC General Administration. Discussion followed each presentation. Issues addressed included overall growth, budget projections, Charter schools, home schooling, safety and discipline, enrollment, curriculum, and cooperation among institutions regarding admission.

Non-recurring appropriations for fiscal year 1997-98 were reviewed by the UNC System, Department of Community Colleges and Public Schools.

Chancellor Larry Monteith, North Carolina State University, (NCSU), introduced Mr. Tom Stephenson, Executive Director, Industrial Extension Service, NCSU, to speak on Manufacturing Extension and Partnership Extension. Other programs addressed were: Cunningham Farm Development, by Dr. Johnny Wynne, Associate Dean and Director, Agricultural Research Service, NCSU; Pfiesteria Research by Dr. Joann Burkholder, Associate Professor, Department of Botany, NCSU, Fish Hatcheries Research by Dr. Thurman Grove, Head , Department of Zoology, NCSU; Law Enforcement Officers Training Program by Mr. Jim Horner, Director, Administrative Officers Management Program, NCSU; Piedmont Triad Center for Applied Manufacturing (PT-CAM), NC A&T State University by Mr. Charles McIntyre, Vice Chancellor Business and Finance, Mr. Cameron, President of the Board for PT-CAM , and Mr. Robert Naylor, Executive Director; Arbitration Settlement Payment Assistance by Chancellor Julius Chambers, North Carolina Central University; and Arts Abroad Program for Students by Dr. Robert Yekovisch, Dean, School of Music, North Carolina School of the Arts.

Questions and some discussion followed each presentation. Members of the Subcommittee requested further information on many of the programs.

Mr. Bill McCoy, Vice President for Finance, UNC-General Administration, provided a review of developments regarding NCCU's arbitration settlement with GTE-Vantage. Much discussion followed Chancellor Chambers' presentation.

Following a lunch break, Ms. Sylvia Harris from Rocky Mount Public Schools spoke on Communities in Schools in regard to non-recurring appropriations.

For reason of time constraints, order of the agenda was changed. At this time, to accommodate UNC System chancellors, Out-of State Enrollment and Tuition Flexibility was addressed by Chancellor John Bardo, Western Carolina University, Chancellor Joe Oxendine, UNC at Pembroke, and Chancellor Mickey Burnim, Elizabeth City State University.

Non-recurring appropriations for FY 1997-98 for Community colleges was addressed by Mr. Kennon Briggs, Vice President for Finance, Department of Community Colleges. Mr. Briggs spoke on equipment and books, New and Expanding Industry, and the Hosiery Technology Center.

A review of non-recurring appropriations for FY 1997-98 for Public Schools was made for each of the following programs: Total Quality Education by Mr. Tom Williams; A+ Schools by Mr. Vincent Marron; Global Curriculum Funds by Mr. Don Stedman; ABC Incentive Funds, Additional Pay for Mentor Teachers, Extra Pay for New Teacher Development and School Technology Funds by Dr. Richard Thompson, Associate Superintendent of Public Instruction. (NOTE: Eighteen handouts are attached to these minutes.)

In the interest of time, other items on the agenda were relegated to the February meeting of this subcommittee. The meeting was adjourned at 4:00 p.m.

Respectfully submitted:

Representative Robert Grady, Co-Chair

Peggy B. Murray, Committee Clerk

APPROPRIATIONS SUBCOMMMITTEE ON EDUCATION
January 21, 1998

Morning Session

Call to Order	Rep. Robert Grady

Enrollment Report:

Public Schools	Philip Price, Department of Public Instruction
Community Colleges	Kennon Briggs, Department of Community Colleges
University of North Carolina General Administration	Dr. Judith Pulley, Vice President for Planning, UNC

5 min.

Review of Nonrecurring Appropriations for FY1997-98:

UNC

N.C. State University Manufacturing Extension Partnership Expansion	Chancellor Larry Monteith Tom Stephenson, Executive Director Industrial Extension Service NC State
Cunningham Farm Development KENSTON	Dr. Johnny Wynne, Associate Dean & Director Agricultural Research Service NC State
Pfiesteria Research	Dr. Joann Burkholder, Associate Professor Dep't. of Botany NC State
Fish Hatcheries Research	Dr. Thurman Grove, Head Department of Zoology NC State
Law Enforcement Officers Training Program	Mr.. Jim Horner, Director Administrative Officers Management Program NC State

Piedmont Triad Center for Applied Manufacturing (PT-CAM)	Mr. Charles McIntyre, Vice Chancellor for Business and Finance NC A & T State
Arbitration Settlement Payment Assistance	Chancellor Julius Chambers NC Central
Arts Abroad Program for Students	Robert Yekovich, Dean School of Music NC School of the Arts

Recess till 1:30

Community Colleges:

Equipment and Books	Kennon Briggs
New and Expanding Industry	Kennon Briggs
Hosiery Technology Center	Kennon Briggs

30 min

Public Schools:

ABC Incentive Funds (includes high school (does not last yr.))	Dr. Richard Thompson
Additional Pay for Mentor Teachers	Dr. Richard Thompson
Extra Pay for New Teacher Development	Dr. Richard Thompson
School Technology Funds	Dr. Richard Thompson
Total Quality Education	Tom Williams
A+ schools	Vincent Marron
Global Curriculum Funds	Don Stedman
Communities in Schools, Rocky Mount	Sylvia Harris

funded by DPI thru (not responsible)

Afternoon Session:

Out-of-State Enrollment and Tuition Flexibility, UNC System

Chancellor John Bardo, Western Carolina
Chancellor Joe Oxendine, UNC at Pembroke
Chancellor Mickey Burnim, Elizabeth City State

Moved to Feb. meeting.

handout - put in notebook

Center for the Prevention of School Violence

Dr. Charles Coble, Vice President for University and Schools Partnerships, UNC
Dr. Pam Riley, Director, Center for the prevention of School Violence, NC State

Report on the Use of State Education Funds for School Resource Officers

Philip Price, Department of Public Instruction

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Wednesday, January 21, 1998 9:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Ann Bellamy	SBE
Sue Adams	OSBM
Jan Crutts	NCSBA
Tom Williams	N.C. Business Coalition for Educ.
Bill Wilson	NCAE
Harriet Dial	NCAE
Ken Gregson	UNC - Gen Adm
David Brown	OSBM
Hal Miller	NC ACCT
W D McCoy	UNC - GA
Jim Horner	NCSU
Jim Brotherton	UNC - Gen Adm / NCSU Ag Pgms.
LARRY Monteith	NC State
Rosland Thompson	SOPS

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Wednesday, January 21, 1998 9:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

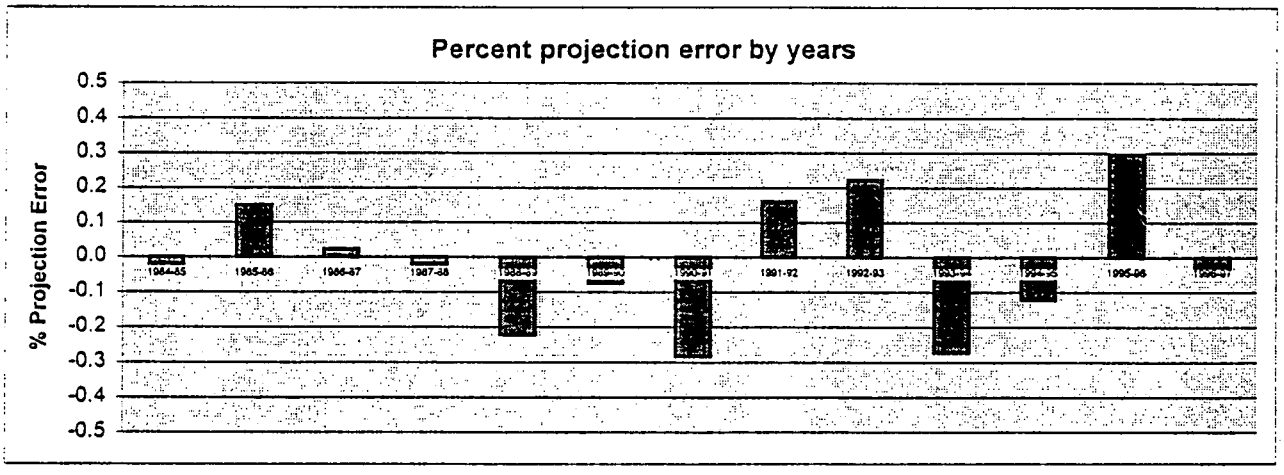
NAME	FIRM OR AGENCY AND ADDRESS
Judith Pulley	UNC General Administration
Jim Sadler	UNC Gen. Admin.
Larry Morgan	Community Colleges
Ken Bryan	"
Barry Russell	"
D. Hunt	NCCCS
Brenda Rogers	NCCCS
Janet Pettiford	OSBM
John Malia	Community Colleges.
Tim Maxwell	NCAICU
Karen Garr	Gov's Office
Leanne Winner	EOG HG
Jo Ann Norris	Public School Forum

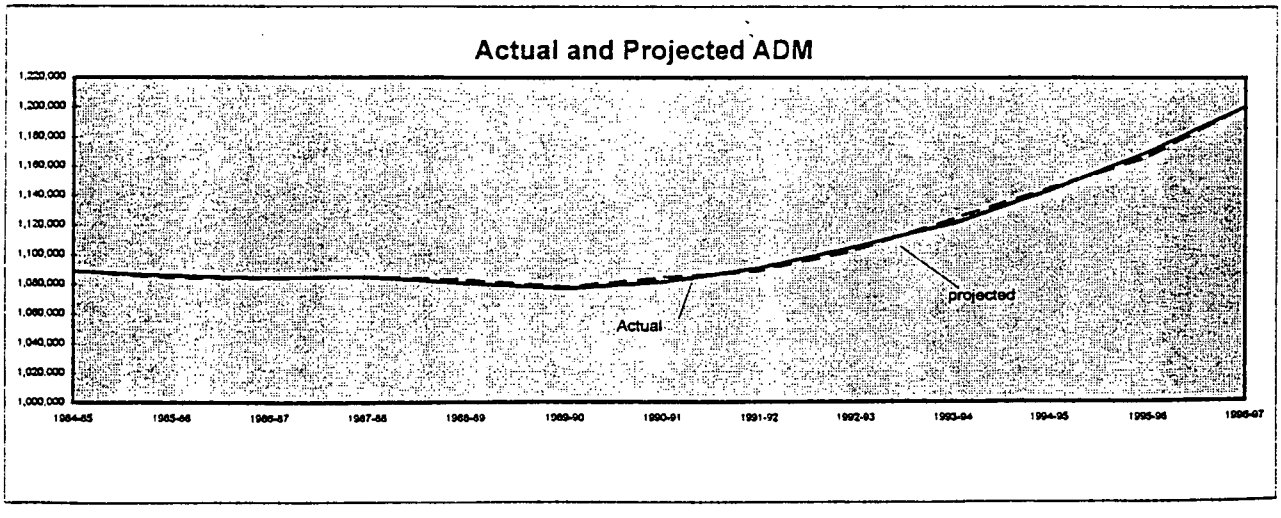
W. Ted Thiessen TAP/AD

DPI 1-21-98 #1

ADM PROJECTION EFFICIENCY BY YEARS

School Years	ADM projected	ADM actual	projection error	projection error as % of actual
1984-85	1,089,197	1,088,962	(235)	-0.022
1985-86	1,084,356	1,085,970	1,614	0.149
1986-87	1,083,902	1,084,146	244	0.023
1987-88	1,084,800	1,084,566	(234)	-0.022
1988-89	1,082,710	1,080,298	(2,412)	-0.223
1989-90	1,077,960	1,077,148	(812)	-0.075
1990-91	1,084,710	1,081,638	(3,072)	-0.284
1991-92	1,089,200	1,090,950	1,750	0.160
1992-93	1,103,080	1,105,548	2,468	0.223
1993-94	1,124,620	1,121,544	(3,076)	-0.274
1994-95	1,145,220	1,143,822	(1,398)	-0.122
1995-96	1,166,720	1,170,178	3,458	0.296
1996-97	1,201,400	1,200,810	(590)	-0.049





Comparison of FY 1997-98 Projected and Actual ADM

LEA #	LEA Name	Projected 1997-98 ADM	Loss to Charters (Public Only)	Revised Projection	Actual 1997-98 ADM	Difference	% Diff
010	Alamance County	19,270	(30)	19,240	19,221	(19)	-0.10%
01A	Lakeside School	0	0	0	49	N/A	N/A
020	Alexander County	5,166	(6)	5,160	5,285	125	2.42%
030	Alleghany County	1,471	0	1,471	1,483	12	0.82%
040	Anson County	4,511	0	4,511	4,500	(11)	-0.24%
050	Ashe County	3,401	0	3,401	3,321	(80)	-2.35%
060	Avery County	2,428	0	2,428	2,476	48	1.98%
06A	Grandfather Academy	0	0	0	50	N/A	N/A
070	Beaufort County	7,501	(2)	7,499	7,454	(45)	-0.60%
080	Bertie County	3,774	0	3,774	3,827	53	1.40%
090	Bladen County	5,767	0	5,767	5,724	(43)	-0.75%
100	Brunswick County	9,750	0	9,750	9,746	(4)	-0.04%
110	Buncombe County	24,717	(13)	24,704	24,828	124	0.50%
111	Asheville City	4,486	(79)	4,407	4,306	(101)	-2.29%
11K	Francine Delany New Sch.	0	0	0	101	N/A	N/A
120	Burke County	13,847	(8)	13,839	13,944	105	0.76%
130	Cabarrus County	17,044	0	17,044	17,199	155	0.91%
132	Kannapolis City	4,028	0	4,028	3,979	(49)	-1.22%
140	Caldwell County	12,065	(69)	11,996	12,087	91	0.76%
14A	Nguzo Saba	0	0	0	63	N/A	N/A
150	Camden County	1,178	0	1,178	1,218	40	3.40%
160	Carteret County	8,542	0	8,542	8,553	11	0.13%
170	Caswell County	3,633	0	3,633	3,588	(45)	-1.24%
180	Catawba County	15,103	(51)	15,052	14,882	(170)	-1.13%
181	Hickory City	4,338	(92)	4,246	4,454	208	4.90%
182	Newton City	2,639	(16)	2,623	2,763	140	5.34%
18K *	Engelmann School	0	0	0	198	N/A	N/A
190	Chatham County	6,808	(64)	6,744	6,738	(6)	-0.09%
19A	Chatham Charter	0	0	0	126	N/A	N/A
200	Cherokee County	3,586	(35)	3,551	3,492	(59)	-1.66%
20A	The Learning Center	0	0	0	72	N/A	N/A
210	Chowan County	2,527	0	2,527	2,583	56	2.22%
220	Clay County	1,275	(2)	1,273	1,268	(5)	-0.39%
230	Cleveland County	8,989	(1)	8,988	9,007	19	0.21%
231	Kings Mountain City	4,244	0	4,244	4,294	50	1.18%
232	Shelby City	3,441	0	3,441	3,386	(55)	-1.60%
240	Columbus County	7,524	0	7,524	7,489	(35)	-0.47%
241	Whiteville City	2,838	0	2,838	2,811	(27)	-0.95%
250	Craven County	15,091	(1)	15,090	14,975	(115)	-0.76%
260	Cumberland County	51,716	0	51,716	50,965	(751)	-1.45%
270	Currituck County	3,093	0	3,093	3,016	(77)	-2.49%
280	Dare County	4,500	0	4,500	4,529	29	0.64%

Comparison of FY 1997-98 Projected and Actual ADM

LEA #	LEA Name	Projected 1997-98 ADM	Loss to Charters (Public Only)	Revised Projection	Actual 1997-98 ADM	Difference	% Diff
290	Davidson County	18,430	(1)	18,429	18,410	(19)	-0.10%
291	Lexington City	3,203	0	3,203	3,103	(100)	-3.12%
292	Thomasville City	2,362	0	2,362	2,293	(69)	-2.92%
300	Davie County	5,176	(1)	5,175	5,245	70	1.35%
310	Duplin County	8,468	0	8,468	8,427	(41)	-0.48%
320	Durham Public	29,491	(270)	29,221	29,188	(33)	-0.11%
32A	Durham Charter	0	0	0	77	N/A	N/A
32B	Healthy Start Academy	0	0	0	198	N/A	N/A
330	Edgecombe County	7,956	(39)	7,917	7,903	(14)	-0.18%
340	Forsyth County	42,658	(768)	41,890	42,012	122	0.29%
34A	LIFT Academy	0	0	0	163	N/A	N/A
34B	Quality Education Academy	0	0	0	82	N/A	N/A
34C	Downtown Middle	0	0	0	361	N/A	N/A
34D	Carter G. Woodson School	0	0	0	185	N/A	N/A
350	Franklin County	7,164	(3)	7,161	7,056	(105)	-1.47%
360	Gaston County	29,810	(65)	29,745	29,932	187	0.63%
36A	Highland Kindergarten	0	0	0	54	N/A	N/A
370	Gates County	2,004	0	2,004	2,001	(3)	-0.15%
380	Graham County	1,236	0	1,236	1,184	(52)	-4.21%
390	Granville County	7,689	0	7,689	7,700	11	0.14%
400	Greene County	2,934	(6)	2,928	2,921	(7)	-0.24%
410	Guilford County	59,772	(7)	59,765	59,759	(6)	-0.01%
420	Halifax County	6,372	(3)	6,369	6,382	13	0.20%
421	Roanoke Rapids City	3,158	(1)	3,157	3,202	45	1.43%
422	Weldon City	1,200	0	1,200	1,135	(65)	-5.42%
430	Harnett County	15,174	0	15,174	15,285	111	0.73%
440	Haywood County	7,643	0	7,643	7,605	(38)	-0.50%
450	Henderson County	11,559	0	11,559	11,463	(96)	-0.83%
460	Hertford County	4,322	0	4,322	4,222	(100)	-2.31%
470	Hoke County	5,924	(2)	5,922	5,947	25	0.42%
480	Hyde County	802	0	802	783	(19)	-2.37%
490	Iredell County	15,193	(7)	15,186	15,456	270	1.78%
491	Mooresville City	3,491	0	3,491	3,567	76	2.18%
500	Jackson County	3,635	(70)	3,565	3,575	10	0.28%
50A	Summit Charter	0	0	0	128	N/A	N/A
510	Johnston County	18,292	(5)	18,287	18,436	149	0.81%
520	Jones County	1,535	0	1,535	1,530	(5)	-0.33%
530	Lee County	8,765	0	8,765	8,589	(176)	-2.01%
540	Lenoir County	10,402	(102)	10,300	10,331	31	0.30%
54A	Children's Village Academy	0	0	0	112	N/A	N/A
550	Lincoln County	9,897	(3)	9,894	10,059	165	1.67%
560	Macon County	4,085	(11)	4,074	4,017	(57)	-1.40%

Comparison of FY 1997-98 Projected and Actual ADM

LEA #	LEA Name	Projected 1997-98 ADM	Loss to Charters (Public Only)	Revised Projection	Actual 1997-98 ADM	Difference	% Diff
570	Madison County	2,568	(1)	2,567	2,564	(3)	-0.12%
580	Martin County	5,029	0	5,029	5,016	(13)	-0.26%
590	McDowell County	6,204	0	6,204	6,281	77	1.24%
600	Mecklenburg County	96,185	(65)	96,120	95,815	(305)	-0.32%
60A	Community Charter	0	0	0	76	N/A	N/A
610	Mitchell County	2,376	0	2,376	2,378	2	0.08%
620	Montgomery County	4,332	0	4,332	4,373	41	0.95%
630	Moore County	10,524	(78)	10,446	10,669	223	2.13%
63A	Mast School	0	0	0	95	N/A	N/A
640	Nash County	17,810	(433)	17,377	17,696	319	1.84%
64A	Charter Public School	0	0	0	493	N/A	N/A
650	New Hanover County	21,692	0	21,692	21,508	(184)	-0.85%
660	Northampton County	3,891	0	3,891	3,819	(72)	-1.85%
670	Onslow County	21,127	0	21,127	21,177	50	0.24%
680	Orange County	6,107	(81)	6,026	6,074	48	0.80%
681	Chapel Hill City	8,338	(142)	8,196	8,240	44	0.54%
68A *	Orange County Charter	0	0	0	159	N/A	N/A
68K	Village Charter	0	0	0	115	N/A	N/A
68L	School in the Community	0	0	0	98	N/A	N/A
690	Pamlico County	2,077	(245)	1,832	1,848	16	0.87%
69A	Arapahoe Charter	0	0	0	253	N/A	N/A
700	Pasquotank County	6,225	0	6,225	6,252	27	0.43%
710	Pender County	6,149	(1)	6,148	6,117	(31)	-0.50%
720	Perquimans County	1,932	0	1,932	1,955	23	1.19%
730	Person County	5,687	(1)	5,686	5,720	34	0.60%
740	Pitt County	19,679	(131)	19,548	19,573	25	0.13%
74A	Right Step Academy	0	0	0	132	N/A	N/A
750	Polk County	2,188	0	2,188	2,232	44	2.01%
760	Randolph County	16,174	(8)	16,166	16,109	(57)	-0.35%
761	Asheboro City	4,216	0	4,216	4,222	6	0.14%
770	Richmond County	8,339	0	8,339	8,327	(12)	-0.14%
780	Robeson County	23,505	(100)	23,405	23,614	209	0.89%
78A	CIS Academy	0	0	0	99	N/A	N/A
790	Rockingham County	14,478	0	14,478	14,534	56	0.39%
800	Rowan County	19,739	(2)	19,737	19,836	99	0.50%
810	Rutherford County	10,153	0	10,153	10,148	(5)	-0.05%
820	Sampson County	7,576	0	7,576	7,550	(26)	-0.34%
821	Clinton City	2,568	0	2,568	2,509	(59)	-2.30%
830	Scotland County	7,200	0	7,200	7,124	(76)	-1.06%
840	Stanly County	9,772	0	9,772	9,877	105	1.07%
850	Stokes County	7,089	(2)	7,087	7,007	(80)	-1.13%
860	Surry County	8,059	(8)	8,051	8,061	10	0.12%

Comparison of FY 1997-98 Projected and Actual ADM

LEA #	LEA Name	Projected 1997-98 ADM	Loss to Charters (Public Only)	Revised Projection	Actual 1997-98 ADM	Difference	% Diff
861	Elkin City	1,117	(39)	1,078	1,057	(21)	-1.95%
862	Mount Airy City	1,992	(1)	1,991	1,993	2	0.10%
86K *	Bridges	0	0	0	92	N/A	N/A
870	Swain County	1,686	0	1,686	1,686	0	0.00%
880	Transylvania County	3,985	(2)	3,983	4,015	32	0.80%
890	Tyrrell County	836	0	836	788	(48)	-5.74%
900	Union County	19,711	0	19,711	19,882	171	0.87%
910	Vance County	7,493	0	7,493	7,651	158	2.11%
920	Wake County	89,266	(472)	88,794	89,376	582	0.66%
92A	Bonner Academy	0	0	0	78	N/A	N/A
92B	Exploris	0	0	0	53	N/A	N/A
92C	John H. Baker Jr., High Sch	0	0	0	29	N/A	N/A
92D	Magellan Charter	0	0	0	292	N/A	N/A
92E	Sterling Montessori	0	0	0	126	N/A	N/A
930	Warren County	3,231	0	3,231	3,210	(21)	-0.65%
940	Washington County	2,605	0	2,605	2,595	(10)	-0.38%
950	Watauga County	4,857	0	4,857	4,880	23	0.47%
960	Wayne County	19,511	(68)	19,443	19,254	(189)	-0.97%
96A	Bright Horizons Academy	0	0	0	107	N/A	N/A
970	Wilkes County	10,063	(72)	9,991	9,905	(86)	-0.86%
97A	United Children's Ability Nk	0	0	0	66	N/A	N/A
980	Wilson County	12,179	(295)	11,884	11,760	(124)	-1.04%
98A	Sallie B. Howard School	0	0	0	300	N/A	N/A
990	Yadkin County	5,599	(26)	5,573	5,613	40	0.72%
995	Yancey County	2,508	0	2,508	2,494	(14)	-0.56%
	Total	1,225,720	(4,106)	1,221,614	1,227,175	879	0.07%

DPI 1-21-98 #2

Higher of Actual or Projected ADM for FY 1998-99 Planning Allotments

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LEA #	LEA Name	1997-98 Allotted ADM	1998-99 Allotted ADM	Growth	Percent Change
010	Alamance County	19,240	19,750	510	2.7%
01A	Lakeside School	53	88	35	66.0%
020	Alexander County	5,160	5,448	288	5.6%
030	Alleghany County	1,471	1,483	12	0.8%
040	Anson County	4,511	4,593	82	1.8%
050	Ashe County	3,404	3,321	(83)	-2.4%
060	Avery County	2,433	2,528	95	3.9%
06A	Grandfather Academy	50	55	5	10.0%
070	Beaufort County	7,523	7,454	(69)	-0.9%
080	Bertie County	3,853	3,827	(26)	-0.7%
090	Bladen County	5,767	5,774	7	0.1%
100	Brunswick County	9,750	9,965	215	2.2%
110	Buncombe County	24,704	25,136	432	1.7%
111	Asheville City	4,442	4,306	(136)	-3.1%
11K	Francine Delany New Sch.	98	108	10	10.2%
120	Burke County	13,839	14,293	454	3.3%
130	Cabarrus County	17,044	17,889	845	5.0%
132	Kannapolis City	4,034	3,986	(48)	-1.2%
140	Caldwell County	11,996	12,201	205	1.7%
14A	Nguzo Saba	65	72	7	10.8%
150	Camden County	1,188	1,233	45	3.8%
160	Carteret County	8,542	8,635	93	1.1%
170	Caswell County	3,633	3,591	(42)	-1.2%
180	Catawba County	15,052	15,183	131	0.9%
181	Hickory City	4,246	4,526	280	6.6%
182	Newton City	2,682	2,787	105	3.9%
18K *	Engelmann School	213	275	62	29.1%
190	Chatham County	6,744	6,804	60	0.9%
19A	Chatham Charter	125	138	13	10.4%
200	Cherokee County	3,551	3,494	(57)	-1.6%
20A	The Learning Center	72	79	7	9.7%
210	Chowan County	2,534	2,588	54	2.1%
220	Clay County	1,273	1,268	(5)	-0.4%
230	Cleveland County	8,988	9,182	194	2.2%

Higher of Actual or Projected ADM for FY 1998-99 Planning Allotments

DRAFT

LEA #	LEA Name	1997-98 Allotted ADM	1998-99 Allotted ADM	Growth	Percent Change
231	Kings Mountain City	4,244	4,388	144	3.4%
232	Shelby City	3,441	3,386	(55)	-1.6%
240	Columbus County	7,576	7,489	(87)	-1.1%
241	Whiteville City	2,838	2,811	(27)	-1.0%
250	Craven County	15,090	15,029	(61)	-0.4%
260	Cumberland County	51,716	51,132	(584)	-1.1%
270	Currituck County	3,093	3,036	(57)	-1.8%
280	Dare County	4,500	4,677	177	3.9%
290	Davidson County	18,429	18,731	302	1.6%
291	Lexington City	3,203	3,117	(86)	-2.7%
292	Thomasville City	2,362	2,323	(39)	-1.7%
300	Davie County	5,175	5,404	229	4.4%
310	Duplin County	8,468	8,502	34	0.4%
320	Durham Public	29,221	29,644	423	1.4%
32A	Durham Charter	89	132	43	48.3%
32B	Healthy Start Academy	194	220	26	13.4%
330	Edgecombe County	7,927	7,903	(24)	-0.3%
340	Forsyth County	41,890	42,817	927	2.2%
34A	LIFT Academy	225	248	23	10.2%
34B	Quality Education Academy	66	73	7	10.6%
34C	Downtown Middle	333	396	63	18.9%
34D	Carter G. Woodson School	200	220	20	10.0%
350	Franklin County	7,161	7,180	19	0.3%
360	Gaston County	29,745	30,133	388	1.3%
36A	Highland Kindergarten	65	72	7	10.8%
370	Gates County	2,004	2,017	13	0.6%
380	Graham County	1,236	1,184	(52)	-4.2%
390	Granville County	7,689	7,880	191	2.5%
400	Greene County	2,928	2,963	35	1.2%
410	Guilford County	59,765	61,002	1,237	2.1%
420	Halifax County	6,369	6,398	29	0.5%
421	Roanoke Rapids City	3,157	3,227	70	2.2%
422	Weldon City	1,200	1,135	(65)	-5.4%
430	Harnett County	15,174	15,949	775	5.1%

Higher of Actual or Projected ADM for FY 1998-99 Planning Allotments

DRAFT

LEA #	LEA Name	1997-98 Allotted ADM	1998-99 Allotted ADM	Growth	Percent Change
440	Haywood County	7,643	7,742	99	1.3%
450	Henderson County	11,559	11,668	109	0.9%
460	Hertford County	4,327	4,222	(105)	-2.4%
470	Hoke County	5,922	6,012	90	1.5%
480	Hyde County	802	783	(19)	-2.4%
490	Iredell County	15,186	15,962	776	5.1%
491	Mooresville City	3,491	3,688	197	5.6%
500	Jackson County	3,565	3,602	37	1.0%
50A	Summit Charter	138	171	33	23.9%
510	Johnston County	18,287	19,203	916	5.0%
520	Jones County	1,535	1,530	(5)	-0.3%
530	Lee County	8,765	8,673	(92)	-1.0%
540	Lenoir County	10,300	10,357	57	0.6%
54A	Children's Village Academy	117	129	12	10.3%
550	Lincoln County	9,894	10,298	404	4.1%
560	Macon County	4,074	4,125	51	1.3%
570	Madison County	2,567	2,564	(3)	-0.1%
580	Martin County	5,029	5,016	(13)	-0.3%
590	McDowell County	6,204	6,395	191	3.1%
600	Mecklenburg County	96,120	98,820	2,700	2.8%
60A	Community Charter	70	83	13	18.6%
610	Mitchell County	2,376	2,388	12	0.5%
620	Montgomery County	4,332	4,418	86	2.0%
630	Moore County	10,446	10,981	535	5.1%
63A	Mast School	94	103	9	9.6%
640	Nash County	17,377	17,894	517	3.0%
64A	Charter Public School	540	594	54	10.0%
650	New Hanover County	21,692	21,783	91	0.4%
660	Northampton County	3,891	3,819	(72)	-1.9%
670	Onslow County	21,127	21,481	354	1.7%
680	Orange County	6,026	6,238	212	3.5%
681	Chapel Hill City	8,196	8,468	272	3.3%
68A *	Orange County Charter	156	185	29	18.6%
68K	Village Charter	119	185	66	55.5%

Higher of Actual or Projected ADM for FY 1998-99 Planning Allotments

DRAFT

LEA #	LEA Name	1997-98 Allotted ADM	1998-99 Allotted ADM	Growth	Percent Change
68L	School in the Community	102	112	10	9.8%
690	Pamlico County	1,856	1,848	(8)	-0.4%
69A	Arapahoe Charter	257	283	26	10.1%
700	Pasquotank County	6,225	6,252	27	0.4%
710	Pender County	6,148	6,274	126	2.0%
720	Perquimans County	1,936	1,994	58	3.0%
730	Person County	5,686	5,844	158	2.8%
740	Pitt County	19,548	19,835	287	1.5%
74A	Right Step Academy	132	145	13	9.8%
750	Polk County	2,188	2,263	75	3.4%
760	Randolph County	16,166	16,483	317	2.0%
761	Asheboro City	4,216	4,321	105	2.5%
770	Richmond County	8,339	8,419	80	1.0%
780	Robeson County	23,405	23,865	460	2.0%
78A	CIS Academy	100	110	10	10.0%
790	Rockingham County	14,478	14,637	159	1.1%
800	Rowan County	19,737	20,159	422	2.1%
810	Rutherford County	10,153	10,178	25	0.2%
820	Sampson County	7,576	7,733	157	2.1%
821	Clinton City	2,570	2,509	(61)	-2.4%
830	Scotland County	7,200	7,124	(76)	-1.1%
840	Stanly County	9,772	10,017	245	2.5%
850	Stokes County	7,087	7,151	64	0.9%
860	Surry County	8,051	8,192	141	1.8%
861	Elkin City	1,078	1,057	(21)	-1.9%
862	Mount Airy City	1,991	2,007	16	0.8%
86K *	Bridges	97	110	13	13.4%
870	Swain County	1,686	1,707	21	1.2%
880	Transylvania County	3,983	4,047	64	1.6%
890	Tyrrell County	836	788	(48)	-5.7%
900	Union County	19,711	20,653	942	4.8%
910	Vance County	7,493	7,888	395	5.3%
920	Wake County	88,794	93,433	4,639	5.2%
92A	Bonner Academy	80	88	8	10.0%

Higher of Actual or Projected ADM for FY 1998-99 Planning Allotments

DRAFT

LEA #	LEA Name	1997-98 Allotted ADM	1998-99 Allotted ADM	Growth	Percent Change
92B	Exploris	54	59	5	9.3%
92C	John H. Baker Jr., High Sch	25	28	3	12.0%
92D	Magellan Charter	294	330	36	12.2%
92E	Sterling Montessori	125	138	13	10.4%
930	Warren County	3,231	3,234	3	0.1%
940	Washington County	2,613	2,595	(18)	-0.7%
950	Watauga County	4,864	4,896	32	0.7%
960	Wayne County	19,443	19,370	(73)	-0.4%
96A	Bright Horizons Academy	96	117	21	21.9%
970	Wilkes County	9,991	9,954	(37)	-0.4%
97A	United Children's Ability Nk	65	72	7	10.8%
980	Wilson County	11,884	11,831	(53)	-0.4%
98A	Sallie B. Howard School	309	354	45	14.6%
990	Yadkin County	5,573	5,793	220	3.9%
995	Yancey County	2,508	2,532	24	1.0%
	Total	1,226,772	1,251,287	24,515	2.0%

Charter Schools	4,818	5,572	5,572	115.6%
LEAs	1,221,954	1,245,715	18,943	1.6%

1-21-98 #3

JOINT APPROPRIATIONS SUB-COMMITTEE ON EDUCATION

North Carolina Community College System

Estimated Enrollment - Fall 1997 and 1997-98 Annual

During the first two weeks of October, the Division of Business and Finance surveyed the 58 community colleges in order to obtain an estimate of the fall 1997 enrollment. The reasons for this survey were several, including:

1. To determine how "semester conversion" and "reengineering" may have impacted enrollment; and,

2. To attempt to determine, through modeling, the impact of enrollment upon tuition receipts.

We received and analyzed both the full-time equivalent (FTE) and unduplicated headcount enrollment estimates for fall. It is the purpose of this REPORT to share the results of the survey with you, and to provide some of the thinking that went into our analysis.

Background

As you are of course aware, both empirical and anecdotal evidence suggests that enrollments typically decline in the 3 percent to 10 percent range the first year of conversion from the quarter system to the semester system. We know under the semester system we lose one week of enrollment for the fiscal year (Semester = 16 weeks/semester x 2 semesters = 32 weeks vs. Quarter = 11 weeks/quarter x 3 quarters = 33 weeks; loss of 1 week), which equates to an expected decline of about 3 percent of the membership hours. This adjustment has already been made in the recalibration of FTE's (from 528 hours to 512 hours). History has also demonstrated that enrollments tend to rebound the second year after conversion as students "mentally convert" to the notion that in order to graduate in two years they have to take a few more hours under the semester system each period than the quarter system. In spite of the fact that the Community College System reengineered to gear courses to be completed in two years under the semester system, some students will not yet have recognized the need to take only a couple more hours to complete an Associate Degree in that time period. As you are also aware, enrollments tend to decline the first year because students in two-year programs under the quarter system were hurriedly trying to complete their work before the semester conversion. All of this is to say that there is some expectation in conducting the analysis that enrollments will be down in both the fall semester, and for the fiscal year 1997-98.

Analysis

Once we received the estimated fall 1997 enrollment data, we "scrubbed" it as best we could, looking for any anomalies as to why a school may be way off their budgeted FTE.

To have the fall 1997 estimated FTE in the absence of anything else does not provide either policy analysts, policy makers, or fiscal analysts with any worthwhile information. Therefore, we in Business and Finance attempted the following three analyses of the data:

1. Fall 1997 Semester compared to a Converted Fall 1996 Quarter: We attempted to convert fall 1996 quarter actual enrollment to the new semester system enrollment. The data did not lend itself to comparison.

2. Fall 1996 Quarter compared to a Converted Fall 1997 Semester: We attempted to convert fall 1997 semester enrollment to the old quarter system enrollment. Again, the data did not lend itself to conversion.

After these two failed attempts, we concluded that in the mathematical conversion approved by the General Assembly and State Board of Community Colleges we had accounted for the conversion. The 256 hours per semester required to generate 1 semester FTE (512 hrs. = 1 annual FTE) **does equate** to the old 176 hours per quarter which generated one quarter FTE (528 hrs. = 1 annual FTE).

3. We compared the Fall 1997 Estimated Semester FTE to the Fall 1996 Actual Quarter FTE. This alone still would not tell the reader much in the absence of some annualized data. Therefore, we annualized the FTE as follows:

$$\frac{\text{Fall 1997 Estimated FTE + Spring 1998 Predicted FTE (using 5-year retention data)}}{2}$$

= The Predicted Annual 1997-98 Enrollment (FTE)

We then compared this to the budgeted FTE to determine how much enrollment may be up or down for 1997-98. **Not included in this analysis of FTE data are "mini-mesters" (8-week programs), or recognition of the fact that Occupational Extension programs were being developed and deployed with the new funding provided by the 1997 Session of the General Assembly.**

Results

The preliminary results from our analysis reveal the following:

Title	Budget	Estimated	Difference	%
FTE Estimates				
Curriculum	107,515	98,865	**- 8,650**	- 8.05%
Occupational Extension	16,998	14,706	**- 2,292**	-13.48%
Literacy	13,355	12,849	**- 506**	- 3.79%
Headcount Estimates				
Curriculum	146,459	147,551	**1,092**	0.7%
Occupational Extension	86,882	98,517	**11,635**	13.4%
Literacy	54,261	60,805	**6,544**	12.1%
Curriculum - with 3/5 rule + 2 year averaging	107,515	105,196	**- 2,319**	- 2.2%

1-21-98
#4

Equipment Funding

in the

North Carolina Community College System

Information Presented to the Joint Education Appropriations Subcommittee of the North Carolina General Assembly

January 21, 1998

Equipment Funding For the North Carolina Community College System
1976-77 through 1996-97

F.Y.	Appropriation	Capital Equip Price Index	Adjusted Appropriation	Accumulated Appropriation	Accumulated Adjusted Appropriation	Gap
	{Solid Line - Annual $}	Higher Education Price Index - HEPI	{Broken Line - Adjusted for Infl}	From the Base Year Forward	After Adjusting for Inflation	
1976-77	$3,912,709	62.8	$6,230,428			
1977-78	$4,412,709	65.9	$6,696,068			
1978-79	$4,846,309	70.4	$6,883,962			
1979-80	$3,784,732	76.1	$4,973,367			
1980-81	$3,819,732	82.3	$4,641,230			
1981-82	$6,319,732	89.6	$7,053,272			
1982-83	$6,319,732	96.2	$6,569,368			
1983-84	$13,819,732	100.0	$13,819,732	$13,819,732	$13,819,732	$0
1984-85	$13,629,732	102.7	$13,271,404	$27,449,464	$27,091,136	$358,328
1985-86	$13,819,732	105.2	$13,136,627	$41,269,196	$40,227,763	$1,041,433
1986-87	$18,779,103	108.0	$17,388,058	$60,048,299	$57,615,822	$2,432,477
1987-88	$18,819,732	110.2	$17,077,797	$78,868,031	$74,693,619	$4,174,412
1988-89	$13,819,732	112.5	$12,284,206	$92,687,763	$86,977,825	$5,709,938
1989-90	$18,819,732	117.0	$16,085,241	$111,507,495	$103,063,066	$8,444,429
1990-91	$19,819,732	121.9	$16,259,009	$131,327,227	$119,322,075	$12,005,152
1991-92	$13,819,732	125.6	$11,002,971	$145,146,959	$130,325,046	$14,821,913
1992-93	$17,519,732	128.4	$13,644,651	$162,666,691	$143,969,697	$18,696,994
1993-94	$20,019,732	130.2	$15,376,138	$182,686,423	$159,345,835	$23,340,588
1994-95	$24,619,732	132.2	$18,623,095	$207,306,155	$177,968,931	$29,337,224
1995-96	$23,245,354	135.1	$17,206,036	$230,551,509	$195,174,966	$35,376,543
1996-97	$23,819,732	138.2	$17,235,696	$254,371,241	$212,410,662	$41,960,579
TOTAL*	$287,786,896					

*** TOTAL does not include 1997-98 appropriation of $24.4 million, which would bring the total to $312.2 million since 1976-77**

Amount of Equipment Funding Per Student
1976-77 through 1996-97

Fiscal Year		Actual Curriculum FTE	Incr/Decr in Enrollment	Appropriation for Equipment	Funding Per FTE	Incr/Decr in $/FTE
1976-77		73655		$ 3,912,709	$ 53.12	
1977-78		73213	-0.60%	$ 4,412,709	$ 60.27	$ 7.15
1978-79		77210	5.46%	$ 4,846,309	$ 62.77	$ 2.50
1979-80		78867	2.15%	$ 3,784,732	$ 47.99	$ (14.78)
1980-81		83862	6.33%	$ 3,819,732	$ 45.55	$ (2.44)
1981-82		87641	4.51%	$ 6,319,732	$ 72.11	$ 26.56
1982-83		90911	3.73%	$ 6,319,732	$ 69.52	$ (2.59)
1983-84		86665	-4.67%	$ 13,819,732	$ 159.46	$ 89.95
1984-85		82946	-4.29%	$ 13,629,732	$ 164.32	$ 4.86
1985-86		88902	7.18%	$ 13,819,732	$ 155.45	$ (8.87)
1986-87		87433	-1.65%	$ 18,779,103	$ 214.78	$ 59.33
1987-88		85429	-2.29%	$ 18,819,732	$ 220.30	$ 5.51
1988-89		89803	5.12%	$ 13,819,732	$ 153.89	$ (66.41)
1989-90		94302	5.01%	$ 18,819,732	$ 199.57	$ 45.68
1990-91		99663	5.68%	$ 19,819,732	$ 198.87	$ (0.70)
1991-92		106777	7.14%	$ 13,819,732	$ 129.43	$ (69.44)
1992-93		109062	2.14%	$ 17,519,732	$ 160.64	$ 31.21
1993-94		105867	-2.93%	$ 20,019,732	$ 189.10	$ 28.46
1994-95		104751	-1.05%	$ 24,619,732	$ 235.03	$ 45.93
1995-96		104172	-0.55%	$ 23,245,354	$ 223.14	$ (11.89)
1996-97		104761	0.57%	$ 23,819,732	$ 227.37	$ 4.23

Appropriation Per FTE for Curriculum Programs (only)

Definitions of Equipment Subcategories

Code	Title	Definition
A	Automotive	Cars, Trucks, Vans, Boats, Tractors, Mowers, Ambulances, Mobile Classrooms
C	Computers	Personal Computers and Pentium Processors, Central Processing Units, Lap-Tops, Printers, Cabling, Software, CD Roms, Computer Labs, Servers, Plotters, CAD Stations, Modems, Networking
F	Furniture	Desks, Chairs, Tables, PC Workstations, Workbenches, Secure Storage Cabinets, Lab Stools, Cosmetology Stations
H	Health	Patient Care Units, Medical Labs, X-Ray/Raidography, Mannequins, EKG Equipment, Dental Labs, Pediatric Systems and Bassinets, ALS/EMS Simulators, Hygiene Clinic, Incubators, Beds, Hematology Equipment,
L	Library	Bookstacks and Shelving, Microfiche Readers, Study Carrels, Circulation Desk,
M	Machinery/Mechanical	Lathes, Milling Machines, Spectrophotometer, Lasers, HVAC Equipment, Oscilloscopes, Test Instruments, Aviation Equipment, Sanders/Grinders, Atomic Absorption Spectrometers, Tilt Rotary Tables, Brake Machines, Injection Molds, Robots, Hydraulic Trainers, Thermodynamics Trainer, Bench Meters, CO Analyzers, Pneumatic Stations, Plasma Cutter, Welders, Cable Testers, Flow Meters, Autoclaves, Drying Ovens, Switching Equipment, Platemaker
O	Other	Calculators, Law Enforcement and Fire Equipment, Gardening/Landscaping, Physical Education, Security Systems, Impaired Assistance,
S	Support	Information Highway, TV's/VCR's/Camcorders, Projection Machines, Copiers, Distance Learning, Bar Coding, Monitors, Color Developing Systems, Sound Systems, Office Machines

1-21-98
#5

The University of North Carolina
Enrollment Report
Estimates of Regular Term, FTE Enrollment for 1997-98

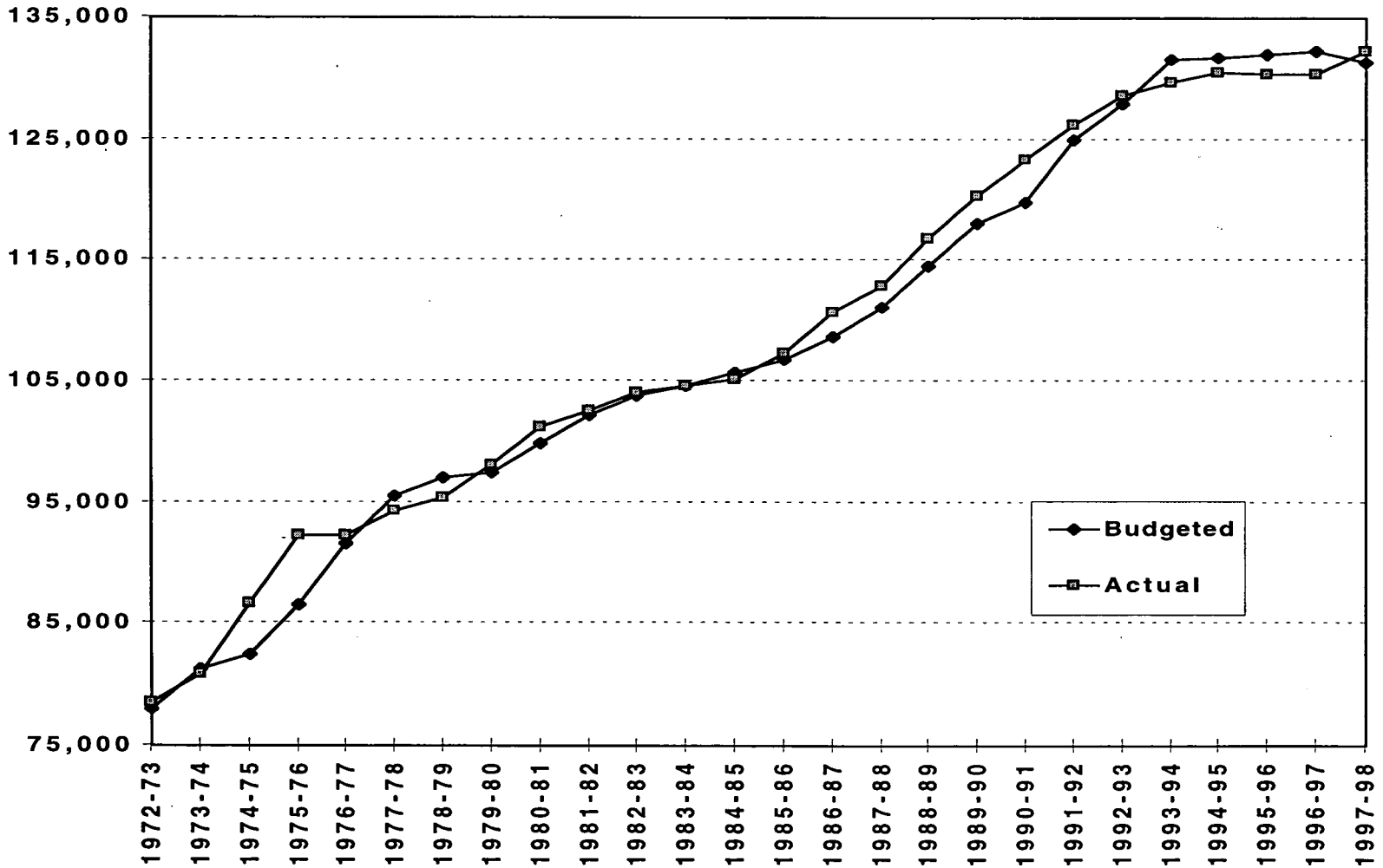
Institution	Budgeted Mid-point of AAFTE Range	Estimated Average Annual Enrollment
Appalachian State	10,975	11,075
East Carolina	15,115	15,440
Elizabeth City State	1,835	1,800
Fayetteville State	3,380	3,330
NCA&T	6,800	6,695
NC Central	4,575	4,750
NC School of the Arts	945	960
NC State	20,830	21,250
UNC-Asheville	2,625	2,600
UNC-Chapel Hill	22,256	22,270
UNC-Charlotte	12,925	13,150
UNC-Greensboro	10,400	10,305
UNC-Pembroke	2,540	2,470
UNC-Wilmington	7,835	8,000
Western Carolina	5,795	5,725
Winston-Salem State	2,480	2,530
UNC Total	**131,311**	**132,350**

UNC General Administration

The University of North Carolina
Enrollment Report
Regular Term, Budgeted FTE Enrollments for 1997-98

- Enrollments for each institution are expressed as a range: plus or minus two percent from a budgeted mid-point.
- Of the 16 UNC institutions, 11 have estimated 1997-98 enrollments within their budgeted range; one is below its budgeted range; four are above their range.
- Total enrollment in regular term FTEs (full-time equivalent students) for 1997-98 is estimated to be 132,350. This is 2,005 FTEs (1.5 percent) higher than the 1996-97 FTE enrollment of 130,345.
- The estimated 1997-98 FTE enrollment (132,350) is 1,039 FTEs higher (0.8 percent) than budgeted for 1997-98. (The UNC total fall 1997 headcount enrollment is 154,500.)
- One reason for the higher enrollments is the continued increase in the proportion of North Carolina high school graduates entering a UNC institution as first-time freshmen (30.4 percent, up from 29.7 percent in 1996-97).
- Other reasons for higher enrollments in 1997-98 are: increased numbers of in-state transfer students and increased retention of in-state students already enrolled in UNC institutions.
- The 1997-98 increase is mainly at the undergraduate level, with an increase of 1,822 (headcount) compared to an increase at the graduate/professional level of 253.

The University of North Carolina
Regular Term Enrollment Data
Average Annual Full-Time Equivalent Students
1972-73 through 1997-98



UNC General Administration

The University of North Carolina
Regular Term Enrollment Data
Average Annual Full-Time Equivalent Students
1972-73 through 1997-98

Fiscal Year	Budgeted	Actual	Actual Over (Under) Budgeted	Percentage Difference
1972-73	78,020	78,578	558	0.7%
1973-74	81,187	80,832	(355)	(0.4%)
1974-75	82,455	86,678	4,223	5.1%
1975-76	86,575	92,253	5,678	6.6%
1976-77	91,562	92,224	662	0.7%
1977-78	95,481	94,248	(1,233)	(1.3%)
1978-79	96,934	95,375	(1,559)	(1.6%)
1979-80	97,342	98,012	670	0.7%
1980-81	99,785	101,266	1,481	1.5%
1981-82	102,130	102,540	410	0.4%
1982-83	103,825	104,098	273	0.3%
1983-84	104,655	104,616	(39)	0.0%
1984-85	105,685	105,189	(496)	(0.5%)
1985-86	106,825	107,369	544	0.5%
1986-87	108,620	110,764	2,144	2.0%
1987-88	111,115	112,861	1,746	1.6%
1988-89	114,475	116,788	2,313	2.0%
1989-90	117,975	120,354	2,379	2.0%
1990-91	119,775	123,328	3,553	3.0%
1991-92	124,915	126,139	1,224	1.0%
1992-93	128,000	128,667	667	0.5%
1993-94	131,545	129,773	(1,772)	(1.3%)
1994-95	131,750	130,495	(1,255)	(1.0%)
1995-96	132,080	130,412	(1,668)	(1.3%)
1996-97	132,280	130,345	(1,935)	(1.5%)
1997-98	131,311	132,350 *(est.)*	1,039 *(est.)*	0.8% *(est.)*

Fiscal Year	Budgeted	Revised Estimate	Change	Percentage Difference
1998-99	132,236	133,336	1,100	0.8% *(est.)*

$12.3 million

UNC-GA
Finance
1/20/98

The University of North Carolina
Enrollment Report
Fall 1997 Minority Presence at UNC Constituent Institutions

- **Overall, white student enrollment increased by 326 (0.3 percent); black student enrollment by 1,116 (3.7 percent), and other minority enrollment by 575 (5.4 percent).**
- **At historically black institutions, total enrollment rose by 264 although there was a decline of minority presence (i.e., white) enrollment of 194 (5.4 percent). This represents a decline in minority presence from 16.6 to 15.5 percent.**
- **Total enrollment at historically white institutions increased by 1,725 (1.4 percent). Minority presence enrollment increased by 669 (5.5 percent).**
- **Black students at historically white institutions accounted for 38.8 percent of the total UNC enrollment growth. This results in a record high enrollment of black students at historically white institutions of 12,739 (9.9 percent).**
- **American Indian enrollment at UNC institutions increased for the fourth straight year.**
- **Over the past 10 years (1987-1997), white student enrollment rose by 10.1 percent, black student enrollment by 28.9 percent, American Indian enrollment by 50.0 percent, and enrollment of other races by 91.5 percent.**

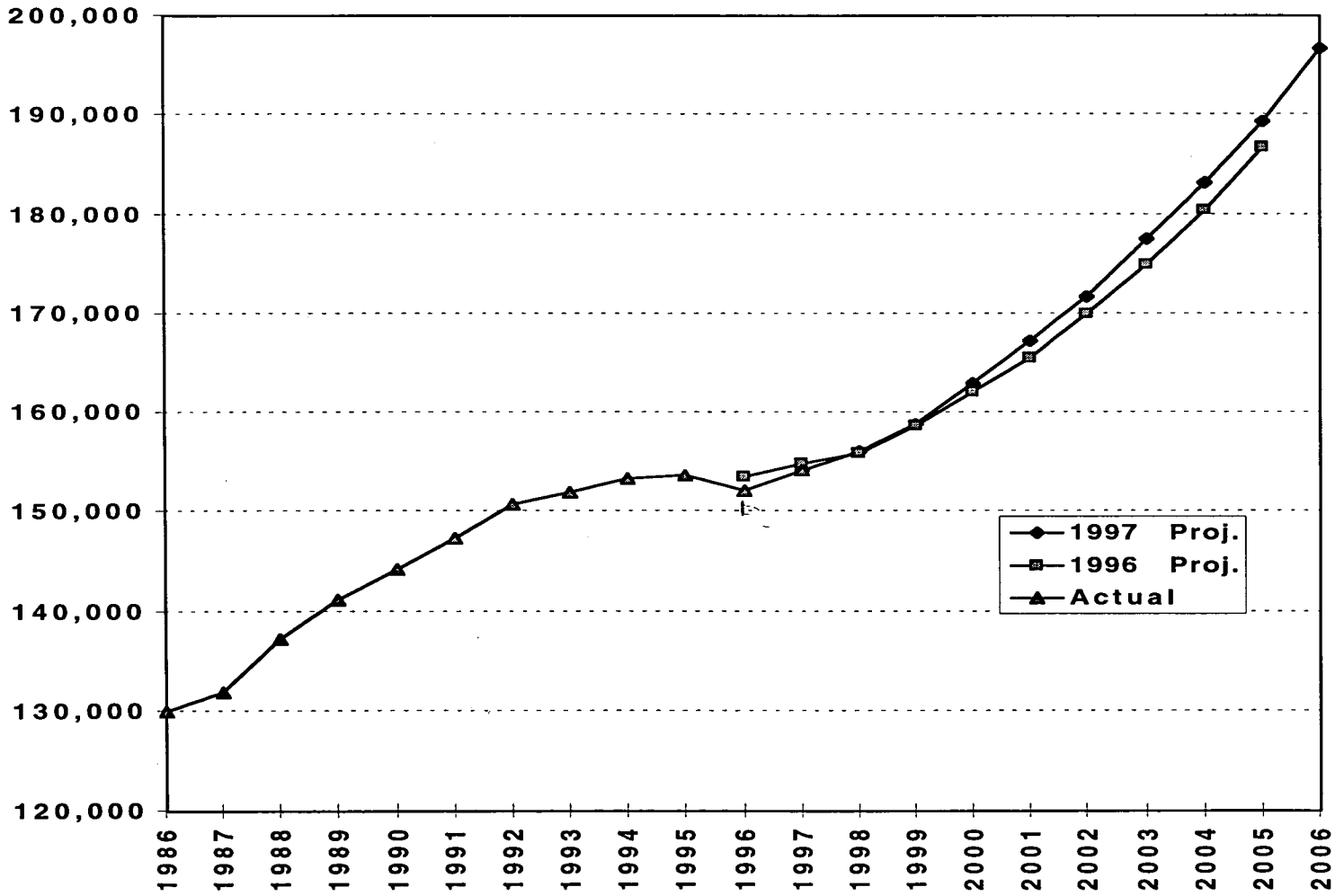
The University of North Carolina
Enrollment Report
Out-of-State Enrollment

- **Out-of-state enrollment was at an all-time high in 1993. Since then, there has been a decline of 891 out-of-state students (760 undergraduate, 131 graduate level).**
- **Since 1993, declines in the number of out-of-state students have occurred at 10 of the 16 UNC institutions, with more significant losses at ECU, NCA&T, NCCU, NCSU, and UNC-G. Factors related to this decline are noted below.**
  - » **The decline in the number of out-of-state undergraduates in recent years may be due in part to the decline in the number of high school graduates in other states. From fall, 1993 to fall, 1997, out-of-state freshman applicants dropped by 1,000.**
  - » **The decline in out-of-state freshman applicants, the decrease in the number of out-of-state transfers, and the continuing decrease in the number of out-of-state students suggest that the overall decline is related to increased tuition charges, which have risen from $3,544 in 1985 to $9,150 in 1997.**

The University of North Carolina
Enrollment Projection Model
"Population Pool and Participation Rate" Method

- Two independent sources of data: (1) in-state high school graduation projections from DPI; (2) state population projections by age group from State Demographer.
- Population growth estimates are developed for these age groups: 18-21, 22-24, 25-35, and 36 and older. (A separate 21-24 age group is also analyzed for graduate enrollment projections.)
- Participation rates for each age group are determined for each UNC campus (e.g., the percentage of 18-21 year-old in-state high school graduates who are enrolled at a particular institution).
- Participation rates for future years are calculated based on the historical rates for the previous seven years, weighting recent years more heavily.
- The campus-level participation rate is multiplied by the projected number in a given population age group. The results for all age groups are summed to produce an estimate for a given campus in a given year. Campus-level projections are summed to produce a system-wide enrollment projection.
- Out-of-state enrollments are projected at the same rate of increase as in-state enrollments for a given age group. In the current model, out-of-state enrollment projections were not allowed to exceed current campus out-of-state percentages.

The University of North Carolina
Regular Term Enrollment Data
Actual and Projected Fall Headcount
1986 through 2006



UNC General Administration

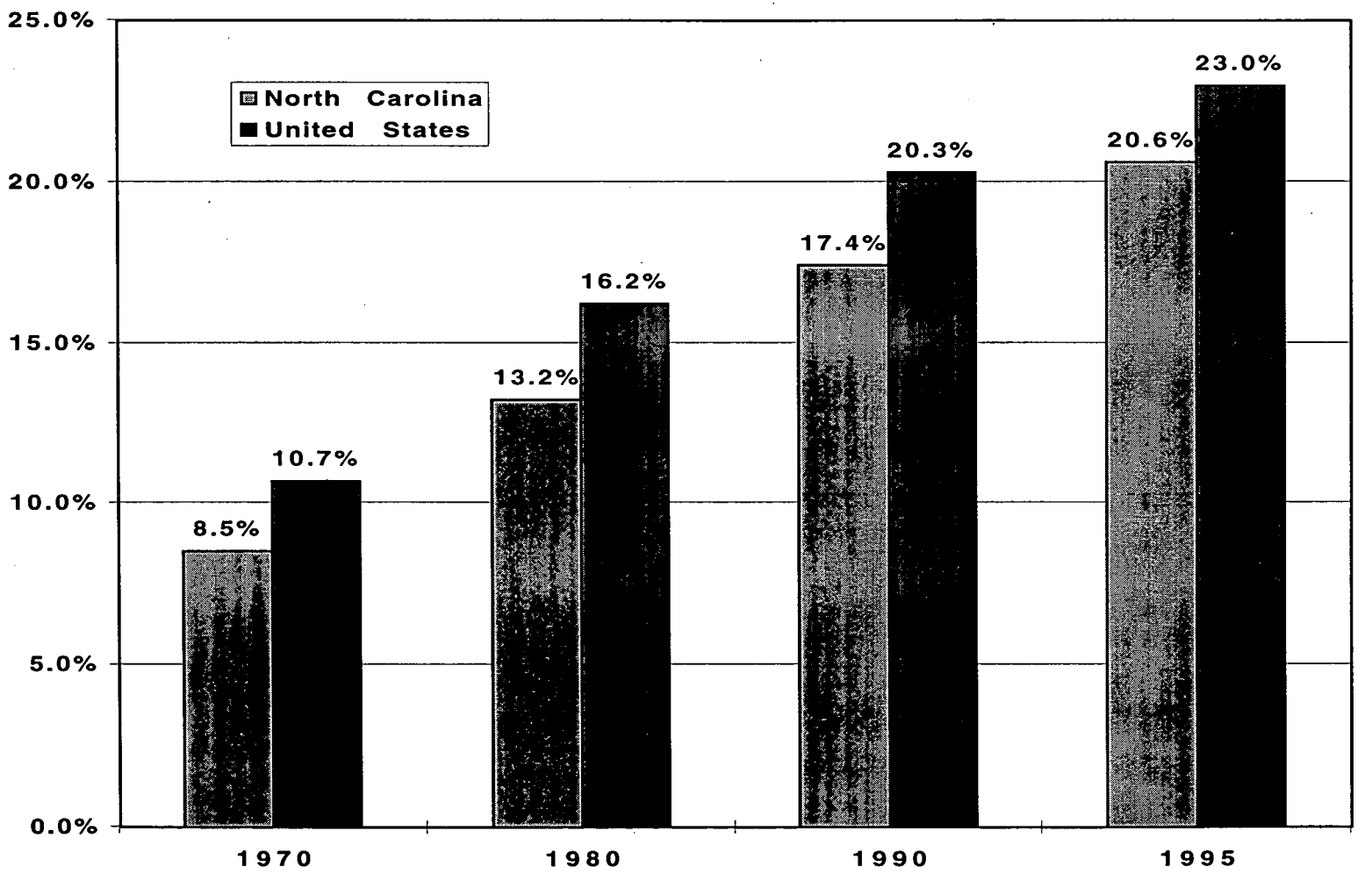
Comparison of Actual and Projected UNC Headcount and AAFTE
(Actual through 1997-98)

Year	Total UNC Headcount	Total AAFTE
1986-87	129,890	110,764
1987-88	131,928	112,861
1988-89	137,191	116,788
1989-90	141,101	120,354
1990-91	144,159	123,328
1991-92	147,230	126,139
1992-93	150,652	128,667
1993-94	151,908	129,773
1994-95	153,299	130,495
1995-96	153,649	130,412
1996-97	152,182	130,345
1997-98	154,154	132,350
1998-99	156,131	133,336
1999-00	158,878	135,700
2000-01	162,859	139,100
2001-02	167,157	142,800
2002-03	171,734	146,700
2003-04	177,450	151,600
2004-05	183,128	156,400
2005-06	189,348	161,700
2006-07	196,676	168,000

The University of North Carolina
Initiatives to Address Anticipated Enrollment Demand

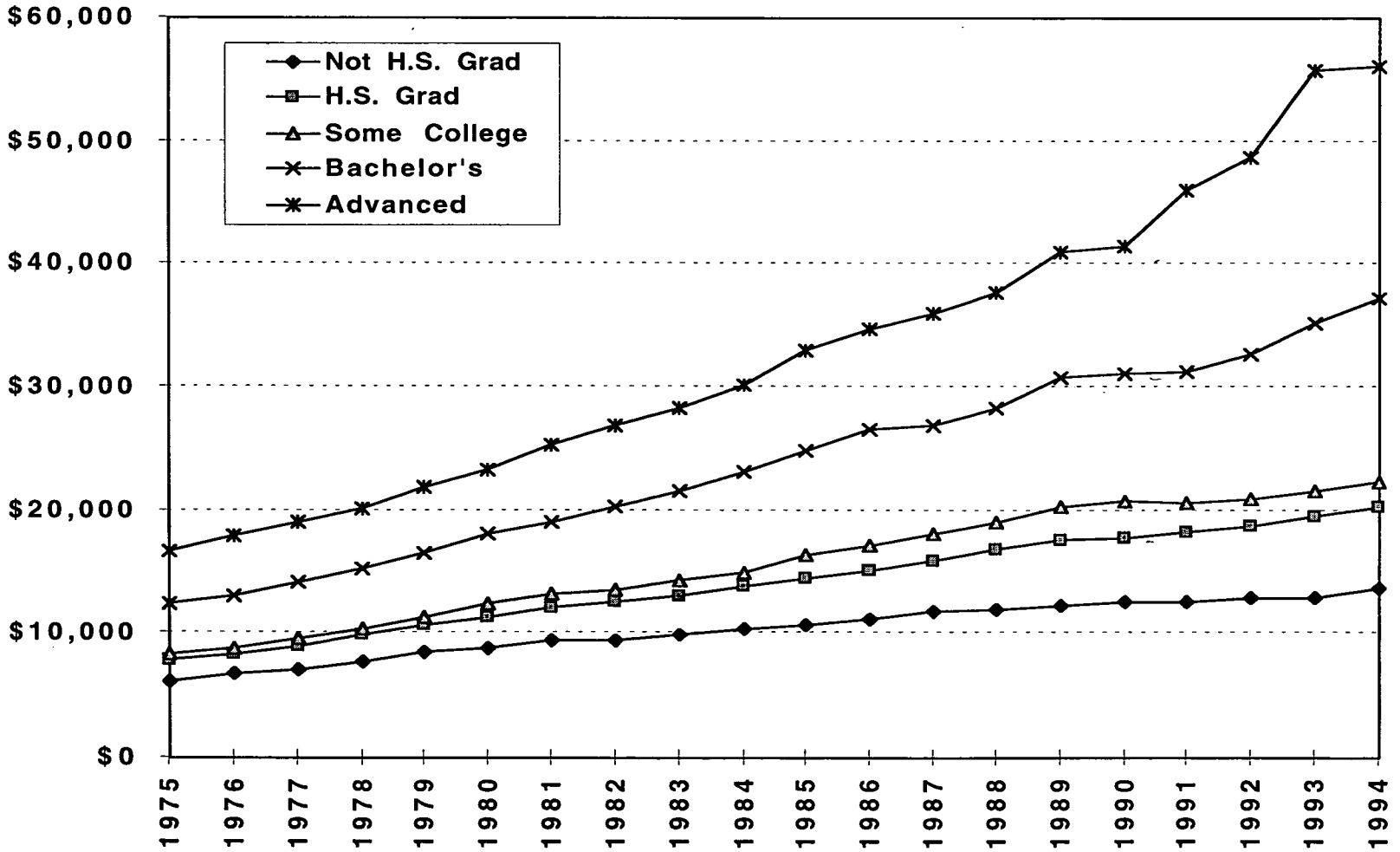
- Development of pilot off-campus degree programs.
- Expansion of off-campus and distance education offerings.
- More efficient use of space on campus.
- Expanded summer school enrollment.
- Continued growth in capital renovation and construction funds.
- Improved services and electronic systems supporting distance education.
- Increased collaboration with other education sectors.

The University of North Carolina
Enrollment Report
Educational Attainment of Persons 25 and Older
Percent with a Bachelor's Degree or Higher



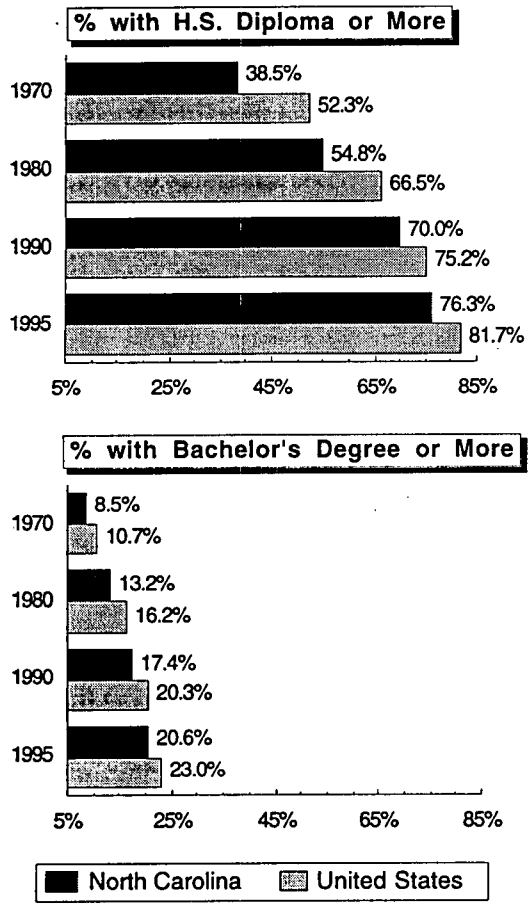
UNC General Administration

U. S. Annual Earnings by Educational Level
1975 through 1994
(Source: U.S. Bureau of the Census)



D. Education in North Carolina

Fig. 20. Educational Attainment of Persons 25 and Older



UNC-GA Planning/LRP.AG006A/5-14-97

Improved public school preparation for college. N.C. high school graduates are better prepared for college today than they were in the 1980s. As Table 1 shows, the difference between average SAT scores for the state and nation has fallen steadily for the last two decades. The higher scores indicate the benefits of students taking more than the minimum number of courses required for graduation in each subject area. High school dropout rates declined slightly from 1995 to 1996, from 3.78 to 3.73 percent. The ABCs of Public Education, the state's major education reform effort, began in high schools in fall, 1997. At the elementary and middle school level, the program places a strong emphasis on reading, writing and mathematics, which will benefit students as they enter high school and prepare for college. On 1996 National Assessment of Educational Progress tests, North Carolina fourth-graders exceeded the national average in math for the first time, and eighth-grade mathematics scores reached the national average.

Mixed success in educational attainment. Figure 20 shows that in the last quarter-century North Carolina has made impressive gains in closing the gap between the state and the nation in the percentage of population with a high school diploma. Nevertheless, although the percentage of North Carolina citizens with a high school education continues to increase, the gap between the state and national percentages has not narrowed during this decade. In 1995 the state ranked 44th among the states in percent of high school graduates among persons age 25 and over. Figure 20 also shows that this trend is generally the same for the percentage of the state's population obtaining a college education. The gap between the state and national percentages of persons completing an undergraduate college degree has not decreased over the last 25 years, going from a 2.2 percent difference in 1970 to a 2.4 percent difference in 1995.

An improving college-going rate. This relative lack of progress in attainment of the baccalaureate degree is a result of North Carolina's historically low college-going rate. However, recent trends appear promising for closing the gap between state and national college-going rates. In 1986, when such data were first made available by the National Center for Educational Statistics, the national college-going rate was 53.7 percent, compared to a North Carolina rate of 51.8 percent. Over the following decade, the difference between state and national rates has varied, and by 1994 it had narrowed to a 61.3 percent state rate compared to a 61.9 percent national rate. The extent to which this participation rate is maintained or increased will be an important influence on growth of UNC enrollments and on strengthening the state's educational foundation for progress

Table 1. Recentered SAT Score Trends

Measures	1976-77	1986-87	1996-97
North Carolina			
Recentered SAT Avg.	932	945	978
Number of Test-takers	35,041	38,217	38,468
Number of HS Grads	74,171	69,296	60,952 *
Percent Taking SAT	47.2%	55.2%	63.1%
United States			
Recentered SAT Avg.	1003	1008	1016
Number of Test-takers	979,467	1,080,426	1,127,021
Number of HS Grads	3,147,000	2,694,000	2,564,000 *
Percent Taking SAT	31.1%	40.1%	44.0%
N.C. vs. U.S. Comparisons			
SAT Difference	-71	-63	-38
N.C. Ave. SAT as a % of U.S. Ave. SAT	92.9%	93.8%	96.3%

*Projected.

UNC-GA Planning/LRP.AT003A/9-9-97

North Carolina's higher education sectors. There are three sectors of higher education in North Carolina: the University of North Carolina composed of 16 public universities; the North Carolina Community College System composed of 58 public two-year institutions; and the private sector composed of 35 independent four-year colleges and universities and three independent junior colleges. Institutions in all three sectors have experienced considerable growth in enrollments and degrees conferred, as Table 2 shows. Fall enrollments increased by almost 30 percent during the period 1976-1986, and by 16 percent during the period 1986-1996. It is likely that even greater growth in enrollments will occur during the next decade as the annual number of high school graduates increases and as working adults increasingly seek additional education.

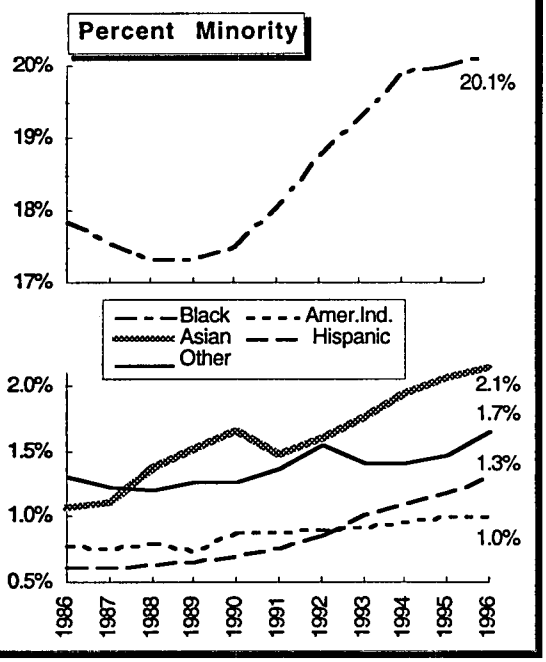
Increased participation in higher education by minorities and women. Much of the increase in enrollments and degrees conferred in the last two decades is due to the higher rates of college attendance by women, minorities, non-traditional students, and college students returning for post-baccalaureate studies. In fall, 1997, African-American enrollments at historically white UNC institutions reached their highest percentage ever, 9.84 percent. Women constitute the majority of enrolled students in all North Carolina higher education sectors.

Table 2. Higher Education in North Carolina

Measure	1976	1986	1996
Number of postsecondary institutions:			
Community colleges			
Total	57	58	58
College transfer	20	25	58
Private 4-yr. col.& univ.	29	32	35
Private 2-yr. colleges	9	6	3
Public 4-yr. col.& univ.	16	16	16
Total no. of institutions	111	112	112
Fall headcount enrollments:			
Community colleges			
Total curriculum	86,789	127,446	146,459
College transfer	10,427	19,027	39,391
Private 4-yr. col.& univ.	43,550	51,411	63,086
Private 2-yr. colleges	5,790	3,766	817
Public 4-yr. col.& univ.	104,807	129,880	152,351
Total	240,936	312,503	362,713
Degrees conferred:	1975-76	1985-86	1995-96
Sub-baccalaureate cert.	4,849	5,451	10,904
Associate degrees	9,794	10,433	13,750
Baccalaureate degrees	23,356	24,887	32,819
Master's degrees	4,911	5,646	7,859
Doctoral degrees	734	730	1,042
First professional degrees	1,114	1,352	1,609
Law	614	701	836
Dentistry	83	72	74
Pharmacy	-	7	86
Medicine	327	430	424
Veterinary medicine	-	43	65
Theology	90	99	124
Total degrees conferred	44,758	48,499	67,983

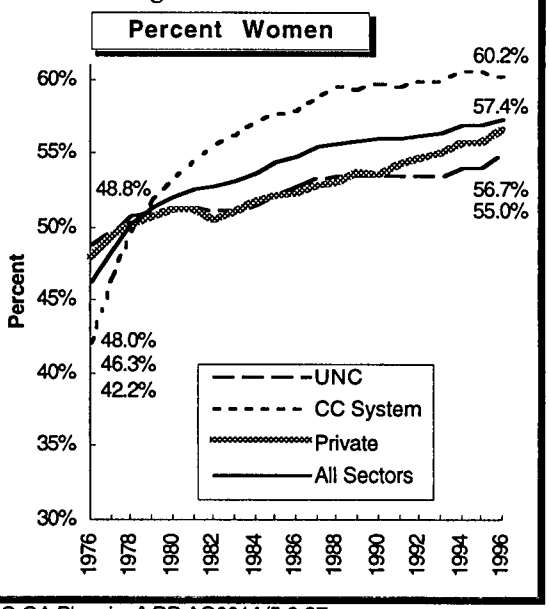
UNC-GA Planning/LRP.AT001A/5-8-97

Fig. 21. Fall Enrollment in N.C. Colleges and Universities



UNC-GA Planning/LRP.AG002A/5-12-97

Fig. 22. Fall Enrollment in N.C. Colleges and Universities



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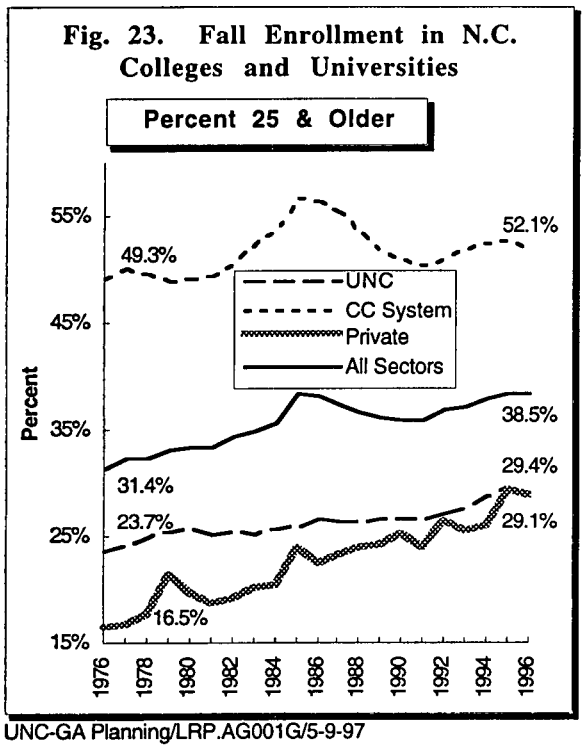


Fig. 23. Fall Enrollment in N.C. Colleges and Universities

UNC-GA Planning/LRP.AG001G/5-9-97

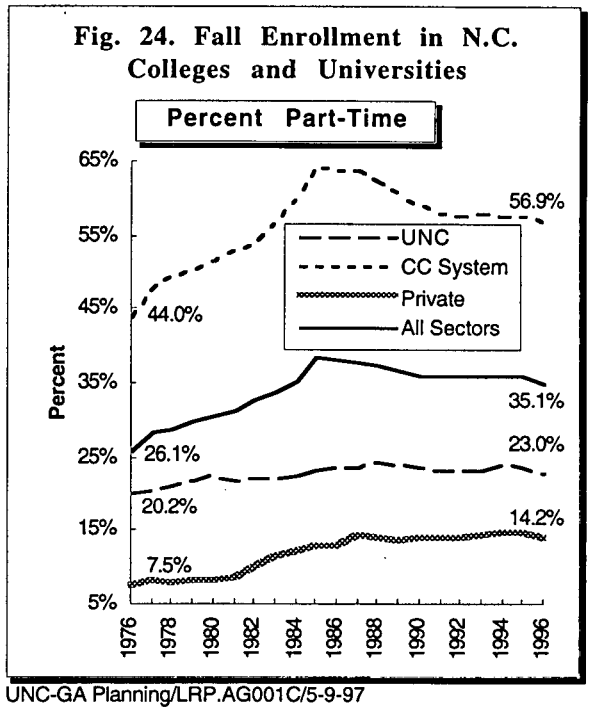


Fig. 24. Fall Enrollment in N.C. Colleges and Universities

UNC-GA Planning/LRP.AG001C/5-9-97

Higher education enrollment trends. Increases over the last two decades in non-traditional students attending college have resulted in increases in the percentage of older students (Figure 23) and students who are enrolled part-time (Figure 24). Although independent colleges and universities continue to attract a large percentage of their students from outside North Carolina, out-of-state enrollments in UNC institutions have leveled off in recent years (Figure 25). As the demand for advanced education increases, enrollments in graduate and professional programs have increased, particularly among private institutions (Figure 26).

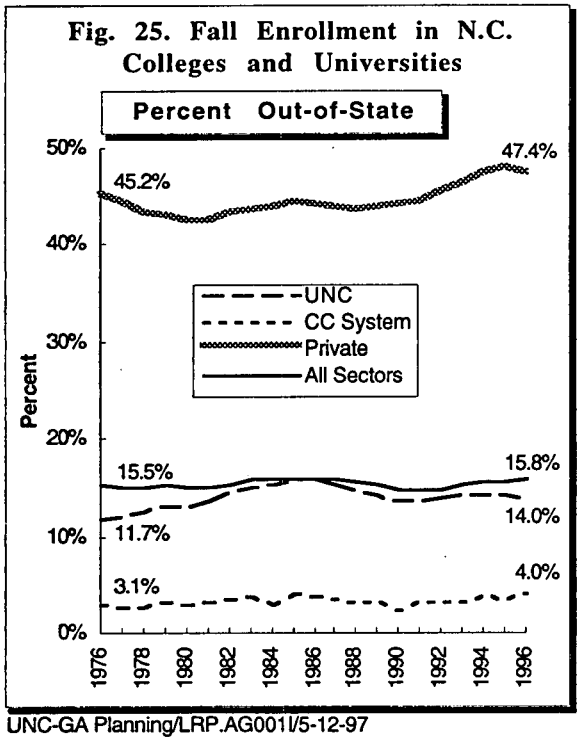


Fig. 25. Fall Enrollment in N.C. Colleges and Universities

UNC-GA Planning/LRP.AG001I/5-12-97

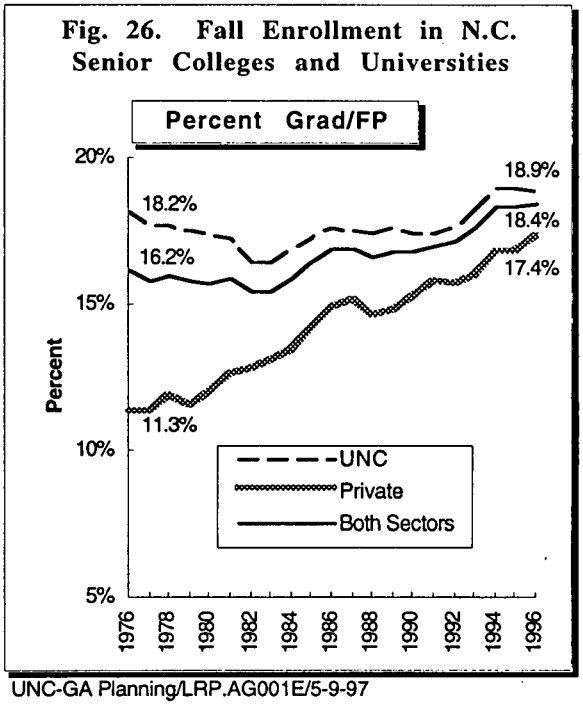
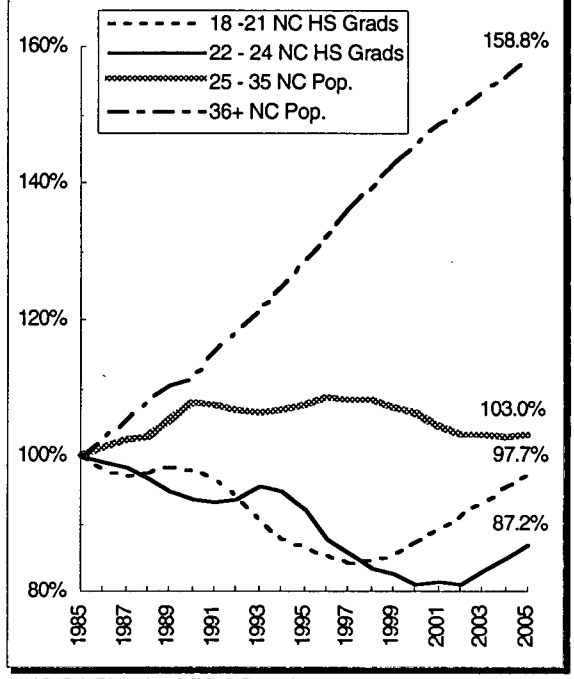


Fig. 26. Fall Enrollment in N.C. Senior Colleges and Universities

UNC-GA Planning/LRP.AG001E/5-9-97

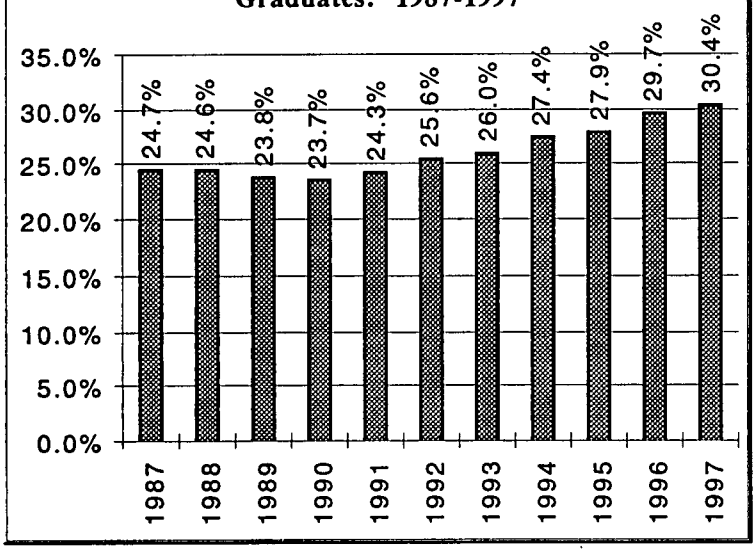
UNC enrollment projection model. Projections of UNC enrollments are built on extrapolations of two elements: 1) pools of potential students by age group, and 2) UNC attendance rates of these groups. The UNC enrollment projection model takes account of the pools of potential students by using actual and projected counts of high school graduates from the State Department of Public Instruction and actual and projected counts of older North Carolinians from the State Demographer. Figure 27 plots data on the actual and projected pools of potential in-state students. The data show that the primary pool of potential students -- 18-21 year-old public high school graduates -- is expected to decrease until 1997-98 and then begin increasing through the remainder of the projection period. By 2005, the number will reach approximately the same level as 1985. Similarly, the pool of 22-24 year-olds is projected to decrease through 2002 and begin increasing steadily afterward, although not returning to the 1985 level during this projection period. The pool of 25-35 year-old N.C. residents is projected to decrease slightly over the next decade. Only the pool of North Carolinians 36 and older, a group that accounts for only about 11 percent of UNC's enrollments, is projected to increase significantly during this period. Thus, growth in enrollments is likely to be weak by historic standards through the next four years, gaining momentum by 2001, and increasing vigorously for several years after. More than three-fourths of the growth in the next ten years is expected during the last half of that period.

Fig. 27. Pools of Potential In-State Students (Actual and Projected)



UNC-GA Planning/LRP.AG029/5-14-97

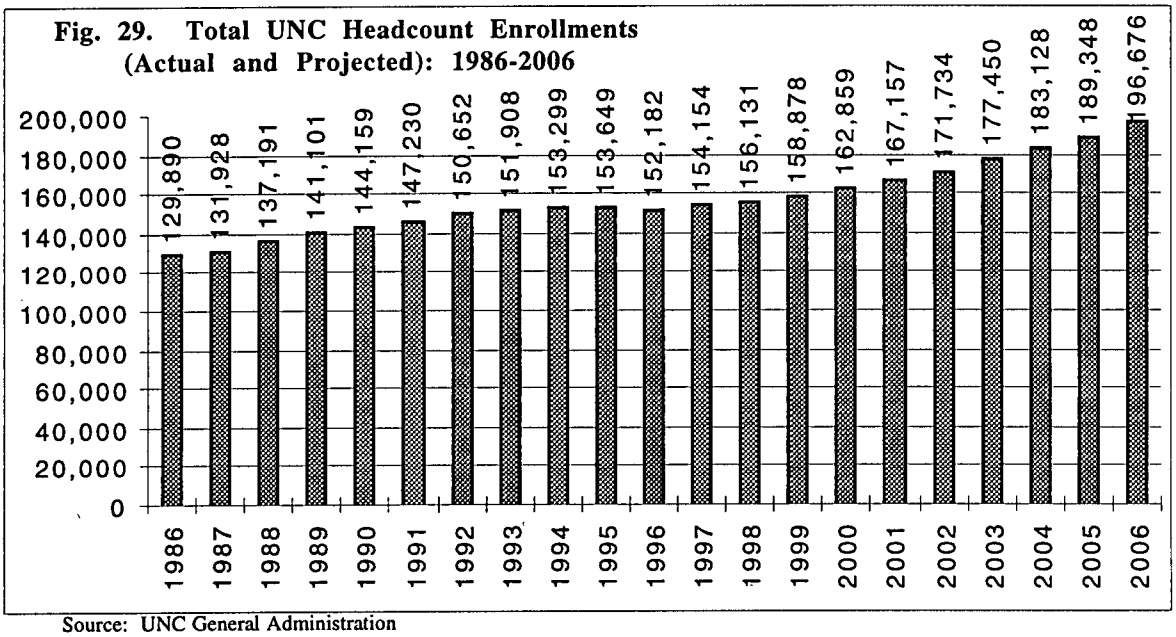
Fig. 28. UNC Going Rate for N.C. High School Graduates: 1987-1997



Source: UNC General Administration

UNC attendance rates by age group. The UNC enrollment projection model currently used employs a seven-year average of population pool participation rates to project enrollments on each UNC campus. The averages are weighted, meaning that trends in more recent years are given greater significance. Figure 28 depicts the increase in UNC attendance rates for N.C. high school graduates in recent years, which has partially offset the decline in the number of high school graduates over the same period. Conversely, as the number of high school graduates increases over the next decade, it is possible that the UNC going rate will level off. Participation rates for the pool of 18-21 year-old N.C. high school graduates rose from 24.7 percent in 1987 to 30.4 percent in 1997. Among 22-24 year-old N.C. high school graduates, UNC attendance rates rose from 7.1 percent in 1985 to 11.4 percent in 1993 before leveling off at 10.8 percent in 1995. UNC attendance rates for N.C. residents ages 25-35 have increased slowly over the past decade from 1.7 percent in 1985 to 2.2 percent in 1995. The attendance rate for North Carolinians ages 35 and older has increased very slightly over the last decade (from 0.3 to 0.4 percent), although this participation rate may increase dramatically as the changing economy requires additional education and as distance education programs and technology become more widely available.

UNC enrollment projections. Figure 29 displays projected UNC fall headcount enrollments through 2006. Although an early 1990s decline in the number of N.C. high school graduates resulted in a slight dip in enrollments in 1996, accelerating enrollment growth is anticipated during the ten-year period 1997-2006. The UNC system enrollment projections shown below are the sum of projections made for each campus using the population pool projections described previously and the historical campus enrollment rates of students grouped by degree level, residency status and age group.



Source: UNC General Administration

The UNC response to anticipated enrollment growth. UNC is undertaking a variety of initiatives to address the enrollment increase anticipated over the next decade, including improved services and electronic information systems supporting distance education and increased collaboration with other education sectors. Other initiatives, addressed in greater detail in the Strategic Directions section, are:

- **Development of pilot off-campus degree programs.** Pilot off-campus baccalaureate completion and master's degree programs have been authorized at a number of community colleges and other sites, supported by special funding made available by the General Assembly.
- **Expansion of off-campus and distance education offerings.** In response to a special provision in the 1997 budget act, UNC is preparing a budget request for the 1998 reconvened session of the General Assembly to fund off-campus and distance education courses and programs at a level comparable to that provided for regular-term instruction.
- **More efficient use of space on campus.** Campuses have examined a number of ways to increase their capacity to educate more students on campus, such as: scheduling classes at a greater variety of times, reducing low enrollment courses, and offering some courses electronically to residential students.
- **Expanded summer school enrollment.** To meet the anticipated enrollment increases of the next decade, UNC institutions must make full use of their facilities year round. In order to provide the necessary support for significantly expanded enrollments in the summer, UNC is preparing a budget request to fund summer school in a manner comparable to regular-term instruction.
- **Continued growth in capital renovation and construction funds.** Accommodating increased enrollment on campus will also require ongoing state funding for repairs and renovations of existing facilities and construction of new facilities. The 1997 General Assembly directed the Board of Governors to study the relative equity and adequacy of the physical facilities at the constituent institutions. The study results will provide useful information regarding the University's ability to meet the facilities needs of current and future enrollments. A recently revised process for determining capital priorities and the development of space standards will support better informed decisions regarding capital projects.

1-21-98
Stephenson #6

North Carolina State University is a land-grant university and a constituent institution of The University of North Carolina

Industrial Extension Service
College of Engineering
Campus Box 7902
Raleigh, NC 27695-7902

NC STATE UNIVERSITY

North Carolina
Manufacturing Extension Partnership
919.515.5377
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http://www.ies.ncsu.edu

NC Manufacturing Extension Partnership
Industrial Extension Service
NC State University

January 21, 1998

Manufacturing Decline - A National Issue

- In 1980's NIST (USDOC) recognized U.S. manufacturers were losing market share in world trade.
- Congress provided funds for MEP centers, but requiring State match for each center.
- NC's manufacturing base is in jeopardy - must be able to compete on basis of technology, quality and delivery -- not low wages.

NC Manufacturing - An Industry in Crisis

- Due to global competition, North Carolina is losing manufacturing plants and jobs -- tax base is in jeopardy.
- Only 28% of NC plants employ an engineer; the smaller plants have a more critical need for engineering support.
- Competitiveness requires engineering assistance to choose and apply technology and best practices.

Narrative: In recent years, the number of manufacturing jobs in the United States has declined for a number of reasons, with foreign competition being a major factor; they are now beginning to decline in North Carolina. From 1990 to 1997, the number of manufacturing jobs in manufacturing in our state dropped 1.88 because of plant closures, staff reductions or out-of-state or out-of-country relocations. *(Source: US Bureau of Labor Statistics, 1996 Statistical Abstract of the United States).*

Manufacturing is more important to North Carolina than to any other state, because we have the highest percentage (22.8%) of our total workforce in manufacturing. There are 12,287 small-to mid-sized manufacturing plants in North Carolina (those with fewer than 500 employees). These plants employ more than 845,300 workers. *(Source: Employment Security Commission of NC, 1-12-98)*

To keep plants from moving out of the state and taking jobs with them, NC plants must remain competitive by using up-to-date methods and technologies. *This requires having the expertise of engineers in the plants.* A job saved is at least as valuable as an equivalent new job in a newly recruited plant.

How NCMEP Can Help?

- NCMEP is a group of 28 manufacturing engineers and specialists providing direct technical assistance to small- to medium-sized manufacturers.
- IES in partnership with 3 universities, 3 community colleges, and CES.
- NCMEP provides **training, education, and demonstrations**.
- NCMEP is unique - only public service organization providing engineering on factory floor
- Provides technical education to managers and engineers.
- Special projects for four major industries:

Metalworking	Piedmont Triad Center for Manufacturing
Hosiery	Hosiery Technology Center at Haywood Community College and NCSU Textiles
Plastics	Polymers Extension Program at UNC-Charlotte
Furniture	Furniture Technology Program at Catawba Valley Community College, NCSU Textiles, NCSU Furniture Manufacturing Center

Narrative: NCMEP, the manufacturing program of the Industrial Extension Service at NC State University, puts manufacturing engineers on the factory floor, with emphasis on helping small and mid-sized facilities.

Small plants make up 98% of North Carolina's manufacturing industry. Small- to mid-sized manufacturers historically have had little access to informed, objective and affordable technical advice. Recent figures from the US Census on manufacturing show large industries (500+ workers) have increased their productivity by an average of 2.9% a year of the 25 years from 1967-1992. Meanwhile, smaller industries (all others) trailed at 2.1 percent a year, or 50% less productive than larger plants nationwide (over 500 employees). Growth in wages also lagged behind larger establishments. *(Source: Vital Signs, November 1997, Nexus Associates)*

While **small- to mid-sized manufacturers may have a low profile from a state or national perspective, they are often major players in local economies, especially in rural areas.** Their owners are often among the most enterprising leaders in their industries. Collectively, smaller manufacturers represent a powerful engine for employment growth even though individually they may expand only a job or two at a time.

Our NCMEP team of engineers is on call and can be on a plant floor within an hour's drive of 90% of all NC manufacturing facilities. Through NCMEP, manufacturers can also take advantage of courses, workshops and seminars developed and conducted by the Industrial Extension Services on professional development, environmental, energy and construction education programs. Through these and other IES and NCMEP programs, manufacturers can receive training to help master critical skills and boost plant efficiency and productivity through process and workplace improvements.

Services Available to NC Manufacturers through NCMEP

- Continuing education on current technology and management issues
- On-site problem-solving by NCMEP manufacturing extension specialists
- Plant layout and process improvement assistance
- FORUMS for Competitive Advantage – demonstrating the best practices in North Carolina
- Connection to sources of supply and service providers
- Referrals, networking and information

Needed Investment from NC Legislature

$1.485 million recurring state appropriations to match federal and industry
NC Economic Development Board has approved NCMEP program

Over 8-year period, State of NC will invest:	$16 million
To match federal funds of:	$24 million
And industry funds of:	$14 million
Provides industry with:	**$53.7 million in services**
To achieve at least:	**$440 million in economic gain**

Narrative:

Why States Invest in Manufacturing Extension

Manufacturing is critical to building prosperous states and an economically sound nation. Smaller manufacturers are particularly important. The US Census has determined that nearly 98 percent of American manufacturers have fewer than 500 employees. Their data also shows that the number of people employed at smaller plants is growing, while larger firms are downsizing. Manufacturers of parts and components form the broad supplier base of our key manufacturing centers and anchor stable employment in cities and towns across the United States.

However, these smaller manufacturing companies are faced with the challenge of a highly competitive global marketplace. They must remain agile, modern and forward thinking – always ready to adopt new technologies, management techniques and methods of work organization. The American economy is stronger when these small- and mid-sized firms successfully modernize their design, plant production, marketing resources and management methods.

To support their small manufacturers, many states fund manufacturing extension programs as part of their economic development strategies. Manufacturing extension organizations provide technical expertise and hands-on assistance to smaller firms on techniques, appropriate technology and modern business practices. These programs help companies upgrade their equipment, improve their production processes, and strengthen their business performance. **Manufacturing extension has become an important part of a state economic development strategy.**

⇒ Manufacturing extension **focuses on helping established employers – one of a state's most important economic assets** – improve productivity and create real economic growth for both states and the nation.
⇒ Manufacturing extension is **a concrete component of a state's pro-business environment**.
⇒ Manufacturing extension is **a service that states make available to any** small manufacturer who seeks it.
⇒ Manufacturing extension **creates a stronger supplier base** for larger manufacturers.
⇒ Manufacturing extension **builds the market for private sector consultants**.
⇒ Manufacturing extension **leverages public and private sector resources**, combining state, federal and private funds to improve the performance of manufacturers.
⇒ Manufacturing extension has a good return on investment – bottom line results with companies **contribute to the state's job retention and growth and tax base**.

Economic Impact of Manufacturing in North Carolina

EMPLOYMENT	1990	1997
Total North Carolina	3,117,700	3,692,228
Total Manufacturing Employment	861,500	845,331
Mfg. as a % of Total NC Employment	27.6%	22.8%

(Source: NC Employment Security Commission, Labor Market Division, January 1998, US Bureau of Labor Statistics)

PERCENT CHANGE IN MANUFACTURING EMPLOYMENT 1990-1997

North Carolina	16,169	-01.88%
National Average		0.5%

(Source: Modernization Forum)

ECONOMIC IMPACT OF A SINGLE MANUFACTURING JOB

A typical manufacturing job contributes $30,000 directly to the NC economy, in addition to spin-off of $15,000 - $30,000 (based on a 1.5 to 2.5 multiplier). *(Source: NC Office of the Secretary of State, Fiscal Office)*

NC MANUFACTURING WAGES & SALARIES - 1996

Manufacturing has the highest total wages of any NC industry $24,602,158,968
Second highest is Services industry (Just over $18 billion)

PROJECTED STATE COST AND ECONOMIC GAIN (For Years 1995-2003)
(With State Matching Funds Appropriated)

Over this 8-year period, this will cost the State of NC	$16 million
To match federal funds of:	$24 million
And industry funds of:	$14 million
Manufacturing industry in NC will receive:	**$53.7 million in services**
To achieve economic gain of:	**$440 million**

For more information, contact:

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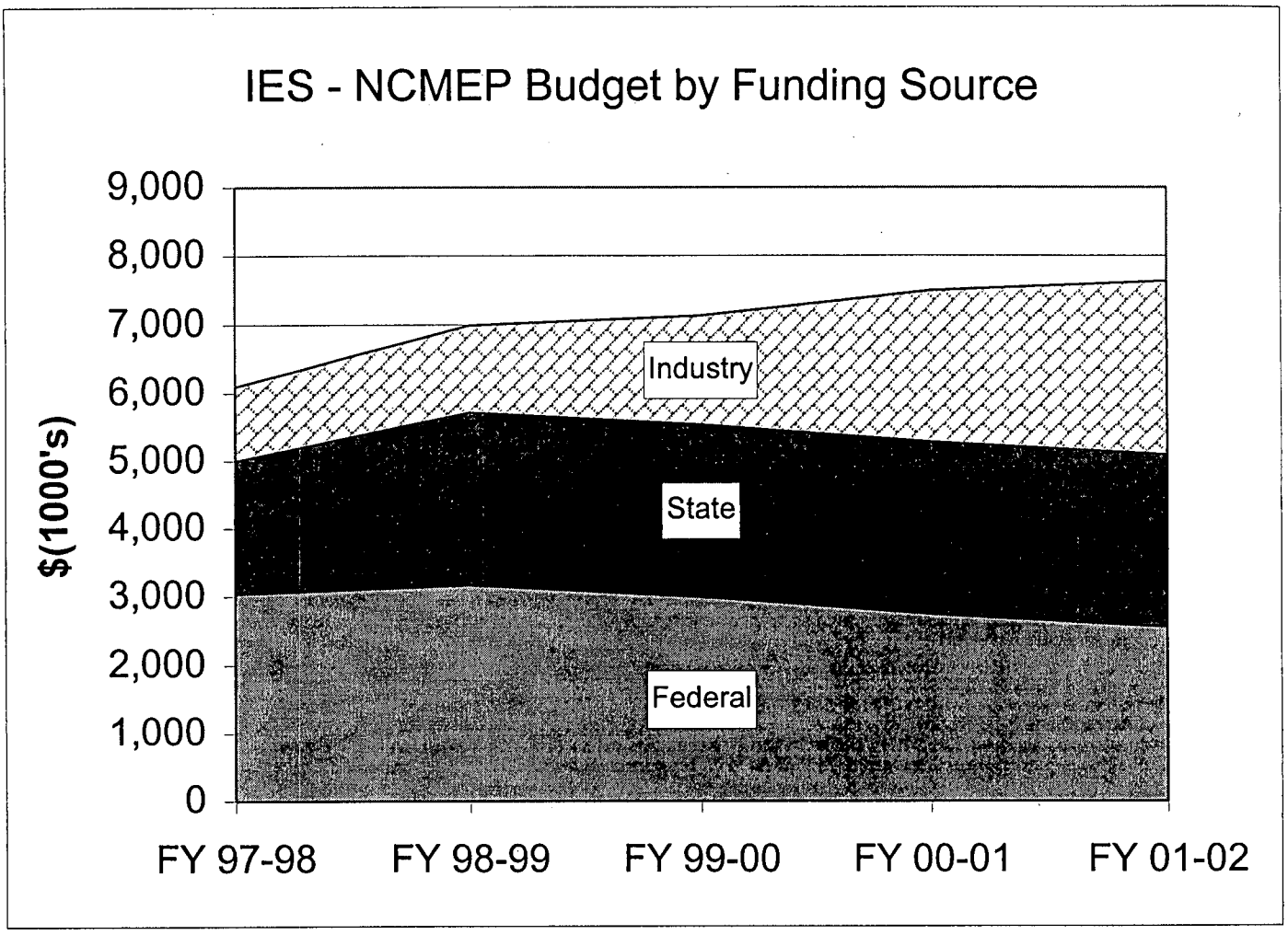
North Carolina Responds to Similar Problem
-- 80 Years Ago

INDUSTRIAL EXTENSION - A Good Investment for State Government

It is now well documented and recognized that small and medium-sized manufacturers in North Carolina could do better and should do better. Profitability and survivability of existing firms needs to improve, and profitable new start-ups are needed to supply existing OEM plants and to aid in attracting new ones. By their own admission, owners and managers of these businesses do not employ as many engineers as their counterparts in most other states, and are generally bewildered by the array of technological choices available to them. They do not understand how to choose appropriate technology, or how to employ current technology and practices for the improvement of business results.

An identical situation described North Carolina agriculture eighty years ago. The Tarheel farmer did very poorly compared to his brethren in other states; he earned less per acre, lived poorly, and didn't understand why or what to do about it. Thanks to the establishment of the Agricultural Extension Service and its intensive, nationwide application, American farmers (with Tarheels fully participating) improved their practices to the extent that in the 1940's they were feeding America as well as much of Europe and China; they were exporting and thriving. We could say that the North Carolina farmer of 1914 *should have known* about terracing his fields, rotating and diversifying his crops, and the proper use of fertilizers and lime; but the fact is that he did not until the agricultural extension agent showed him about the proper use of these things. And although the taxpayers of the time may have complained about the cost of this outreach effort, no one can now deny that it was a good investment. Likewise, the State's pioneering but modest investment in industrial extension has paid off handsomely; with greater return requiring only greater investment.

Skepticism about such public investment for the benefit of industry is often based on the idea the "technology is furnished by equipment vendors". It must be noted that there was no shortage of fertilizer salesmen in 1914, but these were not the unbiased professional advocates of change that the farmers needed; only the extension agent could and did fill that role. So it is today with our industrial needs and industrial extension. North Carolina needs IES/NCMEP.

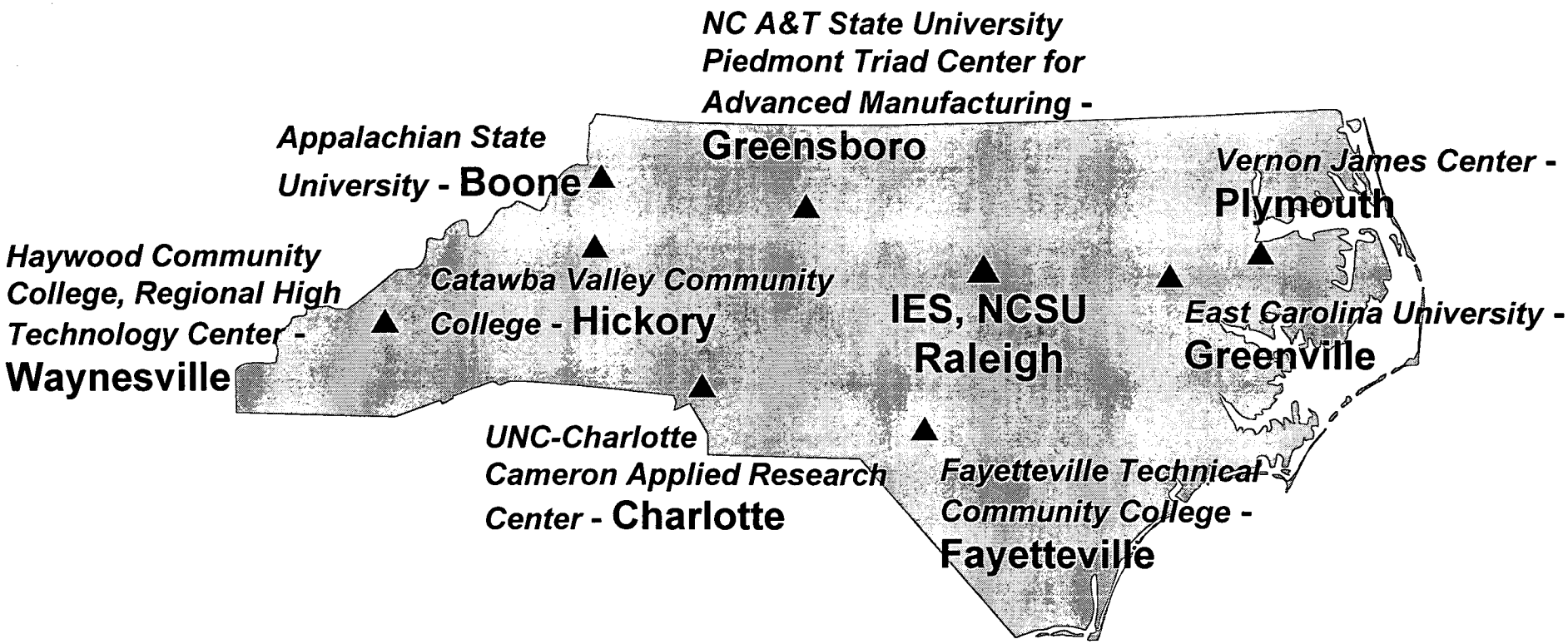


IES - NCMEP Program Budget

Source of Funds	FY 97-98	FY 98-99	FY 99-00	FY 00-01	FY 01-02
Federal - NIST *	3042	3172	2991	2740	2545
State					
IES incl $400K PEP	1060	1060	1060	1060	1060
New Appropriations Requested **	900	1485	1485	1485	1485
Total State	1960	2545	2545	2545	2545
Other Income from Industry, etc.	1094	1276	1595	2210	2545
Total Budget	6096	6993	7131	7495	7635

* Federal funding is already committed pending required state match.

** New appropriations requested ($1.485 million) will provide matching state funds required by federal government.

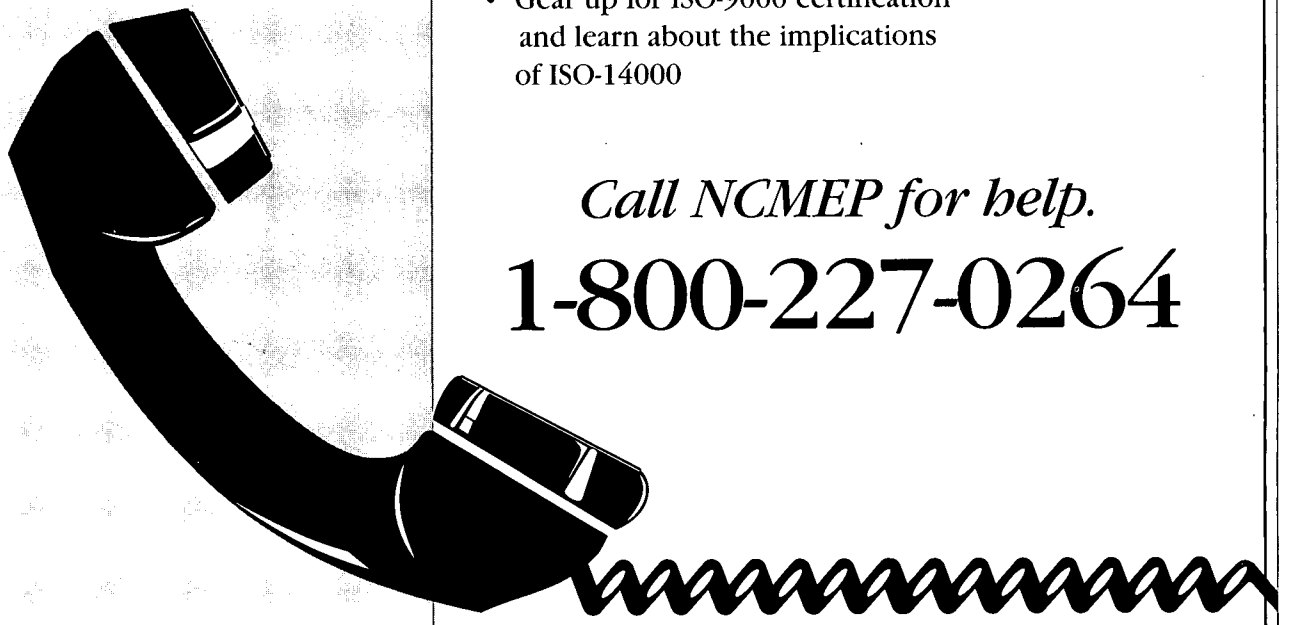


IES - NCMEP Offices

Industrial Extension Service

NORTH CAROLINA MANUFACTURING EXTENSION PARTNERSHIP

NCMEP's team helps you, as a manufacturer, apply the tools of technology to meet short term and long term business needs, modernize, and shore up your competitive position. We help your company survive and thrive.



The North Carolina Manufacturing Extension Partnership (NCMEP) brings forty years of Industrial Extension experience to your business. Industry-trained engineers and subject matter experts can be on your factory floor... where they can do the most for your company, your product, and your people.

We Help You

- With unbiased information and advice on technology
- With your staff's technical questions
- See manufacturing excellence demonstrated
- Build better products in less time
- Improve product design
- Plan a layout or expansion
- Gear up for ISO-9000 certification and learn about the implications of ISO-14000

Call NCMEP for help.

1-800-227-0264

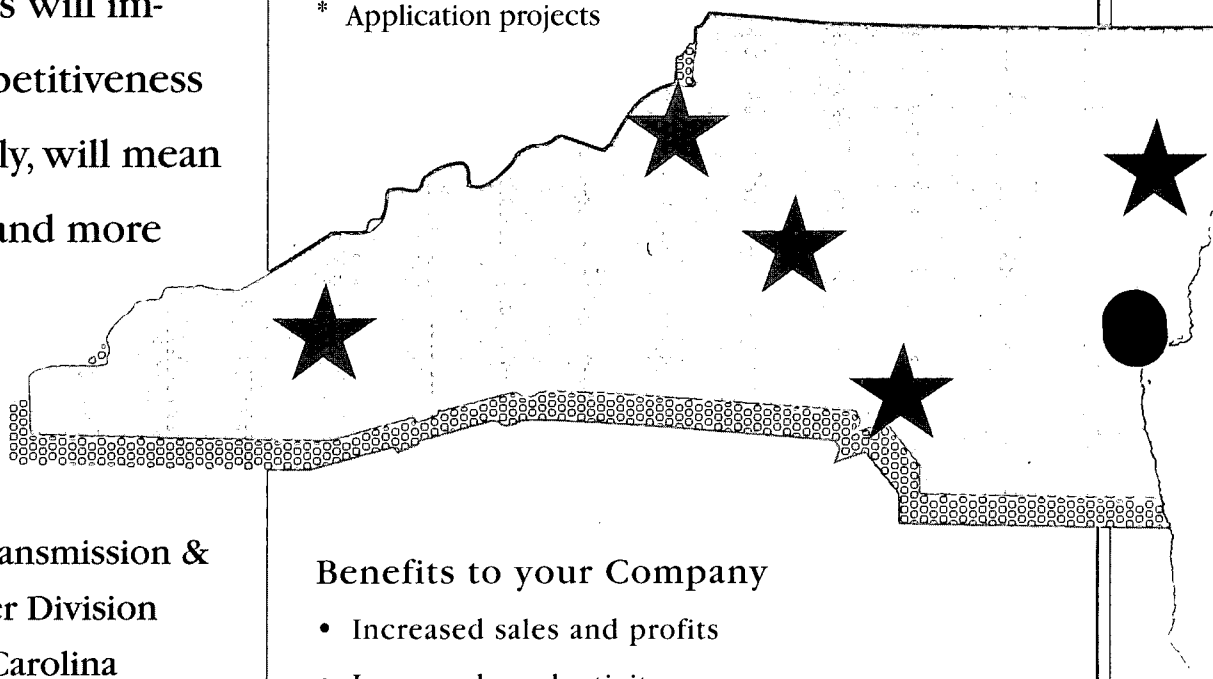
A Network of Support and Service

"The NCMEP assisted us [by providing metallurgy engineering expertise] and the results are outstanding. The cost savings will improve our competitiveness which, ultimately, will mean more business and more jobs."

John Shumar,
President
Siemens Power Transmission & Distribution, Meter Division
Charlotte, North Carolina

NCMEP Services

* Continuing education on current technology and management issues
* FORUMS for Competitive Advantage - demonstrating the best manufacturing practices in North Carolina
* Connection to sources of supply and service providers
* Referrals, networking, and information
* On-site problem solving
* Application projects



Benefits to your Company

- Increased sales and profits
- Improved productivity
- Better product quality
- Improved cycle time
- Reduced time to market
- Reduced inventories
- Reduced scrap
- Greater energy efficiency

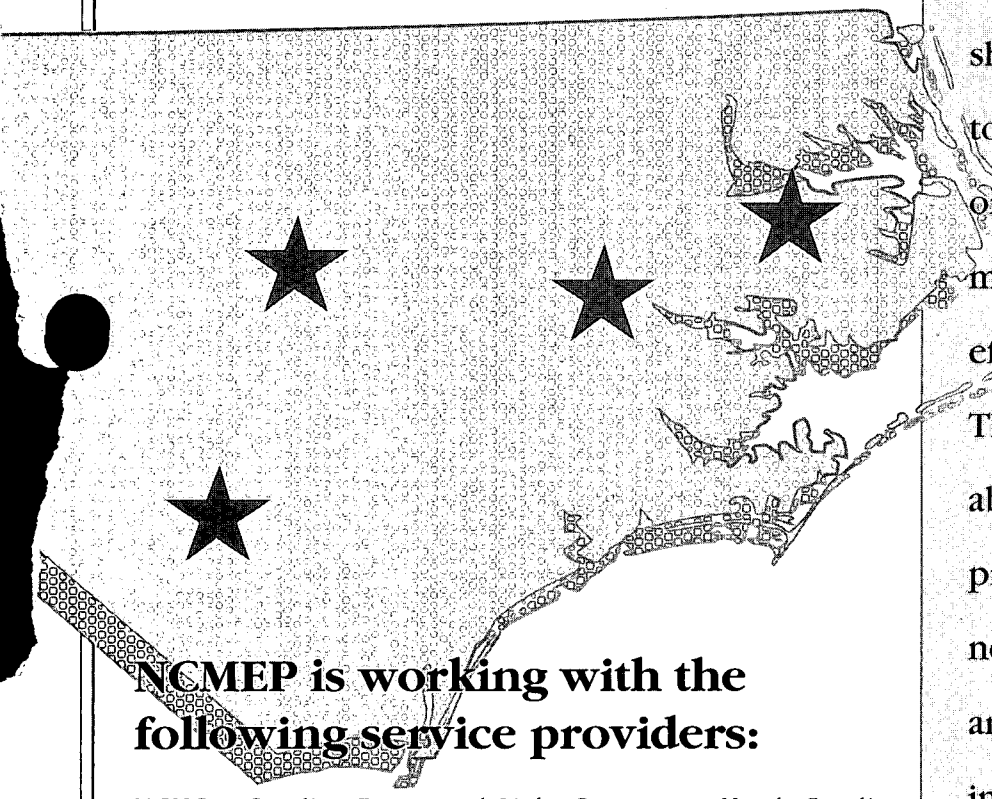
Benchmark assessments and short term technical assistance (up to two days) are available to you at no cost, thanks to the support of the state of North Carolina and the U. S. Department of Commerce National Institute of Standards and Technology. FORUMS membership, continuing education, and application projects are provided for a reasonable fee.

IES/NCMEP is the one state-supported organization that puts industry-experienced experts on your factory floor.

CONNECTING THROUGH PARTNERSHIPS

NCMEP, the manufacturing program of the Industrial Extension Service of North Carolina State University, brings you the resources of:

NC A&T State University
East Carolina University
Catawba Valley Community College
Vernon G. James Research Center
Fayettevile Technical Community College
NC State University
Haywood Community College
UNC-Charlotte
Appalachian State University



NCMEP is working with the following service providers:

MCNC • Carolina Power and Light Company • North Carolina Department of Community Colleges Small Business Centers • North Carolina Biotechnology Center • North Carolina Department of Labor Bureau for Training Initiatives • Small Business and Technology Development Center • North Carolina Alliance for Competitive Technologies • North Carolina Department of Commerce Business/Industry Development Division • NC State University Integrated Manufacturing Systems Engineering Institute • Southern Technology Applications Center • North Carolina Ergonomics Resource Center • North Carolina Technological Development Authority • North Carolina Cooperative Extension Service • NC State University Furniture Manufacturing and Management Center • North Carolina Department of Environment and Natural Resources, Division of Pollution Prevention & Environmental Assistance • North Carolina State Textile Extension and Applied Research • North Carolina Quality Leadership Foundation

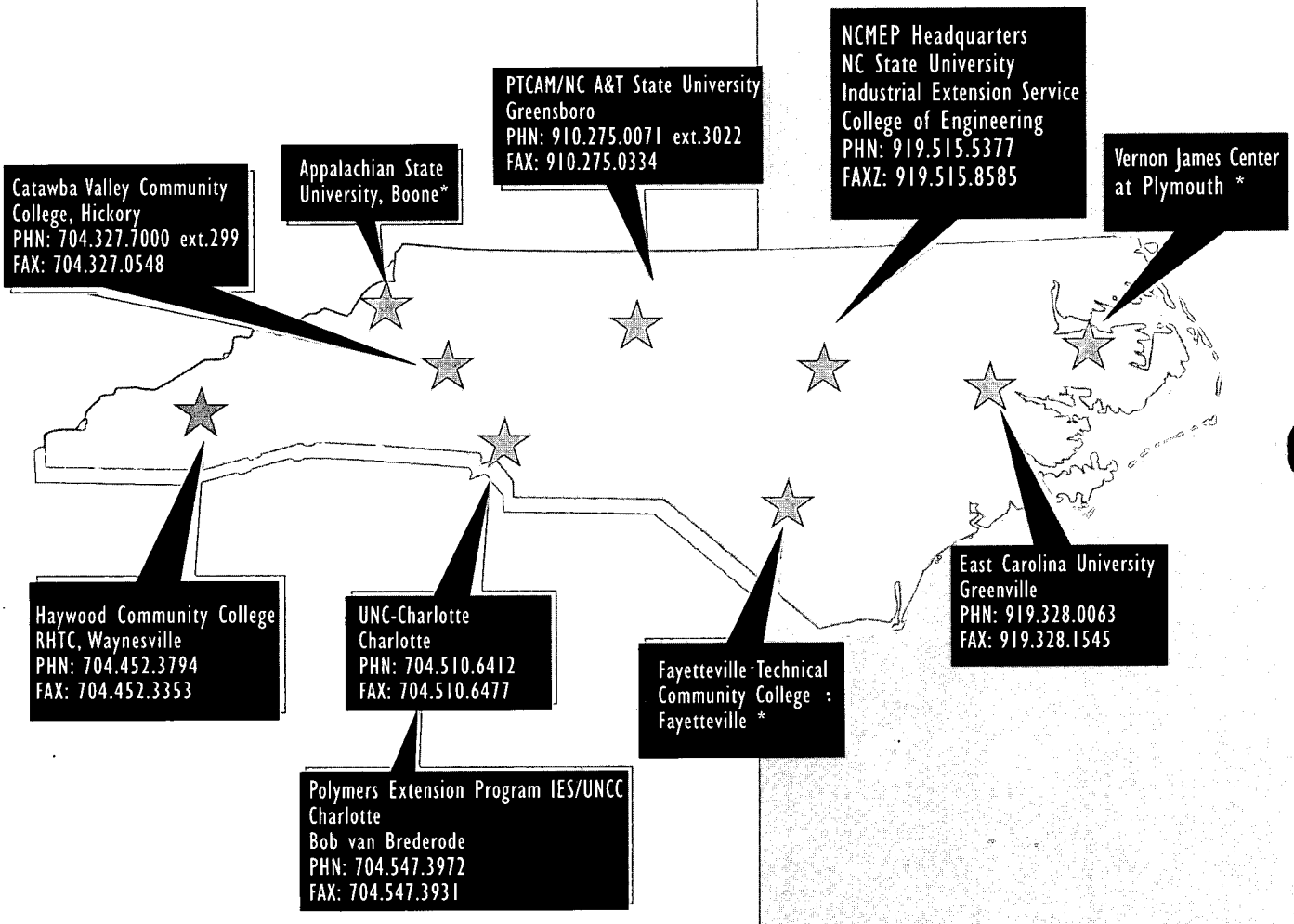
"Collins and Aikman is a quality supplier to the automotive industry which means that we must be QS-9000 certified. We selected NCMEP in partner ship with community colleges to conduct our internal training on QS-9000. The choice was made based on availability, cost-effectiveness, and adaptability. The instructor was knowledgeable, and tailored the program to our company's needs. I recommend NCMEP to any business that is implementing ISO or QS standards."

Millie Hensley
QS-9000 Coordinator,
Collins & Aikmen Product Co.
Old Fort, NC

Industrial Extension Service

WHERE YOU NEED US, WHEN YOU NEED US

The North Carolina Manufacturing Extension Partnership team of engineers is on call and can be on your plant floor - chances are we are less than an hour's drive from your company.



* Denotes new offices opening in 1998.

Robert L. Edwards, P.E.
Director, NCMEP
PHN (919) 515-5408
FAX (919) 515-8585
bob_edwards@ncsu.edu

The NC Manufacturing Extension Partnership program of the Industrial Extension Service (IES), headquartered at NC State University, is an affiliate of the national Manufacturing Extension Partnership (MEP), a program of the Commerce Department's National Institute of Standards and Technology. MEP is a growing nationwide network of extension services that help small U.S. manufacturers improve their performance and become more competitive.

1-21-98
Wynne #8

Cunningham Station Appropriation

Many farmers in North Carolina who now grow traditional row crops believe that their future livelihood could depend upon the production of new high-value crops. Several visionary leaders of the agriculture community saw the development of the Global Transpark in Kinston as an opportunity to produce high-value crops for the world's markets. In 1992 the Alternative Crops Diversification Committee comprised of 14 farmers from 9 eastern N.C. counties formulated a plan to aid farmers in diversifying into high-value crops to take advantage of the Global Transpark. They asked North Carolina State University for assistance by conducting research and demonstrations of production technology at the Cunningham Research Station at Kinston.

The Cunningham Research Station at Kinston was donated to North Carolina State University in 1985. The farm had no facilities to conduct high-value crop research. Legislative funding in 1995 was used to install irrigation and purchase some specialized equipment on the research station.

The 1997 legislature provided an additional $250,000 to continue to develop the capacity of the Cunningham Research Station. These funds are being used to build a pesticide storage facility, partially fund a greenhouse, provide some additional specialized equipment and initiate a specialty crops program.

Formed in July 1997, the Specialty Crops Program is staffed by Dr. Barclay Poling, an NC State professor and North Carolina Cooperative Extension Service horticulture specialist; Bill Jester, a Cooperative Extension Service area specialized agent whose specialty is fruits and vegetables; and Don Thompson, a North Carolina Department of Agriculture marketing expert.

The program is designed to identify new specialty crops that can be grown in Eastern North Carolina. At the same time, NC State scientists and technicians are working to generate information on the most efficient field and greenhouse growing systems for the crops and varieties in greatest demand. The program is also designed to develop markets for new crops, to help farmers sell what they grow. Indeed, the program's marketing component is a key element of the effort. We are helping growers identify the product quality, volume, and packaging requirements for national and regional supermarkets, various wholesale buyers and specialty food stores. We are working with area farmers to help them take maximum advantage of new market opportunities and the latest research findings.

The proximity of the Global Transpark, an effort to link North Carolina by air with markets throughout the world by air transport, is likely to play a role in the eventual development of export markets. For the time being, however, the Specialty Crops Program is focusing on developing new crops that may be grown and sold in North Carolina. The area the program serves has the climate and the soil types necessary to produce crops such as strawberries, peaches, blueberries, tomatoes, asparagus, peppers, cantaloupes or watermelons that are equal quality of any in the world.

(Over)

The Specialty Crops Program (SCP) will also demonstrate the latest methods of growing crops in greenhouses. And, the SCP will provide information on handling crops after harvest. Many crops must be cooled immediately after harvest if they are to be at their best when they reach supermarket shelves. Over the last four years, a number of pre-cooling facilities have been built in the region with the capacity to cool over 30 tractor-trailer loads of produce a day. Ultimately, the SPC centered at the R. P. Cunningham Research Station will need a fully functional post-harvest cooling, preparation and packaging research unit that will supply products for test markets throughout the United States, Canada and eventually for new export markets in South America, Asia and Europe.

Another concept of the SCP is to expand market potential by developing and marketing new exclusive "specialty" products to different segments within the existing population base. NC State University breeders have been active for years in developing unique new types of blueberries, peaches, tomatoes, melons and cucumbers. Examples of this is a high fructose plum tomato variety developed by Randy Gardner, Professor, Department of Horticultural Science. The plum tomato tastes like an extra sweet cherry and can be grown in the greenhouse for off-season markets. Another example is a white-fleshed peach developed by Dr. Dennis Werner, another plant breeder at NC State. This fruit is favored by several ethnic groups. The most promising selections from the breeders will be tested in both the field and in the state-of-the-art greenhouse facilities at the Cunningham Research station.

The potential of the SCP was demonstrated in 1997 when the program was able to assist 17 growers to market their melons at an excellent price with a national supermarket chain.

To fully realize the potential of the SCP, the program will require a final one-time funding for a cooling, packing facility ($300,000) and recurring funding of $150,000 for two technicians and additional operating support.

1-21-97
Burkholder
#8

THE LESSON OF *PFIESTERIA*:

RESEARCH IS AN ESSENTIAL PART OF EDUCATION FOR OUR CITIZENS

The toxic dinoflagellate, *Pfiesteria piscicida*, and at least one other toxic *Pfiesteria*-like species that has not yet been named, are one-celled animal-like creatures with complex life cycles and direct attack behavior toward fish. They are usually benign little organisms that consume other microbes and dissolved organic nutrients, but they become toxic when they detect high levels of substances excreted by fish. Optimal conditions for toxic *Pfiesteria* activity are poorly flushed, quiet brackish waters, warm temperatures, and high nutrient loading from human and animal wastes. In the past seven years in North Carolina, we have lost more than a billion finfish and shellfish from kills and disease related to *Pfiesteria* over large expanses of our estuaries. This past year about 50,000 fish were affected from some localized areas of Chesapeake Bay, as well. *Pfiesteria* can cause open bleeding sore diseases, immune system suppression, nervous system damage, and other chronic health impacts in fish, and the toxins can also hurt people. In North Carolina's and Maryland's estuaries, some people who were in toxic *Pfiesteria* outbreak areas where fish were diseased or dying sustained serious short-term memory loss and disorientation, severe learning disabilities, skin lesions, tingling or burning sensation, eye irritation, and respiratory problems. These people have recovered from most of these symptoms weeks to months after exposure. *Pfiesteria* commonly thrives in areas affected by nutrient pollution. These and other harmful microbes appear to be increasing in coastal areas that are impacted by urbanization, agriculture, and other human activities.

The impacts of toxic *Pfiesteria* and its close relatives is an issue that we have worked to understand for nearly a decade. With a team of colleagues, our current and planned research is directed toward providing answers to questions that are of critical importance to North Carolinians:

- What are the toxins that are produced by *Pfiesteria*?
- How do the toxins act to hurt humans as well as fish? Once such pathways are understood, how can we develop ways to help people recover from the toxin impacts?
- Are healthy looking fish from toxic *Pfiesteria* outbreak areas safe to eat?
- What are the materials in fish excreta that trigger *Pfiesteria* to make toxins? Once identified, could those materials be used to help control *Pfiesteria*?
- How seriously is *Pfiesteria* affecting our valuable fish populations?
- Could some of *Pfiesteria*'s natural enemies be used to help control its toxic outbreaks?
- What kinds of nutrient over-enrichment especially encourage *Pfiesteria* to thrive, and how much should these sources be reduced to decrease its harmful activity?
- How do we optimize our early warning system for toxic *Pfiesteria* outbreaks, through improved techniques to detect *Pfiesteria* and its toxins in our waters?

The story of Pfiesteria provides an illustration that our health is strongly linked with the health of our fish and our waters. This story provides a compelling example of the fact that research is a vital part of education ... for all of our citizenry. It is my hope that, through ***knowledge*** of *Pfiesteria* and other harmful species, we can come to a greater appreciation of the need to take better care of our coastal waters, toward protecting both our fisheries and our own health.

JoAnn M. Burkholder
Pew Fellow
1998 Recipient, *Scientific Freedom and Responsibilty Award,*
American Association for the Advancement of Science

FY97 APPROPRIATION - *PFIESTERIA* RESEARCH

Contribution for an upgraded *Pfiesteria* Biohazard III Facility	$ 150,000
Staff to help complete the research	171,000
Research supplies to work safely with *Pfiesteria*	75,000
Travel (sampling fish kills and fish disease; early detection system)	4,000
TOTAL:	$ 400,000

PROJECTED FUNDING NEEDS: CENTER FOR APPLIED AQUATIC ECOLOGY

Within the past five years, experience in science and policy arenas has led to identification of a critical need for a Center for Applied Aquatic Ecology in our State. This Center would be unique in its long-term emphasis on impacts from toxins of blooms of noxious algae and dinoflagellates such as *Pfiesteria* on our marine, estuarine, and freshwater resources. Rapid development of major tracts of watersheds for our cities, roads, animal operations, and other uses is steadily encroaching on both inland and coastal fish nursery grounds. Before we can optimally manage these sytems to strengthen our fish resources, we must strengthen our understanding of low-level or chronic pollutant impacts that extend beyond the obvious effects of a fish kill. Research at the Center would address toxic algal bloom and pollutant influences in degrading the quality of fish habitat by increasing fish susceptibility to predation, reproductive failure, and disease. The Center's research effort would also help to assess chronic and sublethal impacts of these toxins on small mammals as surrogates for affected humans. The Center for Applied Aquatic Ecology would be located at NCSU, with satellite research offices at branches of the North Carolina university system. The Center's applied emphasis would enable focused, timely response to address policy needs about *Pfiesteria* and related issues in a problem-solving mode.

Category	Start-Up
Staff, Graduate and Undergraduate Students	$ 467,000
Equipment and Instrumentation	1,586,000
Supplies	125,000
Travel	14,000
TOTAL:	$ 2,192,000

1-21-98 #10
Grove

FISH HATCHERY STUDIES

Aquaculture of marine fishes has great potential to stabilize supplies of safe seafood and to provide opportunities for economic development in the coastal plain of North Carolina. During the past 10 years scientists at NC State developed and disseminated technology for rearing hybrid striped bass that has resulted in a rapidly growing aquaculture industry currently valued at $10 million per year. During 1996 these same scientists began applying similar techniques to southern flounder with promising results including spawning in tanks and rearing larval fish through metamorphosis to the juvenile stage.

Special appropriations during 1996/97 and 1997/98 were used to improve NC State's facilities for breeding and rearing marine fish and for field studies to assess the habitat and its ability to support additional fish, which is important information for assessing the feasibility of enhancing wild stocks with hatchery bred fish. Investment of $93,000 supported establishment of brood stock holding facilities at the Pamlico Aquaculture Field Lab and expanded the rearing facilities for larval and juvenile fish at the Vernon James Research and Extension Center. Past and ongoing field studies on redfish and flounder were supported by $181,000. In February, 1998 a workshop supported by $11,000 will gather experts from NC, other states and Japan to prepare a report on our current understanding of aquaculture and stock enhancement of marine fish.

Further development and dissemination of technology for breeding and rearing flounder requires additional enhancement of the Pamlico Aquaculture Field Lab and the infrastructure to support the necessary salt water systems that marine species require ($100,000 one time funds), additional operating budget that will support the infrastructure ($50,000 per year) and a biological technician to maintain the fish cultures ($25,000 per year).

Evaluation of the potential of stock enhancement requires a separate hatchery operation as the genetic characteristics of fish for release in the wild must be protected more than those for grow-out aquaculture. Grow-out requires maximum growth rate to ensure a harvestable product with a minimum of time and expense. The principal trait of fish for stocking is survival under wild conditions. Development of a separate hatchery requires enhancement of the facility at the Center for Marine Science and Technology in Morehead City ($100,000 one time funds), an operating budget for the hatchery ($50,000 per year) and a biological technician to maintain the fish cultures ($25,000 per year). Furthermore, evaluation of the survival of stocked fish in the wild is an essential step in assessing the potential of stock enhancement and requires an annual budget of ($50,000 per year).

1-21-98
Horner #11

Administrative Officers Management Program

The Administrative Officers Management Program (AOMP), part of the Public Administration Program in the College of Humanities and Social Sciences, brings 90 police managers a year (three sessions) to NCSU for an intensive twelve week, fifteen credit program. The AOMP was initiated in 1989 when a group of NC law enforcement executives (members of our current advisory board) approached the MPA faculty and suggested the need for an in-depth academically based program designed to help leaders develop solutions to public safety issues and to manage their agencies in the most efficient and cost effective manner. The advisory board and the University were successful in securing grant money from private sector foundations and those dollars, together with fees charged to agencies, have sustained the Program to this point.

The purpose of the grant money was to demonstrate the viability of a partnership between an academic institution and law enforcement agencies The past seven years, we believe, have accomplished that goal: we continue to collaborate with our advisory board, made -up of heads of many major NC law enforcement agencies, to insure the most up-to-date courses that help administrators turn theory into practical solutions; agencies send us officers year after year and many mandate attendance for their middle and upper-level managers; we have a very active AOMP Alumni Association (drawn from nearly 600 graduates) that sponsors an annual Conference and other training sessions; our faculty are often asked to collaborate with agencies on other projects (training, evaluation, and research); and we have earned the endorsement of the NC Chiefs of Police, Sheriffs' Association, and the Law Enforcement Officers Association.

The legislature currently underwrites nearly all basic and in-service police training, through the Justice Academy, in North Caroliona. **With the depletion of our grant money and given the success of the partnership that has created and sustained the AOMP, the University is seeking legislative support to institutionalize the AOMP.**

The need for this type of program was recognized in a 1989 report on the State of Police Education by the **Police Executive Research Forum** (PERF), a national association of police executives, which concluded that **"higher education is an important ingredient in the shaping of the new (police) executive . . . needed to deal successfully with complex issues and organizations."** PERF went on to recommend the establishment of "command colleges" in the states that would "afford **police leaders** the opportunity to **study the latest leadership and administrative theory in an academic setting."**

North Carolina State University, in the best "outreach" tradition of a land-grant institution, has filled that void in North Carolina through the creation of the AOMP. **A legislative appropriation of $150,000/year would give us the opportunity to build on this success: it would make it possible to (1) keep charges at the current reasonable level by covering the basic costs of the program; (2) provide scholarships to small agencies that have no training budgets; (3) work with our advisory board to identify critical issues that we can address through special conferences and distance education technologies; (4) and to expand research on the impact of the Program.** In short, this appropriation would assure continuation of this valuable partnership between NC State and the law enforcement community in North Carolina and give us the opportunity to create the premier program of its type in the United States.

For further information, contact: James R. Horner, Director, AOMP, 919-515-5071.

1-21-98
McIntyre # 12

PT CAM
Piedmont Triad Center for Advanced Manufacturing

PIEDMONT TRIAD CENTER FOR ADVANCED MANUFACTURING (PT CAM)

STATUS REPORT FOR $400,000 APPROPRIATION

January 21, 1998

PT CAM 2105 Yanceyville Street ▲ Greensboro, NC 27405 ▲ 910-275-2060 ▲ Fax 910-275-0334

PT CAM

Piedmont Triad Center for Advanced Manufacturing

Piedmont Triad Center for Advanced Manufacturing

Utilization of $400,000
1997 through 1999

Description	97/98	98/99
Programs	$ 162,229	$ 49,771
Gen. Admin.	125,498	38,502
Capital Exp.	18,365	5,635
Total Approp. Required	$ 306,092	$ 93,908

Prepared: January 21, 1998

PT CAM 2105 Yanceyville Street ▲ Greensboro, NC 27405 ▲ 910-275-2060 ▲ Fax 910-275-0334

PT CAM

Piedmont Triad Center for Advanced Manufacturing

Accomplishments

- Extremely Successful Youth Apprenticeship Program
  - Model For State Metalworking Programs
  - Model For Guilford County's Seven Work Based Learning Programs
  - Industry Awareness/Involvement
  - Leader In Expanding Adult Apprenticeships
  - Metals Program Has Grown From 12 To 90 Students
  - Opened Additional High School Metalworking Lab

PT CAM 2105 Yanceyville Street ▲ Greensboro, NC 27405 ▲ 910-275-2060 ▲ Fax 910-275-0334

- Introduced National Institute of Metalworking Skills Standards (NIMS) To North Carolina

  - Awarded Grant By Governor's Commission on Workforce Preparedness
  - Established Guilford County As Pilot/Model Program
  - Created Awareness Across State
  - Have Administered 1/3 Of All NIMS Tests (National)

- Shared Use Facility

  - Renovated A Donated Building Within Budget
  - Established State-Of-The-Market Teaching Facility
  - Working With Industry, Identified Six Major Program Needs And Developed Curriculum
  - Partnered With Five Community Colleges To Deliver Advanced Specialized Industry Education

- Conducted Local Employment Training Services For Welfare To Work Training

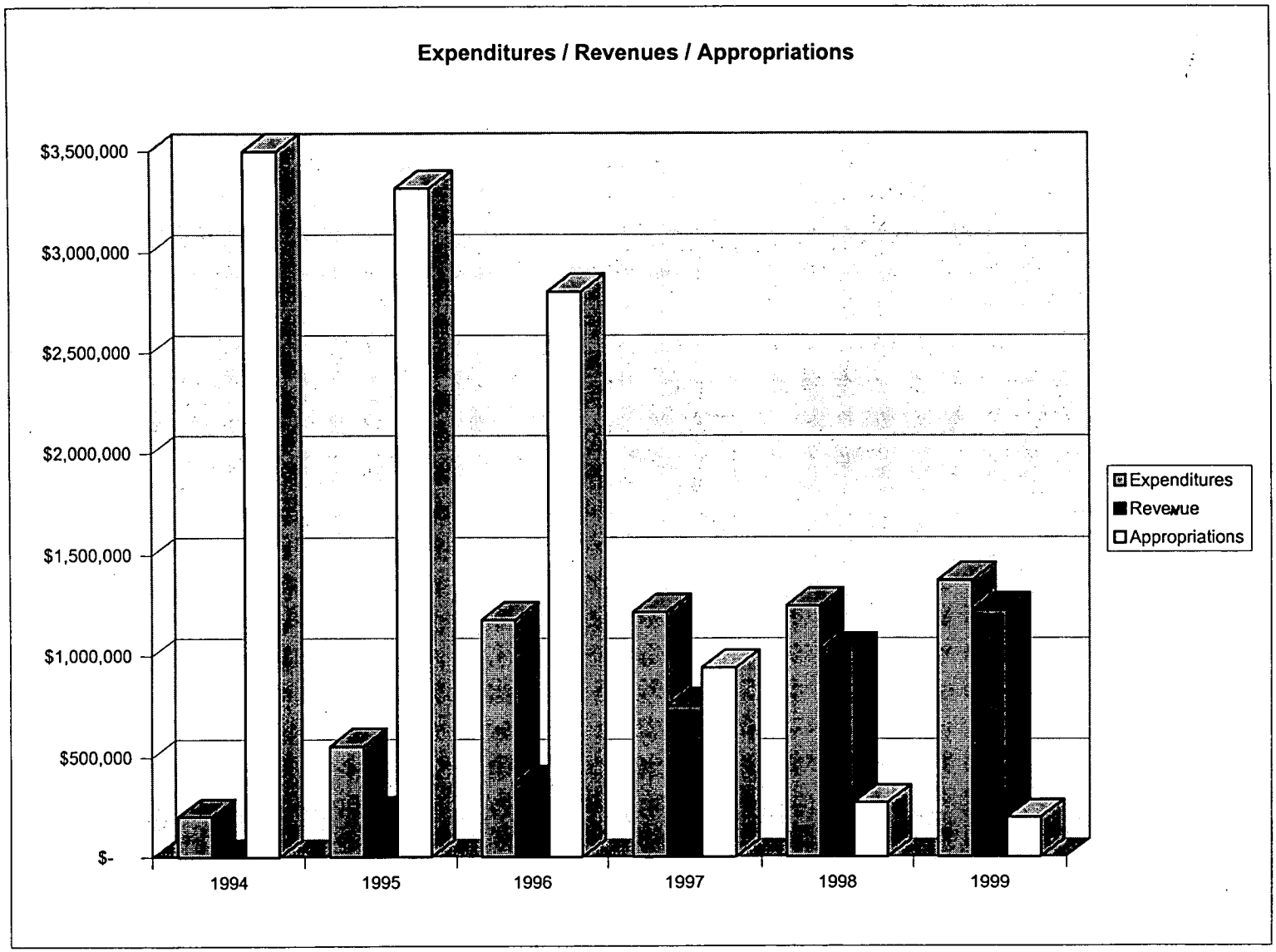
  - Potential Model For Statewide Rollout
  - Program Linked To NIMS Certification
  - Average Wage Upon Completion $8.50/hour

- Awarded Grant For NC Alliance for Competitive Technology Strategy (NC ACTS) Statewide Competitiveness Strategy

  - Conclusions - The Following Are Vital For The Survival of North Carolina's Metalworking Industry:

    - Workforce Development
    - Industry Awareness
    - Network Of Industry Partners

PIEDMONT TRIAD CENTER FOR ADVANCE MANUFACTURING (PT - CAM)



NORTH CAROLINA CENTRAL UNIVERSITY

GTE VANTAGE, INC. SETTLEMENT

1-21-98
Chan[illegible] #13

ORIGINAL SETTLEMENT	**$2,713,075.45**
5 INSTALLMENTS OF $542,615.09 EACH	
LESS PAYMENTS TO DATE:	
NOVEMBER 1996:	
UNC-GA	$271,307.54
NCCU TRUST FUNDS	$271,307.55
NOVEMBER 1997:	
SPECIAL LEGISLATIVE APPROPRIATION	$270,000.00
NCCU TRUST FUNDS	$272,615.09
TOTAL PAID TO DATE:	**$1,085,230.18**
BALANCE DUE:	**$1,627,845.27**
PAYMENT SCHEDULE:	
NOVEMBER 1998	$542,615.09
NOVEMBER 1999	$542,615.09
NOVEMBER 2000	$542,615.09
TOTAL	**$1,627,845.27**

***NCCU has a capital project in the amount of $1,163,300 in the 1999-2001 biennium request to upgrade the University network and telecommunications wiring system initiated by GTE Vantage, Inc.

FILE COPY

Office of the Chancellor

August 13, 1996

Mr. William O. McCoy
Vice President - Finance
The University of North Carolina
General Administration
Post Office Box 2688
Chapel Hill, North Carolina 27515-2688

Dear Vice President McCoy:

I received your letter of August 12, 1996 regarding the agreement with GTE Vantage.

I note that the agreement provides that North Carolina Central University is to make five equal installments of $542,615.09 without interest. Again, however, I should point out that we really don't have the money to make these kind of payments. From what I understand of our resources, we cannot make the November 15, 1996 payment. We need assistance from General Administration.

You indicated earlier that we should try adding new servicing, for example, a campus PBX or some other programs which will enable us to reduce costs and use the savings to help pay the monies owed to GTE Vantage. We are looking into this but do not expect any savings within the next few years.

We will advise you shortly about the steps we are taking in order to reduce expenses. In the meantime, we will need funding from General Administration or other sources to pay the installment due on November 15, 1996. Please advise.

Sincerely,

Julius L. Chambers
Chancellor

JLC/sah

cc: President C. D. Spangler
Mrs. Ruby Pittman

The University of North Carolina
GENERAL ADMINISTRATION
POST OFFICE BOX 2688, CHAPEL HILL, NC 27515-2688
WILLIAM O. McCOY, *Vice President - Finance*
Telephone 919 962-1591
FAX: 919 962-0008

Appalachian State University
East Carolina University
Elizabeth City State University
Fayetteville State University
North Carolina Agricultural and Technical State University
North Carolina Central University
North Carolina School of the Arts
North Carolina State University at Raleigh
Pembroke State University
University of North Carolina at Asheville
University of North Carolina at Chapel Hill
University of North Carolina at Charlotte
University of North Carolina at Greensboro
University of North Carolina at Wilmington
Western Carolina University
Winston-Salem State University

An Equal Opportunity/ Affirmative Action Employer

August 12, 1996

AUG 1996
RECEIVED
OFFICE OF
CHANCELLOR

Chancellor Julius Chambers
North Carolina Central University
P. O. Box 19617
Durham, North Carolina 27707

Dear Chancellor Chambers:

At its meeting on August 9, 1996, the Board of Governors approved the settlement of the contract dispute between North Carolina Central University and GTE Vantage, Incorporated. The sum determined to be owed by the University to GTE is $2,713,075.45. North Carolina Central University should make five equal annual installments of $542,615.09 to GTE, without interest. The first installment is due on November 15, 1996.

The Board has authorized the Vice President for Finance to execute the attached Promissory Note and Agreement on behalf of North Carolina Central University.

Sincerely,

W O McCoy

William O. McCoy

Attachment

cc: Ms. Ruby Pittman

State of North Carolina

EL F. EASLEY
ORNEY GENERAL

Department of Justice
P. O. BOX 629
RALEIGH
27602-0629

REPLY TO: Thomas J. Ziko
Education Section
Telephone: (919) 733-7387
FAX: (919) 715-0288

July 24, 1996

William O. McCoy
Vice President-Finance
UNC General Administration
910 Raleigh Road
P.O. Box 2688
Chapel Hill, NC 27515-2688

Re: UNC Promissory Note to GTE/Vantage

Dear Mr. McCoy:

At your request, I have reviewed the proposed promissory note to be executed by UNC for the benefit of GTE/Vantage in order to resolve threatened litigation over the installation of telecommunication cable and equipment on the campus of North Carolina Central University. Under the heading "Binding Obligation," paragraph 1 of that proposed note provides, inter alia:

> UNC represents and warrants that . . . it is not party to, or subject to, or bound by any agreement, judgment, injunction, statute, regulation, or decree of any court or governmental authority that may restrict or interfere with its performance of this Note[.]

The Board of Governors has the authority to dispose of such funds as it may lawfully acquire when the conditions of the grant or the will of the devisor does not forbid it. I am not aware of any legal restrictions--judicial, executive or legislative--on the Board of Governors' authority to make the payments or perform the other obligations required under the proposed note. Therefore, provided that the Board of Governors authorizes execution of the proposed note, it is my opinion that consistent with the Supreme Court's opinion in State v. Smith, 289 N.C. 303, 321, 222 S.E.2d 412 (1976) the properly executed note would be a binding obligation of the University of North Carolina.

Very truly yours,

Thomas J. Ziko
Special Deputy Attorney General

cc: Andrew A. Vanore, Jr.

An Equal Opportunity / Affirmative Action Employer

PROMISSORY NOTE AND AGREEMENT

THIS PROMISSORY NOTE AND AGREEMENT (hereinafter "Note") is entered into by the UNIVERSITY OF NORTH CAROLINA (hereinafter "UNC") and GTE VANTAGE, INCORPORATED (hereinafter "GTE/Vantage");

WHEREAS, GTE/Vantage, through its Applied Campus Technologies Division (GTE/ACT), furnished and installed, or caused to be furnished and installed, at its expense, certain telecommunications cable and equipment ("the telecommunications system") on the campus of North Carolina Central University, a constituent institution of UNC;

WHEREAS, GTE/Vantage and UNC agree for the purpose of resolving this matter, and an arbitrator has determined, that the fair market value of the telecommunications system as installed is $2,713,075.45;

NOW, THEREFORE, for and in consideration of the work GTE/Vantage did on the telecommunications system and in accord and satisfaction of any and all prior agreements regarding the telecommunications system between GTE/Vantage and UNC or its constituent institutions, UNC promises to pay to GTE/Vantage, its successors or any subsequent holder of this Note the amount of $2,713,075.45 in five (5) equal, annual installments of $542,615.09 due and payable on November 15th of each year beginning on November 15, 1996, and continuing until November 15, 2000, and subject to the following conditions:

1. BINDING OBLIGATION - UNC represents and warrants that (a) N. C. Gen. Stat. § 116-3 confers on UNC the statutory authority to enter into this Note; (b) that the execution of this Note and the performance of the obligations created hereby has been authorized by all necessary corporate and/or State officers, directors, officials, and/or employees; (c) it is not a party to, or subject to, or bound by any agreement, judgment, injunction, statute, regulation, or decree or any court or governmental authority that may restrict or interfere with its performance of this Note; (d) this Note constitutes the valid, binding, enforceable obligations of UNC; (e) each person who executes this Note is duly authorized and fully empowered to execute and deliver this Note on behalf of and as the act of UNC; and (f) this Note shall constitute a binding contractual obligation of UNC which may be enforced under North Carolina law and shall be binding on UNC and its successors, transferees, and assigns and shall enure to the benefit of GTE/Vantage, its successors, transferees, and assigns.

2. PAYMENT - Payments due and owing under this Note shall be remitted to GTE/Vantage at 600 Hidden Ridge, Post Office Box 152092, Irvine, Texas 75015 or at such other location as GTE/Vantage, its successors, transferees, or assigns may designate in writing.

3. NO INTEREST - The amount due under this Note shall not bear interest and no interest will accrue on any outstanding balance, except in the event of a default as provided in paragraph 4 below.

4. DEFAULT - Default is defined as failure to remit for more than thirty (30) days after written notice that an installment due hereunder was not paid. In the event of default, GTE/Vantage may declare the entire unpaid amount of indebtedness evidenced by this Note immediately due and payable. In addition, in the event of a default the unpaid balance of this Note shall begin to accrue monthly interest computed at the rate of 8% per year, until the Note is paid in full.

5. NOTICE - Any written notice required under this Note shall be delivered to UNC addressed to William McCoy, Vice President for Finance, or his successor, at UNC General Administration, Post Office Box 2688, Chapel Hill, North Carolina 27515-2688. Any written notice to GTE/Vantage required under this Note shall be delivered to GTE/Vantage at 600 Hidden Ridge, Post Office Box 152092, Irvine, Texas 75015.

6. COMPLETE AGREEMENT AND RELEASE - This Note constitutes the complete agreement between GTE/Vantage and UNC and supersedes all other agreements or negotiations between GTE/Vantage and UNC or its constituent institutions regarding the telecommunications system. In consideration of the mutual promises contained herein, UNC hereby releases GTE/Vantage from any and all present or future obligations or liabilities related to the telecommunications system or its installation. In consideration of the payment of this Note and the performance of the mutual promises contained herein, GTE/Vantage hereby agrees to release UNC from any and all present or future obligations or liabilities related to the telecommunications system or its installation upon the payment of the final installment of the Note. Nothing herein contained shall be interpreted or construed as a release of claims which are based on the breach of this Note.

7. APPLICABLE LAW - This Note shall be deemed to have been made under and shall be governed by the laws of the State of North Carolina in all respects, including matters of construction, validity, and

performance. The indebtedness evidenced by this Note is unsecured and UNC shall not be obligated to provide security for this Note.

8. AMENDMENT. This Note may be altered, amended, or modified only by a writing signed by all parties, provided that any alteration in the location of payment as provided in paragraph 2 shall not require the signature of UNC.

IN WITNESS WHEREOF, the parties have caused this Note to be executed properly under SEAL, this the 21st day of August, 1996.

ATTEST:

THE UNIVERSITY OF NORTH CAROLINA

BY: William O. McCoy

William O. McCoy, Vice President for Finance

Secretary
(Corporate Seal)

ATTEST:

GTE VANTAGE, INCORPORATED

BY: Richard W. Scott

Richard W. Scott, President

Asst. Secretary
(Corporate Seal)

I, Beth A. Spaugh, Notary Public, certify that Rosalind Lumsden personally came before me this day and acknowledged that she is Secretary of The University of North Carolina, and that, by authority duly given and as the act of The University of North Carolina, the foregoing instrument was signed in its name by its Vice President for Finance, sealed with its corporate seal, and attested by herself as the University of North Carolina's Secretary.

WITNESS my hand and notarial seal this 21st day of August, 1996.

Notary Public: Beth A. Spaugh

My Commission expires: June 1, 1997

I, Marla D. Kehoe, Notary Public, certify that Lawrence E. Shinnick personally came before me this day and acknowledged that he/she is Assistant Secretary of GTE Vantage, Incorporated, and that, by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal, and attested by himself/herself as the corporation's Assistant Secretary.

WITNESS my hand and notarial seal, this 6th day of September, 1996.

Marla D. Kehoe

Notary Public

My commission Expires: 12-18-1999

MARLA D. KEHOE
Notary Public, State of Texas
My Commission Expires
DECEMBER 18, 1999

1-21-98
Bugqw - #14

Equipment Funding

in the

North Carolina Community College System

Information Presented to the Joint Education Appropriations Subcommittee of the North Carolina General Assembly

January 21, 1998

Equipment Funding For the North Carolina Community College System
1976-77 through 1996-97

F.Y.	Appropriation	Capital Equip Price Index	Adjusted Appropriation	Accumulated Appropriation	Accumulated Adjusted Appropriation	Gap
	{Solid Line - Annual $}	Higher Education Price Index - HEPI	{Broken Line - Adjusted for Infl}	From the Base Year Forward	After Adjusting for Inflation	
1976-77	$3,912,709	62.8	$6,230,428			
1977-78	$4,412,709	65.9	$6,696,068			
1978-79	$4,846,309	70.4	$6,883,962			
1979-80	$3,784,732	76.1	$4,973,367			
1980-81	$3,819,732	82.3	$4,641,230			
1981-82	$6,319,732	89.6	$7,053,272			
1982-83	$6,319,732	96.2	$6,569,368			
1983-84	$13,819,732	100.0	$13,819,732	$13,819,732	$13,819,732	$0
1984-85	$13,629,732	102.7	$13,271,404	$27,449,464	$27,091,136	$358,328
1985-86	$13,819,732	105.2	$13,136,627	$41,269,196	$40,227,763	$1,041,433
1986-87	$18,779,103	108.0	$17,388,058	$60,048,299	$57,615,822	$2,432,477
1987-88	$18,819,732	110.2	$17,077,797	$78,868,031	$74,693,619	$4,174,412
1988-89	$13,819,732	112.5	$12,284,206	$92,687,763	$86,977,825	$5,709,938
1989-90	$18,819,732	117.0	$16,085,241	$111,507,495	$103,063,066	$8,444,429
1990-91	$19,819,732	121.9	$16,259,009	$131,327,227	$119,322,075	$12,005,152
1991-92	$13,819,732	125.6	$11,002,971	$145,146,959	$130,325,046	$14,821,913
1992-93	$17,519,732	128.4	$13,644,651	$162,666,691	$143,969,697	$18,696,994
1993-94	$20,019,732	130.2	$15,376,138	$182,686,423	$159,345,835	$23,340,588
1994-95	$24,619,732	132.2	$18,623,095	$207,306,155	$177,968,931	$29,337,224
1995-96	$23,245,354	135.1	$17,206,036	$230,551,509	$195,174,966	$35,376,543
1996-97	$23,819,732	138.2	$17,235,696	$254,371,241	$212,410,662	$41,960,579
TOTAL*	$287,786,896					

*** TOTAL does not include 1997-98 appropriation of $24.4 million, which would bring the total to $312.2 million since 1976-77**

Amount of Equipment Funding Per Student
1976-77 through 1996-97

Fiscal Year		Actual Curriculum FTE	Incr/Decr in Enrollment	Appropriation for Equipment	Funding Per FTE	Incr/Decr in $/FTE
1976-77		73655		$ 3,912,709	$ 53.12	
1977-78		73213	-0.60%	$ 4,412,709	$ 60.27	$ 7.15
1978-79		77210	5.46%	$ 4,846,309	$ 62.77	$ 2.50
1979-80		78867	2.15%	$ 3,784,732	$ 47.99	$ (14.78)
1980-81		83862	6.33%	$ 3,819,732	$ 45.55	$ (2.44)
1981-82		87641	4.51%	$ 6,319,732	$ 72.11	$ 26.56
1982-83		90911	3.73%	$ 6,319,732	$ 69.52	$ (2.59)
1983-84		86665	-4.67%	$ 13,819,732	$ 159.46	$ 89.95
1984-85		82946	-4.29%	$ 13,629,732	$ 164.32	$ 4.86
1985-86		88902	7.18%	$ 13,819,732	$ 155.45	$ (8.87)
1986-87		87433	-1.65%	$ 18,779,103	$ 214.78	$ 59.33
1987-88		85429	-2.29%	$ 18,819,732	$ 220.30	$ 5.51
1988-89		89803	5.12%	$ 13,819,732	$ 153.89	$ (66.41)
1989-90		94302	5.01%	$ 18,819,732	$ 199.57	$ 45.68
1990-91		99663	5.68%	$ 19,819,732	$ 198.87	$ (0.70)
1991-92		106777	7.14%	$ 13,819,732	$ 129.43	$ (69.44)
1992-93		109062	2.14%	$ 17,519,732	$ 160.64	$ 31.21
1993-94		105867	-2.93%	$ 20,019,732	$ 189.10	$ 28.46
1994-95		104751	-1.05%	$ 24,619,732	$ 235.03	$ 45.93
1995-96		104172	-0.55%	$ 23,245,354	$ 223.14	$ (11.89)
1996-97		104761	0.57%	$ 23,819,732	$ 227.37	$ 4.23

Appropriation Per FTE for Curriculum Programs (only)

Definitions of Equipment Subcategories

Code	Title	Definition
A	Automotive	Cars, Trucks, Vans, Boats, Tractors, Mowers, Ambulances, Mobile Classrooms
C	Computers	Personal Computers and Pentium Processors, Central Processing Units, Lap-Tops, Printers, Cabling, Software, CD Roms, Computer Labs, Servers, Plotters, CAD Stations, Modems, Networking
F	Furniture	Desks, Chairs, Tables, PC Workstations, Workbenches, Secure Storage Cabinets, Lab Stools, Cosmetology Stations
H	Health	Patient Care Units, Medical Labs, X-Ray/Raidography, Mannequins, EKG Equipment, Dental Labs, Pediatric Systems and Bassinets, ALS/EMS Simulators, Hygiene Clinic, Incubators, Beds, Hematology Equipment,
L	Library	Bookstacks and Shelving, Microfiche Readers, Study Carrels, Circulation Desk,
M	Machinery/Mechanical	Lathes, Milling Machines, Spectrophotometer, Lasers, HVAC Equipment, Oscilloscopes, Test Instruments, Aviation Equipment, Sanders/Grinders, Atomic Absorption Spectrometers, Tilt Rotary Tables, Brake Machines, Injection Molds, Robots, Hydraulic Trainers, Thermodynamics Trainer, Bench Meters, CO Analyzers, Pneumatic Stations, Plasma Cutter, Welders, Cable Testers, Flow Meters, Autoclaves, Drying Ovens, Switching Equipment, Platemaker
O	Other	Calculators, Law Enforcement and Fire Equipment, Gardening/Landscaping, Physical Education, Security Systems, Impaired Assistance,
S	Support	Information Highway, TV's/VCR's/Camcorders, Projection Machines, Copiers, Distance Learning, Bar Coding, Monitors, Color Developing Systems, Sound Systems, Office Machines

1-21-98
Bruggn #15

The North Carolina Community College System
Department of Community Colleges
Division of Business & Finance

Title: **Equipment Funding**

I. Issue:

The North Carolina Community College System (NCCCS) has since it's inception been the lead entity in the state in providing technical and vocational education programs of instruction beyond the high school level. The mission statement of the NCCCS {GS 115D - 1} sets forth clearly the role of the each college as it relates to training in this area, stating in part "the major purpose of each and every institution shall be and shall continue to be the offering of vocational and technical education and training..." To accomplish this mission, it is imperative for the faculty to have access to modern, effective instructional equipment. It is the purpose of this paper to examine both the adequacy and equitable distribution of equipment funds: to make a request for additional resources, and to make recommendations for the equitable distribution of existing resources.

II. Background:

The State Board of Community Colleges is authorized by the General Statutes of North Carolina to "provide for the equitable distribution of State funds to the several institutions", to approve budgets, and to "establish and regulate financial accounting procedures{GS 115D - 5}." The State Board is responsible for providing funds to meet budget items including, in the "Plant Fund - furniture and equipment for administrative and instructional purposes..." {GS 115D - 31 (1)}. Toward that end, the State Board receives from the North Carolina General Assembly appropriations for the acquisition of equipment. The funds are then allocated to each of the colleges for the acquisition of instructional and administrative equipment. In the allocation process, an "equipment formula" has historically been used to insure equitable distribution. Recently, both the sufficiency and equitable distribution of equipment funds have been called into question.

In a January 16, 1997, report to the State Board of Community Colleges, prepared by MGT of America, Inc., and titled Assessment of the Funding Formula Used By the North Carolina Community College System, an issue raised as a concern was the adequacy of equipment funding (p. 4-5). It was suggested that "a study by equipment type be undertaken."

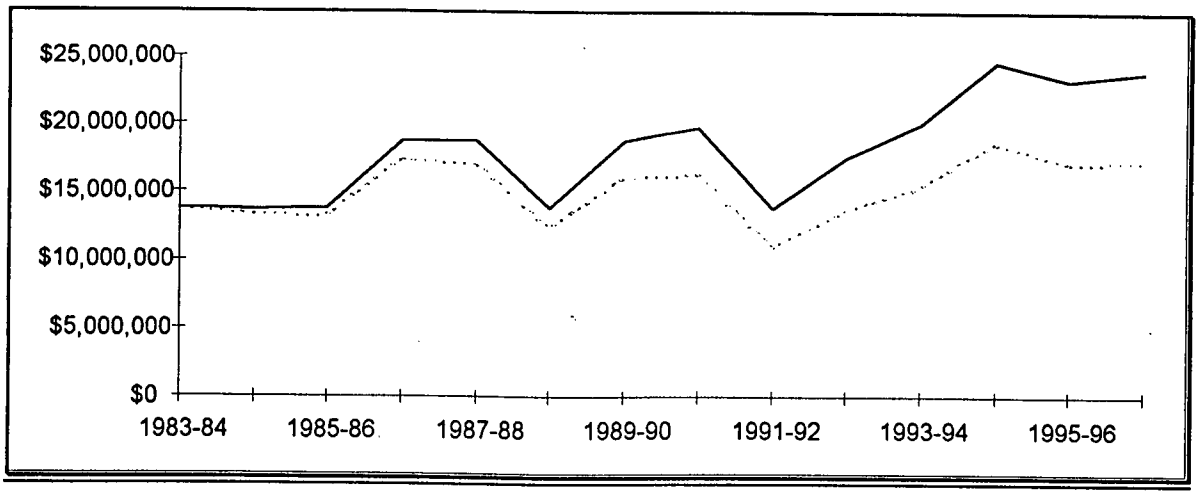
A. Adequacy of Funding

From 1976-77 through 1996-97, the North Carolina Community College System was funded for the acquisition of equipment approximately $287.8 million. This ranged annually from a low of $3.78 million to a high of $24.6 million. The cumulative effects of inflation during this time period however have been devastating. Whether measured by the Consumer Price Index (CPI), running cumulatively at 110.7 percent, or the Higher Education Price Index (HEPI), running cumulatively at 75.4 percent, the ability of system colleges to acquire equipment has been diminished in spite of increased funding.

The following data illustrate the effects of inflation upon equipment funding. The Base Year is 1983-84, wherein the "price index" equals 100, and the HEPI has been used as both a conservative and reliable estimate. From the Base Year forward the appropriation continues to grow, but the appropriation adjusted for inflation declines significantly over the period, dropping to only 72 percent for 1996-97. That is to say, the $23.8 million appropriated in 1996-97 for equipment purchases was worth only $17.2 million in real dollars. The balance has been lost to inflation. This fact greatly reduces the colleges' purchasing power.

F.Y.	Appropriation	Capital Equip Price Index	Adjusted Appropriation	Accumulated Appropriation	Accumulated Adjusted Appropriation	Gap
	{Solid Line - Annual $}	Higher Education Price Index - HEPI	{Broken Line - Adjusted for Infl}	From the Base Year Forward	After Adjusting for Inflation	
1976-77	$3,912,709	62.8	$6,230,428			
1977-78	$4,412,709	65.9	$6,696,068			
1978-79	$4,846,309	70.4	$6,883,962			
1979-80	$3,784,732	76.1	$4,973,367			
1980-81	$3,819,732	82.3	$4,641,230			
1981-82	$6,319,732	89.6	$7,053,272			
1982-83	$6,319,732	96.2	$6,569,368			
1983-84	$13,819,732	100.0	$13,819,732	$13,819,732	$13,819,732	$0
1984-85	$13,629,732	102.7	$13,271,404	$27,449,464	$27,091,136	$358,328
1985-86	$13,819,732	105.2	$13,136,627	$41,269,196	$40,227,763	$1,041,433
1986-87	$18,779,103	108.0	$17,388,058	$60,048,299	$57,615,822	$2,432,477
1987-88	$18,819,732	110.2	$17,077,797	$78,868,031	$74,693,619	$4,174,412
1988-89	$13,819,732	112.5	$12,284,206	$92,687,763	$86,977,825	$5,709,938
1989-90	$18,819,732	117.0	$16,085,241	$111,507,495	$103,063,066	$8,444,429
1990-91	$19,819,732	121.9	$16,259,009	$131,327,227	$119,322,075	$12,005,152
1991-92	$13,819,732	125.6	$11,002,971	$145,146,959	$130,325,046	$14,821,913
1992-93	$17,519,732	128.4	$13,644,651	$162,666,691	$143,969,697	$18,696,994
1993-94	$20,019,732	130.2	$15,376,138	$182,686,423	$159,345,835	$23,340,588
1994-95	$24,619,732	132.2	$18,623,095	$207,306,155	$177,968,931	$29,337,224
1995-96	$23,245,354	135.1	$17,206,036	$230,551,509	$195,174,966	$35,376,543
1996-97	$23,819,732	138.2	$17,235,696	$254,371,241	$212,410,662	$41,960,579
TOTAL*	$287,786,896					

*** TOTAL does not include 1997-98 appropriation of $24.4 million, which would bring the total to $312.2 million since 1976-77**



Impact of Inflation on Equipment Funds 1

While the impact of inflation during the time period is clear, there are several other factors that occurred over the same time period that need to be made equally clear. They include growth in enrollment, the initiation of new and more complex programs of instruction, and the enhanced sophistication of instructional equipment.

One accepted method of examining the adequacy of funding by any measure is the amount of funding per student. In the North Carolina Community College System, the most commonly used measure is amount per full-time equivalent (FTE) student. The following chart evaluates equipment funding per student for the period 1976-77 through 1996-97 for curriculum FTE only:

Fiscal Year	Actual Curriculum FTE	Incr/Decr in Enrollment	Appropriation for Equipment	Funding Per FTE	Incr/Decr in $/FTE
1976-77	73655		$ 3,912,709	$ 53.12	
1977-78	73213	-0.60%	$ 4,412,709	$ 60.27	$ 7.15
1978-79	77210	5.46%	$ 4,846,309	$ 62.77	$ 2.50
1979-80	78867	2.15%	$ 3,784,732	$ 47.99	$ (14.78)
1980-81	83862	6.33%	$ 3,819,732	$ 45.55	$ (2.44)
1981-82	87641	4.51%	$ 6,319,732	$ 72.11	$ 26.56
1982-83	90911	3.73%	$ 6,319,732	$ 69.52	$ (2.59)
1983-84	86665	-4.67%	$ 13,819,732	$ 159.46	$ 89.95
1984-85	82946	-4.29%	$ 13,629,732	$ 164.32	$ 4.86
1985-86	88902	7.18%	$ 13,819,732	$ 155.45	$ (8.87)
1986-87	87433	-1.65%	$ 18,779,103	$ 214.78	$ 59.33
1987-88	85429	-2.29%	$ 18,819,732	$ 220.30	$ 5.51
1988-89	89803	5.12%	$ 13,819,732	$ 153.89	$ (66.41)
1989-90	94302	5.01%	$ 18,819,732	$ 199.57	$ 45.68
1990-91	99663	5.68%	$ 19,819,732	$ 198.87	$ (0.70)
1991-92	106777	7.14%	$ 13,819,732	$ 129.43	$ (69.44)
1992-93	109062	2.14%	$ 17,519,732	$ 160.64	$ 31.21
1993-94	105867	-2.93%	$ 20,019,732	$ 189.10	$ 28.46
1994-95	104751	-1.05%	$ 24,619,732	$ 235.03	$ 45.93
1995-96	104172	-0.55%	$ 23,245,354	$ 223.14	$ (11.89)
1996-97	104761	0.57%	$ 23,819,732	$ 227.37	$ 4.23

Appropriation Per FTE for Curriculum Programs (only)

As the chart indicates, appropriations have increased over the period from approximately $53 to approximately $227 per FTE. However, as previously noted, the cumulative effects of inflation since 1983-84 has the net effect of decreasing the amount appropriated per FTE to $140. During this period, enrollment grew by approximately 42 percent, while the amount appropriated per FTE increased by 328 percent. On the face of it then, it would appear that inflation notwithstanding, equipment funding has more than kept pace with enrollment growth. This would appear to be true, but for two additional factors: the start-up of a myriad of new programs and the capacity of instructional equipment used in those programs.

In 1977-78, almost every college in the system was approved to offer such programs as Business Administration, General Office Technology, Automotive Mechanics, Electrical Installation, Practical Nursing and Welding. Very few colleges were offering Air Conditioning, Engineering, the assortment of Allied Health occupations, or Computer Assisted Design (CAD).

In the 1996-97 "Regional and Local Curriculum Program Approvals" granted by the State Board of Community Colleges, a sampling reveals such high cost/high technology programs as Networking Technologies, Physical Therapist Assisting, Machining Technology, Pharmacy Technology, Health Care Technology, Architectural Technology, Surveying Technology, Dialysis Technology, Information Systems, Electronics, Dental Hygiene.

While in 1976-77, typewriters, simple automotive equipment, drafting tables and limited nursing and lab equipment were the order of the day, instruction in today's classroom, as determined by a survey of system colleges, requires computers, diagnostics, lathes, programmable logic controllers and other expensive systems. The change in instructional technology also requires more use of interactive systems, video and self-driven media, and other high cost technologies.

Therefore, while it is true that the amount appropriated per student has increased, the amount required to be spent per student has increased just as dramatically. The most obvious observation is from drafting tables to CAD.

B. Equity of Funding - Equipment Formula

There has been for some time a discussion about the distribution of funds for the procurement of equipment. The discussion has focused upon an equity issue surrounding one component of the formula: the allotment for accumulated depreciation.

In the Assessment report prepared by MGT, Inc., the following narrative about the current equipment formula was presented. This narrative amply describes the several components of the formula:

> "The equipment formula contains three components. Two components employ the concept of 'Equipment FTE (E/FTE),' a calculation weights different types of FTE students according to their need for equipment. The first component is a 'base allotment', which is calculated as $20,000 per college plus $30 per E/FTE student. The second component compensates those colleges whose equipment inventory is below target levels. The final component, which accounts for **over 86 percent of the total equipment allocation, is based on accumulated depreciation.**"

The allocation of funds therefore is based upon these three factors [1]:

- **a base allotment of $20,000 plus $30 per E/FTE in excess of 163 E/FTE**
- **a net entitlement adjustment determined by comparing the adjusted equipment inventory to the net entitlement calculation**
- **an allotment for accumulated depreciation**

As previously noted, the most heavily weighted factor in allocating equipment funds under the current formula is depreciation. For many years, the appropriation has not been sufficient to fully fund the accumulated depreciation. In fact, less than 50 percent of the accumulated depreciation is currently being funded. Even if the depreciation were fully funded however, it would mean that colleges would be buying replacement equipment with less than 1980's dollars (see "Impact of Inflation on Equipment Funds diagram), as noted in the discussion on the "Adequacy of Funding."

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[1] Assessment. MGT of America, Inc.. p.2-11

There has also been serious discussion recently about the weights assigned to E/FTE. One school of thought would weight E/FTE more closely toward the fulfillment of the system's mission. This would place a much greater weight upon Technical and Vocational FTE, and improve the weights for Occupational Extension equipment. Currently the equipment FTE weights are as follows:

Program	Weight
Technical	1.00
Vocational	.75
College Transfer	.35
General Education	.35
Occupational Extension	.25
Other regular budget extension (Basic Skills)	.05

III. Research Efforts:

In order to determine both the adequacy of equipment funding and the equity of distributing the available funds, two specific efforts were undertaken. They include:

1. **A comprehensive survey** of all 58 colleges, including the type of equipment needed by category and the associated cost, and the corresponding documentation as to why the equipment is needed **(Adequacy)**; and,

2. Commissioning MGT of America, Inc., to **develop possible equipment allocation formulas (Equity)**.

1. Survey of Colleges

In September 1997, a survey instrument was developed by the Division of Business and Finance to determine the total estimated cost of equipment needs systemwide. Categories were developed to further define the purposes served with the equipment. In addition, each college was asked to provide justification as to why the equipment was needed. All 58 colleges responded to the survey request.

A systematic compilation of the data was completed by the Administrative and Facility Services Section of the Division of Business and Finance. The justification sheets were also reviewed for sufficiency, and to make a determination whether trends could be observed based upon similar needs.

The comprehensive database included 153 pages of equipment needs within the categories of equipping classrooms, shops and labs, and high cost programs; enhancing instructional support; and enhancing administrative activities. The following needs were identified by category systemwide:

	Equip Classrooms	Equip Shops & Labs	Equip High Cost Programs	Enhance Instructional Support	Enhance Administrative Activities	Total Estimated Need
Amount Needed	$37,172,132	$51,173,975	$14,073,445	$16,659,124	$12,608,390	$131,687,066
% of Total	28.20%	38.95%	10.71%	12.62%	9.51%	

Equipment Needs By Category

Clearly, the most pressing needs for increased funding are to **equip shops and labs** and to **equip classrooms**. These two categories comprise over two-thirds of the total equipment needs. But to state what should be the obvious is not sufficient. Therefore, a further analysis of the data was made to determine within refined categories what the specific needs are systemwide. The following subcategories were defined, and the sorting of data revealed these specific needs:

	A	C	F	H	L	M	O	S	Total
Amount Needed	$5.61	$54.13	$8.42	$6.29	$.79	$42.43	$1.41	$12.59	$131.67
									{millions}
% of Total	4.26%	41.11%	6.39%	4.78%	0.60%	32.22%	1.07%	9.56%	

Equipment Needs By Subcategories

Code	Title	Definition
A	Automotive	Cars, Trucks, Vans, Boats, Tractors, Mowers, Ambulances, Mobile Classrooms
C	Computers	Personal Computers and Pentium Processors, Central Processing Units, Lap-Tops, Printers, Cabling, Software, CD Roms, Computer Labs, Servers, Plotters, CAD Stations, Modems, Networking
F	Furniture	Desks, Chairs, Tables, PC Workstations, Workbenches, Secure Storage Cabinets, Lab Stools, Cosmetology Stations

H	Health	Patient Care Units, Medical Labs, X-Ray/Raidography, Mannequins, EKG Equipment, Dental Labs, Pediatric Systems and Bassinets, ALS/EMS Simulators, Hygiene Clinic, Incubators, Beds, Hematology Equipment,
L	Library	Bookstacks and Shelving, Microfiche Readers, Study Carrels, Circulation Desk,
M	Machinery/Mechanical	Lathes, Milling Machines, Spectrophotometer, Lasers, HVAC Equipment, Oscilloscopes, Test Instruments, Aviation Equipment, Sanders/Grinders, Atomic Absorption Spectrometers, Tilt Rotary Tables, Brake Machines, Injection Molds, Robots, Hydraulic Trainers, Thermodynamics Trainer, Bench Meters, CO Analyzers, Pneumatic Stations, Plasma Cutter, Welders, Cable Testers, Flow Meters, Autoclaves, Drying Ovens, Switching Equipment, Platemaker
O	Other	Calculators, Law Enforcement and Fire Equipment, Gardening/Landscaping, Physical Education, Security Systems, Impaired Assistance,
S	Support	Information Highway, TV's/VCR's/Camcorders, Projection Machines, Copiers, Distance Learning, Bar Coding, Monitors, Color Developing Systems, Sound Systems, Office Machines

This analysis indicates that the most pressing needs are for computers and machinery. This reflects the nature of the teaching environment in the community college classroom today. Today's students are learning on expensive, modern technology. Further, many of the modern pieces of training machinery are computer driven. In order to make this determination, one final analysis was made of the survey data.

The final analysis attempted to compare the two largest categories of need against the largest subcategories, and compare that to the totals for both. The intent is to determine whether the specific pieces of equipment needed (subcategories) are in fact being used for instructional purposes (categories). The following data was revealed:

	Categories		All Categories	
	Equip Classrooms	Equip Shops & Labs	Total Needs Identified	% Categories are of All Categories
Subcategories				
Computers	$ 18,487,778	$ 17,168,098	$ 54,133,800	**65.9%**
Machinery/Machines	$ 9,459,757	$ 23,529,386	$ 42,431,690	**77.7%**

Comparison of Categories Against Subcategories

In fact, the overwhelming majority of computers and machines requested were for instructional use in the classrooms, shops and labs, where the mission of the Community College System is being fullfilled.

2. Development of New Formula

MGT of America, Inc., the consultant heretofore mentioned, has been commissioned to assist in the development of a new formula for the allocation of equipment funds. The vehicle which is being used to assist in the formula development, which allows for college input into the process, is the "Funding Study Advisory Group." This group was instrumental in the process of reviewing the "funding study" work conducted by the consultant over the past two years.

As previously noted, the existing equipment allocation formula includes a base allotment plus $30 for every "equipment FTE (E-FTE)." The E-FTE are weighted by program. The largest factor in the allocation however is the depreciation schedule. There are being developed multiple scenarios which would either assign new weights to FTE, eliminate the depreciation factor, or do both. They have been included as "works in process" as an attachment to this paper.

IV. Findings:

The General Assembly of North Carolina has for several decades provided considerable support for procuring equipment in the North Carolina Community College System. The Community College System has a tremendous need for a variety of equipment to accomplish multiple purposes, all of which are consistent with its mission: To offer technical and vocational training and education. The issues of both adequacy of funding and the equitable distribution of equipment funds are matters which need attention from both a fiscal and policy perspective. Two actions were undertaken in the fall of 1997 to determine the needs of the system (adequacy/fiscal) and the distribution of equipment funds (equity/policy). These actions included a comprehensive survey of all the system's colleges and subsequent data analysis, and the commissioning of a well-respected consultant to assist in the derivation of a new formula for allocating equipment funds. While the

needs are clearly defined, the development of a new allocation formula may not be completed for several months. Clearly, a new formula should be developed, approved and deployed.

The purposes for which the equipment are being requested are consistent with the mission of the system. With a backlog of over $131.7 million of equipment needs, an annual funding rate of approximately $24 million, which is deflated by 4 percent each year, and dramatic changes in technology, the Community College System needs an infusion of funds on a one-time basis and an increased amount of funds on an annual basis.

The following findings are made with respect to funding needs:

1. **The amount needed to fund 50 percent of the total need ($65.8 million) on a "catch up" basis is approximately equal to the amount needed to equip classrooms, shops and labs with modern computer technology <u>and</u> modern machines and machinery ($68.5 million).**

2. **The amount needed to reach 25 percent of total need ($15. 5 million) on a recurring basis is approximately equal to the amount needed to equip classrooms, shops and labs with modern computer technology ($17.2 million)**

1-28-98
Williams #16

Joint Education Oversight Committee Meeting - January 21, 1998
Total Quality in Education Status Report

Budget Highlights
1996-97 General Assembly funding was earmarked by NCBCE for the 26 local school system partnerships as direct allocations for professional development and support of their local TQE effort. Of the $450,000 allocation, $395,139.00 went in direct payments to the local systems (88%) and the remaining ($54,861.00 or 12%) was used in providing overall training and support to these systems for substitute teachers, travel expenses, supplies, materials, and project support.

1997-98 General Assembly funding is again earmarked 100% to the local school system partnerships based on the size of the system and number of staff members. This will be allocated to the 26 existing partnerships and up to 13 additional school systems that agree to a signed Quality Schools Partnership Agreement. At this time, 30 additional school systems have formally expressed an interest in joining the partnership.

Clearly, the General Assembly funding has been instrumental in allowing NCBCE to expand the number of school systems in this voluntary partnership. This funding also has contributed to the partnership receiving additional funding from the business sector, as well as competitive grants at the state and national levels, to support this effort.

Currently, Hodge, Steward, and Company, an independent CPA firm, conducts the NCBCE annual audit in full compliance with all state and federal regulations for the nonprofit sector.

Program Status Report
The third-year ***Progress Towards Quality Report*** highlights the progress made in the partnerships. As reported this past fall in our ***Quality Schools Network News***, our original TQE systems exceeded the state's percentage of schools meeting or exceeding ABC standards by 13% (69% to 56%). Likewise, only 3% of these schools were classified as low-performing compared to the 7.5% statewide. As a side note, four of the six original pilots are low-wealth school systems and 18 of the current 26 school systems are identified as low wealth.

As a result of this initiative, the State Board of Education and State Superintendent have adopted the application of the TQE model for the state's strategic planning process and organizational development. This type of alignment will enhance local systems' efforts in meeting their community expectations, as well as being coordinated with statewide improvement efforts.

Sustainability
During the past year and in partnership with our local pilot school systems, NCBCE developed a business plan to continue and build upon this successful partnership. In agreement with NCBCE's mission as a catalyst for public education improvement, NCBCE established the North Carolina Partnership for Excellence (NCPE), a business-led, nonprofit organization charged with expanding this proven approach to all interested school systems in North Carolina. NCBCE, with a focus on engaging North Carolina's business community in local school and school system improvement, will remain a viable partner with NCPE.

Prepared by: Tom Williams, NCBCE

1-21-98
Gulledge #17

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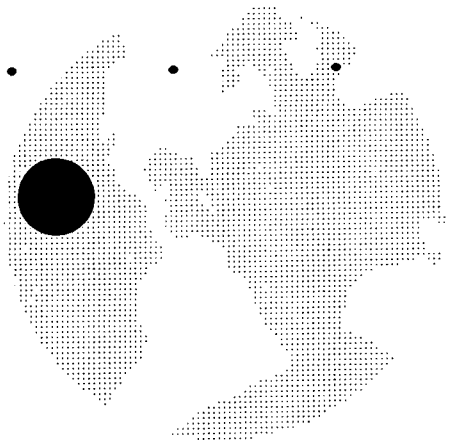
International Social Studies Project

Pilot Year Summary & 1997-98 Overview



Including: 1996-97 Report Data
1997-98 Projections
Master Teacher Cadre

Achievement of Program Goals
International Social Studies Project
June 1997

1. Identify, recruit and train 50 master middle and high school teachers from throughout the state on the history and current conditions in the former Soviet Union, Asia, Europe, Latin America and the Middle East.

Fifty-three master teachers were identified and trained by the International Social Studies Project (I.S.S.P.) between October 11, 1996 and June 15, 1997. Teachers were contacted from each of the eight geographic regions formerly served by Regional Education Centers of the North Carolina Department of Public Instruction, and the final tally reflects a minimum of four Master Teachers representing each region. Training was accomplished through four workshops at which the materials from the Southern Center for International Studies (S.C.I.S.) series, "The World in Transition," were presented.

2. Train master teachers on methods of introducing instructional materials to other teachers.

At the December I.S.S.P. workshop, Mr. Dale Tyree and Dr. Pat Guillory, trainers with the S.C.I.S. in Atlanta, Georgia conducted a session on how to introduce the materials from "The World in Transition" series. They spoke from their experience as trainers of teachers in Georgia and Alabama. At the third workshop in Cullowhee, Ms. Louisa Moffitt from Atlanta specifically addressed the topic of helping teachers with instruction about the Middle East, based on her experiences as a teacher trainer in Georgia and other states. Dr. Paul Horne similarly covered instruction related to Latin America and Europe. At the fourth training workshop, Dr. Glen Blankenship incorporated some pedagogic strategies with presentations on the former Soviet Union and East Asia, and he also led a separate session in organizing and conducting international studies training for teachers.

3. Provide training for 580 middle and high school social studies teachers on history and current conditions in the former Soviet Union, Europe, Asia, Latin America and the Middle East.

The concluding session of the May workshop at Aqueduct, for the 53 master teacher trainers in the I.S.S.P., directly addressed strategies for providing training for other middle and high school teachers in the units. Letters to local districts from the I.S.S.P. office encouraged district level involvement and support of the subsequent training initiatives, which will involve more than 580 teachers in follow-up workshops conducted by the cadre of master teachers.

4. Provide training for 580 middle and high school social studies teachers in the use of appropriate instructional materials for teaching about the former Soviet Union, Europe, Asia, Latin America and the Middle East.

At each of the training sessions, the instruction included materials distribution, examination and discussion. All attendees were given a set of the materials produced by the S.C.I.S. related to the content of the session. Those materials included a videotape and instructional guide for each unit. Participants are provided binder notebooks to contain their work and the large number of presenter-developed handouts that accompany the S.C.I.S. materials in each presentation.

5. Identify and provide appropriate materials for teaching about the former Soviet Union, Asia, Europe, Latin America, and the Middle East for 50 master teachers and 580 teachers trained by the network.

A cadre of 53 master teachers has been trained in the use of the materials and in conducting workshops for other North Carolina teachers who will receive the materials for their classrooms and schools. The total number of teachers already trained and those accounted for by master teachers' upcoming workshops now stands at 720.

6. Provide updates, additional lessons, and units through LEARN NC for master teachers and teachers trained by the network.

Dr. Robert Kanoy presented the LEARN NC project to the cadre of master teachers gathered at the Aqueduct Conference Center on May 18, 1997. Technical assistance for posting those materials to the site has been secured, and work began June 4. In the future, all teachers trained through the I.S.S.P. will be able to both access and contribute to LEARN NC.

7. Provide technical assistance and coaching for master teachers as other teachers are trained.

The cadre of master teachers has received specific training with regard to establishing and conducting workshops. The I.S.S.P. office has provided assistance for master teachers and their workshops, and the office is open full time, Monday through Friday, at the School of Education, UNC-CH. Some examples of assistance provided by the I.S.S.P. personnel are planning, coordinating, and implementing workshops and training, disseminating materials across the state, leading presentations at professional meetings, creating master teacher portfolios, communicating with school system central offices, etc.

8. Provide a directory of master teachers and others who are trained.

Please see attached list of "I.S.S.P. Master Teacher Trainers." The master teachers are listed both in alphabetical order and by geographic region. The I.S.S.P. has a record of all teachers who have been trained in the materials to date.

1997-98

Having met all of the objectives stated in its contract with NCDPI in its pilot year, the goals of The International Social Studies Project in 1997-98 are to extend training to more teachers, to faculty and preservice educators in teacher education programs, and to provide orientation and training to local district level administrators and curriculum coordinators.

Specific Objectives & Progress to Date (January 20,1998)

- **Provide orientation and training on ISSP methods and materials to at least 300 middle and high school classroom teachers**

Since July, 1997 over 150 teachers have attended ISSP workshops in Raleigh, Winston Salem, Asheville, Charlotte, and Martin, Greene, Caldwell, Wayne, Pitt and Cumberland Counties.

Five workshops to accommodate 50 teachers from across North Carolina and provide training in regional units are scheduled for February 19-20,1998 in Greensboro at the North Carolina Council for the Social Studies conference.

Twelve master teachers have submitted proposals for conducting workshops in the Spring Semester, 1998 in their local areas as of 1-20-98. More proposals are expected to arrive by Jan. 30, 1998 and a number of additional proposals will be developed on Jan. 31, 1998 when master teachers convene by regions during the planning portion of the retreat to map out strategies for extending training to more l.e.a. districts within their region.

The fifty master teachers in the ISSP trainer cadre will be convened for additional training and updates on January 30-31 at a retreat in Chapel Hill which will include a scholars forum with academic briefings on the Middle East, Latin America, Russia, Asia and Europe. They will be connected to their own closed discussion forum on LEARN NC and introduced to web pages of the Southern Center for International Studies and The ISSP project for on-going communication and updates. In February the master teachers will be invited to observe experienced ISSP presenters conduct training sessions on the regional units that are specifically targeted for middle or for high school teachers. In April the master teacher cadre will be convened in Boone to be trained in the use of new S.C.I.S. materials on Russia and will be briefed on changes in the former Soviet republics.

- **Provide orientation and training on ISSP materials to at least 250 administrators and curriculum coordinators.**

Presentations have been made to 62 central office personnel and school principals enrolled in the Principals Executive Program during the week of January 12-15, 1998.

ISSP staff are scheduled to address social studies supervisors and administrators on February 19, 1998 in Greensboro prior to the North Carolina Council for the Social Studies Conference at a workshop organized by the Department of Public Instruction Social Studies division. Over 100 attendees are expected.

A proposal will be made for additional presentations to administrators and principals attending Principals Executive Program training. Distribution of information about the ISSP has been done through newsletters produced by the P.E.P. with a circulation of 2,500 in North Carolina.

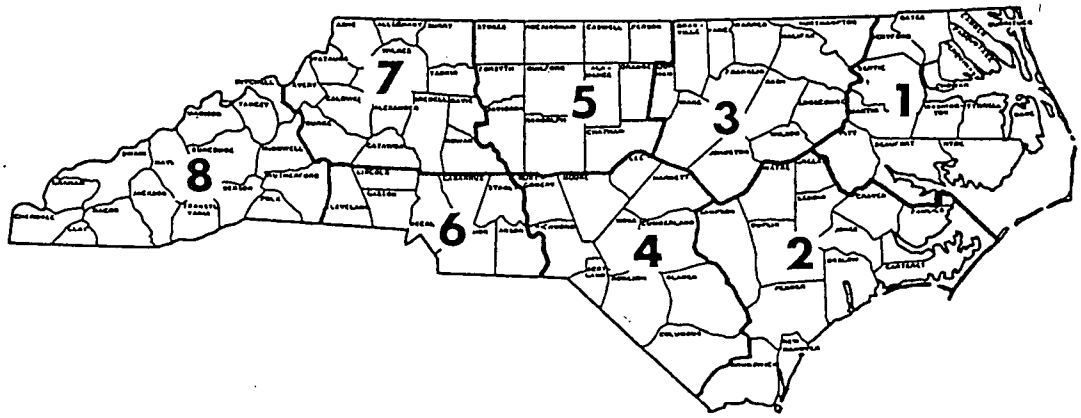
- **Provide orientation and training on ISSP methods and materials to at least 18 teacher education program social studies faculty members and their students.**

Middle and secondary level pre-service teachers at UNC-Wilmington, Appalachian State, and UNC-Chapel Hill received ISSP training and materials through college faculty members who are ISSP master teachers in the Fall Semeste , 1997. Seven professors have received training to date.

ISSP master teachers will conduct training and information sessions for social studies instructors and faculty members who prepare middle and secondary level social studies teachers in North Carolina on February 21, 1998 at a conference in Guilford County.

Additional training will be offered through the NC Association of College and University Social Studies Methods Professors. A proposal will be submitted to that group at their regularly scheduled meeting on February 20, 1998.

International Social Studies Project
Master Teacher Trainers
by
Geographic Region



Region 1
Jackie Boykin
Tensil Clayton
Ann Hamze
Cathy Keeter
Billie Lennon
William Morgan

Region 2
Ernie Copenhaver
Cathy Fonvielle
Ann Lockledge
Ivy Murrain
Bonnie Murray
Joe Webb

Region 3
Kathie Davidson
Esther Dunnegan
Rob Helfenbein
Tami Kaiser-Polge
James Litle
Penny Maguire
Amelia McLeod
Ken Stewart
Ginger Wilson

Region 4
Chris Damron
Glenn Hood
Adam Katz
Jackie Sherrod

Region 5
Mike Albritton
Angie Brady
Etta Foushee
Cindy Gurley
Ann Honeycutt
Nancy Kindem
Lynda Moss
Carol Vogler

Region 6
Elaine Benjamin
Diane Bumgarner
Charlotte Cherry
Charles Gobble
Kevin Joyce
Marilyn Walters
Phil Wilson
Eileen Woodward

Region 7
Beth Clark
Steve Harvel
Alvera Lesane
Robert McAdams
Myra Pennell
Ellie Wilson

Region 8
Bill Crawford
Dana Dedmond
Ted Henson
Kim Yurkovich

1-21-98
Thompson # #18

Public Schools

Nonrecurring Appropriations FY 1997-98

► ABC Incentive Funds	$72,400,000
► Mentor Teachers	3,500,000
► New Teacher Development	800,000
► School Technology Funds	20,000,000
► Special Education Reserve for Group Homes	500,000
► Total Quality Education	450,000
► A+ Schools	500,000
► Global Curriculum	150,000
► Communities in Schools - Rocky Mount	100,000
	$98,400,000

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Wednesday, February 17, 1998

MINUTES

The Joint Appropriations Subcommittee on Education met at 1:00 p.m. on Tuesday, February 17, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Arnold, Preston and Grady, Co-chairs; Representatives Black, Bonner, Davis, Insko, Moore, Oldham, Reynolds, Rogers, Russell, Shubert, and Yongue; Senators Lee, Co-chair; Garwood and Purcell. A visitors sheet is attached to these minutes.

At 10:00 a.m., subcommittee members visited the Exploris Charter School in downtown Raleigh.

This subcommittee convened at 1:00 p.m. in Room 421, Legislative Office Building, with Representative Jean Preston presiding. Following a call to order, Representative Preston expressed appreciation to those members who toured the Exploris Charter School. She said that it was a good experience to see the enthusiasm and support and to discover some positive things about a very reputable and successful charter school.

Representative Preston asked Ms. Charlotte Todd, Fiscal Research Staff, to review today's agenda. Ms. Todd said that the State Board Reserve Fund, the first item on the agenda, had been an area of controversy in the past. Questions have been raised by members of the Appropriations/Education Subcommittee regarding the appropriateness of the expenditure. The 1996 Session of the General Assembly amended G.S. 115.5 to clarify the use of the State Board Reserve Fund. The change in the statute requires the State Board to report semi-annually on the expenditures made from State Board Reserve Fund. (See Handout #1). The report was given by Mr. Kennon Briggs, Vice President, Business and Finance, Community Colleges System. A lengthy discussion followed this presentation.

Dr. Bryan Brooks, President, Davidson Community College, was recognized by the chair to address a question on the professional development program for presidents of North Carolina Community Colleges.

Senator Lee asked about taking a look at how the State Board Reserve funds are being used and whether there should be a concentration on startups or if there should be a focus on building a stronger foundation upon which to operate those things that are working.

Representative Grady asked if it would be fair to characterize the State Board Reserve Fund as a petty cash fund for the community colleges for things which did not fall under a

normal budget item. Upon application, for example, this would be a fund that could be used for a special conference for training presidents or a startup of a curriculum or any number of things that do not fall in the normal funding pattern. In comparison, the University system has discretionary money as well as sources of income through foundations. Mr. Briggs said that this would be good analysis.

Senator Lee asked about an amount of money budgeted for various institutions, not much of which had been expended at this time, and what the plan is for utilization for the balance of the money. Mr. Briggs explained use of these funds and said that expenditure information is a part of the December 31 report. Dr. Barry Russell, Executive Vice President, NC Community College System, explained that the balance of money approved by the Board to the community colleges had not been approved by the cutoff date for the report, but has now been distributed to the community colleges.

The next agenda items, Community College System Renovation and Repair Needs and Capital Improvement Funding, were reviewed by Ms. Todd. Reports were given by Mr. Briggs. Questions and discussion followed.

Critical Success Factors and Measures of Quality was the last agenda item. Ms. Todd pointed out that during the 1997 Session in the Appropriations/Education Subcommittee deliberations, accountability measures enacted in statutes for the Community College System were reviewed. Questions were raised, for example, about the performance of graduates from the Community College System on licensure exams; the retention rate in various programs; and certain kinds of expenditures in the programs.

A number of measures are included in the critical success factors document which is reviewed every year. During the 1997 Session, APPROPRIATIONS/Education members raised questions about the low passing rate on certain licensure exams, in particular. Explanations were presented by some of the presidents of those community colleges that had poor performance. The APPROPRIATIONS/Education Subcommittee asked that the Department of Community Colleges create an accountability task force to look at the problem situation in each particular college to seek some solutions that could be shared with other colleges. Ms. Todd said that this had been done. Results will be reported today on success in that area and on other follow-up measures that are being taken to improve performance in all of their accountability.

Dr. Brenda Rogers, Vice President for Administration, North Carolina Community College System, gave the report on actions taken and the progress on critical success factors. Questions were asked by members. Following the report, Dr. Rogers recognized Mr. Paul Nagy, Director, Institutional Research, Durham Technical Community College, to explain how he uses the data from the Critical Success Factors Report.

Ms. Todd asked to recognize Mr. Nagy and Mr. Keith Brown who were responsible for creating the matrix on the critical success factors which was distributed to the members.

There was no further business to come before the subcommittee at this time. The meeting was adjourned.

Respectfully submitted:

Jean Preston

Representative Jean Preston, Co-Chair

Peggy B. Murray

Peggy B. Murray, Committee Clerk

APPROPRIATIONS SUBCOMMMITTEE ON EDUCATION
February 17, 1998

Morning Session
10:00 AM

Call to Order	Representative Preston
Visit to the Exploris Charter School in Raleigh	

Afternoon Session

Report on State Board Reserve Funds	Kennon Briggs
Community College Capital and Renovation and Repair Funds	Kennon Briggs
Critical Success Factors	Dr. Brenda Rogers

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Tuesday, February 17, 1998 10:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
John Malia	Dept. of Community Colleges.
Harriet Dial	NCAE
Larry Hunt	NCCCS
Phil Albano	DCC
Paul Nagy	Durham Tech
Kim Bryson	DCC
Barry Russell	NCCCS
Brenda Rogers	NCCCS
Keith Brown	DCC
Maurice King	OSBM
Larry Morgan	DCC
Bryan Brooks	Davidson Co Comm. College

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Tuesday, February 17, 1998 10:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Hal Miller	NC ACCT
Leanne Winner	NCSBA
Gene Causby	E-ERC
Kay Dancy	Office of State Planning
Ed Regan	N.C. Assoc. of Co. Commissioners

#1
2-17-98

North Carolina Community College System

STATE BOARD RESERVE PROJECTS

The 1996 Session of the General Assembly amended G.S. 115-5 to clarify the use of the State Board Reserve Fund. The change in the statute requires the State Board to report semi-annually on the expenditures made from State Board reserve funds. The specific language is as follows:

Chapter 18, House Bill 53, Section 17.7 (a) G.S. 115D is amended by adding a new subsection to read:

> "(I) The State Board of Community Colleges shall use its Board Reserve Fund for feasibility studies, pilot projects, start-up of new programs, and innovative ideas. The State Board shall report to the joint Legislative Education Oversight Committee on expenditures from the State Board Reserve Fund on January 15 and June 15 each year."

STATE BOARD PROJECTS AWARDED
July 1, 1997 - December 31, 1997

		Date Approved	Budget	Expended	Balance
1	Alamance Community College	Sep-97	$50,000		$50,000
2	Beaufort Community College	Oct-97	$130,000	$61,455	$68,545
3	Bladen Community College	Sep-97	$50,000		$50,000
4	Blue Ridge Community College	Sep-97	$38,955		$38,955
5	Caldwell Community College	Oct-97	$50,000		$50,000
6	Catawba Valley Community College	Sep-97	$50,000		$50,000
7	Fayetteville Technical Community Colleg	Oct-97	$14,029		$14,029
8	Forsyth Community College	Oct-97	$20,050		$20,050
9	Gaston College	Sep-97	$10,940		$10,940
10	Guilford Technical Community College	Oct-97	$50,000		$50,000
11	Halifax Community College	Sep-97	$14,302		$14,302
12	James Sprunt Community College	Sep-97	$38,000		$38,000
13	Lenoir Community College	Oct-97	$50,000		$50,000
14	Martin Community College	Sep-97	$26,417		$26,417
15	Nash Community College	Sep-97	$31,548		$31,548
16	Piedmont Community College	Sep-97	$49,000		$49,000
17	Pitt Community College	Sep-97	$42,720		$42,720
18	Sandhills Community College	Sep-97	$45,323		$45,323
19	Southeastern Community College	Sep-97	$45,085		$45,085
20	Southeastern Community College	Oct-97	$50,000		$50,000
21	Stanly Community College	Sep-97	$46,686	$617	$46,069
22	Wake Technical College	Oct-97	$50,000		$50,000
	Grants to Colleges		$953,055	$62,072	$890,983
	State Level Projects:				
23	NCACC Pres Professional Dev Pgm	Oct-97	$10,000		$10,000
24	NCCCS - Virtual Community College	Oct-97	$50,000		$50,000
25	NCCCS - (Contract Programmers)	Sep-97	$84,000	$75,651	$8,349
26	NCCCS - (Education Guide Printing)	Oct-97	$64,750		$64,750
27	NCCCS - (Access to Library Resource)	Sep-97	$50,000		$50,000
	State Level Total		$258,750	$75,651	$183,099
	Total - State Board Reserve		$1,211,805	$137,723	$1,074,082
	Unbudgeted Balance		$68,195		
	Certified Budged Appropriation 1997-98		$1,280,000		

Brief Description of Projects

1. To reduce student attrition through advising and learning plans. **(Alamance CC)**

2. New educational program for students at the Hyde Correctional Institution. **(Beaufort CC)**

3. Provide jobs, administer research, advocate environmental protection through area center. **(Bladen CC)**

4. Hold a leadership workshop to address changes in the community college system. **(Blue Ridge CC)**

5. Support start-up program for Speech/Language Pathology Assistant Program. **(Caldwell CC& TI,** Catawba Valley CC, Mitchell CC, Western Piedmont CC, Wilkes CC)

6. Initiate Northwest Health-Dental Hygiene program in 9 western counties. **(Catawba Valley CC,** Caldwell CC & TI, Mitchell CC, Western Piedmont CC, Wilkes CC)

7. To upgrade North Carolina Information Highway Classroom. **(Fayetteville TCC)**

8. Fund start-up for Speech/Language Pathology Assistant Program. **(Forsyth TCC)**

9. Train education major tutors to assist first graders with reading skills. **(Gaston College)**

10. Start-up funds for Piedmont Triad Physical Therapist Assistant Program. **(Guilford CC,** Alamance CC, Davidson CC, Forsyth TCC, Randolph CC, Rockingham CC, Surry CC)

11. To write a test integrating reading selections, student writing activities, and teaching materials. **(Halifax CC,** Edgecombe CC, Martin CC, Pitt CC)

12. Establish a community leadership program by developing specific skills for economic growth. **(James Sprunt CC,** Lenoir CC, Sampson CC)

13. Fund start-up for Dialysis Technology Program. **(Lenoir CC)**

14. Coordinate assessment, training, referral, and direct recruitment for CCARE project. The project is intended to move adults from unemployment to employment. **(Martin CC)**

15. Expand health career training and minority workforce development. **(Nash CC,** Edgecombe CC, Halifax CC, Wilson TCC)

16. Create a Math/English Resources Center. **(Piedmont CC)**

17. Assess student learning styles and adjust learning environment. **(Pitt CC,** Davidson CC, Durham TCC, Forsyth TCC, Halifax CC, Southeastern CC, Wilkes CC)

18. Train faculty through an LRC-based center, computer-based presentation technology. **(Sandhills CC)**

19. Start-up costs to develop a Gerontology curriculum and create an adult day care facility. **(Southeastern CC)**

20. Start-up costs to develop an Environmental Science Technology Program. **(Southeastern CC)**

21. Design and implement a Student Success Center, incorporating functions of instruction and student development. **(Stanly CC)**

22. Start-up costs to develop a Telecommunications and Network Engineering Technology Program. **(Wake TCC)**

23. Professional development program for presidents of North Carolina Community Colleges.

24. **NCCCS - (Virtual Community College)** A collaborative feasibility study conducted by System Office Staff and technology committee of the N.C. Association of Community College Presidents for planning and preparation for the Virtual Community College in North Carolina.

25. **NCCCS - (Contract Programmers)** Cost of contract programming associated with conversion of the system to the semester system.

26. **NCCCS - (Education Guide Printing)** Cost of publishing the comprehensive education guide for the entire North Carolina Community College System.

27. **NCCCS - (Expand Access to Library Resources)** Funds to purchase appropriate hardware and software to provide expanded access to community college combined library resources via the Internet.

In addition, several projects were carried over from 1996-97 and expended during 1997-98.

		Budget	Expended	Balance
MGT of America, Inc.	Sep-96	$90,510	$22,034	$68,476
Fayetteville Community College	Jan-97	$17,526	$17,526	$0
NCCCS - (Contract Programmers)	Sep-96	$44,338	$44,338	$0
Total - Awarded in 1996/97 - Expended in 1997/98		**$152,374**	**$83,898**	**$68,476**

#2
2-17-98

The North Carolina Community College System

Renovation & Repair Needs

&

Capital Improvement Funding

Information Presented to the Joint Education Appropriations Subcommittee of the North Carolina General Assembly

February 17, 1998

Classification Categories for Renovation & Repair Activities

Category	Definition
ADA Compliance	Elevators, Automatic Doors, Signage, Accessible Restrooms
Fire/Life Safety Code	Fire Alarms, Correcting Electrical Hazards, Installing Sprinkler Systems
Maintenance	Roofs, Chillers, Floor Coverings, Painting, Leaking Roofs, Window Replacement, etc.
Improve Teaching Environment	Renovating a Classroom or Laboratory, Creating a Classroom out of Offices, Adding a Raised Platform
Improve Administrative Environment	Renovating Offices, Improving Office Space, etc.
Adapt to Modern Technology	Wiring or Cabling for Information Highway, Unix Systems, or Telecommunications

SIMULATED ALLOCATION OF R&R FUNDING
BASED ON FALL 1996 BUILDING REPLACEMENT VALUE
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Institution	No. of Campus Buildings	Building Cost	Building Replacement Value	Gross Square Feet on Campus	Replacement Value per Gross Square Foot	Allocation @ 1.5% of Replacement Value
						1.5%
Alamance	12	14,333,403	26,112,955	261,942	100	391,694
Anson	6	1,886,292	3,690,724	54,875	67	55,361
Asheville-Buncombe	18	19,016,333	37,011,845	467,968	79	555,178
Beaufort County	10	7,970,608	13,114,457	178,973	73	196,717
Bladen	18	2,834,818	7,437,831	107,170	69	111,567
Blue Ridge	13	11,319,049	17,917,820	232,467	77	268,767
Brunswick	10	10,178,790	13,905,927	167,687	83	208,589
Caldwell	11	12,706,846	23,493,560	256,658	92	352,403
Cape Fear	11	5,712,637	22,349,339	267,517	84	335,240
Carteret	16	4,161,853	12,651,111	147,147	86	189,767
Catawba Valley	17	9,304,058	24,347,786	307,892	79	365,217
Central Carolina	18	12,346,869	25,334,177	288,933	88	380,013
Central Piedmont	43	34,240,492	82,834,993	1,470,535	56	1,242,525
Cleveland	11	9,031,801	15,507,758	193,201	80	232,616
Coastal Carolina	14	15,747,357	25,506,790	277,026	92	382,602
Albemarle	11	8,020,940	17,214,386	197,360	87	258,216
Craven	14	6,757,343	12,622,145	156,586	81	189,332
Davidson County	15	11,093,415	21,895,480	281,577	78	328,432
Durham	13	11,419,308	21,440,192	279,877	77	321,603
Edgecombe	10	6,848,700	13,600,868	184,800	74	204,013
Fayetteville	28	16,120,005	36,580,282	536,530	68	548,704
Forsyth	19	16,833,943	39,956,752	519,705	77	599,351
Gaston	29	14,689,115	30,488,043	370,408	82	457,321
Guilford	27	29,986,830	61,422,755	735,580	84	921,341
Halifax	10	8,062,352	11,393,382	175,421	65	170,901
Haywood	31	11,333,160	19,330,128	277,130	70	289,952
Isothermal	15	8,478,885	16,416,880	220,057	75	246,253
James Sprunt	15	3,191,461	8,380,625	121,297	69	125,709
Johnston	10	9,739,263	16,480,396	214,227	77	247,206
Lenoir	22	7,557,250	19,740,435	271,032	73	296,107
Martin	13	4,891,455	11,585,449	229,431	50	173,782
Mayland	9	4,109,136	7,828,665	89,970	87	117,430
Mcdowell	7	3,961,452	8,491,300	94,962	89	127,370
Mitchell	19	4,589,528	17,816,325	254,223	70	267,245
Montgomery	10	2,521,126	4,835,464	76,348	63	72,532
Nash	7	7,004,055	10,865,950	157,799	69	162,989
Pamlico	4	1,528,200	4,120,949	40,198	103	61,814
Piedmont	11	5,610,180	10,189,066	117,486	87	152,836
Pitt	29	12,420,676	20,900,642	247,660	84	313,510
Randolph	20	9,053,117	16,803,856	221,904	76	252,058
Richmond	9	4,984,574	12,399,290	156,639	79	185,989
Roanoke-Chowan	8	5,165,869	10,409,031	135,921	77	156,135
Robeson	15	8,954,000	14,986,759	183,243	82	224,801
Rockingham	14	11,742,103	23,769,323	306,367	78	356,540
Rowan-Cabarrus	12	7,501,016	18,753,144	236,248	79	281,297
Sampson	9	4,797,302	8,284,199	117,646	70	124,263
Sandhills	27	10,005,467	20,709,402	270,600	77	310,641
Southeastern	15	5,387,404	13,334,329	179,709	74	200,015
Southwestern	10	9,289,721	15,150,670	197,203	77	227,260
Stanly	12	3,346,302	8,909,983	119,617	74	133,650
Surry	12	10,426,615	18,455,965	247,238	75	276,839
Tri-County	15	3,925,673	8,157,667	103,973	78	122,365
Vance-Granville	14	9,787,958	20,785,108	234,138	89	311,777
Wake Technical	21	16,031,207	31,830,840	426,370	75	477,463
Wayne	14	26,045,601	31,083,883	336,428	92	466,258
Western Piedmont	15	8,130,986	17,133,229	197,543	87	256,998
Wilkes	26	8,373,130	19,796,027	279,683	71	296,940
Wilson	11	4,588,556	13,649,967	165,740	82	204,750
TOTAL	885	555,095,585	1,119,216,304	14,645,865	76	16,788,245

Source: Facilities Inventory and Utilization Study 1996, Table 19 Pages 146 and 147

SIMULATED ALLOCATION OF R&R FUNDS
BASED ON AGE OF BUILDINGS
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

	Estimated Replacement Value By Age of Building			R&R Allocation Factors			
				2.00%	1.50%	1.00%	Simulated
Institution	Pre-1970	1970-79	1980-Pres	Pre-1970	1970-79	1980-Pres	Allocation
Alamance	3,232,027	11,549,942	11,330,986	64,641	173,249	113,310	351,200
Anson	584,395	1,675,505	1,430,824	11,688	25,133	14,308	51,129
Asheville-Buncombe	12,268,367	5,181,459	19,562,019	245,367	77,722	195,620	518,709
Beaufort County	-	7,419,726	5,694,731	-	111,296	56,947	168,243
Bladen	497,614	4,845,799	2,094,419	9,952	72,687	20,944	103,583
Blue Ridge	-	7,004,126	10,913,694	-	105,062	109,137	214,199
Brunswick	2,762,742	-	11,143,185	55,255	-	111,432	166,687
Caldwell	5,535,300	8,226,288	9,731,971	110,706	123,394	97,320	331,420
Cape Fear	6,264,435	13,877,347	2,207,557	125,289	208,160	22,076	355,524
Carteret	5,683,874	4,503,165	2,464,072	113,677	67,547	24,641	205,866
Catawba Valley	6,383,335	12,167,409	5,797,043	127,667	182,511	57,970	368,148
Central Carolina	7,133,093	2,840,892	15,360,192	142,662	42,613	153,602	338,877
Central Piedmont	27,504,619	34,022,995	21,307,379	550,092	510,345	213,074	1,273,511
Cleveland	150,502	3,605,696	11,751,561	3,010	54,085	117,516	174,611
Coastal Carolina	-	15,791,825	9,714,965	-	236,877	97,150	334,027
Albemarle	1,767,841	4,620,130	10,826,415	35,357	69,302	108,264	212,923
Craven	-	5,946,481	6,675,664	-	89,197	66,757	155,954
Davidson County	7,012,880	7,757,823	7,124,777	140,258	116,367	71,248	327,873
Durham	7,026,664	3,836,570	10,576,958	140,533	57,549	105,770	303,851
Edgecombe	2,738,499	4,591,397	6,270,972	54,770	68,871	62,710	186,351
Fayetteville	14,154,994	9,136,787	13,288,502	283,100	137,052	132,885	553,037
Forsyth	18,289,437	5,022,878	16,644,437	365,789	75,343	166,444	607,576
Gaston	12,970,308	8,833,851	8,683,884	259,406	132,508	86,839	478,753
Guilford	21,103,098	18,965,259	21,354,398	422,062	284,479	213,544	920,085
Halifax	-	5,170,378	6,223,004	-	77,556	62,230	139,786
Haywood	1,811,576	9,957,949	7,560,603	36,232	149,369	75,606	261,207
Isothermal	4,324,131	8,943,092	3,149,658	86,483	134,146	31,497	252,126
James Sprunt	1,885,169	5,294,503	1,200,953	37,703	79,418	12,010	129,130
Johnston	-	6,656,179	9,824,217	-	99,843	98,242	198,085
Lenoir	5,565,563	11,317,072	2,857,801	111,311	169,756	28,578	309,645
Martin	-	7,279,112	4,306,337	-	109,187	43,063	152,250
Mayland	-	3,182,195	4,646,470	-	47,733	46,465	94,198
Mcdowell	3,038,330	3,106,287	2,346,683	60,767	46,594	23,467	130,828
Mitchell	12,519,006	5,297,319	-	250,380	79,460	-	329,840
Montgomery	149,469	4,059,109	626,885	2,989	60,887	6,269	70,145
Nash	-	6,023,410	4,842,540	-	90,351	48,425	138,777
Pamlico	-	4,120,949	-	-	61,814	-	61,814
Piedmont	-	7,669,075	2,519,991	-	115,036	25,200	140,236
Pitt	6,598,226	3,556,806	10,745,610	131,965	53,352	107,456	292,773
Randolph	3,374,871	6,972,604	6,456,381	67,497	104,589	64,564	236,650
Richmond	5,189,624	2,753,524	4,456,142	103,792	41,303	44,561	189,657
Roanoke-Chowan	641,676	3,953,442	5,813,913	12,834	59,302	58,139	130,274
Robeson	-	6,086,451	8,900,308	-	91,297	89,003	180,300
Rockingham	11,500,967	4,958,346	7,310,009	230,019	74,375	73,100	377,495
Rowan-Cabarrus	7,680,956	7,662,064	3,410,124	153,619	114,931	34,101	302,651
Sampson	167,661	3,652,143	4,464,395	3,353	54,782	44,644	102,779
Sandhills	9,618,658	4,871,207	6,219,537	192,373	73,068	62,195	327,637
Southeastern	5,737,333	4,898,210	2,698,786	114,747	73,473	26,988	215,208
Southwestern	-	5,825,544	9,325,126	-	87,383	93,251	180,634
Stanly	1,052,584	3,720,730	4,136,669	21,052	55,811	41,367	118,229
Surry	5,892,215	6,967,166	5,596,583	117,844	104,507	55,966	278,318
Tri-County	925,893	1,668,893	5,562,881	18,518	25,033	55,629	99,180
Vance-Granville	272,444	12,768,383	7,744,281	5,449	191,526	77,443	274,417
Wake Technical	7,158,412	7,724,673	16,947,755	143,168	115,870	169,478	428,516
Wayne	1,311,346	2,582,316	27,190,221	26,227	38,735	271,902	336,864
Western Piedmont	6,306,778	4,724,186	6,102,265	126,136	70,863	61,023	258,021
Wilkes	7,600,523	5,729,023	6,466,482	152,010	85,935	64,665	302,611
Wilson	7,313,694	808,094	5,528,179	146,274	12,121	55,282	213,677
TOTAL	284,848,971	396,485,073	437,882,260	5,696,979	5,947,276	4,378,823	16,023,078

CURRENT CRITERIA OF THE CAPITAL OUTLAY RESOURCE ALLOCATION FORMULA

1. The ratio of adjusted assignable square feet of classroom, laboratory, office and study space to the adult population of the college's service area - This adjusted square footage factors in space that is fully funded but not yet in use, and deletes buildings which are scheduled for termination. A maximum of 20 ranking points will be allotted for this criterion.

2. The ratio of the college's average annual adjusted FTE to the adult population of the service area - This FTE figure is adjusted to remove immured groups, in-plant training, and cooperative education FTE served off campus. A maximum of 10 ranking points will be allotted for this criterion.

3. The capacity/enrollment ratio which is the ratio of a college's instructional and library space to the total weekly student clock hours of instruction - A maximum of 20 ranking points will be allotted to this criterion.

4. Average weekly room hours of instruction in classrooms and class laboratories - This shows the average number of hours that these rooms are used for instructional purposes each week. A maximum of 20 ranking points will be allotted to this criterion.

5. The ratio of local capital outlay funds encumbered to the total state and vocational education capital outlay funds appropriated - A maximum of 10 ranking points will be allotted to this criterion.

6. Type of project being requested - The categories of space and their ranking points are:
   1) classroom and laboratory space (20 points);
   2) office and study space (10 points); and,
   3) other space (5 points).

7. Readiness to implement the project - Projects which are further along in the design approval process will receive the highest rating. A maximum of 5 ranking points will be allotted to this criterion.

#3
2-17-98

North Carolina Community College System
CRITICAL SUCCESS FACTORS AND MEASURES OF QUALITY, 1996-97

FACTOR I Student Success	A. Number of students returning from previous quarters	B. Progress of literacy students	C. Number of GED's and AHSD's awarded compared to the number of dropouts statewide	D. Performance of transfers after two semesters	E. Rate of success on licensure exams (where such are required)	F. Program completion rates	G. *Passing rates for remedial courses*	H. *Passing rates for "General Education" and "related" courses*
FACTOR II Resources	A. Average salaries as a percent of the Southeastern regional average	B. *Student/faculty ratio*	C. Participation in staff development programs: Tier A	D. Currentness of equipment	E. Percent of libraries meeting ALA* standards	F. System Funding/FTE		
FACTOR III Access	A. Enrollment of high school dropouts; handicapped; disadvantaged; single parents; nontraditional high school diploma earners; inmates	B. Number served by type through literacy programs and percent of target population served	C. Number & percent of dropouts annually served by literacy programs	D. Percent of students receiving financial aid and amount of aid compared with *cost of attendance*	E. Percent of population in service area enrolled			
FACTOR IV Education Continuum	A. Number & percent of recent high school graduates enrolled in community college programs	B. Number of & enrollment in cooperative agreements with high school	C. *Percent of Tech Prep students enrolling in a community college*	D. Number & percent of students in the UNC system who attended a community college				
FACTOR V Workforce Development	A. Number of employers and trainees served by: New & Expanding Industry, FIT, Small Business Centers, Apprenticeship programs	B. Number of workplace literacy sites and number of students being served	C. Employer satisfaction with graduates	D. Employment status of graduates				
FACTOR VI Community Services	A. Number of courses offered & students enrolled through community services (avocational, practical skills, academic, and recreational)	B. Enrollment of senior citizens	C. Support of community service activities (use of facilities by outside groups; support of civic and cultural activities)					
FACTOR VII Program Management/ Accountability	A. Annual educational program audit summary--number audited & percent of system instructional budget cited for exceptions	B. Number and percent of programs reviewed	C. Number and percent of eligible programs accredited or reaffirmed					

*American Library Association
NOTE: Measures in italics are being developed for future reporting.

PERCENTAGE OF NCCCS GRADUATES PASSING THE NC LICENSING EXAM FOR NURSES (RN)

YEAR	# OF CC GRAD. TAKING EXAM	CC GRADUATES AS % OF TOTAL TAKING EXAM	% OF GRAD. PASSING EXAMS	% NON-CC TAKERS PASSING EXAM	
				HOSPITAL DIPLOMA	UNIVERSITY
1992-93	1,474	65	96	97	95
1993-94	1,963	56	95	97	90
1994-95	1,798	56	94	94	91
1995*	1,810	62	93	95	94
1996*	1,684	59	91	94	89

* NC Board of Nursing started to report the results by calendar year.

Source: NC Board of Nursing.

Community College Students Enrolled in 1995-96
Analysis of Employment and Earnings from the Common Follow-Up System

Employed Four Quarters	N	Earnings
Completers working all four-quarters	7,733	$ 17,292
Completers, re-enrolled	2,616	$ 14,753
Non-completers, not enrolled	69,411	$ 20,015
Non-completers, re-enrolled	59,844	$ 16,321

Source: The North Carolina Common Follow-Up System

APPROPRIATIONS SUBCOMMMITTEE ON EDUCATION
February 18, 1998

Senator Winner Chairing

9:00	Fines and Forfeitures Statutory Revisions	Sarah Fuerst, Legislative Bill Drafting
11:00	Off Campus Distance Learning Programs, UNC System	Dr. Judith Pulley
1:00	Center for the Prevention of School Violence	Dr. Pam Riley
	Use of School Resource Officers	Philip Price

MINUTES

JOINT LEGISLATIVE APPROPRIATIONS EDUCATION SUBCOMMITTEE

Wednesday, February 18, 1998
10:00 a.m.
Room 421, Legislative Office Building

The Joint Legislative Appropriations Education Subcommittee met on Wednesday, February 18, 1998, in Room 421 of the Legislative Office Building. Four senators were present and Representatives Arnold, Bonner, Black, Davis, Grady, Insko, Preston, Shubert, Oldham, Reynolds, Rogers, Russell and Yongue were in attendance.

Senator Leslie Winner presided. She called the meeting to order at 10:07 am and welcomed the presenters.

PRESENTATIONS

Fines and Forfeitures Statutory Revisions

Sarah Fuerst, Legislative Bill Drafting staff, presented information concerning Fines and Forfeitures (Attachments 1-4). Ms. Fuerst reviewed constitutional law, case law, and the fund distribution list. Questions arose concerning definitions of terminology and distribution of funds to county school systems. Criminal fines are established and defined. Definition and determination as to exactly what constitutes civil penalties, fines and/or forfeitures is still under discussion. Ms. Fuerst detailed background and history of these areas, including Attorney General's ruling about fund distribution and applications of the Craven Case.

Senator Winner pointed out the committee goal is to establish a recommendation for procedure for appropriate distribution of the funds. Attorney General's office and agencies supplied a list covered by the Craven Case. The schools compiled an additional list for distributing specific funds to County School funds. General Statutes do not agree with what the law is, according to North Carolina's Supreme Court. Special provision legislation is needed for clarification on the distribution determination.

Michael Crowell, attorney for the NC School Boards Association, reviewed additional supporting details and areas of disagreement. He cited examples, including late fees and fines; Department of Revenue's fees on late tax filings; and DOT's penalties on overweight vehicles, and posed the question: are they punitive or penalty in nature?.

Litigation may be necessary to resolve these issues and determine constitutional provision(Attachments 5-9). Dale Talbert, Special Deputy Attorney General, has worked to establish this determination and presented additional areas of definition and discrepancy.
Legislators discussed possibilities including case by case determination, determination of remedial or punitive, definition of civil penalties, establishment of criteria, originating location, affected location, how legislation might affect, and litigation to establish criteria. (Attachments 10a-d)

Senator Winner stated that a sub-committee would be appointed by the chairs. This sub-committee would report back at the March or April meeting for the report to go before Government Operations prior to the General Assembly's 1998 Session. The charge of this sub-committee is to inform the Appropriations Education committee of those cases out of the contested cases which fall into a clear group.

Further discussion centered around how the distribution could take place. Examples cited included dispersing of the funds to the County where the fine was paid; collection of the fines by the State and distributed on an ADM basis through the technology fund; and creation of centralized state fund, with specified distribution stated as to its use. Concern was expressed as to how ADM will pass muster depending on legal determination.

Off Campus and Distance Learning Programs
UNC System

Dr. Judith Pulley, UNC Vice President for Planning, outlined legislative mandates, historic and projected UNC Headcount Enrollment (1986-2006), including projected increases due to growth in number of high school graduates. She highlighted strategies for the University system's response to projected enrollment numbers and incentives for the institutions. Examples of the latter include shared applications, maximizing space use and maintaining existing space.

A state-wide mail survey established the needs assessment. This survey assisted chancellors and staff members in projecting the implementation for planned programs in Off-Campus and Distance Learning. These programs would include baccalaureate level and graduate level programs. Pilot site programs also furnished data for planning of Off Campus and Distance Learning. Anticipated timetables for expansion and completion were also presented. (Attachment 11)

Center for the Prevention of School Violence

Dr. Pam Riley, Director of the Center for the Prevention of School Violence, spoke about the history of North Carolina's Center. The state's center currently serves as a model for other states in addressing the problem of school violence. Center training materials for

School Resource Officers and agendas and materials used to train LEA and school building administrators were discussed. Additional outlines, including information requests and presentations delivered, were summarized. (Attachment 12)

The Center requested an earmarked $580,000 allocation to the budget of the Board of Governors, UNC system, to fund the annual operations of the Center based on the presented information. This specific request came for General Assembly allocated funds. Initial funding of the Center came in a two-year grant, set by the Governor's Crime Correction Task Force. (Attachment 13). Representative Preston requested a copy of the curriculum used in training Administrators. Senator Winner asked for the geographic list of schools and district using SROs. (Attachment 14a-c)

Use of School Resource Officers

Philip Price, Assistant Director, School Business Services, discussed School Resource Officers and their role in individual schools and their respective district. (Attachment 15). All high schools are funded and covered in the General Assembly allocation, however, funding sources are not available for all middle schools.

Discussion about training, who sets such criteria for SRO requirements and SRO effectiveness. All principals are surveyed to ascertain effectiveness within their school. Jim Johnson, fiscal staff member, cited the earlier General Assembly's decision not to establish a specific category for SROs. He stated that the $125 million is similar to a block grant to be spent in specific areas, such as Alternative Schools.

The Committee adjourned at 2:19 p.m.

Leslie Winner

Senator Leslie Winner
Co-Chair Presiding

Betty Stoddard

Betty E. Stoddard
Clerk

Senator Howard Lee
Co-Chair

Representative Gene Arnold
Co-Chair

Representative Robert Grady
Co-Chair

Representative Jean Preston
Co-Chair

Attachment I

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Attachment 2

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

S D

SENATE BILL 882
Proposed Committee Substitute S882-PCS7879

Short Title: Civil Penalties Law Clarified. (Public)

Sponsors:

Referred to:

April 15, 1997

A BILL TO BE ENTITLED

AN ACT TO REQUIRE STATE AGENCIES TO DEPOSIT THE CLEAR PROCEEDS OF CIVIL PENALTIES AND CIVIL FORFEITURES INTO THE CIVIL PENALTY AND FORFEITURE FUND.

The General Assembly of North Carolina enacts:

PART I. DEPARTMENT OF ADMINISTRATION

A. CIVIL PENALTIES NOT TO EXCEED $10,000 OR $25,000 OF $50,000 ASSESSED FOR VIOLATIONS OF FAIR HOUSING ACT

Section 1. G.S. 41A-7(l)(3) reads as rewritten:

"(3) The Commission's final decision may be made by a panel consisting of three Commission members appointed by the chairperson of the Commission. If the Commission, in its final decision, finds that a respondent has violated or is about to violate this Chapter, it may order such relief as may be appropriate, including payment to the complainant by the respondent of compensatory damages and injunctive or other equitable relief. The Commission's order may also assess a civil penalty against the respondent:

a. In an amount not exceeding ten thousand dollars ($10,000) if the respondent has not been adjudged to have committed any prior unlawful discriminatory housing practices;

b. In an amount not exceeding twenty-five thousand dollars ($25,000) if the respondent has been adjudged to have committed one other unlawful discriminatory housing practice during the five-year period ending on the date of the filing of the complaint; or

c. In an amount not exceeding fifty thousand dollars ($50,000) if the respondent has been adjudged to have committed two or more unlawful discriminatory housing practices during the seven-year period ending on the date of the filing of the complaint.

If the acts constituting the unlawful discriminatory housing practice that is the object of the complaint are committed by the same natural person who has been previously adjudged to have committed acts constituting an unlawful discriminatory housing practice, then the civil penalties set forth in sub-subdivisions b. and c. of this subsection may be imposed without regard to the period of time within which any subsequent discriminatory housing practice occurred.

The clear proceeds of civil penalties assessed pursuant to this subdivision shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY OF NOT MORE THAN $5000 ASSESSED IN CONSULTATION WITH DEPARTMENT OF CULTURAL RESOURCES FOR DAMAGE OR SALE OF ARCHAEOLOGICAL RESOURCE IN VIOLATION OF ARCHAEOLOGICAL RESOURCES ACT

Section 2. G.S. 70-16 reads as rewritten:

"**§ 70-16. Civil penalties.**

A civil penalty of not more than five thousand dollars ($5,000) may be assessed by the Department of Administration, in consultation with the Department of Cultural Resources, against any person who violates the provisions of G.S. 70-15. In determining the amount of the penalty, the Department shall consider the extent of the harm caused by the violation and the cost of rectifying the damage. Any person assessed shall be notified of the assessment by registered or certified mail. The notice shall specify the reasons for the assessment. If the person assessed fails to pay the amount of the assessment to the Department within 30 days after receipt of notice, the Department may institute a civil action in the Superior Court of Wake County to recover the amount of the assessment.

The Department may use the assessed funds to rectify the damage to archaeological ~~resources or to otherwise effectuate the purposes of this Article.~~ resources. The clear proceeds of all assessed funds not used to rectify the damage shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART II. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

A. CIVIL PENALTIES NOT TO EXCEED $5000 ASSESSED FOR VIOLATIONS OF THE ANIMAL WELFARE ACT.

Section 3. G.S. 19A-40 reads as rewritten:

"**§ 19A-40. Civil Penalties.**

The Director may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Director shall consider the degree and extent of harm caused by the violation. The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY OF NOT MORE THAN $5000 IMPOSED FOR WILLFUL VIOLATIONS OF THE WEIGHTS AND MEASURES ACT

Section 4. (a) G.S. 81A-30.1 reads as rewritten:

"**§ 81A-30.1. Civil penalties.**

A civil penalty of not more than five thousand dollars ($5,000) for each violation may be assessed by the Commissioner against any person who willfully violates this Chapter. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation. No civil penalty shall be assessed under this section unless the person has been given an opportunity for a hearing pursuant to the Administrative Procedure Act. If not paid within 30 days after the effective date of a final decision by the Commissioner, the penalty may be collected by any lawful manner for the collection of a debt.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 81A-2 reads as rewritten:

"**§ 81A-2. Administration of these Articles.**

The provisions of this Chapter shall be administered by the Commissioner or his authorized agent. For the purpose of administering and giving effect to the provisions of this Chapter, the provisions of Handbook 44 as adopted by the National Conference on Weights and Measures, are hereby adopted except insofar as modified or rejected by the North Carolina Board of Agriculture. The North Carolina Board of Agriculture is empowered to make such further rules and regulations as may be necessary to make effective the purposes and provisions of this Chapter. ~~All~~ Except as otherwise provided in G.S. 81A-30.1, all fees or moneys received by the Commissioner pursuant to this Chapter shall be placed in the Department of Agriculture and Consumer Services fund for the purpose of enforcing this Chapter."

C. CIVIL PENALTIES OF NOT MORE THAN $2000 FOR VIOLATIONS OF STRUCTURAL PEST CONTROL ACT

Section 5. (a) G.S. 106-65.41 reads as rewritten:

"**§ 106-65.41. Civil Penalties.**

A civil penalty of not more than two thousand dollars ($2,000) may be assessed by the Committee against any person for any one or more of the causes set forth in G.S. 106-65.28(a)(1) through (12). In determining the amount of any penalty, the Committee shall consider the degree and extent of harm caused by the violation. No civil penalty may be assessed under this section unless the person has been given an opportunity for a hearing pursuant to Chapter 150B of the General Statutes. Assessments may be collected, following judicial review, if any, of the Committee's final decision imposing the assessment, in any lawful manner for the collection of a debt.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 106-65.38 reads as rewritten:

"**§ 106-65.38. Disposition of fees and charges.**

~~All~~ Except as otherwise provided in G.S. 106-65.41, all fees and charges received by the Division under this Article shall be deposited in the Department of Agriculture and Consumer Services General Fund Budget for the purpose of administration and enforcement of this Article, with proper approved accounting procedures accounting for all expenditures and receipts."

D. REFUND TO CONSUMER OF AGRICULTURE LIMING AND LANDPLASTER MATERIAL FOUND TO BE DEFICIENT IN THE MATERIAL COMPONENTS CLAIMED BY THE MANUFACTURER

Section 6. G.S. 106-92.11 reads as rewritten:

"**§ 106-92.11. Deficiencies: refunds to consumer.**

Should any of the agricultural liming and landplaster materials defined in this Article be found to be deficient in the components claimed by the manufacturer or registrant thereof, said manufacturer or registrant, upon official notification to [of] such deficiency by the Commissioner of Agriculture, shall, within 90 days, make refunds to the consumers of the deficient materials as follows:

In case of 'agricultural liming material' if the deficiency is five percent (5%) of the guarantee or more, there shall be refunded an amount equal to three times the value of such deficiency and in case of 'landplaster,' for deficiencies in excess of one percent (1%) of the guarantee, there shall be refunded an amount equal to three times the value of the deficiency. Values shall be based on the selling price of said materials. When said consumers cannot be found within the above specified time, refunds shall be forwarded to the Commissioner of Agriculture, where said refund shall be held for payment to the proper consumer upon order of the Commissioner. If the consumer to whom the refund is due cannot be found within a period of one year, the clear proceeds of such refund ~~shall revert to the Department of Agriculture and Consumer Services for expenditure by the Commissioner in promoting the agricultural programs of the State.~~ shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. CIVIL PENALTIES OF NOT MORE THAN $10,000 MAY BE IMPOSED FOR VIOLATIONS OF THE WHOLESALE PRESCRIPTION DRUG DISTRIBUTORS LAW

Section 7. G.S. 106-145.6(c) reads as rewritten:

"(c) Civil Penalty. -- The Commissioner may assess a civil penalty of not more than ten thousand dollars ($10,000) against a person who violates any provision of this Article. In determining the amount of a civil penalty, the Commissioner shall consider the degree and extent of harm caused by the violation. Chapter 150B of the General Statutes governs the assessment of a civil penalty under this subsection. If a civil penalty is not paid within 30 days after the completion of judicial review of a final agency decision by the Commissioner, the penalty may be collected in any manner by which a debt may be collected. ~~Penalties collected shall be credited to the General Fund.~~ The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. CIVIL PENALTIES OF NOT MORE THAN $5000 MAY BE IMPOSED FOR VIOLATION OF THE RENDERING PLANTS LAW OR RELATED RULES

Section 8. G.S. 106-168.16 reads as rewritten:

"§ 106-168.16. Civil penalties.

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. CIVIL PENALTIES OF NOT MORE THAN $2000 MAY BE IMPOSED FOR VIOLATIONS OF THE PLANT PROTECTION ACT

Section 9. G.S. 106-202.19(a2) reads as rewritten:

"(a2) A civil penalty of not more than two thousand dollars ($2000) may be assessed by the Board against any person guilty of violating this Article a second or subsequent time. The clear proceeds of civil penalties assessed pursuant to the subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. FORFEITURE AND SALE OF PLANTS POSSESSED IN VIOLATION OF G.S. 106-202.19

Section 10. G.S. 106-202.20 reads as rewritten:

"§ 106-202.20. Forfeiture of illegally possessed plants; disposition of plants.

Upon conviction of any defendant for a violation of G.S. 106-202.19, the court, in its discretion, may order the defendant to forfeit any plant or plant parts which he possesses in violation of G.S. 106-202.19. The court shall direct disposition of any forfeited plant or plant part by destruction or sale. ~~The proceeds from such a sale~~

~~shall be paid to the North Carolina Department of Agriculture and Consumer Services for use in the enforcement of this Article.~~ The clear proceeds of forfeitures and sales pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. CIVIL PENALTIES OF THE SMALLER OF $25 OR THE RETAIL VALUE OF THE PRODUCT ASSESSED FOR VIOLATIONS OF THE COMMERCIAL FEED LAW

Section 11. G.S. 106-284.42(l) reads as rewritten:

"(l) Within 60 days from the date of written notice by the Commissioner or his duly designated agent to the manufacturer, guarantor, dealer or agent, all penalties assessed and collected under this section shall be paid to the purchaser of the lot of feed or canned pet food represented by the sample analyzed. When such penalties are paid, receipts shall be taken and promptly forwarded to the Commissioner of Agriculture. If said consumers cannot be found, the ~~amount~~ clear proceeds of the penalty assessed shall be ~~paid to the Commissioner of Agriculture who shall deposit the same in the Department of Agriculture and Consumer Services fund, of which the State Treasurer is custodian, for the express purpose of enforcement of this Article.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. CIVIL PENALTIES OF NOT MORE THAN $5000 ASSESSED FOR VIOLATIONS OF THE ANIMAL DISEASES CONTROL LAW

Section 12. G.S. 106-405.20 reads as rewritten:

"**§ 106-405.20. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

K. CIVIL PENALTY NOT TO EXCEED $5000 FOR VIOLATING LAWS CONCERNING THE OPERATION OF PUBLIC LIVESTOCK MARKETS.

Section 13. G.S. 106-417.1 reads as rewritten:

"**§ 106-417.1. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

L. CIVIL PENALTY NOT TO EXCEED $5000 FOR VIOLATING LIVESTOCK PROMPT PAY LAW

Section 14. G.S. 106-418.7A reads as rewritten:

"**§ 106-418.7A. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

M. CIVIL PENALTIES OF NOT MORE THAN $5000 ASSESSED FOR VIOLATIONS OF THE LIVESTOCK DEALERS LICENSING ACT

Section 15. G.S. 106-418.16 reads as rewritten:

"**§ 106-418.16. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

N. CIVIL PENALTIES OF NOT MORE THAN $5000 ASSESSED FOR VIOLATIONS OF THE POULTRY, HATCHERIES, AND CHICKEN DEALERS LAW

Section 16. G.S. 106-549.01 reads as rewritten:

"**§ 106-549.01. Civil penalties.**

The Department of Agriculture and Consumer Services may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Department shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

O. CIVIL PENALTY OF NOT MORE THAN $5000 MAY BE ASSESSED FOR VIOLATION OF THE MEAT INSPECTION LAWS

Section 17. G.S. 106-549.35(c) reads as rewritten:

"(c) The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or Article 49B, or any rule promulgated thereunder. In determining the amount of the penalty,

the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

P. CIVIL PENALTIES OF NOT MORE THAN $5000 MAY BE ASSESSED FOR VIOLATION OF THE LAW OR RULE REGULATING THE DISPOSAL OF DEAD AND DISEASED POULTRY COMMERCIAL FARMS.

Section 18. G.S. 106-549.72 reads as rewritten:

"**§ 106-549.72. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Q. CIVIL PENALTIES OF NOT MORE THAN $5000 MAY BE ASSESSED FOR VIOLATIONS OF THE BIOLOGICAL RESIDUES IN ANIMALS LAW

Section 19. G.S. 106-549.89 reads as rewritten:

"**§ 106-549.89. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

R. CIVIL PENALTY OF NOT MORE THAN $10,000 IMPOSED FOR VIOLATION OF THE HONEY AND BEE ACT AND RULES OF THE COMMISSIONER

Section 20. G.S. 106-644(b) reads as rewritten:

"(b) The Commissioner may assess a civil penalty of not more than ten thousand dollars ($10,000) against a person who violates this Article or a rule adopted to implement this Article. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation. No civil penalty may be assessed under this section unless the person has been given the opportunity for a hearing pursuant to the Administrative Procedure Act, Chapter 150B of the General Statutes. If not paid within 30 days after the effective date of a final decision by the Commissioner, the penalty may be collected by any lawful means for the collection of a debt.

The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

S. CIVIL PENALTIES OF VARIOUS AMOUNTS ASSESSED FOR VIOLATIONS OF THE COMMERCIAL FERTILIZER LAW

Section 21. G.S. 106-665(c) reads as rewritten:

"(c) All penalties assessed under this section shall be paid to the consumer of the lot of fertilizer represented by the sample analyzed within three months from the date of notice by the Commissioner to the distributor, receipts taken therefor, and promptly forwarded to the Commissioner; provided, that in no case shall the total assessed penalties exceed the commercial value of the goods to which it applies. If said consumer cannot be found, the ~~amount~~ clear proceeds of the penalty assessed shall be ~~paid to the Commissioner who shall deposit the same in the Department of Agriculture and Consumer Services fund, of which the State Treasurer is custodian.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Such sums as shall be found to be payable to consumers on lots of fertilizer against which said penalties were assessed shall not be subject to claim by the consumer after 12 months from the date of assessment."

T. CIVIL PENALTIES OF NOT MORE THAN $5000 ASSESSED FOR VIOLATIONS OF THE STATE BIOLOGICS LAW

Section 22. G.S. 106-715 reads as rewritten:

"**§ 106-715. Civil penalties.**

The Commissioner may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

U. UNSPECIFIED CIVIL PENALTIES ASSESSED FOR VIOLATION OF THE GASOLINE AND OIL INSPECTION LAW

Section 23. (a) G.S. 119-26.1(c) reads as rewritten:

"(c) The Commissioner of Agriculture may assess and collect civil penalties for violations of rules adopted under G.S. 143-215.107(a)(9) or this section in accordance with G.S. 143-215.114A. The Commissioner of Agriculture may institute a civil action for injunctive relief to restrain, abate, or prevent a violation or threatened violation of rules adopted under G.S. 143-215.107(a)(9) or this section in accordance with G.S. 143-215.114C. The assessment of a civil penalty under this section and G.S. 143-215.114A or institution of a civil action under G.S. 143-215.114C and this section shall not relieve any person from any other penalty or remedy authorized under this Article.

The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 119-23 reads as rewritten:

"§ 119-23. Administration by Commissioner of Agriculture; collection of fees by Department of Revenue and payment into State treasury; disposition of moneys by State Treasurer.

Gasoline and oil inspection fees or taxes shall be collected by, and reports relating thereto, shall be made to, the Department of Revenue. The administration of the gasoline and oil inspection law shall otherwise be administered by the Commissioner of Agriculture. ~~All~~ Except as provided in G.S. 119-26.1(c) and G.S. 119-39.1, all moneys received under the authority of this Article shall be paid into the State treasury and the State Treasurer shall place to the credit of the 'State Highway Fund' that proportion of said funds representing inspection fees collected on highway use motor fuels, as certified monthly to the State Treasurer by the Secretary of Revenue, and the remainder of said funds shall be credited to the general fund."

V. CIVIL PENALTIES OF NOT MORE THAN $5000 MAY BE ASSESSED FOR VIOLATIONS OF THE GASOLINE AND OIL INSPECTION ACT

Section 24. G.S. 119-39.1 reads as rewritten:

"§ 119-39.1. Civil Penalties.

The Commissioner of Agriculture may assess a civil penalty of not more than five thousand dollars ($5,000) against any person who violates a provision of this Article or any rule promulgated thereunder. In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

W. CIVIL PENALTIES NOT TO EXCEED $100, $300, OR $500 ASSESSED FOR VIOLATIONS OF THE LIQUEFIED PETROLEUM GASES LAW

Section 25. G.S.119-59(c) reads as rewritten:

"(c) Civil Penalty. -- The Commissioner may assess a civil penalty against any person who violates a provision of this Article or a rule adopted under it. The penalty may not exceed one hundred dollars ($100.00) for the first violation, three hundred dollars ($300.00) for a second violation, and five hundred dollars ($500.00) for a third or subsequent violation. In determining the amount of a penalty, the Commissioner shall consider the degree and extent of harm or potential harm that has resulted or could have resulted from the violation.

The Commissioner may not assess a civil penalty against a person until the Commissioner has notified the person of the alleged violation and has given the person at least 45 days to correct or cease the alleged violation. A notice may be served by any means authorized by G.S. 1A-1, Rule 4. ~~Civil penalties assessed under this subsection shall be credited to the General Fund as nontax revenue.~~ The clear

proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

X. CIVIL PENALTIES OF NOT MORE THAN $500 OR $2000 ASSESSED FOR VIOLATIONS OF THE PESTICIDE LAW

Section 26. (a) G.S. 143-469 is amended by adding a new subsection to read:

"(e) The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 143-468(a) reads as rewritten:

"(a) Except as provided in G.S. 143-469 and in subsection (b), all fees and charges received by the Board under this Article shall be credited to the Department of Agriculture and Consumer Services for the purpose of administration and enforcement of this Article."

PART III. DEPARTMENT OF COMMERCE

A. ABC COMMISSION - PENALTIES UP TO $500, $750 OR $1000 ASSESSED ON PERMIT HOLDERS BY THE ABC COMMISSION FOR VIOLATIONS OF ABC LAWS AND REGULATIONS; COMMISSION MAY ALSO ACCEPT A COMPROMISE PENALTY OF NOT MORE THAN $5000 IN LIEU OF REVOKING OR SUSPENDING A PERMIT

Section 27. G.S. 18B-104(c) reads as rewritten:

"(c) Fines and Penalties to Treasurer. -- ~~All fines and penalties collected under subsections (a) and (b) shall be remitted by the Commission to the State Treasurer for the General Fund.~~ The clear proceeds of fines and penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. ABC COMMISSION -- MONETARY PENALTY OF UP TO $15,000 AND $35,000 FOR VIOLATING WINE DISTRIBUTION AGREEMENTS LAWS

Section 28. G.S. 18B-1207(c)(4) reads as rewritten:

"(4) Impose a monetary penalty up to fifteen thousand dollars ($15,000) for a first offense and up to thirty-five thousand ($35,000) for the second offense. ~~All monetary penalties imposed by this subsection shall be remitted by the Commission to the State Treasurer for the General Fund.~~ The clear proceeds of monetary penalties imposed pursuant to this subdivision shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. BANKING COMMISSION -- CIVIL PENALTY OF NOT MORE THAN $500 OR $1,000 FOR BANK'S VIOLATION OF COMMISSIONER'S CEASE AND DESIST ORDERS

Section 29. G.S. 53-107.1(d) reads as rewritten:

"(d) The Commissioner may impose a civil money penalty of not more than one thousand dollars ($1,000) for each violation by any bank, trust company, or subsidiary thereof, or any director, officer, or employee of an order issued under subdivision (1) of subsection (a) of this section. Provided further, the Commissioner may impose a civil money penalty of not more than five hundred dollars ($500.00) per day for each day that a bank, trust company, or subsidiary thereof, or any director, officer, or employee violates a cease and desist order issued under subdivision (2) of subsection (a) of this section. ~~All civil money penalties collected under this section shall be deposited in the General Fund.~~

The clear proceeds of civil money penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. BANKING COMMISSION -- PENALTY OF NOT MORE THAN $10,000 FOR BANK'S VIOLATION OF ANY LAWFUL ORDERS OF THE COMMISSIONER OR THE BANKING COMMISSION

Section 30. G.S. 53-107.2(b) reads as rewritten:

"(b) Notwithstanding any penalty imposed by the Commissioner of Banks, the Banking Commission may after notice of and opportunity for hearing, impose, enter judgment for, and enforce by appropriate process, a penalty of not more than ten thousand dollars ($10,000) against any bank, trust company, or subsidiary thereof, or against any of its directors, officers, or employees for violating any lawful orders of the Commission or Commissioner of Banks. ~~All civil money penalties collected under this section shall be deposited in the General Fund.~~

The clear proceeds of civil money penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. PENALTY OF $500 FOR BANK ADVERTISING LARGER CAPITAL STOCK THAN THAT ACTUALLY PAID IN WITH CASH

Section 31. G.S. 53-133 reads as rewritten:

"**§ 53-133. Advertising larger amount than that paid in capital stock.**

It shall be unlawful for any bank to advertise in a newspaper, letterhead, or any other way, a larger capital stock than has been actually paid in in cash. Any bank violating this section shall be subject to a penalty of five hundred dollars ($500.00) for each and every offense. The penalty herein provided for shall be recovered by the State in a civil action in any court of competent jurisdiction, and it shall be the duty of the Attorney General to prosecute all such actions.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. PENALTY OF $1000 FOR VIOLATION OF COMMISSIONER'S CEASE AND DESIST ORDER UNDER THE BANK HOLDING COMPANY ACT

Section 32. G.S. 53-228 reads as rewritten:

"§ 53-228. Cease and desist.

Upon a finding that any action of a bank holding company or nonbank subsidiary subject to this Article may be in violation of any North Carolina banking law, the Commissioner, after a reasonable notice to the bank holding company or its nonbank subsidiary and an opportunity for it to be heard, shall have the authority to order it to cease and desist from such action. If the bank holding company or nonbank subsidiary fails to appeal such decision in accordance with G.S. 53-231 hereof and continues to engage in such action in violation of the Commissioner's order to cease and desist such action, it shall be subject to a penalty of one thousand dollars ($1,000), to be recovered with costs by the Commissioner in any court of competent jurisdiction in a civil action prosecuted by the Commissioner. The penalty provision of this section shall be in addition to and not in lieu of any other provision of law applicable to a bank holding company's or its nonbank subsidiary's failure to comply with an order of the Commissioner.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. PENALTY OF $1000 FOR VIOLATION OF COMMISSIONER'S CEASE AND DESIST ORDER UNDER N.C. INTERNATIONAL BANKING ACT

Section 33. G.S. 53-232.16 reads as rewritten:

"§ 53-232.16. Cease and desist.

Upon a finding that any action of an international banking corporation or its international banking agency, international banking branch, or international representative office subject to this Article may be in violation of any North Carolina banking law, the Commissioner, after a reasonable notice to the international banking corporation, international bank agency, international bank branch, or international representative office and an opportunity for it to be heard, may order it to cease and desist from the action. If the international banking corporation, international bank agency, international bank branch, or international representative office fails to appeal the decision in accordance with G.S. 53-232.17 and continues to engage in the action in violation of the Commissioner's order to cease and desist the action, it is subject to a penalty of one thousand dollars ($1,000), to be recovered with costs by the Commissioner in any court of competent jurisdiction in a civil action prosecuted by the Commissioner. This penalty is in addition to and not in lieu of any other law applicable to the failure of an international banking corporation, international bank agency, international bank branch, or international representative office to comply with an order of the Commissioner. ~~All civil money penalties collected under this section shall be deposited in the General Fund.~~

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. PENALTY OF $1000 FOR MORTGAGE BANKERS OR MORTGAGE BROKERS VIOLATING COMMISSIONER'S CEASE AND DESIST ORDER

Section 34. G.S. 53-239(b) reads as rewritten:

"(b) If the mortgage banker or mortgage broker fails to appeal such cease and desist order of the Commissioner in accordance with G.S. 53-240 hereof and continues to engage in such action in violation of the Commissioner's order to cease and desist such action, it shall be subject to a penalty of one thousand dollars ($1,000) for each such action it takes in violation of the Commissioner's order. The penalty provision of this section shall be in addition to and not in lieu of any other provision of law applicable to a mortgage banker or a mortgage broker for the mortgage banker or mortgage broker's failure to comply with an order of the Commissioner.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. PENALTY OF $1000 FOR EACH ACTION IN VIOLATION OF COMMISSIONER'S CEASE AND DESIST ORDER UNDER REFUND ANTICIPATION LOAN ACT

Section 35. G.S. 53-251(a) reads as reads as rewritten:

"(a) Cease and Desist Order. Upon the finding that any action of a registrant may be in violation of this Article or that the registrant has engaged in an unfair or deceptive act or practice, the Commissioner shall give reasonable notice to the registrant of the suspected violation or unfair or deceptive act or practice, and an opportunity for the registrant to be heard. If, following the hearing, the Commissioner finds that an action of the registrant is in violation of this Article or that the registrant has engaged in an unfair or deceptive act or practice, the Commissioner shall order the registrant to cease and desist from the action.

If the registrant fails to appeal a cease and desist order of the Commissioner in accordance with G.S. 53-252 and continues to engage in an action in violation of the Commissioner's order to cease and desist from the action, the registrant shall be subject to a penalty of one thousand dollars ($1,000) for each action it takes in violation of the Commissioner's order.

The clear proceeds of penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. SAVINGS AND LOANS ASSOCIATIONS -- CIVIL PENALTIES ASSESSED BY ADMINISTRATOR UP TO $20,000 FOR SAVINGS AND LOANS ASSOCIATIONS' FAILURE TO COMPLY WITH STATE LAW OR REGULATION GOVERNING OPERATIONS OR A CEASE AND DESIST ORDER

Section 36. G.S. 54B-64(a) reads as rewritten:

"(a) Except as otherwise provided in this Article, any association which is found to have violated any provision of this Article may be ordered to forfeit and pay a civil penalty of up to twenty thousand dollars ($20,000). Any association which is found to have violated or failed to comply with any cease and desist order issued under the authority of this Article may be ordered to forfeit or pay a civil penalty of

up to twenty thousand dollars ($20,000) for each day that the violation or failure to comply continues.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

K. SAVINGS AND LOANS ASSOCIATIONS -- CIVIL PENALTIES ASSESSED BY ADMINISTRATOR UP TO $5000 FOR FAILURE OF DIRECTORS, OFFICERS OR EMPLOYEES OF SAVINGS AND LOANS ASSOCIATIONS TO COMPLY WITH STATE LAW OR REGULATION GOVERNING OPERATIONS OR A CEASE AND DESIST ORDER

Section 37. G.S. 54B-65(a) reads as rewritten:

"(a) Any person, whether a director, officer or employee, who is found to have violated any provision of this Article, whether willfully or as a result of gross negligence, gross incompetency, or recklessness, may be ordered to forfeit and pay a civil penalty of up to five thousand dollars ($5,000) per violation. Any person who is found to have violated or failed to comply with any cease and desist order issued under the authority of this Article, may be ordered to forfeit and pay a civil penalty of up to five thousand dollars ($5,000) per violation for each day that the violation or failure to comply continues.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

L. SAVINGS BANKS -- CIVIL PENALTIES ASSESSED BY ADMINISTRATOR UP TO $20,000 PER VIOLATION PER DAY FOR SAVINGS INSTITUTION'S OR SAVINGS BANK'S FAILURE TO COMPLY WITH STATE LAW OR REGULATION GOVERNING OPERATIONS OR A CEASE AND DESIST ORDER

Section 38. (a) G.S. 54C-77 reads as rewritten:

"**§ 54C-77. Civil penalties; State savings banks.**

(a) Except as otherwise provided in this Article, a savings bank that is found to have violated this Article may be ordered to pay a civil penalty of up to twenty thousand dollars ($20,000). A savings bank that is found to have violated or failed to comply with any cease and desist order issued under the authority of this Article may be ordered to pay a civil penalty of up to twenty thousand dollars ($20,000) for each day that the violation or failure to comply continues.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 54C-55(b) reads as rewritten:

"(b) All funds and revenue collected by the Division under this section and all other sections of this Chapter that authorize the collection of fees and other funds shall be deposited with the State Treasurer and expended under the terms of the Executive Budget Act, solely to defray expenses incurred by the office of the Administrator in carrying out its supervisory and auditing functions. ~~Civil penalties collected under this Chapter shall be credited to the General Fund and may be appropriated by the General Assembly for any public purpose.~~"

M. SAVINGS BANKS -- CIVIL PENALTIES ASSESSED BY ADMINISTRATOR UP TO $5000 PER VIOLATION PER DAY FOR DIRECTORS, OFFICERS, OR EMPLOYEES OF SAVINGS BANK WHO FAIL TO COMPLY WITH STATE LAW OR REGULATION GOVERNING OPERATIONS OR A CEASE AND DESIST ORDER

Section 39. G.S. 54C-78(a) reads as rewritten:

"(a) A person, whether a director, officer, or employee, who is found to have violated this Article, whether willfully or as a result of gross negligence, gross incompetency, or recklessness, may be ordered to pay a civil penalty of up to five thousand dollars ($5,000) per violation. A person who is found to have violated or failed to comply with any cease and desist order issued under the authority of this Article, may be ordered to pay a civil penalty of up to five thousand dollars ($5,000) per violation for each day that the violation or failure to comply continues. ~~All civil penalties, plus interest and cost, that are collected under this subsection shall be deposited into the General Fund of the State treasury.~~ The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

N. FORFEITURE OF $100 AGAINST PERSON SELLING ARTICLE WITHOUT REQUIRED INSPECTION

Section 40. G.S. 66-5 reads as rewritten:

"**§ 66-5. Penalty for sale without inspection.**

If any person shall sell any article of forage or provision, of which inspection is required in accordance with this Article, without the same having been inspected as required, he shall, for every offense, forfeit and pay one hundred dollars ($100.00).

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

O. PENALTY OF $200 FOR MASTER OR COMMANDER OF VESSEL TAKING ARTICLES ON BOARD WHICH WERE NOT INSPECTED AS REQUIRED

Section 41. G.S. 66-6 reads as rewritten:

"**§ 66-6. Penalty on master receiving without inspection.**

No master or commander of any vessel shall take on board any cask or barrel or other commodity, liable to inspection as aforesaid, without its being inspected and branded as required, under the penalty of two hundred dollars ($200.00) for each offense.

The clear proceeds of forfeitures provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART IV. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

A. CIVIL PENALTIES NOT TO EXCEED $500 OR $5000 FOR VIOLATIONS OF THE MINING ACT OF 1971

Section 42. G.S. 74-64(a)(4) reads as rewritten:

"(4) ~~All funds collected pursuant to this section shall be credited to the General Fund as nontax revenue.~~ The clear proceeds of civil penalties collected pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY OF NOT MORE THAN $5000 OR $250 FOR VIOLATIONS OF ACT CONTROLLING EXPLORATION FOR URANIUM IN NORTH CAROLINA

Section 43. G.S. 74-87(a)(4) reads as rewritten:

"(4) ~~All funds collected pursuant to this section shall be placed in a special fund and shall be used to carry out the purposes of this Article.~~ The clear proceeds of civil penalties collected pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. CIVIL PENALTY OF NOT MORE THAN $100 PER VIOLATION ASSESSED FOR VIOLATIONS OF THE WELL CONSTRUCTION ACT

Section 44. G.S. 87-94 is amended by adding a new subsection to read:

"(g) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CIVIL PENALTIES NOT TO EXCEED $100 PER DAY ASSESSED FOR VIOLATIONS OF WATER TREATMENT FACILITIES CERTIFICATION LAW

Section 45. G.S. 90A-30(a) reads as rewritten:

"(a) Upon the recommendation of the Board of Certification, the Secretary of Environment and Natural Resources or a delegated representative may impose an administrative, civil penalty on any person, corporation, company, association, partnership, unit of local government, State agency, federal agency, or other legal entity who violates G.S. 90A-29(a). Each day of a continued violation shall constitute a separate violation. The penalty shall not exceed one hundred dollars ($100.00) for each day such violation continues. No penalty shall be assessed until the person alleged to be in violation has been notified of the violation.

The clear proceeds of penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. CIVIL PENALTY NOT TO EXCEED $1000 FOR WILLFUL VIOLATION OF LAWS CONCERNING CERTIFICATION OF WASTE MANAGEMENT SYSTEM OPERATORS

Section 46. G.S. 90A-47.5(b) reads as rewritten:

"(b) In addition to revocation of a certificate, the Commission may levy a civil penalty, not to exceed one thousand dollars ($1,000) per violation, for willful violation of the requirements of this Part.

The clear proceeds of civil penalties levied pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. ADMINISTRATIVE PENALTIES NOT TO EXCEED $10,000 PER DAY FOR VIOLATING RADIATION PROTECTION ACT.

Section 47. (a) G.S. 104E-24 reads as rewritten:

"**§ 104E-24. Administrative penalties.**

(a) The Department may impose an administrative penalty on any person:

(1) Who fails to comply with this Chapter, any order issued hereunder, or any rules adopted pursuant to this Chapter;

(2) Who refuses to allow an authorized representative of the Radiation Protection Commission or the Department of Environment and Natural Resources a right of entry as provided for in G.S. 104E-11 or impounding materials as provided for in G.S. 104E-14.

(b) Each day of a continuing violation shall constitute a separate violation. Such penalty shall not exceed ten thousand dollars ($10,000) per day. In determining the amount of the penalty, the Department shall consider the degree and extent of the harm caused by the violation. Any person assessed a penalty shall be notified of the assessment by registered or certified mail, and the notice shall specify the reasons for the assessment.

(c) The clear proceeds of penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 104E-16 reads as rewritten:

" **§ 104E-16. Nonreverting Radiation Protection Fund.**

(a) There is hereby established under the control and direction of the Department a Nonreverting Radiation Protection Fund which shall be used to defray the expenses of any project or activity for:

(1) Emergency response to and decontamination of radiation accidents as provided in G.S. 104E-9(a)(5), or

(2) Perpetual maintenance and custody of radioactive materials as the Department may undertake.

In addition to any moneys that shall be appropriated or otherwise made available to it, the Fund may be maintained by fees, charges, ~~penalties~~ or other moneys paid to or recovered by or on behalf of the Department under the provisions of this ~~Chapter.~~ Chapter, except for the clear proceeds of penalties. Any moneys paid to or recovered by or on behalf of the Department as fees, charges, ~~penalties~~ or other payments authorized by this ~~Chapter~~ Chapter, except for the clear proceeds of penalties, shall be paid to the Radiation Protection Fund in an amount equal to the sum expended for the projects or activities in subdivisions (1) and (2) above.

(b) Repealed by Session Laws 1987, c. 850, s. 11."

G. FORFEITURE OF BOND GIVEN BY FISHERY LICENSE AGENTS

Section 48. G.S. 113-151.1 is amended by adding a new subsection to read:

"(a1) The clear proceeds of the forfeiture of a license agent's bond pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. FINE OF NOT LESS THAN $100 NOR MORE THAN $500 FOR VIOLATION OF THE COMMERCIAL AND SPORT FISHERIES LICENSING LAW

Section 49. G.S. 113-162 reads as rewritten:

"**§ 113-162. (Repealed effective July 1, 1999) Fraud or deception as to licenses, permits, or records.**

(a) It is unlawful for any person to give any false information or willfully to omit giving required information to the Department or any license agent when the information is material to the securing of any license or permit under this Article. It is unlawful to falsify, fraudulently alter, or counterfeit any license, permit, identification, or record to which this Article applies or otherwise practice any fraud or deception designed to evade the provisions of this Article or reasonable administrative directives made under the authority of this Article.

(b) A violation of this section is punishable by a fine of not less than one hundred dollars ($100.00) nor more than five hundred dollars ($500.00).

(c) The clear proceeds of fines assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. PENALTY NOT TO EXCEED $1000 PER DAY FOR KNOWINGLY AND WILLFULLY VIOLATING THE OIL AND GAS CONSERVATION ACT.

Section 50. G.S. 113-410 reads as rewritten:

"**§ 113-410. Penalties for other violations.**

Any person who knowingly and willfully violates any provision of this law, or any rule or order of the Department made hereunder, shall, in the event a penalty for such violation is not otherwise provided for herein, be subject to a penalty of not to exceed one thousand dollars ($1,000) a day for each and every day of such violation, and for each and every act of violation, such penalty to be recovered in a suit in the superior court of the county where the defendant resides, or in the county of the residence of any defendant if there be more than one defendant, or in the superior court of the county where the violation took place. The place of suit shall be selected by the Department, and such suit, by direction of the Department, shall be instituted and conducted in the name of the Department by the Attorney General. The payment of any penalty as provided for herein shall not have the effect of changing illegal oil into legal oil, illegal gas into legal gas, or illegal product into legal product, nor shall such payment have the effect of authorizing the sale or purchase or acquisition, or the transportation, refining, processing, or handling in any other way, of such illegal oil, illegal gas or illegal product, but, to the contrary, penalty shall be imposed for each prohibited transaction relating to such illegal oil, illegal gas or illegal product.

Any person knowingly and willfully aiding or abetting any other person in the violation of any statute of this State relating to the conservation of oil or gas, or the violation of any provisions of this law, or any rule or order made thereunder, shall be subject to the same penalties as prescribed herein for the violation by such other person.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. PROCEEDS FROM FORFEITURE AND SALE OF CONTRABAND OIL, GAS AND PRODUCT

Section 51. G.S. 113-412 reads as rewritten:

"§ 113-412. Seizure and sale of contraband oil, gas and product.

Apart from, and in addition to, any other remedy or procedure which may be available to the Department, or any penalty which may be sought against or imposed upon any person with respect to violations relating to illegal oil, illegal gas, or illegal product, all illegal oil, illegal gas and illegal product shall, except under such circumstances as are stated herein, be contraband and shall be seized and ~~sold, and the proceeds applied as herein provided.~~ sold. Such sale shall not take place unless the court shall find, in the proceeding provided for in this paragraph, that the commodity involved is contraband. Whenever the Department believes that illegal oil, illegal gas or illegal product is subject to seizure and sale, as provided herein, it shall, through the Attorney General, have issued a warrant of attachment and bring a civil action in rem for that purpose in the superior court of the county where the commodity is found, or the action may be maintained in connection with any suit or cross bill for injunction or for penalty relating to any prohibited transaction involving such illegal oil, illegal gas or illegal product. Any interested person who may show himself to be adversely affected by any such seizure and sale shall have the right to intervene in such suit to protect his rights.

The action referred to above shall be strictly in rem and shall proceed in the name of the State as plaintiff against the illegal oil, illegal gas or illegal product mentioned in the complaint, as defendant, and no bond or bonds shall be required of the plaintiff in connection therewith. Upon the filing of the complaint, the clerk of the court shall issue a summons directed to the sheriff of the county, or to such other officer or person as the court may authorize to serve process, requiring him to summon any and all persons (without undertaking to name them) who may be interested in the illegal oil, illegal gas, or illegal product mentioned in the complaint to appear and answer within 30 days after the issuance and service of such summons. The summons shall contain the style and number of the suit and a very brief statement of the nature of the cause of action. It shall be served by posting one copy thereof at the courthouse door of the county where the commodity involved in the suit is alleged to be located and by posting another copy thereof near the place where the commodity is alleged to be located. Copy of such summons shall be posted at least five days before the return day stated therein, and the posting of such copy shall constitute constructive possession of such commodity by the State. A copy of the

summons shall also be published once each week for four weeks in some newspaper published in the county where the suit is pending and having a bona fide circulation therein. No judgment shall be pronounced by any court condemning such commodity as contraband until after the lapse of five days from the last publication of said summons. Proof of service of said summons, and the manner thereof, shall be as provided by general law.

Where it appears by a verified pleading on the part of the plaintiff, or by affidavit, or affidavits, or by oral testimony, that grounds for the seizure and sale exist, the clerk, in addition to the summons or warning order, shall issue a warrant of attachment, which shall be signed by the clerk and bear the seal of the court. Such warrant of attachment shall specifically describe the illegal oil, illegal gas or illegal product, so that the same may be identified with reasonable certainty. It shall direct the sheriff to whom it is addressed to take into his custody, actual or constructive, the illegal oil, illegal gas or illegal product, described therein, and to hold the same subject to the orders of the court. Said warrant of attachment shall be executed as a writ of attachment is executed. No bond shall be required before the issuance of such warrant of attachment, and the sheriff shall be responsible upon his official bond for the proper execution thereof.

In a proper case, the court may direct the sheriff to deliver the custody of any illegal oil, illegal gas or illegal product seized by him under a warrant of attachment, to a commissioner to be appointed by the court, which commissioner shall act as the agent of the court and shall give bond with such approved surety as the court may direct, conditioned that he will faithfully conserve such illegal oil, illegal gas or illegal product, as may come into his custody and possession in accordance with the orders of the court; provided, that the court may in its discretion appoint any member of the Department or any agent of the Department as such commissioner of the court.

Sales of illegal oil, illegal gas or illegal product seized under the authority of this law, and notices of such sales, shall be in accordance with the laws of this State relating to the sale and disposition of attached property; provided, however, that where the property is in custody of a commissioner of the court, the sale shall be held by said commissioner and not by the sheriff. For his services hereunder, such commissioner shall receive a reasonable fee to be paid out of the proceeds of the sale or sales to be fixed by the court ordering such sale.

The court may order that the commodity be sold in specified lots or portions, and at specified intervals, instead of being sold at one time. Title to the amount sold shall pass as of the date of the law which is found by the court to make the commodity contraband. The judgment shall provide for ~~payment of the proceeds of the sale into the general fund of the State Treasurer, after first deducting the costs in connection with the proceedings and the sale.~~ the clear proceeds of the sales to be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

The amount sold shall be treated as legal oil, legal gas or legal product, as the case may be, in the hands of the purchaser, but the purchaser and the commodity shall be subject to all applicable laws, rules, and orders with respect to further sale or

purchase or acquisition, and with respect to the transportation, refining, processing, or handling in any other way, of the commodity purchased.

Nothing in this section shall deny or abridge any cause of action a royalty owner, or a lienholder, or any other claimant, may have, because of the forfeiture of the illegal oil, illegal gas, or illegal product, against the person whose act resulted in such forfeiture. No illegal oil, illegal gas or illegal product shall be sold for less than the average market value at the time of sale of similar products of like grade and character."

K. CIVIL PENALTIES IMPOSED FOR FAILURE TO COMPLY WITH SEDIMENTATION CONTROL LAWS

Section 52. G.S. 113A-64(a)(5) reads as rewritten:

"(5) ~~Civil~~ The clear proceeds of civil penalties collected by the Department or other State agency under this subsection shall be ~~credited to the General Fund as nontax revenue.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Civil penalties collected by a local government under this subsection shall be credited to the general fund of the local government as nontax revenue."

L. DIVISION OF COASTAL MANAGEMENT -- CIVIL PENALTIES OF NOT MORE THAN $250 AND $2500 ASSESSED FOR VIOLATIONS OF STATE LAWS AND REGULATIONS ESTABLISHING COASTAL MANAGEMENT STANDARDS

Section 53. (a) G.S. 113A-126(d) is amended by adding a new subdivision to read::

"(5) The clear proceeds of penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) Section 5 of Chapter 839 of the 1991 Session Laws is repealed.

M. ADMINISTRATIVE PENALTIES IMPOSED FOR VIOLATIONS OF SOLID WASTE (NON-HAZARDOUS/MEDICAL) MANAGEMENT REGULATIONS NOT TO EXCEED $5000, $25,000 OR $50,000 PER DAY DEPENDING UPON EXTENT OF VIOLATION/DIVISION OF ENVIRONMENTAL HEALTH -- CIVIL PENALTIES NOT TO EXCEED $25,000 PER DAY ASSESSED FOR VIOLATIONS OF STATE LAWS AND REGULATIONS GOVERNING OPERATION OF PUBLIC WATER SYSTEMS/EPIDEMIOLOGY BRANCH -- ADMINISTRATIVE PENALTIES NOT TO EXCEED $1000 PER DAY IMPOSED FOR VIOLATIONS OF ASBESTOS MANAGEMENT REGULATIONS -- EPIDEMIOLOGY BRANCH -- ADMINISTRATIVE PENALTIES NOT TO EXCEED $10,000 PER DAY IMPOSED FOR VIOLATIONS OF ASBESTOS NATIONAL EMISSION STANDARDS FOR HAZARDOUS AIR POLLUTANTS (NESHAP) FOR DEMOLITION AND RENOVATION/ADMINISTRATIVE PENALTY NOT TO EXCEED EITHER $50 OR $300 PER DAY FOR VIOLATING WASTEWATER SYSTEMS LAW/DIVISION OF

MATERNAL AND CHILD HEALTH -- MONETARY PENALTY ON VENDOR WHO VIOLATES COMMISSION'S RULES REGARDING THE WOMEN, INFANTS AND CHILDREN (WIC) PROGRAM

Section 54. (a) G.S. 130A-22 reads as rewritten:

"**§ 130A-22. Administrative penalties.**

(a) The Secretary of Environment and Natural Resources may impose an administrative penalty on a person who violates Article 9 of this Chapter, rules adopted by the Commission pursuant to Article 9, or any order issued under Article 9. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed five thousand dollars ($5,000) per day in the case of a violation involving nonhazardous waste. The penalty shall not exceed twenty-five thousand dollars ($25,000) per day in case of a first violation involving hazardous waste as defined in G.S. 130A-290 or involving the disposal of medical waste as defined in G.S. 130A-290 in or upon water in a manner that results in medical waste entering waters or lands of the State; and shall not exceed fifty thousand dollars ($50,000) per day for a second or further violation involving the disposal of medical waste as defined in G.S. 130A-290 in or upon water in a manner that results in medical waste entering waters or lands of the State. If a person fails to pay a civil penalty within 60 days after the final agency decision or court order has been served on the violator, the Secretary of Environment and Natural Resources shall request the Attorney General to institute a civil action in the superior court of any county in which the violator resides or has his or its principal place of business to recover the amount of the assessment. Such civil actions must be filed within three years of the date the final agency decision or court order was served on the violator.

(a1) Part 5 of Article 21A of Chapter 143 of the General Statutes shall apply to the determination of civil liability or penalty pursuant to subsection (a) of this section.

(b) The Secretary of Environment and Natural Resources may impose an administrative penalty on a person who violates G.S. 130A-325. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed twenty-five thousand dollars ($25,000) for each day the violation continues.

(b1) The Secretary may impose an administrative penalty on a person who violates Article 19 of this Chapter or a rule adopted pursuant to that Article. Except as provided in subsection (b2) of this section, the penalty shall not exceed one thousand dollars ($1,000) per day per violation. Until the Department has notified the person of the violation, a continuing violation shall be treated as one violation. Each day thereafter of a continuing violation shall be treated as a separate violation.

In determining the amount of a penalty under this subsection or subsection (b2) of this section, the Secretary shall consider all of the following factors:

(1) The degree and extent of harm to the natural resources of the State, to the public health, or to private property resulting from the violation.

(2) The duration and gravity of the violation.

(3) The effect on air quality.

(4) The cost of rectifying the damage.
(5) The amount of money the violator saved by noncompliance.
(6) The prior record of the violator in complying or failing to comply with Article 19 of this Chapter or a rule adopted pursuant to that Article.
(7) The cost to the State of the enforcement procedures.
(8) If applicable, the size of the renovation and demolition involved in the violation.

~~Administrative penalties imposed by the Secretary under this subsection or subsection (b2) of this section shall be credited to the General Fund as nontax revenue.~~

(b2) The penalty for violations of the asbestos NESHAP for demolition and renovation, as defined in G.S. 130A-444, shall not exceed ten thousand dollars ($10,000) per day per violation. Until the Department has provided the person with written notification of the violation of the asbestos NESHAP for demolition and renovation that describes the violation, recommends a general course of action, and establishes a time frame in which to correct the violations, a continuing violation shall be treated as one violation. Each day thereafter of a continuing violation shall be treated as a separate violation. A violation of the asbestos NESHAP for demolition and renovation is not considered to continue during the period a person who has received the notice of violation is following the general course of action and complying with the time frame set forth in the notice of violation.

(b3) The Secretary may impose an administrative penalty on a person who violates Article 19A of this Chapter or any rules adopted pursuant to Article 19A of this Chapter. Each day of a continuing violation is a separate violation. The penalty shall not exceed one thousand dollars ($1,000) for each day the violation continues. The penalty authorized by this section does not apply to a person who is not required to be certified under this Article.

(c) The Secretary of Environment and Natural Resources may impose an administrative penalty on a person who willfully violates Article 11 of this Chapter, rules adopted by the Commission pursuant to Article 11 or any condition imposed upon a permit issued under Article 11. An administrative penalty may not be imposed upon a person who establishes that neither the site nor the system may be improved or a new system installed so as to comply with Article 11 of this Chapter. Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed fifty dollars ($50.00) per day in the case of a wastewater collection, treatment and disposal system with a design daily flow of no more than 480 gallons or in the case of any system serving a single one-family dwelling. The penalty shall not exceed three hundred dollars ($300.00) per day in the case of a wastewater collection, treatment and disposal system with a design daily flow of more than 480 gallons which does not serve a single one-family dwelling.

(c1) The Secretary may impose a monetary penalty on a vendor who violates rules adopted by the Commission pursuant to Article 13 of this Chapter when the Secretary determines that disqualification would result in hardship to participants in

the Women, Infants, and Children (WIC) program. The penalty shall be calculated using the following formula: multiply five percent (5%) times the average dollar amount of the vendor's monthly redemptions of WIC food instruments for the 12-month period immediately preceding disqualification, then multiply that product by the number of months of the disqualification period determined by the Secretary.

(d) In determining the amount of the penalty in subsections (a), (b) and (c), the Secretary and the Secretary of the Department of Environment and Natural Resources shall consider the degree and extent of the harm caused by the violation and the cost of rectifying the damage.

(e) A person contesting a penalty shall, by filing a petition pursuant to G.S. 150B-23(a) not later than 30 days after receipt by the petitioner of the document which constitutes agency action, be entitled to an administrative hearing and judicial review in accordance with Chapter 150B of the General Statutes, the Administrative Procedure Act.

(f) The Commission shall adopt rules concerning the imposition of administrative penalties under this section.

(g) The Secretary or the Secretary of Environment and Natural Resources may bring a civil action in the superior court of the county where the violation occurred or where the defendant resides to recover the amount of an administrative penalty authorized under this section whenever a person:

(1) Who has not requested an administrative hearing in accordance with subsection (e) of this section fails to pay the penalty within 60 days after being notified of the penalty; or

(2) Who has requested an administrative hearing fails to pay the penalty within 60 days after service of a written copy of the final agency decision.

(h) A local health director may impose an administrative penalty on any person who willfully violates the wastewater collection, treatment, and disposal rules of the local board of health adopted pursuant to G.S. 130A-335(c) or who willfully violates a condition imposed upon a permit issued under the approved local rules. An administrative penalty may not be imposed upon a person who establishes that neither the site nor the system may be improved or a new system installed so as to comply with Article 11 of this Chapter. The local health director shall establish and recover the amount of the administrative penalty in accordance with subsections (d) and (g). Each day of a continuing violation shall constitute a separate violation. The penalty shall not exceed fifty dollars ($50.00) per day in the case of a wastewater collection, treatment and disposal system with a design daily flow of no more than 480 gallons or in the case of any system serving a single one-family dwelling. The penalty shall not exceed three hundred dollars ($300.00) per day in the case of a wastewater collection, treatment and disposal system with a design daily flow of more than 480 gallons which does not serve a single one-family dwelling. A person contesting a penalty imposed under this subsection shall be entitled to an administrative hearing and judicial review in accordance with G.S. 130A-24. A local

board of health shall adopt rules concerning the imposition of administrative penalties under this subsection.

(i) The clear proceeds of penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 130A-306 reads as rewritten:

"**§ 130A-306. Emergency Response Fund.**

There is established under the control and direction of the Department, an Emergency Response Fund which shall be a nonreverting fund consisting of any money appropriated for such purpose by the General Assembly or available to it from grants, fees, charges, and other money paid to or recovered by or on behalf of the Department pursuant to this Article, except fees and penalties specifically designated by this Article for some other use or purpose. The Emergency Response Fund shall be treated as a special trust fund and shall be credited with interest by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Fund shall be used to defray expenses incurred by the Department in developing and implementing an emergency hazardous waste remedial plan and to reimburse any federal, State or local agency and any agent or contractor for expenses incurred in developing and implementing such a plan that has been approved by the Department. These funds shall be used upon a determination that sufficient funds or corrective action cannot be obtained from other sources without incurring a delay that would significantly increase the threat to life or risk of damage to the environment. This Fund may not exceed five hundred thousand dollars ($500,000); money in excess of five hundred thousand dollars ($500,000) shall be deposited in the Inactive Hazardous Sites Cleanup Fund. The Secretary is authorized to take the necessary action to recover all costs incurred by the State for site investigation and the development and implementation of an emergency hazardous waste remedial plan, including attorney's fees and other expenses of bringing the cost recovery action from the responsible party or parties. The provisions of G.S. 130A-310.7 shall apply to actions to recover costs under this section except that: (i) reimbursement shall be to the Emergency Response Fund and (ii) the State need not show that it has complied with the provisions of Part 3 of this Article."

N. CIVIL PENALTY OF $50 FOR KNOWINGLY DISPOSING OF TIRE IMPROPERLY

Section 55. G.S. 130A-309.62 reads as rewritten:

"**§ 130A-309.62. Fines and penalties.**

Any person who knowingly hauls or disposes of a tire in violation of this Part or the rules adopted pursuant to this Part shall be assessed a civil penalty of fifty dollars ($50.00) per violation. Each tire hauled or disposed of in violation of this Part or rules adopted pursuant to this Part constitutes a separate violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

O. CIVIL PENALTY NOT TO EXCEED $50 PER VIOLATION AGAINST PERSONS KNOWINGLY DISPOSING OF LEAD-ACID BATTERIES IN VIOLATION OF SECTION

Section 56. G.S. 130A-309.70(c) reads as rewritten:

"(c) Any person who knowingly places or disposes of a lead-acid battery in violation of this section shall be assessed a civil penalty of not more than fifty dollars ($50.00) per violation. Each battery improperly disposed of shall constitute a separate violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

P. CIVIL PENALTY NOT TO EXCEED $50 PER DAY AGAINST PERSON FAILING TO POST NOTICES CONCERNING RECYCLING AND DISPOSING OF LEAD ACID BATTERIES

Section 57. G.S. 130A-309.71(c) reads as rewritten:

"(c) Any person who fails to post the notice required by subsection (b) of this section after receiving a written warning from the Department to do so shall be assessed a civil penalty of not more than fifty dollars ($50.00) per day for each day the person fails to post the required notice.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Q. CIVIL PENALTY OF $50 PER VIOLATION AGAINST WHOLESALERS WHO REFUSE TO ACCEPT LEAD-ACID BATTERIES FROM CUSTOMERS

Section 58. G.S. 130A-309.72(b) reads as rewritten:

"(b) Any person who violates this section shall be assessed a civil penalty of fifty dollars ($50.00) per violation. Each battery refused by a wholesaler or not removed from the retail point of collection within 90 days shall constitute a separate violation.

The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

R. CIVIL PENALTY UP TO $100 FOR IMPROPER DISPOSAL OF WHITE GOODS

Section 59. G.S. 130A-309.84 reads as rewritten:

"**§ 130A-309.84. Civil penalties for improper disposal.**

The Department may assess a civil penalty of not more than one hundred dollars ($100.00) against a person who, knowing it is unlawful, places or otherwise disposes of a discarded white good in a landfill, an incinerator, or a waste-to-energy facility. The Department may assess this penalty for the day the unlawful disposal occurs and each following day until the white good is disposed of properly.

The Department may assess a penalty of up to one hundred dollars ($100.00) against a person who, knowing it is required, fails to remove chlorofluorocarbon refrigerants from a discarded white good. The Department may assess this penalty for the day the failure occurs and each following day until the chlorofluorocarbon refrigerants are removed.

~~Civil penalties collected under this section shall be credited to the General Fund as nontax revenue.~~ The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

S. AIR AND WATER QUALITY -- CIVIL PENALTIES OF NOT MORE THAN $25,000 OR $50,000 FOR VIOLATION AND AN ADDITIONAL $25,000- OR $50,000 FOR EACH ADDITIONAL DAY VIOLATION CONTINUES ASSESSED FOR UNLAWFUL DISPOSAL OF MEDICAL WASTE

Section 60. G.S. 143-214.2A(b) is amended by adding a new subdivision to read:

"(7) The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

T. INFRACTION PENALTY OF $10 FOR USING PROHIBITED CLEANING AGENTS WHICH CONTAIN PHOSPHORUS

Section 61. G.S. 143-214.4(g) reads as rewritten:

"(g) Any person who uses any cleaning agent in violation of the provisions of this section shall be responsible for an infraction for which the sanction is a penalty of not more than ten dollars ($10.00). Notwithstanding G.S. 143-3.1(a), the clear proceeds of infractions pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

U. CIVIL PENALTY ASSESSED PURSUANT TO G.S. 143-215.6A(a)(7) & (e) AGAINST LOCAL GOVERNMENTS AND PERSONS WHO FAIL TO FOLLOW LAWS CONCERNING WATER SUPPLY WATERSHEDS

Section 62. G.S. 143-214.5(g) reads as rewritten:

"(g) Civil Penalties. -- A local government that fails to adopt a local water supply watershed protection program as required by this section or willfully fails to administer or enforce the provisions of its program in substantial compliance with the minimum statewide water supply watershed management requirements shall be subject to a civil penalty pursuant to G.S. 143-215.6A(e). In any area of the State that is not covered by an approved local water supply watershed protection program, any person who violates or fails to act in accordance with any minimum statewide water supply watershed management requirement or more stringent management requirement adopted by the Commission for a critical water supply watershed established pursuant to this section shall be subject to a civil penalty as specified in G.S. 143-215.6A(a)(7).

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

V. CIVIL PENALTIES OF NOT MORE THAN $10,000 OR $10,000 PER DAY OR $10,000 PER MONTH FOR VARIOUS WATER POLLUTION CONTROL VIOLATIONS

Section 63. G.S. 143-215.6A is amended by adding a new subsection to read:

"(h1) The clear proceeds of civil penalties assessed by the Secretary or the Commission pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

W. CIVIL PENALTY OF VARIOUS AMOUNTS FOR VIOLATIONS OF REGULATIONS FOR USE OF WATER RESOURCES

Section 64. G.S. 143-215.17(b) is amended by adding a new subdivision to read:

"(8) The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

X. LAND RESOURCES DIVISION -- CIVIL PENALTIES NOT TO EXCEED $100 OR $500 ASSESSED FOR VIOLATIONS OF THE DAM SAFETY LAW. IF WILLFUL, NOT TO EXCEED $500 PER DAY FOR EACH DAY OF VIOLATION.

Section 65.. G.S. 143-215.36(b) is amended by adding a new subdivision to read:

"(8) The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Y. CIVIL PENALTY NOT TO EXCEED $10,000 FOR VIOLATING AIR AND WATER QUALITY REPORTING REGULATIONS

Section 66. G.S. 143-215.69(b) reads as rewritten:

"(b) Civil Penalties. -- The Commission may assess a civil penalty against a person who violates this Part or a rule of the Commission implementing this Part. For persons subject to the provisions of G.S. 143-215.1, the amount of the penalty shall not exceed the maximum imposed in G.S. 143-215.6A and shall be assessed in accordance with the procedure set out in G.S. 143-215.6A for assessing a civil penalty. For persons subject to the provisions of Title V, G.S. 143-215.108, or G.S. 143-215.109, the amount of penalty shall not exceed the maximum imposed in G.S. 143-215.114A and shall be assessed in accordance with the procedure set out in G.S. 143-215.114A for assessing a civil penalty. ~~Civil~~ The clear proceeds of civil penalties assessed under this subsection shall be ~~credited to the General Fund as nontax revenue.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Z. OIL POLLUTION AND HAZARDOUS SUBSTANCES CONTROL -- CIVIL PENALTIES OF NOT MORE THAN $5000 ASSESSED FOR UNLAWFUL DISCHARGE OF OIL

Section. 67. (a) G.S. 143-215.88A is amended by adding a new subsection to read:

"(c) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 143-215.87 reads as rewritten:

"**§ 143-215.87. Oil or Other Hazardous Substances Pollution Protection Fund.**

There is hereby established under the control and direction of the Department an Oil or Other Hazardous Substances Pollution Protection Fund which shall be a nonlapsing, revolving fund consisting of any moneys appropriated for such purpose by the General Assembly or that shall be available to it from any other source. The moneys shall be used to defray the expenses of any project or program for the containment, collection, dispersal or removal of oil or other hazardous substances discharged to the land or waters of this State, or discharged into waters outside the territorial limits of the State which affect land and waters or related uses within the State; to assess damages for injury to, destruction of, or loss of use of natural resources; and to develop and implement plans for restoration, rehabilitation, replacement, or acquisition of the equivalent of the natural resources injured by the discharge. In addition to any moneys that shall be appropriated or otherwise made available to it, the fund shall be maintained by fees, charges, ~~penalties~~ or other moneys except for the clear proceeds of civil penalties paid to or recovered by or on behalf of the Department under the provisions of this Part. Any moneys paid to or recovered by or on behalf of the Department as fees, charges, ~~penalties~~ or other payments as damages authorized by this Part except for the clear proceeds of civil penalties shall be paid to the Oil or Other Hazardous Substances Pollution Protection Fund in an amount equal to the sums expended from the fund for the project or activity. ~~Within the meaning of this section, the word "penalties" means civil penalties and does not include criminal fines or penalties.~~

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

BB. CIVIL PENALTY ASSESSED PURSUANT TO G.S. 143-215.94K AGAINST OWNER OR OPERATOR OF COMMERCIAL UNDERGROUND STORAGE TANK WHO FAILS TO PROPERLY COMMENCE AND COMPLETE CLOSURE

Section 68. G.S. 143-215.94E(i) reads as rewritten:

"(i) An owner or operator who notifies the Department of an intention to close or upgrade a commercial underground storage tank as provided in G.S. 143-215.94B(b)(2a) shall commence the closure or upgrade prior to 1 July 1994 and shall complete the closure or upgrade prior to 1 January 1995. An owner who notifies the Department of an intention to close or upgrade a commercial underground storage

tank and who fails to commence and complete the closure as specified in this subsection is subject to a civil penalty as provided in G.S. 143-215.94K. The provisions of G.S. 143-215.94B(b)(2a) do not apply if an owner or operator who notifies the Department of an intention to close or upgrade a commercial underground storage tank fails to commence or complete the closure or upgrade within the dates specified in this subsection.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

CC. CIVIL PENALTY OF NOT MORE THAN $10,000 FOR VIOLATING UNDERGROUND STORAGE TANK REGULATIONS. IF VIOLATION IS CONTINUOUS, MAY ASSESS $10,000 PER DAY NOT TO EXCEED $200,000

Section 69. G.S. 143-215.94W is amended by adding a new subsection to read:

"(h) The clear proceeds of civil penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

DD. CIVIL PENALTY OF EITHER $50,000 OR $250,000 PER DAY FOR FAILURE TO IMMEDIATELY REPORT AN OFFSHORE DISCHARGE

Section 70. G.S. 143-215.94GG is amended by adding a new subsection to read:

"(c) The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

EE. CIVIL PENALTY NOT TO EXCEED $10,000 FOR VIOLATIONS OF OIL REFINING FACILITY PERMIT LAWS AND REGULATIONS

Section 71. G.S. 143-215.102(a) reads as rewritten:

"(a) Civil Penalty. -- Any person who violates any provision of this Part, or any rule, regulation or order made pursuant to this Part, shall incur, in addition to any other penalty provided by law, a civil penalty in an amount not to exceed ten thousand dollars ($10,000) for every such violation, the amount to be determined by the Secretary after taking into consideration the factors set out in G.S. 143B-282.1(b). The procedures set out in G.S. 143-215.6 and G.S. 143B-282.1 shall apply to civil penalties assessed under this section. The penalty herein provided for shall become due and payable when the person incurring the penalty receives a notice in writing from the Commission describing the violation with reasonable particularity and advising such person that the penalty is due. A person may contest a penalty by filing a petition for a contested case under G.S. 150B-23 within 30 days after receiving notice of the penalty. If any civil penalty has not been paid within 30 days after notice of assessment has been served on the violator, the Secretary shall request the Attorney General to institute a civil action in the Superior Court of any county in which the violator resides or has his or its principal place of business to recover the

amount of the assessment, unless the violator contests the assessment, or requests remission of the assessment in whole or in part as provided in G.S. 143-215.6. If any civil penalty has not been paid within 30 days after the final agency decision or court order has been served on the violator, the Secretary shall request the Attorney General to institute a civil action in the Superior Court of any county in which the violator resides or has his or its principal place of business to recover the amount of the assessment.

~~Any sums recovered under this subsection shall be payable to the Oil Pollution Protection Fund as established by this Article.~~ The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

FF. FORFEITURE OF BONDS FOR NONCOMPLIANCE WITH SPECIAL ORDERS CONCERNING AIR POLLUTION CONTROL

Section 72. G.S. 143-215.110(e) reads as rewritten:

"(e) Compliance Bonds. -- A special order or other instrument authorized by this section may provide that a bond or other surety be posted to ensure compliance. In determining the amount of such bond the Commission shall consider the degree and extent of harm which may result if the person to whom the special order is directed fails to comply with the terms of the order, the cost of rectifying such harm, the economic consequences to the person to whom the special order is directed if the special order is issued as compared to the consequences of a denial, suspension, or revocation of the special order or permit, and the person's history of compliance with pollution control requirements, other special orders, history of payment of any penalties which may have been previously assessed by the Commission. In the event of noncompliance with the special order or other instrument, the bond shall be forfeited and the ~~entire amount of the bond shall be deposited in the General Fund.~~ clear proceeds of the bond shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

GG. CIVIL PENALTY OF NOT MORE THAN $10,000 FOR VARIOUS AIR POLLUTION CONTROL VIOLATIONS

Section 73. G.S. 143-215.114A is amended by adding a new subsection to read:

"(h) The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART V. DEPARTMENT OF HEALTH AND HUMAN SERVICES

A. CIVIL PENALTIES OF NOT MORE THAN $20,000 AND $75,000 FOR CIRCUMVENTION OF THE SELF-REFERRALS BY HEALTH CARE PROVIDERS LAW

Section 74. G.S. 90-407 is amended by adding a new subsection to read:

"(d) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY NOT TO EXCEED $1000 IMPOSED UPON CHILD DAY CARE FACILITIES OR HOMES FOR VIOLATIONS OF STATE LAW OR REGULATION GOVERNING LICENSURE/STANDARDS

Section 75. G.S. 110-103.1 is amended by adding a new subsection to read:

"(d) The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. CIVIL PENALTIES OF $100 OR $500 OR $1000 FOR FAILURE OF PAYORS/EMPLOYERS TO COMPLY WITH EMPLOYEE'S CHILD SUPPORT ENFORCEMENT ORDERS

Section 76. G.S. 110-136.8(e) reads as rewritten:

"(e) Prohibited conduct by payor; civil penalty. Notwithstanding any other provision of law, when a court finds, pursuant to a motion in the cause filed by the initiating party joining the payor as a third party defendant, with 30 days notice to answer the motion, that a payor has willfully refused to comply with the provisions of this section, such payor shall be ordered to commence withholding and shall be held liable to the initiating party for any amount which such payor should have withheld, except that such payor shall not be required to vary the normal pay or disbursement cycles in order to comply with these provisions.

A payor shall not discharge from employment, refuse to employ, or otherwise take disciplinary action against any obligor solely because of the withholding. When a court finds that a payor has taken any of these actions, the payor shall be liable for a civil ~~penalty to be paid to the county school fund.~~ penalty. For a first offense, the civil penalty shall be one hundred dollars ($100.00). For second and third offenses, the civil penalty shall be five hundred dollars ($500.00) and one thousand dollars ($1,000), respectively. Any payor who violates any provision of this paragraph shall be liable in a civil action for reasonable damages suffered by an obligor as a result of the violation, and an obligor discharged or demoted in violation of this paragraph shall be entitled to be reinstated to his former position. The statute of limitations for actions under this subsection shall be one year pursuant to G.S. 1-54.this section.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CIVIL PENALTY NOT TO EXCEED $100 PER VIOLATION FOR WILLFUL VIOLATION OF PROVISIONS FOR CERTIFICATION OF ADULT DAY CARE PROGRAM

Section 77. G.S. 131D-6(c) reads as rewritten:

"(c) The Secretary may impose a civil penalty not to exceed one hundred dollars ($100.00) for each violation on a person, firm, agency, or corporation who willfully violates any provision of this section or any rule adopted by the Social Services Commission pursuant to this section. Each day of a continuing violation constitutes a separate violation.

In determining the amount of the civil penalty, the Secretary shall consider the degree and extent of the harm or potential harm caused by the violation.

The Social Services Commission shall adopt rules concerning the imposition of civil penalties under this subsection.

The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. CIVIL PENALTIES OF VARYING AMOUNTS IMPOSED UPON ADULT CARE HOMES FOR VIOLATIONS OF STATE LAW OR REGULATION GOVERNING LICENSURE AND STANDARDS/ADMINISTRATIVE AND CIVIL PENALTIES OF VARIOUS AMOUNTS IMPOSED UPON NURSING FACILITIES FOR VIOLATIONS OF STATE LAW OR REGULATION GOVERNING LICENSURE AND STANDARDS

Section 78. (a) G.S. 131D-34 is amended by adding a new subsection to read:

"(i) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 131E-129 is amended by adding a new subsection to read:

"(h) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(c) G.S. 131E-109 is amended by adding a new subsection to read:

"(e) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(d) G.S. 131E-242(a) reads as rewritten:

"(a) The Department shall establish a temporary management contingency fund from the proceeds of penalties collected by the Department under the provisions of ~~G.S. 131E-109 and G.S. 131E-129 for nursing facilities, and~~ G.S. 131D-2 ~~and G.S. 131D-34~~ for adult care homes."

F. CIVIL PENALTY OF $50 PER DAY UP TO $1500 PER VIOLATION AGAINST NURSING HOMES FOR NOT GIVING FIRST AVAILABLE BED TO PATIENT WHO LEFT FOR TEMPORARY TREATMENT

Section 79. G.S. 131E-130(b) reads as rewritten:

"(b) If the Department finds that a nursing home has violated the provisions of subsection (a) of this section, the Department may assess a civil penalty of fifty dollars

($50.00) a day, up to a maximum of one thousand five hundred dollars ($1,500), against the nursing home, for each violation.

The clear proceeds of penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. CIVIL PENALTIES OF NOT MORE THAN $20,000 IMPOSED FOR VIOLATIONS OF STATE LAW OR REGULATION REQUIRING ISSUANCE OF AND COMPLIANCE WITH CERTIFICATES OF NEED

Section 80. G.S. 131E-190(f) reads as rewritten:

"(f) The Department may assess a civil penalty of not more than twenty thousand dollars ($20,000) against any person who knowingly offers or develops any new institutional health service within the meaning of this Article without a certificate of need issued under this Article and the rules pertaining thereto, or in violation of the terms or conditions of such a certificate, whenever it determines a violation has occurred and each time the service is provided in violation of this provision. In determining the amount of the penalty the Department shall consider the degree and extent of harm caused by the violation and the cost of rectifying the damage. A person who is assessed a penalty shall be notified of the penalty by registered or certified mail. The notice shall state the reasons for the penalty. If a person fails to pay a penalty, the Department shall refer the matter to the Attorney General for collection. For the purpose of this subsection, the word 'person' shall not include an individual in his capacity as an officer, director, or employee of a person as otherwise defined in this Article.

The clear proceeds of penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. ADMINISTRATIVE PENALTIES FOR VIOLATIONS OF THE SOLICITATIONS OF CONTRIBUTIONS LAW NOT TO EXCEED $1000 PER ACT OR OMISSION

Section 81. G.S. 131F-23(g) reads as rewritten:

"(g) Disposition of Penalties. -- ~~Penalties collected by the Department under subsection (e) of this section shall be credited to the General Fund as nontax revenue.~~ The clear proceeds of penalties provided for in subsection (e) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. CIVIL PENALTIES NOT TO EXCEED $10,000 FOR VIOLATION OF THE SOLICITATIONS OF CONTRIBUTIONS LAW

Section 82. G.S. 131F-24(a) reads as rewritten:

"(a) Civil Remedies. -- In addition to other remedies authorized by law, the Attorney General may bring a civil action in superior court to enforce this Chapter. Upon a finding that any person has violated this Chapter, a court may make any necessary order or enter a judgment, including a temporary or permanent injunction, a declaratory judgment, the appointment of a master or receiver, the sequestration of

assets, the reimbursement of persons from whom contributions have been unlawfully solicited, the distribution of contributions in accordance with the charitable or sponsor purpose expressed in the registration statement or in accordance with the representations made to the person solicited, the reimbursement of the Department for attorneys' fees and costs, including investigative costs, and any other equitable relief the court finds appropriate. Upon a finding that any person has violated any provision of this Chapter, a court may enter an order imposing a civil penalty in an amount not to exceed ten thousand dollars ($10,000) per violation.

The clear proceeds of penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART VI. DEPARTMENT OF INSURANCE

A. PENALTIES OF NOT LESS THAN $100 NOR MORE THAN $1000 ASSESSED AGAINST INSURANCE COMPANIES FOR FAILURE TO COMPLY WITH STATE LAWS AND REGULATIONS/COMMISSIONER MAY IMPOSE A CIVIL PENALTY PURSUANT TO G.S. 58-2-70 IF INSURER FAILS TO NOTICE A CLAIM WITHIN 30 DAYS AFTER RECEIVING WRITTEN NOTICE OF THE CLAIM/ANY INSURER WILLFULLY MISREPRESENTING TERMS, CONDITIONS, OR BENEFITS OF A POLICY IS SUBJECT TO THE PENALTY PROVISIONS OF G.S. 58-2-70/CIVIL PENALTY OF NO MORE THAN $2000, PURSUANT TO G.S. 58-2-70 FOR INSURERS REFUSING TO PAY CLAIMANTS BECAUSE OF REPAIR SERVICE CHOSEN/CIVIL PENALTY PURSUANT TO G.S. 58-2-70 IMPOSED FOR VIOLATING REINSURANCE INTERMEDIARIES LAW/CIVIL PENALTY AS PROVIDED IN G.S. 58-21-105 FOR SURPLUS LINES LICENSEE OR PRODUCING BROKER WHO FAILS TO PRODUCE PROPER EVIDENCE OF INSURANCE/CIVIL PENALTY PURSUANT TO G.S. 58-2-70 IMPOSED FOR VIOLATING THE SURPLUS LINES ACT/CIVIL PENALTY PURSUANT TO G.S. 58-2-70 IMPOSED FOR KNOWINGLY AND WILLFULLY VIOLATING COMMISSIONER'S ORDERS FOR INSURERS SUPERVISION, REHABILITATION AND LIQUIDATION/CIVIL PENALTY PURSUANT TO 58-2-70(d) IMPOSED AGAINST INSURANCE MANAGING GENERAL AGENT WHO HAS NOT MATERIALLY COMPLIED WITH AGENCY AND MANAGEMENT CONTRACTS LAWS/CIVIL PENALTY PURSUANT TO 58-2-70 IMPOSED FOR VIOLATION OF INSURANCE INFORMATION AND PRIVACY PROTECTION ACT

Section 83. (a) G.S. 58-2-70(d) reads as rewritten:

"(d) Upon a finding by the Commissioner of a violation as specified in subsection (c) of this section, the Commissioner shall direct the payment of a penalty of not less than one hundred dollars ($100.00) nor more than one thousand dollars ($1,000). In determining the amount of the penalty, the Commissioner shall consider the degree and extent of harm caused by the violation, the amount of money that inured to the benefit of the violator as a result of the violation, whether the violation was committed willfully, and the prior record of the violator in complying or failing to comply with laws, rules, or orders applicable to the violator. ~~The penalty shall be~~

~~payable to the Commissioner, who shall then forward the clear proceeds of which to the State Treasurer for deposit in the General Fund of the State.~~ The clear proceeds of the penalty shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Payment of the civil penalty under this section shall be in addition to payment of any other penalty for a violation of the criminal laws of this State."

(b) G.S. 58-6-1 reads as rewritten:

"**§ 58-6-1. Commissioner to report ~~taxes, fees, and civil penalties~~** taxes and fees **and pay monthly.**

On or before the 10th day of each month the Commissioner shall furnish to the Auditor a statement in detail of the ~~taxes, fees, and civil penalties~~ taxes and fees received during the previous month, and shall pay the amounts received to the Treasurer. Except as otherwise provided, the amounts shall be credited to the General Fund. The Auditor may examine the accounts of the Commissioner and check them up with said statement."

B. CIVIL PENALTY OF $100 PER DAY NOT TO EXCEED $1000 FOR VIOLATING INSURANCE HOLDING COMPANY SYSTEM REGULATORY ACT

Section 84. G.S. 58-19-50(a) reads as rewritten:

"(a) Any person failing, without just cause, to file any registration statement as required in this Article shall pay, after notice and hearing, a civil penalty of one hundred dollars ($100.00) for each day's delay, not to exceed a total penalty of one thousand dollars ($1,000), to the ~~Commissioner, who shall forward the clear proceeds to the General Fund of this State.~~ Commissioner. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. PENALTY OF $1000 FOR PERSON WHO PLACES SURPLUS LINES INSURANCE WITHOUT A VALID SURPLUS LINES LICENSE IN EFFECT

Section 85. G.S. 58-21-65(d) reads as rewritten:

"(d) Each surplus lines license shall be issued on September 1 of each year and expire August 31 of the following year unless renewed. Application for renewal shall be made 30 days before the expiration date. The license shall be renewed upon payment of the annual license fee and compliance with the other applicable provisions of this section. Any person who places surplus lines insurance without a valid surplus lines license in effect shall pay a penalty of one thousand dollars ($1,000) and be subject to such other penalties as provided by law.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CIVIL PENALTY NOT TO EXCEED $10,000 FOR VIOLATING COMMISSIONER'S SUPERVISORY ORDERS

Section 86. G.S. 58-30-60(h) reads as rewritten:

"(h) If any person violates any supervision order issued under this section that as to him is then still in effect, he shall be liable to pay a civil penalty imposed by the Court not to exceed ten thousand dollars ($10,000). The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. FORFEITURE OF $1000 OR $5000 FOR VIOLATING COMMISSION'S FINAL ORDER ABOUT REGULATION OF CREDIT LIFE INSURANCE

Section 87. G.S. 58-57-80 reads as rewritten:

"**§ 58-57-80. Penalties.**

In addition to any other penalty provided by law, any person, firm or corporation which willfully violates an order of the Commissioner after it has become final, and while such order is in effect, shall, upon proof thereof to the satisfaction of the court, forfeit and pay to the State of North Carolina a sum not to exceed one thousand dollars ($1,000) which may be recovered in a civil action, except that if such violation is found to be willful, the amount of such penalty shall be a sum not to exceed five thousand dollars ($5,000). The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. The Commissioner, in his discretion, may revoke or suspend the license or certificate of authority of the person, firm or corporation guilty of such willful violation. Such order for suspension or revocation shall be upon notice and hearing, and shall be subject to judicial review as provided in G.S. 58-57-75. Any creditor who requires credit life insurance or credit accident and health insurance, or both, in excess of the amounts set forth in G.S. 58-57-15 or who violates the provisions of G.S. 58-57-65 shall be guilty of a Class 3 misdemeanor, the penalty for which shall only be a fine of two thousand dollars ($2,000) for each such occurrence or violation."

F. MONETARY FORFEITURE NOT LESS THAN $1000 NOR ORE THAN $5000 FOR FAILURE TO COMPLY WITH CEASE AND DESIST ORDER CONCERNING UNFAIR TRADE PRACTICE

Section 88. G.S. 58-63-50 reads as rewritten:

"**§ 58-63-50. Penalty.**

Any person who willfully violates a cease and desist order of the Commissioner under G.S. 58-63-32, after it has become final, and while the order is in effect, shall forfeit and pay to the Commissioner ~~for the use of the public schools of the county or counties in which the act or acts complained of occurred~~ the sum of not less than one thousand dollars ($1,000) nor more than five thousand dollars ($5,000) for each violation, which if not paid shall be recovered in a civil action instituted in the name of the Commissioner in the Superior Court of Wake County. The clear proceeds of forfeitures provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. PENALTY OF NOT LESS THAN $100 OR GREATER THAN $2000 AGAINST COLLECTION AGENCIES FOR VIOLATING COLLECTION OF DEBT RULES

Section 89. (a) G.S. 58-70-130 is amended by adding a new subsection to read:

"(d) The clear proceeds of civil penalties imposed under this section in suits instituted by the Attorney General shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 58-39-95(c) is amended by adding a new subsection to read:

"(c) The clear proceeds of any civil penalties levied pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. CIVIL PENALTIES OF $250 ASSESSED FOR VIOLATION OF BAIL BONDSMEN AND RUNNERS LAW

Section 90. G.S. 58-71-80(b) reads as rewritten:

"(b) The Commissioner, in lieu of revoking or suspending a license in accordance with the provisions of this Article, may, in any one proceeding, by order, require the licensee to pay ~~to the school fund in the licensee's county of residence~~ a civil penalty of two hundred fifty dollars ($250.00) for each offense. The Commissioner shall remit the clear proceeds of these civil penalties to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Upon the licensee's failure to pay the penalty within 20 days after the order is mailed, postage prepaid, registered and addressed to the licensee's last known place of business, unless the order is stayed by an order of the court of competent jurisdiction or unless the Commissioner has already suspended or revoked the license of the licensee, the Commissioner may revoke the license or may suspend the license for any period."

I. FORFEITURE OF $500 FOR OFFICER ACTING WITHOUT BOND

Section 91. G.S. 58-72-5 reads as rewritten:

"**§ 58-72-5. Penalty for officer acting without bond.**

Every person or officer of whom an official bond is required, who presumes to discharge any duty of his office before executing such bond in the manner prescribed by law, is liable to a forfeiture of five hundred dollars ($500.00) to the use of the State for each attempt so to exercise his office. The clear proceeds of forfeitures provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. CIVIL PENALTY NOT LESS THAN $100 NOR MORE THAN $500 FOR VIOLATING MANUFACTURED HOMES WARRANTIES LAW

Section 92. G.S. 143-143-13(c) reads as rewritten:

"(c) In addition to the authority to deny, suspend, or revoke a license under this Article, the Board also has the authority to impose a civil penalty upon any person violating the provisions of this Article. Upon a finding by the Board of a violation of

this Article, the Board shall direct the payment of a penalty of not less than one hundred dollars ($100.00) nor more than five hundred dollars ($500.00). In determining the amount of the penalty, the Board shall consider the degree and extent of harm caused by the violation, the amount of money that inured to the benefit of the violator as a result of the violation, whether the violation was committed willfully, and the prior record of the violator in complying or failing to comply with laws, rules, or orders applicable to the violator. Each day during which a violation occurs shall constitute a separate offense. The penalty shall be payable to the ~~Board, which shall then forward the clear proceeds of which to the State Treasurer for deposit in the General Fund of the State.~~ Board. The Board shall remit the clear proceeds of penalties provided for in this subsection to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.7

Payment of the civil penalty under this section shall be in addition to payment of any other penalty for a violation of the criminal laws of this State. Nothing in this subsection shall prevent the Board from negotiating a mutually acceptable agreement with any person as to the status of the person's license or certificate or as to any civil penalty."

K. CIVIL PENALTIES NOT TO EXCEED $1000 PER VIOLATION IMPOSED FOR VIOLATIONS OF THE UNIFORM STANDARDS FOR MANUFACTURED HOMES

Section 93. G.S. 143-151(a) reads as rewritten:

"(a) Whoever violates (i) the provisions of this Article; or (ii) any rules promulgated under this Article, shall be liable for civil penalty not to exceed one thousand dollars ($1,000) for each violation. Each such violation shall constitute a separate violation with respect to each manufactured home or with respect to each failure or refusal to allow or perform an act required thereby, except that the maximum civil penalty may not exceed one million dollars ($1,000,000) for any related series of violations occurring within one year from the date of the first violation. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART VII. DEPARTMENT OF JUSTICE

A. CIVIL PENALTY OF $100 IMPOSED AGAINST JUDGMENT CREDITOR FAILING TO FILE NOTICE OF RECEIPT OF PAYMENT WITH CLERK OF SUPERIOR COURT

Section 94. G.S. 1-239(c) reads as rewritten:

"(c) Upon receipt by the judgment creditor of any payment of money upon a judgment, the judgment creditor shall within 60 days after receipt of the payment give satisfactory notice thereof to the clerk of the superior court in which the judgment was rendered, and the clerk shall thereafter promptly enter the payment on the judgment docket of the court, and the clerk shall immediately forward a certificate

thereof to the clerk of the superior court of each county to whom a transcript of the judgment has been sent, and the clerk of each superior court shall thereafter promptly enter the same on the judgment docket of the court and file the original with the judgment roll in the action. If the judgment creditor fails to file the notice required by this subsection within 30 days following written demand by the debtor, he may be required to pay a civil penalty of one hundred dollars ($100.00) in addition to attorneys' fees and any loss caused to the debtor by such failure. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. FINE NOT TO EXCEED $2000 PAID TO COURT FOR UNLAWFULLY WITHHOLDING TITLE TO AN OFFICE (QUO WARRANTO)

Section 95. G.S. 1-527 reads as rewritten:

"**§ 1-527. Judgment in such actions.**

In every such case judgment shall be rendered upon the right of the defendant, and also upon the right of the party alleged to be entitled, or only upon the right of the defendant, as justice requires. When the defendant, whether a natural person or corporation, against whom the action has been brought, is adjudged guilty of usurping or intruding into, or unlawfully holding or exercising any office, franchise or privilege, judgment shall be rendered that the defendant be excluded from such office, franchise or privilege, and also that the plaintiff recover costs against him. The court may also, in its discretion, fine the defendant a sum not exceeding two thousand dollars ($2000). The clear proceeds of the fine shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. COURT MAY ASSESS CIVIL PENALTIES AGAINST ANYONE OPERATING A PYRAMID OR CHAIN SCHEME IN VIOLATION OF LOTTERY AND GAMING LAWS

Section 96. G.S. 14-291.2(c) reads as rewritten:

"(c) Any judge of the superior court shall have jurisdiction, upon petition by the Attorney General of North Carolina or district attorney of the superior court, to enjoin, as an unfair or deceptive trade practice, the continuation of the scheme described in subsection (a); in such proceeding the court may assess civil penalties and attorneys' fees to the Attorney General or the District Attorney pursuant to G.S. 75-15.2 and 75-16.1; and the court may appoint a receiver to secure and distribute assets obtained by any defendant through participation in any such scheme. The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CIVIL PENALTIES NOT TO EXCEED $25,000 ASSESSED FOR VIOLATIONS OF THE INVENTION DEVELOPMENT SERVICES LAW

Section 97. G.S. 66-216 reads as rewritten:

"**§ 66-216. Enforcement.**

The Attorney General shall enforce this Article and may recover a civil penalty not to exceed twenty-five thousand dollars ($25,000) for each violation of this Article and may seek equitable relief to restrain the violation of this Article. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. CIVIL PENALTIES OF NOT MORE THAN $2000 ASSESSED FOR VIOLATION OF LAWS AND REGULATIONS GOVERNING PRIVATE PROTECTIVE SERVICES

Section 98. G.S. 74C-17(c) reads as rewritten:

"(c) In lieu of revocation or suspension of a license or permit under G.S. 74C-12, a civil penalty of not more than two thousand dollars ($2,000) may be assessed by the Board against any person or business who violates any provision of this Chapter or any rule of the Board adopted pursuant to this Chapter. In determining the amount of any penalty, the Board shall consider the degree and extent of harm caused by the violation. The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. CIVIL PENALTIES OF NOT MORE THAN $5000 ASSESSED BY THE COURTS FOR KNOWING VIOLATIONS OF MONOPOLIES, TRUSTS AND CONSUMER PROTECTION LAWS OR RELATED COURT ORDERS.

Section 99. G.S. 75-15.2 reads as rewritten:

"**§ 75-15.2. Civil penalty.**

In any suit instituted by the Attorney General, in which the defendant is found to have violated G.S. 75-1.1 and the acts or practices which constituted the violation were, when committed, knowingly violative of a statute, the court may, in its discretion, impose a civil penalty against the defendant of up to five thousand dollars ($5,000) for each violation. In any action brought by the Attorney General pursuant to this Chapter in which it is shown that an action or practice when committed was specifically prohibited by a court order, the Court may, in its discretion, impose a civil penalty of up to five thousand dollars ($5,000) for each violation. Civil penalties may be imposed in a new action or by motion in an earlier action, whether or not such earlier action has been concluded. In determining the amount of the civil penalty, the court shall consider all relevant circumstances, including, but not limited to, the extent of the harm caused by the conduct constituting a violation, the nature and persistence of such conduct, the length of time over which the conduct occurred, the assets, liabilities, and net worth of the person, whether corporate or individual, and any corrective action taken by the defendant. ~~Any penalty so assessed shall be paid to the General Fund of the State of North Carolina.~~ The clear proceeds of penalties so assessed shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. FINE UP TO $2000 PER PERSON FOR LENDER REQUIRING BORROWER TO DEAL WITH A PARTICULAR INSURER OR FOR APPROVING INSURER ON DISCRIMINATORY BASIS

Section 100. G.S. 75-19 reads as rewritten:

"§ 75-19. Violators subject to fine and injunction.

The superior court, on complaint by any person that G.S. 75- 17 or 75-18 is being violated, may issue an injunction against such violation and may fine all persons, firms, corporations, and officers, directors, trustees, agents, employees, or affiliates of such up to two thousand dollars ($2,000) per person for such violation. In event of a disregard of such injunction or other court order, the superior court shall hold such parties in contempt and prescribe such further penalties as the court in its discretion shall so determine. The clear proceeds of fines provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. CIVIL PENALTY NOT TO EXCEED $2000 FOR DEBT COLLECTORS WHO ATTEMPT TO COLLECT DEBTS IN UNAUTHORIZED MANNER

Section 101. G.S. 75-56 reads as rewritten:

"§ 75-56. Application.

The specific and general provisions of this Article shall exclusively constitute the unfair or deceptive acts or practices proscribed by G.S. 75-1.1 in the area of commerce regulated by this Article. Notwithstanding the provisions of G.S. 75-15.2 and 75-16, in private actions or actions instituted by the Attorney General, civil penalties in excess of two thousand dollars ($2,000) shall not be imposed, nor shall damages be trebled for any violation under this Article. The clear proceeds of civil penalties imposed in actions instituted by the Attorney General shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. CIVIL PENALTY OF $1000 FOR KNOWINGLY INDUCING OR ATTEMPTING TO INDUCE SOMEONE TO VIOLATE THE MOTOR FUEL MARKETING ACT

Section 102. G.S. 75-83 read as rewritten:

"§ 75-83. Unlawful inducement; civil penalty.

It shall be unlawful to knowingly induce, or to knowingly attempt to induce, a violation of this Article, whether by otherwise lawful or unlawful means. In any action initiated by the Attorney General, anyone found to have violated this provision shall be subject to the civil penalty applicable to the sales made in violation of this Article; or, if no sales were made, to a civil penalty of one thousand dollars ($1,000). The clear proceeds of any civil penalties imposed in any actions initiated by the Attorney General under this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. CIVIL PENALTY OF NOT MORE THAN $1000 PER OFFENSE FOR ESTABLISHING A PRICE IN VIOLATION OF THE MOTOR FUEL MARKETING ACT

Section 103. G.S. 75-84 reads as rewritten:

"§ 75-84. Separate offenses; injunctions.

Each act of establishing a price in violation of this Article shall constitute a separate offense by the seller and the civil penalty for each offense shall be not more than one thousand dollars ($1,000). Upon a proper showing by the Attorney General or his delegate, further violations may be temporarily or permanently enjoined.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

K. ATTORNEY GENERAL MAY SEEK CIVIL PENALTIES FOR VIOLATIONS OF THE MOTOR FUEL MARKETING ACT

Section 104. G.S. 75-85 reads as rewritten:

"§ 75-85. Investigations by Attorney General.

The Attorney General is authorized to investigate any allegation of a violation of this Article made by a motor fuel merchant or by an association or group of motor fuel merchants. If an investigation discloses a violation, the Attorney General may exercise the authority under this Article to seek an injunction and he may also seek civil penalties. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

L. CIVIL PENALTIES OF NOT MORE THAN $100,000 ASSESSED BY THE COURTS FOR UNLAWFUL ACTIVITIES IN CONNECTION WITH CERTAIN CORPORATE TRANSACTIONS; COURT MAY TREBLE PENALTY IF CONDUCT IS WILLFUL

Section 105. G.S. 75E-5 reads as rewritten:

"§ 75E-5. Civil penalties.

In any suit instituted by the Attorney General in which the defendant is found to have violated G.S. 75E-2, the court may, in its discretion, impose a civil penalty against the defendant of not more than one hundred thousand dollars ($100,000) for each violation; provided that, if the court shall determine that such violation was willful, it may in its discretion treble such penalty; provided, further, that in either of the foregoing circumstances, the court may in its discretion award to the Attorney General costs and reasonable attorneys' fees. ~~Any penalty assessed pursuant to this section shall be paid to the General Fund of the State of North Carolina.~~ The clear proceeds of any penalty assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

M. CIVIL PENALTIES AND FORFEITURE OF PERSONAL AND REAL PROPERTY AUTHORIZED IN NUISANCE ACTIONS

Section 106. G.S. 19-6 reads as rewritten:

"§ 19-6. Civil penalty; forfeiture; accounting; lien as to expenses of abatement; invalidation of lease.

Lewd matter is contraband, and there are no property rights therein. All personal property, including all money and other considerations, declared to be a nuisance under the provisions of G.S. 19-1.3 and other sections of this Article, are subject to forfeiture to the local government and are recoverable as damages in the county wherein such matter is sold, exhibited or otherwise used. Such property including moneys may be traced to and shall be recoverable from persons who, under G.S. 19-2.4, have knowledge of the nuisance at the time such moneys are received by them.

Upon judgment against the defendant or defendants in legal proceedings brought pursuant to this Article, an accounting shall be made by such defendant or defendants of all moneys received by them which have been declared to be a nuisance under this Article. An amount equal to the sum of all moneys estimated to have been taken in as gross income from such unlawful commercial activity shall be forfeited to the general funds of the city and county governments wherein such activity took place, to be shared equally, as a forfeiture of the fruits of an unlawful enterprise, and as partial restitution for damages done to the public welfare; provided, however, that no provision of this Article shall authorize the recovery of any moneys or gross income received from the sale of any book, magazine, or exhibition of any motion picture prior to the issuance of a preliminary injunction. Where the action is brought pursuant to this Article, special injury need not be proven, and the costs of abatement are a lien on both the real and personal property used in maintaining the nuisance. Costs of abatement include, but are not limited to, reasonable attorney's fees and court costs.

If it is judicially found after an adversary hearing pursuant to this Article that a tenant or occupant of a building or tenement, under a lawful title, uses such place for the purposes of lewdness, assignation, prostitution, gambling, sale or possession of illegal alcoholic beverages or substances proscribed under the North Carolina Controlled Substances Act, such use makes void the lease or other title under which he holds, at the option of the owner, and, without any act of the owner, causes the right of possession to revert and vest in such owner.

The clear proceeds of civil penalties and forfeitures provided for in this section, except for penalties and properties that accrue to local governments instead of the State, shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART VIII. DEPARTMENT OF LABOR

A. CIVIL PENALTIES PURSUANT TO G.S. 95-25.23 FOR PERSONS REQUIRED TO COMPLY WITH FAIR LABOR STANDARDS ACT WHO VIOLATE N.C. YOUTH EMPLOYMENT LAW/YOUTH EMPLOYMENT -- CIVIL PENALTIES NOT TO EXCEED $250 PER VIOLATION ASSESSED AGAINST EMPLOYERS FOR VIOLATING YOUTH EMPLOYMENT LAWS

Section 107. G.S. 95-25.23(c) reads as rewritten:

"(c) ~~Sums collected under this section by the Commissioner shall be paid into the General Fund of the State treasury.~~ The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY OF UP TO $250 PER EMPLOYEE NOT TO EXCEED $1000 PER INVESTIGATION FOR VIOLATING RECORD-KEEPING REQUIREMENTS OF WAGE AND HOUR ACT

Section 108. G.S. 95-25.23A(c) reads as rewritten:

"(c) ~~Sums collected under this section by the Commissioner shall be paid into the General Fund.~~ The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. PRIVATE PERSONNEL SERVICES -- FINES UP TO $250 AND CIVIL PENALTIES NOT LESS THAN $50 NOR MORE THAN $100 PER DAY, UP TO $2000 IMPOSED UPON SERVICES WHICH VIOLATE LAW OR RULES OR OPERATES WITHOUT A LICENSE/CIVIL PENALTIES (LIKE THAT IMPOSED IN 95-47.9(e)) IMPOSED FOR OPERATING A JOB LISTING SERVICE WITHOUT A VALID LICENSE

Section 109. G.S. 95-47.9(e) reads as rewritten:

"(e) Any person who operates as a private personnel service without first obtaining the appropriate license (i) shall be guilty of a Class 1 misdemeanor; and (ii) be subject to a civil penalty of not less than fifty dollars ($50.00) nor more than one hundred dollars ($100.00) for each day the private personnel service operates without a license, the penalty not to exceed a total of two thousand dollars ($2,000). Actions to recover civil penalties shall be initiated by the Attorney ~~General and any such penalties collected shall be deposited to the general fund.~~ General. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CIVIL PENALTIES NOT TO EXCEED $250 -N $500 PER DAY OR NOT TO EXCEED $1000 ASSESSED FOR VIOLATIONS OF THE AMUSEMENT DEVICE SAFETY ACT

Section 110. G.S. 95-111.4(17) reads as rewritten:

"(17) To order the payment of all civil penalties provided by this Article. ~~Funds~~ The clear proceeds of funds collected pursuant to a civil penalty order shall be ~~deposited with the State Treasurer;~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2; and".

E. OSHA -- CIVIL PENALTIES OF &7000 AND CIVIL PENALTIES NOT LESS THAN $5000 NOR GREATER THAN $70,000 ASSESSED AGAINST EMPLOYERS FOR OSHA VIOLATIONS

Section 111. G.S. 95-138(b) reads as rewritten:

"(b) ~~All~~ The clear proceeds of all civil penalties and interest recovered by the Commissioner, together with the costs thereof, shall be ~~paid into the general fund of the State treasury.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. CIVIL PENALTIES OF NOT MORE THAN $1000 ASSESSED FOR VIOLATIONS OF THE LAWS CONCERNING IDENTIFICATION OF TOXIC OR HAZARDOUS SUBSTANCES/CIVIL PENALTIES (AS PROVIDED IN G.S. 95-195(c)) ASSESSED AGAINST EMPLOYER WHICH REFUSES TO LIST CHEMICALS USED OR STORED AT THE EMPLOYMENT FACILITY

Section 112. G.S. 95-195(c) reads as rewritten:

"(c) If the Commissioner of Labor finds that the employer violated this Article, the Commissioner shall order the employer to comply within 14 days following receipt of written notification of the violation. Employers not complying within 14 days following receipt of written notification of a violation shall be subject to civil penalties of not more than one thousand dollars ($1,000) per violation imposed by the Commissioner of Labor. There shall be a separate offense for each day the violation continues. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. CONTROLLED SUBSTANCES EXAMINATION ACT -- CIVIL PENALTY UP TO $250 PER EXAMINEE NOT TO EXCEED $1000 PER INVESTIGATION ASSESSED AGAINST EXAMINES WHO VIOLATE CSE ACT

Section 113. G.S. 95-234(c) reads as rewritten:

"(c) ~~Sums collected under this section by the Commissioner shall be paid into the General Fund.~~ The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. $25 CIVIL PENALTY FOR EMPLOYER FAILING TO NOTIFY THE INDUSTRIAL COMMISSION AND EMPLOYEE WHEN WORKERS' COMPENSATION FINAL PAYMENT HAS BEEN MADE

Section 114. G.S. 97-18(h) reads as rewritten:

"(h) Within 16 days after final payment of compensation has been made, the employer shall send to the Commission and the employee a notice, in accordance with a form prescribed by the Commission, stating that such final payment has been made, the total amount of compensation paid, the name of the employee and of any other person to whom compensation has been paid, the date of the injury or death, and the date to which compensation has been paid. If the employer fails to so notify the Commission or the employee within such time, the Commission shall assess against such employer a civil penalty in the amount of twenty-five dollars ($25.00). The clear proceeds of civil penalties provided assessed pursuant to this section shall

be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. INDUSTRIAL COMMISSION -- CIVIL PENALTIES OF $1 PER EMPLOYEE, BUT NOT LESS THAN $50 NOR MORE THAN $100 PER DAY ASSESSED FOR EMPLOYER'S FAILURE TO SECURE THE PAYMENT OF COMPENSATION

Section 115. G.S. 97-94(b) reads as rewritten:

"(b) Any employer required to secure the payment of compensation under this Article who refuses or neglects to secure such compensation shall be punished by a penalty of one dollar ($1.00) for each employee, but not less than fifty dollars ($50.00) nor more than one hundred dollars ($100) for each day of such refusal or neglect, and until the same ceases; and the employer shall be liable during continuance of such refusal or neglect to an employee either for compensation under this Article or at law at the election of the injured employee.

The penalty herein provided may be assessed by the Industrial Commission administratively, with the right to a hearing if requested within 30 days after notice of the assessment of the penalty and the right of review and appeal as in other cases. Enforcement of the penalty shall be made by the Office of the Attorney General.The clear proceeds of penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART IX. DEPARTMENT OF REVENUE

A. CIVIL PENALTY OF $100 AND $1000 FOR DISCIPLINARY EMPLOYMENT ACTION AGAINST DEBTOR WHO HAS MONEY WITHHELD

Section 116. G.S. 105B-4(b) reads as rewritten:

"(b) A payor shall not discharge from employment, refuse to employ, or otherwise take disciplinary action against any debtor because of the withholding. When a court finds that a payor has taken any of these actions, the payor shall be liable for a civil ~~penalty to be paid to the county school fund.~~ penalty. For a first offense, the civil penalty shall be one hundred dollars ($100.00). For second and third offenses, the civil penalty shall be five hundred dollars ($500.00) and one thousand dollars ($1,000), respectively. Any payor who violates any provision of this paragraph shall be liable in a civil action for reasonable damages suffered by a debtor as a result of the violation, and a debtor discharged or demoted in violation of this paragraph shall be entitled to be reinstated to his former position. The statute of limitations for actions under this subsection shall be one year pursuant to G.S. 1-54.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART X. SECRETARY OF STATE

A. CIVIL PENALTY OF $10 PER DAY NOT TO EXCEED $1000 AGAINST FOREIGN CORPORATIONS TRANSACTING BUSINESS WITHOUT AUTHORITY

Section 117. G.S. 55-15-02(d) reads as rewritten:

"(d) A foreign corporation failing to obtain a certificate of authority as required by this Chapter or by prior acts then applicable shall be liable to the State for the years or parts thereof during which it transacted business in this State without a certificate of authority in an amount equal to all fees and taxes which would have been imposed by law upon such corporation had it duly applied for and received such permission, plus interest and all penalties imposed by law for failure to pay such fees and taxes. In addition, the foreign corporation shall be liable for a civil penalty of ten dollars ($10.00) for each day, but not to exceed a total of one thousand dollars ($1,000) for each year or part thereof, it transacts business in this State without a certificate of authority. The Attorney General may bring actions to recover all amounts due the State under the provisions of this subsection.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY OF $10 PER DAY NOT TO EXCEED $1000 AGAINST FOREIGN CORPORATIONS FOR CONDUCTING AFFAIRS WITHOUT AUTHORITY

Section 118. G.S. 55A-15-02(b) reads as rewritten:

"(b) A foreign corporation failing to obtain a certificate of authority as required by this Chapter or by prior acts then applicable shall be liable to the State for the years or parts thereof during which it conducted affairs in this State without a certificate of authority in an amount equal to all fees and taxes which would have been imposed by law upon the corporation had it duly applied for and received such permission, plus interest and all penalties imposed by law for failure to pay such fees and taxes. In addition, the foreign corporation shall be liable for a civil penalty of ten dollars ($10.00) for each day, but not to exceed a total of one thousand dollars ($1,000) for each year or part thereof, it conducts affairs in this State without a certificate of authority. The Attorney General may bring actions to recover all amounts due the State under the provisions of this subsection. The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. CIVIL PENALTY OF $10 PER DAY NOT TO EXCEED $1000 PER YEAR AGAINST FOREIGN LLCS FOR TRANSACTING BUSINESS WITHOUT AUTHORITY

Section 119. G.S. 57C-7-03(b) reads as rewritten:

"(b) A foreign limited liability company failing to obtain a certificate of authority as required by this Chapter shall be liable to the State for the years or parts thereof during which it transacted business in this State without a certificate of authority in an amount equal to all fees and taxes which would have been imposed by law upon the foreign limited liability company had it duly applied for and received such permission, plus interest and all penalties imposed by law for failure to pay such fees and taxes. In addition, the foreign limited liability company shall be liable for a civil

penalty of ten dollars ($10.00) for each day, but not to exceed a total of one thousand dollars ($1,000) for each year or part thereof, it transacts business in this State without a certificate of authority. The Attorney General may bring actions to recover all amounts due the State under the provisions of this subsection. The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. SECURITIES DIVISION -- CIVIL PENALTIES UP TO $2500 OR $25,000 ASSESSED FOR SINGLE OR MULTIPLE VIOLATIONS OF SECURITIES ACT

Section 120. G.S. 78A-47(c) reads as rewritten:

"(c) The Administrator may issue an order against an applicant, registered person, or other person who willfully violates this Chapter or a rule or order of the Administrator under this Chapter:

(1) Imposing a civil penalty of up to two thousand five hundred dollars ($2,500) for a single violation or of up to twenty-five thousand dollars ($25,000) for multiple violations in a single proceeding or a series of related proceedings; and

(2) Requiring reimbursement of the costs of investigation.

The clear proceeds of civil penalties imposed under this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Any ~~civil penalty or~~ reimbursement imposed under this subsection shall be paid into the General Fund. No order under this subsection may be entered without prior notice and an opportunity for a hearing conducted pursuant to Article 3 of Chapter 150B of the General Statutes."

E. SECURITIES DIVISION -- CIVIL PENALTIES UP TO $2500 OR $25,000 ASSESSED FOR WILLFUL VIOLATIONS OF THE INVESTMENT ADVISERS ACT OR RELATED RULES AND ORDERS

Section 121. G.S. 78C-28(c) reads as rewritten:

"(c) The Administrator may issue an order against an applicant, registered person, or other person who willfully violates this Chapter or a rule or order of the Administrator under this Chapter:

(1) Imposing a civil penalty of up to two thousand five hundred dollars ($2,500) for a single violation or of up to twenty-five thousand dollars ($25,000) for multiple violations in a single proceeding or a series of related proceedings; and

(2) Requiring reimbursement of the costs of investigation.

The clear proceeds of civil penalties imposed under this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Any ~~civil penalty or~~ reimbursement imposed under this subsection shall be paid into the General Fund. No order authorized by this subsection may be entered without prior notice of an opportunity for a hearing conducted pursuant to Article 3 of Chapter 150B of the General Statutes."

F. SECURITIES DIVISION -- CIVIL PENALTIES UP TO $2500 OR $25,000 ASSESSED FOR WILLFUL VIOLATING INVESTMENT ADVISERS ACT CONCERNING REGULATION OF ATHLETE AGENT OR RELATED RULES AND ORDERS

Section 122. (a) G.S. 78C-79 is amended by adding a new subsection to read:

"(d) The clear proceeds of civil penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 78C-74 reads as rewritten:

"**§ 78C-74. Disposition of fees.**

~~Fees~~ Except as otherwise provided, fees and other funds received under this Article by the Secretary of State shall be deposited in the State treasury to the credit of the General Fund."

G. SECURITIES DIVISION -- CIVIL PENALTIES NOT TO EXCEED $25,000 OR $50,000 ASSESSED FOR VIOLATION OF THE COMMODITIES ACT

Section 123. G.S. 78D-22(a) reads as rewritten:

"(a) If the Administrator believes, whether or not based upon an investigation conducted under G.S. 78D-21 that any person has engaged or is about to engage in any act or practice constituting a violation of any provision of this Chapter or any rule or order hereunder, the Administrator may:

(1) Issue a cease and desist order;

(2) Issue an order imposing a civil penalty in an amount which may not exceed twenty-five thousand dollars ($25,000) for any single violation or five hundred thousand dollars ($500,000) for multiple violations in a single proceeding or a series of related proceedings;

(3) Issue an order requiring reimbursement of the costs of investigation; or

(4) Initiate any of the actions specified in subsection (b) of this section.

The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Any ~~civil penalty or~~ reimbursement of costs imposed by this subsection shall be paid to the General Fund."

H. CIVIL PENALTY IMPOSED AT THE COURT'S DISCRETION NOT TO EXCEED $25,000 OR $500,000 FOR VIOLATING COMMODITIES ACT

Section 124. G.S. 78D-23(a) reads as rewritten:

"(a) (1) Upon a proper showing by the Administrator that a person has violated, or is about to violate, any provision of this Chapter or any rule or order of the Administrator, any court of competent jurisdiction may grant appropriate legal or equitable remedies.

(2) Upon showing of violation of this Chapter or a rule or order of the Administrator, the court, in addition to traditional legal and

equitable remedies, including temporary restraining orders, permanent or temporary prohibitory or mandatory injunctions, and writs of prohibition or mandamus, may grant the following special remedies:

a. Imposition of a civil penalty in an amount which may not exceed twenty-five thousand dollars ($25,000) for any single violation or five hundred thousand dollars ($500,000) for multiple violations in a single proceeding or a series of related proceedings;

b. Disgorgement;

c. Declaratory judgment;

d. Restitution to investors wishing restitution; and

e. Appointment of a receiver or conservator for the defendant or the defendant's assets.

(3) Appropriate remedies when the defendant is shown only about to violate this Chapter or a rule or order of the Administrator shall be limited to:

a. A temporary restraining order;

b. A temporary or permanent injunction;

c. A writ of prohibition or mandamus; or

d. An order appointing a receiver or conservator for the defendant or the defendant's assets.

The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. CIVIL PENALTY OF $5000 OR $25,000 FOR WILLFUL VIOLATION OF PROVISIONS CONCERNING BOXING IN STATE

Section 125. G.S. 143-658(a) reads as rewritten:

"(a) Civil Penalties. -- The Secretary of State may issue an order against a licensee or other person who willfully violates any provision of this Article, imposing a civil penalty of up to five thousand dollars ($5,000) for a single violation or of up to twenty-five thousand dollars ($25,000) for multiple violations in a single proceeding or a series of related proceedings. No order under this subsection may be entered without giving the licensee or other person 15 days' prior notice and an opportunity for a contested case hearing conducted pursuant to Article 3 of Chapter 150B of the General Statutes.

The clear proceeds of civil penalties imposed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XI. UTILITIES COMMISSION

A. UNSPECIFIED CIVIL PENALTY FOR VIOLATING SAFETY STANDARDS FOR GAS PIPELINE FACILITIES. MAXIMUM AMOUNT OF PENALTY NOT TO EXCEED THE MAXIMUM AMOUNT IF PENALTY HAD BEEN IMPOSED BY SECRETARY OF U.S. DEPARTMENT OF TRANSPORTATION UNDER 49 U.S.C. APPROXIMATELY §1679a(a)/ FORFEITURE OF $1000 BY PUBLIC UTILITIES FOR PROVIDING UNAUTHORIZED SERVICES OR FOR FAILURE TO PROVIDE SERVICES AS AUTHORIZED

Section 126. G.S. 62-302(d) reads as rewritten:

"(d) Use of Proceeds. -- A special fund in the office of State Treasurer, the Utilities Commission and Public Staff Fund, is created. The fees collected pursuant to this section and all other funds received by the Commission or the Public ~~Staff~~ Staff, except for the clear proceeds of civil penalties collected pursuant to G.S. 62-50(d) and the clear proceeds of funds forfeited pursuant to G.S. 62-310(a), shall be deposited in the Utilities Commission and Public Staff Fund. The Fund shall be placed in an interest bearing account and any interest or other income derived from the Fund shall be credited to the Fund. Monies in the Fund shall only be spent pursuant to appropriation by the General Assembly.

The Utilities Commission and Public Staff Fund shall be subject to the provisions of the Executive Budget Act except that no unexpended surplus of the Fund shall revert to the General Fund. All funds credited to the Utilities Commission and Public Staff Fund shall be used only to pay the expenses of the Commission and the Public Staff in regulating public utilities in the interest of the public as provided by this Chapter.

The clear proceeds of civil penalties collected pursuant to G.S. 62-50(d) and the clear proceeds of funds forfeited pursuant to G.S. 62-310(a) shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XII. ALARM SYSTEM LICENSING BOARD

A. CIVIL PENALTY OF NOT MORE THAN $2000 FOR VIOLATIONS OF ALARM SYSTEMS LICENSING ACT OR RULES OF ALARM SYSTEMS LICENSING BOARD

Section 127. G.S. 74D-11(d) reads as rewritten:

"(d) In lieu of revocation of suspension of a license or registration under G.S. 74D-10, a civil penalty of not more than two thousand dollars ($2,000) may be assessed by the Board against any person who violates any provision of this Chapter, or any rule of the Board adopted pursuant to this Chapter. In determining the amount of any penalty, the Board shall consider the degree and extent of harm caused by the violation. ~~All~~ The clear proceeds of all penalties collected under this section ~~will be deposited in the General Fund.~~ shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XIII. BOARD OF ARCHITECTURE

A. CIVIL PENALTY OF NOT MORE THAN $500 PER VIOLATION FOR DISHONEST, INCOMPETENT OR UNPROFESSIONAL CONDUCT BY A REGISTRANT

Section 128. G.S. 83A-15(b) reads as rewritten:

"(b) Actions to recover civil penalties against any registrant may be commenced by the Board pursuant to Chapter 150B of the General Statutes. In determining the amount of any civil penalty, the Board shall consider the degree and extent of harm caused by the violation. ~~Any~~ The clear proceeds of any civil penalty collected hereunder shall be ~~deposited to the General Fund.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTIES NOT TO EXCEED $500 PER DAY AUTHORIZED AGAINST NON-REGISTERED PERSON OR CORPORATION MISREPRESENTING THEMSELVES AS AN ARCHITECT OR PRACTICING ARCHITECTURE

Section 129. G.S. 83A-16(a) reads as rewritten:

"(a) Any individual or corporation not registered under this Chapter, who shall wrongfully use the title 'Architect' or represent himself or herself to the public as an architect, or practice architecture as herein defined, or seek to avoid the provisions of this Chapter by the use of any other designation than 'Architect': (i) shall be guilty of a Class 2 misdemeanor; and (ii) be subject to a civil penalty not to exceed five hundred dollars ($500.00) per day of such violation. Each day of such unlawful practice shall constitute a distinct and separate violation. ~~Any~~ The clear proceeds of any civil penalty collected hereunder shall be ~~deposited to the General Fund.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XIV. BOARD OF CPA EXAMINERS

A. CIVIL PENALTIES NOT TO EXCEED $1000 FOR VIOLATION OF RULES OF PROFESSIONAL CONDUCT

Section 130. G.S. 93-12(9) reads as rewritten:

"(9) Adoption of Rules of Professional Conduct; Disciplinary Action. -- The Board shall have the power to adopt rules of professional ethics and conduct to be observed by certified public accountants in this State. The Board shall have the power to revoke, either permanently or for a specified period, any certificate issued under the provisions of this Chapter to a certified public accountant or to censure the holder of any such certificate or to assess a civil penalty not to exceed one thousand dollars ($1,000) for any one or combination of the following causes:

a. Conviction of a felony under the laws of the United States or of any state of the United States.

b. Conviction of any crime, an essential element of which is dishonesty, deceit or fraud.

c. Fraud or deceit in obtaining a certificate as a certified public accountant.

d. Dishonesty, fraud or gross negligence in the public practice of accountancy.

e. Violation of any rule of professional ethics and professional conduct adopted by the Board.

Any disciplinary action taken shall be in accordance with the provisions of Chapter 150B of the General Statutes. ~~Any~~ The clear proceeds of any civil penalty assessed under this section shall be ~~collected by the Board and transferred to the State Treasurer for use in the General Fund.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XV. STATE BOARD OF ELECTIONS

A. $500 PENALTY FOR FAILURE OF PRESIDENTIAL ELECTOR TO ATTEND AND VOTE FOR PARTY CANDIDATE

Section 131. G.S. 163-212 reads as rewritten:

"**§ 163-212. Penalty for failure of presidential elector to attend and vote.**

Any presidential elector having previously signified his consent to serve as such, who fails to attend and vote for the candidate of the political party which nominated such elector, for President and Vice-President of the United States at the time and place directed in G.S. 163-210 (except in case of sickness or other unavoidable accident) shall forfeit and pay to the State five hundred dollars ($500.00), to be recovered by the Attorney General in the Superior Court of Wake County. In addition to such forfeiture, refusal or failure to vote for the candidates of the political party which nominated such elector shall constitute a resignation from the office of elector, his vote shall not be recorded, and the remaining electors shall forthwith fill such vacancy as hereinbefore provided.

The clear proceeds of forfeitures provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XVI. ELECTRICAL CONTRACTORS

A. CIVIL PENALTIES OF NOT MORE THAN $1000 IMPOSED FOR VIOLATIONS OF RULES AND REGULATIONS GOVERNING ELECTRICAL CONTRACTORS

Section 132. G.S. 87-47 reads as rewritten:

"**§ 87-47. Penalties imposed by Board; enforcement procedures.**

(a) Repealed by Session Laws 1989, c. 709, s. 9.

(a1) The following activities are prohibited:

(1) Offering to engage or engaging in electrical contracting without being licensed.

(2) Selling, transferring, or assigning a license, regardless of whether for a fee.

(3) Aiding or abetting an unlicensed person, partnership, firm, or corporation to offer to engage or to engage in electrical contracting.
(4) Being convicted of a crime involving fraud or moral turpitude.
(5) Engaging in fraud or misrepresentation to obtain a certification, obtain or renew a license, or practice electrical contracting.
(6) Engaging in false or misleading advertising.
(7) Engaging in malpractice, unethical conduct, fraud, deceit, gross negligence, gross incompetence, or gross misconduct in the practice of electrical contracting.

(a2) The Board may administer one or more of the following penalties if the applicant, licensee, or qualified individual has engaged in any activity prohibited under subsection (a1) of this section:
(1) Reprimand.
(2) Suspension from practice for a period not to exceed 12 months.
(3) Revocation of the right to serve as a listed qualified individual on any license issued by the Board.
(4) Revocation of license.
(5) Probationary revocation of license or the right to serve as a listed qualified individual on any license issued by the Board, upon conditions set by the Board as the case warrants, and revocation upon failure to comply with the conditions.
(6) Revocation of certification.
(7) Refusal to certify an applicant or a qualified individual.
(8) Refusal to issue a license to an applicant.
(9) Refusal to renew a license.

(a3) In addition to administering a penalty under subsection (a2) of this section, the Board may assess a civil penalty of not more than one thousand dollars ($1,000) against a licensee or a qualified individual who has engaged in an activity prohibited under subsection (a1) of this section or has violated another provision of this Article or a rule adopted by the Board. ~~Civil~~ The clear proceeds of civil penalties collected under this subsection shall be ~~deposited in the General Fund of North Carolina as nontax revenue.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

In determining the amount of a civil penalty, the Board shall consider:
(1) The degree and extent of harm to the public safety or to property, or the potential for harm.
(2) The duration and gravity of the violation.
(3) Whether the violation was committed willfully or intentionally, or reflects a continuing pattern.
(4) Whether the violation involved elements of fraud or deception either to the public or to the Board, or both.
(5) The violator's prior disciplinary record with the Board.

(6) Whether and the extent to which the violator profited by the violation.

(a4) Any person, including the Board and its staff on their own initiative, may prefer charges pursuant to this section, and such charges must be submitted in writing to the Board. The Board may, without a hearing, dismiss charges as unfounded or trivial. The Board may issue a notice of violation based on the charges, to be served by a member of the Board's staff or in accordance with Rule 4 of the Rules of Civil Procedure, against any person, partnership, firm, or corporation for engaging in an activity prohibited under subsection (a1) of this section or for a violation of the provisions of this Article or any rule adopted by the Board. The person or other entity to whom the notice of violation is issued may request a hearing by notifying the Board in writing within 20 days after being served with the notice of violation. Hearings shall be conducted by the Board or an administrative law judge pursuant to Article 3A of Chapter 150B of the General Statutes. In conducting hearings, the Board may remove the hearings to any county in which the offense, or any part thereof, was committed if in the opinion of the Board the ends of justice or the convenience of witnesses require such removal.

(a5) If the person or other entity does not request a hearing under subsection (a4) of this section, the Board shall enter a final decision and may impose penalties against the person or other entity. If the person or other entity is not a licensee or a qualified individual, the Board may impose penalties under subsection (a2) of this section. If the person or other entity is a licensee or a qualified individual, the Board may impose penalties under subsection (a2) of this section, subsection (a3) of this section, or both.

(b) The Board shall adopt and publish rules, in accordance with Chapter 150B of the General Statutes and consistent with the provisions of this Article, governing the matters contained in this section.

(c) The Board shall establish and maintain a system whereby detailed records are kept regarding charges and notices of violation pursuant to this section. This record shall include, for each person, partnership, firm, and corporation charged or notified of a violation, the date and nature of each charge or notice of violation, investigatory action taken by the Board, any findings by the Board, and the disposition of the matter.

(d) The Board may reinstate a qualified individual's certification and may reinstate a license after having revoked it, provided that one year has elapsed from revocation until reinstatement and that the vote of the Board for reinstatement is by a majority of its members.

The Board shall immediately notify the Secretary of State and the electrical inspectors within the licensee's county of residence upon the revocation of a license or the reissuance of a license which had been revoked.

(e) In any case in which the Board is entitled to convene a hearing to consider imposing any penalty provided for in subsection (a2) or (a3) of this section, the Board may accept an offer in compromise of the charge, whereby the accused shall pay to the Board a penalty of not more than one thousand dollars ($1,000). ~~Penalties~~ The

clear proceeds of penalties collected by the Board under this subsection shall be ~~deposited in the General Fund of North Carolina as nontax revenue.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XVII. BOARD OF EMPLOYEE ASSISTANCE PROFESSIONALS

A. CIVIL PENALTY NOT TO EXCEED $50 PER DAY FOR EMPLOYER ASSISTANCE PROFESSIONAL WHO FAILS TO BE LICENSED AS REQUIRED

Section 133. G.S. 90-506(c) reads as rewritten:

"(c) Civil penalties assessed by the Board pursuant to subdivision (3) of subsection (a) of this section are final 30 days after the date the assessment is served upon the alleged violation, unless the alleged violator seeks review by the Board within that time.

The clear proceeds of these civil penalties shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XVIII. STATE BOARD OF PROFESSIONAL ENGINEERS AND LAND SURVEYORS

A. CIVIL PENALTIES NOT TO EXCEED $2000 ASSESSED AGAINST PROFESSIONAL ENGINEERS AND LAND SURVEYORS WHO VIOLATE PROVISIONS OF THE ENGINEERING AND LAND SURVEYING ACT/CIVIL PENALTY ASSESSED AGAINST ENGINEERS AND LAND SURVEYORS WHO COMMIT FRAUD DECEIT, GROSS NEGLIGENCE, INCOMPETENCE, MISCONDUCT OR VIOLATE THE RULES OF PROFESSIONAL CONDUCT

Section 134. G.S. 89C-21(c) reads as rewritten:

"(c) The Board may levy a civil penalty not in excess of two thousand dollars ($2,000) for any engineer or land surveyor who violates any of the provisions of subdivisions (1) through (4) of subsection (a) of this section. ~~All~~ The clear proceeds of all civil penalties collected by the Board, including civil penalties collected pursuant to G.S. 89C-22(c), shall be ~~deposited in the General Fund of North Carolina.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XIX. NORTH CAROLINA BOARD FOR LICENSING OF SOIL SCIENTIST

A. CIVIL PENALTY NOT TO EXCEED $1000 FOR VIOLATION OF SOIL SCIENTIST LICENSING ACT

Section 135. G.S. 89F-5(c) reads as rewritten:

"(c) The Secretary-Treasurer shall deposit funds received by the ~~Board~~ Board, except for the clear proceeds of civil penalties assessed pursuant to G.S. 89F-20(b), in one or more funds in banks or other financial institutions carrying deposit insurance and authorized to do business in the State. Interest earned on funds may remain in the account and may be expended as authorized by the Board to carry out the provisions of this Chapter. The Board may authorize expenditures deemed necessary to carry out the provisions of this Chapter, and all expenses shall be paid upon the

warrant of the Secretary-Treasurer. During any fiscal year, expenditures shall not exceed the revenues of the Board.

The clear proceeds of civil penalties shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XX. VETERINARY MEDICAL BOARD

B. CIVIL PENALTY UP TO $5000 AGAINST LICENSED VETERINARIES FOR VIOLATING ARTICLE

Section 136. 90-187.8(b) reads as rewritten:

"(b) The Board may impose and collect from a licensee a civil monetary penalty of up to five thousand dollars ($5,000) for each violation of this Article or a rule adopted under this Article. The clear proceeds of these civil penalties shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

The amount of the civil penalty, up to the maximum, shall be determined upon a finding of one or more of the following factors:

(1) The degree and extent of harm to the public health or to the health of the animal under the licensee's care.
(2) The duration and gravity of the violation.
(3) Whether the violation was committed willfully or intentionally or reflects a continuing pattern.
(4) Whether the violation involved elements of fraud or deception either to the client or to the Board, or both.
(5) The prior disciplinary record with the Board of the licensee.
(6) Whether and the extent to which the licensee profited by the violation.

PART XXI. CAPE FEAR RIVER AND MOREHEAD CITY NAVIGATION AND PILOTAGE COMMISSIONS

A. FINES MAY BE ASSESSED FOR PILOTS WHO VIOLATE RULES OF COMMISSIONS

Section 137. (a) G.S. 76A-5(d) reads as rewritten:

"(d) Fine, License Suspension and Cancellation. -- The Commission shall have the power to fine or call in and suspend or cancel the license of any pilot found to be derelict of duty, in violation of the reasonable rules and regulations as set out by the Commission or for other just cause. Grounds for suspension or cancellation shall include but not be limited to: citation by the Coast Guard and/or Commission for careless or neglectful duty resulting in damage to property or personal harm; absence, neglect of duty, absence from duty for a period longer than four weeks without written submission to and written approval from the Commission chairman; other violations of regulations or in actions found by the Commission to be unduly disruptive of the pilotage and service and/or harmful to person or property.

The clear proceeds of fines levied pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 76A-35(d) reads as rewritten:

"(d) Fine, License Suspension and Cancellation. -- The Commission shall have the power to fine or call in and suspend or cancel the license of any pilot found to be derelict of duty, in violation of the reasonable rules and regulations as set out by the Commission or for other just cause. Grounds for suspension or cancellation shall include but not be limited to: citation by the Coast Guard and/or Commission for careless or neglectful duty resulting in damage to property or personal harm; absence, neglect of duty, absence from duty for a period longer than four weeks without written submission to and written approval from the Commission Chairman; other violations of regulations or in actions found by the Commission to be unduly disruptive of the pilotage and service and/or harmful to person or property.

The clear proceeds of fines levied pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXII. REAL ESTATE COMMISSION

A. $500 PENALTY FOR EACH VIOLATION OF TIME SHARE DEVELOPER LAWS

Section 138. G.S. 93A-54 is amended by adding a new subsection to read:

"(a1) The clear proceeds of fines collected pursuant to subsection (a) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXIII. MISCELLANEOUS PROVISIONS

EFFECT OF HEADINGS

Section 139. The headings to the parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act, except for effective dates referring to a Part.

EFFECTIVE DATE

Section 140. Except as otherwise provided, this act is effective when it becomes law.

Attachment 3

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ITEMS THE CASE LAW AND/OR STATUES REFER TO AS "TAXES"

PART I. DEPARTMENT OF REVENUE

A. 10% PENALTY FOR UNPAID INHERITANCE TAX

Section 1. G.S. 105-16 reads as rewritten:

"**§ 105-16. Interest and penalty.**

All taxes imposed by this Article shall be due and payable at the death of the testator, intestate, grantor, donor or vendor; if not paid within nine months from date of death of the testator, intestate, grantor, donor or vendor, such tax shall bear interest at the rate established pursuant to G.S. 105-241.1(i), to be computed from the expiration of nine months from the date of the death of such testator, intestate, grantor, donor or vendor until paid: Provided, that if the taxes herein levied shall not be paid in full within nine months from the later of the date of death of the testator, intestate, grantor, donor or vendor, or from the qualification of the executor or administrator, then and in such case a penalty of ten per centum (10%) upon the amount of taxes remaining due and unpaid shall be added: Provided further, that the penalty of ten per centum (10%) herein imposed may be remitted by the Secretary of Revenue in case of unavoidable delay in settlement of estate or of pending litigation, and the Secretary of Revenue is further authorized, in case of protracted litigation or other delay in settlement not attributable to laches of the party liable for the tax, to remit all or any portion of the interest charges accruing under this schedule, with respect to so much of the estate as was involved in such litigation or other unavoidable cause of delay. Provided, that the time for payment and collection of such tax may be extended by the Secretary of Revenue for reasonable cause shown.

<u>The clear proceeds of the penalties of ten percentum (10%) provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."</u>

B. 5% ADDITIONAL TAX FOR CONTINUED OPERATION OF BUSINESS WITHOUT A LICENSE

Section 2. G.S. 105-109(b) reads as rewritten:

"(b) If any person, firm, or corporation shall continue the business, trade, employment, or profession, or to do the act, after the expiration of a license previously issued, without obtaining a new license, he or it shall be guilty of a Class 1 misdemeanor, which may include a fine which shall not be less than twenty percent (20%) of the tax in addition to the tax and the costs; and if such failure to apply for and obtain a new license be continued, such person, firm, or corporation shall pay additional tax of five per centum (5%) of the amount of the State license tax which was due and payable on the first day of July of the current year, in addition to the State license tax imposed by this Article, for each and every 30 days, or fraction thereof, that such State license tax remains unpaid from the date that same was due and payable, and such additional tax shall be assessed by the Secretary of Revenue

and paid with the State license tax, and shall become a part of the State license tax. The penalties for delayed payment hereinbefore provided shall not impair the obligation to procure a license in advance or modify any of the pains and penalties for failure to do so. The clear proceeds of the additional tax of five per centum (5%) provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

The provisions of this section shall apply to taxes levied by the counties of the State under authority of this Article in the same manner and to the same extent as they apply to taxes levied by the State."

C. 50% PENALTY FOR FAILURE TO PAY CONTROLLED SUBSTANCE EXCISE TAX

Section 3. G.S. 105-113.110A reads as rewritten:

"**§ 105-113.110A. Interest and penalty.**

The tax due under this Article shall bear interest at the rate established pursuant to G.S. 105-241.1(i) from the date due until paid. In addition, a dealer who neglects, fails, or refuses to pay the tax due under this Article is liable for a penalty equal to fifty percent (50%) of the tax. Notwithstanding the provisions of G.S. 105-113.113, the clear proceeds of interest and penalties collected pursuant to this Article shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. LATE FILING PENALTY FOR $1000 FOR INCOME TAX REGISTRATION

Section 4. G.S. 105-163.013(b) reads as rewritten:

"(b) Qualified Business Ventures. -- In order to qualify as a qualified business venture under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To register, the business must file with the Secretary of State an application and any supporting documents the Secretary of State may require from time to time to determine that the business meets the requirements for registration as a qualified business venture. A business meets the requirements for registration as a qualified business venture if all of the following are true as of the date the business files the required application:

(1) Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 7.

(1b) Either (i) it was organized after January 1 of the calendar year in which its application is filed or (ii) during its most recent fiscal year before filing the application, it had gross revenues, as determined in accordance with generally accepted accounting principles, of five million dollars ($5,000,000) or less on a consolidated basis.

(2) Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 7.

(3) It is organized to engage primarily in manufacturing, processing, warehousing, wholesaling, research and development, or a service-related industry.

(4) It does not engage as a substantial part of its business in any of the following:

a. Providing a professional service as defined in Chapter 55B of the General Statutes.

b. Construction or contracting.

c. Selling or leasing at retail.

d. The purchase, sale, or development, or purchasing, selling, or holding for investment of commercial paper, notes, other indebtedness, financial instruments, securities, or real property, or otherwise make investments.

e. Providing personal grooming or cosmetics services.

f. Offering any form of entertainment, amusement, recreation, or athletic or fitness activity for which an admission or a membership is charged.

(5) It was not formed for the primary purpose of acquiring all or part of the stock or assets of one or more existing businesses.

(6) It is not a real estate-related business.

The effective date of registration for a qualified business venture whose application is accepted for registration is the filing date of its application. No credit is allowed under this Division for an investment made before the effective date of the registration or after the registration is revoked.

To remain qualified as a qualified business venture, the business must renew its registration annually as prescribed by rule by filing a financial statement for the most recent fiscal year showing gross revenues, as determined in accordance with generally accepted accounting principles, of five million dollars ($5,000,000) or less on a consolidated basis and an application for renewal in which the business certifies the facts required in the original application.

Failure of a qualified business venture to renew its registration by the applicable deadline shall result in revocation of its registration effective as of the next day after the renewal deadline, but shall not result in forfeiture of tax credits previously allowed to taxpayers who invested in the business except as provided in G.S. 105-163.014. The Secretary of State shall send the qualified business venture notice of revocation within 60 days after the renewal deadline. A qualified business venture may apply to have its registration reinstated by the Secretary of State by filing an application for reinstatement, accompanied by the reinstatement application fee and a late filing penalty of one thousand dollars ($1,000), within 30 days after receipt of the revocation notice from the Secretary of State. A business that seeks approval of a new application for registration after its registration has been revoked must also pay a penalty of one thousand dollars ($1,000). A registration that has been reinstated is treated as if it had not been revoked.

If the gross revenues of a qualified business venture exceed five million dollars ($5,000,000) in a fiscal year, the business must notify the Secretary of State in writing of this fact by filing a financial statement showing the revenues of the business for that year.

The clear proceeds of late filing penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. PENALTY NOT LESS THAN $100 NOR MORE THAN $1000 FOR EXERCISING AUTHORITY AFTER SUSPENSION OR CORPORATION'S ARTICLE OF INCORPORATION OR CERTIFICATE OF AUTHORITY

Section 5. G.S. 105-231 reads as rewritten:

"**§ 105-231. Penalty for exercising functions after suspension of articles or certificate.**

A person who exercises or by any act attempts to exercise any powers, privileges, or franchises under articles of incorporation, articles of organization, or a certificate of authority after it has been suspended under G.S. 105-230 shall pay a penalty of not less than one hundred dollars ($100.00) nor more than one thousand dollars ($1,000), to be recovered in an action to be brought by the Secretary in the Superior Court of Wake County. Any act performed or attempted to be performed during the period of suspension is invalid and of no effect. The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. PENALTIES OF VARIOUS AMOUNTS ASSESSED FOR BAD CHECKS, BAD ELECTRONIC TRANSFER, MAKING PAYMENT IN WRONG FORM, FAILURE TO OBTAIN LICENSE, FAILURE TO FILE RETURN, FAILURE TO PAY TAX WHEN DUE, NEGLIGENCE AND FRAUD

Section 6. G.S. 105-236 reads as rewritten:

"**§ 105-236. Penalties.**

(a) Except as otherwise provided by law, and subject to the provisions of G.S. 105-237, the following penalties shall be applicable:

(1) Penalty for Bad Checks. -- When the bank upon which any uncertified check tendered to the Department of Revenue in payment of any obligation due to the Department returns the check because of insufficient funds or the nonexistence of an account of the drawer, an additional tax equal to ten percent (10%) of the check shall be imposed, subject to a minimum of one dollar ($1.00) and a maximum of one thousand dollars ($1,000). This penalty does not apply if the Secretary finds that, when the check was presented for payment, the drawer of the check had sufficient funds in an account at a financial institution in this State to pay the check and, by inadvertence, the drawer of the check failed to draw the check on the account that had sufficient funds. The additional tax imposed may not be waived or diminished by the Secretary.

(1a) Penalty for Bad Electronic Funds Transfer. -- When an electronic funds transfer cannot be completed due to insufficient funds or the nonexistence of an account of the transferor, the Secretary shall

assess a penalty equal to ten percent (10%) of the amount of the transfer, subject to a minimum of one dollar ($1.00) and a maximum of one thousand dollars ($1,000). This penalty may be waived by the Secretary in accordance with G.S. 105-237.

(1b) Making Payment in Wrong Form. -- For making a payment of tax in a form other than the form required by the Secretary pursuant to G.S. 105-241(a), the Secretary shall assess a penalty equal to five percent (5%) of the amount of the tax, subject to a minimum of one dollar ($1.00) and a maximum of one thousand dollars ($1,000). This penalty may be waived by the Secretary in accordance with G.S. 105-237.

(2) Failure to Obtain a License. -- For failure to obtain a license before engaging in a business, trade or profession for which a license is required, there shall be assessed an additional tax equal to five percent (5%) of the amount prescribed for the license per month or fraction thereof until paid, which additional tax shall not exceed twenty-five percent (25%) of the amount so prescribed, but in any event shall not be less than five dollars ($5.00).

(3) Failure to File Return. -- In case of failure to file any return on the date prescribed therefor (determined with regard to any extension of time for filing), unless it is shown that the failure is due to reasonable cause, there shall be added to the amount required to be shown as tax on the return, as a penalty, five percent (5%) of the amount of the tax if the failure is for not more than one month, with an additional five percent (5%) for each additional month, or fraction thereof, during which the failure continues, not exceeding twenty-five percent (25%) in the aggregate, or five dollars ($5.00), whichever is the greater.

(4) Failure to Withhold or Pay Tax When Due. -- In the case of failure to withhold or pay any tax when due, without intent to evade the tax, there shall be an additional tax, as a penalty, of ten percent (10%) of the tax; provided, that such penalty shall in no event be less than five dollars ($5.00). This penalty does not apply in any of the following circumstances:

a. When the amount of tax shown as due on an amended return is paid when the return is filed.

b. When a tax due but not shown on a return is assessed by the Secretary and is paid within 30 days after the date of the proposed notice of assessment of the tax.

(5) Negligence. --

a. Most cases. -- For negligent failure to comply with any of the provisions to which this Article applies, or rules issued pursuant thereto, without intent to defraud, there shall be

assessed, as a penalty, an additional tax of ten percent (10%) of the deficiency due to the negligence.

b. Large income tax deficiency. -- In the case of income tax, if a taxpayer understates gross income, overstates deductions from gross income, other than personal exemptions, makes erroneous adjustments to federal taxable income, or does any combination of these, and the combined errors equal or exceed twenty-five percent (25%) of gross income, the penalty assessed shall be twenty-five percent (25%) of the deficiency. For purposes of this subdivision, "gross income" means gross income as defined in section 61 of the Code and "deductions" means deductions allowed in arriving at federal taxable income.

c. Large sales tax deficiency. -- In the case of sales and use taxes, if a taxpayer understates total tax liability by twenty-five percent (25%) or more as a result of one or more of the following reasons, the penalty assessed shall be twenty-five percent (25%) of the total deficiency:

1. Omission or understatement of gross sales, gross receipts, or gross purchases.
2. Overstatement of exemptions or deductions.
3. Incorrect application of a lesser rate of tax.

d. No double penalty. -- If a penalty is assessed under subdivision (6) of this section, no additional penalty for negligence shall be assessed with respect to the same deficiency.

(5a) Misuse of Certificate of Resale. -- For misuse of a certificate of resale by a purchaser, the Secretary shall assess an additional tax, as a penalty, of two hundred fifty dollars ($250.00).

(5b) Road Tax Understatement. -- If a motor carrier understates its liability for the road tax imposed by Article 36B of this Chapter by twenty-five percent (25%) or more, the Secretary shall assess the motor carrier a penalty in an amount equal to two times the amount of the deficiency.

(6) Fraud. -- If there is a deficiency or delinquency in payment of any tax because of fraud with intent to evade the tax, there shall be assessed, as a penalty, an additional tax equal to fifty percent (50%) of the total deficiency.

(7) Attempt to Evade or Defeat Tax. -- Any person who willfully attempts, or any person who aids or abets any person to attempt in any manner to evade or defeat a tax or its payment, shall, in addition to other penalties provided by law, be guilty of a Class I felony which may include a fine up to twenty-five thousand dollars ($25,000).

(8) Willful Failure to Collect, Withhold, or Pay Over Tax. -- Any person required to collect, withhold, account for, and pay over any tax who willfully fails to collect or truthfully account for and pay over the tax shall, in addition to other penalties provided by law, be guilty of a Class 1 misdemeanor. Notwithstanding any other provision of law, no prosecution for a violation brought under this subdivision shall be barred before the expiration of three years after the date of the violation.

(9) Willful Failure to File Return, Supply Information, or Pay Tax. -- Any person required to pay any tax, to make a return, to keep any records, or to supply any information, who willfully fails to pay the tax, make the return, keep the records, or supply the information, at the time or times required by law, or rules issued pursuant thereto, shall, in addition to other penalties provided by law, be guilty of a Class 1 misdemeanor. Notwithstanding any other provision of law, no prosecution for a violation brought under this subdivision shall be barred before the expiration of three years after the date of the violation.

(9a) Aid or Assistance. -- Any person, pursuant to or in connection with the revenue laws, who willfully aids, assists in, procures, counsels, or advises the preparation, presentation, or filing of a return, affidavit, claim, or any other document that the person knows is fraudulent or false as to any material matter, whether or not the falsity or fraud is with the knowledge or consent of the person authorized or required to present or file the return, affidavit, claim, or other document, shall be guilty of a Class I felony which may include a fine up to ten thousand dollars ($10,000).

(10) Failure to File Informational Returns. --

a. For failure to file a partnership or a fiduciary informational return when the return is due to be filed, there shall be assessed as a tax against the delinquent five dollars ($5.00) per month or fraction thereof of the delinquency, this penalty, however, in the aggregate not to exceed twenty-five dollars ($25.00). When assessed against a fiduciary, the penalty shall be paid by the fiduciary and shall not be passed on to the trust or estate. No tax may be assessed against the delinquent when it is a partnership as defined under Section 6231(a)(1)(B) of the Code and no penalty could be assessed as provided by Rev. Proc. 84-35, except that for the purpose of Section 3.01 of that procedure "the Department of Revenue" is substituted for "the Internal Revenue Service".

b. For failure to file timely statements of payments to another person with respect to wages, dividends, rents, or interest paid to that person, there shall be assessed as a tax a penalty of one dollar ($1.00) for each statement not filed on time, the aggregate of the penalties for each tax year not to exceed one hundred dollars ($100.00), and in addition thereto, if the Secretary requests the payer to file the statements and sets a date by which the statements must be filed, and the payer fails to file the statements within this time, the amounts claimed on payer's income tax return as deductions for salaries and wages, or rents or interest shall be disallowed to the extent that the payer failed to comply with the Secretary's request with respect to the statements.

c. For failure to file an informational return required by Article 36C or 36D of this Chapter by the date the return is due, there shall be assessed as a tax a penalty of fifty dollars ($50.00).

(11) Any violation of Subchapter I, V, or VIII of this Chapter or of Article 3 of Chapter 119 of the General Statutes is considered an act committed in part at the office of the Secretary in Raleigh. The certificate of the Secretary that a tax has not been paid, a return has not been filed, or information has not been supplied, as required by law, is prima facie evidence that the tax has not been paid, the return has not been filed, or the information has not been supplied.

(12) Repealed by Session Laws 1991, c. 45, s. 27.

(b) The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. CIVIL PENALTY FOR $100 FOR OPERATING MOTOR VEHICLE WITHOUT REGISTRATION OR IDENTIFICATION MARK

Section 7. (a) G.S. 105-449.52(a) reads as rewritten:

"(a) Penalty. -- A motor carrier who operates in this State or causes to be operated in this State a motor vehicle that does not carry the registration card required by this Article or does not display an identification marker in accordance with this Article is subject to a civil penalty of one hundred dollars ($100.00). The penalty is payable to the Department of Revenue or the Division of Motor Vehicles. When a motor vehicle is found to be operating without a registration card or an identification marker, the motor vehicle may not be driven for a purpose other than to park the motor vehicle until the penalty imposed under this section is paid unless the officer that imposes the penalty determines that operation of the motor vehicle will not jeopardize collection of the penalty.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 105-449.48 reads as rewritten:

"**§ 105-449.48. Fees ~~and civil penalties~~ credited to Highway Fund.**

All fees collected under this Article ~~and all civil penalties collected under G.S. 105-449.52~~ shall be credited to the Highway Fund."

H. CIVIL PENALTY FOR $1500 FOR FIRST ASSESSMENT OR $7500 FOR SUBSEQUENT ASSESSMENT FOR IMPROPERLY TRANSPORTING MOTOR FUEL WITHOUT SHIPPING DOCUMENT OR DELIVERING TO IMPROPER DESTINATION

Section 8. (a) G.S. 105-449.115(f) reads as rewritten:

"(f) Sanctions Against Transporter. -- The following acts are grounds for a civil penalty payable to the Department of Transportation, Division of Motor Vehicles, or the Department of Revenue:

(1) Transporting motor fuel in a railroad tank car or transport truck without a shipping document or with a false or an incomplete shipping document.

(2) Delivering motor fuel to a destination state other than that shown on the shipping document.

The penalty imposed under this subsection is payable by the person in whose name the conveyance is registered, if the conveyance is a transport truck, and is payable by the person responsible for the movement of motor fuel in the conveyance, if the conveyance is a railroad tank car. The amount of the penalty depends on whether the person against whom the penalty is assessed has previously been assessed a penalty under this subsection. For a first assessment under this subsection, the penalty is one thousand five hundred dollars ($1,500). For a second or subsequent assessment under this subsection, the penalty is seven thousand five hundred dollars ($7,500). A penalty imposed under this subsection is in addition to any motor fuel tax assessed.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 105-449.127 reads as rewritten:

"**§ 105-449.127. Civil penalties.**

~~The Secretary must credit civil penalties collected under this Article to the Highway Fund as nontax revenue.~~ The clear proceeds of civil penalties provided for in this Article shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. CIVIL PENALTY OF THE GREATER OF $1000 OR FIVE TIMES THE FUEL TAX FOR HIGHWAY USE OF DYED DIESEL OR OTHER NON-TAX PAID FUEL

Section 9. G.S. 105-449.117 reads as rewritten:

"**§ 105-449.117. Penalties for highway use of dyed diesel or other non-tax-paid fuel.**

It is unlawful to use dyed diesel fuel in a highway vehicle that is licensed or required to be licensed under Chapter 20 of the General Statutes unless that use is allowed under section 4082 of the Code. It is unlawful to use undyed diesel fuel in a highway vehicle that is licensed or required to be licensed under Chapter 20 of the

General Statutes unless the tax imposed by this Article has been paid. A person who violates this section is guilty of a Class 1 misdemeanor and is liable for a civil penalty.

The civil penalty is payable to the Department of Transportation, Division of Motor Vehicles, or the Department of Revenue and is payable by the person in whose name the highway vehicle is registered. The amount of the penalty depends on the amount of fuel in the supply tank of the highway vehicle. The penalty is the greater of one thousand dollars ($1,000) or five times the amount of motor fuel tax payable on the fuel in the supply tank. A penalty imposed under this section is in addition to any motor fuel tax assessed.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. CIVIL PENALTY OF $75 OR $150 OR $300 FOR BUYING OR SELLING NON-TAX PAID MOTOR FUEL

Section 10. G.S. 105-449.118 reads as rewritten:

"**§ 105-449.118. Civil penalty for buying or selling non-tax-paid motor fuel.**

A person who dispenses non-tax-paid motor fuel into the supply tank of a highway vehicle or who allows non-tax-paid motor fuel to be dispensed into the supply tank of a highway vehicle is subject to a civil penalty. The penalty is based on the amount of motor fuel dispensed and is set at the following amounts:

Number of Gallons Dispensed	Penalty
Less than 25	$ 75.00
At least 25 but less than 50	150.00
At least 50	300.00.

The penalty is payable to the Department of Transportation, Division of Motor Vehicles, or the Department of Revenue. Failure to pay a penalty imposed under this section is grounds under G.S. 20-88.01(b) to withhold or revoke the registration plate of the motor vehicle into which the motor fuel was dispensed.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

K. CIVIL PENALTY OF $1000 FOR REFUSING TO ALLOW THE TAKING OF A MOTOR FUEL SAMPLE

Section 11. G.S. 105-449.118A reads as rewritten:

"**§ 105-449.118A. Civil penalty for refusing to allow the taking of a motor fuel sample.**

A person who refuses to allow the taking of a motor fuel sample is subject to a civil penalty of one thousand dollars ($1,000). The penalty is payable to the Department of Transportation, Division of Motor Vehicles, or the Department of Revenue. If the refusal is for a sample to be taken from a vehicle, the penalty is payable by the person in whose name the vehicle is registered. If the refusal is for a sample to be taken from any other storage tank or container, the penalty is payable by the owner of the container.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART II. DEPARTMENT OF TRANSPORTATION

A. PENALTY FOR $10 FOR FAILURE TO TIMELY OBTAIN CERTIFICATE OF TITLE

Section 12. G.S. 20-73(c) reads as rewritten:

"(c) Penalties. -- A person to whom a vehicle is transferred who fails to apply for a certificate of title within the required time is subject to a civil penalty of ten dollars ($10.00) and is guilty of a Class 2 misdemeanor. A person who undertakes to apply for a certificate of title on behalf of another person and who fails to apply for a title within the required time is subject to a civil penalty of ten dollars ($10.00). When a person to whom a vehicle is transferred fails to obtain a title within the required time because a person who undertook to apply for the certificate of title did not do so within the required time, the Division may impose a civil penalty only on the person who undertook to apply for the title. ~~Civil penalties collected under this subsection shall be credited to the Highway Fund.~~ The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. CIVIL PENALTY OF $200 AGAINST DEALERS AND INFRACTION PENALTY OF $50 AGAINST INDIVIDUALS FOR MISUSE OF DEALER PLATES

Section 13. G.S. 20-79(e) reads as rewritten:

"(e) Sanctions. -- The following sanctions apply when a motor vehicle displaying a dealer license plate is driven in violation of the restrictions on the use of the plate:

(1) The individual driving the motor vehicle is responsible for an infraction and is subject to a penalty of fifty dollars ($50.00).

(2) The dealer to whom the plate is issued is subject to a civil penalty imposed by the Division of two hundred dollars ($200.00).

(3) The Division may rescind all dealer license plates issued to the dealer whose plate was displayed on the motor vehicle.

A penalty imposed under subdivision (1) of this subsection is payable to the county where the infraction occurred, as required by G.S. 14-3.1. ~~A~~ The clear proceeds of a civil penalty imposed under subdivision (2) of this subsection shall be ~~credited to the Highway Fund as nontax revenue.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. PENALTIES ASSESSED PURSUANT TO G.S. 20-118(E) FOR DRIVING VEHICLE ON HIGHWAY IF THE VEHICLE'S GROSS WEIGHT EXCEEDS ITS DECLARED GROSS WEIGHT

Section 14. G.S. 20-88(k)

"(k) A person may not drive a vehicle on a highway if the vehicle's gross weight exceeds its declared gross weight. A vehicle driven in violation of this subsection is

subject to the axle-group weight penalties set in G.S. 20-118(e). The penalties apply to the amount by which the vehicle's gross weight exceeds its declared weight.

The clear proceeds of these penalties shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CIVIL PENALTY UP TO $100 FOR FAILING TO PROPERLY SURRENDER THE TITLE OF SALVAGE VEHICLES

Section 15. G.S. 20-109.1(f) reads as rewritten:

"(f) Sanctions. -- Violation of this section is a Class 1 misdemeanor. In addition to this criminal sanction, a person who violates this section is subject to a civil penalty of up to one hundred dollars ($100.00), to be imposed in the discretion of the Commissioner.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. CIVIL PENALTIES OF VARYING AMOUNTS ASSESSED FOR VEHICLES BEING OPERATED OVER AXLE/OVER LICENSE WEIGHT

Section 16. G.S. 20-118(e) reads as rewritten:

"(e) Penalties. --

(1) Except as provided in subdivision (2) of this subsection, for each violation of the single-axle or tandem-axle weight limits set in subdivision (b)(1), (b)(2), or (b)(4) of this section, the Department of Transportation shall assess a civil penalty against the owner or registrant of the vehicle in accordance with the following schedule: for the first 1,000 pounds or any part thereof, four cents (4¢) per pound; for the next 1,000 pounds or any part thereof, six cents (6¢) per pound; and for each additional pound, ten cents (10¢) per pound. These penalties apply separately to each weight limit violated. In all cases of violation of the weight limitation, the penalty shall be computed and assessed on each pound of weight in excess of the maximum permitted.

(2) The penalty for a violation of the single-axle or tandem-axle weight limits by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (1) of this subsection.

(3) If an axle-group weight of a vehicle exceeds the weight limit set in subdivision (b)(3) of this section plus any tolerance allowed in subsection (h) of this section, the Department of Transportation shall assess a civil penalty against the owner or registrant of the motor vehicle. The penalty shall be assessed on the number of pounds by which the axle-group weight exceeds the limit set in subdivision (b)(3), as follows: for the first 2,000 pounds or any part thereof, two cents (2¢) per pound; for the next 3,000 pounds or

any part thereof, four cents (4¢) per pound; for each pound in excess of 5,000 pounds, ten cents (10¢) per pound. Tolerance pounds in excess of the limit set in subdivision (b)(3) are subject to the penalty if the vehicle exceeds the tolerance allowed in subsection (h) of this section. These penalties apply separately to each axle-group weight limit violated.

(4) The penalty for a violation of an axle-group weight limit by a vehicle that is transporting an item listed in subdivision (c)(5) of this section is one-half of the amount it would otherwise be under subdivision (3) of this subsection.

(5) A violation of a weight limit in this section is not punishable under G.S. 20-176.

The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

F. CIVIL PENALTY EQUAL TO N.C ANNUAL FEE FOR GROSS WEIGHT OF VEHICLE FOR OPERATING VEHICLE WITHOUT ISSUED REGISTRATION PLATE

Section 17. G.S. 20-118.3 reads as rewritten:

"**§20-118.3. Vehicle or combination of vehicles operated without registration plate subject to civil penalty.**

Any vehicle or combination of vehicles being operated upon the highway of this State either by a resident or nonresident without having been issued therefor a registration plate by the appropriate jurisdiction shall be subject to a civil penalty equal to the North Carolina annual fee for the gross weight of the vehicle and in addition thereto the license fee applicable for the remainder of the current registration year, provided a nonresident shall pay the North Carolina license fee or furnish satisfactory proof of payment of required registration fee to its base jurisdiction. The civil penalties provided for in this section shall not be enforceable through criminal sanctions and the provisions of G.S. 20-176 shall not apply to this section.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

G. BAD CHECK/BAD DRAFT ADDITIONAL TAX OF AT LEAST $10

Section 18. G.S. 20-178 reads as rewritten:

"**§20-178. Penalty for bad check.**

When any person, firm, or corporation shall tender to the Division any uncertified check for payment of any tax, fee or other obligation due by him under the provisions of this Article, and the bank upon which such check shall be drawn shall refuse to pay it on account of insufficient funds of the drawer on deposit in such bank, and such check shall be returned to the Division, an additional tax shall be imposed by the Division upon such person, firm or corporation, which additional tax shall be equal to ten percent (10%) of the tax or fee in payment of which such check

was tendered: Provided, that in no case shall the additional tax be less than ten dollars ($10.00); provided, further, that no additional tax shall be imposed if, at the time such check was presented for payment, the drawer had on deposit in any bank of this State funds sufficient to pay such check and by inadvertence failed to draw the check upon such bank, or upon the proper account therein. The additional tax imposed by this section shall not be waived or diminished by the Division.

The clear proceeds of the additional tax provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

H. CIVIL PENALTIES OF $100 OF $250 AGAINST MOTORISTS FOR FAILURE TO OBTAIN VEHICLE EMISSIONS INSPECTION/CIVIL PENALTIES OF VARIOUS AMOUNTS AGAINST SELF-INSPECTORS, EMISSIONS INSPECTION STATIONS AND EMISSIONS INSPECTION MECHANICS FOR EMISSIONS INSPECTION VIOLATIONS

Section 19. G.S. 20-183.7(e) reads as rewritten:

"(e) Civil Penalties. -- ~~Civil~~ The clear proceeds of civil penalties collected under this Part shall be ~~credited to the Highway Fund as nontax revenue.~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

I. CIVIL PENALTIES OF $50 AGAINST AUTOMOBILE OWNERS FOR FAILURE TO HAVE FINANCIAL SECURITY IN EFFECT AND $200 AGAINST INSURERS WHO FAIL TO GIVE NOTICE OF TERMINATION

Section 20. G.S. 20-309(e) reads as rewritten:

"(e) Upon termination by cancellation or otherwise of an insurance policy provided in subsection (b) of this section, the insurer shall notify the Division of such termination; provided, no cancellation notice is required if the insurer issues a new insurance policy complying with this Article at the same time the insurer cancels or otherwise terminates the old policy, no lapse in coverage results, and the insurer sends the certificate of insurance form for the new policy to the Division. The Division, upon receiving notice of cancellation or termination of an owner's financial responsibility as required by this Article, shall notify such owner of such cancellation or termination, and such owner shall, to retain the registration plate for the vehicle registered or required to be registered, within 10 days from date of notice given by the Division either:

(1) Certify to the Division that he had financial responsibility effective on or prior to the date of such termination; or

(2) In the case of a lapse in financial responsibility, pay a fifty dollar ($50.00) civil penalty; and certify to the Division that he now has financial responsibility effective on the date of certification, that he did not operate the vehicle in question during the period of no financial responsibility with the knowledge that there was no financial responsibility, and that the vehicle in question was not

involved in a motor vehicle accident during the period of no financial responsibility.

Failure of the owner to certify that he has financial responsibility as herein required shall be **prima facie** evidence that no financial responsibility exists with regard to the vehicle concerned and unless the owner's registration plate has on or prior to the date of termination of insurance been surrendered to the Division by surrender to an agent or representative of the Division designated by the Commissioner, or depositing the same in the United States mail, addressed to the Division of Motor Vehicles, Raleigh, North Carolina, the Division shall revoke the vehicle's registration for 30 days.

In no case shall any vehicle, the registration of which has been revoked for failure to have financial responsibility, be reregistered in the name of the registered owner, spouse, or any child of the spouse, or any child of such owner within less than 30 days after the date of receipt of the registration plate by the Division of Motor Vehicles, except that a spouse living separate and apart from the registered owner may register such vehicle immediately in such spouse's name. Additionally, as a condition precedent to the reregistration of the vehicle by the registered owner, spouse, or any child of the spouse, or any child of such owner, except a spouse living separate and apart from the registered owner, the payment of a restoration fee of fifty dollars ($50.00) and the appropriate fee for a new registration plate is required. Any person, firm or corporation failing to give notice of termination shall be subject to a civil penalty of two hundred dollars ($200.00) to be assessed by the Commissioner of Insurance upon a finding by the Commissioner of Insurance that good cause is not shown for such failure to give notice of termination to the Division.

The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

J. CIVIL PENALTY OF $75 AGAINST MOTOR CARRIERS WHO FAIL TO COMPLY WITH REGISTRATION OR INSURANCE VERIFICATION REQUIREMENTS

Section 21. G.S. 20-382.2(d) reads as rewritten:

"(d) Proceeds. -- A penalty imposed under this section is payable to the Division. ~~Penalties collected under this section shall be credited to the Highway Fund as nontax revenue.~~ The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART III. EMPLOYMENT SECURITY COMMISSION

A. (a) 10% PENALTY OF AT LEAST $5 FOR PAST DUE EMPLOYER TAXES; (g) 5% PENALTY PER MONTH, NOT TO EXCEED 25% OR $5 WHICHEVER GREATER, FOR LATE FILING OF REPORT; AND (h) 10% BAD CHECK PENALTY NOT LESS THAN $1 NOR MORE THAN $200

Section 22. (a) G.S. 96-10 reads as rewritten:

"**§ 96-10. Collection of contributions.**

(a) Interest on Past-Due Contributions. -- Contributions unpaid on the date on which they are due and payable, as prescribed by the Commission, shall bear interest at the rate set under G.S. 105-241.1(i) per month from and after that date until payment plus accrued interest is received by the Commission. An additional penalty in the amount of ten percent (10%) of the taxes due shall be added, but that penalty shall in no event be less than five dollars ($5.00). ~~Penalties and interest~~ Interest collected pursuant to this subsection shall be paid into the Special Employment Security Administration Fund. If any employer, in good faith, pays contributions to another state or to the United States under the Federal Unemployment Tax Act, prior to a determination of liability by this Commission, and the contributions were legally payable to this State, the contributions, when paid to this State, shall be deemed to have been paid by the due date under the law of this State if they were paid by the due date of the other state or the United States.

(b) Collection. --

(1) If, after due notice, any employer defaults in any payment of contributions or interest thereon, the amount due shall be collected by civil action in the name of the Commission, and the employer adjudged in default shall pay the costs of such action. Civil actions brought under this section to collect contributions or interest thereon from an employer shall be heard by the court at the earliest possible date, and shall be entitled to preference upon the calendar of the court over all other civil actions, except petitions for judicial review under this Chapter and cases arising under the Workers' Compensation Law of this State; or, if any contribution imposed by this Chapter, or any portion thereof, and/or penalties duly provided for the nonpayment thereof shall not be paid within 30 days after the same become due and payable, and after due notice and reasonable opportunity for hearing, the Commission, under the hand of its chairman, may certify the same to the clerk of the superior court of the county in which the delinquent resides or has property, and additional copies of said certificate for each county in which the Commission has reason to believe the delinquent has property located. If the amount of a delinquency is less than fifty dollars ($50.00), the Commission may not certify the amount to the clerk of court until a field tax auditor or another representative of the Commission personally contacts, or unsuccessfully attempts to personally contact, the delinquent and collect the amount due. A certificate or a copy of a certificate forwarded to the clerk of the superior court shall immediately be docketed and indexed on the cross index of judgments, and from the date of such docketing shall constitute a preferred lien upon any property which said delinquent may own in said county, with the same force and effect as a judgment rendered by the superior

court. The Commission shall forward a copy of said certificate to the sheriff or sheriffs of such county or counties, or to a duly authorized agent of the Commission, and when so forwarded and in the hands of such sheriff or agent of the Commission, shall have all the force and effect of an execution issued to such sheriff or agent of the Commission by the clerk of the superior court upon a judgment of the superior court duly docketed in said county. Provided, however, the Commission may in its discretion withhold the issuance of said certificate or execution to the sheriff or agent of the Commission for a period not exceeding 180 days from the date upon which the original certificate is certified to the clerk of superior court. The Commission is further authorized and empowered to issue alias copies of said certificate or execution to the sheriff or sheriffs of such county or counties, or to a duly authorized agent of the Commission in all cases in which the sheriff or duly authorized agent has returned an execution or certificate unsatisfied; when so issued and in the hands of the sheriff or duly authorized agent of the Commission, such alias shall have all the force and effect of an alias execution issued to such sheriff or duly authorized agent of the Commission by the clerk of the superior court upon a judgment of the superior court duly docketed in said county. Provided, however, that notwithstanding any provision of this subsection, upon filing one written notice with the Commission, the sheriff of any county shall have the sole and exclusive right to serve all executions and make all collections mentioned in this subsection and in such case no agent of the Commission shall have the authority to serve any executions or make any collections therein in such county. A return of such execution, or alias execution, shall be made to the Commission, together with all moneys collected thereunder, and when such order, execution, or alias is referred to the agent of the Commission for service the said agent of the Commission shall be vested with all the powers of the sheriff to the extent of serving such order, execution or alias and levying or collecting thereunder. The agent of the Commission to whom such order or execution is referred shall give a bond not to exceed three thousand dollars ($3,000) approved by the Commission for the faithful performance of such duties. The liability of said agent shall be in the same manner and to the same extent as is now imposed on sheriffs in the service of executions. If any sheriff of this State or any agent of the Commission who is charged with the duty of serving executions shall willfully fail, refuse, or neglect to execute any order directed to him by the said Commission and within the time provided by law, the official bond of such sheriff or of such agent of the

Commission shall be liable for the contributions, penalty, interest, and costs due by the employer.

(2) Any representative of the Employment Security Commission may examine and copy the county tax listings, detailed inventories, statements of assets or similar information required under General Statutes, Chapter 105, to be filed with the tax supervisor of any county in this State by any person, firm, partnership, or corporation, domestic or foreign, engaged in operating any business enterprise in such county. Any such information obtained by an agent or employee of the Commission shall not be divulged, published, or open to public inspection other than to the Commission's employees in the performance of their public duties. Any employee or member of the Commission who violates any provision of this section shall be fined not less than twenty dollars ($20.00), nor more than two hundred dollars ($200.00), or imprisoned for not longer than 90 days, or both.

(3) When the Commission furnishes the clerk of superior court of any county in this State a written statement or certificate to the effect that any judgment docketed by the Commission against any firm or individual has been satisfied and paid in full, and said statement or certificate is signed by the chairman of the Commission and attested by its secretary, with the seal of the Commission affixed, it shall be the duty of the clerk of superior court to file said certificate and enter a notation thereof on the margin of the judgment docket to the effect that said judgment has been paid and satisfied in full, and is in consequence canceled of record. Such cancellation shall have the full force and effect of a cancellation entered by an attorney of record for the Commission. It shall also be the duty of such clerk, when any such certificate is furnished him by the Commission showing that a judgment has been paid in part, to make a notation on the margin of the judgment docket showing the amount of such payment so certified and to file said certificate. This paragraph shall apply to judgments already docketed, as well as to the future judgments docketed by the Commission. For the filing of said statement or certificate and making new notations on the record, the clerk of superior court shall be paid a fee of fifty cents (50¢) by the Commission.

(c) Priorities under Legal Dissolution or Distributions. -- In the event of any distribution of an employer's assets pursuant to an order of any court under the laws of this State, including any receivership, assignment for benefit of creditors, adjudicated insolvency, composition, or similar proceeding, contributions then or thereafter due shall be paid in full prior to all other claims except taxes, and claims for remuneration of not more than two hundred and fifty dollars ($250.00) to each claimant, earned within six months of the commencement of the proceeding. In the

event of an employer's adjudication in bankruptcy, judicially confirmed extension proposal, or composition, under the Federal Bankruptcy Act of 1898, as amended, contributions then or thereafter due shall be entitled to such priority as is provided in section 64(a) of that act (U.S.C., Title 11, section 104(a)), as amended.

A receiver of any covered employer placed into an operating receivership pursuant to an order of any court of this State shall pay to the Commission any contributions, penalties or interest then due out of moneys or assets on hand or coming into his possession before any such moneys or assets may be used in any manner to continue the operation of the business of the employer while it is in receivership.

(d) Collections of Contributions upon Transfer or Cessation of Business. -- The contribution or tax imposed by G.S. 96-9, and subsections thereunder, of this Chapter shall be a lien upon the assets of the business of any employer subject to the provisions hereof who shall lease, transfer or sell out his business, or shall cease to do business and such employer shall be required, by the next reporting date as prescribed by the Commission, to file with the Commission all reports and pay all contributions due with respect to wages payable for employment up to the date of such lease, transfer, sale or cessation of the business and such employer's successor in business shall be required to withhold sufficient of the purchase money to cover the amount of said contributions due and unpaid until such time as the former owner or employer shall produce a receipt from the Commission showing that the contributions have been paid, or a certificate that no contributions are due. If the purchaser of a business or a successor of such employer shall fail to withhold purchase money or any money due to such employer in consideration of a lease or other transfer and the contributions shall be due and unpaid after the next reporting date, as above set forth, such successor shall be personally liable to the extent of the assets of the business so acquired for the payment of the contributions accrued and unpaid on account of the operation of the business by the former owner or employer.

(e) Refunds. -- If not later than five years from the last day of the calendar year with respect to which a payment of any contributions or interest thereon was made, or one year from the date on which such payment was made, whichever shall be the later, an employer or employing unit who has paid such contributions or interest thereon shall make application for an adjustment thereof in connection with subsequent contribution payments, or for a refund, and the Commission shall determine that such contributions or any portion thereof was erroneously collected, the Commission shall allow such employer or employing unit to make an adjustment thereof, without interest, in connection with subsequent contribution payments by him, or if such an adjustment cannot be made in the next succeeding calendar quarter after such application for such refund is received, a cash refund may be made, without interest, from the fund: Provided, that any interest refunded under this subsection, which has been paid into the Special Employment Security Administration Fund established pursuant to G.S. 96-5(c), shall be paid out of such fund. For like cause and within the same period, adjustment or refund may be so made on the Commission's own initiative. Provided further, that nothing in this section or in any other section of this Chapter shall be construed as permitting the

refund of moneys due and payable under the law and regulations in effect at the time such moneys were paid. In any case, where the Commission finds that any employing unit has erroneously paid to this State contributions or interest upon wages earned by individuals in employment in another state, refund or adjustment thereof shall be made, without interest, irrespective of any other provisions of this subsection, upon satisfactory proof to the Commission that such other state has determined the employing unit liable under its law for such contributions or interest.

(f) No injunction shall be granted by any court or judge to restrain the collection of any tax or contribution or any part thereof levied under the provisions of this Chapter nor to restrain the sale of any property under writ of execution, judgment, decree or order of court for the nonpayment thereof. Whenever any employer, person, firm or corporation against whom taxes or contributions provided for in this Chapter have been assessed, shall claim to have a valid defense to the enforcement of the tax or contribution so assessed or charged, such employer, person, firm or corporation shall pay the tax or contribution so assessed to the Commission; but if at the time of such payment he shall notify the Commission in writing that the same is paid under protest, such payment shall be without prejudice to any defenses or rights he may have in the premises, and he may, at any time within 30 days after such payment, demand the same in writing from the Commission; and if the same shall not be refunded within 90 days thereafter, he may sue the Commission for the amount so demanded; such suit against the Employment Security Commission of North Carolina must be brought in the Superior Court of Wake County, or in the county in which the taxpayer resides, or in the county where the taxpayer conducts his principal place of business; and if, upon the trial it shall be determined that such tax or contribution or any part thereof was for any reason invalid, excessive or contrary to the provisions of this Chapter, the amount paid shall be refunded by the Commission accordingly. The remedy provided by this subsection shall be deemed to be cumulative and in addition to such other remedies as are provided by other subsections of this Chapter. No suit, action or proceeding for refund or to recover contributions or payroll taxes paid under protest according to the provisions of this subsection shall be maintained unless such suit, action or proceeding is commenced within one year after the expiration of the 90 days mentioned in this subsection, or within one year from the date of the refusal of said Commission to make refund should such refusal be made before the expiration of said 90 days above mentioned. The one-year limitation here imposed shall not be retroactive in its effect, shall not apply to pending litigation nor shall the same be construed as repealing, abridging or extending any other limitation or condition imposed by this Chapter.

(g) Upon the motion of the Commission, any employer refusing to submit any report required under this Chapter, after 10 days' written notice sent by the Commission by registered or certified mail to the employer's last known address, may be enjoined by any court of competent jurisdiction from hiring and continuing in employment any employees until such report is properly submitted. When an execution has been returned to the Commission unsatisfied, and the employer, after 10 days' written notice sent by the Commission by registered mail to the employer's

last known address, refuses to pay the contributions covered by the execution, such employer shall upon the motion of the Commission be enjoined by any court of competent jurisdiction from hiring and continuing in employment any employees until such contributions have been paid.

An employer who fails to file a report within the required time shall be assessed a late filing penalty of five percent (5%) of the amount of contributions due with the report for each month or fraction of a month the failure continues. The penalty may not exceed twenty-five percent (25%) of the amount of contributions due or five dollars ($5.00), whichever is greater. An employer who fails to file a report within the required time but owes no contributions shall not be assessed a penalty unless the employer's failure to file continues for more than 30 days.

(h) When any uncertified check is tendered in payment of any contributions to the Commission and such check shall have been returned unpaid on account of insufficient funds of the drawer of said check in the bank upon which same is drawn, a penalty shall be payable to the Commission, equal to ten percent (10%) of the amount of said check, and in no case shall such penalty be less than one dollar ($1.00) nor more than two hundred dollars ($200.00).

(i) Except as otherwise provided in this subsection, no suit or proceedings for the collection of unpaid contributions may be begun under this Chapter after five years from the date on which the contributions become due, and no suit or proceeding for the purpose of establishing liability and/or status may be begun with respect to any period occurring more than five years prior to the first day of January of the year within which the suit or proceeding is instituted. This subsection shall not apply in any case of willful attempt in any manner to defeat or evade the payment of any contributions becoming due under this Chapter. A proceeding shall be deemed to have been instituted or begun upon the date of issuance of an order by the chairman of the Commission directing a hearing to be held to determine liability or nonliability, and/or status under this Chapter of an employing unit, or upon the date notice and demand for payment is mailed by certified mail to the last known address of the employing unit. The order shall be deemed to have been issued on the date the order is mailed by certified mail to the last known address of the employing unit. The running of the period of limitations provided in this subsection for the making of assessments or collection shall, in a case under Title II of the United States Code, be suspended for the period during which the Commission is prohibited by reason of the case from making the assessment or collection and for a period of one year after the prohibition is removed.

(j) Waiver of Interest and Penalties. -- The Commission may, for good cause shown, reduce or waive any interest assessed on unpaid contributions under this section. The Commission may reduce or waive any penalty provided in G.S. 96-10(a) or G.S. 96-10(g). The late filing penalty under G.S. 96-10(g) shall be waived when the mailed report bears a postmark that discloses that it was mailed by midnight of the due date but was addressed or delivered to the wrong State or federal agency. The late payment penalty and the late filing penalty imposed by G.S. 96-10(a) and G.S. 96-10(g) shall be waived where the delay was caused by any of the following:

(1) The death or serious illness of the employer or a member of his immediate family, or by the death or serious illness of the person in the employer's organization responsible for the preparation and filing of the report;

(2) Destruction of the employer's place of business or business records by fire or other casualty;

(3) Failure of the Commission to furnish proper forms upon timely application by the employer, by reason of which failure the employer was unable to execute and file the report on or before the due date;

(4) The inability of the employer or the person in the employer's organization responsible for the preparation and filing of reports to obtain an interview with a representative of the Commission upon a personal visit to the central office or any local office for the purpose of securing information or aid in the proper preparation of the report, which personal interview was attempted to be had within the time during which the report could have been executed and filed as required by law had the information at the time been obtained;

(5) The entrance of one or more of the owners, officers, partners, or the majority stockholder into the Armed Forces of the United States, or any of its allies, or the United Nations, provided that the entrance was unexpected and is not the annual two weeks training for reserves; and

(6) Other circumstances where, in the opinion of the Chairman, the Assistant Administrator, or their designees, the imposition of penalties would be inequitable.

In the waiver of any penalty, the burden shall be upon the employer to establish to the satisfaction of the Chairman, the Assistant Administrator, or their designees, that the delinquency for which the penalty was imposed was due to any of the foregoing facts or circumstances.

The waiver or reduction of interest or a penalty under this subsection shall be valid and binding upon the Commission. The reason for any reduction or waiver shall be made a part of the permanent records of the employing unit to which it applies.

(k) The clear proceeds of penalties collected pursuant to subsections (a), (g), and (h) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 96-5 reads as rewritten:

"**§ 96-5. Employment Security Administration Fund.**

(a) Special Fund. -- There is hereby created in the State treasury a special fund to be known as the Employment Security Administration Fund. All moneys which are deposited or paid into this fund shall be continuously available to the Commission for expenditure in accordance with the provisions of this Chapter, and shall not lapse at

any time or be transferred to any other fund. The Employment Security Administration Fund, except as otherwise provided in this Chapter, shall be subject to the provisions of the Executive Budget Act (G.S. 143-1 et seq.) and the Personnel Act (G.S. 126-1 et seq.). All moneys in this fund which are received from the federal government or any agency thereof or which are appropriated by this State for the purpose described in G.S. 96-20 shall be expended solely for the purposes and in the amounts found necessary by the Secretary of Labor for the proper and efficient administration of this Chapter. The fund shall consist of all moneys appropriated by this State, all moneys received from the United States of America, or any agency thereof, including the Secretary of Labor, and all moneys received from any other source for such purpose, and shall also include any moneys received from any agency of the United States or any other state as compensation for services or facilities supplied to such agency, any amounts received pursuant to any surety bond or insurance policy or from other sources for losses sustained by the Employment Security Administration Fund or by reason of damage to equipment or supplies purchased from moneys in such fund, and any proceeds realized from the sale or disposition of any such equipment or supplies which may no longer be necessary for the proper administration of this Chapter: Provided, any interest collected on contributions ~~and/or penalties collected~~ pursuant to this Chapter shall be paid into the Special Employment Security Administration Fund created by subsection (c) of this section. All moneys in this fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the State treasury, and shall be maintained in a separate account on the books of the State treasury. The State Treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the Employment Security Administration Fund provided for under this Chapter. Such liability on the official bond shall be effective immediately upon the enactment of this provision, and such liability shall exist in addition to any liability upon any separate bond existent on the effective date of this provision, or which may be given in the future. All sums recovered on any surety bond for losses sustained by the Employment Security Administration Fund shall be deposited in said fund.

(b) Replacement of Funds Lost or Improperly Expended. -- If any moneys received from the Secretary of Labor under Title III of the Social Security Act, or any unencumbered balances in the Employment Security Administration Fund or any moneys granted to this State pursuant to the provisions of the Wagner-Peyser Act, or any moneys made available by this State or its political subdivisions and matched by such moneys granted to this State pursuant to the provisions of the Wagner-Peyser Act, are found by the Secretary of Labor, because of any action or contingency, to have been lost or expended for purposes other than, or in amounts in excess of those found necessary by the Secretary of Labor for the proper administration of this Chapter, it is the policy of this State that such moneys, not available from the Special Employment Security Administration Fund established by subsection (c) of this section, shall be replaced by moneys appropriated for such purpose from the general funds of this State to the Employment Security Administration Fund for expenditure

as provided in subsection (a) of this section. Upon receipt of notice of such a finding by the Secretary of Labor, the Commission shall promptly pay from the Special Employment Security Administration Fund such sum if available in such fund; if not available, it shall promptly report the amount required for such replacement to the Governor and the Governor shall, at the earliest opportunity, submit to the legislature a request for the appropriation of such amount.

(c) There is hereby created in the State treasury a special fund to be known as the Special Employment Security Administration Fund. All ~~interest and penalties,~~ interest, regardless of when the same became payable, collected from employers under the provisions of this Chapter subsequent to June 30, 1947 as well as any appropriations of funds by the General Assembly, shall be paid into this fund. No part of said fund shall be expended or available for expenditure in lieu of federal funds made available to the Commission for the administration of this Chapter. Said fund shall be used by the Commission for the payment of costs and charges of administration which are found by the Secretary of Labor not to be proper and valid charges payable out of any funds in the Employment Security Administration Fund received from any source and shall also be used by the Commission for: (i) extensions, repairs, enlargements and improvements to buildings, and the enhancement of the work environment in buildings used for Commission business; (ii) the acquisition of real estate, buildings and equipment required for the expeditious handling of Commission business; and (iii) the temporary stabilization of federal funds cash flow. The Employment Security Commission may use funds either from the Special Employment Security Commission Administration Fund created by this subsection or from federal funds, or from a combination of the two, to offset the costs of compliance with Article 7A [of Chapter 163] of the General Statutes of North Carolina or compliance with P.L. 103-31. Refunds of interest allowable under G.S. 96-10, subsection (e) shall be made from this special fund: Provided, such interest was deposited in said fund: Provided further, that in those cases where an employer takes credit for a previous overpayment of interest on contributions due by such employer pursuant to G.S. 96-10, subsection (e), that the amount of such credit taken for such overpayment of interest shall be reimbursed to the Unemployment Insurance Fund from the Special Employment Security Administration Fund. The Special Employment Security Administration Fund, except as otherwise provided in this Chapter, shall be subject to the provisions of the Executive Budget Act (G.S. 143-1 et seq.) and the Personnel Act (G.S. 126-1 et seq.). All moneys in this fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for other special funds in the State treasury, and shall be maintained in a separate account on the books of the State treasury. The State Treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the Special Employment Security Administration Fund provided for under this Chapter. Such liability on the official bond shall be effective immediately upon the enactment of this provision, and such liability shall exist in addition to any liability upon any separate bond existent on the effective date of this provision, or which may be given in the future. All sums

recovered on any surety bond for losses sustained by the Special Employment Security Administration Fund shall be deposited in said fund. The moneys in the Special Employment Security Administration Fund shall be continuously available to the Commission for expenditure in accordance with the provisions of this section.

(c1) The Employment Security Commission shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division no later than April 1 of every year as to how the funds authorized to be used by Session Laws 1995, (Regular Session, 1996), c. 608 were expended.

(d) The other provisions of this section and G.S. 96-6, to the contrary notwithstanding, the Commission is authorized to requisition and receive from its account in the unemployment trust fund in the treasury of the United States of America, in the manner permitted by federal law, such moneys standing to its credit in such fund, as are permitted by federal law to be used for expense of administering this Chapter and to expend such moneys for such purpose, without regard to a determination of necessity by a federal agency. The State Treasurer shall be treasurer and custodian of the amounts of money so requisitioned. Such moneys shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for other special funds in the State treasury.

(e) Reed Bill Fund Authorization. -- Subject to a specific appropriation by the General Assembly of North Carolina to the Employment Security Commission out of funds credited to and held in this State's account in the Unemployment Trust Fund by the Secretary of the Treasury of the United States pursuant to and in accordance with section 903 of the Social Security Act, the Commission is authorized to utilize such funds for the administration of the Employment Security Law, including personal services, operating and other expenses incurred in the administration of said law, as well as for the purchase or rental, either or both, of offices, lands, buildings or parts of buildings, fixtures, furnishings, equipment, supplies and the construction of buildings or parts of buildings, suitable for use in this State by the Employment Security Commission, and for the payment of expenses incurred for the construction, maintenance, improvements or repair of, or alterations to, such real or personal property. Provided, that any such funds appropriated by the General Assembly shall not exceed the amount in the Unemployment Trust Fund which may be obligated for expenditure for such purposes; and provided that said funds shall not be obligated for expenditure, as herein provided, after the close of the two-year period which begins on the effective date of the appropriation.

(f) Employment Security Commission Reserve Fund. -- There is created in the State treasury a special trust fund, separate and apart from all other public moneys or funds of this State, to be known as the Employment Security Commission Reserve Fund, hereinafter "Reserve Fund". Part of the proceeds from the tax on contributions imposed in G.S. 96-9(b)(3)j shall be credited to the Reserve Fund, as specified in that statute. The moneys in the Reserve Fund may be used by the Commission for loans to the Unemployment Insurance Fund, as security for loans from the federal Unemployment Insurance Trust Fund, and to pay any interest required on advances

under Title XII of the Social Security Act, and shall be continuously available to the Commission for expenditure in accordance with the provisions of this section. The State Treasurer shall be ex officio the treasurer and custodian and shall invest said moneys in accordance with existing law as well as rules and regulations promulgated pursuant thereto. Furthermore, the State Treasurer shall disburse the moneys in accordance with the directions of the Commission and in accordance with such regulations as the Commission may prescribe.

Administrative costs for the collection of the tax and interest payable to the Reserve Fund shall be borne by the Special Employment Security Administration Fund.

The interest earned from investment of the Reserve Fund moneys shall be deposited in a fund hereby established in the State Treasurer's Office, to be known as the "Worker Training Trust Fund". These moneys shall be used to:

(1) Fund programs, specifically for the benefit of unemployed workers or workers who have received notice of long-term layoff or permanent unemployment, which will enhance the employability of workers, including, but not limited to, adult basic education, adult high school or equivalency programs, occupational skills training programs, assessment, job counseling and placement programs;

(2) Continue operation of local Employment Security Commission offices throughout the State; or

(3) Provide refunds to employers.

The use of funds from the Worker Training Trust Fund, for the purposes set out in the above paragraph, shall be pursuant to appropriations in the Current Operations Appropriations Act. Funds appropriated from the Worker Training Trust Fund that are unexpended and unencumbered at the end of the fiscal year for which they are appropriated shall revert to the State treasury to the credit of the Worker Training Trust Fund in accordance with G.S. 143-18.

(g) Notwithstanding subsection (f) of this section, the State Treasurer may invest not more than a total of twenty-five million dollars ($25,000,000) of funds in the Employment Security Commission Reserve Fund established under subsection (f) of this section in securities issued by the North Carolina Technological Development Authority, Inc., the proceeds for which are directed to support investment in venture capital funds. The State Treasurer shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on October 1 and March 1 of each fiscal year on investments made pursuant to this subsection."

Attachment 5

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A. BOARD MAY IMPOSE PENALTY NOT TO EXCEED $30 FOR LATE RENEWAL OF A CERTIFICATE (INITIAL OR RENEWAL FEE NOT TO EXCEED $50)
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A. $25 REINSTATEMENT FEE FOR RENEWAL OF LICENSE AFTER THE LICENSE HAS LAPSED FOR FAILURE TO RENEW IT BEFORE IT EXPIRED (RENEWAL FEE VARIES WITH TYPE OF LICENSE, EITHER $50 OR $100)
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Attachment 6

FEES FOR LATE PAYMENTS, LATE FILINGS, FAILURES TO PAY, AND REINSTATEMENTS

PART I. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

A. PENALTY OF $25 PER ACRE ASSESSED FOR COTTON GROWER'S FAILURE TO PAY ASSESSMENT

Section 1. G.S. 106-65.90(a) reads as rewritten:

"(a) A cotton grower who fails to pay, when due and upon reasonable notice, any assessment levied under this Article, shall be subject to a penalty of not more than twenty-five dollars ($25.00) per acre, as established in the Board's regulations. <u>The clear proceeds of penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>"

B. 10% PENALTY FOR LATE SUBMISSION OF REPORTS AND INSPECTION FEES REQUIRED BY THE SEEDS LAW

Section 2. G.S. 106-277.28(3) reads as rewritten:

"(3) Each seed dealer or grower who has seed, whether originated or labeled by the dealer or grower, that is offered for sale in this State shall report the quantity of seed offered for sale and pay an inspection fee of two cents (2¢) for each container of seeds weighing 10 pounds or more. Seed shall be subject to the inspection fee and reporting requirements only once in any 12-month period. This fee does not apply to seed grown by a farmer and offered for sale by the farmer at the farm where the seed was grown.

Each seed dealer or grower shall keep accurate records of the quantity of seeds and container weights offered for sale from each distribution point in the State. These records shall be available to the Commissioner or an authorized representative of the Commissioner at any and all reasonable hours for the purpose of verifying the quantity of seed offered for sale and the fees paid. Each seed dealer or grower shall report quarterly on forms furnished by the Commissioner the quantity and container weight of seeds first offered for sale that quarter. The reports shall be made on the first day of January, April, July, and October, or within 10 days thereafter. Inspection fees shall be due and paid with the next quarterly report filed after the seed is first offered for sale. If the report is not filed and the inspection fees paid to the Department of Agriculture and Consumer Services by the tenth day following the date due, or if the report of the quantity or container weights is false, the Commissioner may issue a stop-sale order for all seed offered for sale by the dealer or grower. If the inspection fees are unpaid more than 15 days after the due date,

the amount due shall bear a penalty of ten percent (10%) which shall be added to the inspection fees due. The clear proceeds of penalties assessed pursuant to the subdivision shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. LATE FEE OF $20 FOR RENEWAL OF GRAIN DEALER'S LICENSE. THE INITIAL AND RENEWAL FEE ARE $50.

Section 3. (a) G.S. 106-607 reads as rewritten:

"**§ 106-607. Renewal of license.**

Licenses shall be renewed upon application and payment of renewal fees on or before the fifteenth day of June following the date of expiration of any license hereunder issued. Applications received after June 15 of any year shall be subject to a late filing fee of twenty dollars ($20.00) in addition to other applicable fees.

The clear proceeds of late filing fees assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

(b) G.S. 106-608 reads as rewritten:

"**§106-608. Disposition of fees.**

~~All~~ Except as provided by G.S. 106-607, all fees payable under this Article shall be collected by the North Carolina Department of Agriculture and Consumer Services for the administration of this Article."

D. FORFEITURE OF $100 PER DAY FOR FAILING TO FILE AN ANNUAL OR SPECIAL REPORT WITHIN THE TIME FIXED BY THE COMMISSIONER

Section 4. G.S. 106-549.68(c)(3) reads as rewritten:

"(3) If any person required by this Article to file any annual or special report shall fail so to do within the time fixed by the Commissioner for filing the same, and such failure shall continue for 30 days after notice of such default, such person shall forfeit to this State the sum of one hundred dollars ($100.00) for each and every day of the continuance of such failure, which forfeiture shall be ~~payable into the general fund of this State, and shall be~~ recoverable in a civil suit in the name of the State brought in the superior court where the person has his or its principal office or in any county in which he or it shall do business. It shall be the duty of the Attorney General of this State, to prosecute for the recovery of such forfeitures. ~~The costs and expenses of such prosecution shall be paid out of the amount recovered in such action.~~ The clear proceeds of forfeitures assessed pursuant to this subdivision shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART II. DEPARTMENT OF COMMERCE

A. BANKING COMMISSION -- PENALTY OF $200 ASSESSED FOR BANK'S FAILURE TO TIMELY FILE REQUIRED REPORTS

Section 5. G.S. 53-107 reads as rewritten:

"§53-107. Penalty for failure to make report.

Every bank failing to make and transmit any report which the Commissioner of Banks is authorized to require by this Chapter, and in and according to the form prescribed by said Commissioner of Banks, within 10 days after the receipt of a request or requisition therefor, or within the extension of time granted by the Commissioner of Banks heretofore provided or failing to publish the reports as required, shall forthwith be notified by the Commissioner of Banks, and if such failure continue for five days after the receipt of such notice, such delinquent bank shall be subject to a penalty of two hundred dollars ($200.00). The penalty herein provided for shall be recovered in a civil action in any court of competent jurisdiction, and it shall be the duty of the Attorney General to prosecute all such actions. The clear proceeds of penalties assessed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. BANKING COMMISSION -- CIVIL PENALTY OF $200 ASSESSED FOR BANK'S FAILURE TO TIMELY FILE REQUIRED REPORTS

Section 6. G.S. 53-107 reads as rewritten:

"§ 53-107. Penalty for failure to make report.

Every bank failing to make and transmit any report which the Commissioner of Banks is authorized to require by this Chapter, and in and according to the form prescribed by said Commissioner of Banks, within 10 days after the receipt of a request or requisition therefor, or within the extension of time granted by the Commissioner of Banks heretofore provided or failing to publish the reports as required, shall forthwith be notified by the Commissioner of Banks, and if such failure ~~continue~~ continues for five days after the receipt of such notice, such delinquent bank shall be subject to a penalty of two hundred dollars ($200.00). The penalty herein provided for shall be recovered in a civil action in any court of competent jurisdiction, and it shall be the duty of the Attorney General to prosecute all such actions.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. CREDIT UNION DIVISION -- "LATE PENALTY" OF $75 FOR CREDIT UNION'S FAILURE TO TIMELY FILE REPORTS

Section 7. G.S. 54-109.15(b) reads as rewritten:

"(b) Any credit union that neglects to make semiannual reports as provided in subsection (a) of this section, or any of the other reports required by the Administrator of Credit Unions at the time fixed by the Administrator, shall pay a late penalty to the Administrator of Credit Unions of seventy-five dollars ($75.00) for each day the neglect continues. The Administrator of Credit Unions may revoke the

certificate of incorporation and take possession of the assets and business of any credit union failing to pay a penalty imposed under this section after serving notice of at least 15 days upon the credit union of the proposed action. ~~Penalties collected under this section shall be credited to the special account established under G.S. 54-109.14.~~

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. CEMETERY COMMISSION -- $1 PER DAY PENALTY FOR CEMETERY COMPANY'S FAILURE TO TIMELY MAKE DEPOSIT TO PERPETUAL CARE FUND

Section 8. G.S. 65-64(a) reads as rewritten:

"(a) Deposits to the care and maintenance trust fund must be made by the cemetery company holding title to the subject cemetery lands on or before the last day of the calendar month following the calendar month in which final payment is received as provided herein; however the entire amount required to be deposited into the fund shall be paid within four years from the date of any contract requiring such payment regardless of whether all amounts have been received by the cemetery company. If the cemetery company fails to make timely deposit, the Commission may levy and collect a penalty of one dollar ($1.00) per day for each day the deposit is delinquent on each grave space, niche or mausoleum crypt sold. The care and maintenance trust fund shall be invested and reinvested by the trustee in the same manner as provided by law for the investment of other trust funds by the clerk of the superior court except that such investments may be made through means of a common trust fund as described in G.S. 36A-90; provided, further, that cemetery trust funds held in a fund designated as Trust Fund 'A' pursuant to G.S. 65-64(e) may be invested and reinvested in accordance with G.S. 36A-2. The fees and other expenses of the trust fund shall be paid by the trustee from the net income thereof and may not be paid from the corpus. To the extent that the said net income is not sufficient to pay such fees and other expenses, the same shall be paid by the cemetery company.

The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. MUTUAL BURIAL ASSOCIATION --$25 PER DAY PENALTY IMPOSED UPON BURIAL ASSOCIATIONS FOR FAILURE TO TIMELY FILE ANNUAL REPORT

Section 9. G.S. 143B-472.3 reads as rewritten:

§ 143B-472.3. Requirements as to rules and bylaws.

All burial associations now operating within the State of North Carolina shall have and maintain rules and bylaws embodying the following:

Article 1. The name of this association shall be ....., which shall indicate that said association is a mutual burial association.

Article 2. The objects and purposes for which this association is formed and the purposes for which it has been organized, and the methods and plan of operation of this association shall be to provide a plan for each member of this association for the payment of one funeral benefit for each member, which shall consist of a funeral benefit in cash or merchandise and service, with no free embalming or free ambulance service included in this benefit. No other free service or any other thing free shall be held out, promised or furnished, in any case. Such funeral benefit shall be in the amount of one hundred dollars ($100.00) of cash or merchandise and service, without free embalming or free ambulance service, for persons of the age of 10 years and over, or in the amount of fifty dollars ($50.00) for persons under the age of 10 years; provided, however, that any member of this association of the age of 10 years or more may purchase a double benefit (for a total benefit of two hundred dollars ($200.00)), and provided further, however, that any member of this association under the age of 10 years may purchase a double benefit (for a total benefit of one hundred dollars ($100.00)) or a quadruple benefit (for a total benefit of two hundred dollars ($200.00)); however, any additional benefit (as set out herein) shall be based on the assessment rate, as provided in Article 6 of this section, at the attained age of applicant at the time the additional benefit takes effect. The purchase of an additional benefit shall not be available to any member who cannot fulfill the requirements as set forth in Article 3 of this section.

Provided, further, that mutual burial associations organized and operating pursuant to this Article may offer for sale to its members in good standing, funeral benefits payable only in cash in excess of two hundred dollars ($200.00), but those sales shall be subject to all applicable insurance laws of this State and shall in no manner be subject to the provisions of this Article or impair whatsoever funds heretofore or hereafter collected and held by that Association pursuant to this Article. All mutual burial association policies heretofore or hereafter sold in this State in an amount of two hundred dollars ($200.00) or less shall continue to be administered by the Board of Mortuary Science and shall be subject to all provisions of this Article.

Article 3. Any person who has passed his or her first birthday, and who has not passed his or her sixty-fifth birthday, and who is in good health and not under treatment of any physician, nor confined in any institution for the treatment of mental or other disease, may become a member of this burial association by the payment by such person, or for such person, of a membership fee in accordance with the provisions of this Article and the first assessment due on the membership issued for such member in accordance with the provisions of Article 6 herein. The membership fee for any person joining prior to July 1, 1975, is twenty-five cents (25¢). The membership fee of any person joining after July 1, 1975, is twenty-five cents (25¢) for each one hundred dollars ($100.00) of benefits provided in such membership, with a minimum membership fee of twenty-five cents (25¢). The payment of the membership fee, without the payment of the first quarterly assessment due on the membership, shall not authorize the issuance of a certificate of membership in this burial association, and a certificate of membership for such person shall not be issued until the first such assessment is paid. Any member of this association joining after

July 1, 1975, and who shall thereafter purchase an increased benefit shall pay an additional membership fee in accordance with this Article so that the total membership fee paid by such person shall equal twenty-five [cents] (25¢) for each one hundred dollars ($100.00) of benefits in such member's membership; provided, that any member with a fifty-dollar ($50.00) benefit who increases his benefit from fifty dollars ($50.00) to one hundred dollars ($100.00) shall not be required to pay any additional membership fee. The payment of any additional membership fee, without the payment of the first additional assessment due for the increased benefit, shall not make such member eligible for any additional benefit, and such member shall not be eligible for any additional benefit until the first such additional assessment due for such additional benefit is paid. Notwithstanding the foregoing, the provisions of the last paragraph of Article 6, hereinafter set out, shall control the increase of benefits from fifty dollars ($50.00) to one hundred dollars ($100.00) for any member of this association joining under the age of 10 whose benefits in force upon such member attaining his or her tenth birthday are in the amount of fifty dollars ($50.00).

Applicant's birthday must be written in the application and subject to verification by any record the Board of Mortuary Science may deem necessary to prove or establish a true date of the birth of any applicant.

Article 4. The annual meeting of the association shall be held at ..... (here insert the place, date and hour); each member shall have one vote at said annual meeting and 15 members of the association shall constitute a quorum. There shall be elected at the annual meeting of said association a board of directors of seven members, each of whom shall serve for a period of from one to five years as the membership may determine and until his or her successor shall have been elected and qualified. Any member of the board of directors who shall fail to maintain his or her membership, as provided in the rules and bylaws of said association, shall cease to be a member of the board of directors and a director shall be appointed by the president of said association for the unexpired term of such disqualified member. There shall be at least an annual meeting of the board of directors, and such meeting shall be held immediately following the annual meeting of the membership of the association. The directors of the association may, by a majority vote, hold other meetings of which notice shall be given to each member by mailing such notice five days before the meeting to be held. At the annual meetings of the directors of the association, the board of directors shall elect a president, a vice-president, and a secretary-treasurer. The president and vice-president shall be elected from among the directors, but the secretary-treasurer may be selected from the director membership or from the membership of the association, it being provided that it is not necessary that the secretary-treasurer shall be a member of the board of directors. Among other duties that the secretary-treasurer may perform, he shall be chargeable with keeping an accurate and faithful roll of the membership of this association at all times and he shall be chargeable with the duty of faithfully preserving and faithfully applying all moneys coming into his hands by virtue of his said office. The president, vice-president and secretary-treasurer shall constitute a board of control who shall direct

the affairs of the association in accordance with these Articles and bylaws of the association, and subject to such modification as may be made or authorized by an act of the General Assembly. The secretary-treasurer shall keep a record of all assessments made, dues collected and benefits paid. The books of the association, together with all records and bank accounts shall be at all times open to the inspection of the Board of Mortuary Science or his duly constituted auditors or representatives. It shall be the duty of the secretary or secretary-treasurer of each association to keep the books of the association posted up-to-date so that the financial standing of the association may be readily ascertained by the Board of Mortuary Science or any auditor or representative employed by it. Upon the failure of any secretary or secretary-treasurer to comply with this provision, it shall be the duty of the Board of Mortuary Science to take charge of the books of the association and do whatever work is necessary to bring the books up-to-date. The actual costs of said work may be charged the burial association and shall be paid from the thirty percent (30%) allowed by law for the operation of the burial association.

Whenever in the opinion of the Board of Mortuary Science, it is necessary to audit the books of any burial association more than once in any calendar year, the Board of Mortuary Science shall have authority to assess such burial association the actual cost of any audit in excess of one per calendar year, provided that no more than one audit may be deemed necessary unless a discrepancy exists at the last regular audit. Such cost shall be paid from the thirty percent (30%) allowed by law for the operation of the burial association.

Every burial association shall file with the Board of Mortuary Science an annual report of its financial condition on a form furnished to it by the Board of Mortuary Science. Such report shall be filed on or before February 15 of each calendar year and shall cover the complete financial condition of the burial association for the immediate preceding calendar year. The Board of Mortuary Science shall levy and collect a penalty of twenty-five dollars ($25.00) for each day after February 15 that the report called for herein is not filed. The Board may, in its discretion, grant any reasonable extension of the above filing date without the penalty provided in this section. Such penalty shall be paid from the thirty percent (30%) allowed by law for the operation of the burial association. <u>The clear proceeds of penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u> Any secretary or secretary-treasurer who fails to file such financial report on or before February 15 of each calendar year or on or before the last day of any period of extension for the filing of such report granted by the Board to the burial association of such secretary or secretary-treasurer shall be guilty of a Class 3 misdemeanor. Each day after February 15, or the last day of any period of extension for the filing of the report granted by the Board to the burial association of such secretary or secretary-treasurer, that said report is not filed by the secretary or secretary-treasurer of a burial association, shall constitute a separate offense.

Article 5. Upon the death of any officer, his successor shall be elected by the board of directors for the unexpired term. The president, vice-president and

secretary-treasurer shall be elected for a term of from one to five years, and shall hold office until his successor is elected and qualified, subject to the power of the board of directors to remove any officer for good cause shown; provided, that any officer removed by the board of directors shall have the right of appeal to the membership of the association, such appeal to be heard at the next ensuing annual meeting of said membership.

Article 6. Each member shall be assessed according to the following schedule for the benefit indicated (or in multiples thereof for additional benefit) at the age of entry of the member.

Assessment Rate for Age Groups:

First to tenth birthday	
($50.00) benefit	five cents (5¢)
Tenth to thirtieth birthday	
($100.00) benefit	ten cents (10¢)
Thirtieth to fiftieth birthday	
($100.00) benefit	twenty cents (20¢)
Fiftieth to sixty-fifth birthday	
($100.00) benefit	thirty cents (30¢)

(Ages shall be defined as having passed a certain birthday instead of nearest birthday.) Assessment shall always be made on the entire membership in good standing.

Any member joining under the age of 10 shall, upon attaining his or her tenth birthday, pay thereafter the assessment for a member age 10 as set out above.

Any member joining under the age of 10 whose benefits in force upon such member attaining his or her tenth birthday are in the amount of fifty dollars ($50.00) shall, if such member is in good standing upon attaining his or her tenth birthday, thereafter have benefits in force in the amount of one hundred dollars ($100.00) without the necessity of making application for such increased benefit. Assessments made thereafter for such member shall be the same as an assessment for a member age 10 as set out above. Such one-hundred-dollar ($100.00) benefit shall be in full force and effect for any such member in good standing immediately upon such member attaining his or her tenth birthday even though the increased assessment provided for herein shall not yet be due and payable, it being the intent of this Article that, notwithstanding any other provisions in these Articles, any member in good standing with a fifty-dollar ($50.00) benefit shall immediately upon attainment of his or her tenth birthday have a one-hundred-dollar ($100.00) benefit in force whether or not the increased assessment is then due and payable by such member in accordance with the assessment period of this association.

Article 7. No benefit will be paid for natural death occurring within 30 days from the date of the certificate of membership, which certificate shall express the true date such person becomes a member of this association, and the certificate issued shall be in acknowledgment of membership in this association. Benefits will be paid for death caused by accidental means occurring any time after date of membership certificate. No benefits will be paid in case of suicidal death of any member within one year

from the date of the membership certificate. No agent or other person shall have authority to issue membership certificates in the field, but such membership certificates shall be issued at the home office of the association by duly authorized officers: the president, vice-president or secretary, and a record thereof duly made.

Article 8. Any member failing to pay any assessment within 30 days after notice shall be in bad standing, and unless and until restored, shall not be entitled to benefits. Notice shall be presumed duly given when mailed, postage paid, to the last known address of such members: Provided, moreover, that notice to the head of a family shall be construed as notice to the entire membership of such family in said association. Any member or head of a family changing his or her address shall give notice to the secretary-treasurer in writing of such change, giving the old address as well as the new, and the head of a family notifying the secretary-treasurer of change in address shall list with the secretary in such notice all the members of his or her family having membership in said association. Any member in bad standing may, within 90 days after the date of an assessment notice, be reinstated to good standing by the payment of all delinquent dues and assessments: Provided such person shall at the same time submit to the secretary-treasurer satisfactory evidence of good health, in writing, and no benefit will be paid for natural death occurring within 30 days after reinstatement. In case of death caused by accidental means, benefit will be in force immediately after reinstatement. Any person desiring to discontinue his membership for any reason shall communicate such desire to the secretary-treasurer immediately and surrender his or her certificate of membership. Any adult member who is the head of a family and who, with his family, has become in bad standing, shall furnish to the secretary-treasurer satisfactory evidence of the good health of each member desired to be reinstated in writing.

Article 9. The benefits herein provided are for the purpose of furnishing a funeral and burial benefit, in cash or merchandise and service, for a deceased member. The funeral and burial benefit, if furnished in merchandise and service, shall be in keeping with and similar to the merchandise and service sold and furnished at the same price by reputable funeral directors of this or other like communities.

Article 10. It is understood and stipulated that the benefits provided for shall be payable only to a funeral establishment which provides a funeral service for a deceased member and which, if located in North Carolina, is a funeral establishment registered under the provisions of G.S. 90-210.17 or which, if located in any other state, territory or foreign country, is a funeral establishment recognized by and operating in conformity with the laws of such other state, territory or foreign country. Upon the death of any member, it shall be the duty of the person or persons making the funeral arrangements for such deceased member to notify the secretary of the member's burial association of the death of such member. The person or persons making the funeral arrangements for such deceased member shall have 30 days from the date of the death of such member in which to make demand upon the burial association for the funeral benefits to which such member is entitled.

The benefits provided for are to be paid by the burial association to the funeral director providing such funeral and burial service either in cash or in merchandise

and service as elected by the person or persons making the funeral arrangements for such deceased member. If the burial association shall fail, on demand, to provide the benefits to which the deceased member was entitled to the funeral establishment which provided the funeral service for the deceased member, then the benefits shall be paid in cash to the representative of the deceased member qualified under law to receive such benefits.

Article 11. Assessments shall be made as provided in G.S. 143B-472.18. Whenever possible, assessments will be made at definitely stated intervals so as to reduce the cost of collection and to prevent lapse.

Article 12. In the event the proceeds of the annual assessments imposed on the entire membership for one year, as provided in G.S. 143B-472.18, do not prove sufficient at any time to yield the benefit provided for in these bylaws, then the secretary-treasurer shall notify the Board of Mortuary Science who shall be authorized, unless the membership is increased to that point where such assessments are sufficient, to cause liquidation of said association, and may transfer all members in good standing to a like organization or association.

Article 13. (a) All legitimate operating expenses of the association shall be paid out of the assessments, but in no case shall the entire expenses exceed thirty percent (30%) of the total of the assessments collected and the investment income of the burial association in one calendar year.

(b) Each burial association shall establish and maintain a reserve account for the payment of member's benefits. On the thirty-first day of December following July 1, 1975, each burial association shall transfer to such burial association's reserve account established in accordance with this Article all funds which such burial association is maintaining on that date in an account designated by such burial association as either a surplus account or a reserve account. Thereafter, beginning on January 1, 1976, each burial association shall place in such reserve account five percent (5%) of the assessments collected from and after that date and five percent (5%) of the investment income of the association earned from and after that date. These sums shall continue to be placed in the association's reserve account until the association's reserve account shall equal twenty-one dollars ($21.00) per member. Thereafter if the reserve account shall fall below twenty-one dollars ($21.00) per member, such sums shall again be deposited in the account until such time as the reserve account shall again be equal to twenty-one dollars ($21.00) per member. If the reserve account shall at any time exceed twenty-one dollars ($21.00) per member, amounts in excess of twenty-one dollars ($21.00) per member may be withdrawn from the reserve account.

Article 14. Special meetings of the association membership may be called by the secretary-treasurer when by him deemed necessary or advisable, and he shall call a meeting when petitioned to do so by sixty-six and two-thirds percent (66 2/3%) of the members of said association who are in good standing.

Article 15. The secretary-treasurer shall, upon satisfactory evidence that membership was granted to any person not qualified at the time of entry as provided

under Article 3 of these bylaws, refund any amounts paid as assessment, and shall remove the name from the membership roll.

Article 16. Any member may pay any number of assessments in advance, in which case such member will not be further assessed until a like number of assessments shall have been levied against the remaining membership.

Article 17. No person may maintain active membership in two or more separate burial associations. Any person who is found to have membership in two or more separate burial associations shall forfeit all benefits and fees paid in all associations of which he is a member except in the association which he first joined and of which he is still then a member. A person is not a member of an association for purposes of this Article if he has discontinued his membership in such association or if such association has been placed in liquidation.

Article 18. Each year, before the annual meeting of the membership of this association, the association shall cause to be published in a newspaper of general circulation in the county in which such association has its principal place of business, or shall cause to be mailed to each member in good standing a statement showing total income collected, expenses paid and burial benefits provided for by such association during the next preceding year.

Article 19. These rules and bylaws shall not be modified, canceled or abridged by any association or other authority except by act of the General Assembly of North Carolina.

PART III. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

A. WATER TREATMENT FACILITY OPERATORS CERTIFICATION BOARD -- LATE PAYMENT CHARGE OF $30 FOR UNTIMELY PAYMENT OF WATER TREATMENT OPERATOR'S PERMIT FEE. (ORIGINAL AND RENEWAL FEE ARE $50.)

Section 10. G.S. 90A-27 reads as rewritten:

"**§ 90A-27. Application fee.**

The Board may establish a schedule of fees for the issuance or renewal of a certificate to cover the costs of administering the certification programs. The fee for issuing or renewing a certificate may not exceed fifty dollars ($50.00). The Board may impose a penalty not to exceed thirty dollars ($30.00) for the late renewal of a certificate. <u>The clear proceeds of penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>"

B. DIVISION OF ENVIRONMENTAL HEALTH -- $25 LATE PAYMENT CHARGE FOR UNTIMELY PAYMENT OF FOOD AND LODGING INSPECTION FEE; ORIGINAL FEE OF $25

Section 11. G.S. 130A-248(d) reads as rewritten:

" (d) The Department shall charge each establishment subject to this section, except nutrition programs for the elderly administered by the Division of Aging of the Department of Human Resources, establishments that prepare and sell

meat food products or poultry products, and public school cafeterias, an annual fee of twenty-five dollars ($25.00). The Department shall charge an additional twenty-five dollar ($25.00) late payment fee to any establishment that fails to pay the required fee within 45 days after billing by the Department. The Department may, in accordance with G.S. 130A-23, suspend the permit of an establishment that fails to pay the required fee within 60 days after billing by the Department. The Department shall charge a reinstatement fee of one hundred fifty dollars ($150.00) to any establishment that requests reinstatement of its permit after the permit has been suspended. The Commission shall adopt rules to implement this subsection. Fees collected under this ~~subsection~~ subsection, except for late payment fees, shall be used for State and local food, lodging, and institution sanitation programs and activities. No more than thirty-three and one-third percent (33-1/3%) of the fees collected may be used to support State health programs and activities.

The clear proceeds of late payment fees collected pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

C. $5.00 FOR EACH DAY THE REGISTRATION OF SURFACE WATER TRANSFER IS LATE, UP TO $500.00.

Section 12. G.S. 143-215.22H(e) reads as rewritten:

"(e) Any person who is required to register a water transfer or withdrawal under this section and fails to do so shall pay, in addition to the registration fee required under G.S. 143-215.3(a)(1a) and G.S. 143-215.3(a)(1b), a late registration fee of five dollars ($5.00) per day for each day the registration is late up to a maximum of five hundred dollars ($500.00). A person who is required to update a registration under this section and fails to do so shall pay a fee of five dollars ($5.00) per day for each day the updated information is late up to a maximum of five hundred dollars ($500.00). A late registration fee shall not be charged to a farmer who submits a registration that pertains to farming operations.

The clear proceeds of late fees assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

D. NON-CRIMINAL FINE OF NOT MORE THAN $5000 AGAINST OWNERS OF LANDFILLS FAILING TO COLLECT OR REPORT USAGE FEES

Section 13. G.S. 130A-309.27(c)(3) reads as rewritten:

"(3) The revenue generated under this ~~subsection~~ subsection, except for the clear proceeds of the revenue from fines, and any accumulated interest thereon may be applied to the payment of, or pledged as security for, the payment of revenue bonds issued in whole or in part for the purpose of complying with State and federal landfill closure requirements. The application or pledge may be made directly in the proceedings authorizing the bonds or in an

agreement with an insurer of bonds to assure the insurer of this additional security.

The clear proceeds of the revenue from fines shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

E. OPERATING FEES OF $150.00 - $225.00 FOR EACH PETROLEUM/COMMERCIAL UNDERGROUND STORAGE TANK. LATE FEE OF $5.00 PER DAY PER TANK UP TO AND EQUAL TO THE ANNUAL OPERATING FEE

Section 14. (a) G.S. 143-215.094B(a) reads as rewritten:

"(a) There is established under the control and direction of the Department the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund. This Commercial Fund shall be a nonreverting revolving fund consisting of any monies appropriated for such purpose by the General Assembly or available to it from grants, other monies paid to it or recovered on behalf of the Commercial Fund, and fees paid pursuant to this ~~Part.~~ Part, except for late fees collected pursuant to G.S. 143-215.94C(e)."

(b) G.S. 143-215.94C(e) reads as rewritten:

"(e) An owner or operator of a commercial underground storage tank who fails to pay an annual operating fee due under this section within 30 days of the date that the fee is due shall pay, in addition to the fee, a late penalty of five dollars ($5.00) per day per commercial underground storage tank, up to a maximum equal to the annual operating fee due. The Department may waive a late penalty in whole or in part if:

(1) The late penalty was incurred because of the late payment or nonpayment of an annual operating fee by a previous owner or operator.

(2) The late penalty was incurred because of a billing error for which the Department is responsible.

(3) Where the late penalty was incurred because the annual operating fee was not paid by the owner or operator due to inadvertence or accident.

(4) Where payment of the late penalty will prevent the owner or operator from complying with any substantive law, rule, or regulation applicable to underground storage tanks and intended to prevent or mitigate discharges or releases or to facilitate the early detection of discharges or releases.

The clear proceeds of late penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART IV. DEPARTMENT OF HEALTH AND HUMAN SERVICES

A. CHARITABLE ORGANIZATION/PARENTAL ORGANIZATIONS LICENSE APPLICATION LATE FILING FEE

Section 15. G.S. 131F-8(d) reads as rewritten:

"(d) Late Filing. -- A charitable organization or sponsor which fails to file the renewal information by the due date may be assessed an additional fee for the late filing. The late filing fee shall be established by rule of the Department and shall not exceed twenty-five dollars ($25.00) for each month or part of a month after the date on which the information was due to be filed or after the period of extension granted for the filing.

The clear proceeds of late filing fees provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART V. DEPARTMENT OF INSURANCE

A. $200 CIVIL PENALTY AGAINST INSURANCE COMPANY FOR FAILING TO FORWARD AUTOMOBILE INSURANCE CERTIFICATION TO DMV

Section 16.. G.S. 20-319.2 reads as rewritten:

"**§ 20-319.2. Penalty for failure to forward certification.**

If any insurance company shall without good cause fail to forward said certification within seven days after its receipt of such registered letter, the North Carolina Commissioner of Insurance shall be authorized in his discretion to impose a civil penalty upon said company in the amount of two hundred dollars ($200.00) for such violation. The clear proceeds of civil penalties imposed pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. FORFEITURE OF 5% OF UNPAID ASSESSMENT BUT NOT LESS THAN $100 PER MONTH FOR FAILING TO PAY AN ASSESSMENT WHEN DUE

Section 17. G.S. 58-62-51(b) reads as rewritten:

"(b) The Commissioner may suspend or revoke, after notice and hearing, the license to transact insurance in this State of any member insurer that fails to pay an assessment when due or fails to comply with the Plan. As an alternative the Commissioner may levy a forfeiture on any member insurer that fails to pay an assessment when due. The forfeiture shall not exceed five percent (5%) of the unpaid assessment per month, but no forfeiture shall be less than one hundred dollars ($100.00) per month.

The clear proceeds of forfeitures provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART VI. DEPARTMENT OF LABOR

A. ELEVATORS -- CIVIL PENALTIES NOT TO EXCEED $250 PER DAY AND $500 PER DAY ASSESSED FOR FAILURE TO OBTAIN OR RENEW OPERATION CERTIFICATE; FAILURE TO OPERATE ELEVATOR IN COMPLIANCE WITH LAW OR REGULATION; OR FAILURE TO PROVIDE REQUIRED REPORTS

Section 18. G.S. 95-110.5 reads as rewritten:

"**§ 95-110.5. Powers and duties of Commissioner.**

The Commissioner of Labor is hereby empowered:

(1) To delegate to the Director of the Elevator and Amusement Device Division such powers, duties and responsibilities as the Commissioner determines will best serve the public interest in the safe operation of lifting devices and equipment;

(2) To supervise the Director of the Elevator and Amusement Device Division;

(3) To adopt, modify, or revoke such rules and regulations as are necessary for the purpose of carrying out the provisions of this Article including, but not limited to, those governing the design, construction, installation, plans review, testing, inspection, certification, operation, use, maintenance, alteration and relocation of devices and equipment subject to the provisions of this Article. The rules and regulations promulgated pursuant to this rulemaking authority shall conform with good engineering practice as evidenced generally by the most recent editions of the American National Standard Safety Code for Elevators, Dumbwaiters, Escalators and Moving Walks, the National Electrical Code, the American National Standard Safety Requirements for Personnel Hoists, the American National Standard Safety Code for Manlifts, the American National Standard Safety Standard for Conveyors and Related Equipment and similar codes promulgated by agencies engaged in research concerning strength of material, safe design, and other factors bearing upon the safe operation of the devices and equipment subject to the provisions of this Article. The rules and regulations may apply different standards to devices and equipment subject to this Article depending upon their date of installation. The rules and regulations for special equipment shall not adopt specifically any portion of the American National Standard Safety Code for Elevators, Dumbwaiters, Escalators and Moving Walks to inclined and vertical reciprocating conveyors;

(4) To enforce rules and regulations adopted under authority of this Article;

(5) To inspect and have tested for acceptance all new, altered or relocated devices or equipment subject to the provisions of this Article;

(6) To make maintenance and periodic inspections and tests of all devices and equipment subject to the provisions of this Article as often as every six months;

(7) To issue certificates of operation which certify for use such devices and equipment as are found to be in compliance with this Article and the rules and regulations promulgated thereunder;

(8) To have free access, with or without notice, to the devices and equipment subject to the provisions of this Article, during reasonable hours, for purposes of inspection or testing;

(9) To obtain an Administrative Search and Inspection Warrant in accordance with the provisions of Article 4A of Chapter 15 of the General Statutes;

(10) To investigate accidents involving the devices and equipment subject to the provisions of this Article to determine the cause of such accident, and he shall have full subpoena powers in conducting such investigation;

(11) To institute proceedings in the civil or criminal courts of this State, when a provision of this Article or the rules and regulations promulgated thereunder has been violated;

(12) To issue a limited certificate of operation for any device or equipment subject to the provisions of this Article to allow the temporary or restricted use thereof;

(13) To adopt, modify or revoke rules and regulations governing the qualifications of inspectors;

(14) To grant exceptions from the requirements of the rules and regulations promulgated under authority of this Article and to permit the use of other devices when such exceptions and uses will not expose the public to an unsafe condition likely to result in serious personal injury or property damage;

(15) To require that a construction permit must be obtained from the Commissioner before any device or equipment subject to the provisions of this Article is installed, altered or moved from one place to another and to require that the Commissioner must be supplied with whatever plans, diagrams or other data he deems necessary to determine whether or not the proposed construction is in compliance with the provisions of this Article and the rules and regulations promulgated thereunder;

(16) To prohibit the use of any device or equipment subject to the provisions of this Article which is found upon inspection to expose the public to an unsafe condition likely to cause personal injury or property damage. Such device or equipment shall be made operational only upon the Commissioner's determination that such device or equipment has been made safe;

(17) To order the payment of all civil penalties provided by this Article. ~~Funds~~ The clear proceeds of funds collected pursuant to a civil penalty order shall be ~~deposited with the State Treasurer;~~ remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2;

(18) To require that any device or equipment subject to the provisions of this Article which has been out-of-service and not continuously maintained for one or more years shall not be returned to service without first complying with all rules and regulations governing existing installations; and

(19) To coordinate enforcement and inspection activity relative to equipment, devices and operations covered by this Article in order to minimize duplication of liability or regulatory responsibility on the part of the employer or owner."

PART VII. SECRETARY OF STATE

A. ANYONE WHO FAILS TO FILE A CERTIFICATE FOR DOING BUSINESS UNDER ASSUMED NAME WITHIN 7 DAYS AFTER DEMANDED TO DO SO IS LIABLE FOR A $50 PENALTY TO ANYONE DEMANDING THAT THE CERTIFICATE BE FILED

Section 19. G.S. 66-71(a) reads as rewritten:

"(a) Any person, partner or corporation failing to file the certificate as required by G.S. 66-68(a) or G.S. 66-68(c) --

(1) Shall be guilty of a Class 3 misdemeanor, and

(2) Shall be liable in the amount of fifty dollars ($50.00) to any person demanding that such certificate be filed if he fails to file the certificate within seven days after such demand. Such penalty may be collected in a civil action therefor. <u>In an action brought by the State of North Carolina, the clear proceeds of the civil penalty shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>"

B. LATE FILING FEE OF $10.00 (NO ORIGINAL REGISTRATION FEE) FOR LOBBYIST'S PRINCIPAL NOT FILING EXPENSE REPORT ON TIME

Section 16. 120-47.6(d) reads as rewritten:

"(d) When a lobbyist fails to file a lobbying expense report as required herein, the Secretary of State shall send a certified or registered letter advising the lobbyist of the delinquency and the penalties provided by law. Within 20 days of the receipt of the letter, the lobbyist shall deliver or post by United States mail to the Secretary of State the required report and an additional late filing fee of ten dollars ($10.00). Filing of the required report and payment of the additional fee within the time extended shall constitute compliance with this section. Failure to file an expense report in one of the manners prescribed herein shall result in revocation of any and all registrations of a lobbyist under this Article. No lobbyist may register or reregister under this Article until he has fully complied with this section. <u>The clear proceeds of late filing fees provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>"

C. LATE FILING FEE OF $10.00 (NO ORIGINAL REGISTRATION FEE) FOR LOBBYST'S PRINCIPAL NOT FILING EXPENSE REPORT ON TIME

Section 20. G.S. 120-47.7(d) reads as rewritten:

"(d) When a lobbyist's principal fails to file a lobbying expense report as required herein, the Secretary of State shall send a certified or registered letter advising the lobbyist's principal of the delinquency and the penalties provided by law. Within 20

days of the receipt of the letter, the lobbyist's principal shall deliver or post by United States mail to the Secretary of State the required report and a late filing fee of ten dollars ($10.00). Filing of the required report and payment of the late fee within the time extended shall constitute compliance with this section.

The clear proceeds of late filing fees provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART VIII. ACUPUNCTURE LICENSING BOARD

A. FOR LATE RENEWAL OF A LICENSE, AN ADDITIONAL LATE FEE OF $75.00 (RENEWAL OF LICENSE - $300.00; ISSUANCE OF LICENSE - $500.00)

Section 18. G.S. 90-457 reads as rewritten:

"**§ 90-457. Fees.**

The Board may establish fees, not to exceed the following amounts, to cover the cost of services rendered:

(1) For an application and an examination, one hundred dollars ($100.00).

(2) For issuance of a license, five hundred dollars ($500.00).

(3) For renewal of a license, three hundred dollars ($300.00).

(4) For the late renewal of a license, an additional late fee of seventy-five dollars ($75.00)."

The clear proceeds of late fees provided for in subdivision (4) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART IX. APPRAISAL BOARD

A. LATE FILING FEE OF $5.00 PER MONTH UP TO $60.00 (REGISTRATION, LICENSE, CERTIFICATE FEE IS $200.00)

Section 19. G.S. 93E-1-7(c) reads as rewritten:

"(c) All trainee registrations, licenses, and certificates reinstated after the expiration dates shall be subject to a late filing fee of five dollars ($5.00) per month for each month or part thereof that the trainee registration, license, or certificate is lapsed, not to exceed sixty dollars ($60.00). The late filing fee shall be in addition to the required renewal fee. In the event a trainee, licensee, or certificate holder fails to reinstate the trainee registration, license, or certificate within 12 months after the expiration date thereof, the Board may, in its discretion, consider the person as not having been previously registered, licensed, or certified, and thereby subject to the provisions of this Chapter relating to the issuance of an original trainee registration, license, or certificate, including the examination requirements set forth herein. Applications to reinstate trainee registrations, licenses, or certificates expired for 12 or more months shall be accompanied by the fee required for an original trainee registration, license, or certificate.

The clear proceeds of late fees provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART X. BOARD OF ARCHITECTURE

A. A LATE RENEWAL FEE MUST BE PAID IF THE LICENSE IS NOT RENEWED WITHIN 30 DAYS. (NO AMOUNT SPECIFIED.)

Section 21. G.S. 83A-11 reads as rewritten:

"**§83A-11. Expirations and renewals.**

Certificates must be renewed on or before the first day of July in each year. No less than 30 days prior to the renewal date, a renewal application shall be mailed to each individual and corporate licensee. The completed application together with the required renewal fee shall be returned to the Board on or before the renewal date. When the Board is satisfied as to the continuing competency of an architect, it shall issue a renewal of the certificate. Upon failure to renew within 30 days after the date set for expiration, the license shall be automatically revoked but such license may be renewed at any time within one year following the expiration date upon proof of continuing competency and payment of the renewal fee plus a late renewal fee. After one year from the date of revocation, reinstatement may be made by the Board, or in its discretion, the application may be treated as new subject to reexamination and qualification requirements as in the case of new applications.

The clear proceeds of late renewal fees provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XI. STATE BOARD OF BARBER EXAMINERS

A. RESTORATION OF EXPIRED CERTIFICATE WITHIN THE FIRST YEAR $10 PLUS RENEWAL FEES ($30); AFTER THE FIRST YEAR $20.00 PLUS LAPSED FEES

Section 22. G.S. 86A-25 reads as rewritten:

"**§ 86A-25. Fees collectible by Board.**

The State Board of Barber Examiners shall charge fees not to exceed the following:

Certificate of registration or renewal as a barber		$ 30.00
Certificate of registration or renewal as an apprentice barber		30.00
Barbershop permit or renewal		30.00
Examination to become a registered barber		50.00
Examination to become a registered apprentice barber		50.00
Late fee for restoration of an expired barber certificate within first year after expiration	20.00	
Late fee for restoration of an expired barber certificate after first year after expiration but within five years after expiration		40.00
Late fee for restoration of an expired apprentice certificate within first year after expiration		20.00

Late fee for restoration of an expired apprentice certificate after first year after expiration but within three years of first issuance of the certificate	25.00
Late fee for restoration of an expired barbershop certificate	25.00
Examination to become a barber school instructor	95.00
Student permit	15.00
Issuance of any duplicate copy of a license, certificate, or permit	7.50
Barber school permit or renewal	75.00
Late fee for restoration of an expired barber school certificate	50.00
Barber school instructor certificate or renewal	50.00
Late fee for restoration of an expired barber school instructor certificate within first year after expiration	25.00
Late fee for restoration of an expired barber school instructor certificate after first year after expiration but within three years after expiration	50.00
Inspection of newly established barbershop	70.00
Inspection of newly established barber school	125.00
Issuance of a registered barber or apprentice certificate by certification	70.00
Barbers 70 years and older certificate or renewal	No charge.

The clear proceeds of late fees provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XII. BOARD OF CHIROPRACTIC EXAMINERS

A. $25 REINSTATEMENT FEE, IN ADDITION TO RENEWAL FEE, REQUIRED FOR LICENSE OR CERTIFICATE HOLDER WHO FAILS TO RENEW LICENSE WITHIN 30 DAYS (RENEWAL FEE NOT TO EXCEED $100)

Section 23. G.S. 90-156 reads as rewritten:

"**§90-156. Pay of Board and authorized expenditures.**

The members of the Board of Chiropractic Examiners shall receive their actual expenses, including transportation and lodging, when meeting for the purpose of holding examinations, and performing any other duties placed upon them by this Article, such expenses to be paid by the treasurer of the Board out of the moneys received by him as license fees, or from renewal fees. The Board shall also expend out of such fund so much as may be necessary for preparing licenses, securing seal, providing for programs for licensed doctors of chiropractic in North Carolina, and all other necessary expenses in connection with the duties of the Board.

The Board shall remit the clear proceeds of reinstatement fees provided for in G.S. 90-155 to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XIII. CODE OFFICIALS QUALIFICATION BOARD

A. BOARD AUTHORIZED TO CHARGE EXTRA $2.00 FOR LATE RENEWAL FEES. (FEES FOR CERTIFICATION SHALL NOT EXCEED $20.00. ANNUAL RENEWAL FEE IS $10.00.)

Section 24. G.S. 143-151.21 reads as rewritten:

"**§ 143-151.21. Disposition of fees.**

Fees collected by the Commissioner under this ~~Article~~ Article, except for delinquency penalties, shall be credited to the Department of Insurance Fund created under G.S. 58-6-25. The clear proceeds of late renewal fees provided for in G.S. 143-151.16 shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XIV. STATE BOARD OF COSMETIC ART EXAMINERS

A. "DELINQUENCY PENALTY" OF $10 AND $3 FOR LATE RENEWAL OF LICENSES AND LATE PAYMENT OF FEES FOR INDIVIDUAL COSMETOLOGISTS AND SHOPS

Section 25. G.S. 88-14 reads as rewritten:

"**§ 88-14. Office in Raleigh; seal; officers and secretary.**

The Board of Cosmetic Art Examiners shall maintain a suitable office in Raleigh, North Carolina, and shall adopt and use a common seal for the authentication of its orders and records. The Board shall operate under its present structure and composure until July 1, 1977, and thereafter said Board shall elect its own officers and in addition thereto shall employ an executive secretary, who shall not be a member of the Board. The salary of such executive secretary shall be fixed by the State Personnel Department. The secretary shall keep and preserve all the records of the Board, issue all necessary notices and perform such other duties, clerical and otherwise, as may be imposed upon such secretary by said Board of Cosmetic Art Examiners. The secretary is hereby authorized and empowered to collect in the name and on behalf of said Board the fees prescribed by this Chapter and shall turn over to the State Treasurer all funds collected or received under this ~~Chapter,~~ Chapter, except for the clear proceeds of delinquency penalties collected under G.S. 88-21, ~~which fund~~ The funds turned over to the State Treasurer shall be credited to the Board of Cosmetic Art Examiners, and said funds shall be held and expended under the supervision of the Director of the Budget of the State of North Carolina exclusively for the administration and enforcement of the provisions of this Chapter. Such bond shall be made as part of the blanket bond of State officers and employees provided for in G.S. 128-8. Nothing in this Chapter shall be construed to authorize any expenditure in excess of the amount available from time to time in the hands of the State Treasurer, derived from fees and fines collected under the provisions of this Chapter and received by the State Treasurer in the manner aforesaid.

The clear proceeds of delinquency penalties shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XV. STATE BOARD OF DENTAL EXAMINERS

A. AN ADDITIONAL PENALTY FEE OF $50 (AS SET IN 90-39(2A)) SHALL BE CHARGED FOR LATE RENEWAL OF DENTAL LICENSE. (INITIAL FEE IS $500 AND RENEWAL FEE IS $140 (SEE 90-39(1) & (2)(1996 SUPP.).)

Section 26.(a) G.S. 90-31 reads as rewritten:

"**§ 90-31. Annual renewal of licenses.**

The laws of North Carolina now in force, having provided for the annual renewal of any license issued by the North Carolina State Board of Dental Examiners, it is hereby declared to be the policy of this State, that all licenses heretofore issued by the North Carolina State Board of Dental Examiners or hereafter issued by said Board are subject to annual renewal and the exercise of any privilege granted by any license heretofore issued or hereafter issued by the North Carolina State Board of Dental Examiners is subject to the issuance on or before the first day of January of each year of a certificate of renewal of license.

On or before the first day of January of each year, each dentist engaged in the practice of dentistry in North Carolina shall make application to the North Carolina State Board of Dental Examiners and receive from said Board, subject to the further provisions of this section and of this Article, a certificate of renewal of said license.

The application shall show the serial number of the applicant's license, his full name, address and the county in which he has practiced during the preceding year, the date of the original issuance of license to said applicant and such other information as the said Board from time to time may prescribe, at least six months prior to January 1 of any year.

If the application for such renewal certificate, accompanied by the fee required by this Article, is not received by the Board before January 31 of each year, an additional fee shall be charged for renewal certificate. The maximum penalty fee for late renewal is set forth in G.S. 90-39. If such application, accompanied by the renewal fee, plus the additional fee, is not received by the Board before March 31 of each year, every person thereafter continuing to practice dentistry without having applied for a certificate of renewal shall be guilty of the unauthorized practice of dentistry and shall be subject to the penalties prescribed by G.S. 90-40.

<u>The clear proceeds of late renewal fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>"

(b) G.S. 90-22(d) reads as rewritten:

"(d) For service on the Board of Dental Elections, the members of such Board shall receive the per diem compensation and expenses allowed by this Article for service as members of the Board of Dental Examiners. ~~The~~ <u>Except as provided in G.S. 90-31, the</u> Board of Dental Elections is authorized and empowered to expend from funds collected under the provisions of this Article such sum or sums as it may determine necessary in the performance of its duties as a Board of Dental Elections, said expenditures to be in addition to the authorization contained in G.S. 90-43 and to be disbursed as provided therein."

(c) G.S. 90-43 reads as rewritten:

"**§ 90-43. Compensation and expenses of Board.**

Notwithstanding G.S. 93B-5(a), each member of the North Carolina State Board of Dental Examiners shall receive as compensation for his services in the performance of his duties under this Article a sum not exceeding one hundred dollars ($100.00) for each day actually engaged in the performance of the duties of his office, said per diem to be fixed by said Board, and all legitimate and necessary expenses incurred in attending meetings of the said Board.

~~The~~ Except as provided in G.S. 90-31, the Board is authorized and empowered to expend from funds collected hereunder such additional sum or sums as it may determine necessary in the administration and enforcement of this Article, and employ such personnel as it may deem requisite to assist in carrying out the administrative functions required by this Article and by the Board"

PART XVI. BOARD OF DIETETICS AND NUTRITION

A. FOR THE LATE RENEWAL OF A LICENSE, AN ADDITIONAL LATE FEE NOT TO EXCEED $50.00 (LICENSE RENEWAL NOT TO EXCEED $50.00).

Section 27. G.S. 90-364 reads as rewritten:

"**§ 90-364. Fees.**

The Board shall establish fees in accordance with Chapter 150B of the General Statutes in amounts to cover the cost of services rendered for the following purposes:

(1) For an initial application, a fee not to exceed twenty-five dollars ($25.00);

(2) For examination or reexamination, a fee not to exceed one hundred fifty dollars ($150.00);

(3) For issuance of a license, a fee not to exceed one hundred dollars ($100.00);

(4) For the renewal of a license, a fee not to exceed fifty dollars ($50.00);

~~(5) For the late renewal of a license, an additional late fee not to exceed fifty dollars ($50.00);~~

(6) For a provisional license, a fee not to exceed thirty-five dollars ($35.00); and

(7) For copies of Board rules and licensure standards, charges not exceeding the actual cost of printing and mailing.

The Board shall establish for the late renewal of a license, an additional late fee not to exceed fifty dollars ($50.00). The clear proceeds of the late renewal fee shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XVII. STATE BOARD OF EXAMINERS OF ELECTRICAL CONTRACTORS

A. A LICENSE MAY BE REINSTATED UPON PAYMENT OF THE LICENSE FEE, A LATE RENEWAL FEE NOT TO EXCEED $25.00 AND ALL FEES FOR THE LAPSED PERIOD

Section 28. G.S. 87-45 reads as rewritten:

§87-45. Funds.

The fees collected for examinations and licenses under this ~~Article~~ Article, except for late renewal fees, shall be used for the expenses of the State Board of Examiners of Electrical Contractors in carrying out the provisions of this Article. No expenses of the Board or compensation of any member or employee of the Board shall be payable out of the treasury of the State of North Carolina; and neither the Board nor any member or employee thereof shall have any power or authority to make or incur any expense, debt or other financial obligation binding upon the State of North Carolina. Any funds remaining in the hands of the secretary- treasurer to the credit of the Board after all expenses of the Board for the current fiscal year have been fully provided for shall be paid over to the North Carolina Engineering Foundation, Inc., for the benefit of the electrical engineering department of the Greater University of North Carolina. Provided, however, the Board shall have the right to maintain an amount, the cumulative total of which shall not exceed twenty percent (20%) of gross receipts for the previous fiscal year of its operation as a maximum contingency or emergency fund.

The clear proceeds of late renewal fees provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XVIII. NORTH CAROLINA BOARD OF ELECTROLYSIS EXAMINERS

A. $25 LATE RENEWAL CHARGE FOR LATE RENEWAL OF CERTIFICATE OR LICENSE (RENEWAL FEE VARIES BASED UPON LICENSE ISSUED -- EITHER $40, $100 OR $250)

Section 29. G.S. 88A-9(a) reads as rewritten:

"(a) All salaries, compensation, and expenses incurred or allowed for the purpose of carrying out the purposes of this Chapter shall be paid by the Board exclusively out of the fees received by the Board as authorized by this ~~Chapter,~~ Chapter other than late renewal charges, or funds received pursuant to G.S. 88A-7. No salary, expense, or other obligations of the Board may be charged against the General Fund of the State. Neither the Board nor any of its officers or employees may incur any expense, debt, or other financial obligation binding upon the State.

The clear proceeds of late renewal charges provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XIX. STATE BOARD OF REGISTRATION FOR FORESTERS

A. EXPIRED REGISTRATIONS CAN BE RENEWED BY PAYING $20 RENEWAL FEE PLUS LATE PAYMENT FEE OF $1.00 PER CALENDAR MONTH AFTER DATE OF EXPIRATION (NOT TO EXCEED $20)

Section 30. G.S. 89B-7 reads as rewritten:

"**§89B-7. Receipts and disbursements.**

The secretary of the Board shall receive and account for all moneys derived under the provision of this Chapter, and shall keep such ~~moneys~~ moneys, except for the clear proceeds of late payment fees, in a separate fund to be known as the 'Registered

Foresters' Fund.' Moneys in the aforesaid fund shall be expended to carry out the purposes of the Board. The secretary of the Board shall give surety bond to the Board in such sum as the Board may determine, the premium of which shall be regarded as a proper expense of the Board and shall be paid from the Registered Foresters' Fund.

The Board may employ and fix the compensation of necessary clerical and other assistants. The compensation of such assistants shall be paid out of the Registered Foresters' Fund.

The clear proceeds of late payment fees provided for in G.S. 89B-11 shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XX. STATE LICENSING BOARD FOR GENERAL CONTRACTORS

A. LATE PAYMENT OF $10 FOR EACH MONTH OR PART OF A MONTH THAT LICENSE IS RENEWED AFTER JANUARY (RENEWAL FEE VARIES WITH TYPE OF CERTIFICATE ISSUED, EITHER $50, $75 OR $100)

Section 31. G.S. 87-7 reads as rewritten:

§87-7. Records of Board; disposition of funds.

The secretary-treasurer shall keep a record of the proceedings of the said Board and shall receive and account for all moneys derived from the operation of this Article. The clear proceeds of late payments provided for in G.S. 87-10(e) shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Any funds remaining in the hands of the secretary-treasurer to the credit of the Board after the expenses of the Board for the current year have been paid shall be paid over to the Greater University of North Carolina for the use of the School of Engineering through the North Carolina Engineering Foundation. The Board has the right, however, to retain at least ten percent (10%) of the total expense it incurs for a year's operation to meet any emergency that may arise. As an expense of the Board, said Board is authorized to expend such funds as it deems necessary to provide retirement and disability compensation for its employees."

PART XXI. NORTH CAROLINA STATE HEARING AID DEALERS AND FITTERS BOARD

A. LATE PENALTY OF $25 OR $50 TO REINSTATE AN EXPIRED LICENSE UPON SHOWING OF GOOD CAUSE AND PAYMENT OF LICENSE RENEWAL FEE (RENEWAL FEE NOT TO EXCEED $150)

Section 32. G.S. 93D-3(d) reads as rewritten:

"(d) Out of the funds coming into the possession of said Board, except for the clear proceeds of late penalties provided for in G.S. 93D-11, each member thereof may receive as reimbursement for each day he is actually engaged in the assigned duties of his office, the sum of eight cents (8¢) per mile for travel plus the actual costs of meals and public lodging while away from home, which costs of meals and lodging may not exceed twenty dollars ($20.00) per day. Such expenses shall be paid from the fees and assessments received by the Board under the provisions of this

Chapter. No part of these expenses or any other expenses of the Board, in any manner whatsoever, shall be paid out of the State treasury. All moneys received in excess of expense allowance and mileage, as above provided, shall be held by the secretary-treasurer as a special fund for meeting other expenses of the Board and carrying out the provisions of this Chapter.

The clear proceeds of late penalties provided for in G.S. 93D-11 shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

The secretary-treasurer shall give a bond to the Board to be approved by the Board, in the sum of five thousand dollars ($5,000) conditioned upon the faithful performance of the duties of his office.

The Board shall make an annual report of its proceedings to the Governor on the first Monday in June of each year, which report shall contain an account of all moneys received and disbursed by the Board and a complete listing of names and addresses of all licensees and apprentices. Copies of the report and list of licensees and apprentices shall be filed in the office of the State Auditor, the Secretary of State, and Attorney General."

PART XXII. NORTH CAROLINA HOME INSPECTOR LICENSING BOARD

A. LATE FEE OF EITHER $25 OR $15 FOR LATE RENEWAL OF HOME INSPECTOR OR ASSOCIATE HOME INSPECTOR LICENSE

Section 33. G.S. 143-151.57 reads as rewritten

§ 143-151.57. Fees.

(a) Maximum Fees. -- The Board may adopt fees that do not exceed the amounts set in the following ~~table for administering this Article:~~ table:

Item	Maximum Fee
Application for home inspector license	$25.00
Application for associate home inspector license	15.00
Home inspector examination	75.00
Issuance of home inspector license	150.00
Issuance of associate home inspector license	100.00
Late renewal of home inspector license	25.00
Late renewal of associate home inspector license inspector	15.00
Copies of Board rules or licensure standards	Cost of printing and mailing.

(b) Subsequent Application. -- An individual who applied for a license as a home inspector and who failed the home inspector examination is not required to pay an additional application fee if the individual submits another application for a license as a home inspector. The individual must pay the examination fee, however, to be eligible to take the examination again.

(c) All funds collected pursuant to this section, except for the clear proceeds of late fees, are for administering this Article. The clear proceeds of late fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXIII. NORTH CAROLINA LANDSCAPE CONTRACTORS' REGISTRATION BOARD

A. CERTIFICATE RENEWAL MAY NOT EXCEED $50.00; CERTIFICATES REINSTATED AFTER EXPIRATION DATE SHALL BE SUBJECT TO A LATE FILING FEE OF $10.00

Section 34. G.S. 89D-4(b) reads as rewritten:

"(b) From its ~~funds,~~ funds, except for the clear proceeds of late filing fees provided for in G.S. 89D, the Board shall pay its members at the rate set out in G.S. 93B-5: Provided, that at no time shall the expense exceed the cash balance on hand.

The clear proceeds of late filing fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXIV. BOARD OF LAW EXAMINERS

A. LATE FILING FEE OF $200, IN ADDITION TO OTHER REQUIRED FEES, FOR APPLICATIONS FILED AFTER DEADLINE

Section 35.

PART XXV. BOARD OF LICENSED PROFESSIONAL COUNSELORS

A. FEE NOT TO EXCEED $25 FOR LATE RENEWAL OF LICENSE (INITIAL AND RENEWAL APPLICATION FEE NOT TO EXCEED $100)

Section 36. G.S. 90-334(f) reads as rewritten:

"(f) The Board shall establish and receive fees not to exceed one hundred dollars ($100.00) for initial or renewal application, not to exceed one hundred dollars ($100.00) for examination, and not to exceed twenty-five dollars ($25.00) for late ~~renewal,~~ renewal and shall maintain Board accounts of all ~~receipts, and~~ receipts. The Board shall make expenditures from ~~Board receipts~~ all Board receipts, except for the clear proceeds of late renewal fees, for any purpose which is reasonable and necessary for the proper performance of its duties under this Article. The clear proceeds of late renewal fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXVI. NORTH CAROLINA MEDICAL BOARD

A. $20 ADDITIONAL FEE FOR PHYSICIAN FAILING TO REGISTER LICENSE WHEN REQUIRED EVERY 2 YEARS (REGISTRATION FEE = $200)

Section 37. G.S. 90-15 reads as rewritten:

"**§ 90-15. License fee; salaries, fees, and expenses of Board.**

Each applicant for a license by examination shall pay to the North Carolina Medical Board a fee which shall be prescribed by the Board in an amount not exceeding the sum of four hundred dollars ($400.00) plus the cost of test materials before being admitted to the examination. Whenever a license is granted without examination, as authorized in G.S. 90-13, the applicant shall pay to the Board a fee in an amount to be prescribed by the Board not in excess of two hundred fifty dollars

($250.00). Whenever a limited license is granted as provided in G.S. 90-12, the applicant shall pay to the Board a fee not to exceed one hundred fifty dollars ($150.00), except where a limited license to practice in a medical education and training program approved by the Board for the purpose of education or training is granted, the applicant shall pay a fee of twenty-five dollars ($25.00). A fee of twenty-five dollars ($25.00) shall be paid for the issuance of a duplicate license. All fees shall be paid in advance to the North Carolina Medical ~~Board, to~~ Board. All of these funds, except for the clear proceeds of penalties for late registration assessed pursuant to G.s. 90-15.1, shall be held in a fund for the use of the Board. The compensation and expenses of the members and officers of the Board and all expenses proper and necessary in the opinion of the Board to the discharge of its duties under and to enforce the laws regulating the practice of medicine or surgery shall be paid out of the fund, upon the warrant of the Board. The per diem compensation of Board members shall not exceed two hundred dollars ($200.00) per day per member for time spent in the performance and discharge of duties as a member. Any unexpended sum or sums of money remaining in the treasury of the Board at the expiration of the terms of office of the members of the Board shall be paid over to their successors in office.

For the initial and annual registration of an assistant to a physician, the Board may require the payment of a fee not to exceed a reasonable amount.

The clear proceeds of penalties collected for late registration shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXVII. MIDWIFERY JOINT SUBCOMMITTEE OF NORTH CAROLINA MEDICAL BOARD AND BOARD OF NURSING

A. REINSTATEMENT FEE OF UP TO $5 REQUIRED FOR LAPSED APPROVAL TO PRACTICE (RENEWAL FEE IS A MAXIMUM OF $50)

Section 38. G.S. 90-178.4(d) reads as rewritten:

(d) All fees collected on behalf of the joint subcommittee and all receipts of every kind and nature, as well as the compensation paid the members of the joint subcommittee and the necessary expenses incurred by them in the performance of the duties imposed upon them, shall be reported annually to the State Treasurer. All fees and other moneys received by the joint subcommittee pursuant to the provisions of the General ~~Statutes~~ Statutes, except for the clear proceeds of reinstatement fees received pursuant to subsection (b)(3) of this section, shall be kept in a separate fund by the joint subcommittee, to be held and expended only for such purposes as are proper and necessary to the discharge of the duties of the joint subcommittee and to enforce the provisions of this Article. No expense incurred by the joint subcommittee shall be charged against the State.

The clear proceeds of reinstatement fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXVIII. NORTH CAROLINA BOARD OF NURSING

A. $90 FEE (WHICH INCLUDES $50 RENEWAL FEE) FOR REINSTATEMENT OF LAPSED LICENSE TO PRACTICE AS REGISTERED NURSE OR PRACTICAL NURSE

Section 39. G.S. 90-171.27(a) reads as rewritten:

"(a) All salaries, compensation, and expenses incurred or allowed for the purposes of carrying out this Article shall be paid by the Board exclusively out of the fees received by the Board as authorized by this ~~Article,~~ Article except for the clear proceeds of forty dollars ($40.00) of each reinstatement fee collected pursuant to subsection (b) of this section, or funds received from other sources. In no case shall any salary, expense, or other obligation of the Board be charged against the treasury of the State of North Carolina. All moneys and receipts shall be kept in a special fund by and for the use of the Board for the exclusive purpose of carrying out the provisions of this Article.Act.

The clear proceeds of forty dollars ($40.00) of each reinstatement fee shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXIX. BOARD OF OCCUPATIONAL THERAPY

A. FOR THE LATE RENEWAL OF A LICENSE (FEE NOT TO EXCEED $50.00) (NOT CLEAR IF THIS INCLUDES REGULAR RENEWAL COSTS WHICH IS $50). INITIAL LICENSE FEE NOT TO EXCEED $100

Section 40. G.S. 90-270.77 reads as rewritten:

"**§ 90-270.77. Fees.**

The Board shall adopt and publish, in the manner established by its rules and regulations, fees reasonably necessary to cover the cost of services rendered for the following purposes:

(1) For an initial application, a fee not to exceed ten dollars ($10.00);

(2) For examination, reexamination, or issuance of a license a fee not to exceed one hundred dollars ($100.00);

(3) For the renewal of a license, a fee not to exceed fifty dollars ($50.00);

(4) For the late renewal of a license, a fee not to exceed fifty dollars ($50.00);

(5) For a provisional license, a fee not to exceed thirty-five dollars ($35.00); and

(6) For copies of Board rules and licensure standards, charges not exceeding the actual cost of printing and mailing.

The clear proceeds of late renewal fees collected pursuant to subdivision (4) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

"

PART XXX. STATE BOARD OF OPTICIANS

A. "PENALTY" OF $5 PER MONTH FOR LATE LICENSE RENEWAL, NOT TO EXCEED THE LICENSE FEE ITSELF

Section 41. G.S. 90-244(b) reads as rewritten:

"(b) A license issued by the Board automatically expires on the first day of January of each year. A license shall be reinstated without penalty from January 1 through January 15 immediately following expiration. After January 15, a license shall be reinstated by payment of the renewal fee and a penalty of fifty dollars ($50.00). Licenses that remain expired two years or more shall not be reinstated.

The clear proceeds of penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXXI. NORTH CAROLINA STATE BOARD OF EXAMINERS IN OPTOMETRY

A. ADDITIONAL FEE OF $50 FOR LATE APPLICATIONS FOR OPTOMETRY LICENSE RENEWAL CERTIFICATE (RENEWAL FEE IS $250)

Section 42. G.S. 90-118.10 reads as rewritten:

§ 90-118.10. Annual renewal of licenses.

Since the laws of North Carolina now in force provided for the annual renewal of any license issued by the North Carolina State Board of Examiners in Optometry, it is hereby declared to be the policy of this State that all licenses heretofore issued by the North Carolina State Board of Examiners in Optometry, or hereafter issued by said Board are subject to annual renewal and the exercise of any privilege granted by any license heretofore issued or hereafter issued by the North Carolina State Board of Examiners in Optometry is subject to the issuance on or before the first day of January of each year of a certificate of renewal of license.

On or before the first day of January of each year, each optometrist engaged in the practice of optometry in North Carolina shall make application to the North Carolina State Board of Examiners in Optometry and receive from said Board, subject to the further provisions of this section and of this Article, a certificate of renewal of said license.

The application shall show the serial number of the applicant's license, his full name, address and the county in which he has practiced during the preceding year, the date of the original issuance of license to said applicant and such other information as the said Board from time to time may prescribe by regulation.

If the application for such renewal certificate, accompanied by the fee required by this Article, is not received by the Board before January 31 of each year, an additional fee of fifty dollars ($50.00) shall be charged for renewal certificate. If such application accompanied by the renewal fee is not received by the Board before March 31 of each year, every person thereafter continuing to practice optometry without having applied for a certificate of renewal shall be guilty of the unauthorized practice of optometry and shall be subject to the penalties prescribed by G.S. 90-118.11.

In issuing a certificate of renewal, the Board shall expressly state whether such person, otherwise licensed in the practice of optometry, has been certified to prescribe and use pharmaceutical agents. (1973, c. 800, s. 17; c. 1092, s. 1; 1977, c. 482, s. 3; 1987, c. 645, s. 3.)

PART XXXII. BOARD OF PHYSICAL THERAPY EXAMINERS

A. $20 LATE RENEWAL FEE FOR PHYSICAL THERAPIST LICENSE. ORIGINAL FEE IS $100 AND RENEWAL FEE IS $40

Section 43. G.S. 90-270.28 reads as rewritten:

"**§90-270.28. Disposition of funds.**

All fees and other moneys collected and received by the ~~Board~~ Board, except for the clear proceeds of license renewal fees collected and received pursuant to G.S. 90-270.33(5), shall be used for the purposes of implementing this Article. The clear proceeds of of license renewal fees collected and received pursuant to G.S. 90-270.33(5) shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

The financial records of the Board shall be subjected to an annual audit and paid for out of the funds of the Board."

PART XXXIII. STATE BOARD OF EXAMINERS OF PLUMBING, HEATING AND FIRE SPRINKLER CONTRACTORS

A. PENALTY OF 10% FOR EACH MONTH OR FRACTION OF MONTH THAT ANNUAL LICENSE FEE IS LATE, NOT TO EXCEED THE AMOUNT OF THE ANNUAL FEE (ANNUAL PLUMBING OR HEATING FEE VARIES DEPENDING UPON NUMBER OF PEOPLE IN CITY OR TOWN, EITHER $50 OR $75; ANNUAL FIRE SPRINKLER FEE IS $300)

Section 44. G.S. 87-27 reads as rewritten:

"**§87-27. License fees payable in advance; application of.**

All license fees shall be paid in advance to the secretary and treasurer of the ~~Board and by him~~ Board. All of these funds, except for the clear proceeds of funds collected pursuant to G.S. 87-22 for failure to renew a license or for nonpayment of a license fee, shall held as a fund for the use of the Board. The compensation and expenses of the members of the Board as herein provided, the salaries of its employees, the costs of continuing educational programs for licensees and applicants, and all expenses incurred in the discharge of its duties under this Article shall be paid out of such fund, upon the warrant of the chairman and secretary and treasurer.

The clear proceeds of funds collected pursuant to G.S. 87-22 for failure to renew a license or for nonpayment of a license fee, shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

PART XXXIV. PRIVATE PROTECTIVE SERVICES BOARD

A. A LATE RENEWAL FEE NOT TO EXCEED $100.00. (NEW OR RENEWAL LICENSE FEE NOT TO EXCEED $250.00)

Section 45. G.S. 74C-9(e) reads as rewritten:

"**§ 74C-9. Form of license; term; renewal; posting; branch offices; not assignable; late renewal fee.**

(a) The license when issued shall be in such form as may be determined by the Board and shall state:

(1) The name of the licensee,

(2) The name under which the licensee is to operate, and

(3) The number and expiration date of the license.

(b) The license shall be issued for a term of one year. A trainee permit shall be issued for a term of one year. All licenses must be renewed prior to the expiration of the term of the license. Following issuance, the license shall at all times be posted in a conspicuous place in the licensee's principal place of business, in North Carolina, unless for good cause exempted by the Administrator. A license issued under this Chapter is not assignable.

(c) Repealed by Session Laws 1989, c. 759, s. 7.

(d) The operator or manager of any branch office shall be properly licensed or registered. The license shall be posted at all times in a conspicuous place in the branch office. This license shall be issued for a term of one year. Every business covered under the provisions of this Chapter shall file in writing with the Board the addresses of each of its branch offices, if any, within 10 working days after the establishment, closing, or changing of the location of any branch office. The Administrator may, upon the successful completion of an investigation of the application, issue a temporary branch office license pending approval of the application by the Board.

(e) The Board is authorized to charge reasonable application and license fees as follows:

(1) A nonrefundable initial application fee in an amount not to exceed one hundred fifty dollars ($150.00);

(2) A new or renewal license fee in an amount not to exceed two hundred fifty dollars ($250.00);

(3) A new or renewal trainee permit fee in an amount not to exceed two hundred fifty dollars ($250.00);

(4) A new or renewal fee for each license or duplicate license in addition to the basic license referred to in subsection (2) in an amount not to exceed fifty dollars ($50.00);

(5) A late renewal fee to be paid in addition to the renewal fee due in an amount not to exceed one hundred dollars ($100.00), if the license has not been renewed on or before the expiration date of the licensee;

(6) A new, renewal, replacement or reissuance fee for an unarmed registration identification card in an amount not to exceed thirty dollars ($30.00);

(7) An application fee for an armed security guard firearm registration permit not to exceed fifty dollars ($50.00);

(8) A new, renewal, replacement, or reissuance fee for an armed security guard firearm registration permit not to exceed thirty dollars ($30.00);

(9) An application fee for certification as a certified trainer not to exceed fifty dollars ($50.00);

(10) A renewal or replacement fee for certified trainer certification not to exceed twenty-five dollars ($25.00);

(11) A new nonresident temporary permit fee not to exceed one hundred dollars ($100.00);

(12) An unarmed registration transfer fee not to exceed fifteen dollars ($15.00);

(13) A branch office license fee not to exceed fifty dollars ($50.00); and

(14) A special limited guard and patrol license fee not to exceed one hundred dollars ($100.00).

Except as provided in ~~G.S. 74C-13(k),~~ G.s. 74c-13(k) and in subsection (e1) of this section, all fees collected pursuant to this section shall be expended, under the direction of the Board, for the purpose of defraying the expenses of administering this Chapter.

The clear proceeds of late renewal fees collected pursuant to subsection (e)(5) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

(f) A license or trainee permit granted under the provisions of this Chapter may be renewed by the Private Protective Services Board upon notification by the licensee or permit holder to the Administrator of intended renewal, the payment of the proper fee, and evidence of a policy of liability insurance as prescribed in G.S. 74C-10(e).

The renewal shall be finalized before the expiration date of the license. In no event will renewal be granted more than three months after the date of expiration of a license or trainee permit.

(g) Upon notification of approval of his application by the Board, an applicant must furnish evidence that he has obtained the necessary liability insurance required by G.S. 74C-10 and obtain the license applied for or his application shall lapse.

(h) Trainee permits shall not be issued to applicants that qualify for a private detective license. A licensed private detective may supervise no more than five trainees at any given time."

PART XXXV. PSYCHOLOGY BOARD

A. "LATE FEE" OF $25 AND "REINSTATEMENT FEE" NOT TO EXCEED $100 FOR PSYCHOLOGIST LICENSES. (ORIGINAL LICENSE FEE NOT TO EXCEED $100. (90-270.18(B)(1))

Section 46. G.S. 90-270.18(a) reads as rewritten:

"(a) All fees derived from the operation of this ~~Article~~ Article, except for the clear proceeds of late fees for license renewal, shall be deposited with the State Treasurer to the credit of a revolving fund for the use of the Board in carrying out its functions. The clear proceeds of late fees for license renewal collected pursuant to subsection (b) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

All fees derived from the operation of this Article shall be nonrefundable.

(b) Fees for activities specified by this Article are as follows:

(1) Application fees for licensed psychologists and licensed psychological associates per G.S. 90-270.11(a) and (b)(1), or G.S. 90-270.13, shall not exceed one hundred dollars ($100.00).

(2) Fees for the national written examination shall be the cost of the examination to the Board plus an additional fee not to exceed fifty dollars ($50.00).

(3) Fees for additional examinations shall be as prescribed by the Board.

(4) Fees for the renewal of licenses, per G.S. 90-270.14(a)(1), shall not exceed two hundred fifty dollars ($250.00) per biennium. This fee may not be prorated.

(5) Late fees for license renewal, per G.S. 90-270.14(a)(1), shall be twenty-five dollars ($25.00).

(6) Fees for the reinstatement of a license, per G.S. 90-270.15(f), shall not exceed one hundred dollars ($100.00).

(7) Fees for a duplicate license, per G.S. 90-270.14(b), shall be twenty-five dollars ($25.00).

(8) Fees for a temporary license, per G.S. 90-270.5(f) and 90-270.5(g), shall be twenty-five dollars ($25.00).

(9) Application fees for a health services provider certificate, per G.S. 90-270.20, shall be fifty dollars ($50.00).

(c) The Board may specify reasonable charges for duplication services, materials, and returned bank items in its rules."

PART XXXVI. STATE BOARD OF REFRIGERATION EXAMINERS

A. FEE OF $45 FOR REINSTATEMENT OF LICENSE ALLOWED TO LAPSE (RENEWAL FEE IS $40; UNCERTAIN AS TO WHETHER REINSTATEMENT FEE INCLUDES RENEWAL FEE)

Section 47. G.S. 87-63 reads as rewritten:

"**§87-63. License fees payable in advance; application of.**

All license fees shall be paid in advance as hereafter provided to the secretary and treasurer of the ~~Board and by him~~ Board. All of these funds except for the clear proceeds of reinstatement fees, shall be held as a fund for the use of the Board. The compensation and expenses of the members of the Board as herein provided, the salaries of its employees, and all expenses incurred in the discharge of its duties under this Article shall be paid out of such fund, upon the warrant of the chairman and secretary and treasurer: Provided, upon the payment of the necessary expenses of the Board as herein set out, and the retention by it of twenty-five per centum (25%) of the balance of funds collected hereunder the residue, if any, shall be paid to the State Treasurer.

The clear proceeds of reinstatement fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXXVII. STATE BOARD OF SANITARIAN EXAMINERS

A. THE BOARD IS AUTHORIZED TO CHARGE AN EXTRA $5.00 LATE RENEWAL FEE (CERTIFICATE RENEWAL NOT TO EXCEED $35.00)

Section 48. G.S. 90A-63(a) reads as rewritten:

"(a) A certificate as a registered sanitarian or sanitarian intern issued pursuant to the provisions of this Article will expire on the thirty-first day of December of the current year and must be renewed annually on or before the first day of January. Each application for renewal must be accompanied by a renewal fee to be determined by the Board, but not to exceed thirty-five dollars ($35.00). The Board is authorized to charge an extra five dollar late renewal fee for renewals made after the first day of January of each year.

The clear proceeds of late renewal fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXXVIII. CERTIFICATION BOARD FOR SOCIAL WORK

A. LATE RENEWAL NOT TO EXCEED $15.00 (INITIAL OR RENEWAL APPLICATIONS NOT TO EXCEED $50.00)

Section 49. G.S. 90B-6(f) reads as rewritten:

(f) The Board shall establish and receive fees not to exceed fifty dollars ($50.00) for initial or renewal application. Fees for the national written examination shall be the cost of the examination to the Board plus an additional fee not to exceed fifty dollars ($50.00). ~~The fee for late renewal shall not exceed fifteen dollars ($15.00).~~ The Board shall maintain accounts of all of these receipts and make expenditures from Board receipts for any purpose which is reasonable and necessary for the proper performance of its duties under this Chapter.

The fee for late renewal shall not exceed fifteen dollars ($15.00). The clear proceeds of late renewal fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART XXXIX. BOARD OF EXAMINERS FOR SPEECH AND LANGUAGE PATHOLOGISTS AND AUDIOLOGISTS

A. DELINQUENCY FEE OF $25 FOR LATE RENEWAL OF LICENSE (SEE 90-300) (INITIAL AND RENEWAL LICENSE FEE = $40)

Section 50. G.S. 90-305(6) reads as rewritten:

"§ 90-305. Fees.

Persons subject to licensure under this Article shall pay the following fees to the Board:

(1) Application fee	$30.00
(2) Examination fee	30.00
(3) Initial license fee	40.00
(4) Renewal license fee	40.00
(5) Temporary license	40.00
(6) Delinquency fee	25.00

The clear proceeds of delinquency fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART LX. SUBSTANCE ABUSE PROFESSIONALS CERTIFICATION BOARD

A. LATE RENEWAL FEE FOR CERTIFICATION (AMOUNT NOT SPECIFIED). (INITIAL FEE NOT TO EXCEED $300 AND RENEWAL FEE NOT TO EXCEED $100 (90-113.38) (1996 SUPP.))

Section 51. G.S. 90-113.35 reads as rewritten:

"**§ 90-113.35. Disposition of funds.**

All fees and other moneys collected and received by the ~~Board~~ Board, except for the clear proceeds of late fees collected and received pursuant to G.s. 90-113.37(a), shall be used to implement this Article. The financial records of the Board shall be subjected to an annual audit and paid for out of the funds of the Board.

The clear proceeds of late fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART LXI. VETERINARY MEDICAL BOARD

A. LATE FEE FOR RENEWAL OF LICENSE, REGISTRATION OR CERTIFICATE NOT TO EXCEED $50.00. (INITIAL/RENEWAL FEE NOT TO EXCEED $150 (90-186(6)(a).)

Section 52. G.S. 90-186 is amended by adding a new subsection to read:

"(6a) The clear proceeds of late renewal fees collected pursuant to subdivision (6)l. of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART LXII. WATER TREATMENT FACILITY OPERATORS BOARD OF CERTIFICATION

A. BOARD MAY IMPOSE PENALTY NOT TO EXCEED $30 FOR LATE RENEWAL OF A CERTIFICATE (INITIAL OR RENEWAL FEE NOT TO EXCEED $50)

Section 53. G.S. 90A-27 reads as rewritten:

"**§ 90A-27. Application fee.**

The Board may establish a schedule of fees for the issuance or renewal of a certificate to cover the costs of administering the certification programs. The fee for issuing or renewing a certificate may not exceed fifty dollars ($50.00). The Board may impose a penalty not to exceed thirty dollars ($30.00) for the late renewal of a certificate.

The clear proceeds of late renewal penalties shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

"

PART LXIII. AUCTIONEERS COMMISSION

A. $25 REINSTATEMENT FEE FOR RENEWAL OF LICENSE AFTER THE LICENSE HAS LAPSED FOR FAILURE TO RENEW IT BEFORE IT EXPIRED (RENEWAL FEE VARIES WITH TYPE OF LICENSE, EITHER $50 OR $100)

Section 54. G.S. 85B-6(a) reads as rewritten:

"(a) The Commission shall collect and remit to the State Treasurer fees in an amount not to exceed the following:

Item	Maximum Fee
Apprentice Auctioneers:	
Application for license	$50.00
Issuance or renewal of license	50.00
Auctioneers:	
Application for license	50.00
Examination	25.00
Issuance or renewal of license	100.00
Auction Firms:	
Application for license	50.00
Examination	25.00
Issuance or renewal of license	100.00
Reinstatement of License	25.00.

An application fee for a license and an examination fee are nonrefundable. The amount payable by a nonresident under G.S. 85B-5 to obtain a nonresident reciprocal auctioneer license is the greater of the amount set in the above table for an examination for and the issuance of an auctioneer's license and the amount the nonresident's state would charge a resident auctioneer of this State to obtain a comparable license from that state.

A reinstatement fee is payable when a person applies for renewal of a license after the license has lapsed for failure to renew it before it expired. The reinstatement of a lapsed license is not retroactive in effect and does not limit the authority of the courts or of the Commission to take disciplinary action against a person who engages in the auctioneer profession with a lapsed license.

The clear proceeds of reinstatement fees shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART LXVI. NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION

A. WATER POLLUTION CONTROL SYSTEM OPERATORS -- $50 PENALTY FOR LATE PAYMENT OF ANNUAL RENEWAL FEE, IN ADDITION TO CURRENT AND

Section 55. G.S. 90A-42(b) reads as rewritten:

"(b) The Water Pollution Control System Account is established as a nonreverting account within the Department. Fees collected under this section shall be credited to the Account and applied to the costs of administering this Article.

The clear proceeds of penalties collected under subdivision (9) of subsection (a) of this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART LXV. REAL ESTATE COMMISSION

A. LATE FILING FEE OF $5.00 IN ADDITION TO THE REQUIRED RENEWAL FEE (UP TO $50.00)

Section 56. G.S. 93A-3 is amended by adding a new subsection to read:

"(b1) The Commission shall remit the clear proceeds of late filing fees collected pursuant to G.S. 93A-4(c) to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

B. LATE FILING FEE OF $50.00 TO ACCOMPANY RENEWAL COST OF UP TO $1,500.00 FOR CERTIFICATES OF REGISTRATION

Section 57. G.S. 93A-3 is amended by adding a new subsection to read:

"(b1) The Commission shall remit the clear proceeds of late filing fees collected pursuant to G.S. 93A-52(d) to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART LXVI. NORTH CAROLINA STATE BAR

A. ANNUAL MEMBERSHIP DUES ARE NOT TO EXCEED $200.00. ANY MEMBER WHO FAILS TO PAY THE REQUIRED DUES BY THE DEADLINE SHALL BE SUBJECT TO A LATE FEE NOT TO EXCEED $30.00.

Section 58. G.S. 84-34 reads as rewritten:

"**§ 84-34. Membership fees and list of members.**

Every active member of the North Carolina State Bar shall, prior to the first day of July of each year, pay to the secretary-treasurer an annual membership fee in an amount determined by the Council but not to exceed two hundred dollars ($200.00), and every member shall notify the secretary-treasurer of the member's correct mailing address. Any member who fails to pay the required dues by the last day of June of each year shall be subject to a late fee in an amount determined by the Council but not to exceed thirty dollars ($30.00). All dues for prior years shall be as were set forth in the General Statutes then in effect. The membership fee shall be regarded as a service charge for the maintenance of the several services authorized by this Article, and shall be in addition to all fees required in connection with admissions to practice, and in addition to all license taxes required by law. The fee shall not be prorated: Provided, that no fee shall be required of an attorney licensed after this Article shall have gone into effect until the first day of January of the calendar year following that in which the attorney was licensed; but this proviso shall not apply to attorneys from other states admitted on certificate. The fees shall be disbursed by the secretary-treasurer on the order of the Council. The secretary-treasurer shall annually, at a time and in a law magazine or daily newspaper to be prescribed by the Council, publish an account of the financial transactions of the Council in a form to be prescribed by it. The secretary-treasurer shall compile and keep currently correct from the names and mailing addresses forwarded to the secretary-treasurer and from

any other available sources of information a list of members of the North Carolina State Bar and furnish to the clerk of the superior court in each county, not later than the first day of October in each year, a list showing the name and address of each attorney for that county who has not complied with the provisions of this Article. The name of each of the active members who are in arrears in the payment of membership fees shall be furnished to the presiding judge at the next term of the superior court after the first day of October of each year, by the clerk of the superior court of each county wherein the member or members reside, and the court shall thereupon take action that is necessary and proper. The names and addresses of attorneys so certified shall be kept available to the public. The Secretary of Revenue is hereby directed to supply the secretary-treasurer, from records of license tax payments, with any information for which the secretary-treasurer may call in order to enable the secretary-treasurer to comply with this requirement.

The list submitted to several clerks of the superior court shall also be submitted to the Council at its October meeting of each year and it shall take the action thereon that is necessary and proper.

The clear proceeds of late fees collected pursuant to this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

Attachment 7

LIBRARY FINES

PART I. DEPARTMENT OF CULTURAL RESOURCES

A. "FINES AND CHARGES" (UNSPECIFIED AMOUNTS) FOR LATE RETURN OR DAMAGE TO LIBRARY MATERIALS

Section 1. G.S. 153A-266 reads as rewritten:

"**§153A-266. Powers and duties of trustees.**

(a) If a board of trustees is appointed, it shall elect a chairman and may elect other officers. The governing body may delegate to the board of trustees any of the following powers:

(1) To formulate and adopt programs, policies, and regulations for the government of the library;

(2) To make recommendations to the governing body concerning the construction and improvement of buildings and other structures for the library system;

(3) To supervise and care for the facilities of the library system;

(4) To appoint a chief librarian or director of library services and, with his advice, to appoint other employees of the library system. If some other body or official is to appoint the chief librarian or director of library services, to advise that body or official concerning that appointment;

(5) To establish, a schedule of fines and charges for late return of, failure to return, damage to, and loss of library materials, and to take other measures to protect and regulate the use of such materials;

(6) To participate in preparing the annual budget of the library system;

(7) To extend the privileges and use of the library system to nonresidents of the county or city establishing or supporting the system, on any terms or conditions the board may prescribe.

(8) To otherwise advise the board of commissioners on library matters.

The board of trustees shall make an annual report on the operations of the library to the governing body of the county or city and shall make an annual report to the Department of Cultural Resources as required by G.S. 125-5. If no board of trustees is established, the governing body shall make the annual report to the Department.

(b) The clear proceeds of fines and charges assessed pursuant to this subdivision, except for funds used to repair or replace library materials, shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2."

PART II. UNIVERSITY OF NORTH CAROLINA BOARD OF GOVERNORS

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Section 2.

Attachment 8

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PART II. DEPARTMENT OF JUSTICE

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PART XV. UNC BOARD OF GOVERNMENT

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Section 4. 3

Attachment 9

PARKING AND TRAFFIC OFFENSES

PART I. DEPARTMENT OF HEALTH AND HUMAN SERVICES

A. CIVIL PENALTY NOT TO EXCEED $50 AND INFRACTION PENALTY NOT TO EXCEED $50 FOR VIOLATING MOTOR VEHICLE RULES ON THE GROUNDS OF DHR INSTITUTIONS

Section 1. G.S. 143-116.7(h) reads as rewritten:

"(h) Any fees ~~or civil penalties~~ collected pursuant to this section shall be deposited in the General Fund Budget Code of the institution where the fees ~~or civil penalties~~ are collected and shall only be used to support the cost of administration of this section. The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Infraction penalties shall be disbursed as provided in G.S. 14-3.1.(a). Infraction penalties shall be disbursed as provided in G.S. 14-3.1.(a)."

PART II. DEPARTMENT OF JUSTICE

A. CIVIL PENALTY FOR VIOLATING DEPARTMENT OF JUSTICE ORDINANCE TO REGULATE TRAFFIC AND VEHICLES AT N.C. JUSTICE ACADEMY

Section 2. G.S. 17D-4 reads as rewritten:

"**§ 17D-4. Application of State highway and motor vehicles laws at the academy; authority of Department of Justice to regulate traffic, etc.**

(a) Except as otherwise provided in this section, all of the provisions of Chapter 20 of the General Statutes relating to the use of highways of the State and the operation of vehicles thereon are applicable to all streets, alleys, driveways, and parking lots on academy property. Nothing in this section modifies any rights of ownership or control of academy property, now or hereafter vested in the State of North Carolina **ex rel.**, Department of Justice.

(b) The Department of Justice may by ordinance prohibit, regulate, divert, control, and limit pedestrian or vehicular traffic and the parking of vehicles and other modes of conveyance on the campus. In fixing speed limits, the Department of Justice is not subject to G.S. 20-141(f) or (g), but may fix any speed limit reasonable and safe under the circumstances as conclusively determined by the Department of Justice. The Department of Justice may not regulate traffic on streets open to the public as of right, except as specifically provided in this section.

(c) The Department of Justice may by ordinance provide for the registration of vehicles maintained or operated on the campus by any student, faculty member, or employee of the academy and may fix fees for such registration. The ordinance may make it unlawful for any person to operate an unregistered vehicle on the campus when the vehicle is required by the ordinance to be registered.

(d) The Department of Justice may by ordinance set aside parking lots on the campus for use by students, faculty, and employees of the academy and members of the general public attending schools, conferences, or meetings at the academy, visiting

or making use of any academy facilities, or attending to official business with the academy. The Department of Justice may issue permits to park in these lots and may charge a fee therefor. The Department of Justice may also by ordinance make it unlawful for any person to park a vehicle in any lot or other parking facility without procuring the requisite permit and displaying it on the vehicle.

(e) The Department of Justice may by ordinance provide for the issuance of stickers, decals, permits or other indicia representing the registration of vehicles or the eligibility of vehicles to park on the campus and may by ordinance prohibit the forgery, counterfeiting, unauthorized transfer, or unauthorized use of such stickers, decals, permits or other indicia.

(f) Violation of an ordinance adopted under any portion of this section is a Class 3 misdemeanor. An ordinance may provide that certain acts prohibited thereby shall not be enforced by criminal sanctions, and in such cases a person committing any such act shall not be guilty of a misdemeanor.

(g) An ordinance adopted under this section may provide that a violation will subject the offender to a civil penalty. Penalties may be graduated according to the seriousness of the offense or the number of prior offenses committed by the person charged. The Department of Justice may establish procedure for the collection of these penalties and may enforce the penalties by civil action in the nature of debt. The Department of Justice may also provide for appropriate administrative sanctions if an offender does not pay a validly due penalty or has committed repeated offenses. Appropriate administrative sanctions include, but are not limited to, revocation of parking permits, termination of vehicle registration, and termination or suspension of enrollment in or employment by the academy. <u>The clear proceeds of civil penalties provided for in this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.</u>

(h) An ordinance adopted under this section may provide that any vehicle illegally parked may be removed to a storage area, in which case the person so removing the vehicle shall be deemed a legal possessor within the meaning of G.S. 44A-2(d).

(i) Evidence that a vehicle was found parked or unattended in violation of a council ordinance is **prima facie** evidence that the vehicle was parked by:

(1) The person holding an academy parking permit for the vehicle;

(2) If no academy parking permit has been issued for the vehicle, the person in whose name the vehicle is registered with the academy pursuant to subsection (c); or

(3) If no academy parking permit has been issued for the vehicle and the vehicle is not registered with the academy, the person in whose name it is registered with the North Carolina Department of Motor Vehicles or the corresponding agency of another state or nation.

The rule of evidence established by this subsection applies only in civil, criminal, or administrative actions or proceedings concerning violations of ordinances of the Department of Justice. G.S. 20-162.1 does not apply to such actions or proceedings.

(j) The Department of Justice shall cause to be posted appropriate notice to the public of applicable traffic and parking restrictions.

(k) All ordinances adopted under this section shall be filed in the offices of the North Carolina Attorney General and the Secretary of State. The Department of Justice shall provide for printing and distributing copies of its traffic and parking ordinances.

(l) ~~All~~ Except as provided by subsection (g) of this section, all moneys received pursuant to this section shall be State funds as defined in G.S. 143-1."

PART XV. UNC BOARD OF GOVERNMENT

A. INFRACTION PENALTY OF $50 AND CIVIL PENALTY FOR VIOLATION OF TRAFFIC AND PARKING ORDINANCES ON UNC CAMPUSES

Section 3.

B. CIVIL PENALTY MAY BE IMPOSED FOR VIOLATING PARKING AND TRAFFIC REGULATIONS AT SCHOOL OF SCIENCE AND MATH

Section 4.

Attachment 10a

DISTRIBUTION OF CIVIL PENALTIES AND FORFEITURES

THE STATE CONSTITUTION

-- earmarks certain funds for the county school fund.

Article IX. EDUCATION
Sec. 7. County school fund.

All moneys, stocks, bonds, and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools.

INTERPRETATION PRIOR TO THE CRAVEN COUNTY CASE (prior to April 6, 1996)

-- only criminal fines, forfeitures, and penalties were paid into the county school fund

-- the law with regard to **civil** penalties and forfeitures was unclear

-- most **civil** penalties and forfeitures were paid to State funds in accordance with the General Statutes

THE CRAVEN COUNTY CASE

-- the Craven County Board of Education brought an action seeking the clear proceeds of a civil penalty ($922,000) received by the Department of Environment, Health, and Natural Resources from the Weyerhaeuser Company for violations of air pollution control standards

-- the Supreme Court agreed with the Craven County Schools that the money constituted the clear proceeds of a "penalty", as that term is used in the Constitution and that, therefore, the Craven County Schools were entitled to the money

-- the Court reiterated that the constitution identifies two distinct funds for the county school fund:

(1) **The clear proceeds of all penalties and forfeitures in all cases, regardless of their nature, so long as they accrue to the State.**

(2) The clear proceeds of fines for breach of the criminal laws.

ADMINISTRATION OF THE LAW AFTER THE CRAVEN COUNTY CASE

I. Transmission of funds to the county school funds

-- the Attorney General's Office developed a list of civil fines and penalties clearly covered by the constitutional provision, as interpreted by the Craven case, and advised agencies to transfer the clear proceeds of fines and penalties on the list to the State Controller

-- the agencies transferred the funds to the State Controller for transmittal to the county school funds of the counties in which the offenses occurred

-- the State Controller transferred $6,582,312 to county school funds during the 1996-97 fiscal year

II. Adjustment of agency budgets to absorb the losses

-- the Governor proposed and the General Assembly enacted a continuation budget for the 1997-99 fiscal biennium that:

(1) added $4,100,000 a year from the General Fund to the continuation budget for each year to make up for the lost revenue; and

(2) lowered the estimate of certain General Fund nontax revenues

III. Development by school representatives of a list of additional penalties and forfeitures that the school representatives believe are covered by the Craven Case.

1997 LEGISLATIVE RESPONSE TO THE CRAVEN CASE

-- legislators were asked by various interested parties to:

(1) amend the General Statutes that the Attorney General's Office and the School Boards Association agreed were controlled by the Craven case

(2) resolve in favor of the schools the additional penalties and forfeitures the School Boards Association believed were controlled by the case

(3) consider placing the funds in a State Fund and earmarking the funds for a particular purpose

-- the General Assembly enacted a special provision in the Appropriations Act that placed the funds in a State Civil Penalty and Forfeiture Fund and distributed the funds on the basis of average daily membership for the implementation of Local School Technology Plans

CONSTITUTIONAL ISSUES RAISED BY THE 1997 SPECIAL PROVISION

-- can the schools be required to use the funds for school technology?

-- can the funds the placed in a statewide fund?

-- can the funds be distributed on the basis of ADM?

ISSUES THE GENERAL ASSEMBLY MAY WISH TO ADDRESS IN 1998

-- the General Statutes do not reflect the constitutional requirements or the current State practice with regard to the disposition of the clear proceeds of civil penalties and forfeitures.

-- the Attorney General's Office and the School Boards Association disagree over whether certain funds are subject to the constitutional provision. These include:

(1) Certain penalties that the statutes and/or the case law refer to as "taxes".

(2) Certain fees for late payments, late filings, failures to pay, reinstatements, etc.

(3) Library fines

(4) Traffic and parking fines

-- the Attorney General's Office and the School Boards Association disagree over the question of how the schools' right to the clear proceeds of forfeited property must be executed. The schools believe the property must be sold immediately. The Attorney General's Office believes that the State may use the property (such as motor vehicles) before selling it.

Att. 10b

Distribution of Fines, Forfietures and Penalties

County	1996-97*	1997-98**	Total
Hertford	33,746.32	3,100.00	36,846.32
Hoke	6,211.04	-	6,211.04
Hyde	5,029.39	600.00	5,629.39
Iredell	104,312.19	23,115.66	127,427.85
Jackson	13,825.84	-	13,825.84
Johnston	166,803.00	500.00	167,303.00
Jones	5,674.42	-	5,674.42
Lee	70,549.04	9,663.00	80,212.04
Lenoir	53,401.43	1,244.50	54,645.93
Lincoln	55,481.05	2,296.66	57,777.71
Macon	6,242.33	-	6,242.33
Madison	10,350.63	-	10,350.63
Martin	11,623.96	500.00	12,123.96
McDowell	23,981.35	-	23,981.35
Mecklenburg	580,864.94	22,071.63	602,936.57
Mitchell	5,864.30	-	5,864.30
Montgomery	12,171.48	-	12,171.48
Moore	68,328.15	425.00	68,753.15
Nash	764,740.36	3,200.00	767,940.36
New Hanover	143,350.05	18,226.78	161,576.83
Northhampton	34,027.83	-	34,027.83
Onslow	44,913.82	2,500.00	47,413.82
Orange	52,226.64	6,325.00	58,551.64
Pamlico	1,535.53	-	1,535.53
Pasquotank	14,875.22	2,335.00	17,210.22
Pender	38,833.58	1,420.00	40,253.58
Perquimans	3,445.86	-	3,445.86
Person	13,594.50	4,010.00	17,604.50
Pitt	100,141.87	7,550.00	107,691.87
Polk	3,528.92	2,663.60	6,192.52
Randolph	100,511.39	5,258.33	105,769.72
Richmond	29,295.83	7,808.34	37,104.17
Robeson	34,272.92	3,620.00	37,892.92
Rockingham	35,388.49	12,573.00	47,961.49
Rowan	68,793.32	3,800.00	72,593.32
Rutherford	24,881.96	2,213.00	27,094.96
Sampson	93,308.41	3,998.62	97,307.03
Scotland	37,119.28	825.00	37,944.28
Stanly	58,032.75	12,303.00	70,335.75
Stokes	12,344.74	50.00	12,394.74
Surry	65,320.75	1,000.00	66,320.75
Swain	1,787.40	300.00	2,087.40
Transylvania	8,006.05	412.50	8,418.55
Tyrell	2,926.09	-	2,926.09
Union	79,444.48	7,600.00	87,044.48

Distribution of Fines, Forfietures and Penalties

County	1996-97*	1997-98**	Total
Alamance	$ 98,857.82	$ 4,256.00	$ 103,113.82
Alexander	13,486.69	666.66	14,153.35
Alleghany	1,490.68	-	1,490.68
Anson	14,717.50	738.00	15,455.50
Ashe	9,066.86	1,500.00	10,566.86
Avery	4,845.00	-	4,845.00
Beaufort	35,859.98	1,300.00	37,159.98
Bertie	14,593.40	2,250.00	16,843.40
Bladen	23,076.23	3,876.00	26,952.23
Brunswick	69,346.49	3,475.00	72,821.49
Buncombe	101,154.33	6,641.60	107,795.93
Burke	48,274.15	1,963.00	50,237.15
Cabarrus	69,119.55	1,375.00	70,494.55
Caldwell	48,296.31	3,353.33	51,649.64
Camden	107.44	-	107.44
Carteret	129,472.64	613.00	130,085.64
Caswell	4,886.20	280.00	5,166.20
Catawba	91,866.29	3,210.00	95,076.29
Chatham	32,804.83	195.00	32,999.83
Cherokee	8,196.33	-	8,196.33
Chowan	3,901.71	-	3,901.71
Clay	4,864.51	-	4,864.51
Cleveland	44,429.14	5,117.67	49,546.81
Columbus	30,216.12	6,009.00	36,225.12
Craven	52,880.84	4,943.75	57,824.59
Cumberland	221,708.64	8,439.75	230,148.39
Currituck	13,862.90	300.00	14,162.90
Dare	18,003.04	5,300.00	23,303.04
Davidson	109,005.08	2,234.17	111,239.25
Davie	23,037.97	191.67	23,229.64
Duplin	157,981.69	-	157,981.69
Durham	91,151.95	12,244.00	103,395.95
Edgecombe	45,966.72	6,689.00	52,655.72
Forsyth	272,690.79	7,485.00	280,175.79
Franklin	34,143.42	3,018.00	37,161.42
Gaston	201,225.74	6,737.26	207,963.00
Gates	6,291.56	-	6,291.56
Graham	935.94	-	935.94
Granville	38,232.67	-	38,232.67
Greene	6,136.54	250.00	6,386.54
Guilford	435,696.67	17,425.67	453,122.34
Halifax	55,087.74	-	55,087.74
Harnett	46,072.66	6,510.00	52,582.66
Haywood	16,619.77	116.67	16,736.44
Henderson	49,918.18	3,410.82	53,329.00

Distribution of Fines, Forfietures and Penalties

County	1996-97*	1997-98**	Total
Vance	55,810.66	4,875.00	60,685.66
Wake	609,201.93	59,665.11	668,867.04
Warren	29,693.20	-	29,693.20
Washington	8,508.33	-	8,508.33
Watauga	262,602.00	925.00	263,527.00
Wayne	68,320.49	5,381.00	73,701.49
Wilkes	57,019.43	-	57,019.43
Wilson	90,188.24	3,780.00	93,968.24
Yadkin	17,274.03	-	17,274.03
Yancey	917.26	250.00	1,167.26
subtotal	$ 7,100,225.18	$ 380,499.75	$ 7,480,724.93
Distribution to School Techonology Fund* **			
State-wide penalties		337,600.00	337,600.00
Insurance		56,150.00	56,150.00
Environment and Natural Resources		528,361.23	528,361.23
Commerce		3,350.00	3,350.00
Commerce - ABC Board		423,200.00	423,200.00
Labor - OSHA		1,283,796.59	1,283,796.59
Misc. (Boards etc)		10,900.00	10,900.00
Justice		2,600.02	2,600.02
Commerce		24,664.86	24,664.86
ENR		75,476.61	75,476.61
subtotal	-	2,746,099.31	2,746,099.31
Total	**7,100,225.18**	**3,126,599.06**	**10,226,824.24**

* Includes $214,160.51 of receipts from 1995-96 fines, forfeitures and penalties.

** Includes fund received in June 1997 and distributed in July 1997.

*** Includes transfers and receipts through February 10, 1998.

Dale Talbert

 10c

CRAVEN COUNTY BOARD OF EDUCATION, a Statutory Corporation of North Carolina
v.
The Honorable Harlan E. BOYLES, State Treasurer; The Honorable Edward Renfrow, State Controller; The Honorable Jonathan B. Howes, Secretary of the Department of Environment, Health and Natural Resources; and A. Preston Howard, Jr., Director of the Division of Environmental Management.

No. 365PA95.

Supreme Court of North Carolina.

April 4, 1996.

County board of education brought declaratory action seeking monies which pulp mill company paid to Department of Environment, Health and Natural Resources (DEHNR) pursuant to settlement agreement for environmental violations. The Superior Court, Wake County, Bowen, J., granted summary judgment in favor of board. After grant of discretionary review, 462 S.E.2d 507, the Supreme Court, Frye, J., held that monies constituted penalty recoverable under county school fund provision of State Constitution.

Affirmed.

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Monies which pulp mill company paid to Department of Environment, Health and Natural Resources (DEHNR) pursuant to settlement agreement for violations of air pollution control standards constituted penalty under county school fund provision of State Constitution even though agreement stated that the monies were not to be construed as fine, penalty, or forfeiture. Const. Art. 9, § 7.

****50 *88** On discretionary review pursuant to N.C.G.S. § 7A-31 prior to a determination by the Court of Appeals of summary judgment for plaintiff entered by Bowen, J., on 6 March 1995 in Superior Court, Wake County. Heard in the Supreme Court 16 February 1996.

Henderson, Baxter & Alford, P.A. by David S. Henderson, New Bern; and Tharrington Smith, LLP by Michael Crowell, Raleigh, for plaintiff-appellee.

Michael F. Easley, Attorney General by W. Dale Talbert, Special Deputy Attorney General, for defendant-appellant.

FRYE, Justice.

Defendants present one issue on appeal: whether monies paid to the Department of Environment, Health and Natural Resources pursuant to a settlement agreement for violations of environmental laws constituted a penalty, forfeiture, or fine under Article IX, Section 7 of the North Carolina Constitution. ****51** We answer in the affirmative, and therefore, affirm the judgment of the trial court.

On 11 June 1991, the Director of the Division of Environmental Management (DEM) assessed a civil penalty of $1,466,942.44 against Weyerhaeuser Company (Weyerhaeuser) pursuant to N.C.G.S. § 143-215.114A for violations of air pollution control standards at its pulp mill in Craven County. The fine included $1,000 per day for operating equipment without certain air pollution controls, a lump sum of $3,000 for failing three emissions tests, and $5,000 for making major modifications to equipment without following the proper procedures. The Director concluded that the actual particulate emissions at the facility during the period of the violations were at least 193 tons per year over the allowable emission limit, but made no findings or conclusions as to any specific damage to the environment. In addition to the amount assessed for the violations, the Director assessed $1,942.44 as the cost of investigating the violations. Weyerhaeuser appealed the assessment to the Office of Administrative Hearings (OAH), but later settled the matter with the Department of Environment, Health and Natural Resources (DEHNR). The parties entered into a settlement agreement on 11 October 1991.

On 17 October 1991, pursuant to the settlement agreement, Weyerhaeuser paid $926,000 to DEHNR. Under the terms of the settlement agreement, $922,000 was paid to the State General Fund and DEM for "the sole purpose of redressing

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any harm or risk, if any, to *89 the environment or the public health of the people of North Carolina, which may have resulted from any actions or admissions by [Weyerhaeuser] in connection with any alleged violation(s)." The remaining $4,000 was paid to the General Fund for four violations of environmental protection regulations that established maximum allowable pollution emission rates. The settlement agreement also incorporated Weyerhaeuser's position that the payments did "not constitute, nor shall they be construed as forfeitures, fines, penalties or payments in lieu thereof." DEHNR deposited $924,057.56 with the State Treasurer to go to the General Fund and credited $1,942.44, which constituted investigative cost, to a DEM account to be used to support investigations of other environmental violations.

By letter dated 7 November 1991, the Craven County Board of Education (Board), relying on Article IX, Section 7 of the North Carolina Constitution and N.C.G.S. § 115C-437, made a written demand on the State Treasurer for payment of the monies paid by Weyerhaeuser to DEHNR. A copy of the demand letter was sent to the Director of DEM. Counsel for the State Treasurer responded that the Treasurer had no authority to honor the Board's demand without a warrant being authorized by the Secretary of DEHNR. The State Controller, the Secretary of DEHNR, and the Director of DEM informed the Board that they could not honor the Board's demand based in part on their belief that the disposition of funds sought was not controlled by Article IX, Section 7 of the North Carolina Constitution. The Board then filed a petition for a contested case hearing in the OAH, but that petition was dismissed for lack of subject matter jurisdiction.

On 18 August 1993, the Board instituted this declaratory judgment action seeking the proceeds of the civil penalty. The Board contended that the civil penalty paid by Weyerhaeuser to DEHNR in settlement of its case constituted a penalty, forfeiture, or fine under Article IX, Section 7 of the North Carolina Constitution. The Board also contended that the civil penalty was assessed for "breach of the penal laws of the State" and was not remedial in nature. Defendants filed a motion to dismiss the action, and the Board filed a motion for summary judgment. The trial court denied defendants' motion to dismiss, granted the Board's motion for summary judgment, and ordered that the clear proceeds of the settlement be paid to the Board.

Defendants gave notice of appeal from the trial court's order granting the Board's motion for summary judgment, and both parties *90 petitioned this Court for discretionary review prior to a determination by the Court of Appeals. We allowed the petition on 5 October 1995.

**52 Defendants contend that the trial court erred in granting plaintiff's motion for summary judgment. In accordance with N.C.R.Civ.P. 56(c), we have stated that summary judgment should be " 'granted when, viewing the record in the light most favorable to the non-moving party, there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law.' " Aetna Cas. & Sur. Co. v. Nationwide Mut. Ins. Co., 326 N.C. 771, 774, 392 S.E.2d 377, 379 (1990) (quoting Beckwith v. Llewellyn, 326 N.C. 569, 573, 391 S.E.2d 189, 191 (1990)). In order to be entitled to summary judgment, the moving party must bear the burden and show that no questions of material fact remain to be resolved. Id.

Defendants contend that there was a genuine issue of material fact as to whether the money paid by Weyerhaeuser constituted a penalty, forfeiture, or fine under Article IX, Section 7 of the North Carolina Constitution. We disagree with defendants' contention.

Article IX, Section 7 of the North Carolina Constitution, entitled "County school fund," provides as follows:

> Moneys, stocks, bonds, and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools.

In State ex rel. Thornburg v. 532 B Street, 334 N.C. 290, 432 S.E.2d 684 (1993), this Court interpreted the meaning of Article IX, Section 7 of the North Carolina Constitution and the scope of its coverage. This Court said:

> "We interpret the provisions of section 7 relating to the clear proceeds from penalties, forfeitures and fines as identifying two distinct funds for the

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public schools. These are (1) the clear proceeds of all penalties and forfeitures in all cases, regardless of their nature, so long as they accrue to the state; and (2) the clear proceeds of all fines collected for any breach of the criminal laws.... Thus, in the first category, the monetary payments are penal in nature and accrue to the state regardless of whether the ***91** legislation labels the payment a penalty, forfeiture or fine or whether the proceeding is civil or criminal."

Id. at 294, 432 S.E.2d at 686 (emphasis added) (quoting Mussallam v. Mussallam, 321 N.C. 504, 508-09, 364 S.E.2d 364, 366-67 (citation omitted)); see also Mussallam, 321 N.C. 504, 510, 364 S.E.2d 364, 367 (1988) (clear proceeds of bond forfeited by defendant who did not appear should have been remitted to the local school district in accordance with Article IX, Section 7); State ex rel. Hodge v. Marietta & N. Ga. R.R., 108 N.C. 24, 12 S.E. 1041 (1891) (judgment in civil suit brought by the State against railroads for violation of law requiring submission of certain reports should be remitted to the local school fund in accordance with Article IX, Section 7).

Under Thornburg, "the clear proceeds of all penalties and forfeitures in all cases, regardless of their nature, so long as they accrue to the state," should be paid to the local school district. We have no difficulty in concluding that the clear proceeds from the settlement paid by Weyerhaeuser to DEHNR were covered by Article IX, Section 7 of the North Carolina Constitution. First, the monies accrued to the State. Defendants do not contest this fact which is clear from the evidence. The monies from the settlement were paid to DEHNR, a department of the State. Second, the monies paid by Weyerhaeuser constituted a penalty. Defendants' evidence showed that Weyerhaeuser entered into a settlement agreement with DEHNR after the department found that the company had violated state environmental standards and assessed a civil penalty against Weyerhaeuser for violation of those standards. Weyerhaeuser filed for a contested hearing and then settled with the department in lieu of contesting the civil penalty that had been assessed. The fact that the monies were paid pursuant to a settlement agreement does not change the nature of these payments. The monies were still paid because of a civil penalty assessed against Weyerhaeuser.

****53** Defendants also presented evidence that the settlement agreement stated that the money paid by virtue of the settlement was not to be construed as a fine, penalty, or forfeiture. However, the fact that the parties chose not to call the payment a fine, penalty, or forfeiture is not determinative. Cauble v. City of Asheville, 301 N.C. 340, 271 S.E.2d 258 (1980).

In Cauble, the city collected fines for overtime parking by allowing individuals to remit the monies voluntarily. If the individuals failed to remit the money, a criminal warrant was issued against the ***92** person. The city argued, among other things, that since citizens were allowed to pay the fines voluntarily, the monies did not constitute penalties, forfeitures, or fines under the constitutional provisions. The trial court, the Court of Appeals, and this Court disagreed with the city. We stated that

[t]he heart of [the] court's distinction lies not in whether the monies are denominated "fines" or "penalties." Indeed, we have often stated that the label attached to the money does not control.... The crux of the distinction lies in the nature of the offense committed, and not in the [collection] method employed....

Id. at 344, 271 S.E.2d at 260 (citations omitted).

In the instant case, it is not determinative that the monies were collected by virtue of a settlement agreement, nor is it determinative that defendants and Weyerhaeuser stated that the payment not be construed as a penalty. The monies were paid to settle the assessment of a penalty for violations of environmental standards. As we said in Cauble, it is neither "the label attached to the money" nor "the [collection] method employed," but "the nature of the offense committed" that determines whether the payment constitutes a penalty. Viewing the evidence in the light most favorable to defendants, we nevertheless conclude that there is no genuine issue of material fact as to whether the clear proceeds constituted a penalty as that term is used in Article IX, Section 7 of the North Carolina Constitution. Accordingly, the trial court did not err in granting summary judgment for plaintiff.

For the foregoing reasons, we affirm the decision of the trial court.

AFFIRMED.

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MICHAEL F. EASLEY
ATTORNEY GENERAL

State of North Carolina
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REPLY TO:
W. Dale Talbert
Correction Section
Telephone: (919) 733-2557
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MEMORANDUM

TO: Chief Fiscal Officers

FROM: W. Dale Talbert WDT
Special Deputy Attorney General

DATE: May 6, 1996

SUBJECT: Disposition of Civil Penalties, Forfeitures and Fines

The North Carolina Supreme Court has issued an opinion which appears to control the disposition of all civil penalties, forfeitures and fines collected by state agencies. In Craven County Board of Education v. Boyles et al., ___ N.C. ___ (1996) (No. 365PA95), the Court concluded that a monetary payment made to the Department of Environment, Health and Natural Resources pursuant to a settlement agreement for violations of environmental laws constituted a penalty, forfeiture, or fine under Article IX, Section 7 of the North Carolina Constitution and that the clear proceeds from the payment should be paid to the local school district in which the violations occurred.[1] In reaching its conclusion, the Court clarified its interpretation of the meaning of Article IX, Section 7 of the North Carolina Constitution and the scope of its coverage most recently discussed in Mussallam v. Mussallam, 321 N.C. 504, 364 S.E.2d 364 (1988) and State ex rel. Thornburg v. 532 B Street, 334 N.C. 290, 432 S.E.2d 684 (1993). In those cases, the Court said:

> "We interpret the provisions of section 7 relating to the clear proceeds from penalties, forfeitures and fines as identifying two distinct funds for the public schools. These are (1) *the clear proceeds of all penalties and forfeitures in all cases, regardless of their nature, so long as they accrue to the state*; and (2) the clear proceeds of all fines collected for the breach of the criminal laws. . . . Thus, in the first category, the monetary payments are penal in nature and accrue to the state regardless of whether the legislation labels the payment a penalty, forfeiture or fine or whether the procedure is civil or criminal."

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[1] Article IX, Section 7 of the North Carolina Constitution, entitled "county school fund," provides as follows: "Moneys, stocks, bonds and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used exclusively for maintaining free public schools."

State ex rel. Thornburg v. 532 B Street, 334 N.C. 290, 294, 432 S.E.2d 684, 686 (emphasis added) (quoting Mussallam v. Mussallam, 321 N.C. 504, 508-509, 364 S.E.2d 364, 366-367 (citations omitted).

The decision in Craven County School Board v. Boyles et al. simplifies the analysis used for determining which monetary payments collected by the State are to be paid to the local school funds pursuant to Article IX, Section 7. First, the monetary payment must be a penalty, forfeiture or fine. In this regard, the Court said "it is neither 'the label attached to the money' nor 'the [collection] method employed' but 'the nature of the offense committed' that determines whether the payment constitutes a penalty." Id. at p. 8 (quoting Cauble v. City of Asheville, 301 N.C. 340, 344, 271 S.E.2d 258, 260 (1980) (citations omitted). Second, the monetary payment must accrue to the State. Although not specifically addressed by the Court in the Craven County decision, the phrase "accrues to the State" reasonably should be interpreted to include accrual to any department, division, agency, board or commission of the State. If both conditions are satisfied, the Court concludes the monetary payment is within the scope of Article IX, Section 7 and the clear proceeds must be paid to the local school fund in the county where the violation upon which the penalty is based occurred. "Clear proceeds" is defined by statute to "include the full amount of all penalties, forfeitures, or fines . . . diminished only by the actual costs of collection, not to exceed ten percent (10%) of the amount collected." N.C. Gen. Stat. § 115C-437.

The directives of the Supreme Court should be implemented prospectively, beginning on the date of the Court's mandate, April 25, 1996. The State Controller's Office is establishing a system for receipt and disbursal of the clear proceeds from Article IX, Section 7 penalties, forfeitures and fines. Civil penalties, forfeitures and fines collected on or after April 25, 1996 should be categorized by the county in which the violation occurs and deposited in the trust fund budget code to be designated and administered by the State Controller's Office. The Controller's Office intends to disburse the clear proceeds to the school districts on a regular basis.

State of North Carolina

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MICHAEL F. EASLEY
ATTORNEY GENERAL

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January 28, 1997

Richard H. Robinson, Jr.
Assistant to the President
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P.O. Box 2688
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2

Re: Advisory Opinion; *Craven County Board of Education v. Boyles*, 343 N.C. 87, 468 S.E.2d 50 (1996); Effect on Parking and Library Fines Collected By Constituent Institutions of The University of North Carolina

Dear Mr. Robinson:

This letter responds to your recent request for an opinion on whether parking and library fines collected by constituent institutions of The University of North Carolina (UNC) constitute "fines," "penalties" or "forfeitures" subject to claim by the various local school districts under article IX, section 7 of the North Carolina Constitution. In particular, you expressed concern with the decision in *Craven County Board of Education v. Boyles*, 343 N.C. 87, 468 S.E.2d 50 (1996), in which the North Carolina Supreme Court held that the local school districts may claim all monetary payments exacted as penalties that accrue to the State from the violation of either civil or criminal law.

It is our opinion that, insofar as the library fines are imposed for purposes other than punishment, and UNC generates and uses the parking fines pursuant to the General Assembly's constitutional mandate to maintain and manage UNC as a public institution of higher education, article IX, section 7 does not reach these fines, *Craven County* notwithstanding.

I. *The University Library Fines*

All constituent institutions of UNC maintain libraries for the use of their students and faculty. To help preserve the library collections against loss and to ensure that library materials are currently available to students and faculty, the

constituent institutions charge fees for late return of borrowed materials and replacement charges for lost items. In Fiscal Year 1995-96, the consituent institutions reported collecting a total of $840,674 in library fines. It is our understanding that these funds are used to maintain and replenish the library collections.

The Effect of *Craven County v. Boyles* on the Ownership of The Library Fines

Article IX, section 7 provides as follows:

> All moneys, stocks, bonds, and other property belonging to a county school fund, and the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of the State, shall belong to and remain in the several counties, and shall be faithfully appropriated and used for maintaining free public schools.

(Emphasis added).

The *Craven County* decision is the most recent of a series of Supreme Court decisions dating from the late nineteenth century that have addressed the issue of the scope of local school districts' entitlements to funds under article IX, section 7 or its analog in the 1868 Constitution (article IX, section 5). In *Craven County*, the Court held that monies paid to the North Carolina Department of Environment, Health and Natural Resources resulting from violation of civil statutory air pollution control standards constituted a "penalty" under article IX, section 7, and should be remitted to the local school district.

The Constitution itself does not define "penal laws." However, courts have traditionally characterized a law, whether civil or criminal, as "penal" if the law imposes a monetary payment on anyone violating its terms and if the purpose of that payment is punishment. 3 C. Sands, Sutherland Statutes and Statutory Construction, § 59.01, at 91 (5th ed. 1992). The North Carolina Supreme Court's decision in *Craven County v. Boyles* is consistent with that understanding. The Court affirmed that article IX, section 7 encompasses all monetary payments exacted as penalties that accrue to the State, regardless of whether they result from civil or criminal violations. *Craven County Board of Education v. Boyles*, 343 N.C. at 90 (citing *State ex rel. Thornburg v. 532 B Street*, 334 N.C. 290, 432 S.E.2d 684 (1993)). See also *State ex rel. Hodge v. Marietta & North Georgia Railroad*, 108 N.C. 24, 12 S.E. 1041 (1891) (holding that penalty accruing to State under civil statute is recoverable by local school districts).

Because a "penal law" is one that imposes a monetary payment as punishment for its violation, the courts have distinguished fines, penalties, and forfeitures from other sorts of payments, on the ground that they all are payments imposed as punishment. Thus, the specific nomenclature given to such monetary payments is insignificant. The critical factor in determining whether the monetary payments constitute "penalties, forfeitures, or fines" is not the label given the payments, but the nature of the offense that gave rise to them; i.e., whether the payments were imposed as the result of a breach of the "penal laws" of the State. *Craven County v. Boyles*, 343 N.C. at 92 (citing *Cauble v. City of Asheville*, 301 N.C. 340, 344, 271 S.E.2d 258, 260 (1980)). The *Craven County* Court concluded that the defendants' monetary payments resulted from an offense that was penal in nature. Therefore, the payments were deemed to be penalties subject to article IX, section 7, even though they were not designated as "penalties" in the settlement agreement.

Despite the breadth of the Court's construction of article IX, section 7 in *Craven County v. Boyles*, it is clear that *Craven County* would not support the proposition that this constitutional provision encompasses monetary payments accruing to the State that are imposed for some other purpose than punishment, such as remediation or restitution. Such types of payments would not result from a violation of "penal law" as the Court appears to regard it. See *Shore v. Edmisten*, 290 N.C. 628, 227 S.E.2d 553 (1976) (payments imposed for purpose of restitution to a governmental agency are not included in "clear proceeds" of fines under article IX, section 7); see also *State ex rel. Thornburg v. 532 B Street*, 334 N.C. 290, 432 S.E.2d 684 (1993), Meyer, J., dissenting (dissent concluded that certain forfeitures ordered pursuant to state RICO Act are remedial and not penal in nature and thus do not come within article IX, section 7). In *Craven County*, as in other recent decisions allocating funds to local school districts, the Court clearly perceived that the monetary payments at issue were intended as punishment for violation of a State civil or criminal law. See *State ex rel. Thornburg*, supra (forfeitures pursuant to state RICO Act were penal in nature and must be paid to public school fund); *Mussallam v. Mussallam*, 321 N.C. 504, 364 S.E.2d 364 (1988) (monetary payments from forfeiture of court appearance bond were penal in nature); *Cauble v. City of Asheville*, supra (fines city collected for overtime parking came within article IX, section 7 since imposed pursuant to city ordinance made penal by State statute).

The university library fines are distinguishable from the monetary payments in *Craven County* to the extent that they are assessed primarily for the maintenance and replenishment of the library collections rather than as punishment for failure to obey library regulations. In this respect, the library fines may be regarded as a means for furthering the Founders' constitutional directive that UNC encourage and promote "useful learning." *Foy v. University of North Carolina*, 5 N.C. 80, 83-84 (1805) (citing N.C. Const. of 1776, § 41).

The library fines may also be distinguished from fines, penalties and forfeitures subject to article IX, section 7 on the basis of their relation to other constitutional provisions concerning public secondary and higher education and their funding. The county public school fund established by article IX, section 7 is one of two separate funds the Constitution created to assist the General Assembly in carrying out the State's public policy to provide free public schools. N.C. Const. art. IX, § 2. However, the framers of the Constitution also directed the General Assembly to provide the State's citizens higher education that is "as far as practicable. . . free of expense." N.C. Const. art. IX, § 9. While article IX, section 10 establishes an educational fund for UNC, consisting of revenue from escheats, the constituent institutions' expenses so far exceed their income from that external source that the General Assembly has authorized them to generate revenue to help satisfy their constitutional mandate to keep tuition costs as low as possible. Given that the Constitution is to be construed as a consistent whole, *Thomas v. State Board of Elections*, 256 N.C. 401, 407, 124 S.E.2d 164, 169 (1962), it is our opinion that article IX, section 7 does not require funds -- such as the library fines -- generated within UNC, and used for the constitutionally required purpose of keeping the costs of university education as low as possible, to be diverted to the public schools in the county in which a constituent institution is located.

In summary, it is our opinion that, while a judicial exemption for the university library fines from article IX, section 7 cannot be predicted with certainty, such an exemption would be consistent not only with the Court's interpretation of the "fines, penalties and forfeitures" provision of article IX, section 7 in *Craven County v. Boyles*, but also with the constitutional mandate of article IX, section 9 for higher education at the lowest possible cost.

II. *The University Parking Fines*

Gen. Stat. § 116-44.4 authorizes the Boards of Trustees of the constituent institutions to establish ordinances for the regulation of traffic and parking on their campuses. The constituent institutions report that, as this statute permits, the funds they collect from violations of their ordinances are used for purposes relating to parking, traffic, and transportation on campus. In Fiscal Year 1995-96, the constituent institutions reported collecting a total of $3,766,102 in parking penalties.

The Effect of *Craven County v. Boyles* on the Ownership of The Parking Fines

As noted, the constituent institutions generate and use funds from violations of their parking ordinances under the authority and terms of Gen. Stat. § 116-44.4. This statute authorizes two different means of enforcing violations of the institutional parking ordinances, only one of which generates funds for the constituent institutions. N.C.G.S. § 116-44.4(g), (h) (1994).

First, by provision of Gen. Stat. § 116-44.4(g), violations of the ordinances may be treated as infractions (as defined in Gen. Stat. § 14-3.1). This enforcement mechanism operates outside of the institution. Infractions are prosecuted by the local district attorney in District Court, and any resulting penalties are imposed and collected by the court. N.C.G.S. §§ 15A-1114; 15A-1116 (1988). The proceeds of these penalties must be paid to the county in which the infraction occurred, for use of the local public schools. N.C.G.S. § 14-3.1(a) (1993).

Alternatively, the constituent institutions may enforce their parking ordinances by imposing their own civil penalties according to procedures the Trustees establish, including administrative sanctions. N.C.G.S. § 116-44.4(h) enables the constituent institutions, through internal administrative action, to collect and retain the funds resulting from violations of their parking ordinances. Not surprisingly, all constituent institutions reporting to us indicate that they have elected this manner of enforcement. Funds each constituent institution receives pursuant to its own enforcement mechanisms are to be placed in a trust account and may be used for any of the following purposes:

> (1) To defray the cost of administering and enforcing ordinances adopted under [Gen. Stat. § 116-44.4];
>
> (2) To develop, maintain, and supervise parking areas and facilities;
>
> (3) To provide bus service or other transportation systems and facilities, including payments to any public or private transportation system serving University students, faculty, or employees;
>
> (4) As a pledge to secure revenue bonds for parking facilities issued under Article 21 of [Chapter 116, "Higher Education"];
>
> (5) Other purposes related to parking, traffic, and transportation on the campus.

N.C.G.S. § 116-44.4(m) (1994).

Since these funds accrue to UNC, an agency of the State, and are imposed as a manner of punishment for violation of civil ordinances, the Supreme Court's broad definition of "penal laws" in *Craven County* might initially appear to encompass them. However, a critical distinction exists between these parking fines and other fines or penalties our courts have held to be within the reach of article IX, section

7. Unlike any of those fines and penalties, the university parking fines generated by means of Gen. Stat. § 116-44.4(h) are legislatively designated, pursuant to express constitutional authority, for a purpose other than the funding of the local public schools: the maintenance and administration of The University of North Carolina.

Article IX, section 8 of the North Carolina Constitution provides as follows:

> The General Assembly shall maintain a public system of higher education, comprising The University of North Carolina and such other institutions of higher education as the General Assembly may deem wise. The General Assembly shall provide for the selection of trustees of The University of North Carolina and of the other institutions of higher education, in whom shall be vested all the privileges, rights, franchises, and endowments heretofore granted to or conferred upon the trustees of these institutions. The General Assembly may enact laws necessary and expedient for the maintenance and management of The University of North Carolina and the other public institutions of higher education.

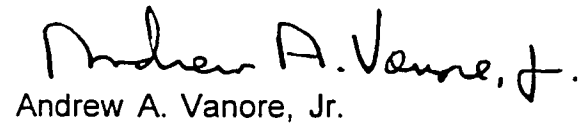
(Emphasis added).

It is clear that Gen. Stat. § 116-44.4 is an exercise of the General Assembly's authority and discretion granted by article IX, section 8, evidencing the intent to provide the means for administering the traffic and transportation aspect of the University's "maintenance and management." Therefore, *Craven County* notwithstanding, we believe that article IX, section 7 cannot properly be read to invalidate Gen. Stat. § 116-44.4(m), thereby depriving The University of North Carolina of revenues generated internally and used pursuant to the specific grant of legislative authority in article IX, section 8.

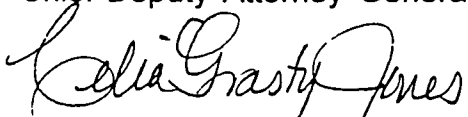
In article IX, the framers articulated educational policies of apparently equal priority in favor of both public higher education and public secondary education, together with funding mechanisms for the support of each. Clearly, one such provision of the Constitution cannot be in violation of another. *Martin v. State*, 330 N.C. 412, 419, 410 S.E.2d 474, 478 (1991). In creating a class of penalties specifically devoted to funding UNC, the General Assembly was certainly aware of article IX, section 7. See N.C.G.S. § 116-44.4(g) (providing for infraction means of enforcement). Addressing the question of whether Gen. Stat. § 116-44.4(m) conflicts with article IX, section 7, the courts would be required to presume such awareness and resolve in the statute's favor all doubts concerning its constitutional validity. E.g., *State v. Pool*, 74 N.C. 402, 405 (1876); *Lowery v. School Trustees*, 140 N.C. 33, 40, 52 S.E. 267 (1905); *State v. White*, 58 N.C. App. 558, 559, 294 S.E.2d 1, 2 (1982).

Therefore, it is our opinion that the university parking fines, which are governed by article IX, section 9, do not come within the "fines, penalties and forfeitures" provision of article IX, section 7. Accordingly, *Craven County* is not applicable to revenues generated under Gen. Stat. § 116-44.4(h).

Very truly yours,



Andrew A. Vanore, Jr.
Chief Deputy Attorney General



Celia Grasty Jones
Assistant Attorney General

DATE: January 28, 1997

REQUESTED BY: Richard H. Robinson, Jr.
Assistant to the President for Legal Affairs
The University of North Carolina

AUTHORS: Celia Grasty Jones
Assistant Attorney General

Andrew A. Vanore, Jr.
Chief Deputy Attorney General

SUMMARY: The parking fines collected by the constituent institutions of The University of North Carolina pursuant to N.C.G.S. § 116-44.4(h), and the library fines the constituent institutions assessed and used for library collection maintenance, do not constitute "fines," "penalties," or "forfeitures" subject to claim by local school districts under article IX, section 7 of the North Carolina Constitution, notwithstanding the North Carolina Supreme Court's decision in *Craven County Board of Education v. Boyles*, 343 N.C. 87, 468 S.E.2d 50 (1996).

MICHAEL F. EASLEY
ATTORNEY GENERAL

State of North Carolina
Department of Justice
P. O. BOX 629
RALEIGH
27602-0629

REPLY TO:
W. Dale Talbert
Correction Section
Telephone: (919) 733-2557
Facsimile: (919) 715-6616

January 30, 1997

TRANSMITTED BY FACSIMILE

Marvin Dorman
State Budget Officer
Office of State Budget and Management
116 West Jones Street
Raleigh, North Carolina 27603-8001

Edward Renfrow
State Controller
Office of State Controller
200 West Jones Street
Raleigh, North Carolina 27603-1370

Re: Advisory Letter -- Recommendation and Authorization to Pay Over to Local Boards of Education the Clear Proceeds of Environmental Civil Penalties Collected by the Department of Environment, Health and Natural Resources Since April 25, 1996.

Gentlemen:

In April of 1996, the North Carolina Supreme Court issued a decision finding that a monetary payment made to the Department of Environment, Health and Natural Resources (DEHNR) pursuant to a settlement agreement for violations of the State's environmental protection laws constituted a "fine" or "penalty" under Article IX, Section 7 of the North Carolina Constitution. Craven County Board of Education v. Boyles et al., 343 N.C. 87, 468 S.E.2d 50 (1996). The Court further concluded the constitutional provision required the clear proceeds from the payment to be paid over to the local school district in which the violations occurred rather than to the General Fund as directed by the General Statutes. Id. In my opinion, the Craven County decision is applicable not only to the specific payment that was at issue in the case but also to all other civil fines and penalties collected by DEHNR for violations of the State's environmental laws and regulations since the effective date of the decision, April

25, 1996. Therefore, I recommend and authorize the clear proceeds of all such collections, including those recently received from Abbott Laboratories and Faircloth Farms, to be paid over to the finance officer for the board of education governing the local school district in which the violation occurred.[1]

Should you need further information or guidance, please call me.

Sincerely,

W. Dale Talbert
Special Deputy Attorney General

cc: Jonathan B. Howes, Secretary
Department of Environment, Health
and Natural Resources

Richard Whisnant, General Counsel
Department of Environment, Health
and Natural Resources

Dan Oakley, Senior Deputy Attorney General

---

[1] This is an advisory letter. It has not been reviewed and approved in accordance with the procedures for issuing an Attorney General's opinion.

MICHAEL F. EASLEY
ATTORNEY GENERAL

State of North Carolina
Department of Justice
P. O. BOX 629
RALEIGH
27602-0629

REPLY TO:
W. Dale Talbert
Correction Section
Telephone: (919) 716-6525
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November 4, 1997

Transmitted by U.S. Mail and Facsimile to 715-3060

Richard Whisnant, General Counsel
Department of Environment, Health & Natural Resources
Post Office Box 27687
Raleigh, North Carolina 27611

Re: Advisory Opinion -- Proper Disposition of Environmental Civil Penalties Collected from Local School Administrative Units

Dear Mr. Whisnant:

Earlier this year you requested our opinion on the proper disposition of environmental civil penalties collected from local school administrative units. We have delayed responding to your request because legislation was pending before the most recent session of the General Assembly which potentially could have affected our response. After careful review of the legislation in question, and for the reasons which follow, we conclude the clear proceeds of environmental civil penalties controlled by Article IX, Section 7 which were collected from offending local school administrative units before September 1, 1997, may not be returned to the offending local units but rather should be deposited into the General Fund. We also conclude the clear proceeds of environmental civil penalties controlled by Article IX, Section 7 which are collected from offending local school administrative units on or after September 1, 1997, may not be returned to the offending local units. However, in compliance with N.C.G.S. 115C-457.1 et seq., these funds should be remitted to the Civil Penalty and Forfeiture Fund, transferred to the State School Technology Fund and allocated to all eligible local school administrative units, except the offending unit, on the basis of average daily membership.

Senate Bill 882, entitled *Civil Penalty and Forfeiture Fund Established*, proposed to have the clear proceeds of all civil penalties and forfeitures controlled by Article IX, Section 7 deposited into a Civil Penalty and Forfeiture Fund and subsequently transferred to the State School Technology Fund for distribution to local school administrative units on the basis of their average daily membership. Senate Bill 882 was not enacted but rather incorporated into and ratified as

Section 8.20(a) of Senate Bill 352, the Appropriations Bill. A copy of Section 8.20(a) is enclosed for your review.

Senate Bill 352 amends Chapter 115C of the General Statutes by adding a new Article 31A consisting of sections 115C-457.1 through -457.3. N.C.G.S. § 115C-457.1 creates a Civil Penalty and Forfeiture Fund administered by the Office of State Budget and Management (OSBM). N.C.G.S. § 115C-457.2 provides in pertinent part "[n]otwithstanding any other law, all funds which are civil penalties or civil forfeitures within the meaning of Article IX, Section 7 of the Constitution shall be deposited in the Civil Penalty and Forfeiture Fund." New N.C.G.S. § 115C-457.3 requires the funds deposited in the Civil Penalty and Forfeiture Fund to be transferred to the State School Technology Fund, administered by the Department of Public Instruction, and thereafter allocated to local school administrative units on the basis of average daily membership. These provisions were effective September 1, 1997.

In Craven County Board of Education v. Boyles et al., 343 N.C. 87, 468 S.E.2d 50 (1996), the North Carolina Supreme Court held that money paid in settlement of a environmental civil penalty were "civil penalties" within the scope and coverage of Article IX, Section 7. Therefore, it is clear that environmental civil penalties assessed against and collected from local school administrative units are "penalties" within the meaning of Article IX, Section 7. In reaching its decision in Craven County, the Court cited with approval its earlier statement in Cauble v. City of Asheville, 301 N.C. 340, 271 S.E.2d 258 (1980), concluding "it is neither 'the label attached to the money' nor 'the [collection] method employed' but 'the nature of the offense committed' that determines whether the payment constitutes a penalty [controlled by Article IX, Section 7]." 343 N.C. at 91. The Court also cited with approval its earlier decisions in State ex rel. Thornburg v. 532 B Street, 334 N.C. 290, 432 S.E.2d 684 (1993) and Mussallam v. Mussallam, 321 N.C. 504, 364 S.E.2d 364 (1988) which recognized that penalties included within the scope and coverage of Article IX, Section 7 are those which are "punitive rather than remedial in nature and . . . intended to penalize the wrongdoer rather than compensate a particular party."

These judicial decisions defining civil penalties as punishment are significant in that they compel the common law principle prohibiting a wrongdoer from enriching himself as a result of his own misconduct be applied to the distribution of the civil penalties. Under this time-honored principle, it would offend public policy to have any portion of a civil penalty collected from a offending local school administrative unit returned to that unit. See Davenport v. Patrick, 227 N.C. 686, 44 S.E.2d 203 (1947) Therefore, we advise your Department to pay over to the State Controller for deposit in the General Fund the clear proceeds of all environmental civil penalties collected from local school administrative units prior to September 1, 1997. Environmental civil penalties collected by your Department from local school administrative units on or after September 1, 1997, should be deposited into the Civil Penalty and Forfeiture Fund and transferred by OSBM to the State School Technology Fund. However, consistent with the legal conclusions provided herein, the Department of Public Instruction will be advised of our opinion that proceeds

from civil penalties or forfeitures collected from a local school administrative unit should not be allocated to the offending unit. Rather, these funds should be allocated to the remaining local school administrative units on the basis of their average daily membership.

I trust this advisory opinion has been responsive to your inquiry. I am taking the liberty of providing a copy of this advisory letter to the Office of State Budget and Management, the State Controller's Office, the State Treasurer's Office, the Department of Public Instruction and counsel for the N.C. School Boards Association.

Sincerely,

W. Dale Talbert
Special Deputy Attorney General

Attachment:
1. Section 8.20(a) of Senate Bill 352

cc: Harlan E. Boyles
Marvin K. Dorman, Jr.
Edward Renfrow
Dan Oakley
Eddie Speas

S.L. 1997-443
Senate Bill 352

CIVIL PENALTY AND FORFEITURE FUND ESTABLISHED

Section 8.20 (a.) Chapter 115C of General Statutes is amended by adding a new Article to read:

Article 31A.

Civil Penalty and Forfeiture Fund

115C-457.1. Creation of Fund; administration.

(a) There is created the Civil Penalty and Forfeiture Fund. The Fund shall consist of the clear proceeds of all civil penalties and civil forfeitures that are collected by a State agency and are payable to the County School Fund pursuant to Article IX, Section 7 of the Constitution.

(b) The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.

115C-457.2. Remittance of moneys to the Fund.

The clear proceeds of all civil penalties and civil forfeitures that are collected by a State agency and are payable to the County School Fund pursuant to Article IX, Section 7, of the Constitution shall be remitted to the Office of State Budget and Management by the office having custody of the funds within 10 days after the close of the calendar month in which the revenues were received or collected. Notwithstanding any other law, all funds which are civil penalties or civil forfeitures within the meaning of Article IX, Section 7 of the Constitution shall be deposited in the Civil Penalty and Forfeiture Fund. The clear proceeds of such funds include the full amount of all such penalties and forfeitures collected under authority conferred by the State, diminished only the actual costs of collection, not to exceed ten percent (10%) of the amount collected.

115C-457.3. Transfer of funds to the State School Technology Fund.

The Office of State Budget and Management shall transfer funds accruing to the Civil Penalty and Forfeiture Fund to the State School Technology Fund. These funds shall be allocated to local school administrative units on the basis of average daily membership.

This section becomes effective September 1, 1997.

CEDAR CREEK ENTERPRISES, INCORPORATED
v.
The STATE of North Carolina DEPARTMENT OF MOTOR VEHICLES et al.

No. 87.

Supreme Court of North Carolina.

July 14, 1976.

Truck owner who was assessed charges for operation of truck over its licensed weight brought action for injunctive and declaratory relief. Summary judgment in favor of defendants and the truck owner appealed. The Supreme Court, Copeland, J., held, inter alia, that statute barring maintenance of suit to prevent collection of taxes included barred suits to prevent collection of monetary charges for operating motor vehicle in excess of its licensed weight and statute barring suits to prevent collection of taxes is constitutional.

No error.

[1] AUTOMOBILES ⚷ 51
48Ak51
Charges prescribed by statute for operation of motor vehicles in excess of licensed weight are within term "any tax" within meaning of statute prohibiting any court from entertaining suit to prevent collection of any tax and barred truck owner's action for injunctive and declaratory relief with respect to the imposition of charges for operation of vehicle in excess of licensed weight except insofar as owner challenged constitutionality of bar created by statute and the constitutionality of statutes providing for collection procedures. G.S. §§ 20-91.1, 20-96, 20-99.

See publication Words and Phrases for other judicial constructions and definitions.

[1] DECLARATORY JUDGMENT ⚷ 127
118Ak127
Charges prescribed by statute for operation of motor vehicles in excess of licensed weight are within term "any tax" within meaning of statute prohibiting any court from entertaining suit to prevent collection of any tax and barred truck owner's action for injunctive and declaratory relief with respect to the imposition of charges for operation of vehicle in excess of licensed weight except insofar as owner challenged constitutionality of bar created by statute and the constitutionality of statutes providing for collection procedures. G.S. §§ 20-91.1, 20-96, 20-99.

See publication Words and Phrases for other judicial constructions and definitions.

[2] STATUTES ⚷ 223.2(1.1)
361k223.2(1.1)
Formerly 361k223.2(1)
Statutes in pari materia must be read in context with each other.

[3] AUTOMOBILES ⚷ 28
48Ak28
Statute prohibiting maintenance of any suit to prevent collection of taxes thereby requiring taxpayer to pay tax under protest and bring suit for refund, including recovery of monetary charges imposed because of operating of motor vehicles in excess of licensed weight, is constitutional. G.S. §§ 20-91.1, 20-96, 20-99.

****336 *450** This case had its inception on 12 May 1975, when the agents of the Department of Motor Vehicles (now Division of Motor Vehicles) stopped plaintiff's truck while operating on a public highway in Cumberland County. The truck was weighed and found to be over the 4,000 pound weight limit for the license that was on the truck. This license tag had not been purchased for this particular truck but had in fact been removed from another vehicle. Plaintiff was assessed with (1) a license fee, ***451** $355.50, (2) driver education, title and transfer fees, $3.00, and (3) a penalty for over-licensed weight, $2,080.00, as provided by G.S. 20--96 and G.S. 20--118. For unknown reasons ****337** plaintiff was given credit for being licensed for 4,000 pounds even though the license tag on its truck belonged to another vehicle. Plaintiff paid the license fee of $355.50 and the driver education, title and transfer fees of $3.00, but refused to pay the $2,080.00. The Department of Motor Vehicles gave notice to plaintiff that they would use the collection procedures provision in G.S. 20--99.

Thereupon on 17 July 1975, plaintiff filed a complaint in Cumberland County Superior Court seeking injunctive and declaratory judgment relief.

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The injunctive relief sought to prevent the use of the collection procedures provided in G.S. 20--99. The declaratory judgment relief sought to hold General Statutes 20--91.1, 20--96 and 20--99 unconstitutional. On the same day plaintiff obtained Ex parte a temporary restraining order enjoining defendants from using the collection methods provided in G.S. 20--99 against plaintiff or plaintiff's property. The order was extended until 6 August 1975 at which time plaintiff was granted a preliminary injunction.

On 17 October 1975, defendants filed a motion for summary judgment with a supporting affidavit. On 10 November 1975, a hearing was held pursuant to this motion, and the court found that there was no genuine issue as to a material fact and defendants should prevail as a matter of law. The court further found that this cause was in part an action to enjoin the collection of a tax, to-wit, $2,080.00, and that such an action is prohibited by G.S. 20--91.1. The court additionally held that the cause was in part an action for declaratory judgment to hold a taxing statute unconstitutional and this action was also prohibited by G.S. 20--91.1. Finally the court found that G.S. 20--91.1, 20--96, and 20--99 were all constitutional. Thereupon the court dissolved the temporary injunction for that it was improvidently granted. Other pertinent facts will be set out in the opinion.

Donald W. Grimes, Fayetteville, for plaintiff-appellant.

Atty. Gen. Rufus L. Edmisten by Associate Atty. Isaac T. Avery, III, Raleigh, for defendants-appellees.

COPELAND, Justice.

Summary judgment entered for defendant raises three questions for our consideration: (1) Is G.S. 20--91.1 applicable ***452** when there has been a monetary charge assessed pursuant to G.S. 20--96 and G.S. 20--118? (2) Does G.S. 20--91.1 bar plaintiff's actions for injunctive and declaratory judgment relief? (3) Are G.S. 20--91.1, G.S. 20--96 and G.S. 20--99 constitutional?

G.S. 20--91.1 provides as follows:
'No court of this State shall entertain a suit of any kind brought for the purpose of preventing the collection of Any tax imposed in this Article. Whenever a person shall have a valid defense to the enforcement of the collection of a tax assessed or charged against him or his property, such person shall pay such tax . . . and if the same shall not be refunded within 90 days thereafter, may sue such official in the courts of the State for the amount so demanded. . . .' (Emphasis added.)

G.S. 20--96 provides as follows:
'It is the intent of this section that every owner of a motor vehicle shall procure license in advance to cover the empty weight and maximum load which may be carried. Any owner failing to do so, and whose vehicle shall be found in operation on the highway over the weight for which such vehicle is licensed, shall pay The penalties prescribed in G.S. 20--118. Nonresidents operating under the provisions of G.S. 20--83 shall be subject to the Additional tax provided in this section when their vehicles are operated in excess of the licensed weight or, regardless of the licensed weight, in excess of the maximum weight provided for in G.S. 20--118. Any resident or nonresident owner of a vehicle that is found in operation on a highway designated by the Board of Transportation as a light traffic highway, and along which signs are posted showing the maximum legal weight on said highway ****338** with a load in excess of the weight posted for said highway shall be subject to the penalties provided in G.S. 20--118. Any person who shall willfully violate the provisions of this section shall be guilty of a misdemeanor in addition to being liable for the Additional tax herein prescribed.' (Emphasis added.)

G.S. 20--118 provides as follows:
'For each violation of the gross weight limitation for the vehicle or vehicle and load the owner of the vehicle Shall pay to the Division A penalty for each pound of weight ***453** of such vehicle or vehicle and load in excess of the weight limitations, including the five percent (5%), hereinbefore set out in this section for each vehicle or vehicle and loan In accordance with the following schedule . . ..' (Emphasis added.)

[1] G.S. 20--91.1 applies to 'any tax imposed in this Article.' Since G.S. 20--91.1 is a section in Article 3 of Chapter 20 of the General Statutes of North Carolina and Article 3 consists of G.S. 20--38

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through 20--183, G.S. 20--91.1 applies to a monetary charge made pursuant to G.S. 20--96 if it qualifies as 'any tax' as that term is used in G.S. 20--91.1.

In the third sentence of G.S. 20--96 the applicability of this section to nonresidents operating under the provisions of G.S. 20--83 is explained. G.S. 20--83, which sets forth the registration requirements for nonresidents, provides no specific monetary charge for overloading a vehicle although subsection (c) therein does require payment of the same fees 'as is required with reference to like vehicles owned by residents of this State.' In the third sentence of G.S 20--96 it is specified that nonresidents operating under G.S. 20--83 shall be subject to the 'additional tax provided in this section when their vehicles are operated in excess of the licensed weight or . . . in excess of the maximum weight provided in G.S. 20--118.' Since G.S. 20--83 provides no specific monetary charge for overloading, the phrase 'additional tax provided in this section when their vehicles are operated in excess of the licensed weight or . . . in excess of the maximum weight provided in G.S. 20--118' refers to the overloading charge set out in G.S. 20--96.

The only monetary charge for overloading prescribed by G.S. 20--96 is the payment of 'the penalties prescribed in G.S. 20--118.' By labelling this required payment as an 'additional tax,' G.S. 20--96 effectively defines the 'penalties prescribed in G.S. 20--118' that must be paid upon a violation of G.S. 20--96 as a 'tax.'

This proposition is buttressed by the fact that the last sentence of G.S. 20--96 again refers to the payment required by this section as an 'additional tax.' The last sentence of G.S. 20--96 makes a person who willfully violates this section guilty of a misdemeanor as well as being liable for the 'additional tax' that is prescribed by this section. Since the only monetary charge prescribed by G.S. 20--96 is the payment of 'the penalties prescribed ***454** in G.S. 20--118,' it follows that these charges again are equated with a 'tax.' On its face, this 'tax' would qualify as 'any tax' as used in G.S. 20--91.1.

[2] This conclusion is further supported by an analysis of related statutes. Under the rules of statutory construction, statutes In pari materia must be read in context with each other. Comr. of Insurance v. Automobile Rate Office, 287 N.C. 192, 214 S.E.2d 98 (1975). In particular G.S. 20--91.2 provides as follows:

> 'If the Commissioner of Motor Vehicles discovers from the examination of any report, or otherwise, that any taxpayer has overpaid the correct amount of tax (including penalties, interest and costs, if any), such overpayment shall be refunded . . . .'

By using the word 'tax' to include penalties, this section further indicates that the monetary charge prescribed in G.S. 20--96 was defined as a 'tax' and was therefore subject to G.S. 20--91.1. Additionally, to say that G.S. 20--91.1 does not include the penalties prescribed in G.S. 20--118 but that the tax plus penalty and interest, if improperly charged, must be refunded as provided ****339** in G.S. 20--91.2 would be inconsistent. Also, it follows naturally that G.S. 20--91.1 applies both to what in other contexts may be termed a penalty since there would be no such penalty but for the tax. This result is further supported by the fact that the money received for a violation of G.S. 20--96 is treated the same way as other highway taxes in that the money is disbursed to the general highway fund of the Department of Transportation.

On the basis of the foregoing, we hold that G.S. 20--91.1 is applicable when there has been a tax assessed pursuant to G.S. 20--96.

The next question is whether G.S. 20--91.1 bars plaintiff's actions for injunctive and declaratory judgment relief? See Uniform Declaratory Judgment Act, G.S. 1--253 to G.S. 1--267. The language of G.S. 20--91.1 is clear. It declares that there shall be no suit brought for the purpose of preventing the collection of any tax imposed in that Article and defines the circumstances under which a suit may be brought. The General Statutes provide no exception.

Since G.S. 105--267 has language similar to that in G.S. 20--91.1, we are further guided by our Court's interpretation of ***455** G.S. 105--267. Our Court has held that G.S. 105--267 and prior statutes having the same language establish the general rule that there shall be no injunctive or declaratory relief to prevent the collection of a tax, I.e. the taxpayer must pay the tax and bring suit for a refund. Housing Authority v. Johnson, Comr. of Revenue, 261 N.C. 76, 134 S.E.2d 121 (1964); Development

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Co. v. Braxton, 239 N.C. 427, 79 S.E.2d 918 (1954); Buchan v. Shaw, Comr. of Revenue, 238 N.C. 522, 78 S.E.2d 317 (1953). See also Loose-Wiles Biscuit Co. v. Sanford, 200 N.C. 467, 157 S.E. 432 (1931). Unlike G.S. 105--267 (and prior statutes having the same language), which is accompanied in the same subchapter by G.S. 105--379 (1972), there is no comparable statute accompanying G.S. 20--91.1 that permits equitable exceptions to the broad exclusionary language therein. Cases such as Reeves Brothers, Inc. v. Town of Rutherfordton, 282 N.C. 559, 194 S.E.2d 129 (1973); Hooker v. Pitt County, 202 N.C. 4, 161 S.E. 542 (1931); Barber v. Benson, 200 N.C. 683, 158 S.E. 245 (1931), which enunciate limited, statutorily based exceptions (see G.S. 105--379 (1972) and North Carolina Code of 1931, s 7979) to the rule that there shall be no injunctive or declaratory relief to prevent the collection of a tax, do not dictate similar exceptions in our case. Rather, they evidence the fact that our Court has strictly applied G.S. 105--379 and related statutes except for the narrow exceptions permitted by accompanying statutes.

On the basis of the foregoing, we hold that the similar language of G.S. 20--91.1 effectively bars plaintiff's actions for injunctive and declaratory relief except insofar as plaintiff challenges the constitutionality of the bar created by G.S. 20--91.1, and incidentally the constitutionality of G.S. 20--96 and G.S. 20--99.

[3] We have determined that the monetary charge provided in G.S 20--96 (the overload statute) would qualify as 'any tax' as used in G.S. 20--91.1. G.S. 20--99 sets out the remedies available for the collection of all taxes and penalties under the provisions of Article 3 of Chapter 20. Since these statutes, as well as all others included in Article 3 of Chapter 20, are covered by the bar of G.S. 20--91.1, a determination that G.S. 20--91.1 is constitutional is conclusive as to plaintiff's challenge of the constitutionality of G.S. 20--96 and G.S. 20--99.

In order to determine the constitutionality of G.S. 20--91.1, we again are guided by our Court's decisions relating to the similar ***456** statute, G.S. 105-- 267. In Kirkpatrick v. Currie, 250 N.C. 213, 108 S.E.2d 209 (1959), our Court held that the procedure of G.S. 105--267, requiring the taxpayer to pay the tax under protest and bring a suit for a refund was constitutional, affording the taxpayer an opportunity to be heard and according him due process. For similar reasons, we hold that G.S. 20--91.1 is constitutional. Furthermore, we hold that G.S. 20--91.1 is constitutional as applied in barring plaintiff's challenge of the constitutionality of G.S. 20--96 and G.S. 20--99.

****340** We find additional support for this conclusion in recent United States Supreme Court decisions dealing with the Anti-Injunction Act, a similarly worded statute adopted originally by Congress in 1867, which reads as follows:

> '. . . No suit for the purpose of restraining the assessment or collection of any tax shall be maintained in any court.' Int.Rev.Code of 1954, s 7421(a).

In Bob Jones University v. Simon, 416 U.S. 725, 94 S.Ct. 2038, 40 L.Ed.2d 496 (1974), plaintiff sought to restrain defendant from revoking its tax-exempt status and from removing plaintiff's name from a list that gave assurance to donors that contributions to plaintiff would constitute charitable deductions. The Court held that application of the Anti-Injunction Act did not deny due process to plaintiff because plaintiff had access to certain review procedures or in the alternative it could pay the taxes and sue for a refund. See Note, 11 Wake Forest L.Rev. 337 (1975), entitled Taxation, s 7421(a), Prohibition Against Suits to Restrain the Assessment or Collection of a Tax.

Bob Jones held that Enochs v. Williams Packing Co., 370 U.S. 1, 82 S.Ct. 1125, 8 L.Ed.2d 292 (1962) was controlling. Enochs v. Williams Packing Co., supra at 7, 82 S.Ct. at 1129, 8 L.Ed.2d at 297, held that the Anti-Injunction Act bars a suit to enjoin the collection of the tax involved unless it is 'apparent that, under the most liberal view of the law and the facts, the United States cannot establish its claim.'

Plaintiff has completely failed to bring itself within the narrow exception enunciated in Williams Packing, supra. See also Commissioner of Internal Revenue v. Shapiro, --- U.S. ---, 96 S.Ct. 1062, 47 L.Ed.2d 278 (1976); Laing v. United States, 423 U.S. 161, 96 S.Ct. 473, 46 L.Ed.2d 416 (1976).

***457** We further note that whether the monetary

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charge assessed pursuant to G.S. 20--96 and G.S. 20--118 is, in fact, in a constitutional sense, as opposed to its statutorily defined meaning, a tax or a penalty does not alter the fact that the bar created by G.S. 20--91.1 is constitutional. The Supreme Court of the United States stated that it has abandoned distinctions between revenue-raising and regulatory taxes. Bob Jones University v. Simon, supra, 416 U.S. at 741, 94 S.Ct. at 2048, 40 L.Ed.2d at 511, 512 (Footnote 12 citing Sonzinsky v. United States, 300 U.S. 506, 513, 57 S.Ct. 554, 81 L.Ed. 772 (1937)). Thus, it follows that whether it is a revenue-raising or regulatory tax, the bar created by G.S. 20--91.1 is constitutional.

Accordingly, in the summary judgment entered by Judge McKinnon for the defendant we find

NO ERROR.

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MEMORANDUM

TO: Dale Talbert

FROM: Kay Miller Hobart KMH

DATE: 17 December 1996

RE: Taxes and Penalties

As requested per your conversation with George Boylan, the following sets forth our position as to why civil penalties assessed in connection with state taxes do not fall within the parameters of *Craven County Board of Education v. Boyles*, 343 N.C. 87 (1996). As we understand *Boyles*, the relevant inquiry is whether the payments are *in fact* a penalty or forfeiture. This is determined by the nature of the offense committed; the label attached to the monetary payment is irrelevant.

"Tax" and "additional tax" are statutorily defined to specifically include interest and penalties. N.C.G.S. § 105-228.90(b)(7). The North Carolina Supreme Court has held that, for purposes of assessment, collection and payment, interest is treated in the same manner as taxes. *Holt v. Lynch*, 307 N.C. 234 (1982).

The United States Supreme Court has specifically noted that "tax statutes serve a purpose quite different than civil penalties...." *Montana Department of Revenue v. Kurth Ranch*, 511 U.S. ---, 128 L.Ed2d 767, 781 (1994). The Court further observed that "[w]hereas fines, penalties and forfeitures are readily characterized as sanctions, taxes are typically different because they are usually motivated by revenue-raising rather than punitive purposes." 128 L.Ed.2d at 779.

Addressing federal tax penalties, the Supreme Court has held that the assessment for civil fraud is not a penalty at all, stating that "[t]he remedial character of sanctions imposing additions to a tax has been made clear by this Court in passing upon similar legislation. They are provided primarily as a safeguard for the protection of the revenue and to reimburse the Government for the heavy expense of investigation and the loss resulting from the taxpayer's fraud." *Helvering v. Mitchell*, 303 U.S. 391, 401 (1937). Significantly, like state civil penalties, federal civil fraud penalties are characterized as "additions to tax." The Court concluded, "[o]bviously, all of these 'Additions to the Tax' were intended by Congress as civil incidents of the assessment and collection of the income tax." *Id.* at 405. Other federal courts have consistently held that the civil fraud penalty is not a penalty or penal sanction, but rather a civil administrative sanction of a remedial nature, to aid in the assessment and collection of taxes. *See Kirk v. Com'r*, 179 F.2d 619 (1st Cir. 1950); *Lee v. Com'r*, 227 F.2d 181 (5th Cir.), *cert. denied*, 351 U.S. 982 (1955).

Since the fraud penalty, the most "penal" of the civil tax penalties, has been conclusively established to be remedial and not penal, the remaining "lesser" penalties must necessarily be considered as mere incidents of the assessment and collection of the tax as well.

For these reasons, it is our position that civil tax penalties are not in fact penalties, but rather are in the nature of a tax.

cc: George Boylan

END

file 10d

MICHAEL F. EASLEY
ATTORNEY GENERAL

State of North Carolina
Department of Justice
P. O. BOX 629
RALEIGH
27602-0629

REPLY TO:
W. Dale Talbert
Correction Section
Telephone: (919) 716-6525
Facsimile: (919) 716-6765

July 22, 1997

Sarah Fuerst, Staff Attorney
Legislative Bill Drafting Division
N.C. General Assembly
401 Legislative Office Building
300 North Salisbury Street
Raleigh, North Carolina 27602-5925

Re: Distribution of Fines, Forfeitures and Penalties; Comments on Proposed Legislation

Dear Sarah:

On behalf of a member of the Legislature, you have requested I provide comments on proposed legislation which would amend certain statutes authorizing the assessment and collection of monetary payments to redirect the clear proceeds of these payments to a State-controlled "Civil Penalty and Forfeiture Fund" (Fund) rather than the various statutory recipients and uses now directed. "Clear proceeds" would be defined as "the full amount of all such funds collected under authority conferred by the State, diminished only by the actual costs of collection, not to exceed ten percent (10%) of the amount collected." State agencies which collected the affected monetary payments would be required to pay the clear proceeds into the Fund within ten days after the close of the calendar month in which the monies were received or collected. The Fund would be managed by the Office of State Budget and Management (OSBM). The proposed legislation also would require OSBM to transfer these monies to the "State School Technology Fund" (Technology Fund) which is a "nonreverting special revenue fund" under the control and direction of the State Board of Education. See G.S. 115C-102.6D. Thereafter, the clear proceeds would be allocated to local school administrative units on the basis of "average daily membership."

The proposed legislation raises several legal issues. Foremost among them is whether creation of a central, State-controlled Civil Penalties and Forfeiture Fund violates the mandate of Article IX, Section 7 of the North Carolina Constitution that "the clear proceeds of all penalties and forfeitures and of all fines collected in the several counties for any breach of the penal laws of this State, shall belong to and remain in the several counties, and shall be faithfully

appropriated and used exclusively for maintaining free public schools." I cannot say with certainty that creation of a central Fund complies with the constitutional mandate. The presumption is that enactments of the legislature are constitutional. Nevertheless, there is no case law directly on point and arguably creation of the Fund contravenes the requirement that fines, forfeitures and penalties *"shall belong to and remain in"* the several counties.

Related to this issue are the questions of whether these monies may be transferred to the State School Technology Fund and thereafter allocated to the local school administrative units on the basis of average daily membership. Whether the monies may be transferred to the State School Technology Fund is, like the question of whether a Civil Penalties and Forfeitures Fund may be created, a constitutional issue for which there is no clear answer. The transfer probably is constitutional, but there are arguments supporting the opposite conclusion. I am less confident that distribution of these monies through an "average daily membership" formula will pass constitutional muster. In my opinion, Article IX, Section 7 contemplates that the clear proceeds of fines, forfeitures and penalties are to go to the county in which the violation occurred as was ordered in Craven County Board of Education v. Boyles et al. Additionally, by the terms of the statute governing the State School Technology Fund, only counties which have had local school technology plans approved by the State Board of Education are eligible for distributions from the Technology Fund. Should this provision of the proposed legislation be enacted, it very likely will be challenged by a local school district which does not receive the full monetary benefit of a fine, forfeiture or penalty assessed for a violation in its home county or a local school administrative unit which does not have an approved school technology plan.

Underlying the foregoing constitutional issues is the basic question of whether the various monetary payments proposed to be distributed to the local school administrative unit are "fines, forfeitures and penalties" which must be paid to the several county school funds under Article IX, Section 7. You previously have been provided a copy of a table jointly prepared by the Attorney General's Office and the N.C. School Boards Association which lists all statutes known to authorize a State agency to assess and collect monetary payments which arguably could be considered fines, forfeitures or penalties. The table also reflects, among other things, the respective positions of the Attorney General's Office and the School Boards Association concerning whether the distribution of the identified monetary payment is controlled by Article IX, Section 7 and the N.C. Supreme Court's decision in Craven County. Although the Attorney General's Office and the School Boards Association have agreed to a great extent on which of the monetary payments should be paid over to the several local schools funds pursuant to the constitutional and case law authorities, some areas of disagreement still exist. Following is the Attorney General's position statement on the proper distribution of the monetary payments over which disagreement exists.

"Late fees" These payments are imposed by State agencies when a person or entity fails to comply in a timely manner with some statutory or regulatory requirement. Also included within this category are University "library fines" imposed for late return or loss of borrowed materials. The Attorney General's Office does not believe these monetary payments are fines, forfeitures or penalties because they are intended primarily to compensate the imposing agency for the additional costs associated with processing untimely payments rather than to punish the payor. In the case of library fines, the monetary payment also is remedial in nature because it is used, at least in part, to replace lost or destroyed materials. The Attorney General's position on this issue is explained in more detail in a written advisory opinion issued to Richard H. Robinson, Assistant to the President for Legal Affairs, University of North Carolina, dated January 28, 1997. (Attachment 1)

"Traffic and Parking Fines" The Attorney General's Office has issued an informal opinion concluding that the distribution of these monetary payments, at least as it concerns traffic and parking fines assessed and collected by the University, is not controlled by Article IX, Section 7 as interpreted by the Craven County decision. See, Advisory Opinion to Richard H. Robinson.

"Tax Penalties" The Attorney General's Office believes the interest and monetary penalties the Department of Revenue is statutorily authorized to impose for various civil violations of the state revenue law and regulations are not fines, forfeitures and penalties governed by Article IX, Section 7. These monetary payments are statutorily defined as "taxes" and "additional taxes." See, G.S. 105-228.90(b)(7). See also, Holt v. Lynch, 307 N.C. 234 (1982). Because they serve revenue generating or remedial rather than punitive purposes, these monetary payments should not be considered civil penalties. See Montana Department of Revenue v. Kurth Ranch, 511 U.S. ___, 128 L.Ed.2d 767 (1994). This analysis also applies to many monetary payments, listed in the table, the Department of Transportation is authorized to assess and collect. See, Enterprise, Inc. v. Department of Motor Vehicles, 290 N.C. 450 (1976).

Although technically not a legal issue, my experience in this area leads me to believe that some state agencies may not be able to comply with the requirement to deposit clear proceeds into the Fund within ten days from the end of the month in which they are collected. I suggest consideration be given to lengthening the proposed time limit for deposits into the Fund. I also suggest some consideration be given to how penalties collected from local boards of education be handled. I know of at least one situation in which a local board of education is using the Craven County decision to justify its request that the State pay over the clear proceeds of an environmental civil penalty collected from a school under the jurisdiction of the board.

The Attorney General's Office has not issued a comprehensive formal opinion on all the legal issues raised by the Craven County case. However, at the request of the Office of State Budget and Management and some individual agencies, I have authored several informal or advisory opinions relating to specific monetary payments or discrete legal issues. Assistant Attorney General Douglas A. Johnson also has issued an informal opinion to the State Treasurer on the application of the Craven County case to certain deposits held by the Treasurer. Copies of those informal opinions are enclosed for your consideration. (Attachments 2-4)

I trust this letter has been responsive to your request. Should you require further information, please contact me.

Sincerely,

W. Dale Talbert

W. Dale Talbert
Special Deputy Attorney General

Attachments:

1. Advisory Opinion to Richard H. Robinson
2. Memorandum to Chief Fiscal Officers
3. Advisory Memorandum to Dianne Miller
4. Memorandum to David C. Reavis

cc: Andrew A. Vanore, Jr.
John McArthur
Jane P. Gray

Requested by: Senators Perdue, Winner, Lee, Hartsell, Representatives Arnold, Grady, Preston, Moore

CIVIL PENALTY AND FORFEITURE FUND ESTABLISHED

Section 8.20. (a) Chapter 115C of the General Statutes is amended by adding a new Article to read:

"ARTICLE 31A.

"Civil Penalty and Forfeiture Fund.

"§ 115C-457.1. Creation of Fund; administration.

(a) There is created the Civil Penalty and Forfeiture Fund. The Fund shall consist of the clear proceeds of all civil penalties and civil forfeitures that are collected by a State agency and are payable to the County School Fund pursuant to Article IX, Section 7 of the Constitution.

(b) The Fund shall be administered by the Office of State Budget and Management. The Fund and all interest accruing to the Fund shall be faithfully used exclusively for maintaining free public schools.

"§ 115C-457.2. Remittance of moneys to the Fund.

The clear proceeds of all civil penalties and civil forfeitures that are collected by a State agency and are payable to the County School Fund pursuant to Article IX, Section 7 of the Constitution shall be remitted to the Office of State Budget and Management by the officer having custody of the funds within 10 days after the close of the calendar month in which the revenues were received or collected. Notwithstanding any other law, all funds which are civil penalties or civil forfeitures within the meaning of Article IX, Section 7 of the Constitution shall be deposited in the Civil Penalty and Forfeiture Fund. The clear proceeds of such funds include the full amount of all such penalties and forfeitures collected under authority conferred by the State, diminished only by the actual costs of collection, not to exceed ten percent (10%) of the amount collected.

"§ 115C-457.3. Transfer of funds to the State School Technology Fund.

The Office of State Budget and Management shall transfer funds accruing to the Civil Penalty and Forfeiture Fund to the State School Technology Fund. These funds shall be allocated to local school administrative units on the basis of average daily membership."

(b) This section becomes effective September 1, 1997.

Dr. Pulley

OFF-CAMPUS AND DISTANCE LEARNING DEGREE-CREDIT INSTRUCTION

FEBRUARY 18, 1998

THE UNIVERSITY OF NORTH CAROLINA

ATTACHMENT 1

UNC General Administration

LEGISLATIVE MANDATES

Senate Bill 393, Section 3 (1993 Session Laws)

The Board of Governors shall "develop a plan for the continued and expanded availability of higher education . . . [and consider] the expanded use of video and audio distance learning technology [and] the potential for expanded funding of extension instruction . . . ."

Board of Governors response: *A Plan for Continued and Expanded Availability of Higher Education in North Carolina (November 1, 1996)* — a statewide assessment of citizen demand for higher education courses and programs, accompanied by a plan and recommendations for steps necessary to meet the demand identified by the survey.

House Bill 229, Section 15.5 (1995 Session Laws)

"The Board of Governors shall recommend a plan to provide for additional educational opportunities . . . at off-campus locations across the State, including any funding mechanisms necessary to accomplish these goals."

Board of Governors response: *A Plan to Expand Educational Opportunity (April 12, 1996)* — proposed 10 strategies, including a recommendation that state-appropriated support for degree-credit instruction be extended to all forms of instruction, whether it occurs on-campus or off-campus, through traditional means or distance learning technologies.

Senate Bill 352, Section 10.3 (1997 Session Laws)

"The Board of Governors shall provide to the 1998 reconvened session of the General Assembly the cost estimates for funding off-campus and distance learning degree-credit extension instruction . . . ."

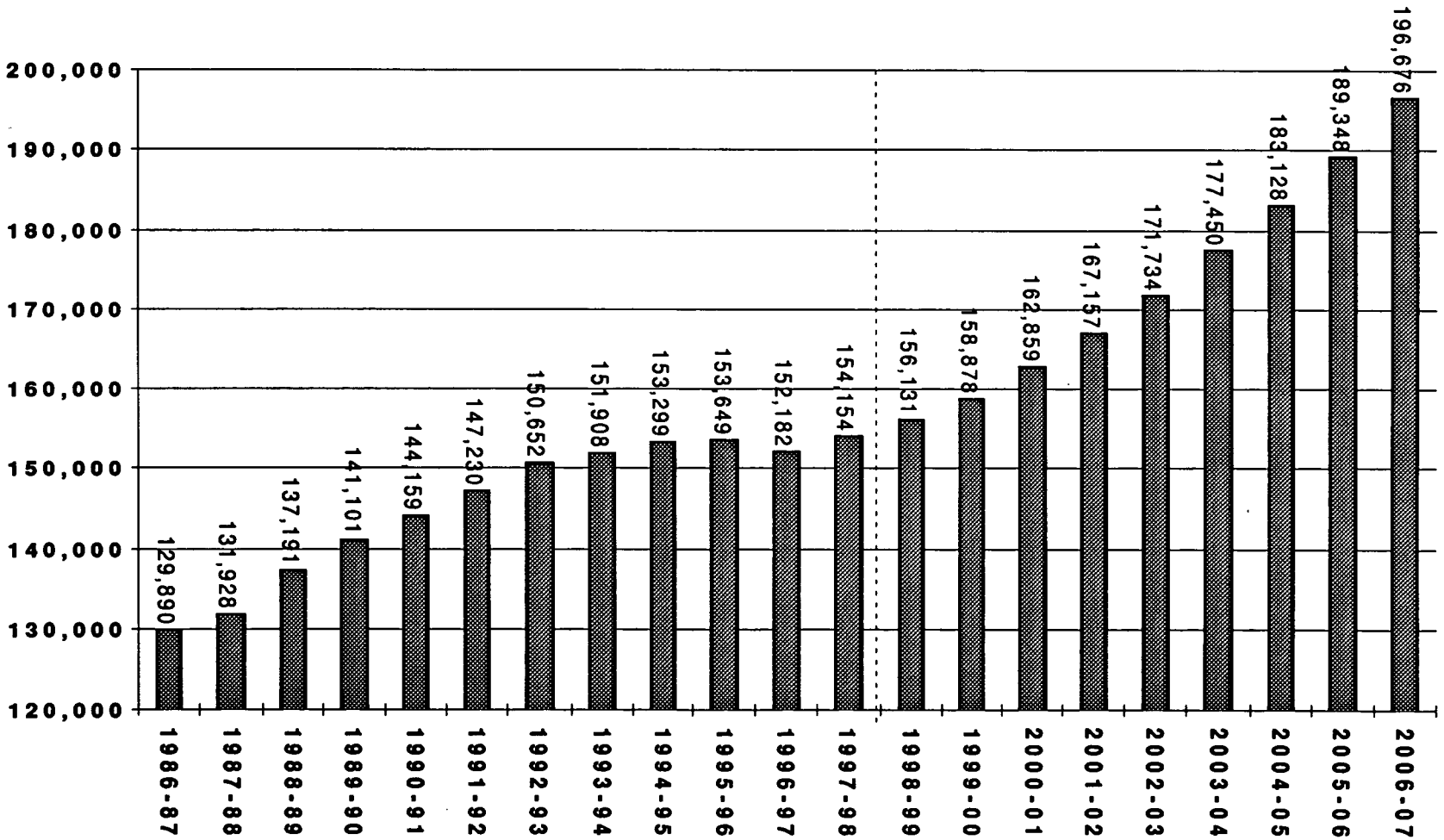
FACTORS DRIVING LEGISLATIVE AND BOARD INTEREST IN OFF-CAMPUS AND DISTANCE LEARNING INSTRUCTION

- Underserved areas and individuals: The need to extend educational opportunity and access to North Carolinians who, because of location, work, or family responsibilities, cannot take advantage of instruction offered on UNC campuses.

- Growth in the number of high school graduates: The need to provide access to higher education for the significant increase in the number of high school graduates projected for the next decade (1997-2006).

- Ability of UNC campuses to accommodate projected enrollment growth.

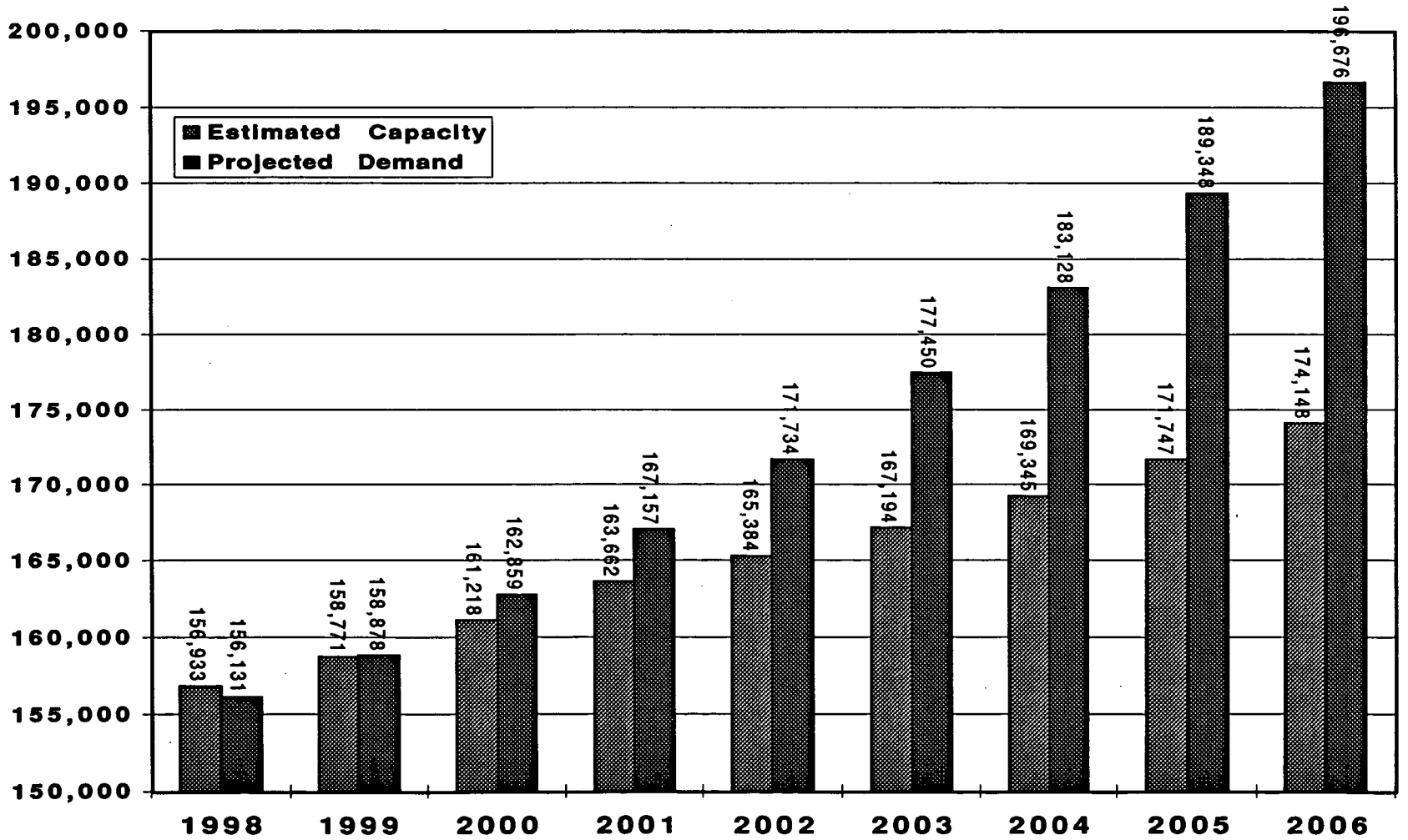
Historic and Projected UNC Headcount Enrollment: 1986-2006



UNC General Administration

UNC Projected Increase in Enrollment Demand Compared to Estimated Capacity (University-Wide): 1997-2006

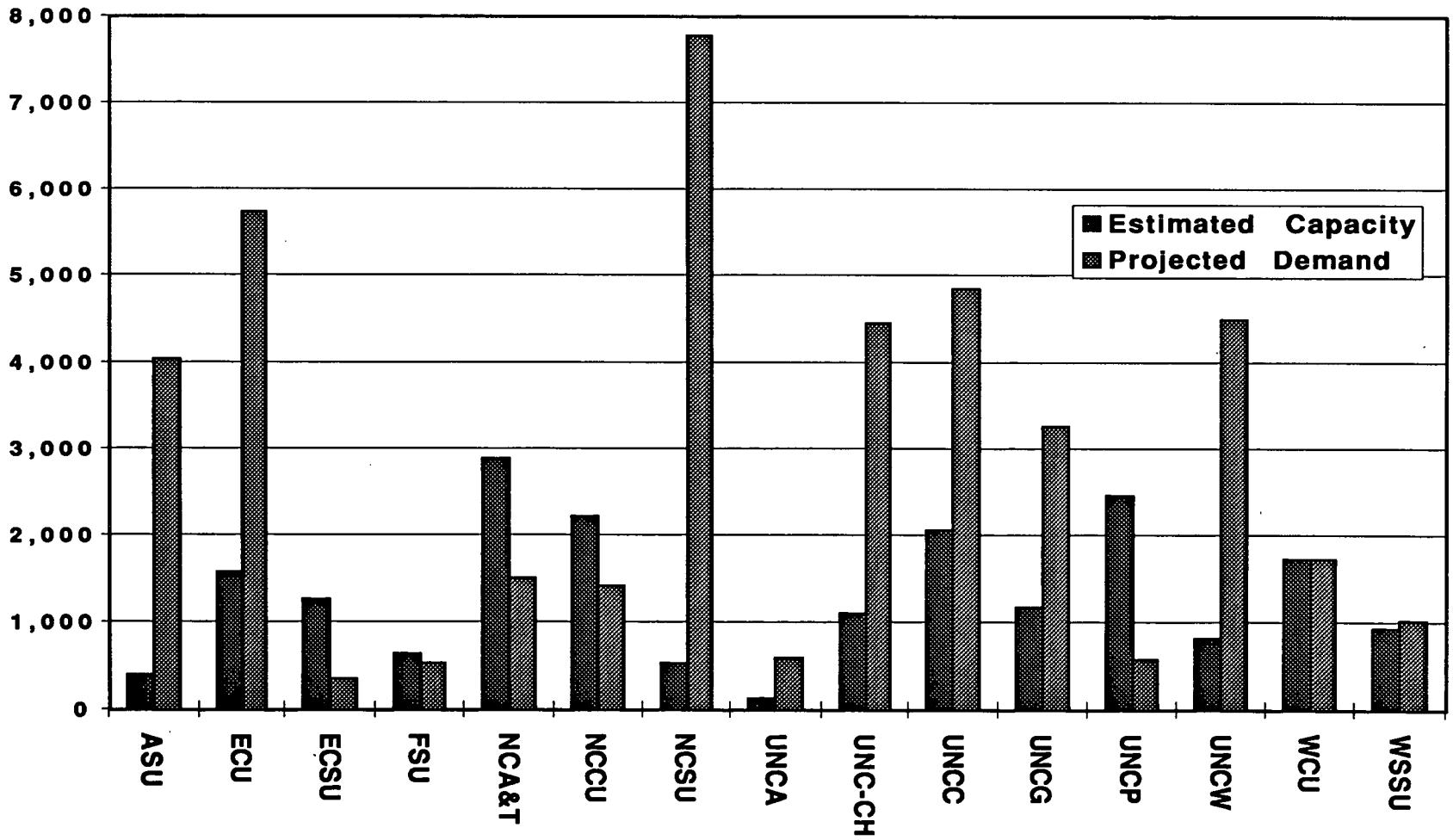
(assumes no new capital projects beyond those currently under construction or funded for construction or planning)



UNC General Administration

UNC Projected Increase in Enrollment Demand Compared to Estimated Capacity (by Institution): 1997 - 2006

(assumes no new capital projects beyond those currently under construction or funded for construction or planning



UNC General Administration

STRATEGIES FOR RESPONDING TO THE PROJECTED ENROLLMENT GROWTH

Maximize utilization of existing capacity

- Increased efficiency in campus space utilization
- Reduction in number of credit hours taken by degree-seeking students
- Strategies to increase enrollment at UNC institutions with excess capacity

Maintain and improve existing facilities and expand capacity on campuses

- Continued funding for repairs and renovations and for University-wide facilities plan

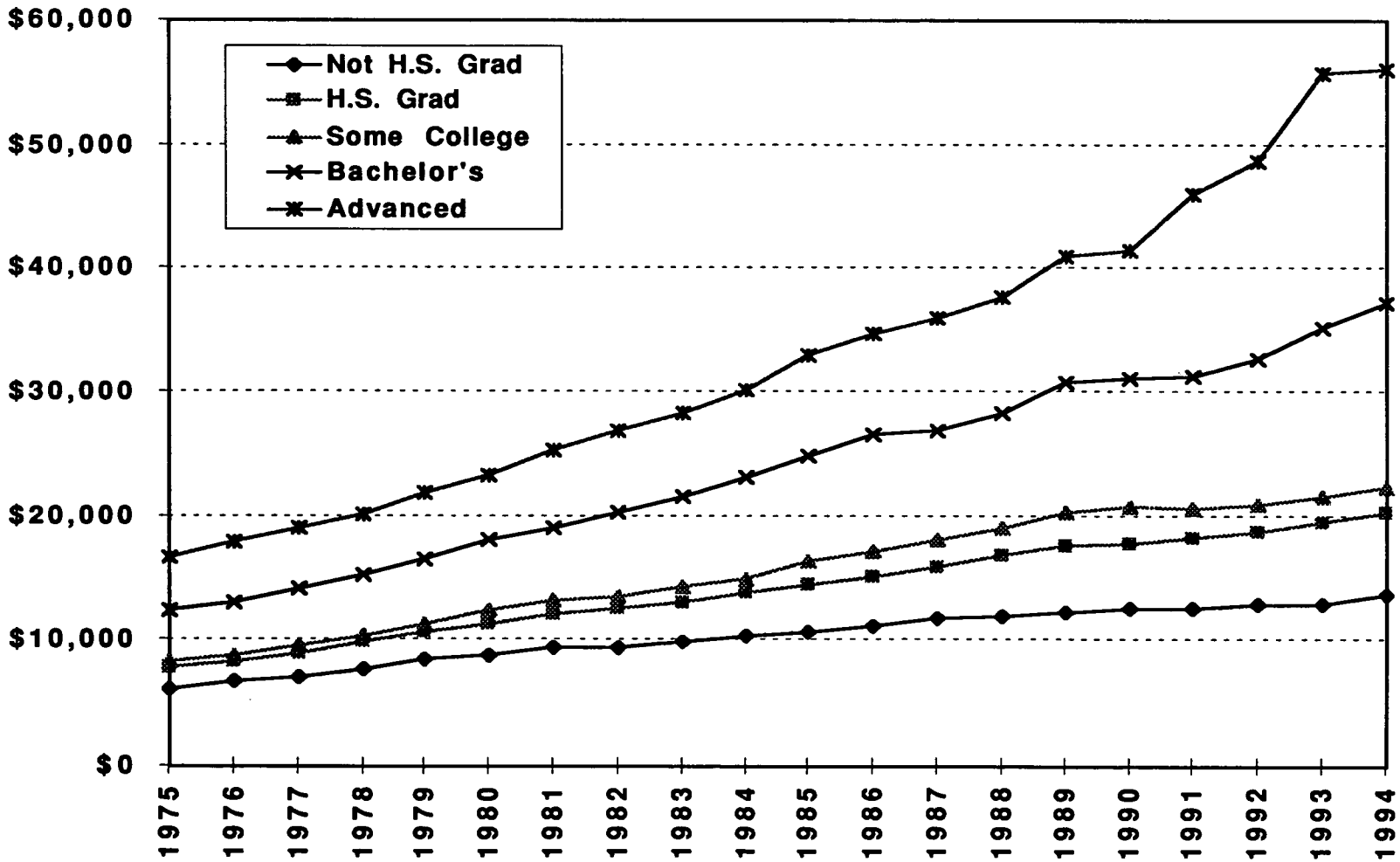
Expand delivery of instruction off-campus and through distance learning

- Significant expansion in the delivery of instruction off-campus, through a combination of traditional delivery formats and distance learning technologies

ADVANTAGES OF OFF-CAMPUS INSTRUCTION AND DISTANCE LEARNING AS A RESPONSE TO EXPANDING STATEWIDE ENROLLMENT DEMAND

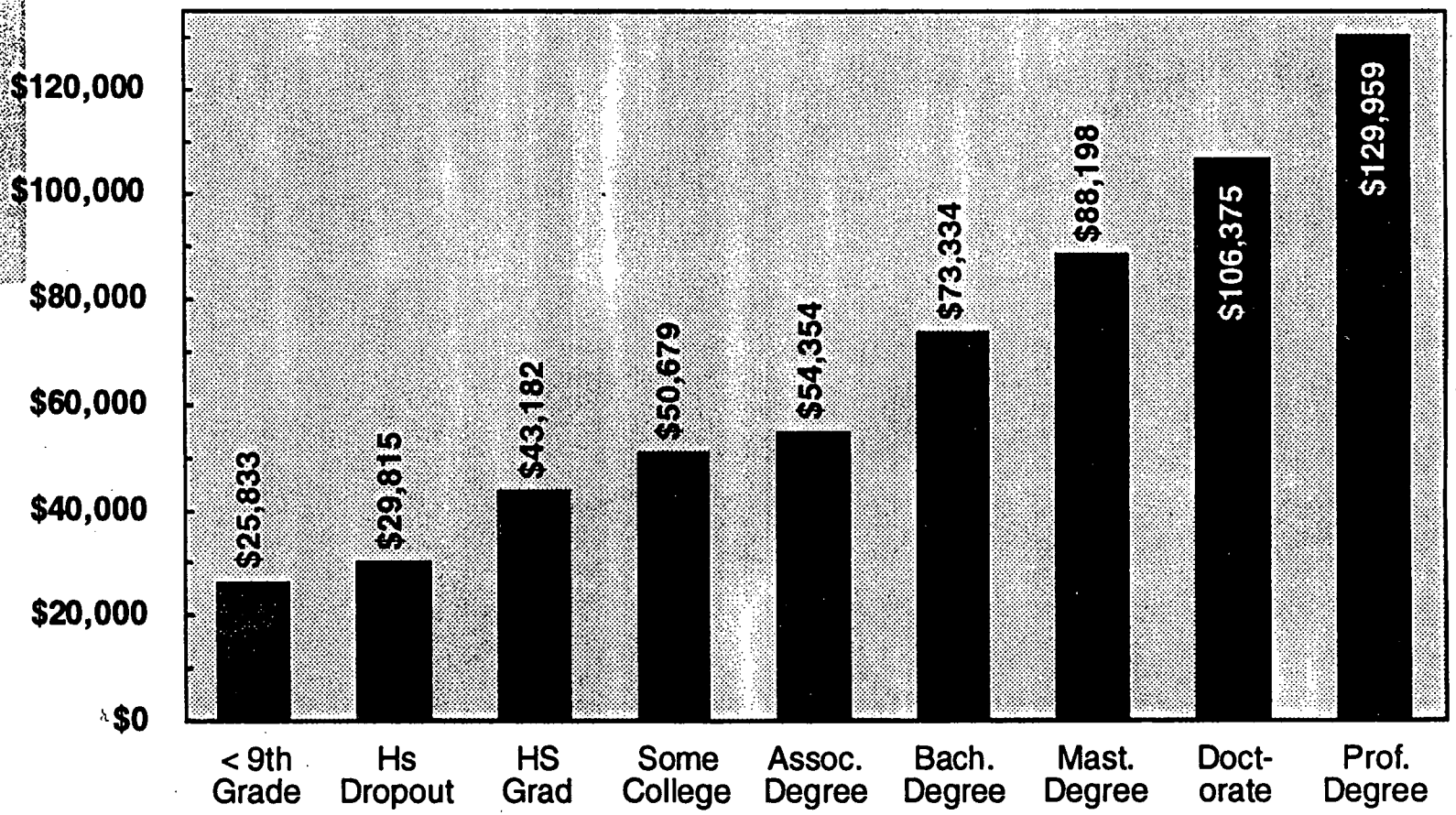
- Cost avoidance in construction of new facilities
- Benefits of increased educational access and educational attainment to the State and to individual North Carolinians
  - » Increased annual earnings
  - » Increased revenue to the State
  - » Enhanced economic competitiveness
  - » Regional development
  - » Improvements in other education sectors

U. S. Annual Earnings by Educational Level
1975 through 1994
(Source: U.S. Bureau of the Census)



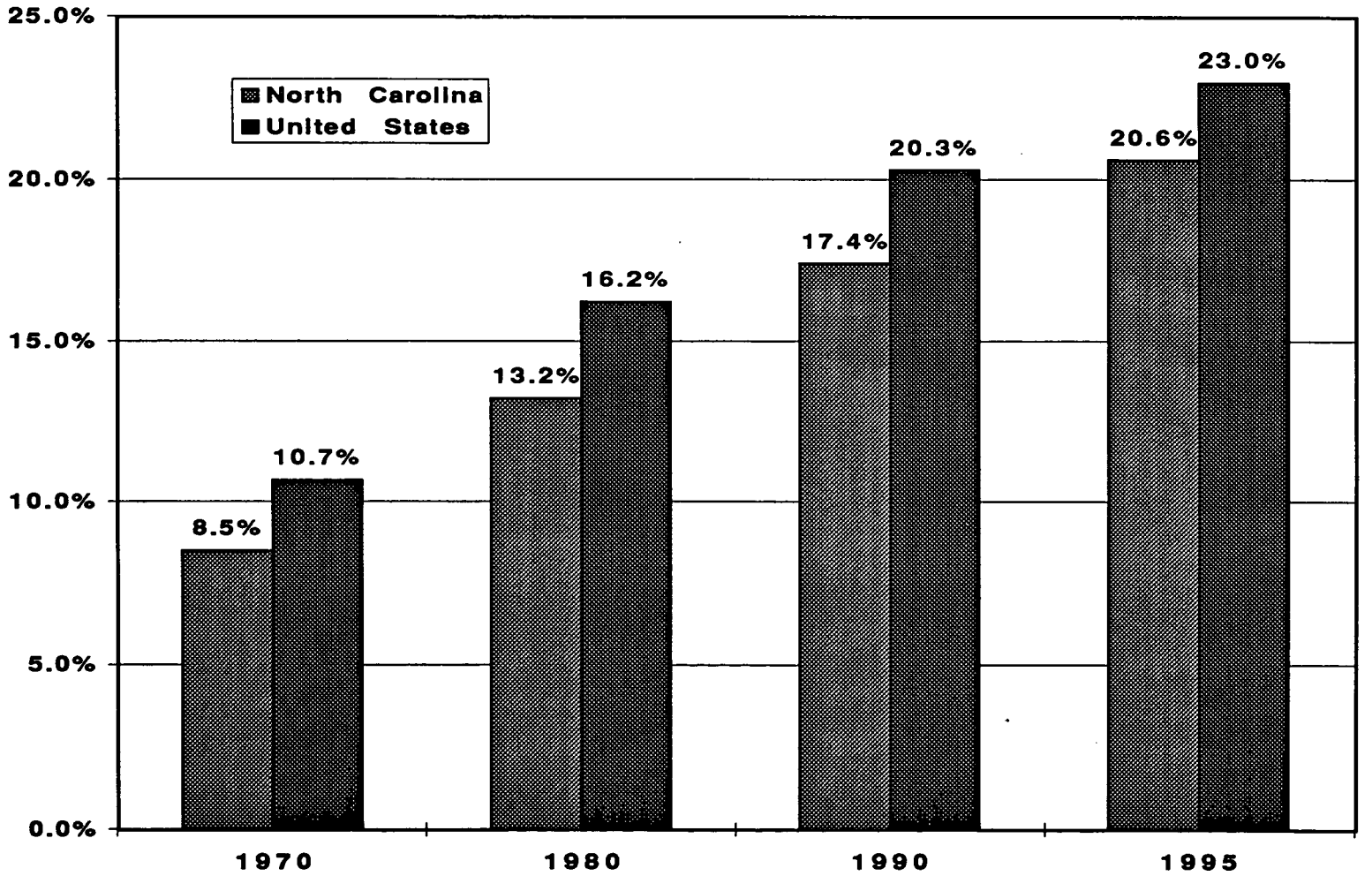
UNC General Administration

Average Family Income by Education Attainment of Householder, 1995



UNC-GA Planning/Misc.AG006AM/3-3-97

Educational Attainment of Persons 25 and Older
Percent with a Bachelor's Degree or Higher
(North Carolina Compared to Nation)



UNC General Administration

RATIONALE FOR FUNDING OF OFF-CAMPUS AND DISTANCE LEARNING DEGREE-CREDIT INSTRUCTION

- North Carolina is the only SREB state that does not fund off-campus instruction.
- Funding is essential if this is to become an effective strategy in meeting projected enrollment demand.
- Fairness to North Carolina citizens with respect to educational access and cost.
- Cost information from the off-campus pilot site programs.

Estimated Costs of Funding Off-Campus And Distance Learning Instruction At Regular Term Level and Charging Regular Term Tuition Rates

	(a) SCHs	(b) Total Requirements	(c) Existing Appropriation	(d) Tuition at Reg. Rates*	(e)=(b)-(c+d) Total New Appropriation
Base "Catch-up"	42,731	20,190,529	2,035,233	2,894,525	15,260,771
1998-99 Enrollment Increase	4,472	2,442,410		702,470	1,739,940
Total	47,203	22,632,939	2,035,233	3,596,995	17,000,711

*Existing tuition=$5,923,109; less tuition at Regular Term rates ($2,894,525)=$3,028,584 appropriation to compensate for reduction of tuition to regular term rates.

Comments from UNC Chancellors on the Role of Off-Campus Instruction

- *Our ability to offer planned, predictable, and sustainable academic programs of high quality depends upon our ability to build the responsibility for those [off-campus] programs into the core of our institutional missions. . . . In short, if we are to offer programs to serve the people of North Carolina and* ***not merely offer courses we can manage to staff,*** *then we must fully integrate them into the academic missions and budgetary structures of our campuses.*

- *As long as the financial arrangements that attend off-campus education appear peripheral to our central mission, then the activity itself will remain peripheral.*

IF WE BUILD IT, WILL THEY COME?

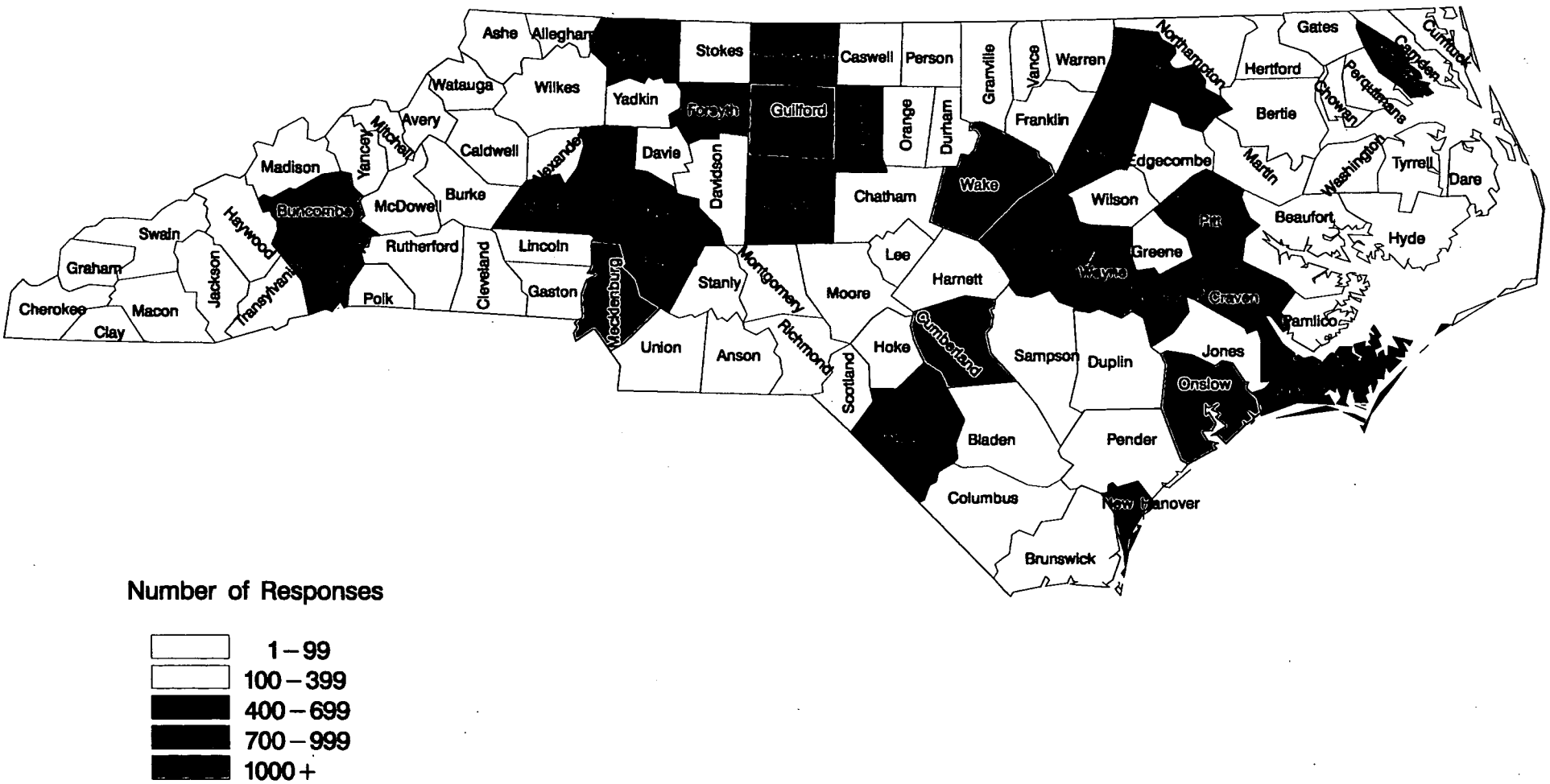
Results of Statewide Needs Assessment

- Nearly 34,000 individuals completed and returned a two-page survey form (fall,1996) indicating their interest in enrolling in off-campus degree programs.

- 55 percent (18,190) would enroll as soon as possible if the courses were offered at a convenient time and place.

Fig. 6

Responses to Mail Surveys by County



Number of Responses

- 1 – 99
- 100 – 399
- 400 – 699
- 700 – 999
- 1000 +

UNC – GA Planning/HENS.GG002F/18DEC96

Baccalaureate Level Programs

- Off-campus pilot sites experiences
  - » 14 baccalaureate completion programs (business, education, industrial technology, nursing, social work, sociology/criminal justice)
  - » Offered by four UNC institutions (ASU, ECU, UNCP, UNCW)
  - » At eight community colleges (Carteret, Craven, Cleveland, Coastal Carolina, Isothermal, Richmond, Sandhills, Western Piedmont)
  - » Enrolling 320 students

Baccalaureate Level Programs (cont.)

Student reactions

Had I not been able to enroll in the ECU Partnership program, or had it not been available, I would not be able to pursue a career in education. This program is so convenient with the books, registration process and instructors coming to us. Being a single parent, time and travel saved is nothing other than positive.

This is my last chance to obtain a degree. Commuting to main campus everyday would be a hardship for myself and my daughter as well as my job. I hope this program will continue after I graduate. I thank all who saw a need to bring such a program to being. It is very vital for those who cannot afford to pack up and move to a city where a major university is. This type of program is a dream come true for many individuals who want to further their education.

Baccalaureate Level Programs (cont.)

Community College administrators' reactions

Appalachian State University's off-site bachelor's degree completion programs, now offered in Cleveland, Burke, and Rutherford counties, is a phenomenal success. Students in the cohort have eagerly availed themselves of the opportunity to pursue the University's programs....Students enrolled in the program are grateful for the opportunity to pursue a high quality, low-cost educational program which meets the educational needs of a population of responsible students who live and work in this region....We believe that the program has excellent potential for continued success in this region....Faculty and staff have received numerous inquires about the program. Many individuals currently enrolled at the community college level have expressed a keen interest in the programs now offered by the University. Not a few have asked about the future availability of these and other programs. (L. Steve Thornburg, President; Sandra Hardin, Vice President Student Services; J. Ronald Wright, Vice President Academic Programs, Cleveland Community College)

Potential for Expansion of Baccalaureate Completion Programs

- Growth in number of high school graduates and rise in college-going rate
- Comprehensive Articulation and Pre-Major Agreements
- Results of survey of community college students in college transfer programs (fall 1996): 17,985 positive responses
- More high school graduates may choose to attend a community college for the first two years if they know, in advance, that certain baccalaureate completion programs would be available
- UNC is working with the North Carolina Community College System to determine interest of community college presidents in sponsoring baccalaureate completion programs on their campuses

Timetable For Expansion of Baccalaureate Completion programs

- Spring, 1998—Determine community college interest
- Summer, 1998—Legislative action on funding off-campus programs
- Six-month notification to SACS (accreditation of off-campus programs)
- 1998-99—Plan new programs and inform community college associate degree students and others
- Fall, 1999—First associate degree graduates under the new Comprehensive Articulation Agreement are ready for upper-division (baccalaureate completion) programs
- 1999-2000—Expand number of baccalaureate completion programs on community college campuses and at other appropriate sites

Potential for Expanding Graduate-Level Instruction

- Results of survey of K-12 teachers (fall 1996): 11,245 positive responses
- Anticipated demand for Master's/Advanced Competencies Certificates for Educators (Excellent Schools Act), Fall 2000
- Results of newspaper survey of general public in underserved areas (fall 1996): 1,385 positive responses
- Needs of community college instructors for master's level courses and programs
- Statewide-interest in master's degree programs in science, computer science, information technology, and engineering

Readiness of UNC Institutions to Expand Off-Campus and Distance Learning Instruction

- Conference of academic officers and directors of off-campus instruction (January, 1998)
- Conference on distance learning (September, 1997)
- Campus development of distance learning courses (1997-98)
- Plans to expand enrollment by 10.5 percent in 1998-99
- Readiness of UNC institutions to take the initiative in developing plans collaboratively to expand off-campus instruction in ways that respond to the State's higher education needs

Attachment 12

Center for the Prevention of School Violence
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Dr. Pamela L. Riley, Director

MEMORANDUM

TO: Betty Stoddard
Legislative Assistant

FROM: Dr. Pamela L. Riley
Executive Director - Center for the Prevention of School Violence

SUBJECT: Requests for information, materials, and reports from the Center for the Prevention of School Violence

DATE: February 25, 1998

Thank you for speaking with me after my presentation to the Joint Subcommittee on Education Appropriations last week. The following information, materials, and reports requested by the various chairs and committee members are included with this mailing:

- outline of remarks to the Committee (2-18-98)
- report on School Resource Officers (SROs) in North Carolina - 1998
- sampling of Center training materials for SROs (Note: The Center has trained 765 law enforcement officers in the basic SRO approach since 1994 and 234 in advanced SRO courses since 1996. In addition, SROs are frequent participants in Center-sponsored trainings which focus upon school violence prevention strategies such as: Students Against Violence Everywhere (S.A.V.E.); conflict management; peer mediation; law-related education; and civic education.)
- agendas and materials used by the Center to train LEA and school building administrators on safe school planning requirements and procedures
- summary of North Carolina information requests received by the Center and presentations delivered by Center staff for the last three fiscal years and up through January,1998, of the 1997-1998 fiscal year.

These materials are being submitted in support of the Center's request for an earmarked $580,000 allocation to the budget of the Board of Governor's of the University of North Carolina system to fund the annual operations of the Center.

Please let me know if additional information is needed. Thank you for providing the chairs and members of this distinguished committee with these materials.

SCHOOL VIOLENCE.
LET'S GET IT OUT OF OUR SYSTEM.
NC STATE UNIVERSITY

THE CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE: VISION, MISSION, AND GOALS

CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE
SCHOOL VIOLENCE. LET'S GET IT OUT OF OUR SYSTEM.

VISION:

EVERY STUDENT WILL ATTEND A SCHOOL THAT IS SAFE AND SECURE, ONE THAT IS FREE OF FEAR AND CONDUCIVE TO LEARNING.

MISSION:

THROUGH PROVIDING INFORMATION, PROGRAM SUPPORT, AND RESEARCH, THE CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE ENDEAVORS TO BE A PRIMARY POINT OF CONTACT FOR HELPING TO GET VIOLENCE OUT OF OUR SCHOOLS SO TEACHERS ARE BETTER ABLE TO TEACH AND STUDENTS ARE BETTER ABLE TO LEARN.

GOALS:

TO ESTABLISH A CLEARINGHOUSE FOR INFORMATION AND MATERIALS CONCERNING SCHOOL VIOLENCE SO PROBLEMS CAN BE BETTER IDENTIFIED AND SOLUTIONS CAN BE DEVELOPED.

TO PROVIDE PROGRAM DEVELOPMENT AND IMPLEMENTATION EXPERTISE, AND TECHNICAL ASSISTANCE TO SCHOOLS, LAW ENFORCEMENT AGENCIES AND COMMUNITIES SO VIOLENCE PREVENTION PROGRAMS ARE BETTER ABLE TO SUCCEED.

TO RESEARCH AND EVALUATE SCHOOL VIOLENCE PREVENTION PROGRAMS SO SCHOOLS AND COMMUNITIES CAN MORE EFFECTIVELY ADDRESS THEIR SPECIFIC NEEDS.

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Dr. Pamela L. Riley, Director

THE CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

North Carolina has become a model for other states to follow when it comes to addressing the problem of school violence. In recent years, public officials in the state have taken proactive steps to solve the problem of violence in our schools. One action reflective of these proactive steps was the establishment of the Center for the Prevention of School Violence. The Center was created as a result of a recommendation from the 1993 Task Force on School Violence. It was created to help strengthen the state's response to increasing pressures being placed upon its educational, law enforcement, and juvenile justice systems by disruptive and violent youth.

Originally established as part of the Department of Crime Control and Public Safety in affiliation with the Governor's Crime Commission, the Center now exists in partnership with the Board of Governors of the University of North Carolina. Such ties to both law enforcement and education have enabled the Center to maintain a unique position in the state's efforts to address the problem of school violence. The Center is not viewed as promoting either a strictly law enforcement agenda or a strictly education agenda but instead is seen and acts as a bridge between the two.

Over the past four years, the Center has been able to draw attention to the seriousness of the problem of school violence and has become a vital facilitator of actions which need to be taken to get violence out of our schools. The Center has accomplished this both symbolically and practically. Symbolically, the Center has become the primary point of contact for anyone who is interested in making schools safer and more secure. It is a centralizing force, a focusing agent. It has successfully promoted the message of getting violence out of our school systems. Practically, with reference to information, program support and implementation, and research about school violence prevention, the Center is a primary point of contact for teachers, principals, law enforcement officials, business leaders, and private citizens. It is a facilitator. It serves to bring together various community interests so that their efforts are well coordinated and comprehensive. It has helped schools and communities address the problem of school violence so that successes, including a leveling off of the number of school violence incidents/acts, have been achieved.

The Center's work is far from complete. Although preliminary analysis of the state's most recent school violence incidents/acts data indicates that a leveling off is continuing, the problem of school violence persists. The Center plans to continue its efforts at addressing this problem so that its vision that "Every student will attend a school that is safe and secure, one that is free of fear and conducive to learning" becomes a reality.

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WHAT IS "THE CENTER" AND WHAT DOES IT DO?

"The Center" refers to the Center for the Prevention of School Violence. The Center is North Carolina's primary point of contact for information, programs, and research about preventing school violence. The Center's vision is that "Every student will attend a school that is safe and secure, one that is free of fear and conducive to learning." This means that much of the Center's work is directed at making schools more orderly, safer, and more secure. Increasing concern about disruptions of school order as well as the occurrence of criminal and violent incidents on school property serve as the reasons for the Center's existence.

The Center is an interinstitutional service center of the Board of Governors of The University of North Carolina system. It was established in 1993 as an affiliate of the Governor's Crime Commission in the Department of Crime Control and Public Safety. Now based at the College of Education and Psychology at North Carolina State University, the Center has become an invaluable source of assistance for anyone interested in getting violence out of our schools. Few states have such a center.

The Center is organized into three areas: information; programs; and research. With reference to information, the Center serves as a clearinghouse for information about the problem of school violence as well as solutions to it. It houses a resource library of this information and responds to numerous information requests. It maintains a toll-free information line and a nationally recognized, information-rich web site.

e programs area enables the Center to help communities and schools develop strategies which address their particular needs. The strategies focused upon are those contained in the Center's Safe Schools Pyramid: School Resource Officers; law-related education, including Teens, Crime, and the Community; conflict management and peer mediation; Students Against Violence Everywhere (S.A.V.E.); teen court and student court; and physical design and technology. In addition to helping with the development of strategies, the programs area provides technical assistance to interested schools and communities.

Research at the Center focuses upon trying to understand the problem of school violence and determining what strategies are effective in solving it. Key to the Center's research approach is recognition that each school has its own problems which need to be identified so that information generated from research about what is effective in addressing school violence can be implemented successfully. The research area strives to generate research which is of use to practitioners.

In addition to information, programs, and research, the Center is working on a number of special projects which are designed to make schools more orderly, safer, and more secure. These projects involve character education, safe school planning, at-risk youth/alternative education programs, and the training of teachers, principals, law enforcement officers, and court officials.

The Center works closely with those who are concerned about getting violence out of our schools. Center staff participate in presentations, workshops, seminars, and special events in efforts designed to get the message out that schools need to be safe and secure so that learning can take place. All of the Center's efforts are directed at making its vision that every student will attend a school that is free of fear and conducive to learning a reality.

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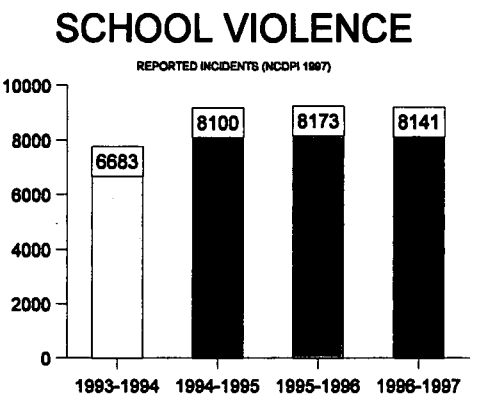
NORTH CAROLINA'S SCHOOL VIOLENCE INCIDENT REPORTING

North Carolina's Department of Public Instruction has been collecting data concerning incidents/acts of school violence since the 1993-1994 school year. In 1993, the North Carolina General Assembly and the State Board of Education required the reporting of such acts in fourteen categories:

- assault involving the use of a weapon
- assault resulting in serious personal injury
- assault on school officials, employees, and volunteers
- homicide
- kidnapping
- possession of a controlled substance in violation of the law
- possession of a firearm
- possession of a weapon (not firearm)
- rape
- robbery
- robbery with a dangerous weapon
- sexual assault
- sexual offense
- taking indecent liberties with a minor.

Results from the reporting process have yielded the following trend in North Carolina:



In each of the past two reporting years, three categories of reported incidents/acts have accounted for approximately eighty-four percent of the incidents/acts reported: possession of a controlled substance; possession of a weapon (not firearm); assault on a school employee. Since the baseline year of 1993-1994, only one category, possession of a firearm, has reflected a continuous decline.

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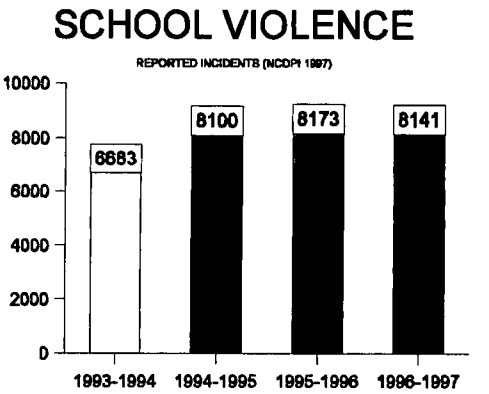
WHAT CAN BE LEARNED FROM NORTH CAROLINA'S SCHOOL VIOLENCE INCIDENT REPORTING

North Carolina's effort to gather data on incidents/acts of school violence provides the state with a sense of trends concerning the reporting of fourteen categories of school violence incidents/acts. The effort, begun in 1993-1994 as a result of the North Carolina General Assembly's passage of legislation, offers several lessons concerning the collection of such data:



- **Defining what an "incident/act" of "school violence" is can be complicated.** North Carolina's statutory requirements help in this endeavor but may be somewhat limiting in that they do not reflect all of the ways in which violence may disrupt a school. For example, fighting between/among students is not typically reported unless serious injuries occur.

- **Ensuring that the data are valid representations of the actual numbers of occurrences is difficult.** Training school personnel to understand the required reporting categories takes time and resources as well as a commitment to accurate reporting which sometimes does not exist. Such commitment is of particular concern because many school-building officials may feel that reporting the occurrence of incidents/acts will be used to negatively judge their abilities to administer a school.

- **Collecting the data does not automatically mean that school safety and security will increase.** Only with 1997 legislation passed by the North Carolina General Assembly are schools required to address safety and discipline concerns as components of their school improvement plans. Thus, despite the existence of the data since 1993-1994, only now are some schools beginning to take advantage of the knowledge they can gain from the data. This emphasizes that producing the data only may not really impact the safety of schools. The data must be used by school-building officials to understand their needs and develop solutions if necessary.

- **Having the data is better than not having them.** Despite complications, difficulties, and limited use of the data, North Carolina has, because of its efforts, a sense of what is happening in schools with reference to the fourteen reported categories. This places North Carolina with a minority of states with similar knowledge. Because of the knowledge developed through the collection process, the efforts of North Carolina, particularly the establishment of the Center for the Prevention of School Violence, have received national attention. As a result, North Carolina is increasingly being looked to as a leader in this arena.

North Carolina has learned from its collection of data and continues to act as a result. Adjustments in the collection of the data have been made since 1993-1994 (e.g., reporting by individual school rather than aggregated school system) and will continue to be made. Collaborative efforts are critical in this endeavor. North Carolina's Department of Public Instruction, which is the agency responsible for collecting the data, the Center for the Prevention of School Violence, locally-based school officials, representatives of law enforcement, and court officials continue to work together to improve the data because they all share the Center's vision that "Every student will attend a school that is safe and secure, one that is free of r and conducive to learning."

SCHOOL VIOLENCE.
LET'S GET IT OUT OF OUR SYSTEM.
NC STATE UNIVERSITY

SAFE AND ORDERLY SCHOOLS: THE TRAINING OF LOCAL SCHOOL, LAW ENFORCEMENT, AND COURT OFFICIALS

DEFINING THE TASK: *The Board of Governors of The University of North Carolina, in consultation with the State Board of Education, the Administrative Office of the Courts, the Department of Crime Control and Public Safety, and other appropriate State agencies, shall develop a program for the ongoing training of school officials, local law enforcement officials, and local court officials. This program shall be designed to promote local collaboration on school safety and discipline issues.* S.L. 1997- 443, SB 352, 115C-402 (v).

BACKGROUND: With passage of The Act To Make Appropriations For Current Operations And For Capital Improvements For State Departments, Institutions, And Agencies, And For Other Purposes, the North Carolina General Assembly recognized that local collaboration among school officials, law enforcement officials, and court officials concerning school safety and discipline issues is essential if excellence in our schools is to be attained. Such collaboration must be cultivated so that communication and cooperation are fostered, and the expertise provided by each of the identified stakeholders is maximized.

The Act stipulates that a program of ongoing training for the stakeholders concerning school safety and discipline must be designed by the Board of Governors of The University of North Carolina in consultation with the State Board of Education, the Administrative Office of the Courts, the Department of Crime Control and Public Safety, and other appropriate state agencies. The Board of Governors is well situated to develop this program with involvement from the specified participants. A primary reason for this is the Center for the Prevention of School Violence which exists as an interinstitutional service center of The University.

Since its creation, originally as a component of the Governor's Crime Commission in the Department of Crime Control and Public Safety, the Center has built a history of successful interactions with the specified participants at the state level as well as with the local officials to whom the training under consideration is to be directed. In particular, since its partnership with the College of Education and Psychology at North Carolina State University in 1995, the Center has actively pursued its role as a facilitator of collaborative community efforts and as a trainer of school administrators, teachers,

School Resource Officers and others who are interested in making schools safer.

ACTION STEPS:

With reference to the training of local school, law enforcement, and court officials, specific action steps the Center has pursued include:

- information briefings to local school administrators concerning newly passed safe school planning legislation;

- the training of School Resource Officers and other law enforcement personnel to become certified School Safety Professionals who will serve as extended Center staff;

- seminars directed to educators concerning legal issues related to school safety and discipline;

- workshops delivered to national, state, and local audiences which facilitate cooperation between law enforcement, court, and school officials;

- creation of a nationally recognized information-rich web site which includes a web forum, a communications platform which enables School Resource Officers and others interested in school safety to share knowledge and expertise;

- collaboration with all of the participants specified in the legislation: the State Board of Education; the Administrative Office of the Courts; the Department of Crime Control and Public Safety; The University of North Carolina system; and local school, law enforcement, and court officials.

In addition to the above activities, the Center's existing clearinghouse of information concerning school safety and discipline, its track record of technical assistance in school safety program development, and its research efforts uniquely position it to develop and implement the ongoing training required by the legislation.

NEXT STEPS:

With this in mind, the Board of Governors will assign to the Center the task of developing and implementing the training. Steps to be

taken by the Center to successfully fulfill this task include:

1. organizing an Advisory Committee with representatives from the State Board of Education, the Administrative Office of the Courts, the Department of Crime Control and Public Safety, and other appropriate state agencies to discuss what type of collaboration is needed and to, based upon this discussion, design a training program which will best promote local collaboration on school safety and discipline issues (Winter, 1998);

2. developing the training program by creating agendas and materials, securing trainers, and training facilities, publicizing the training sessions, and preregistering local school, law enforcement, and court officials (Winter/Spring, 1998);

3. conducting the training sessions (Summer/Fall, 1998);

4. evaluating the training program's impact (Spring/Fall, 1999).

FUTURE IMPACT: The approach outlined above will ensure that the intent of the legislation is fulfilled and, more importantly, will assist in creating safe and orderly learning environments across North Carolina in which excellence in education can be attained.

SAFE AND ORDERLY SCHOOLS:
SCHOOL ADMINISTRATOR AND TEACHER PRE- / IN-SERVICE TRAINING

DEFINING THE TASK: *The Board of Governors of The University of North Carolina shall develop a plan for ensuring that school administrator and teacher preparation and continuing education programs provide their students with the training and experience they need to maintain and restore safety and order in schools.* S.L. 1997-443, SB 352, 15A-505 (h).

BACKGROUND: The Act To Make Appropriations For Current Operations And For Capital Improvements For State Departments, Institutions, And Agencies, And For Other Purposes requires the creation of a plan which will ensure that school administrators and teachers receive the training they need for maintaining and restoring safety and order in schools. With the passage of legislation which stipulates that such a plan be created, the North Carolina General Assembly acknowledges that such training be available to education professionals both prior to and during their service in schools across the state.

The Board of Governors of The University of North Carolina is charged with developing the plan. The Board of Governors will carry out this charge through the Center for the Prevention of School Violence, an interinstitutional service center of the University.

Since its creation in 1993, the Center has taken many steps which will enable it to develop the plan that is required. The Center exists as North Carolina's primary point of contact for helping schools and communities create and maintain safe, secure, and orderly learning environments. It provides a clearinghouse of information, technical assistance for the creation and implementation of programs directed at making schools safer, and research about what is working to ensure that schools provide safe environments in which excellence can be achieved.

ACTION STEPS: With reference to school administrator and teacher pre- / in-service training, specific action steps the Center has pursued include:

- collaboration with representatives from all of the Schools of Education of The University of North Carolina, including provision of technical assistance and materials to students;

- presentations to numerous groups, including the Task

Force on Teacher Preparation and Development, the Task Force on Principal Preparation and Development, and classes of the Principal's Executive Program, concerning "Emerging Trends in School Violence Prevention in North Carolina;"

•collaboration with the school administrators' professional organizations on safe school planning requirements;

•distribution of materials concerning school violence prevention to all MSA programs in The University of North Carolina.

NEXT STEPS:

In order to create the plan required by the legislation, several steps will be taken by the Center. These include:

1. facilitating an orientation meeting for representatives of The University of North Carolina's Schools of Education, the Principal's Executive Program, the North Carolina Center for the Advancement of Teaching, and the North Carolina Teacher's Academy concerning emerging trends in school violence prevention in North Carolina;

2. determining at the above-described meeting the current activities of the meeting's participants so that a baseline of information can be established and then employed in the development of the plan, including a specific effort to identify the materials which will be needed by the Schools of Education in any curriculum modifications which may be included in the plan;

3. writing a plan which will be directed at fulfilling the requirements of the legislation and will include identification of strategies, resources, deadlines, responsibilities, and evaluation;

4. developing any materials which may be called for in the plan if they do not already exist.

FUTURE STEPS:

In addition to the delineated steps, the Center will continue to offer information about school violence prevention to school administrator and teacher audiences as components of both pre- / in-service training.

The Center will develop the plan which will emerge from the described steps with the expectation that, for the plan to be successful and achieve what the General Assembly intended with its inclusion in the Appropriations Act, it will need to be effectively implemented. Such effective implementation will be enhanced by the Center's facilitation of both the plan's implementation and the ultimate evaluation of its impact.

In addition to fulfilling the requirements of the legislation, the Center's effort on this issue will be undertaken based in knowledge about what is going on now and what needs to be planned for the future. This will ensure that the school administrators and teachers of today and tomorrow will be more than adequately prepared to maintain and restore safety and order in our schools. With safety and order in place in the schools, excellence in education is attainable.

center.link

RESEARCH BULLETIN

Center For The Prevention Of School Violence

July, 1997 Volume 1, Number 2

THE NORTH CAROLINA HIGH SCHOOL STRATEGY SURVEY: THE CENTER'S SAFE SCHOOLS PYRAMID AND OTHER STRATEGIES FOR ENSURING SAFETY AND SECURITY

The Center for the Prevention of School Violence approaches the problems of disorder, disruption, and violence in our schools with the understanding that these problems will not be solved without effort. Through the work it has done since its establishment in 1993, the Center has encountered schools employing many different strategies to ensure their safety and security. The goal of these strategies is to create environments in the schools which are free of fear and conducive to learning.

Because of its experiences, the Center developed the Safe Schools Pyramid as a model reflective of how schools are attempting to enhance their capacities to address the specific problems they are facing (see Figure 1). The Pyramid is characterized by a multiple-strategy, comprehensive approach. Such an approach has been found in several school violence prevention research studies to be more effective than narrower, single-strategy approaches.

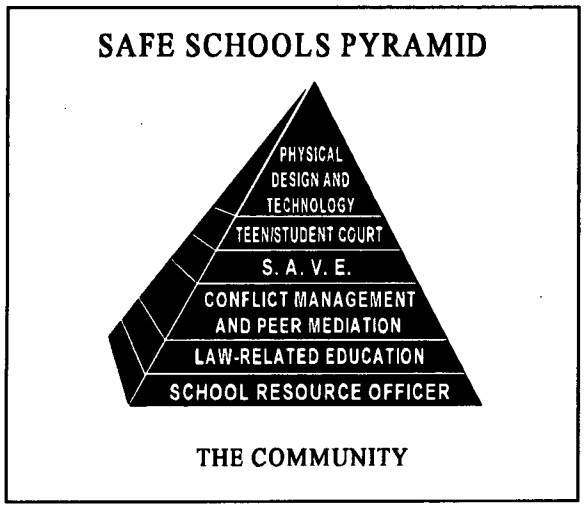


Figure 1

The Pyramid has components which address what the Center describes as the three "P's" of school violence prevention: place, people, and purpose. Place, or the school setting itself, needs attention paid to it so that a secure environment exists. People, students, teachers, and staff, must be given consideration in efforts to ensure safety and security. And purpose, or the reason why schools exist - education, needs to be kept in mind so that efforts to ensure safety and security fit with the schools' educational missions.

The comprehensiveness of the Pyramid stems from its attempt to illustrate that all three "P's" must be taken into account when schools venture to enhance their capacities to ensure safety and security. Additionally, the Pyramid rests upon the community and, by doing so, illustrates that schools have their roots in their communities and are impacted by what happens, including violence, in those communities.

THE NORTH CAROLINA HIGH SCHOOL STRATEGY SURVEY

The Center conducted a telephone survey of all high schools in North Carolina during Spring, 1997, to determine which safety and security strategies are being used in these schools. The Pyramid strategies formed the framework for the survey questionnaire. The extent these strategies are being employed in the schools was measured. Estimates of the effectiveness of the strategies were obtained from school personnel as was information about strategies being employed in the schools other than those found in the Pyramid.

Three hundred and seven high schools, grades nine through twelve, formed the survey's population. A response rate of over seventy percent was achieved. Almost sixty-seven percent of the respondents were school principals; another twenty-nine percent were assistant principals.

Total enrollment for responding schools ranged from thirty-two students to over twenty-one hundred. Many of the schools, over sixty percent, have not experienced significant increases or decreases in total enrollment over the past three years. (Gender and race data were obtained about the schools and will be used in subsequent analyses.)

Responding schools have buildings which range in age from one-year old to seventy-eight years old. Almost fifty percent are one-story buildings. A quarter of the schools are comprised of only one building. Sixty-one percent have undergone some renovations, seventy percent of these occurring since 1990.

Ninety percent have six or fewer access points, and the vast majority, almost ninety-four percent, attempt to control access by requiring that visitors report to the office.

THE SURVEY AND THE STRATEGIES

The six strategies which comprise the Center's Safe Schools Pyramid were focused upon in the survey which was conducted. Personnel from participating schools responded to questions about:

•physical design and technology application;

•School Resource Officers (SROs);

•Students Against Violence Everywhere (S.A.V.E.) chapters;

•conflict management and peer mediation programs;

•law-related education; and

•Teen Court and Student Court.

Although each of these strategies contributes to the three "P's" of school violence prevention, ordering the three "P's" offers an opportunity to organize understanding of the strategies. Those strategies which impact place will be described first with the idea being that place or environment must first be secured and made safe. Those strategies which fundamentally involve people will be considered second in that the relationships between and among people in the school need to be considered. Finally, strategies involving purpose, education, will be addressed. The essential logic in this order is that with place secured first, attention can be turned to people and then the opportunity to fulfill the purpose.

PHYSICAL DESIGN AND TECHNOLOGY APPLICATION

Ensuring safety and security through physical design and technology application involves assessing the school's physical environment, place in the Safe Schools Pyramid. The intention of such assessment is the establishment and maintenance of the safety and security of that environment. Inspection of the physical design of the school is the first crucial step in this strategy. From such an inspection, a prevention plan can be developed and enacted to address problems. Such a plan tends to focus on controlling access to school property as well as maintaining control on it. When appropriate, the plan may include some application of technology, such as use of metal detectors or surveillance cameras.

Almost seventy-four percent of schools participating in the survey have performed assessments of their physical layouts; over eighty-six percent of these were conducted in the last two years. Forty-one percent of the assessments were conducted by school administration with a majority of these being carried out by principals. School Resource Officers participated in twenty-four percent of the assessments. Eleven percent were conducted by school committees.

In addition to controlling access in the way already mentioned, eighty percent implement some kind of parking lot security, from using teachers as monitors to employing security guards for this purpose. Often, School Resource Officers also monitor parking lots as part of their duties.

In terms of maintaining control, various types of policies exist with hall monitoring, a traditional form of maintaining control, occurring at eighty-eight percent of the schools, and campus identification tags and book-bag policies, newer forms, in place at nineteen percent of the schools (See Figure 2).

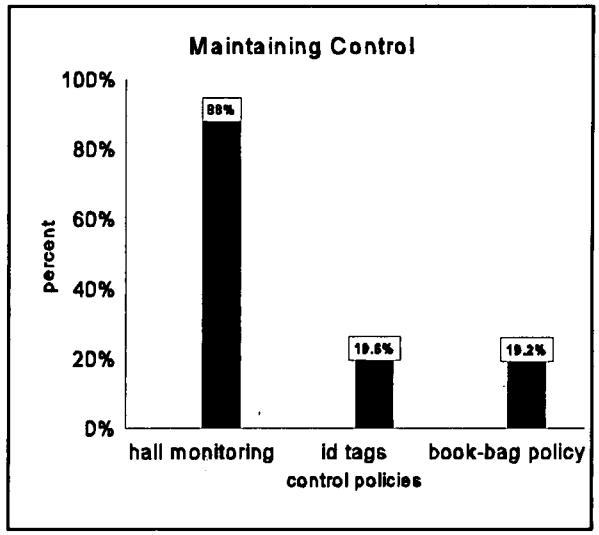


Figure 2

Sixty percent of the schools have metal detectors with sixty-four percent using one or two of them. Of the schools with metal detectors, ninety percent have portable ones. Sixteen percent have stationary ones; almost all of these are located at the entrances of football stadiums. The frequency of use varies with four percent using them daily and over a majority, sixty-two percent, using them randomly. Twelve percent have them but never use them (See Figure 3).

Most schools do not have surveillance cameras; only twenty-four percent use such cameras. Seventy-five percent of these schools use one or two cameras; one school has twenty-four cameras.

Other technologies applied to make schools safe and secure include two-way radios, identified by twenty-two percent of the schools, and alarm systems, identified by ten percent. (These numbers may be low given that the other technologies were not specifically asked about.) Two schools indicated that they have Breathalyzers.

Using a seven-point scale with "one" representing a perceived highest level of effectiveness and

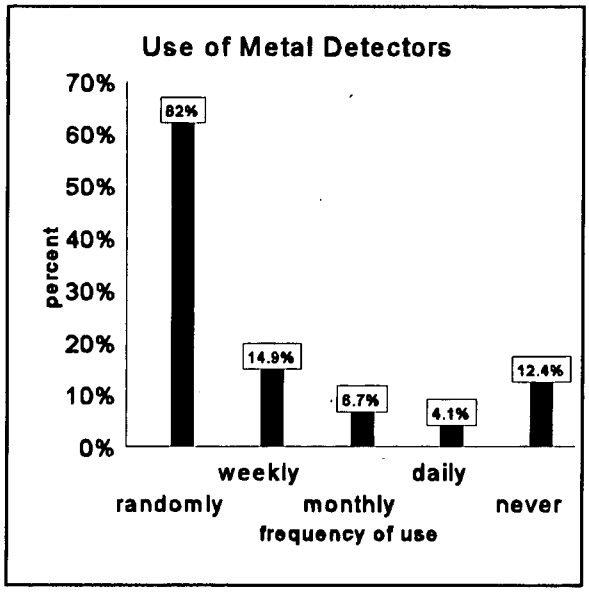


Figure 3

"seven" a perceived lowest level, the treatment of physical design and technology application was rated by respondents. Almost thirty-six percent of respondents rated physical design and technology a "one" or "two" indicating their perception that, for their schools, effectiveness is high with reference to this strategy. Only sixteen percent rated it "six" or "seven," reflecting low effectiveness (See Figure 4). (Further analysis of correlates with effectiveness, such as the presence of surveillance cameras, will occur in future analyses.)

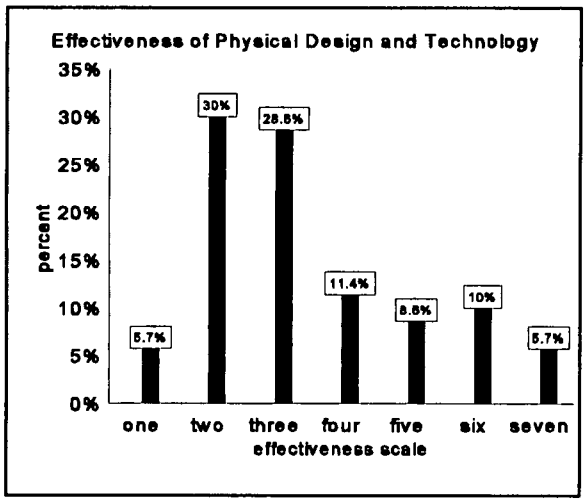


Figure 4

SCHOOL RESOURCE OFFICERS

School Resource Officers (SROs) represent a strategy that contributes to securing place, as evidenced by their involvement in assessments of physical layout. Additionally, they represent a strategy that focuses upon people and relationships.

SROs are law enforcement officers who are permanently assigned to cover a school or set of schools. They are trained to perform three roles: law enforcement officer, law-related counselor, and law-related education teacher. SROs act as resources for their schools. They serve as positive role models for students.

Seventy-nine percent of the high schools who responded to the survey have SROs. Although this may be an overestimate for the number of high schools which have SROs (other recent Center research determined that about two-thirds of the high schools in North Carolina have SROs), there is no doubt that more schools have SROs now than ever before. In fact, of the schools in the survey, over half indicated that an SRO was assigned to them for the first time in either 1995, 1996, or 1997. Seventy-three percent of these assignments are characterized by exclusivity which means that the SROs are responsible for covering only one school and are not shared with others. If sharing occurs, most often it is with middle schools.

The SROs are typically members of sheriff's departments with almost sixty-nine percent being sheriff's deputies; thirty-one percent are members of city police departments (See Figure 5).

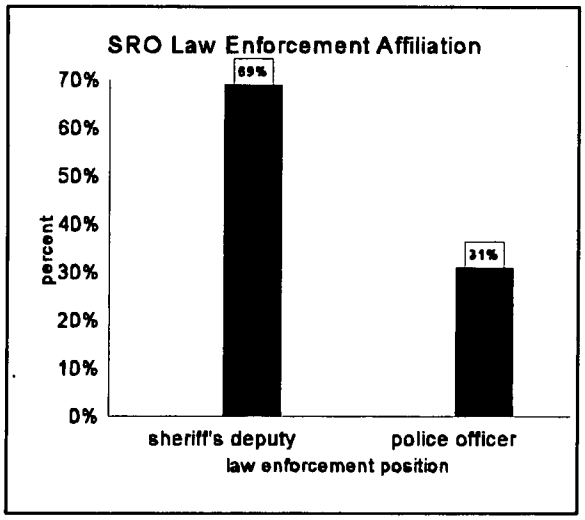


Figure 5

Almost sixty-two percent of the responding schools rated their SROs with a "one" on the seven-point effectiveness scale with almost twenty-six percent rating SROs a "two." The lowest rating received for SROs was a "five" put forth by one school (See Figure 6).

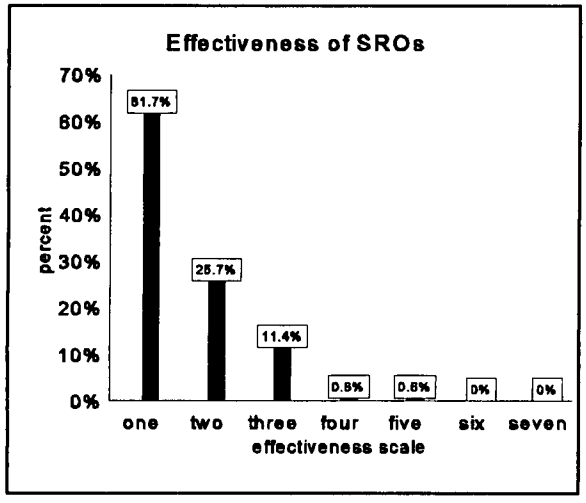


Figure 6

Questions about the SRO strategy generated many comments. Almost unanimously, these comments were positive. One principal indicated that he at first did not like the program but thinks now that "it is essential." Another indicated that his school "can't live without it." A third said his SRO is "a needed resource" for his school. And a fourth said his SRO is one of his "strongest staff members."

STUDENTS AGAINST VIOLENCE EVERYWHERE

Students Against Violence Everywhere (S.A.V.E.) chapters are student-driven approaches and as such are reflective of the people aspect of the Safe Schools Pyramid. They are school clubs which are initiated, directed, and operated by students. The message they attempt to communicate to their schools and communities is one of nonviolence. Through school and community events, S.A.V.E. students promote nonviolent solutions to conflicts.

Although the first S.A.V.E. chapter was formed in 1989, the growth of S.A.V.E. chapters in North Carolina did not really accelerate until 1996. The Center estimates that now there are about two-hundred and twenty-five chapters in the state. Such chapters exist at all levels of school, but a majority of the chapters can be found in high schools.

Thirty-five percent of the high schools responding to the survey indicated that they have S.A.V.E. chapters. The number of students involved in chapters varied from ten in one school to four hundred and seventy five in another. The typical number of S.A.V.E. chapter activities per year was four. The types of activities varied from sponsoring "Peace Week" at a school to taking a trip to a local prison.

Respondents were asked to rate how active they observe their S.A.V.E. chapters to be. On a scale from "one" representing highly active to "seven" representing not active, thirty-four percent rated their chapters a "three" in terms of activity. Twelve percent were identified with a "one" and three percent were identified with a "seven" (See Figure 7).

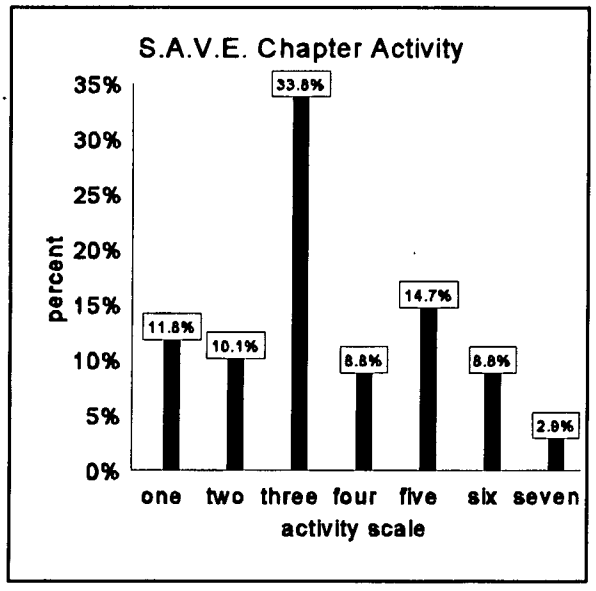


Figure 7

S.A.V.E. effectiveness was also rated on a seven-point scale. Thirty percent of the chapters were rated a "one" or "two" indicating high levels of effectiveness. Twelve percent received a "six" or "seven," reflecting low effectiveness (See Figure 8).

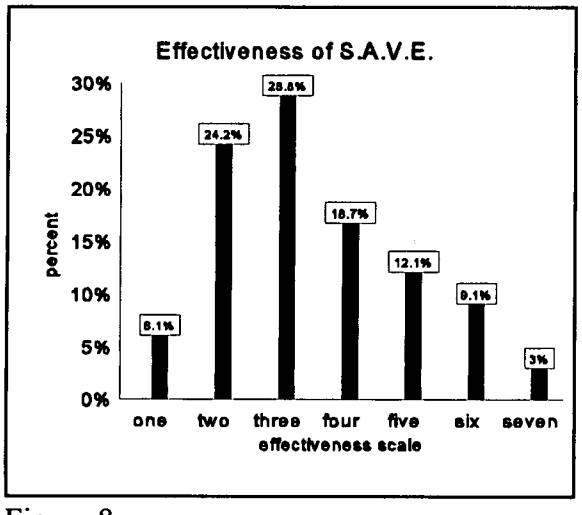


Figure 8

CONFLICT MANAGEMENT AND PEER MEDIATION

Conflict management and peer mediation are strategies which address how students handle conflict. Fundamentally, they emphasize how people relate to each other. Although they are combined into one strategy on the Safe Schools Pyramid, they are different enough in process to be asked about separately in the survey that was conducted.

Conflict management involves the teaching of conflict management skills to students by teachers. Teachers undergo specialized training in these skills and, either explicitly through curriculum or implicitly through behavior, expose their students to these skills in efforts to help their students better manage conflict.

Only eighteen percent of high schools who participated in the survey have conflict management programs. The typical length of program is three years with one identified as being in existence for ten years (See Figure 9).

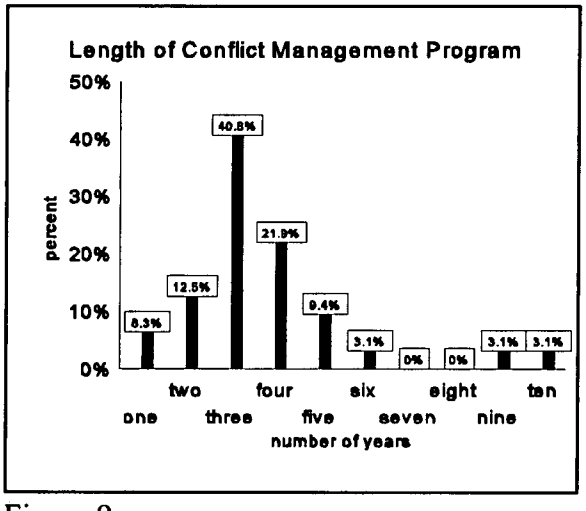


Figure 9

Thirty-six percent of the conflict management programs received a "one" or "two" in effectiveness or high scores. Only one program, three percent, received a "seven," the lowest rating for effectiveness (See Figure 10).

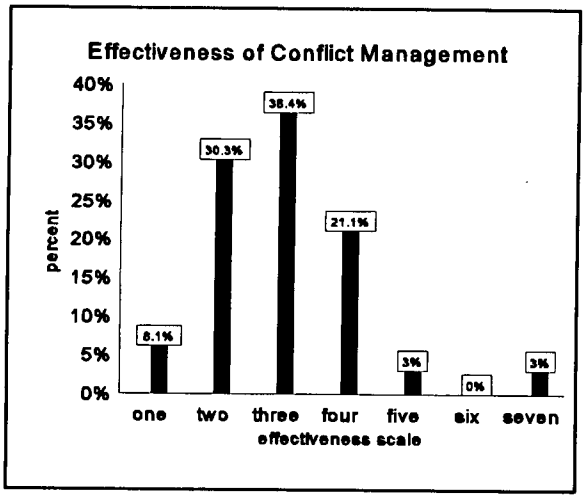


Figure 10

Many more schools indicated they have peer mediation programs with almost sixty percent of the responding schools indicating they have such programs. The length of program ranged from one year for fifteen percent to fifteen years for one school; most programs, forty-eight percent, were three or four years old.

The number of peer mediators in a school was typically estimated at twenty. These mediators are likely to be from any of the grades found in the high schools that were targeted, ninth, tenth, eleventh, or twelfth. Mediation sessions occur both during class time and after school with the former the more typical occurrence.

A good indicator of the activity of such a program is information about how teachers support and use it. Almost seventy-four percent of teachers were described as "very supportive" of peer mediation with another twenty-three percent described as "somewhat supportive." For almost fifteen percent of the responding schools, all teachers were said to use peer mediation. In eighty-five percent, some of the teachers were said to use it.

Over forty-three percent of the responding schools with peer mediation rated it high in effectiveness with a "one" or "two." The lowest rating was a "six," offered by one school, on the seven-point effectiveness scale (See Figure 11).

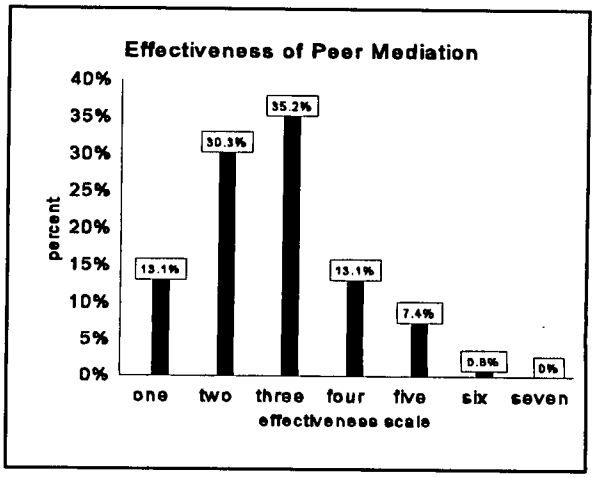


Figure 11

LAW-RELATED EDUCATION

The goal of law-related education (LRE) is to teach students to be successful citizens. Included in the Safe Schools Pyramid as a component which addresses the purpose of school, education, LRE, as a strategy, teaches students about the importance of law and of being law-abiding citizens. Students are taught about rights and responsibilities.

LRE is undertaken in one of two ways: it is either incorporated into existing school curriculum or it is pursued as a separate one. The first approach is the more traditional way of teaching LRE. When incorporated into existing curriculum, LRE is typically found in history, government, or social studies classes at all grade levels. When pursued as a separate curriculum, LRE becomes a programmatic approach. These programs are often designed to encourage students to become participants in society by performing community service.

Just over fifty percent of the high schools which responded to the survey indicated that they have "a curriculum which is commonly described as law-related education." (Given that the content which comprises LRE is likely to be found in all high schools, respondents probably were answering whether they have LRE based upon whether the term "law-related education" is used in discussions of what is being taught at their particular schools.)

Except for one school, all of the schools which indicated that they have LRE said that it is incorporated into existing curriculum. This fits with what other research studies have determined about LRE; most often it is combined with other curriculum. Additionally, other research has found that better outcomes are associated with LRE when it is pursued as part of existing curriculum.

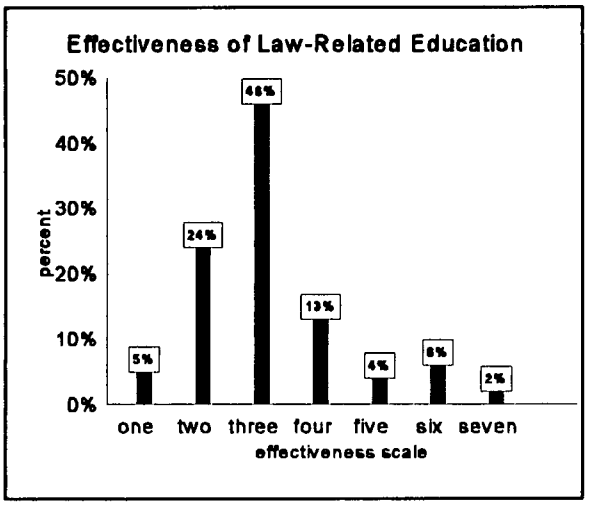


Figure 12

Twenty-nine percent of the schools with LRE rated it highly with a "one" or "two" in effectiveness. Eight percent rated it a "six" or "seven," indicating low effectiveness (See Figure 12).

TEEN COURT AND STUDENT COURT

Teen Court and Student Court offer particular types of law-related education. With these strategies, students actively settle disputes through the application of judicial procedures.

Teen Court is operated in cooperation with the court system. It takes place as an alternative to real judicial adjudication for offenses. In Teen Court, decisions focus upon appropriate punishment for criminal actions student defendants have admitted doing. In addition to admitting wrongdoing, students give prior consent to abiding by the decisions of the Teen Court. If they do not, the real judicial system awaits them. By participating in Teen Court, students avoid adjudication in the juvenile justice system but do not avoid the consequences for doing wrong.

Student Court takes place in a school setting but is based upon the procedures of the court system. It is incorporated into traditional school discipline procedures and is used when violations of school policies occur.

Students take on active roles in both Teen Court and Student Court. In addition to being defendants, they act as jurors, attorneys, judges, and other court personnel. Adults offer advice and supervise decisions that are handed down.

Both are relatively new approaches, and this newness is reflected in the findings of the survey.

Only ten percent of the responding schools have access to Teen Court, and only two schools indicated that they have Student Court. Almost seventy-four percent of the schools with access to Teen Court indicated that it has been available for two years or less.

Despite its brief existence, Teen Court gets rated effective as a strategy by the few schools which have access to it. Forty-one percent rated it a "two" in effectiveness. The lowest rating, from one school, was a "six" on the seven-point effectiveness scale (See Figure 13).

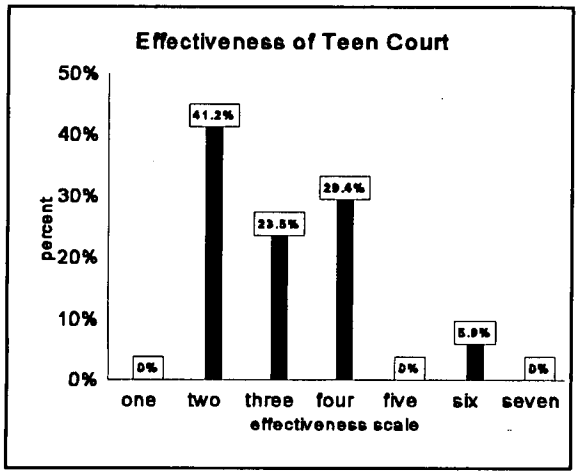


Figure 13

Only one of the two schools with Student Court provided an effectiveness rating for Student Court, offering a rating of "four" on the seven-point effectiveness scale.

OTHER STRATEGIES

In addition to questions which focused upon the Center's Safe Schools Pyramid, responding schools were able to provide information about strategies other than Pyramid strategies. Thirty-nine percent of the schools named other strategies they see as part of their efforts to make themselves safe and secure.

The most-often mentioned strategy was use of a Crimestoppers approach. Second to that was application of discipline codes. Visibility of principal and other staff was also mentioned by several respondents as was getting parents involved in the school. Safe school planning, support personnel such as drug counselors, and character education were also identified.

A REVIEW OF EFFECTIVENESS RATINGS

Although schools were not asked to make comparative judgments of the Safe School Pyramid strategies, reviewing the ratings of effectiveness offered by participating schools gives some sense of how effective they are perceived to be relative to each other. One way to do this is to look at the most often occurring effectiveness rating, the modal rating, for the strategies.

Only one Pyramid strategy, SROs, received a modal rating of "one" representing highest effectiveness. Physical design and technology application received a "two." Teen Court, available to only ten percent of the schools, also received a "two." Conflict management, peer mediation, S.A.V.E., and law-related education received modal ratings of "three." The lowest modal rating, offered by only one school, was a "four" given to Student Court.

THE SURVEY'S RESULTS AND THE THREE "P's"

The results of the high school strategy survey reveal that schools in North Carolina are attending in varying degrees to the three "P's" of the Center's Safe Schools Pyramid. Through efforts directed at physical design and the application of technology, almost all of the schools are addressing safety and security concerns which fall into the category of "place." Where available, School Resource Officers are often playing a role in this as well. These officers, along with conflict management, peer mediation, and Students Against Violence Everywhere, characterize efforts directed at the "people" aspects of safety and security. And, in lesser degrees, those strategies which have "purpose" or education at their core, law-related education, Teen Court, and Student Court, are being employed.

These findings confirm that there appears to be an inherent order in creating safe and secure schools. The safety and security of "place" or the physical environment is first established. The relationships of the "people" in that environment are then attended. And, finally, the reason the people are brought together in that environment, "purpose," is addressed.

The high schools which participated in the survey appear to be concentrating their efforts on "place" and "people" and appear to be satisfied with the "effectiveness" of their efforts. The connection of "purpose" to safety and security efforts is less obvious.

THE CENTER'S PLANS

The Center for the Prevention of School Violence plans to conduct additional analyses of the high school strategy survey's results. Each strategy, as well as the strategies as they are employed in various combinations, will be closely examined. Factors such as size of school and location will be controlled for in these examinations. The "effectiveness" of the strategies will be focused upon by linking strategies to reports of school violence.

The results presented in this bulletin represent a critical step in the Center's efforts to further knowledge and understanding of what is taking place in high schools as they attempt to provide environments which are free of fear and conducive to learning. Such environments must exist if academic excellence is to be achieved. As this bulletin reveals, a great deal of effort is being put forth to provide such environments. The Center's work will aid in ensuring that these efforts are founded in enhanced knowledge and understanding. This will help establish what works to make schools places where teachers can teach and students can learn to the best of their abilities.

The research which this bulletin contains is the result of the work put forth by the research department of the Center for the Prevention of School Violence. Research associate David Harrell and research assistants Leon J. Mohan and Danya Perry were important contributors to the research process. The bulletin was written by research director Joanne McDaniel.

The Center for the Prevention of School Violence acknowledges the cooperation of the schools which participated in the high school strategy survey.

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College of Education and Psychology

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Dr. Pamela L. Riley, Director

REQUESTS FOR INFORMATION

CATEGORY	Fiscal Year 1997-1/30/98	Fiscal Year 1996/1997	Fiscal Year 1995/1996	Fiscal Year 1994/1995	TOTALS
General Information	489	1303	4142	4478	10412
Students Against Violence Everywhere	364	353	301	259	1277
Teens, Crime and the Community	82	36	31	3	152
Safe School Plans	9	9	15	9	42
Teen Court	38	31	31	37	137
Student Court	40	32	25	29	126
School Resource Officer	147	230	109	64	550
Law Related Education	37	26	112	25	200
Conflict Resolution	105	30	42	29	206
Legislation	35	4	11	19	69
Statistics	20	31	46	36	133
Add to Mailing List	43	13	14	18	88
Conference/Workshop	190	80	51	6	327
Videos	80	69	96	69	314
Grant Information	28	29	24	5	86
Speaker/Meeting	31	99	158	62	350
TOTALS	1738	2375	5208	5148	14469

PRESENTATIONS

CATEGORY	Fiscal Year 1997-1/30/98	Fiscal Year 1996/1997	Fiscal Year 1995/1996	Fiscal Year 1994/1995	TOTALS
Number of Events	237	345	225	83	890
Number of Attendees	28560	24701	18497	8369	80127

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EXCERPTS FROM THE CENTERS 1996-1997 ANNUAL REPORT

The Center for the Prevention of School Violence is North Carolina's primary point of contact for information, programs, and research about preventing school violence. The Center's vision is that "Every student will attend a school that is safe and secure, one that is free of fear and conducive to learning." Given this vision, the Center's work is directed at making schools more orderly, safer, and more secure. The Center is organized into three areas: information; programs; and research.

Information

With reference to information, the Center serves as a clearinghouse for information about the problem of school violence as well as solutions to it. It houses a resource library of this information and responds to numerous information requests. The Center maintains a toll-free line through which anyone can request information and assistance on addressing the problem of school violence. When a request for information is made, the Center is able to pull information from its ever-expanding resource library which contains hundreds of up-to-date files on an assortment of programs aimed at reducing and preventing school violence. During Fiscal Year 1996-1997, approximately 2,200 people or agencies requested information from the Center. Requests for information were made by:

- students
- teachers
- school administrators
- law enforcement officers
- universities
- psychologists
- journalists
- juvenile services
- parents
- concerned citizens
- human service organizations
- civic organizations
- school board members
- other government agencies.

In Fiscal Year 1996-1997, all 100 North Carolina counties were contacted by the Center either through center.link publications or through seminars, presentations, radio and television broadcasts, and grant information. Requests *for* information during the year came from 96 of the 100 counties in North Carolina, as well as all 50 states, Australia, Puerto Rico, British Columbia, Germany and the Virgin Islands. The influx of requests from places outside of North Carolina is a testimony to the Center's success in promoting innovative programs designed to prevent school violence.

The Center also distributes a quarterly publication, the center.link newsletter, in its effort to serve as a clearinghouse for information on violence prevention in the schools. The newsletter is distributed to superintendents, principals, counselors, School Resource Officers, sheriffs, police chiefs, juvenile court, civic and human resource agencies, boards of education, university outreach offices, legislators, city managers, county managers, NCSU Board of Trustees, and many concerned citizens. The Spring 1997 newsletter was distributed to over 6500 people across the state and the country.

Information dissemination by the Center went "high tech" in Fiscal Year 1996-1997 with the redesign and expansion of the Center's web site (www.ncsu.edu/cpsv/). Although a critical component in the Center's capacity to disseminate information, the Center's web site is housed internally in the research area because of its heavy content of research-generated materials. During the second half of Fiscal Year 1996-1997, the Center's homepage was accessed almost 1900 times.

Promoting Programs

To promote the development of violence prevention programs in the school systems of North Carolina, the Center holds conferences, gives presentations, and distributes relevant materials on many different programs that target violence prevention. During Fiscal Year 1996-1997, the Center made 374 presentations to audiences of over 30,000 people comprised of students, teachers, school administrators, board of education members, counselors, law enforcement, human service agencies, civic organizations, and the general public.

Conducting Research

Numerous research efforts were undertaken in Fiscal Year 1996-1997. The research team gathered data which will help in determining the effectiveness of the strategies which comprise the Center's Safe Schools Pyramid. A survey of all high schools in North Carolina was conducted to obtain school administrators' assessments of the various strategies' effectiveness. Seventy percent of high schools participated in the survey. The research team began analyzing the survey data in Fiscal Year 1996-1997 and will eventually be correlating the strategies with the North Carolina Department of Public Instruction's (NCDPI) school violence incident data to determine if certain strategies or combinations of strategies are related to the occurrence, or lack of occurrence, of incidents.

With the North Carolina General Assembly in session, the research team closely monitored issues related to education and school safety. Research was conducted on several issues which arose during the session, including those related to safe school planning, parental involvement, and at-risk students. Research was also conducted on broader issues related to the problem of school violence: search and seizure procedures in schools; school liability for safety; and student privacy rights.

Center for the Prevention of School Violence
North Carolina Information Requests 1997-1998 Fiscal Year

Only 4 counties have not requested info this year - Stephanie Macon Diane

DATE	NAME	STATE		NCY	GEN INFO	ELEM SAVE	SAVE	TCC	SS PLAN	TEEN COURT	STUDENT CRT	SRO	LRE	CONF RES	LAWS	STATISTICS	NOVELTIES	MAILING LIST	CONFER/WKSP	VIDEOS	GRANT INFO	SPEAKER/MTG	OTHER	PERSON
7/15/97	Susan Wells	NC		n al Ctr	1		1											1					Added to mailing list	GW
8/21/97	Ofr Jackie Sheffield	NC		S	1																		School records info	GW
8/22/97	Doug Neary	NC		Middle								1												AC
8/26/97	Robert Hawley	NC		race	1																			PR
9/2/97	Dr Sandra Aheron	NC	Alamance	Alam-Burl Schools								1												PR
9/2/97	Stephanie Harrison	NC	Alamance	S Mebane ES	1	1																	Coloring books	PR
9/5/97	Marian Brewer	NC	Alamance	Western Middle			1																	DC
9/23/97	Jackie Sheffield	NC	Alamance	Williams HS										1									Elem SAVE info	DC
9/26/97	Megan Cottrell	NC	Alamance	E Alamance HS		1	1																	KA
9/26/97	Stan Cubino	NC	Alamance	Burlington PD							1						1						posters	GW
10/6/97	Ofr Wayne Edwall	NC	Alamance	Graham HS			1																how to start chapter	JM
10/14/97	Jim Weiss	NC	Alamance	Eastern Alamance															1				Youth Leadership	CW
10/16/97	Karen Tate	NC	Alamance	Broadview MS	1		1																Safe Schools week pkt	DC
10/29/97	Officer Wayne Edwall	NC	Alamance	Graham HS			1																Quest. about SAVE regis	JM
12/10/97	Ben Howard	NC	Alamance	Alam-Burl Schools		1	1																	FB
1/15/98	Janette Rodriguez	NC	Alamance	Sellars-Gunn Alter			1																SAVE Lesson Plans	CS
1/20/98	Jerry Ferguson	NC	Alamance	Burlington Schls			1															1	more info, wanted presnt	KA
1/20/98	Jerry Ferguson	NC	Alamance	Ala-Burl Schls		1	1												1			1	wants prsnt & SAVE sum	KA
10/24/97	Ray Warren	NC	Alexander	Alex Co Sher Dept								1												DH
11/6/97	Darlene Carrigan	NC	Alexander	Alexander Co Sch	1																		Fax youth crime info	CW
12/1/97	Darlene Carrigan	NC	Alexander	Alexander PD	1																		General info via phone	PR
12/1/97	Darlene Carrigan	NC	Alexander	Alexander Co PD	1																			PR
1/26/98	Karen Howell	NC	Alexander	Alex. Central HS			1																Candle light vigil - SAVE cards	KA
10/9/97	Pete Simmons	NC	Alleghany	Alleghany HS				1															training/chapter info	GW
8/12/97	Jesse Pratt	NC	Anson	Anson Senior HS	1															1				GW
9/5/97	Jessie Pratt SRO	Nc	Anson	Anson Co HS		1																	Info faxed	DR
9/22/97	Ofr Jesse Pratt SRO	NC	Anson	Anson Senior HS	1																		student mentor info	PR
10/3/97	Ofr Jesse Pratt SRO	NC	Anson	Anson Senior HS															1				fax TCC info	GW
10/9/97	Jesse Pratt	NC	Anson	Anson Sr HS			1																	DC
1/8/98	Jesse Pratt, SRO	NC	Anson	Anson								1		1					1				Workshop info faxed	CS
1/9/98	Michael Freeman	NC	Anson	Pchlnd-Plktn ES			1										1						Order Forms	AC
8/19/97	Chief Mike Bentley	NC	Ashe	W. Jefferson PD															1				DWI	DR

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9/17/97	Chief Bentley	NC	Ashe	W Jefferson PD															1				Asheville DWI info	PR
9/16/97	Roy D Krege	NC	Avery	Grandfather Acad		1							1										Project Citizen	PR
10/2/97	John Millan	NC	Avery	Avery Co HS								1											order posters from GHSP	PR
8/6/97	Sgt. Prow	NC	Beaufort	Beaufort Co. Sheriff's Dept									1										NICEL	CW
9/11/97	Detective Ryans	NC	Bertie	Bertie Co SO															1				DWI ?	GW
9/17/97	Fannie G Williams	NC	Bertie	Windsor ES			1												1				FAX G'ville SAVE info	DC
1/26/98	Ernestine Byrd	NC	Bertie	Bertie HS										1					1				WCWIO Directions	CS
8/14/97	Ms. McMillian	NC	Bladen	Bladen Co. Schls				1											1				TCC training	DR
10/7/97	Sgt Steve Lesane	NC	Bladen	Bladen Co Sheriffs	1																		Peer mediation	AC
10/13/97	Wilbur Chestnut	NC	Bladen	Bladen Co Schools											1								truancy laws and referral	CW
8/26/97	Zelma Babson	NC	Brunswick									1							1				NASRO info	DR
9/2/97	Jodi Fucili	NC	Brunswick	W Brunswick HS																1				DC
10/7/97	Chief Mike Mann	NC	Brunswick	Northwest PD	1														1				confirmed rec't of DWI fax	GW
10/20/97	Cynthia Carr	NC	Brunswick	Leland MS			1																	DC
10/21/97	Sheila Washington	NC	Brunswick	Supply ES	1																		Nat'l Safe Schls Wk info	FB
11/13/97	Scott Branning	NC	Brunswick	N/A		1	1																	KA
1/6/98	Ilene Palmer	NC	Brunswick	So. Brunswick MS												1							Youth Safety Stats	JM
1/15/98	Maxine Elliott	NC	Brunswick		1																1		Schl Outreach Programs	DR
8/13/97	Dee Edelman	NC	Buncombe	Mediation Center		1													1				SAVE Elem	GW
8/14/97	Gerald Boyd	NC	Buncombe	Mediation Center								1											Diversity training	DR
8/14/97	Steve Rich	NC	Buncombe	Williams Elem															1				Character Ed	GW
8/25/97	Debbie Rios	NC	Buncombe	N. Buncombe MS																1				GW
9/11/97	Joe Elliott	NC	Buncombe	Teen Court						1													Info	DR
9/19/97	Fran Hensley	NC	Buncombe	Buncombe Co Scls			1															1	scheduled for 11/17	DC
9/24/97	Ofr Mark Whitted	NC	Buncombe	Woodfin PD	1																		Conflict Resolution info	DC
9/29/97	Barbara Zimmerman	NC	Buncombe	Buncombe Co Drug Commission															1				List for Asheville DWI	PR
10/8/97	Brenda Fraser	NC	Buncombe	Roberson HS														1					correction	DR
10/13/97	Fran Hensley	NC	Buncombe	Buncombe Co Schl																		1	presentation 11/17	DR
10/20/97	Officer Frasier	NC	Buncombe	Charles Owen MS				1																FB
10/27/97	Officer Fraser	NC	Buncombe	Owen MS				1															Confirming Re[illegible]tion	GW

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11/17/97	Susan Flynn	NC	Buncombe	Student	1																			DC
11/19/97	Mike Thompson	NC	Buncombe	N. Buncombe HS													1						50 Bumper 50 Sheriff Bad	DR
11/19/97	Mike Thompson	NC	Buncombe	N. Buncombe HS	1																			DR
12/5/97	Jim Drummond	NC	Buncombe	Asheville City Sch															1				Crime/Dropout prevent	KA
12/12/97	Michael Thompson	NC	Buncombe	N Buncombe HS	1																		We the People contact	DR
1/5/98	Fran Roberts	NC	Buncombe	Hall Fletcher ES										1					1				WCWIO	CS
1/8/98	Mike Thompson	NC	Buncombe	N. Buncombe HS											1								Legislation info.	JM
1/20/98	Michael Fagan	NC	Buncombe	Erwin MS	1															1			Alcohol Kills	KA
8/13/97	Ron Barnes	NC	Burke	City of Marion														1						GW
10/20/97	Joel Van Noxnyan	NC	Burke	East Burke HS	1																		Fall Newsletter	FB
1/7/98	Ofr. Vince Roper	NC	Burke	Morganton PD	1																		Safe School Plans	CS
1/8/98	Lance Fox, SRO	NC	Burke	E. Burke MS			1											1					2 Elem Mnls, 2 Sec Mnls	KS
1/12/98	Vince Roper	NC	Burke	SRO			1																Brochure & Plan Book	CS
1/12/98	Vince Roper	NC	Burke	Table Rock MS	2																		DWI Packets	DH
1/22/98	Lance Foss	NC	Burke	Burke Co. S.O.								1								1			SRO Video & Info.	CS
1/28/98	Vince Roper	NC	Burke	Tablerock MS	1							1					1			1			SRO Video	DC
8/26/97	Ann Griggs SRO	NC	Cabarrus	Concord HS	1																		School bus conflict	PR
9/24/97	David Allred SRO	NC	Cabarrus	NW Cabarrus HS														1					corrections	DC
10/21/97	Sarah Scott	NC	Cabarrus	NW Cabarrus		1	1																	DC
10/22/97	Ted Misenheimer	NC	Cabarrus	Rocky River ES		1								1										DC
12/15/97	Dan Payne	NC	Cabarrus	Cabarrus Co Schls															1				WCWIO info	CW
12/17/97	Jacqueline Musiitwa	NC	Cabarrus	student			1			1	1			1										DC
12/17/97	Kelly Anderson	NC	Cabarrus	Cabarrus Co. Schl	1																		Safe Schls Plan Packet	DH
12/17/97	Cardine Fongemy	NC	Cabarrus	Rocky River ES	1																		Safe Schls Plan Packet	DH
12/30/97	April Phifer	NC	Cabarrus	student			1			1	1		1										real magazine	DC
1/6/98	Susan Griffin	NC	Cabarrus	Cabarrus Co. SD																		1	Spkr-Dare Grad can't 1/30	CW
1/7/98	Ted Mesiminer	NC	Cabarrus	Concord Counselor										1									WCWIO	CW
1/27/98	Roselynda Mann	NC	Cabarrus	A.L. Brown HS	1		1			1	1	1	1	1									Ref by REAL Magazine	CS
9/15/97	Al Whitz	NC	Caldwell																1				Fax DWI info-Asheville	DR
9/17/97	Lt Martin Hicks	NC	Caldwell	Lenoir PD								1											effectiveness surveys	PR
10/29/97	Bob Brown	NC	Caldwell	West Caldwell HS	1																		Safe School Planning	JM
8/28/97	Judy Blount	NC	Camden	Camden Co School					3														3 Safe School Plans	GW
12/2/97	Carole Smith	NC	Camden	Camden Cty Schls													1						Legislations & [illegible]ohlets	DC

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1/8/98	Wiffon Forbes, SRO	NC	Camden	Sheriff offc								1							1				NCASRO Conference	DR
1/22/98	Wilton Forbes	NC	Camden	Camden Co. Schls	1							1							1				SRO Convention/Gangs	DR
1/22/98	Wilton Forbes	NC	Camden	Camden Co. HS										1					1				WCWIO Agenda & Dir.	CS
1/29/98	Crystal Garrett	NC	Camden	Camden Co. HS																1			Eddie Eagle - gun safety	KA
7/3/97	Wrenn Johnson	NC	Carteret	Morehead City PD								1			1								Q on SRO funding--HB 53	DR
7/3/97	Ellen Sewell	NC	Carteret	Morehead City PD											1								Q on HB 53	DR
7/24/97	Ann Daniel	NC	Carteret	NC Assoc. of Restitution Ofcrs								1											SRO mailing list	SK
8/6/97	Deputy Jeff T. Clark	NC	Carteret	Broad Crk Middle								1												GW
8/26/97	Jeff Clark	NC	Carteret	Broad Creek MS		1													1				Elem SAVE	GW
8/26/97	Ann Walker	NC	Carteret	Carteret CO School		1								1									Elem SAVE	DM
8/26/97	Mike Stafford	NC	Carteret	East Carteret HS	1																			DR
9/3/97	Terry Willis	NC	Carteret	Morehead City PD						1													via website	DH
9/8/97	Jeff Clark	NC	Carteret	Broad Creek MS				1											1					GW
9/23/97	Ann Walker	NC	Carteret	Safe/Drug-free Sch	1																		Help manual/safe schls	JM
10/2/97	Mike Stafford	NC	Carteret	E Carteret	1																		NCASRO Board mtg info	DR
10/7/97	Dr Ginny Myers	NC	Carteret	Carteret Co Schls	1																		Safe Schools leg manual	DC
10/15/97	Jeff Clark	NC	Carteret	Carteret Co SO	1																		new school plan info	DR
10/22/97	Mike Stafford	NC	Carteret	East Carteret HS											1								HB 53	DR
10/27/97	Ann Walker	NC	Carteret	Carteret Co School				1																GW
11/17/97	Nicole Smith	NC	Carteret	Broad Creek MS	1																		6th grader interviewed me	GW
11/24/97	Jeff Clark	NC	Carteret	Broad Creek MS				1																GW
12/3/97	Jeff T. Clark	NC	Carteret	Broad Creek MS				1																GW
1/7/98	Jeff Clark	NC	Carteret	Broad Creek MS				1											1				Equip needed for training	GW
1/8/98	Deputy Clark	NC	Carteret	Carteret Sheriff's										1					1				faxed WCWIO Rgstion	CS
1/13/98	Patricia Smith	NC	Carteret	Jksnville Daily New	1											1							Gen Package re CTR	GW
1/26/98	Jeff Clark	NC	Carteret	BroadCreek MS										1					1				WCWIO Directions	GW
1/28/98	Jeff Clark	NC	Carteret	Broadcreek MS	1																		Lunchline cartoon	CW
1/6/98	Terry Willis	NC	Carteret	W. Cart. Co. SRO	1							1									1		Funding for new MS SRO	DR
8/6/97	Sgt. Welch	NC	Caswell	Caswell Co. S.D.		1	1							1						1		1		DR
9/29/97	Norma Lee	NC	Caswell	Oakwood ES	1																		Mediation training info	DR
10/23/97	Steve Williamson	NC	Caswell	Bartlet Yancey HS								1											Generic SRO	CW
11/13/97	Norma Lee	NC	Caswell	Oakwood ES										1									WCWIO training info	CW

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7/14/97	Melanie Williams	NC	Catawba	NCSU Website				1															TCC applicant	DR
7/25/97	Ofc. Larry Sims	NC	Catawba	Newton-Conover Middle School	1		1																Crime Stoppers info.	AC
7/31/97	Ofc. Larry McCorkle	NC	Catawba	Bunker Hill HS		1																	~700 SAVE membership	GW
8/8/97	Larry McCorkle	NC	Catawba	Bunker Hill HS		1																		DR
8/14/97	Larry McCorkle	NC	Catawba	Bunker Hill HS			1																SAVE rallies	DR
8/18/97	Chief Lucas	NC	Catawba	Hickory PD								1											SRO effectiveness	JM
8/19/97	Officer Larry McCorkle	NC	Catawba	Catawba SD		5																	Elem SAVE Manuals	GW
8/25/97	Larry McCorkle	NC	Catawba	Bunker Hill HS																			Refer to M Wms/G Starky	DR
9/11/97	Brandon Greeson	NC	Catawba	student	1																			DC
9/15/97	Justin Crooks SRO	NC	Catawba	St. Stephens															1				Youth leadership info	DR
9/25/97	Justin Crooks	NC	Catawba	St Stephens HS			1																10 SAVE brochures	DC
9/26/97	Fay Jackson	NC	Catawba	Catawba MS			1																200 membership cards	GW
10/1/97	Brandon Greeson	NC	Catawba	St Stevens HS			1																	AC
10/14/97	Megan JF Guffey	NC	Catawba	St Stephens HS			1							1										DC
10/14/97	Ofr Larry McCorkle	NC	Catawba	Bunker Hill HS															1				youth leadership	GW
10/16/97	Diane Little	NC	Catawba	Newton-Conover HS											1								Safe Schools manual	DH
11/10/97	Kelly Travis	NC	Catawba	Bunker Hill HS-Stu	1					1	1	1	1										Crime Stopper Info.	FB
12/1/97	Dep Justin Crooks	NC	Catawba	St. Pauls HS	1																		Eddie Eagle Train Manual	KA
12/3/97	Officer Larry Sims	NC	Catawba	Newton Cono MS																1				FB
12/17/97	Libby Sigmon	NC	Catawba	Catawba Co Schls											1								student records	JM
1/5/98	Officer Sims	NC	Catawba	Newton-Con MS			1										1							CS
1/15/98	Principal M. Ogle	NC	Catawba	Banoak ES			1																SAVE Curriculum	CS
1/21/98	Mike Ogle	NC	Catawba	Banoak Elem	1																		Safe Schls Plan - prin role	CW
8/20/97	George Gregor Holt	NC	Chatham	Chatham Co. Scls		1													1				SAVE Elem	CW
9/11/97	Sgt Edwards	NC	Chatham	Northwoods HS															1				Fax DWI info	GW
10/13/97	Brandy Mitchell	NC	Chatham	teacher	1																		Media violence brochure	DC
10/14/97	Carolyn Creech	NC	Chatham	Chatham Central													1						posters/pamphlets	DC
11/24/97	Alissa Mollier	NC	Chatham	Chatham Ctrl HS	1		1																	KA
12/1/97	Mr Phillips	NC	Chatham	Jordan Mathew MS			1																	KA
12/1/97	Mr Phillips	NC	Chatham	Jordan Mathew HS			1																	KA
8/19/97	John Arnold	NC	Cherokee	Personnel Dir-Res.								1											SRO jurisdiction/problem	PR
9/11/97	Sandi Eaton	NC	Cherokee	Andrews High																		1	Staff develop[illegible] 12/9	DR

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9/16/97	Sandi Eaton	NC	Cherokee	Andrews HS																		1	Staff development	DR
12/3/97	Sandi Eaton	NC	Cherokee	Andrews HS															1					DR
12/15/97	Loleta Sequoyah	NC	Cherokee	Cherokee ES		1																		KA
10/16/97	Dep Carl Rabe	NC	Chowan	John A Holmes HS											1									DC
10/21/97	Officer Potts	NC	Chowan	Chowan MS											1								Legislation/Adm. of Stud.	JM
11/10/97	Deputy Potts	NC	Chowan	Chowan MS	1																			FB
11/12/97	Deputy Potts	NC	Chowan	Chowan MS											1								Effective date statute	JM
11/5/97	Deputy Potts	NC	Chowan	Chowan MS	1																			DC
8/19/97	Mark Lee	NC	Cleveland	Cleveland Co. SD	1	1						1											Publications List	SJ
8/19/97	Ginger Paulano	NC	Cleveland		1																		200 Responsibility Broch	GW
9/3/97	Danny Howell	NC	Cleveland	Cleveland Co SO															1				DWI info	DR
9/15/97	Janet McSwain	NC	Cleveland	Boiling Springs			1												1				Fax Char SAVE info	DC
11/26/97	Dr Jane King	NC	Cleveland	King Mount. Dist ..	1																		Elem alt schls/prog list	LM
12/17/97	Dr. Pat Partin	NC	Cleveland	Gardner-Webb Univ	1			1			1			1					1				WCWIO	PR
1/8/98	unknown	NC	Cleveland	Shelby City Schls	1																		ref'd to website	PR
1/9/98	SGT. Jamerson	NC	Cleveland	Kings Mtn HS	1																		Defn school violence	DR
1/12/98	Jane King	NC	Cleveland	Kings Mtn Schls	1										1								Q's re Safe Schools	JM
1/12/98	Dr. Jane King	NC	Cleveland	Kngs Mtn Schls	1																		Safe School Plan	JM
1/13/98	SGT. Jamerson	NC	Cleveland	Kngs Mt PD	1					1	1		1										Starting Teen/Student CT	CS
1/30/98	Bill McCullough	NC	Cleveland	Cleveland Co. Sch					1						1							1	Needs speaker 7/24	CW
7/9/97	Jimmy Blackburn	NC	Columbus	Parent	1							1												PR
7/14/97	Jimmy Blackburn	NC	Columbus	SRO								1											Requested SRO info	PR
8/18/97	Jimmy Spivey	NC	Columbus	Columbus Co. Board of Edu.	1							1												JM
11/6/97	Ronald Hillis	NC	Columbus	Sth Columbus HS		1	1																	KA
1/21/98	Gregg Worthington	NC	Columbus	Whiteville City Sch			1																	CS
1/23/98	Greg Worthington	NC	Columbus	Central MS			1														1		Starting SAVE	DR
8/7/97	Regina Kemble	NC	Craven	Havelock Middle School																	1			DR
8/13/97	Albert Lester	NC	Craven	New Bern HS	1													1						GW
8/14/97	Mary Ann Southern	NC	Craven			1	1													1				DR
8/27/97	Ms Collum	NC	Craven	Havelock MS	1																		Referred to D[illegible] Williams	GW

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9/2/97	Pat Coleman	NC	Craven	Havelock Times	1													1					Press releases	DR
9/12/97	Dr Nancy Carroll	NC	Craven	Craven Co Schools		1													1				Elem SAVE agenda/map	DR
9/12/97	Kevin Kelley	NC	Craven	Havelock HS	1		1																Sch Crime Stoppers	DC
9/15/97	Reva Martin	NC	Craven	Bangert ES			1												1				Fax G'ville SAVE info	DC
9/15/97	Pat Coleman	NC	Craven	Havelock Times	1																		UHC at Havelock MS info	DR
10/1/97	Ofr Lester	NC	Craven	New Bern HS			1																	DC
10/6/97	Lynn Faulk	NC	Craven	James Smith ES														1					Character Education	PR
10/7/97	Kevin Kelly	NC	Craven	Havelock HS				1															Fax letters/info	GW
10/7/97	Ofr Kevin Kelly	NC	Craven	Havelock HS														1					update	GW
10/14/97	Rodney Knowles	NC	Craven	Foxmer /Cons Firm										1										DR
10/15/97	Rodney Knowles	NC	Craven	N/A										1										KA
11/5/97	Paul Folger	NC	Craven	New Bern								1						1	1					CW
11/19/97	Officer Lester	NC	Craven	New Bern HS											1								Legislation	DH
12/4/97	Officer Kevin Kelly	NC	Craven	Haveclock HS																1				KA
12/9/97	Chandler Powell	NC	Craven	New Bern PD		1	1																	FB
12/12/97	Chandler Powell	NC	Craven	New Bern PD			1																Presentation request	DR
12/17/97	Mr. Quinn	NC	Craven	Tucker Creek MS										1					1				WCWIO	GW
1/5/98	Ofr Chandler Powell	NC	Craven	New Bern PD																		1	Reschedule mtg	CW
1/26/98	Raymond Hollomen	NC	Craven	Grahm Barn ES										1					1				WCWIO Directions	CS
9/23/97	Willie Morris	NC	Craven	Craven Co S O	1																		referred to GCC	DR
7/9/97	Office of Fiscal Affairs	NC	Cumberland	Fayetteville Tech. Comm. College	1																		Change of address	GW
7/14/97	Cherri Siler	NC	Cumberland	Asst. DA	1																		Directions to Salemburg	DR
7/30/97	Spec. McNeary	NC	Cumberland	Provost Marshal Office														1						AC
8/5/97	John Godbolt	NC	Cumberland	71st High Schools													1						1 roll stickers	DR
8/19/97	Kenny Williams	NC	Cumberland	Cumberland Co. SD															1					DR
8/21/97	Officer Mike Brown	NC	Cumberland	Douglas Byrd HS								17											17 SRO manuals	PR
9/9/97	Kenny Williams	NC	Cumberland	Cumberland Cty Sheriff Dept.								1					1						1,000 SRO Stickers	GW
9/11/97	David Pressley	NC	Cumberland	Pine Forest HS	1																		3 summer '97 newsletters	DC
9/15/97	Julie Bertschi SRO	NC	Cumberland	Stedman MS														1					Change of address	KA

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9/19/97	Ofr Barfield	NC	Cumberland	Hope Mills PD										1									DWI-add Eddie McCoy	GW
9/22/97	David Edwards	NC	Cumberland	Stedman MS														1					Change of address	KA
9/23/97	Ofr Michael Brown	NC	Cumberland	Fayetteville PD															1				Fax DWI info	DC
9/24/97	Jedediah Douglas	NC	Cumberland	Paul Andrew Dawkins Television													1						10 of each poster	PR
10/6/97	Joann Phillips	NC	Cumberland	71 HS			1										1						buttons, member cards	DR
10/9/97	Pamela Story	NC	Cumberland	Westover MS														1						GW
10/10/97	Kenneth Williams	NC	Cumberland	Cumberland Co SO				1											1					DR
10/17/97	Sgt Granen	NC	Cumberland	Irwin MS			1																	KA
11/3/97	Jed Douglas	NC	Cumberland	Hawkins ... TV pro			1																SAVE chapter Doug MS	PR
11/5/97	Ashleigh Ratchford	NC	Cumberland	Westover MS		1				1	1							1						CW
11/5/97	Annonymous	NC	Cumberland	WTVD phone bank	1																			PR
11/6/97	Mary Patton	NC	Cumberland	Erwin MS													1							FB
11/25/97	Sanden Woodham	NC	Cumberland	SRO HS in Fayettv	1																			JM
12/1/97	Charlie Baxley	NC	Cumberland	Terry Sanford HS								1											Limis in SRO position	DR
12/4/97	Angie Sparkman	NC	Cumberland	Howard ES																			WCWIO mailer	CW
12/5/97	Nettie Miller	NC	Cumberland	Douglas Byrd MS				1																KA
12/8/97	John Godbolt	NC	Cumberland	71st HS													1						50 SAVE buttons	KA
12/10/97	Mike Prevatte	NC	Cumberland				1																	FB
12/17/97	Mike Prevatte	NC	Cumberland	Spring Lake MS			1																	AC
1/5/98	Regina Wiliams	NC	Cumberland	Westover High															1				WCWIO	CW
1/23/98	John Godbolt	NC	Cumberland	71st HS										1					1				WCWIO Directions	CS
1/26/98	Horace Small	NC	Cumberland	Westover HS										1					1				WCWIO Directions	CS
1/26/98	Susan Horne	NC	Cumberland	Girlock ES										1					1				WCWIO Directions	CS
1/14/98	Kenneth Holt	NC	Cumberland	Anne Chesnutt MS	1		1			1	1	1	1	1									Safe Schls via REAL mag	CS
7/8/97	Sue Williamson	NC	Currituck	Currituck Co. HS															1				6 Conference Reg. Forms	JB
8/20/97	Sue Williamson	NC	Currituck	Currituck HS				1						1										JB
8/24/97	Sue Williamson	NC	Currituck	Currituck Co HS										1					1				We Can Work It Out Training	DR
10/3/97	Sue Williamson	NC	Currituck	Currituck Co Schls				1											1				3 people for TCC training	GW
10/5/97	Suz Williams	NC	Currituck	Currituck Co HS				1											1				WCWIO/Mediation s'case	DR
10/31/97	Deputy Macintosh	NC	Currituck	Knapp Jr High			1																	AC
1/9/98	Paul O'Bryant	NC	Currituck	Currituck Co. HS				1															TCC Agreem	GW

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8/1/97	Donna Hollowell	NC	Dare	Kitty Hawk Elem., PTA	1																		Character Ed., K-5	AC
8/28/97	David Cheesman	NC	Dare	Dare Co Sher Off	1																			DR
8/29/97	Dave Cheesman	NC	Dare	Dare Co Sher Off								1					1						SRO Support Badges-400	DC
9/15/97	Kevin Moyc	NC	Dare	Manteo HS																1			Paying the Price	KA
9/15/97	Chief Neamber	NC	Dare	Manteo PD													1						Sign info	DR
9/22/97	Nancy Griffin	NC	Dare	Manteo HS		1													1				Elem SAVE materials	GW
9/23/97	Dave Cheesman	NC	Dare	Dare Co Sher Off	1																		Paged 480:7607	DR
10/15/97	Nancy Griffin	NC	Dare	Manteo HS			1																	DC
1/13/98	Sherry	NC	Dare	Dare Co. Alt. Sch										1					1				WCWIO registration	CS
7/17/97	Jane D. Dorsett	NC	Davidson	Midway Elementary School			1										1			1			56 Center & SAVE buttons	CW
9/8/97	Rob Russell	NC	Davidson	Thomasville HS			1																	GW
9/16/97	Frances Rash	NC	Davidson	Cent Davidson MS		1													1				Elem SAVE	PR
9/16/97	Jane Dorsett	NC	Davidson	Midway ES		5																	5 manuals	DC
9/18/97	Marjorie Krueck	NC	Davidson	Thomasville Schls		1								1									Greensboro Elem SAVE	DC
9/22/97	Nellie G Bell	NC	Davidson	Liberty Drive ES		3																	3 manuals	KA
9/24/97	Carolyn Stiffel	NC	Davidson	W Davidson HS													1						Posters	DC
9/26/97	SRO Hartley	NC	Davidson	N Davidson HS																	1			DH
10/9/97	Jane Dorsett	NC	Davidson	Midway ES			1										1						350 member cards/btns	DR
10/21/97	Kevin Curtiss	NC	Davidson	Central Davidson						1				1									Making Peace/Safe Schl	FB
10/21/97	Kevin Curtiss	NC	Davidson	Central Davidson				1																PR
11/20/97	Judy Younts	NC	Davidson	CIS of Thomasville																			General Mailing List	DR
12/2/97	Off Kevin Curtis	NC	Davidson	Ctrl Davidson HS	1																		Info- KY shooting	JM
1/5/98	Lynn Hall	NC	Davidson	Lexington Primary										1					1				WCWIO Training	CW
11/24/97	Kevin Curtis	NC	Davidson	Ctrl Davidson HS			1																	KA
8/6/97	Lula Herring	NC	Duplin	Wallace Elem			1																	AC
8/7/97	Deputy Fredrick	NC	Duplin	James Kenan HS	1		1																Crime Stoppers	GW
9/4/97	Deputy Frank Sanders	NC	Duplin	Wallace Rose HS								1					1							DC
9/23/97	Deborah Beasley	NC	Duplin	Rose Hill Magnolia ES															1				Fax Project Citizen info	CW
9/23/97	Pam Edwards	NC	Duplin	Duplin Co Schools	1																		Help manual/safe schls	JM
10/3/97	Ofr Sanders	NC	Duplin	Wallace Rose Hill															1				SADD/DWI info	GW
10/8/97	Pam Edwards	NC	Duplin	Duplin Co Schools		1																		DR

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10/8/97	Sgt Whitman	NC	Duplin	Duplin Co SD								1											Funding ?s	DR
10/13/97	Dep Frederick SRO	NC	Duplin	James Kenan HS												1							school violence	DH
10/14/97	Dep Frederick	NC	Duplin	James Kenan HS																1			SAVE Story	DC
10/15/97	Ofr Sanders	NC	Duplin	Wallace Rose Hill			1																	DC
10/16/97	Terry Faison	NC	Duplin	Wallace-Rose Hill HS	1										1	1	1							GW
10/16/97	Dr Austin Carter	NC	Duplin	Duplin Co Schools											1								Safe Schools manual	DH
10/24/97	Off Frank Sanders	NC	Duplin	Wallace-Rosehill								1											200 Badge and Newslett	GW
10/24/97	Frank Sanders	NC	Duplin	Duplin Co School			1																speaker request-SAVE	DR
11/3/97	Dep Byron Thomas	NC	Duplin	East Duplin HS			1																	KA
11/24/97	Frank Sanders	NC	Duplin	Wallace Rose Hill																			SRO info/questions?	DR
11/25/97	Marsha Pierson	NC	Duplin	Warsaw MS			1							1									SAVE info/brochure	DC
11/25/97	Dep Sanders	NC	Duplin	Wall. Rose Hill HS			1																Membership cards	DC
12/12/97	counselor	NC	Duplin	Warsaw MS			1																	KA
1/9/98	Debra Beasley	NC	Duplin	Rose Hill/Magolia		1																		DR
1/13/98	Linda Artis	NC	Duplin	N. Duplin ES	1									1					1				Gen/WCWIO registration	DC
1/13/98	Linda Artis	NC	Duplin	N Duplin ES	1									1					1				WCWIO/Gen Info	DC
1/14/98	SGT. Richard Whitman	NC	Duplin	N. Duplin HS	1		1																office visit	DR
1/26/98	Dep. Frank Sanders	NC	Duplin	Wallace Rose-Hill			1																50 Membership cards	CS
1/6/98	Phil Allen	NC	Duplin	Charity MS			1																Manual	DC
7/2/97	Marvin Pipkin	NC	Durham	Durham Co. Schools						1	1													PR
7/5/97	Marvin Pipkin	NC	Durham	Durham Co. Schools							1													DR
7/7/97	Marvin Pipkin	NC	Durham	Durham Co. Sch							1												Further info. on Student Court	DR
7/10/97	Anthony Jenkins	NC	Durham	General Assembly	1																		Surveys on violence to females & students	JM
7/17/97	Wendi King	NC	Durham	Northern Durham HS																	1		Letter of support for grant	DR
8/4/97	Jessie H. Gibson	NC	Durham	Teacher			1																High School	GW
8/25/97	John Naillon	NC	Durham	Lowe's Grove MS			1																	DR
9/3/97	Wendi King	NC	Durham	Northern HS			1																	DC
9/11/97	Bonnie Moore	NC	Durham	WTUD 11	1																			DM

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9/12/97	Sgt Greg Brown	NC	Durham	Durham PD																1				DC
9/15/97	Dep Nayon SRO	NC	Durham	Durham Co SO			1																Chapter info	DR
9/16/97	Harriet Carter	NC	Durham	Durham Public Sch			1												1				Fax Ral SAVE agenda	DC
9/16/97	Wendi King	NC	Durham	Northern HS															1				Youth leadership info	GW
9/19/97	Wendi King	NC	Durham	Northern HS			1										1						Safe Schools week info	DC
9/21/97	Rosana Perez	NC	Durham	Eastway ES	1																		Hispanic materials	CW
9/23/97	Dep Elliott Hoskins	NC	Durham	Neal MS			1					1										1	Elem SAVE info	DR
9/26/97	Dep Nailon	NC	Durham	Bowe's Grove MS		1																	5 manuals	DR
10/3/97	Billie Grogan	NC	Durham	E K Powe ES																		1	presentations-elem level	PR
10/3/97	Wendi King	NC	Durham	Northern HS															1				Youth leadership	CW
10/8/97	Mark Ezell	NC	Durham	NC Init to Reduce Underage Drinking															1				fax DWI directions	GW
10/8/97	Wendi King	NC	Durham	Northern HS													1						posters	CW
10/8/97	Sgt Greg Brown	NC	Durham	Durham Co SO	1																		DARE TV prog info	GW
10/9/97	Dep Elliott Hoskins	NC	Durham	Neal MS	1																		drug prevention	DC
10/10/97	Celio Dickerson	NC	Durham	Dur Comm Charter	1																		Resources	KA
10/15/97	Lee Wing	NC	Durham	Responsive Media	1																		Faxed Advisory Coun list	PR
10/20/97	Wendi King	NC	Durham	Northern HS		1						1											Membership cards	DC
10/21/97	Lee Wing	NC	Durham	Responsible Media	1																		Check w/DPL for mtg loc	CW
10/21/97	Mary Kay Corr	NC	Durham	UNC-TV	1																		Media Info	DC
10/27/97	WTVD	NC	Durham	WTVD			1																SAVE kids chapter adv	DR
11/3/97	Wendi King	NC	Durham	North. High School			1																50 membership cards	FB
11/3/97	Lee Wing	NC	Durham	Responsive Media																	1		App from Z Smith Reynold	GW
11/4/97	Julie Marshall	NC	Durham	N/A	1																		firearm possess info	PR
11/5/97	Wayne Thacker	NC	Durham	Concerned Parent	1																			FB
11/5/97	Doris Wind	NC	Durham	East Hope MS								1												CW
11/5/97	Sarah Johnson	NC	Durham	Club Blvd Magnet			1					1												PR
11/5/97	Annonymous	NC	Durham	WTVD phone bank	1																		kids harassing child...	DR
11/14/97	Paige Smith	NC	Durham	UNC-G Public Hlth	1																		Presentation Information	PR
11/17/97	Emily Reese	NC	Durham	College Student	1																		What prog are in Durham?	CW
11/21/97	Mary Kay Corr	NC	Durham	UNC-TV			1					1	1										SRO/SAVE/L[illegible]fo	DR

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11/21/97	Dep Naillon	NC	Durham	Lowes Grove MS	1																		Training of trainers	CW
12/1/97	Anthony L. Jenkins	NC	Durham	NCCU grad stud	1																		Info for thesis	PR
12/1/97	Anthony Jenkins	NC	Durham	NCCU - grad stud	1																		Schl viol research findings	DH
12/2/97	Lee Wing	NC	Durham	Responsive Media	1																			PR
12/2/97	Rick Willis	NC	Durham	WTCD-11																			Ctr mission, vision & #	FB
12/9/97	Anthony L. Jenkins	NC	Durham	NCCU grad stud	1																		Various info	FB
1/5/98	Wendy King	NC	Durham	Northern High										1					1				WCWIO	CW
1/6/98	Mary Rawlings	NC	Durham	Lowes Grove MS	1			1											1				Training Info	GW
1/7/98	Nellie Jones	NC	Durham	prnt of mrdrd child			1																List of SAVE Chapters	KS
1/8/98	Jim Green	NC	Durham	Pearson Acad										1					1				WCWIO	CW
1/14/98	George Rubenstein	NC	Durham	Oak Grove ES	1																	1	arrange spkr - Safe Schls	KA
1/21/98	Jane Volland	NC	Durham	Durham Teen Ct.				1															Publication Listing TCC	GW
1/22/98	Sari Schulman	NC	Durham	Duke MS				1				1				1							SRO's	CW
1/26/98	Wendi King	NC	Durham	Northern HS	1		1																Multicultural issues	GW
9/3/97	Pam Gould	NC	Edgecombe	Pattilo HS		1													1					GW
9/3/97	Wayne Taylor	NC	Edgecombe	Edgecombe Co SO															1					DC
9/4/97	Natalie Brown	NC	Edgecombe	Edgecombe Co Soc Services		1								1										GW
1/27/98	Lynn Davis	NC	Edgecombe	Phillips Math Tech										1					1				WCWIO directions	CS
7/7/97	Helen Prince	NC	Forsyth	East Forsyth HS															1		1		PHP Grant Status/Safe Schools Conference	DR
7/8/97	Karen Boyd	NC	Forsyth	Forsyth Co. Sherriff's Dept								1											SRO List Mailed	DR
7/8/97	DEFY Camp	NC	Forsyth	US Attorney Gen.													1						40 Buttons, 50 stickers	PR
7/25/97	Sarah Carter	NC	Forsyth	LEAP Academy													1						2 metal signs	SK
7/30/97	Cynthia Parks	NC	Forsyth	Northwest Middle School			1																Sent materials to be copied/ordered	GW
7/31/97	Shanna Hawkins	NC	Forsyth	NW Middle Schl	1																		Use of Center Logo	GW
8/4/97	Ofc. Robert Twitty	NC	Forsyth	Parkland HS			1																	JM
8/20/97	L W Handy	NC	Forsyth	Forsyth Co So															1					DR
8/21/97	Robin Ervin	NC	Forsyth	YWCA	1												1						500 button, bumper, trifold	PR
9/4/97	Jessica Richardson	NC	Forsyth	NW MS			1																	GW
9/10/97	Officer Mabe SRO	NC	Forsyth	N Forsyth HS	1										1								1997 legislati[illegible]fo	JM

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9/11/97	Shanna Hawkins	NC	Forsyth	Northwest MS	1		1																Add to NC SAVE listing	DC
9/11/97	Bob Costner	NC	Forsyth	Radio 104 WTQR	1																			DM
9/24/97	Ofr Tony Anderson	NC	Forsyth	Mt Tabor HS				1															waitlist-books	GW
9/25/97	Terrie Sisk	NC	Forsyth	Cityof Win-Salem	1																		Sent center address	DC
9/30/97	Harrison Stokes	NC	Forsyth	Carver HS	1															1				DC
10/2/97	Terry Gray	NC	Forsyth	Hanes-Lowrance MS			1										1						100 member cards	DR
10/3/97	Helen Prince	NC	Forsyth	E Forsyth HS	1																		presentation info	GW
10/8/97	Dep Lambert	NC	Forsyth	Mineral Springs MS			1																logo use info	DR
10/8/97	Harrison Stokes	NC	Forsyth	Carver HS																1			Paying the Price	KA
10/8/97	Karen Boyd	NC	Forsyth	Forsyth Co SO				1																GW
10/15/97	Dep Anderson	NC	Forsyth	Mt Tabor HS				1																GW
11/3/97	Darryl Mabe	NC	Forsyth	Forsyth Cty Schl	1																		Safe schools survey	DR
11/12/97	Dep Mabe	NC	Forsyth	North Forsyth												1							93 stats on alcohol/drug	DR
1/8/98	Reba Smith	NC	Forsyth	Mineral Sprgs MS										1					1				WCWIO (via fax)	CW
1/14/98	Ginger Amos	NC	Forsyth	Carver HS	1														1				fax Nt'l Yth Crime Prev.; Crime Stopper info.	KA
1/20/98	CC McGee	NC	Forsyth	Sheriff's Office								1											NDPC info faxed & e-mail	DR
1/21/98	CC McGee	NC	Forsyth	Forsyth Co. S.D.	1																		Lt Gov Press Conference	CW
1/21/98	Deputy Lambert	NC	Forsyth	S.R.O.										1									WCWIO training	CW
10/6/97	C C McGee	NC	Forsyth	Forsyth Co SD															1				12 DWI packets	DR
7/7/97	Loretta Biggs	NC	Forsyth?	US Attorney General's Office																		1	Needing a presentation in Winston-Salem	PR
8/13/97	Ofc. Donovan Edgerton	NC	Franklin	Franklinton HS	1																		Publctns list, Crime Stp	GW
10/16/97	Carl Harris	NC	Franklin	Franklin Co Schls								1												DH
10/27/97	Officer Hawkins	NC	Franklin	Louisburg HS				1																GW
11/7/97	Brenda Hawkins	NC	Franklin	Louisburg HS	1																		Classroom Mgmt	CW
11/17/97	Brenda Hawkins	NC	Franklin	Louisburg PD	1															1				FB
12/1/97	Ray Greene	NC	Franklin	Bunn Pol Dept								1											Funding for SRO	DR
7/10/97	Fran Woody	NC	Gaston	Parent	1	1	1													1				GW
8/8/97	Sgt. W.S. Melton	NC	Gaston	Gaston Co. PD	1							1						1						PR
8/18/97	Sgt. Bill Melton	NC	Gaston	Gaston Co. PD								1							1				SRO advanced training	DR
8/22/97	R.L. Davis	NC	Gaston	Cherryville HS			1																	AC

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9/19/97	Sgt W S Melton	NC	Gaston	Gaston PD						1	1		1		1								new assault regulations	KA
10/1/97	W S Melton	NC	Gaston	Gastonia PD	1																		fights-under 16-convo	PR
10/3/97	Perry E Roberts	NC	Gaston	Gaston MS														1						DC
10/8/97	Lamia Schenck	NC	Gaston	Cherryville HS stud			1			1	1													PR
10/9/97	Ofr G A Clemmer	NC	Gaston	North Gaston HS			1													1			200 membership cards	CW
10/10/97	Karen Bunch	NC	Gaston	York Chester MS	1																		fax pledge safe schl pkt	DC
10/10/97	Barbara Clinton	NC	Gaston	Arlington ES		1											1						posters	DC
10/22/97	SRO Clemmer	NC	Gaston	N. Gaston HS			1																SAVE advice/assistance	PR
10/25/97	Gene Dellinger	NC	Gaston	Gaston Cty Schls									1										We The People corr	JM
11/10/97	Allison A. Owens	NC	Gaston	Hunter Huss-Stud			1							1										FB
11/13/97	Star Edwards	NC	Gaston	North Gaston HS			1																	DC
11/21/97	Carrie Allman	NC	Gaston	N/A			1																Gaston SAVE Pro Info	KA
12/3/97	Ray Green	NC	Gaston	Bunn HS																	1			DR
12/17/97	Beverly Lovelace	NC	Gaston	Cherryville HS	1																		Safe Schls Plan Packet	DH
1/22/98	Elaine McLean	NC	Gaston	Cramerton MS	1															1			Gang Video	CS
1/26/98	Elaine McLean	NC	Gaston	Cramerton MS	1																		Where to buy Gang Video	CS
1/30/98	Greg Ratchford	NC	Gaston	Cramerton PD										1					1				WCWIO registration	DC
7/17/97	Betsy Brown	NC	Gates	Gates Co. Schools								1											Advised on candidate for SRO position	DR
7/18/97	Betsy Brown	NC	Gates									1							1				Training Dates--SRO	DR
8/8/97	Betsy Brown	NC	Gates	Gates Co. Schls								1											SRO training dates	DR
9/22/97	Betsy Brown	NC	Gates	Gates Co Schools							1										1		funding/certification info	DR
12/8/97	Dep Barry Swain	NC	Gates	Gate Co Sheriff	1																		Looking for website info	KA
1/5/98	Barry Swain	NC	Gates	SRO				1				1											Lodging, directions, agend	GW
1/7/98	Debbie Etheridge	NC	Gates	Gates Co. Schools				1						1					1				WCWIO	GW
1/23/98	Betsy Brown	NC	Gates	Gates Co. Schls	1																		Safe School Planning	JM
1/23/98	Betsy Brown	NC	Gates	Gates Co. Schls	1																		ex. of Safe Schl Plan	JM
8/18/97	Dennis Christ	NC	Graham	Graham Co. SD														1					Correction	DR
10/14/97	Shane Laughter	NC	Graham	Robbinsville MS											1								Safe schools manual	JM

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9/3/97	Ronda Kennedy	NC	Granville	Granville Co School								1							1				Info/request fror training	DR
10/3/97	Dep Winsett	NC	Granville	J F Webb															1				Youth leadership	CW
10/20/97	Dep Eddie Winesett	NC	Granville	JT Webb HS				1																FB
7/8/97	Delores Harrell	NC	Greene	Greene Co. Commissioners								1									1		Voted not to fund SRO after GCC $ runs out	JM
8/4/97	Sheriff Sauls	NC	Greene	Greene Co. Sheriff's Dpt																	1			PR
9/3/97	Officer Carter	NC	Greene	Greene Central HS	1														1				Youth Leadership consult	CW
9/9/97	Ofr Carter	NC	Greene	Green Central HS															1				Youth leadership info	CW
9/29/97	Charles Carter	NC	Greene	Greene Central HS															1				Fax DWI info	DR
9/29/97	Charles Carter	NC	Greene	Greene Co SD															1				Youth leadershop subs	CW
10/6/97	Charles Carter	NC	Greene	Greene Cent HS				1															info	GW
10/8/97	Ofr Carter	NC	Greene	Greene Central															1				Youth leadership	CW
10/14/97	Charles Carter	NC	Greene	Greene Central HS								1											materials info	DR
12/1/97	Charles Carter	NC	Greene	Greene								1											TOT- meals & lodge	CW
7/3/97	Diane Smith	NC	Guilford	Guilford Middle School										1									Transparencies & Agendas 95/96/97	CW
7/7/97	Rick Brown	NC	Guilford	Family Life Council	1																		Article relating domestic violence w/juvenile violence	JM
7/14/97	Susan Poe	NC	Guilford	Greensboro News & Record								1	1											JM
7/18/97	Diane Smith	NC	Guilford	Guilford Middle School										1									WCWIO Books/Transparencies	CW
7/18/97	Jean	NC	Guilford	Jabu Software																		1	Packet from Chief's mtg	JM
7/31/97	James Simpson	NC	Guilford	High Point HS								1												CW
7/31/97	G.L. Malloy	NC	Guilford	Ragsdale HS	1																		School Bus Safety	GW
8/5/97	Rebecca Graves	NC	Guilford	Guilford Co. Schls																		1		CW
8/6/97	Roger Rollman	NC	Guilford	United Health Care																	1			DR
8/18/97	Exceptional Children	NC	Guilford	Guilford Co. Schls															1				Display	CW
8/22/97	G.L. Malloy	NC	Guilford	Jamestown MS														1					Correction	AC
8/22/97	W.G. Richardson	NC	Guilford	NW Guilford HS																1				AC
8/27/97	Laura Webb	NC	Guilford	WFM4	1											1							Arrest Data/Sv Incidents	CW
8/27/97	Ofr L D[illegible]ompson	NC	Guilford	Greensboro PD	1																		Safe Schools	DR

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8/29/97	James Simpson	NC	Guilford	High Point PD		1																		GW
9/2/97	Larry Thompson SRO	NC	Guilford	Mendenhall MS			1																	DC
9/5/97	Sandi Eaton	NC	Guilford	Andrews HS																		1	Crisis management 12/9	DR
9/8/97	Major Graves	NC	Guilford	NC ATT Univ Police													1						Fax promo/order sheet	DC
9/8/97	Sgt Phil Wadsworth	NC	Guilford	State Hwy Patrol		1												1	1				DWI/Elem SAVE faxed	GW
9/9/97	Bob Bateman	NC	Guilford	Guilford Co School								1				1							Research studies info	JM
9/10/97	Matt Roth	NC	Guilford	SE Guilford HS		1													1					CW
9/11/97	Cubia McLean	NC	Guilford	Ferndale MS		1																	100 membership cards	DC
9/22/97	Ofr Ernest Cuthbertson	NC	Guilford	Lincoln MS	1														1				Fax DWI info/newsltr	JM
9/23/97	Cindy Stahowski	NC	Guilford	Allen MS										1									DWI Greensboro	CW
9/30/97	Jeff Arney SRO	NC	Guilford	Ben L Smith HS			1	1		1	1												SAVE registration form	KA
10/2/97	Ann Fonda	NC	Guilford	WGHP TV												1							weapons in schools	PR
10/7/97	David Robinette	NC	Guilford	Grimsley HS	1																		returned call	DR
10/7/97	Diane Smith	NC	Guilford	Guilford MS	1																		WCWIO scenarios	CW
10/20/97	James Simpson	NC	Guilford	High Point Ctrl HS	1																			FB
10/21/97	Dr Lillie Jones	NC	Guilford	Guilford Co School	1																		Safe Schools Plan Man	DC
10/28/97	Lindsay Welch	NC	Guilford	S. Guilford HS																	1		Potential Grant Source	JM
10/28/97	Officer Welch	NC	Guilford	S. Guilford HS	1																		Info on teen violence	DC
10/29/97	Monique Brooks	NC	Guilford	Lincoln MS	1		1																Safe School Planning	FB
10/29/97	James Simpson	NC	Guilford	Guilford HgPt. HS	1																			DR
10/30/97	Diane Smith	NC	Guilford	Guilford MS									1										Between Hope And Fear	KA
12/12/97	John Gravelly	NC	Guilford	private security	1																		Speaker's Bureau interest	DR
12/15/97	Diane Smith	NC	Guilford	Guilford MS	1																		NC Court system	CW
12/17/97	Melvin Paylor	NC	Guilford	Grimsley HS	1																		Safe Schls Plan Packet	DH
1/6/98	Stan Dixon	NC	Guilford	Page HS				1				1											Add'l teaching manuals	GW
1/7/98	Celeste Byrnes	NC	Guilford	Trindale ES	1																		Violence prev. chart & list	DC
1/9/98	Diane Smith	NC	Guilford	Guilford MS						1										3				CS
1/15/98	Deputy Lindsey Welch	NC	Guilford	S. Guilford HS	1																		Lssn plans for Alco kills	KA
1/15/98	Ms McLean	NC	Guilford	Ferndale MS				1								1							Stats re teens & crime	DC
1/15/98	Andrew Tobias, Ph.D.	NC	Guilford	NC A&T University	1																		Gen Ctr Package	DC
1/27/98	Stan Dixon	NC	Guilford	Greensboro PD	1																		Is Americorp legit?	DR
10/29/97	Dorice Issac	NC	Guilford	SE Guilford ME												1							"Each One, Teach One"	DH
12/8/97	Ray Parrish	NC	Guilford	NW Guilford HS	1																		We, the peop	PR

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9/11/97	Richard Hewling	NC	Halifax	SE Halifax HS				1															TOT info	DR
9/25/97	Ophelia Faison	NC	Halifax	Enfield MS			1																	DC
9/29/97	Richie Hill	NC	Halifax	SE Halifax HS															1				Youth leadership	GW
10/15/97	Jose Moreno	NC	Halifax	SE Halifax HS	1																			DC
1/26/98	Jane Burke	NC	Halifax	R. Rapids Schls		1	1													1			Save Story	KA
8/18/97	Jane Shirman	NC	Harnett	Harnett Co. Schls	1																1			DR
8/20/97	Ellen McClay	NC	Harnett	Angier Elem.																		1		DR
8/25/97	Ellen McClay	NC	Harnett	Angier Elem															1				United Healthcare Pres.	DR
8/28/97	Ms Mc Clay	NC	Harnett	Angier Elem	1																1		PHP Grant info from n'ltr	GW
9/22/97	Kenneth Middleton	NC	Harnett	Triton HS	1																		left messages	DR
9/23/97	Kenneth Middleton	NC	Harnett	Harnett Co SD																1			Save Story	DC
10/8/97	OfrficerWiseman	NC	Harnett	Dunn MS				1															info	GW
11/12/97	Dep Dean Grindle	NC	Harnett	Harnett Cty Sherrif	1							1											Misc pamphlets	FB
12/1/97	Dep Dean Grindle	NC	Harnett	N/A		1	1	1																DC
12/2/97	Dean Brindle	NC	Harnett	Coats MS				1		1	1			1									Street law series	GW
12/12/97	Dean Grindle	NC	Harnett	Harnett Central HS	1																		visit 12/17	DR
12/12/97	William Bartholomew	NC	Harnett	Harnett Central MS		1	1																	KA
1/2/98	Dean Grindle	NC	Harnett					1					1											DR
1/13/98	Heidi Wiseman	NC	Harnett	Dunn PD								1											Undstg Dspln Undr Nw Id	DC
1/26/98	Karla Conyers	NC	Harnett	S. Harnett ES										1					1				WCWIO Direction	CS
8/19/97	Officer Swanson	NC	Henderson	Hendersonville PD								1												GW
9/23/97	Jane Moses	NC	Henderson	Edneyville ES	1												1						misc pamphlets/posters	DC
9/25/97	Barbara Barker	NC	Henderson	Flat Rock MS													1						posters	DC
9/30/97	Ben McKay	NC	Henderson	Henderson Co SD															1				Fax DWI info	DC
10/27/97	Ben Bentley	NC	Henderson	Comm Mental Hlth			1																Safe Schools Plann Man	DC
10/27/97	Denny Williams	NC	Henderson	N. Henderson HS	1																		Eff. Prac Sro & Start Out	FB
1/12/98	Darryl McDowell	NC	Henderson	E. Henderson HS	1																		Safe Schools Plan Rev	JM
12/15/97	Patricia Everett	NC	Hertford		1			1		1	1		1	1			1						annual reports	DH
12/16/97	Yvonne Flood	NC	Hertford	Hertford Co Schls	1																		50 center trifold	DC
1/5/98	Brunette Parker	NC	Hertford	Hertford Middle										1					1				WCWIO Training	CW
8/20/97	Don Steed	NC	Hoke	Hoke Co. Schls		1																	7 manuals	GW
9/11/97	George Marston	NC	Hoke	W Hoke Elem		1													1				Fax reg form-Elem SAVE	DR
8/29/97	Charles Hauser	NC	Iredell	Northview Elem															1				Program info	DC
9/5/97	Eva Miller	NC	Iredell	Mulberry St School	1															1			YOEM info	DM

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10/2/97	Sharon Newton	NC	Iredell	Statesville PD	1												1	1					Crime Stoppers	DC
10/8/97	David Previtte	NC	Iredell	N Iredell HS			1																10 member cards	DR
10/27/97	Cheryl Galliher	NC	Iredell	Student								1											Incident Report	JM
1/5/98	Tammy Menster	NC	Iredell	Troutman Elem.										1					1				WCWIO	GW
11/4/97	Chuck Bulogni	NC	Jackson	SRO-Jackson PD	1					1	1	1	1					1					Promo sheets	FB
7/30/97	Bernice Rawls	NC	Johnston	Parent																	1	1		PR
8/19/97	PJ Doherty	NC	Johnston	Smithfield MS														1						AC
9/23/97	Shirley Cohen	NC	Johnston	Johnston Co Sch	1																		35 fall newsletters	DC
10/8/97	Heather Study	NC	Johnston	Safe School Ctr	1																		FA209-Save Story	KA
10/8/97	Ofr Carter	NC	Johnston	Johnston Co SD															1				Fax DWI info	DC
10/17/97	Heather Study	NC	Johnston	Safe Schools Ctr																1				DC
10/30/97	Officer Andy Jemigan	NC	Johnston	Clayton HS			1	1																GW
11/3/97	Heather Study	NC	Johnston	Safe Schools Ctr																1				DC
11/6/97	Anna Hirtle	NC	Johnston	Concerned parent								1											Saw WTVD spot on SROs	PR
11/19/97	Heather Study	NC	Johnston	Safe Schls Center																1			Video loan list	DC
12/8/97	Anna Hirtle	NC	Johnston	Concerned parent	1																			CW
12/17/97	Joyce Richardson	NC	Johnston	Cooper ES	1																		Safe Schls Plan Handout	DH
1/7/98	Dianne Kienzle	NC	Johnston	DECAF Health	1									1					1				WCWIO dates & info.	CS
1/9/98	Heather Studey	NC	Johnston	Schl Psych. SAFE																2			REAL2, DIS01	CS
1/21/98	Ann Ogburn	NC	Johnston	Johnston ES Coor	5	5							1				5						Anything useful for ES	CS
12/17/97	Peggy Smith	NC	Johnston	E. Clayton ES	1																		Safe Schls Plan Handout	DH
1/8/98	Robert M. Jones	NC	Jones	Jones Co Schls			1																Regular manual	CS
9/22/97	Tracy Carter SRO	NC	Lee	Lee Senior HS	1																		Cellular One phones info	DR
9/29/97	Mr Tracy Carter	NC	Lee	Lee Senior HS								1												DM
10/8/97	Tracy Carter	NC	Lee	Lee Sr HS													1						posters	KA
11/4/97	Tracy Carter	NC	Lee	Lee County Sch	1																		Cellular one phones	PR
1/5/98	Carlos Pearson	NC	Lee	Comm. Awareness	1		1																	CS
8/7/97	Susan Baker	NC	Lenoir	Lenoir Co Schools	1			1				1	1						1				Workshop planning	DR P
8/27/97	Susan Baker	NC	Lenoir	Lenoir Co Schools															1				Workshop planning	JM
9/4/97	Nelson Blizzard SRO	NC	Lenoir	S Lenoir HS								1											Photo fr Gov.'s SRO Day	JM
9/5/97	Gerald Roberson	NC	Lenoir	E B Fink Middle	1																		Budget/safety tie-in info	JM
9/5/97	Susan Baker	NC	Lenoir	Lenoir Co Schools	1																		Budget/safety tie-in info	JM
9/23/97	Susan Baker	NC	Lenoir	Lenoir Co Pub Sch	1																		Help manual/[illegible] schls	JM

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9/26/97	Dep Wayne Dawson	NC	Lenoir	Lenoir Co SD		1																	2 membership cards	DR
10/3/97	Lt Annette Boyd	NC	Lenoir	Kinston PD															1				fax DWI reg form	GW
10/3/97	Susan Baker	NC	Lenoir	Lenoir Co Schools															1				Fax DWI info	GW
10/14/97	Susan Baker	NC	Lenoir	Lenoir Co Public	1										1								Safe School Plans/man	DC
10/17/97	Nelson Blizzard	NC	Lenoir	South Lenoir HS	1																		NES Safe Schools Hbk	DC
12/15/97	Deree Shaw	NC	Lenoir	N Lenoir HS			1																	KA
1/5/98	Sheila Walker	NC	Lenoir	Lewis Ctr. Alt. Sch.										1					1				WCWIO-Sending 7	CW
1/7/98	Heather Price	NC	Lenoir	LeGrange Elem										1									WCWIO	CW
1/22/98	Susan Baker	NC	Lenoir	Lenoir Co. Schls								1											SRO Survey for parents	DH
8/4/97	Steven Baxter	NC	Lincoln	Lincoln Co. Sherriff's Dept																1				GW
10/3/97	Lisa Ormand	NC	Lincoln	student	1																		via Real magazine	DC
10/17/97	Addi Ward	NC	Lincoln	Lincolnton MS			1																	DC
11/18/97	Betty B. Johnson	NC	Lincoln	Lincolnton HS		1	1						1											FB
12/17/97	Max Houser	NC	Lincoln	W. Lincoln HS	1																		Safe Schls Plan Packet	DH
12/17/97	Cindy Poe	NC	Lincoln	W. Lincoln HS	1																		Safe Schls Plan Packet	DH
12/17/97	Ricky Detter	NC	Lincoln	G.E. Massey Schl	1																		Safe Schls Plan Packet	DH
12/17/97	Linda Dixon	NC	Lincoln	N. Brook ES	1																		Safe Schls Plan Packet	DH
12/17/97	Mitch Eisner	NC	Lincoln	Lincoln Co. Schls	1																		Safe Schls Plan Handout	DH
8/26/97	Cynthia Wilcox	NC	Martin	East End Elem		1													1				Elem SAVE	AC
9/15/97	Principal	NC	Martin	Martin Co Schools	1																		weapon on sch property	PR
9/22/97	Ontra Reddick	NC	Martin	Martin Co Schools											1								Weapons Laws	PR
9/22/97	Chief Lassiter	NC	Martin	Robersonville PD														1					Change of address	KA
10/21/97	Anna Chance	NC	Martin	Jamesville ES	1	1	1										1			1			Safe Schl Plan & Pamphl	DC
1/26/98	Mike Francis	NC	Martin	Martin Co. S.O.								1											Gen. questions on prgram	DR
12/16/97	Chief Tom Pruett	NC	McDowell	Marion PD							1													PR
10/30/97	Officer Blalock	NC	Meckenburg	Alex Graham MS		1																	Membership cards	KA
1/5/98	Grace Stanley	NC	Meckenburg	Bain ES	1	1	1							1					1				SAVE & WCWIO	KA
7/7/97	Grace Stanley	NC	Mecklenburg	Charlotte/Meck Schools			1																C'lotte Motor Speedway Info (SAVE)	DR
7/8/97	Dawn Orange	NC	Mecklenburg	Alex Orange's Mother														1					Added to Mailing List	GW
7/17/97	Sue Johnson	NC	Mecklenburg	Dolly Tate (TAPS)	1																		NCAAE appli[illegible]n	JB

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7/22/97	Cynthia Woods	NC	Mecklenburg	Charlotte-Meck Schools															1				Safe Schools Conf. Info	CW
7/30/97	Gary Weart	NC	Mecklenburg	Ranson Middle School																1				GW
8/1/97	Jean Granson	NC	Mecklenburg	Grandparent	1		1																Wants to Volunteer	GW
8/11/97	Dale Dixon	NC	Mecklenburg	Textile Printing	1																		6 newsletters	CW
8/12/97	Grace Stanley	NC	Mecklenburg	C'lotte/Meck Schls	1																			AC
8/12/97	Rachel Rosenfeld	NC	Mecklenburg	Derita Elem.		1																		GW
8/12/97	Rachel Rosenfeld	NC	Mecklenburg	Ranson Middle			1																	GW
8/13/97	Grace Stanley	NC	Mecklenburg	Char/Meck Schls								1												DR
8/13/97	Sharon Huffstetler	NC	Mecklenburg	Northwest School for the Arts		1	1																	GW
8/13/97	Mary Wolfe	NC	Mecklenburg	Quail Hollow Mid.			1																	GW
8/18/97	Jean Grayson	NC	Mecklenburg	Volunteer	1																			DR
8/20/97	Randy Call	NC	Mecklenburg	C'lotte-Meck PD															1					DR
8/20/97	Denise Carter	NC	Mecklenburg	Huntersville Elem	1																		Permission to copy pam.	GW
8/21/97	Officer David A. Conn	NC	Mecklenburg	J.T. Williams MS													1						1 poster each	GW
8/22/97	Gary Weart	NC	Mecklenburg	Ranson Middle														1					SAVE List	DR
8/26/97	Cynthia Woods	NC	Mecklenburg	CMS	1																		Street law Order Form	DR
8/28/97	Ms Abernathy	NC	Mecklenburg	Hickory Grove Elem		1													1					GW
8/28/97	Pat Johnson	NC	Mecklenburg	Albemarle Rd Elem		1													1					GW
8/28/97	Michael Williams	NC	Mecklenburg	UNC Charlotte	1																		Peer Tutoring/Helpers	CW
9/5/97	Annette Harper	NC	Mecklenburg	Merry Oaks Elem		1																		DC
9/8/97	Debra Morris	NC	Mecklenburg		1									1									Conflict management info	DC
9/8/97	Mark Faulkenberry SRO	NC	Mecklenburg	Ranson MS													1						Promo sheet/order blank	DC
9/9/97	Monica Pierce	NC	Mecklenburg	Olympic HS		1											1						Faxed novelty info	DC
9/10/97	Brenda Caldwell	NC	Mecklenburg	Erwin Ave Open El		1								1									Faxed info-Elem SAVE	GW
9/10/97	Bruce Nofsinger	NC	Mecklenburg	Topics Magazine	1																		National Safe Schools info	CW
9/10/97	Brenda Collwell	NC	Mecklenburg	Erwin Ave ES		1																	Fax registration form	DR
9/11/97	Diane Dufour	NC	Mecklenburg	Real Magazine	1																		Ad/full page discussion	CW
9/12/97	Brenda McKinney	NC	Mecklenburg	Pawtucket ES			1												1				Fax Char SA[illegible]fo	DC

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9/15/97	Victor Johnson	NC	Mecklenburg	Pine Wood ES		1																		DM
9/22/97	Carolyn Greene	NC	Mecklenburg	Management Sch											1								School safety legislation	PR
9/22/97	Tiffany Threatt	NC	Mecklenburg	student	1																		Teachers & sch violence	PR
9/24/97	Sharshina Haggins	NC	Mecklenburg	student?	1																			DC
9/29/97	Ofr Randy Stitt	NC	Mecklenburg	Quail Hollow MS							1												t-shirts	DM
9/29/97	Ofr Randy Stitt	NC	Mecklenburg	Quail Hollow MS								1												DM
10/2/97	Grace Stanley	NC	Mecklenburg	Bain ES	1																		letters info	DR
10/3/97	Lisa Renee Tens	NC	Mecklenburg	Garinger HS	1		1			1		1	1										Crime Stoppers	DC
10/3/97	Ofr John Gary	NC	Mecklenburg	Right Moves for Yth	1																			PR
10/3/97	Britney Jeter	NC	Mecklenburg	Vance HS	1		1																peer mediation	PR
10/6/97	Joseph Hurdt	NC	Mecklenburg	student	1																		DWI materials	CW
10/6/97	Grace Stanley	NC	Mecklenburg	Char-Meck Schls			1																chapter list for area	CW
10/6/97	Tony Morrison	NC	Mecklenburg	Institute for Health Services	1																			PR
10/7/97	Jalna Jones	NC	Mecklenburg	Barringer ES		1																		DC
10/7/97	Jessica Yang	NC	Mecklenburg	Olympic HS			1						1											DC
10/7/97	Ofr Richard Halperin	NC	Mecklenburg	Char-Meck Scls				1										1					name spelling-SRO	GW
10/10/97	Ofr C Michael Walker	NC	Mecklenburg	Randolph MS															1				Send DWI info	DC
10/10/97	Viola Ganatsiou	NC	Mecklenburg	Thomasboro ES		1																		DC
10/10/97	Christa Reynolds	NC	Mecklenburg	Garinger HS	1		1																peer mediation	DC
10/10/97	James Oglesby	NC	Mecklenburg	UNC-Charlotte	1							1				1							1-pagers	DC
10/10/97	Sheila Reinhart	NC	Mecklenburg	Sharon ES															1				CEV for Elem SAVE	CW
10/13/97	Sylvia Barkley	NC	Mecklenburg	Eastway MS	1	1																	lesson plans	DC
10/13/97	Genie Wilson	NC	Mecklenburg	W Charlotte HS	1	1	1																	CW
10/13/97	Grace Stanley	NC	Mecklenburg	Bain ES				1															training info	GW
10/14/97	Chelita Little	NC	Mecklenburg	Harding HS			1			1	1			1										DC
10/14/97	Gail Maske	NC	Mecklenburg	Harding Univ HS															1				Youth leadership	GW
10/15/97	Cindy Davis	NC	Mecklenburg	Allenbrook ES		1														1			SAVE Story	KA
10/15/97	Ofr J Herrera SRO	NC	Mecklenburg	Providence HS															1				DWI workshop videos	DR
10/17/97	Damany Mayfield	NC	Mecklenburg	Independance HS			1								1									DC
10/17/97	Mark Faulkenberry	NC	Mecklenburg	Ranson Middle		1								1										DC
10/17/97	Phyllis Schumacher	NC	Mecklenburg	WTBU								1											Time for Web Conf./ Cab	CW
10/23/97	Donyetta Hargrove	NC	Mecklenburg	Olympic HS-Stud											1									FB

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10/24/97	Lee Roberson	NC	Mecklenburg	Independence High						1	1			1										FB
10/24/97	Ralph Taylor	NC	Mecklenburg	Char. Meck Schls								1												DH
10/27/97	Sue E. Beers	NC	Mecklenburg	Butler High School	1		1	1				1					1	1		1			Misc Pamphlets	FB
10/30/97	Donna Pinkston	NC	Mecklenburg	Elem. Teacher			1																SAVE story	FB
10/31/97	Essie Shipp	NC	Mecklenburg	G T Lewis Acd Ctr			1																	
11/1/97	B.T. Leak	NC	Mecklenburg	South Charlote MS																1			Membership cards	KA
11/3/97	Pat Lenton	NC	Mecklenburg	Sedgefield Middle																1			Membership cards	KA
11/3/97	Goldia Bulluck	NC	Mecklenburg	Alex Graham MS			1													1			Membership cards	KA
11/3/97	Jeff Ruppenthal	NC	Mecklenburg	McClintock MS			1													1			Membership cards	KA
11/4/97	Goldia Bulluck	NC	Mecklenburg	Alexander Gra MS			1													1			Membership cards	KA
11/4/97	Sgt William Capers	NC	Mecklenburg	Independance HS				1																FB
11/10/97	Louise Tewon	NC	Mecklenburg	Independence-Stu						1	1	1	1	1									Misc pamphlets	FB
11/13/97	Grace Stanley	NC	Mecklenburg	Charltte-Meck Sch	1																		Safe schls: hbk for vio	DR
11/17/97	Gloria Chang	NC	Mecklenburg	Harding University	1																		e-mail address:gen addres	GW
11/24/97	Lee Le Bonde	NC	Mecklenburg	Student			1			1	1		1	1									Safe School By Design	FB
11/25/97	Michael L Williams	NC	Mecklenburg	Student			1																	CW
12/1/97	Willie Clark	NC	Mecklenburg	Charlotte			1			1	1	1												DC
12/1/97	George John	NC	Mecklenburg	Student									1											DC
12/1/97	Grace Stanley	NC	Mecklenburg	Charltte-Meck Schl								1											TOT letter faxed	DR
12/1/97	David Conn	NC	Mecklenburg	CMS	1																		Website address	DR
12/1/97	Willie Clark	NC	Mecklenburg	JC Smith Univ			1			1	1	1												DC
12/3/97	Victoria Clark	NC	Mecklenburg	NW School of Arts			1			1	1		1	1										FB
12/5/97	David Roberts	NC	Mecklenburg	Quail Hollow Elem			1																	PR
12/8/97	Teri Alaggio	NC	Mecklenburg	student	1		1			1	1		1										real mag IQ	FB
12/11/97	Grace Stanley	NC	Mecklenburg	Char-Meck Schls	1																		phone # for GREAT	CW
12/12/97	Amilia Pastina	NC	Mecklenburg	Charlotte Observer	1																		ad	CW
12/17/97	Dick Gehron	NC	Mecklenburg	People's TV Netw'k	1		1																	PR
12/17/97	Austin Obasohan	NC	Mecklenburg	Gerringer HS	1																		Safe Schls Plan Packet	DH
12/17/97	Pedro Briceno	NC	Mecklenburg	CMS	1																		Safe Schls Plan Packet	DH
12/17/97	Kim Morgado	NC	Mecklenburg	Independence	1																		Safe Schls Plan Packet	DH
12/17/97	Denise Atkinson	NC	Mecklenburg	Providence HS	1																		Safe Schls Plan Packet	DH
12/17/97	Eddie McArver	NC	Mecklenburg	Myers Park Hs	1																		Safe Schls Plan Packet	DH
12/17/97	Dr. Ralph Taylor	NC	Mecklenburg		1																		Safe Schls Plan Packet	DH

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12/17/97	Cynthia Woods	NC	Mecklenburg	Char-Meck Schools	1																		Safe Schls Plan Packet	DH
12/17/97	Sue Johnson	NC	Mecklenburg	TAPS	1																		Safe Schls Plan Packet	DH
12/18/97	Otis Reid	NC	Mecklenburg	WSOC TV			1																1st 12 pgs of SV report	PR
12/29/97	Marni Strumwasser	NC	Mecklenburg	student							1	1	1	1									real magazine	DC
1/5/98	Grace Stanley	NC	Mecklenburg	Bain Elementary										1					1				WCWIO	GW
1/6/98	Kristin Johnson	NC	Mecklenburg	Devonshire ES	1		1																Elem. Manual	DC
1/7/98	Ofr. Conn	NC	Mecklenburg	SRO										1					1				WCWIO Workshop	CW
1/8/98	Kevin Hairston (stud)	NC	Mecklenburg	Harding HS	1		1						1	1									Physical Design & Tech	CS
1/8/98	Dale Dixon	NC	Mecklenburg	Textile Printing			1																SAVE Summit	CW
1/26/98	Mark Lwing	NC	Mecklenburg	Francis Delany																			Safe School Planning Info	DH
1/26/98	Debbie Cenziper	NC	Mecklenburg	Charlotte Observer	1																		Media request for info	PR
1/27/98	Maggie Fazio	NC	Mecklenburg	Old Prov. ES		1																	Advice	DR
1/28/98	Erin Webber	NC	Mecklenburg	W. Charlotte HS			1			1	1			1									Ref by REAL Magazine	DC
1/14/98	Dr. Bill Sears	NC	Mitchell	Mitchell Co. Scls	1																		faxed Safe Schl Planning	JM
10/3/97	Van Monroe	NC	Moore	New Century MS	1																			DC
10/9/97	John White	NC	N/A	W C Friday MS			1																	CW
10/30/97	Donna Pinkston	NC	N/A	N/A		1																		DR
10/31/97	Jed Douglas	NC	N/A	Tv Production Co...			1																Info.please page @2:15	DR
11/12/97	Elisha Moore	NC	N/A	Student			1																	CW
7/21/97	Delby Manning	NC	Nash	YWCA-Rocky Mount	1	1	1													1			Elem & High School	GW
8/20/97	John Kearney	NC	Nash	Rocky Mt Senior												1								GW
9/4/97	Deputy Joe Mercer	NC	Nash	N Nash Sr High	1		1																	GW
9/17/97	John Kearney	NC	Nash		1			1		1	1												Crime Stoppers	DM
10/8/97	Marlene Skinner	NC	Nash	Coopers ES		1																		KA
10/31/97	Reuben Crumpton	NC	Nash	Sheriff's Dept	1																		Proposal for CPSU	PR
11/3/97	Jackie Battle	NC	Nash	Didn't say	1																		Promo Sheets	DC
11/13/97	Reuben M. Crumpton	NC	Nash	Nashville PD	1																		referral & info assistance	DR
11/26/97	Jim Perry	NC	Nash	Rocky Mt Schl								1											SRO finding	PR
1/7/98	Cynthia Floyd	NC	Nash	Fairview Early Chld			1							1									Pre-K Confl. Mgmt.	CS
1/15/98	Mr. Frank Lamm	NC	Nash	Spring Hope ES	1																1			JM
1/15/98	Dawn White	NC	Nash	Nash Schls																1			Eddie Eagle - gun safety	DR
8/15/97	Jacquelyn Grady	NC	New Hanove	Johnson Elem.		1																		GW

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9/2/97	Capt Smith	NC	New Hanove	New Hanover SO	1																		Cellular One	DR
9/8/97	Fred McCree	NC	New Hanove	New Hanover HS															1				Youth Leadership ?'s	CW
9/15/97	Delores Williams	NC	New Hanove	Dispute Settlement Ctr	1														1				DWI-Wilmington	DM
9/17/97	Dep McNeish	NC	New Hanove	New Hanover PD										1									DWI-Wilmington	GW
9/23/97	Tricia Keane	NC	New Hanove	Child Advocacy Commission	1		1					1					1						Misc brochures	CW
9/25/97	Janet McCumbee	NC	New Hanove	New Hanover Co Health Dept			1																50 brochures	DC
9/26/97	Fred McRae	NC	New Hanove	Lakeside School				1																GW
10/6/97	Jean Bishop	NC	New Hanove	E A Laney HS																	1		refer to DPI/SADD Conf	GW
10/6/97	Mary Kay Blake	NC	New Hanove	Lancy HS mother		1	1													1				DR
10/7/97	Dep MacNeese	NC	New Hanove	John Haggard HS										1									DWI registrations	GW
10/17/97	McNeese	NC	New Hanove	Hoggard HS			1																SAVE Registration	GW
10/21/97	Dep MacNeish	NC	New Hanove	Hogard HS											1								Safe Schools Legislation	DC
1/26/98	Deputy MacNeish	NC	New Hanove	Hoggard HS	1																		Safe Schools Act - Nov 1	JM
1/6/98	Perry Roberts	NC	Northampton	Gaston MS	1							1							1				SRO basic train info 3/98	DR
7/21/97	Joe Webb	NC	Onslow	Swansboro HS																		1	Fax RE:Q's for panel discussion on July 30	JM
8/7/97	Jimmy Jones	NC	Onslow	Richland HS								1											Q on copying brochure	GW
8/12/97	Dan Gibbs	NC	Onslow	Jamesville HS													2							GW
8/27/97	Jerry Morse SRO	NC	Onslow	Onslow Co S O	1																			DR
9/4/97	Suzy Kinder	NC	Onslow	Dixon HS	1		1																	GW
10/2/97	Charlie Joyner	NC	Onslow	Hunters Creek MS		1	1																	PR
10/8/97	Linda Kopec	NC	Onslow	Bell Fork ES	1	1																	Foundations of Demo info	DC
10/10/97	Beth Britt	NC	Onslow	teacher															1				Project Citizen info	CW
10/14/97	Jimmy Johnson	NC	Onslow	Richlands HS			1																	DC
11/17/97	Pat Bailey	NC	Onslow	Jacksonville HS			1																	DC
12/15/97	Homer Deese	NC	Onslow	Hunters Creek MS		1	1																	KA
1/20/98	Det. Tim Malfitano	NC	Onslow	Jackonville P.D.								1								3				KA
7/11/97	Leslie Anderson	NC	Orange	Adjunct Faculty									1									1	We, the People, Civic Education, Project Citizen	PR
7/25/97	Terrie Gale	NC	Orange	Chapel Hill PD								1												AC
8/6/97	Edie Kahn	NC	Orange		1													1					Newsletter/m[illegible] list	CW

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8/6/97	Lytle Brent	NC	Orange	Orange Co. Schls	1													1					Newsletter/mailing list	CW
8/15/97	Lisa Clarke	NC	Orange	Guy B. Phillips Middle	1		1					1	1				3							GW
8/15/97	Robin Clark	NC	Orange	Chapel Hill PD	1		1					1	1				3							GW
9/4/97	Mary Lee	NC	Orange	E Chapel Hill HS	1																1		School violence grant UHC	DR
9/11/97	Robin Clark SRO	NC	Orange	Chapel Hill PD	1												1						SADD-type info/100 bmpr	DC
9/12/97	Claudine Cooper	NC	Orange	Hillsborough ES		1																		DC
10/7/97	Robin Clark	NC	Orange	E Chapel Hill HS				1															Packet info	GW
10/30/97	Karen Garringer	NC	Orange	Prinicpal Fellows																		1	Wants to arrange training	DR
10/30/97	Dr Arthur Anderson	NC	Orange	Dr's for social resp			1																Save info/program info	DR
10/30/97	Karen Garringer	NC	Orange	Principal Fellows																		1	Presentation information	PR
11/3/97	Dr Arthur Anderson	NC	Orange	Dr's for Soc Res		1	1																manuals and my card	PR
11/5/97	Robert Watson	NC	Orange	Elec Profess Mag	1																		Article for web page	CW
11/12/97	Chet Preyar	NC	Orange	Asst Superintend.								1											How SRO is funded	PR
11/20/97	Kit Donner	NC	Orange	School Bus Driver	1																		Newsletter Mailing List	CW
12/16/97	Sandy Grubbs	NC	Orange	UNC Hospitals										1									Making Peace	DC
12/17/97	Raymond Cooke	NC	Orange	Orange Co. Schls	1																		Safe Schls Plan Packet	DH
1/2/98	Cindy Need	NC	Orange	Prcpls Exec Prog														1					updates/additions	DC
1/2/98	Linda Riggslee	NC	Orange	Adlsnt Preg Prev	1																		It's Your Call Project	GW
1/7/98	Dr. Charles Coble	NC	Orange	UNC-Gen Admin	1																		faxed ctr. gen. info.	DC
1/29/98	Pam Jankowski	NC	Orange	McDougel MS			1																group to pres self-empow	DR
10/15/97	Carolyn Squires	NC	Pamlico	Pamlico Co MS			1																	DC
11/12/97	Carolyn Squires	NC	Pamlico	Pamlico Cty MS			1													1			SAVE Story/CMS news...	KA
8/7/97	Ernestine McPherson	NC	Pasquotank	Student	1																			GW
8/7/97	Anita McPherson	NC	Pasquotank	Students	1																			GW
8/7/97	Anita McPherson	NC	Pasquotank	Student		1													1				SAVE Elem	GW
8/7/97	Anita McPherson	NC	Pasquotank	Northeastern HS													1							SJ
8/19/97	Anita McPherson	NC	Pasquotank	Student													1							GW
9/5/97	Miriam Noble	NC	Pasquotank	P W Moore Elem	1	1																		DC
10/24/97	Marian McGowan	NC	Pasquotank	Elizabeth City MS			1										1							GW
10/31/97	JC Cole	NC	Pasquotank	GCC Member												1							Teen Violence Statistics	DC
10/31/97	JC Cole	NC	Pasquotank	GCC Member	1																		Advisement on gun owner	DR
12/2/97	Mariah MacGowen	NC	Pasquotank	Eliz City HS-Stud			1																	KA

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9/18/97	Susan Sowers	NC	Pender	Pender Co Schls	1				1														Safe School Plans	DC
10/23/97	Lisa Burdette	NC	Pender	Penderlea School		1	1																	FB
9/18/97	Jeannie Umphlett	NC	Perquimans	Perquimans Co Sc	1				1														Safe School Plans/Survey	DM
10/2/97	Dr Randall Henion	NC	Perquimans	Perquimans Co Sc											1								Help manual/safe schls	DH
11/24/97	Jeanie Umphlett	NC	Perquimman	Perquiman Co Sch														1					Questions on surveys	CW
9/15/97	P J Barnett	NC	Person	North End ES	1																			DC
9/22/97	Ofr Todd Boycher	NC	Person	Person HS	1															1			Gangs	AC
7/9/97	Steve Jones	NC	Pitt	Ayden Middle School																	1			DR
7/10/97	Ronald Fritter	NC	Pitt	Farmville PD								1											NCASRO application	DR
8/11/97	Cindy Geronimo	NC	Pitt	Pitt Co. Schools		1													1				SAVE Elem	GW
8/18/97	Aimee Merritt	NC	Pitt	Teen Court Program-Pitt Co.						1								1						AC
8/18/97	Amy Merit	NC	Pitt	Pitt Co. Teen Court						1									1				Teen Court training dates	DR
8/18/97	Aimee Merritt	NC	Pitt	Pitt Co. Schools																1				SJ
8/20/97	Ofr. Ricky Warren	NC	Pitt	Farmville PD																1				GW
8/21/97	Shirley Harrell	NC	Pitt	ECU		1													1				Putting Elem workshop in newsletter going to 900	GW
9/2/97	Michelle Pollard	NC	Pitt	North Pitt HS	1																		Research project consult	JM
9/3/97	Tyrone Alston	NC	Pitt	DH Conley HS															1				DWI conference info	DR
9/3/97	Deputy Pollard	NC	Pitt	North Pitt HS		1													1					GW
9/8/97	Ofr Ricky Wallen	NC	Pitt	Farmville Cent HS		1								1										GW
9/8/97	Amie Merritt	NC	Pitt	Pitt Co Schools						1														GW
9/9/97	Gina Wooten	NC	Pitt	Pitt Co SD															1				Safe Schools info	CW
9/11/97	Deputy Todd	NC	Pitt	Pitt Co SD																1			Youth leadership trg	CW
9/15/97	Vicki Dixon	NC	Pitt	Wintergreen ES		1								1					1				Elem SAVE-G'ville FAX	DC
9/17/97	Becky Fuller	NC	Pitt	Falkland ES		1								1									fax Elem SAVE-G'ville	GW
9/18/97	Ann Adams	NC	Pitt	H B Sugg ES			1													1			SAVE Story	DC
9/22/97	Ricky Warren	NC	Pitt	Farmville PD				1															packet	DR
9/22/97	Ricky Warren	NC	Pitt	Farmville PD				1																GW
9/22/97	Marty Baker	NC	Pitt	Farmville PD				1																GW
10/6/97	Ofr Tyrone Alston	NC	Pitt	D H Conley HS										1									Youth leadership	CW
10/7/97	Ofr Ricky Warren	NC	Pitt	Farmville Cent HS				1						1									Confirm registration	GW
10/7/97	Colleen Grossell	NC	Pitt	J H Rose HS	1																		Safe Schools Week pkt	DC

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10/8/97	Dep E W Todd	NC	Pitt	Pitt Co SO															1				fax confirm Youth Leader	GW
10/14/97	Beverly Bland	NC	Pitt	Horton MS			1																	DC
10/17/97	Elizabeth Moye	NC	Pitt	Cox MS - AG		1																		DC
10/20/97	Judy Fredenburg	NC	Pitt	Grad. Stu ECU	1																		School Social work Info.	DR
10/23/97	Edward Moore	NC	Pitt	Pitt Co Sheriff Dept																			SRO pos impact/live tv	JM
11/4/97	Ofr G D Clark Jr	NC	Pitt	Winterville PD	1																		need copy of CW vitae	CW
11/12/97	Faye Hines	NC	Pitt	Pitt Cty Mntl Hlth			1																Example-SAVE rally	KA
11/14/97	Ricky Warren	NC	Pitt	Farmville Ctrl HS			1																SAVE ?	CW
11/25/97	Officer Ricky Warren	NC	Pitt	Farmville Cntrl HS			1																SAVE info and questions	GW
12/2/97	Cor Tyrone Alston	NC	Pitt	Pitt ConleyHS		1	1										1						Youth leader and advoc	GW
12/3/97	Officer Ritter	NC	Pitt	Farmville MS													1						Posters	CW
12/16/97	Tyrone Alston	NC	Pitt	D H Conley High	1																		Gov's page program info	DR
12/16/97	Lindsey Forde-Smith	NC	Pitt	E B Aycock MS										1					1				WCWIO manual info	GW
1/13/98	Cynthia Suggs	NC	Pitt	Greenville PD								1											undstg dspln undr nw idea	DC
1/23/98	Linday Ford-Smith	NC	Pitt	E.B. Aycock			1												1				SAVE Summit	CS
8/5/97	Mike Clayton	NC	Polk	Polk Co. Sheriff's Dept.								1												DR
9/15/97	Kim Davis	NC	Polk	Polk Co HS			1																	DC
9/18/97	Ofr Rodney Blanton	NC	Polk	Polk Co HS										1									DWI change to Asheville	DC
8/20/97	Officer Melinda Bullard	NC	Randolph	SW Randolph HS			1																	GW
9/2/97	Doug Greyshock	NC	Randolph	Asheboro PD	1		1						1										Safe Schools/LRE	DH
9/15/97	Pattie Smith	NC	Randolph	Level Cross ES		1													1				Elem SAVE-G'boro	DC
9/24/97	Diane Frost	NC	Randolph	Asheboro City Sch											1								Help manual/safe schls	DC
9/25/97	Cindy Schroder	NC	Randolph	Randolph Co Sch											1								Safe Schools info	DC
10/20/97	Angela Scott	NC	Randolph	Liberty PD							1													DC
10/23/97	Dr Dan Coble	NC	Randolph	Learning Center	1																		Transp. copies of wksp	JM
10/27/97	Dep Brian Arrington	NC	Randolph	SW Randolph MS	1															1			Drinking/weapons info	DC
12/4/97	Michelle H Caudill	NC	Randolph	Trinity HS														1					WCWIO	GW
9/22/97	Sgt Hudson	NC	Richmond	Richmd Co. S.A.	1																		Status of Cellular One	DR
1/28/98	Sgt. Edward Hudson	NC	Richmond	Leak St. School													1						buttons, stickers, posters	CS
7/18/97	Ofc. Ron Williams	NC	Robeson	Juvenile Task Force																1				GW
7/18/97	Ofc. Angela Haire	NC	Robeson	Juvenile Task Force																1				GW

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7/18/97	Ron Williams	NC	Robeson	Juvenile Task Force	1																		Faxed Video Loan List	GW
7/24/97	Georgia Willett	NC	Robeson	Red Springs PD																1				GW
8/1/97	Julian Nichols-Wilson	NC	Robeson	Robeson Co. Schl									1										Project Citizen	GW
9/5/97	Kenneth Sealey SRO	NC	Robeson	Robeson CO SD								1								1			A Day in the Life	CW
9/10/97	Star Baldwin-Rooks	NC	Robeson	Boys & Girls Home																	1		UHC grant status	DR
9/24/97	Jill Harris	NC	Robeson	Littlefield MS	1												1							DC
10/9/97	Johanna Evans	NC	Robeson	Lumberton Sr HS	1														1		1		WCWIO	CW
12/17/97	Rita Ginaine	NC	Robeson	Robeson Co. Schl	1																		Safe Schls Plan Packet	DH
12/17/97	Juanita Clark	NC	Robeson	Robeson Co. Schl	1																		Safe Schls Plan Packet	DH
1/29/98	Rita Gianine	NC	Robeson	Robeson Co Schl					1															PR
8/8/97	Nancy Hug	NC	Rockingham	Williamsburg Elementary		1																		AC
8/13/97	Nancy Heeg	NC	Rockingham	Williamsburg Ele.		1																		GW
9/22/97	Nancy Heet	NC	Rockingham	Williamsburg ES																1			Video List	DC
10/13/97	Lori Cramton	NC	Rockingham	Rockingham AIPS															1				Youth leadership hotel info	GW
10/27/97	Lori Cramton	NC	Rockingham	Rockingham Co				1						1										GW
12/3/97	Lori Cranton	NC	Rockingham	Rock Co Youth ...	1	1																		GW
1/27/98	Lori Cramton	NC	Rockingham	ALPS										1					1				WCWIO - confirm	GW
1/28/98	Doyle O'Brian	NC	Rockingham	Reidsville PD								1							1				NCASRO	DR
1/29/98	Marilyn Bullock	NC	Rockingham	D. McMicheal HS										1					1				Receipt for attending	GW
7/28/97	Courtney Garner	NC	Rowan	S. Rowan HS	1		1																	SC
8/28/97	David Earnhardt	NC	Rowan	Granite Quarry PD								1												DC
9/22/97	Lt Bobby Dellinger	NC	Rowan	NC State Hwy Ptrl															1				Fax G'boro DWI info	DC
9/22/97	Jeff Insley	NC	Rowan	Salisbury PD											1								referred to DA	DR
10/2/97	Lee Brown	NC	Rowan	China Grove MS			1																	DC
10/7/97	Amanda Goodman	NC	Rowan	East Rowan HS	1		1			1	1	1												DC
12/3/97	Steve Beaver	NC	Rowan	Corriher Lipe MS		1																		KA
12/17/97	Robert Bloodworth	NC	Rowan	Row-Salisbury Sch	1																		Safe Schls Plan Packet	DH
12/17/97	Dreisa Sherrill	NC	Rowan	W. Rowan MS	1																		Safe Schls Plan Packet	DH
12/17/97	Kenneth Sherrill	NC	Rowan	W. Rowan MS	1																		Safe Schls Plan Packet	DH
12/17/97	Tina Hall	NC	Rowan	Landis ES	1																		Safe Schls Plan Packet	DH

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12/17/97	John Willliams	NC	Rowan	Mt. Ulla ES	1																		Safe Schls Plan Packet	DH
12/17/97	Carolyn Hartung	NC	Rowan		1																		Safe Schls Plan Packet	DH
12/17/97	Don Bost	NC	Rowan	S. Rowan HS	1																		Safe Schls Plan Packet	DH
12/17/97	John Williams	NC	Rowan	Mt. Ulla ES	1																		Safe Schls Plan Packet	DH
1/5/98	Jeff Insley	NC	Rowan	SRO Administrator				1				1										1	E-mailed re Jan. 14th train	GW
1/7/98	Ofr. Tommy Lane	NC	Rowan	N. Rowan HS								1							1				fax wkshp info for Feb.	CS
1/13/98	Lyn Wilson	NC	Rowan	Isenberg ES										1					1				fax WCWIO registration	CS
1/13/98	Phil Werte	NC	Rowan	Knox MS				1											1				TCC Training	GW
1/14/98	Melanie Deal	NC	Rowan	Bostian ES										1					1				WCWIO Registration	CS
1/20/98	Amanda S. Baker	NC	Rowan	South Rowan HS			1																info for news article	DR
1/21/98	Phil Werte	NC	Rowan	Knox MS				1											1				Drug Awareness Wksp	GW
7/22/97	Sheriff Dan Good	NC	Rutherford	Rutherford Co. Sheriff's Dept								1												GW
10/3/97	Michelle Twiggs	NC	Rutherford	Dunbar ES																		1		DR
10/8/97	Michelle Twiggs	NC	Rutherford	Dunbar ES	1																		Safe Schools Week pkt	DC
11/14/97	Amy Huskey	NC	Rutherford	Chase HS													1						Posters	FB
7/2/97	Dan Grubb	NC	Sampson	Sampson Comm. College																1			Needed written consent to air videos on public access	GW
7/8/97	Hank Snyder	NC	Sampson	NCJA																		1		DR
7/18/97	Hank Synder	NC	Sampson	NCASRO								1										1	# students for 7/23	DR
9/25/97	Hank Snyder	NC	Sampson	NC Justice Academy															1				Wilmington DWI #'s	DR
10/8/97	Frank Sanders	NC	Sampson	Wallace Rose Hill HS			1													1			SAVE Story	DR
10/16/97	Officer Williams	NC	Sampson	Clinton HS											1									DC
10/28/97	G M Tew	NC	Sampson	Midway HS	1																		Safe Schools Plan Man	DC
12/1/97	Charlotte Murphy	NC	Sampson	Sampson Co Schl	1																		Character education info	PR
1/6/98	Gregory B. Rodgers	NC	Sampson	NC Justice Acad.	1							1											sent via E-mail	DC
9/4/97	April Dawkins	NC	Scotland	Scotland HS			1																	DC
9/9/97	Patrick Dwyer	NC	Scotland	Scotland HS														1					Correction to SRO list	GW
10/8/97	Chief Mike Dixon	NC	Scotland	St Andrews Presb College															1				Send DWI materials	GW

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9/9/97	Selma Eudy	NC	Stanly	New London Elem															1				Safe Schools info	CW
9/15/97	Sonja Johnson	NC	Stanly	Oakboro ES			1												1				Fax Char SAVE info	CW
9/16/97	Zelma Eudy	NC	Stanly	New London ES			1																List of nearby chapters	GW
10/6/97	Danny Bowen	NC	Stanly	Albemarle MS				1															email spring training info	GW
10/14/97	Gina Van Dyke	NC	Stanly	Richfield School		1																		GW
10/15/97	Crystal Ervin	NC	Stanly	Ridgecrest ES		1																		DC
11/20/97	Officer Danny Bowen	NC	Stanly	Albermarle MS			1																	FB
12/16/97	Sonja Johnson	NC	Stanly	Oakboro ES										1					1				WCWIO	GW
12/17/97	Leigh Hayes	NC	Stanly	Norwood ES	1																		Safe Schls Plan Packet	DH
12/17/97	Terry Griffin	NC	Stanly	W. Stanly HS	1																		Safe Schls Plan Packet	DH
12/17/97	Pat Whuley	NC	Stanly	Oakboro ES	1																		Safe Schls Plan Packet	DH
12/17/97	Debbie Johnston	NC	Stanly	Central ES	1																		Safe Schls Plan Packet	DH
12/17/97	Pamela Morton	NC	Stanly	Endy ES	1																		Safe Schls Plan Packet	DH
12/17/97	Robert Patterson	NC	Stanly	S. Stanly HS	1																		Safe Schls Plan Handout	DH
12/17/97	Jimmy Trucc	NC	Stanly	N. Stanly HS	1																		Safe Schls Plan Packet	DH
1/9/98	Ron Chellman	NC	Stanly	Stanfield ES		1																	Elem manual	CS
12/17/97	William Anderson	NC	Stanly	Millingpat ES	1																		Safe Schls Plan Packet	DH
8/11/97	Officer East	NC	Stokes	Stokes Co. S.D.								1												GW
8/25/97	Kay Collins	NC	Surry	Elkin City Schools								1												GW
10/15/97	Susan Haga	NC	Surry	Flat Rock ES		1																		DC
10/29/97	Lydia Lovell	NC	Surry	Mt. Airy City Sch		1						1											Safe School Planning	FB
12/4/97	Dep Darin Manuel	NC	Surry	North Surry HS				1																DR
1/26/98	Paul Willburn	NC	Surry	Bridges Charter	1																		Charter Schls & Safe Pl	JM
8/22/97	Kay Collins	NC	Surry	Elkin City Schools								1												DR
12/1/97	Wally Treadway	NC	Swain	Swain Co W ES	1																			DC
9/18/97	Ofr Jimmy Jones SRO	NC	Transylvania	Brevard HS								1												DC
9/19/97	Ofr Eddie Lance	NC	Transylvania	Transylvania SO				1															text	GW
10/3/97	Eddie Lance	NC	Transylvania	Rusman Elem				1											1					GW
10/16/97	Eddie Lance	NC	Transylvania	Transylvania Co SD				1																GW
10/23/97	Eddie Lance	NC	Transylvania	Trannsylvania PD													1							FB
10/28/97	Jill Menny	NC	Transylvania	Transylvania schl													1							FB
12/17/97	Dr. Tim Ellenberger	NC	Transylvania	Brevard HS	1																		Safe Schls Plan Packet	DH

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7/23/97	Nelson Smith	NC	Tyrrell	Tyrrell Co. School System								1											Sample SRO agreements	GW
11/24/97	Regina Ward	NC	Tyrrell	Tyrrell Cty Sheriff	1													1						GW
12/1/97	Regina Ward	NC	Tyrrell	Tyrrell Co Sheriff		1	1																	DC
8/12/97	Sandra Thomas	NC	Union	Union Co. S.D.	1			1											1					CW
8/13/97	Deputy Calvin Hailey	NC	Union	Forest Hills HS			1													1				SJ
8/14/97	Linda Fritz	NC	Union	Shiloh Elem.		1																		GW
8/27/97	Lieut Sandra Thomas	NC	Union	Union Co Sher Office														1						GW
9/2/97	Pat Autry	NC	Union	Union Elementary		1																		DC
9/5/97	Sandy Deskins	NC	Union	Union Co Schools	1	1												1	1				Safe Schools	CW
9/19/97	Ann Flippen	NC	Union	Prospect ES		1																		DC
10/2/97	Charlie Richardson	NC	Union	Monroe MS	1																			DC
10/2/97	Ofr William Kilgo	NC	Union	Monroe MS				1																DC
10/7/97	Ofr William Kilto	NC	Union	Monroe MS			1																	KA
10/7/97	Lt Sandra Thomas	NC	Union	Union Co SO				1																GW
10/8/97	James Rivers	NC	Union	Monroe HS			1																	DR
10/9/97	Carolyn Nichols	NC	Union	Hemby Bridge ES	1													1		1			bullies	DC
10/13/97	Tim Michael	NC	Union	Sun Valley HS			1																	CW
10/14/97	Cole Huntley	NC	Union	student			1																	DC
10/20/97	Nina Greene	NC	Union	Monroe HS-Stu											1									FB
11/14/97	Gary Waters	NC	Union	Piedmont Beh Hth	1												1						posters	DC
11/19/97	Anne Flippen	NC	Union	Prospect ES	1																			DC
11/20/97	Rochelle Leigh Carter	NC	Union	N/A	1																			FB
12/15/97	Janet Greene	NC	Union	Monroe HS								1	1										real mag IQ	DC
12/16/97	Diane Johnson	NC	Union	Union ES															1				WCWIO info	CW
12/17/97	Grace Faris	NC	Union	Piedmont MS	1																		Safe Schls Plan Handout	DH
12/17/97	Linda Fritz	NC	Union	Shiloh ES	1																		Safe Schls Plan Handout	DH
12/17/97	Carolyn White	NC	Union	Union Co. Schls	1																		Safe Schls Plan Handout	DH
12/17/97	Bill Stegall	NC	Union	Union Co. Schls	1																		Safe Schls Plan Handout	DH
12/17/97	Stan Simpson	NC	Union	Sun Valley HS	1																		Safe Schls Plan Handout	DH
12/17/97	Kevin Wimberly	NC	Union	Wingate ES	1																		Safe Schls Plan Packet	DH
1/6/98	Carolyn White	NC	Union	School system	1														1				SAFE school plan wkshp	JM
1/20/98	Lt. Sandra Thomas	NC	Union	Union Co. S.O.				1				1							1				more info	GW

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9/19/97	John Crone	NC	Unknown	Unknown											1								SRO legislation	CW
8/29/97	David Hawks	NC	Vance	Zeb Vance Elem													1							DC
9/15/97	Mr Ronald E Gregory	NC	Vance	Vance Co Schools	1				1															DC
9/18/97	Victor Fenner	NC	Vance	Southern HS											1								97 safe schools laws	JM
12/1/97	Roosevelt Greenwood	NC	Vance	Henderson MS				1																GW
7/1/97	Beckey Reed	NC	Wake	NC State														1					Add to mailing list	CW
7/2/97	Priti Ranparia	NC	Wake	Gov. Office of Substance Abuse	1																		Address & fax update	GW
7/2/97	C.J. Walters	NC	Wake	Attorney Gen. Office								1											Q's regarding SRO responsibilities for case	PR
7/3/97	Keith Raym	NC	Wake	Davis Drive Middle								1											Customize SRO brochures	CW
7/8/97	Dawn Woodie	NC	Wake	DPI															1				Character Ed. Conference	DR
7/9/97	Ronald Hearn	NC	Wake	Apex PD								1												PR
7/10/97	Rich Reiber	NC	Wake	Richard Milburn HS																	1		YOEM Grant Regulations	JB
7/11/97	Tracy Applewhite	NC	Wake	GCC								1											SRO evaluations for effectiveness	JM
7/14/97	Marcie Holland	NC	Wake	NCSU Website				1															TCC applicant	DR
7/14/97	Keith Raym	NC	Wake	Cary Police Dept																1				GW
7/14/97	Pam Samldone	NC	Wake	NCSU Human Resources				1															TCC applicant	
7/17/97	Elizabeth Taylor	NC	Wake	Arts Advocates														1					Remove from Mailing list	GW
7/17/97	Ofc. Brenda Hawkins	NC	Wake	Louisburg	1							1							1				NASRO Conference info	GW
7/17/97	Central Administration	NC	Wake	YWCA	1																		Address correction	GW
7/17/97	Tracy Applewhite	NC	Wake	GCC								1	1										Model SRO & LRE programs	JM
7/18/97	Tracey Applewhite	NC	Wake	Governor's Commission on Juvenile Justice	1																1			JM
7/21/97	State of NC	NC	Wake	Governor's Office	1																		Address correction	GW
7/21/97	Tim O'Brien	NC	Wake	Wake Forest Elementary		1																	Elem	GW
7/23/97	Jan Cr[illegible]	NC	Wake	NC Assoc. of School Admin.	1											1							Other gener[illegible]	PR

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7/24/97	Stacey Kimmel	NC	Wake	NCSU	1		1			1	1	1	1	1		1		1		1			Add to mailers; Crime Stp	CW
7/24/97	Lyndia McCulloch	NC	Wake	Governor's Office																	1			JM
8/6/97	Sara Kempin	NC	Wake	CC & SPA			1																Bumcombe Co. SAVEs	AC
8/7/97	Jean Faulk	NC	Wake	Citizen	1														1					CW
8/7/97	Don Connely	NC	Wake	US Attorney Gen										1										PR
8/11/97	Dawn Woody	NC	Wake	DPI	1																		Char. Ed./Dr. Riley HO	PR
8/11/97	Officer Little	NC	Wake	Raleigh PD																		1		
8/13/97	Diana Wells	NC	Wake					1															applicant	DR
8/18/97	Janice Frohman	NC	Wake	Nortel															1				Display on 10/4	CW
8/20/97	Betsy Stephenson	NC	Wake	Applicant				1																DR
8/20/97	Keith Raym	NC	Wake	Davis Drive Middle	1																		Think Smart Program info	GW
8/21/97	Viola Bullock	NC	Wake	NC AAs Council	1														1					PR
8/21/97	Bess Ramsey	NC	Wake		1																		How Parents ...Disruptive	PR
8/21/97	Viola Bullock	NC	Wake	NC Arts Council		1													1				Elem SAVE	GW
8/29/97	Ray Hill	NC	Wake	Maple Temple JCC		1													1					GW
9/2/97	Kate Hoppe/Lee DuKey	NC	Wake	Girl Scout Council	1																		Research design question	JM
9/3/97	Cynthia Howard	NC	Wake	DPI	1																		Dr Riley support letter	DR
9/3/97	Debbie Cromartie	NC	Wake	Open Pub Events Network	1																		School violence incident	DR
9/5/97	S Jackson	NC	Wake	Lt Gov's Office															1				DWI agenda	DR
9/5/97	Joe Stewart	NC	Wake	Gov Hunt's office	1									1									DWI	DR
9/8/97	Lt Johnny Sailes	NC	Wake	NC Hwy Patrol		1													1				DWI/Elem SAVE faxed	GW
9/8/97	Melanie Stahmer	NC	Wake	Dept of Corrections	1																			DC
9/8/97	Sandra Baker	NC	Wake	parent	1																		School violence incident	DR
9/9/97	Susan Cox	NC	Wake	Cary HS	1		1	1		1	1	1			1		1						Vid list/brochures	CW
9/9/97	Anonymous	NC	Wake		1																		School bus incident	DR
9/11/97	Sgt Stroud	NC	Wake	NC Hwy Patrol	1	1								1									Elem SAVE/DWI	GW
9/15/97	Susan Temple	NC	Wake	DPI															1				Elem SAVE	GW
9/16/97	Virginia Sharpe	NC	Wake	Gov's office	1																		Page prog applications	DR
9/16/97	David Edwards	NC	Wake	DPI	1														1				Assessment etc	DR
9/17/97	Bill Boyette	NC	Wake	Cary HS																1				DC
9/18/97	Laurie Bowers	NC	Wake																1				Character Ed info	DC
9/22/97	David McCullom	NC	Wake	Raleigh PD	1																		Juvenile code referral	DR
9/22/97	Betty Fowler	NC	Wake	Ligon MS	1		1	1			1												Crime Stopp	DC

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9/22/97	Bob Phillips	NC	Wake	Lt Gov	1							1											Info for DWI	JM
9/23/97	Wilma Hawley	NC	Wake	Garner Snr HS													1						Add to CPSV Misc	CW
9/24/97	Pat Horin	NC	Wake	NCSU	1																		Intervention strategies	JM
9/29/97	Kim Joris	NC	Wake	Gov Hwy Safety															1				Fax DWI info	CW
9/29/97	Gwen Rainey	NC	Wake	YWCA	1																		Safe schools week info	CW
9/29/97	Karen Bonneville	NC	Wake	Haven House	1																		materials/display	CW
9/30/97	Roy Anderson	NC	Wake	Cary HS																1				DC
10/2/97	Donna Bartlett	NC	Wake	NCSU student	1																		Strategies brochures	DC
10/3/97	Ofr Keith Raym	NC	Wake	Davis Dr MS	1																		Safe Schools Week pkt	DC
10/7/97	Claire Darden	NC	Wake	Olds ES	1												1						Safe Schools Week pkt	DC
10/8/97	Jane Decker	NC	Wake	Carver ES		1																		DC
10/8/97	Fred Tombaugh	NC	Wake	Creech Road ES		1																		DC
10/9/97	David Weiss	NC	Wake	Fuquay-Varina ES		1											1						6 manuals	DC
10/10/97	Anna Whitehurst	NC	Wake	Garner HS		1																	SAVE representation	DC
10/13/97	Valjean Mitchell	NC	Wake	Bugg Magnet Schl		1											1						posters	DC
10/15/97	Pauline Hardy-Evans	NC	Wake	E Garner MS													1						misc posters,buttons etc	DC
10/20/97	Jody Hall	NC	Wake	Support Our Stud.																		1	East Garner MS-Present.	DC
10/20/97	Jim Bayden	NC	Wake	Div. of Youth Svc	1																		Multiple ?'s about alt schs	FB
10/20/97	Mary Kenyn	NC	Wake	Educator			1													1				DC
10/22/97	Bill Curruthers	NC	Wake	Wake Co. School	1																		Safe School Planning	PR
10/22/97	Mary Kenyon	NC	Wake	Wake For-Roles			1																Save Story Video	FB
10/24/97	Kennetha Loonard	NC	Wake	N/A			1																	DC
10/27/97	Denise Spillman	NC	Wake	Wake Cty Soc Svc				1															?'s abuse child abuse	GW
10/27/97	Keith Raym	NC	Wake	Cary PD/davis dr				1																GW
10/27/97	Dr Arthur Anderson	NC	Wake	Dr's for social resp		1																		JM
10/27/97	Arlena Cooper	NC	Wake	Sycamore Ln MS			1																	FB
10/27/97	Miriam McLaughlin	NC	Wake	Dept. 4-H Youth	1																		8:30 - November 4th	GW
10/27/97	Officer Keith Raym	NC	Wake	Davis Drive MS								1											Can he team/bring SRO	GW
10/27/97	Dr Arthur Anderson	NC	Wake	Dr's for social resp		1																	Advisement on issue	DR
10/30/97	Amanda Rossi	NC	Wake	N/A		1																	Gangs, Media, Weapons	DC
10/30/97	Wayne Wallace	NC	Wake	UCC						1	1		1	1									Misc Pamphlets	FB
11/3/97	Michele Cohan	NC	Wake	N/A								1											SRO information	PR
11/3/97	Gibby Harris	NC	Wake	YWCA	1																			TR
11/4/97	Michelle Cotton	NC	Wake	GCC								1											SRO info	DR

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11/5/97	Shirley Britt	NC	Wake	Grandparent			1	1		1	1		1	1									Promo sheets	CW
11/5/97	Kathy Stegar	NC	Wake	Concerned Parent		1														1			SAVE STORY	CW
11/5/97	Margie Fowler	NC	Wake	North Garner MS			1													1			SAVE STORY	CW
11/5/97	Mary Kenyon	NC	Wake	Wake Forrest-Rol	1		1																Community kit contents	GW
11/5/97	Julian Elliot	NC	Wake	from wtvd phone bk																			Annual report	DR
11/5/97	Annonymous	NC	Wake	WTVD phone bank	1																			JM
11/5/97	Annonymous	NC	Wake	WTVD phone bank	1											1							Teen Violence	DC
11/5/97	Annonymous	NC	Wake	from WTVD ph bnk	1																		consumer report	DR
11/5/97	Annonymous	NC	Wake	WTVD phone bank	1																		elderly alone, gangs ...	DR
11/6/97	Frankie Ray	NC	Wake	School Board	1																		Elem firearm possession	PR
11/7/97	Frankie Ray	NC	Wake	NC School Board	1																		Drug Name on Program	CW
11/11/97	Dr Janice Petersen	NC	Wake	Office of Govenor			1																Link SAVE and NCCN	JM
11/12/97	Susan Cox	NC	Wake	Cary HS	1															1				DC
11/14/97	David Jones	NC	Wake	GCC								1											# of SRO's in NC ...	JM
11/14/97	Steve Jones	NC	Wake	Broughton HS																	1		looking for $ for SAT/ ISS	DR
11/24/97	Keith Raym	NC	Wake	Cary PD	1																		Service learn/pro. ideas...	CW
11/24/97	Sara Kempin	NC	Wake	Crime Ctrl Public...															1				DWI workshop handouts	CW
11/24/97	Joanne Mc Daniel	NC	Wake	CPSV	1																		Duplin survey questions?	DH
11/26/97	Emily Gale	NC	Wake	Student	1		1			1	1						1						Misc phamplets	FB
12/1/97	Keith Taylor	NC	Wake	NBC -17				1																PR
12/1/97	Pam Holland Deardorf	NC	Wake	Youth Advocacy	1																		General info via phone	PR
12/1/97	Fred Hartman	NC	Wake	Govenor's Office								1												DH
12/1/97	Grover Bridges	NC	Wake	Dept of Public Instr	1																		Alternative schools	PR
12/1/97	Evonne Simmons	NC	Wake	WRAL-TV	1																		Media reqt/ KY incident	PR
12/1/97	Pam Holland-Deardorf	NC	Wake	Youth Advocacy	1																			PR
12/1/97	Keith Taylor	NC	Wake	NBC-17				1																PR
12/3/97	Heather Study	NC	Wake	Safe Schools Ctr																1				FB
12/4/97	Mary Kenyon	NC	Wake	Wake For-Rolesvil	1												1							KA
12/4/97	Debbie Black	NC	Wake	HOSA																			Exhibit at conference	CW
12/5/97	Terrie Fontenot	NC	Wake	Prnt Davis Dr. MS	1																		advice re son	PR
12/8/97	Avion Simons	NC	Wake	WRAL-TV	1																			DR
12/8/97	Barbara Sherman	NC	Wake		1		1																	KA
12/11/97	A M Sain	NC	Wake	Iman School		1													1	1			WCWIO flyer	CW
12/11/97	Sara Davis Walker	NC	Wake	Fuller ES		1													1				WCWIO flyer	CW

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12/16/97	Lynn Lyle, Counselor	NC	Wake	Powell ES	1									1					1				WCWIO	CW
12/17/97	Keith Raym	NC	Wake	Davis Drive MS				1																GW
1/2/98	Shelia Bazemore	NC	Wake	Pull the Plug	1																		Center Address	GW
1/6/98	Ofr. Steven Jones	NC	Wake	Raleigh PD										1					1				WCWIO registration	
1/6/98	Ofr Gilbert	NC	Wake	Apex PD/Apex HS								1							1				SRO Basic training	DR
1/7/98	Tabitha Smith	NC	Wake	Ligon MS - parent	1														1				consultation info	PR
1/7/98	Carole Beaumont	NC	Wake	CHRT	1									1									Making peace pamphlet	DC
1/8/98	Keith Raym	NC	Wake	Davis Dr. MS										1					1				WCWIO	GW
1/8/98	Carol Beaumont	NC	Wake	NC Med Soc Foun	1		1	1						1										CS
1/8/98	Kerrie Gray	NC	Wake	Girls Courts		1										1								JM
1/14/98	Sherry Hunter	NC	Wake	Police Dept.										1					1				WCWIO for 11 officers	CS
1/14/98	Ofcr. TJ Keith	NC	Wake	SE Raleigh HS	1		1															1	spkr to schl re SAVE	DR
1/14/98	Keith Raym	NC	Wake	Davis Dr. MS				1															Banner to use	GW
1/15/98	Cecil Banks	NC	Wake	Gov's Offc	1																		Info on Schl Vio Legislat	DH
1/16/98	Sally Phillips	NC	Wake	Fuquay-Varina HS	1									1									?WCWIO still open	CS
1/16/98	Carrie Gray	NC	Wake	Pines of Carolina												1							Schl Vio Stats	JM
1/20/98	Rebecca Lee	NC	Wake	re: Conn Elem stu	1																		Gen Ctr Info	KA
1/20/98	Sally Phillips	NC	Wake	Fuquay-Var HS										1									WCWIO	CW
1/21/98	Craig Forsythe	NC	Wake	NCSU	1																		Internal Audit on Temps	CW
1/22/98	Maureen Atta	NC	Wake	Lt. Gov.'s Office	1																		Teacher Contacts	JM
1/22/98	Columbus Presley	NC	Wake	Parent								1		1									Gen. Information	CS
1/22/98	Gayle Erdhein	NC	Wake	Richard-Milburn HS										1						1			Peer Mediation Video	CS
1/22/98	Lisa Blackburn	NC	Wake	Cary HS	1																		Concerned Parent	CW
1/22/98	Gary Kerney	NC	Wake	Div. Youth Service	1														1				Suspensions by County	CS
1/26/98	Columbus Pressley	NC	Wake	Parent	1																		Vio. on stdnts by tchers	PR
1/29/98	Jilma Shackleford	NC	Wake	Subst Abuse Serv			1					1							1				Nat'l Conference	KA
1/30/98	Sandy Cook	NC	Wake	Newspprs in Edn	1																		Schl Imprvmnt Initiative	DC
1/30/98	Jennifer Brown	NC	Wake	NCSU										1								1	spkg on conflict manage	GW
9/4/97	Tracy Dunbar	NC	Wake	NCSU	1																		Youth for Justice $ info	CW
9/12/97	Jackie Schaening	NC	Wake	NCSU		1													1				Elem SAVE info-campus	CW
10/2/97	Cassie Vogel	NC	Wake	WTVD TV															1				Fax Char Ed info	PR
10/7/97	Keith Raym	NC	Wake	Davis Dr MS												1							school violence	JM

Center for the Prevention of School Violence
North Carolina Information Requests 1997-1998 Fiscal Year

DATE	NAME	STATE	COUNTY	AGENCY	GEN INFO	ELEM SAVE	SAVE	TCC	SS PLAN	TEEN COURT	STUDENT CRT	SRO	LRE	CONF RES	LAWS	STATISTICS	NOVELTIES	MAILING LIST	CONFER/WKSP	VIDEOS	GRANT INFO	SPEAKER/MTG	OTHER	PERSON
9/12/97	Tonya Suitt	NC	Warren	Warren Co Schools	1												1						Misc Brochures	CW
11/7/97	Patricia Boyd	NC	Warren	Warren Co HS	1																		EC Info	PR
12/2/97	Patricia Boyd	NC	Warren	Warren Cty HS																			SAVE order form	FB
7/24/97	Wayne Sawyer	NC	Washington	Plymouth PD			1													1				DR
8/20/97	Wayne Sawyer	NC	Washington	Plymouth HS			1																	DR
9/3/97	Sgt Wayne Sawyer	NC	Washington	Plymouth HS	1														1				Youth Leader trng info	CW
9/22/97	Sgt Wayne Sawyer	NC	Washington	Plymouth HS															1				Fax DWI info	PR
9/23/97	Irene Bennett	NC	Washington	parent	1																		Pamphlet-gangs	DC
10/15/97	Jeff Swain	NC	Washington	Wash Co Union Sc	1							1								1			Safe Schools packet	DC
11/17/97	Christy Jones	NC	Washington	Eddie Eagle	1																		Violence Police Center	DR
1/9/98	George Jakeman	NC	Washington	Plymouth HS	1																		pln/cnstrct safe schl	DC
11/21/97	Annette Powell	NC	Watauga	Cove Creek School		1	1																	DC
1/6/98	Ron Kerley	NC	Watauga	Watauga HS	1																		Gov's DWI Workshop Info	KA
8/21/97	Carey Winders	NC	Wayne	Wayne Co. SD								1									1			PR
9/9/97	Sher Carey Winders	NC	Wayne	Wayne Co SD								1											SRO funding info	JM
9/22/97	Dave Thomas	NC	Wayne	Wayne Co Pub Sch					1															DH
9/23/97	Ofr Theresa Smith	NC	Wayne	Goldsboro PD	1																		YOEM info	DM
10/27/97	Sharon Britt	NC	Wayne	Willie M			1																	FB
10/28/97	Sharon Britt	NC	Wayne	Willie M											1								Legislation	JM
11/13/97	Teresa Smith	NC	Wayne	Goldsboro PD		1	1	1										1					Gen Pkg-Website	GW
11/18/97	Theresa Smith	NC	Wayne	Goldsboro PD			1																Physical des & video list	FB
1/23/98	David Thomas	NC	Wayne	Wayne Co. Schls	1																		ex. of Safe Schl Plan	JM
1/28/98	Dave Thomas	NC	Wayne	Dir. of Safety	1																		Protocol	JM
9/23/97	Ofr John Pardue	NC	Wilkes	Wilkes Co PD															1				Fax DWI info	DC
7/16/97	Hilton Best	NC	Wilson	Wilson Co. Sherrifff's Office								1							1				NASRO Conference Reg.	GW
8/8/97	Hilton Best	NC	Wilson	Wilson Co. Sheriff's Dept			1																How to start a SAVE	DR
8/12/97	Jim Howard	NC	Wilson	Fike HS			1																	GW
9/15/97	Dep Jim Howard	NC	Wilson	Fike HS			1													1			100 SAVE member cards	CW
9/16/97	Hilton Best SRO	NC	Wilson	Hunt HS			1													1			Reg form and video	DC
10/14/97	Don Holt	NC	Wilson	Wilson Co Scls				1						1									no textbooks	GW

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North Carolina Information Requests 1997-1998 Fiscal Year

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10/15/97	James Howard	NC	Wilson	Fike HS	1																		Safe schl plan/design	DR
10/17/97	Diane Pridgen	NC	Wilson	Springfield MS	1																			DC
1/26/98	Amy High	NC	Wilson	Vinson-Bynum ES										1					1				WCWIO Directions	CS
8/6/97	Dawn Purdue	NC	Yadkin	Yadkin Co. Sheriff													1							GW
10/10/97	Christa Myers	NC	Yadkin	Forbush HS			1																	DC
1/7/98	Sara McCall	NC	Yadkin	County Schools	1														1				Info from Safe Sch wkshp	JM
1/22/98	Linette Coble	NC	Yadkin	Yadkin Co. Schls										1					1				WCWIO Directions	CS
10/14/97	Rick Tipton	NC	Yancey	East Yancey MS											1								Safe Schools info	DC
7/18/97	Dana Bridges	NC																	1				Safe Schools Conference	GW
8/14/97	Jeff Swain	NC					1																	DR
8/27/97	Hampton Inn	NC			1																		Address change	GW
9/3/97	Jane O'Brien	NC				1													1				Faxed Elem SAVE flyer	DC
9/25/97	Carol Ann Tucker	NC			1																		Advised re presentation	DR
1/15/98	Rubin Crumpton	NC			1																		NC Sheriff's Assoc Ph #	KA
	Total Requests from North Carolina: 1153				414	140	224	82	9	38	40	147	37	105	35	20	75	43	190	80	28	31		

Center for the Prevention of School Violence
North Carolina Meetings and Presentations – Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials (# of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .23 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
7/17/97	NCSU/CE&P			1					Youth Out of the Education Mainstream	Office	NC	3	1	0	5	$0	0	$0	$0	N/A	PR	JB AW		
7/18/97	State Board of Education			1					NC School Improvement Panel	Chapel Hill	NC	1	1	0	40	$0	70	$0	$16	Statewide	PR			
7/18/97	Center			1					Youth Out of the Education Mainstream Evaluation meeting	Office	NC	1	1	0	3	$0	0	$0	$0	N/A				JM
7/21/97	NCSU/CE&P			1					Youth Out of the Education Mainstream	Office	NC	1	1	0	2	$0	0	$0	$0	N/A	PR			
7/21/97	Columbus County Schools		1	1	1				School Bound School Resource Officer presentation	Whiteville	NC	1	1	1	25	$200	40	$0	$9	Columbus County				DH
7/22/97	NCSU/CE&P			1					Grant Writing	Office	NC	2	1	0	3	$0	0	$0	$0	N/A	PR			JM
7/23/97	NC Justice Academy						1		Advanced School Resource Officer Training	Salemburg	NC	1	1	1	26	$260	142	$0	$33	Statewide	PR			
7/23/97	4-H/NC Youth Issues	1							Town Hall Meeting	Raleigh	NC	1	1	0	850	$0	15	$0	$3	Statewide				DH
7/24/97	Charlotte-Mecklenburg Schools				1				Character Ed/Teens, Crime and the Community	Charlotte	NC	1	1	1	25	$250	300	$0	$69	Charlotte/Meck	PR			
7/24/97	NC Assoc. of Alternative Educators				1				Panel Discussion	Raleigh	NC	1	1	1	30	$0	20	$0	$5	Statewide	PR			
7/27/97	National Association of School Resource Officers							1	Opening Reception	Greensboro	NC	6	1	1	500	$1,000	370	$0	$85	National	PR	DR JB	CW AC	JM DH LM
7/27/97	National Association of School Resource Officers Conference (7/27-8/1)	1							Display	Greensboro	NC	1	6	0	500	$7,500	185	$0	$43	National	PR	DR JB	CW AC	JM DH LM
7/28/97	National Association of School Resource Officers							1	General Session	Greensboro	NC	3	1	0	500	$0	185	$0	$43	National	PR	DR	CW	
7/28/97	National Association of School Resource Officers				1				Emergency Management	Greensboro	NC	1	1	2	184	$1,840	185	$0	$43	National		DR		
7/29/97	National Association of School Resource Officers				1				Emergency Management	Greensboro	NC	1	1	3	276	$2,760	185	$0	$43	National		DR		
7/29/97	NC Sheriff's Association				1				Annual Meeting	Atlantic Beac	NC	1	1	1	75	$750	300	$100	$169	Statewide	PR			
7/30/97	DPI Safe Schools Conference	1							Registration	RTP	NC	1	1	0	350	$0	30	$0	$7	Statewide				DH
7/30/97	DPI Safe Schools Conference				1				Alt. Ed. Program (YOEM)	RTP	NC	1	1	1	40	$120	30	$0	$7	Statewide		JB		
7/30/97	DPI Safe Schools Conference				1				Research Presentation	RTP	NC	2	1	1	40	$500	30	$0	$7	Statewide				JM DH
7/30/97	National Association of School Resource Officers				1				School Resource Officer/Adm. Relationships	Greensboro	NC	1	1	1	92	$750	185	$0	$43	National				JM
7/30/97	National Association of School Resource Officers				1				Classroom Management	Greensboro	NC	1	1	1	92	$920	185	$0	$43	National			CW	
7/30/97	National Association of School Resource Officers				1				Emergency Management	Greensboro	NC	1	1	1	92	$920	185	$0	$43	National		DR		
7/30/97	DPI Safe Schools Conference					1			Display (7/30-7/31)	RTP	NC	3	2	0	350	$2,000	30	$0	$7	Statewide	PR		SC	DH
7/31/97	DPI Safe Schools Conference				1				Elementary Students Against Violence Everywhere	RTP	NC	1	1	1	40	$200	56	$0	$13	Statewide		GS		
7/31/97	DPI Safe Schools Conference				1				Students Against Violence Everywhere - Middle/HS	RTP	NC	1	1	1	40	$200	56	$0	$13	Statewide		MW		

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Center for the Prevention of School Violence
North Carolina Meetings and Presentations – Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials (# of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .23 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
7/31/97	DPI Safe Schools Conference				1				We Can Work It Out	RTP	NC	1	1	1	40	$200	56	$0	$13	Statewide		DS		
7/31/97	DPI Safe Schools Conference				1				Safe School Climate	RTP	NC	1	1	1	40	$400	56	$0	$13	Statewide		DR		
7/31/97	National Association of School Resource Officers				1				Classroom Management	Greensboro	NC	1	1	3	276	$2,760	185	$0	$43	National			CW	
7/31/97	National Association of School Resource Officers				1				SRO/Adm. Relationships	Greensboro	NC	1	1	4	368	$3,000	185	$0	$43	National				JM
8/1/97	National Association of School Resource Officers				1				SRO/Adm. Relationships	Greensboro	NC	1	1	1	92	$750	185	$0	$43	National		DR		JM
8/1/97	National Association of School Resource Officers				1				Classroom Management	Greensboro	NC	1	1	2	184	$1,840	185	$0	$43	National			CW	
8/3/97	Department of Public Instruction	1							Exceptional Child Conference	Greensboro	NC	1	3	1	1100	$1,000	185	$225	$268	Statewide	PR			
8/4/97	North Carolina Association of Educators						1		Family,School, Community Partnerships	Raleigh	NC	1	3	0	30	$0	10	$0	$2	Statewide		JB		
8/4/97	Juvenile Justice				1				Summer Conference	Jackson, MS	NC	1	1	1	75	$0	0	$0	$0	Nationwide	PR			
8/5/97	Governor's Crime Commission			1					Juvenile Justice Committee Meeting	GCC/Raleigh	NC	1	1	0	20	$0	10	$0	$2	Cumberland, Pasquotank	PR			
8/5/97	YWCA-Week Without Violence			1					Organizational meeting	Raleigh	NC	1	1	0	10	$0	10	$0	$2	Wake				DH
8/6/97	Duplin CO Ag Extension				1				Presentations	Kenansville	NC	2	1	2	45	$30	160	$0	$37	Duplin		DR		
8/6/97	North Carolina Justice Academy						1		SRO Advanced Training	Salemburg	NC	1	1	1	26	$3,200	142	$0	$33	Sampson, Duplin, Buncombe, Robeson, New Hanover, Dare, Orange	PR			
8/7/97	Kings Mountain City Schools				1				HS/MS Alternative School	Kings Mtn	NC	1	1	1	180	$1,800	370	$0	$85	Kings Mountain	PR			
8/11/97	Justice Academy							1	SRO Training	Salemburg	NC	1	1	1	30	$300	142	$0	$33	Sampson,Guilford, Scotland, Chatham, Pasquotank, Anson, Stanly, Wake, Currituck, Onslow, Pender,Asheboro city		DR		
8/13/97	Governor's Crime Commission			1					Planning for Southern Coalition	GCC	NC	1	1	0	10	$0	10	$0	$2	NONE	PR			
8/13/97	North Carolina Justice Academy				1				SRO Basic Training	Salemburg	NC	2	1	1	27	$30	140	$0	$32	Sampson,Guilford, Scotland, Chatham, Pasquotank, Anson, Stanly, Wake, Currituck, Onslow, Pender,Asheboro city		DR		DH
8/15/97	Justice Academy				1				School Resource Officer Training	Salemberg	NC	1	1	1	30	$300	142	$0	$33	Sampson,Guilford, Scotland, Chatham, Pasquotank, Anson, Stanly, Wake, Currituck, Onslow, Pender,Asheboro city		DR		
8/15/97	Charlotte/Mecklenburg PD				1				General Presentation	Charlotte	NC	1	1	1	32	$320	330	$0	$76	Mecklenburg CO		DR		
8/18/97	Guilford Co Schools						1		Exceptional Child Workshop	Greensboro	NC	2	1	1	350	$500	185	$0	$43	Guilford			CW GW	

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Center for the Prevention of School Violence
North Carolina Meetings and Presentations – Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials (# of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .23 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
8/19/97	YWCA			1					Safe Schools Planning Meeting	Raleigh	NC	1	1	0	7	$0	10	$0	$2	Wake			CW	
8/20/97	NC Justice Academy				1				Advanced SRO Training	Salemberg	NC	1	1	1	25	$120	142	$0	$33	Nash,Brunswick, Dare, Forsyth, Johnston, Harnett, Durham, Sampson, Alamance,		DR		
8/22/97	Kannapolis City Schools		1						United Healthcare Presentation	Kannapolis	NC	1	1	1	5	$0	280	$0	$64	Kannapolis	PR			
8/22/97	CASU/SAVE					1			SAVE Outing	Rock Hill, SC	NC	1	1	1	2000	$100	350	$14	$95	Mecklenburg, Union, Gaston		DR		
8/23/97	Chavis Heights					1			Booth	Raleigh	NC	1	1	1	25	$500	10	$0	$2	Wake				LM
8/25/97	Institute of Government			1					Civic Education	Chapel Hill	NC	1	1	0	25	$0	60	$0	$14	Statewide	PR			
8/25/97	Governor's Crime Commission			1					Planning for Southern Coalition	GCC	NC	1	1	0	10	$0	10	$0	$2	Statewide	PR			
8/26/97	YWCA			1					Safe Schools Planning Meeting	Raleigh	NC	1	1	0	6	$0	10	$0	$2	Wake			CW	
8/26/97	NC Community College System			1			1		President Lancaster	Raleigh	NC	1	1	1	2	$10	9	$0	$2	NONE	PR			
8/27/97	NC Association of Alternative Educators			1					Organizational planning mtg	Raleigh	NC	1	1	0	10	$0	15	$0	$3	Statewide		JB		
8/27/97	US Attorney's Office				1				COPs Training	Southern Pin	NC	1	1	1	160	$2,000	142	$0	$33	Statewide	PR			
8/28/97	NC Partnership for Character Education			1					Fall Meeting	UNC-Greens	NC	1	1	1	7	$70	185	$0	$43	Wake, Cumberland, Char-Mecklenburg	PR			
8/28/97	CPSV/United Health Care				1	1			Grant Award Presentation	Yanceyville,	NC	1	1	1	750	$100	150	$0	$35	Caswell, Granville,Harnett		DR		
9/4/97	Guilford County Schools			1					Web Forum-Internet	Smith High S	NC	1	1	1	5	$0	185	$0	$43	Guilford				DH
9/4/97	Cabarrus County Schools			1					Web Forum-Internet	Northwest C	NC	1	1	1	3	$20	320	$0	$74	Cabarrus				DH
9/4/97	Lenoir County Schools						1		SRO workshop	Kings Resta	NC	1	1	1	20	$222	171	$0	$39	Lenoir				JM
9/5/97	Harnett County Schools			1					Web Forum-Internet	Dunn MS	NC	1	1	1	10	$75	230	$0	$53	Harnett				DH
9/5/97	Pitt County Schools/ CM Eppes Middle School			1					Web Forum-Internet	C M Eppes	NC	1	1	1	15	$100	185	$0	$43	Pitt				DH
9/8/97	YWCA			1					YWCA Week w/o Violence Planning	Raleigh	NC	1	1	0	12	$0	10	$0	$2	Wake			CW	
9/8/97	Learning Link			1					Web links	RTP-UNC T	NC	2	1	1	3	$0	40	$0	$9	statewide	PR			DH
9/8/97	UNC Carolina Seminar			1					Seminar on aggressive and violent youth	Nat Humaniti	NC	1	1	1	10	$0	55	$0	$13	n/a	PR			
9/9/97	NC Association of School Resource Officers			1					Board meeting	High Point	NC	1	1	0	11	$0	195	$0	$45	Pitt, Mecklenburg, Guilford, Forsyth, Sampson, Rockingham		DR		
9/9/97	Governor's Crime Commission			1					Web conferencing forum	Raleigh	NC	4	1	1	15	$150	15	$0	$3	Cabarrus,Guilford,Harnett, Pitt	PR			JM DM LM
9/10/97	Girl Scouts			1					Evaluation-Resolve & solve	Raleigh	NC	1	1	0	2	$0	15	$0	$3	N/A				JM
9/10/97	Pull the Plug			1					Fall Planning Meeting	Raleigh	NC	1	1	0	20	$0	10	$0	$2	Wake			GW	
9/11/97	Open Net/Agency for Telecommunication		1						YOEM TV Show	Raleigh	NC	2	1	1	5	$1,800	10	$0	$2	statewide (TV Audiance)	PR			JM

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Center for the Prevention of School Violence
North Carolina Meetings and Presentations – Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials ($ of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .23 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
9/12/97	Havelock MS				1				United Health Care Grant presentation	Havelock	NC	1	1	1	6	$40	220	$60	$111	Craven		DR		
9/12/97	New Bern HS				1				SAVE presentation	New Bern	NC	1	1	1	20	$250	200	$60	$106	Craven		DR		
9/16/97	Center						1		Safe Schools:It's Elementary	Charlotte	NC	5	1	1	30	$850	912	$373	$583	Buncombe, Caldwell, Cleveland, Forsyth, Gaston, Iredell, Mecklenburg, Stanly	PR	DR	CW GW	JM
9/17/97	NCJA				1				SRO Basic	Salemburg	NC	1	1	1	27	$270	138	$280	$312	Onslow, Union, Johnston, Franklin, Pitt, Cumberland, Burke, Forsyth, Durham, Orange, Gaston, Lenoir, Wake, Robeson		DR		
9/17/97	Center						1		Safe Schools:It's Elementary	Raleigh	NC	4	1	1	15	$500	40	$400	$409	Alamance, Durham, Granville, Johnston, Wake	PR	DR	AC	JM
9/18/97	Center						1		Safe Schools:It's Elementary	Greenville	NC	4	1	1	80	$1,090	600	$0	$138	Bertie, Carteret, Craven, Currituck, Duplin, Edgecombe, Lenoir, Martin, Nash, Onslow, Pitt		DR	CW GW	JM
9/18/97	Guilford Middle School						1		We Can Work It Out-Teacher training	Greensboro	NC	2	1	1	60	$900	180	$160	$201	Guilford			CW GW	
9/19/97	Center						1		Safe Schools:It's Elementary	Greensboro	NC	4	1	1	40	$1,661	760	$16	$191	Cabarrus, Chatham, Davidson, Davie, Durham, Forsyth, Guilford, Orange, Randolph, Rockingham, Yancey		DR	CW GW	JM
9/19/97	Center/Lt Gov Office						1		Lt Gov SRO DWI legislation workshop	Asheville	NC	2	1	0	35	$875	1032	$130	$367	Statewide	PR			DH
9/23/97	Empowering Purpose			1					Conference Planning	Raleigh	NC	1	1	0	20	$0	10	$0	$2	Wake, Iredell, Forsyth			GW	
9/24/97	NCSU Tech Expo					1			Technical Expo	Raleigh	NC	1	1	1	300	$50	10	$0	$2	n/a				DH
9/24/97	NC State University					1			Employee Appreciation Day	Raleigh	NC	1	1	0	1000	$1,500	10	$0	$2	n/a			CW	
9/24/97	CPSV/Youth Out of the Education Mainstream Conference	1							Year-end Showcase	Raleigh	NC	11	2	0	50	$9,500	300	######	$1,069	Currituck,Mecklenburg, Wake, Rockingham, Cleveland, New Hanover, Robeson	PR	DR JB KA DM	CW GW AC	JM LM DH
9/25/97	CPSV/ Youth Out of the Education Mainstream						1		YOEM Eval Presentation	Raleigh	NC	9	1	1	50	$100	150	$0	$35	Currituck,Mecklenburg, Wake, Rockingham, Cleveland, New Hanover, Robeson	PR	DR JB DM	CW GW	JM DH LM
9/25/97	Center/Lt Gov Office		1				1		Lt Gov SRO DWI legislation workshop	Raleigh	NC	4	1	1	50	$1,800	40	$500	$509	Statewide	PR	DR	CW GW	
9/26/97	Governor's Crime Commission Juvenile Justice Committee				1				YOEM Evals	Raleigh	NC	3	1	1	20	$200	15	$0	$3	N/A	PR	JB		JM
9/26/97	Southern Guilford High School			1					SAVE Rally	Greensboro	NC	1	1	1	500	$300	180	$0	$41	Guilford	PR			

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Center for the Prevention of School Violence
North Carolina Meetings and Presentations – Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials (# of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .22 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
9/29/97	Center				1				CPSV Annual Advisory Board Meeting	Raleigh	NC	12	1	1	20	$800	30	$350	$357	Wake,Pitt,Forsyth,New Hanover, Orange, Watagua Lee,Cabarrus, Harnett	PR	DR JB DM KA	CW GW AC DC	JM DH LM
9/30/97	Character Education Meeting			1					Character Ed Partnership	Fayetteville	NC	1	1	0	6	$0	109	$0	$25	Wake, Cumberland, Char-Mecklenburg				JM
10/1/97	Charlotte Motor Speedway SAVE Event					1			SAVE Appreciation Day	Charlotte	NC	4	1	0	150	$50	560	$0	$129	Mecklenburg	PR	DR	CW GW	
10/1/97	Center/Lt Gov Office						1		Lt Gov SRO DWI legislation workshop	Charlotte	NC	4	1	1	100	$1,500	720	$570	$736	Statewide	PR	DR	CW GW	
10/2/97	Public Schools of NC			1					Safe School Planning	Raleigh	NC	4	1	1	0	$0	15	$0	$3	N/A	PR			
10/2/97	Governor's Crime Commission: Juvenile Justice Specialists				1				Youth Out of the Educ Mainstream Presentation	Raleigh	NC	1	1	1	15	$150	5	$0	$1	Statewide				JM
10/2/97	International Visitors Council				1				African visitors on Civic Education	Raleigh	NC	2	1	1	15	$150	4	$0	$1	N/A	PR			JM
10/2/97	Guilford Middle School						1		We Can Work It Out-Teacher Training	Greensboro	NC	2	1	1	60	$50	180	$28	$69	Guilford			CW GW	
10/3/97	Fran Haga			1					Youth Out of the Education Mainstream	Raleigh	NC	1	1	0	2	$0	0	$0	$0	N/A				JM
10/3/97	Southern Juvenile Justice Coalition	1							Annual Conference	Raleigh	NC	2	3	1	150	$1,500	0	$0	$0	N/A	PR			
10/4/97	Nortel/Safe Kids Coalition					1			Safe Kids Festival	Durham	NC	2	1	0	2000	$1,500	20	$0	$5	Wake, Durham, Orange			CW GW	
10/6/97	Public Schools of NC			1					Safe School Planning - - Dennis Stacey	Raleigh	NC	2	1	0	3	$0	0	$0	$0	N/A	PR			JM
10/6/97	Neal Middle School				1				SAVE Presentation	Durham	NC	1	1	1	4	$40	80	$0	$18	Durham		DR		
10/7/97	NC Association of School Curriculum Dev.						1		Elementary SAVE	Greensboro	NC	2	1	2	50	$500	400	$0	$92	Statewide	PR	DR		
10/8/97	McKimmon Center			1					SAVE Summit/Logistics	Raleigh	NC	1	1	0	2	$0	15	$0	$3	N/A		DR		
10/8/97	Public Schools of NC			1					Safe School Planning	Raleigh	NC	2	1	1	20	$100	20	$0	$5	N/A	PR			JM
10/8/97	Principal Executives Program				1				New Safe School Legislation	Chapel Hill	NC	1	1	1	30	$300	70	$0	$16	Wake, Orange, Pitt, Mecklenburg, New Hanover, Cumberland, Watauga	PR			
10/9/97	Guilford Elementary School						1		Conflict Management Teacher Training	Greensboro	NC	1	1	1	60	$50	185	$0	$43	Guilford			CW	
10/9/97	NC Partnership for Character Education				2				Character Education Conference	Raleigh	NC	4	1	1	50	$500	45	$0	$10	Statewide		DR	GW	LM JM
10/9/97	NC Partnership for Character Education	1			1				Character Education Conference	Raleigh	NC	5	1	2	100	$500	50	$0	$12	Statewide	PR	DR	CW	DH JM
10/9/97	Center/ Lt. Governor's Office/CCPS/NCASRO		1				1		Governor's DWI Initiative/SRO LRE	Wilmington	NC	2	1	1	50	$500	700	$100	$261	Statewide	PR			DH
10/10/97	NC Partnership for Character Education	1			2			1	Character Education Conference	Raleigh	NC	5	1	2	100	$1,000	15	$0	$3	Statewide	PR	DR	CW	DH JM
10/13/97	UNC General Administration Task Force			1					Teachers	Chapel Hill	NC	1	1	1	15	$150	60	$0	$14	Statewide		DR		
10/14/97	Institute of Government			1					Civic Education Consortium Meeting	Chapel Hill	NC	1	1	0	20	$0	90	$0	$21	Statewide			CW	

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10/14/97	UNC General Administration Task Force			1					Principals	Chapel Hill	NC	1	1	1	12	$120	60	$0	$14	Statewide		DR		
10/16/97	NC Association of School Resource Officers			1					Board Meeting	Raleigh	NC	1	1	0	10	$0	15	$0	$3	N/A		DR		
10/17/97	CPSV & Street Law, Inc.		1				1		Youth Leadership & Advocacy Training	Raleigh	NC	2	2	1	100	$1,500	20	$0	$5	Statewide			GW CW	
10/20/97	North West Cabarrus High School		1		1				Web Forum Demonstration	Concord	NC	1	1	1	3	$10	310	$0	$71	Cabarrus County				DH
10/20/97	Owen Middle School			1					Elementary SAVE	Swannanoa	NC	1	1	1	5	$30	300	$0	$69	Buncombe		DR		
10/20/97	Polk County Schools			1					UNC Presentation	Columbus	NC	1	1	1	20	$45	300	$0	$69	Polk		DR		
10/21/97	Office of Juvenile Justice and Delinquency Prevention			1					Review of Youth Out of the Education Mainstream Project	Center	NC	6	1	2	2	$0	0	$0	$0	N/A	PR			
10/21/97	CM Eppes Middle School		1		1				Web Forum Demonstration	Greenville	NC	1	1	1	20	$10	180	$0	$41	Pitt County				DH
10/21/97	East Garner Middle				1				Safe Schools Week SAVE Event	Garner	NC	2	1	1	30	$100	55	$0	$13	Wake			GW CW	
10/21/97	ECU Conference	1							Center Youth Out of the Education Mainstream	Greenville	NC	3	1	1	35	$350	0	$0	$0	Statewide	PR			DH JM
10/21/97	East Juv Justice Conference				1				Presentation on Center	Greenville	NC	3	1	1	50	$500	200	$0	$46	Statewide	PR			
10/22/97	School Improvement Panel			1					State Goals - Alignment	Chapel Hill	NC	1	1	0	25	$0	70	$0	$16	Statewide	PR			
10/22/97	Smith HS		1				1		Web Forum Demonstration	Greensboro	NC	1	1	1	5	$0	190	$0	$44	Guilford				DH
10/22/97	Dunn Middle School		1				1		Web Forum Demonstration	Dunn	NC	1	1	1	15	$10	90	$0	$21	Harnett				DH
10/22/97	Pull the Plug					1			State Fair Booth	Raleigh	NC	7	1	0	5000	$1,000	70	$0	$16	Statewide		DR KA	GW CW AC DC	LM
10/23/97	NC Association of School Administrators						1		Safe School Planning	Waynesville	NC	1	1	1	125	$1,250	560	$0	$129	Western NC LEAs				JM
10/23/97	National Education Service				2	1			Reading Angry & Aggressive Youth	Greensboro	NC	3	1	2	200	$2,500	555	$0	$128	National/statewide	PR		CW	JM
10/24/97	Currituck Co Schools			1					WCWIO	Barco	NC	1	2	1	9	$400	400	$48	$140	Currituck, Perquimins		DR		
10/29/97	UNC General Administration			1					Alignment - Principal Development	Chapel Hill	NC	1	1	0	15	$0	30	$0	$7	N/A				JM
10/30/97	Neal Middle School			1					SAVE Kickoff	Durham	NC	1	1	1	150	$100	60	$0	$14	Durham		DR		
10/31/97	Sheriff's Association			1	1				Center Update	New Bern	NC	1	1	1	50	$550	225	$0	$52	N/A				DH
11/3/97	Empowering Purpose	1							Celebrating Excellent Programs	Raleigh	NC	2	1	0	65	$0	45	$0	$10	Statewide			GW	DH
11/3/97	Public Schools of North Carolina, NC Association of School Administrators, Tarheel Association of Principals & Asst. Principals			1					Safe School Planning	Raleigh	NC	1	1	0	5	$50	10	$0	$2	Statewide				JM
11/3/97	ECU/Sociology Class				1				CPSV General Presentation	Greenville	NC	1	1	1	35	$350	160	$0	$37	Pitt, Mecklenburg, Beaufort, Craven		DR		

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11/4/97	Empowering Purpose	1			1				Evaluation of Successful Programs/ Sgt Caper's Session	Raleigh	NC	4	1	1	65	$0	45	$0	$10	Statewide	PR		GW	DH JM
11/5/97	Smith High School							1	SAVE Rally	Greensboro	N	1	1	1	500	$150	185	$0	$43	Guilford	PR			
11/5/97	State Board of Education			1					Safe Schools Planning	Raleigh	NC	2	1	1	75	$0	20	$0	$5	Statewide	PR			JM
11/5/97	UNC General Administration			1					Dr. Charles Coble	Chapel Hill	NC	1	1	1	1	$0	60	$0	$14	Statewide	PR			
11/5/97	Halifax County Schools				1				SAVE Presentation	Roanoke Ra	NC	1	1	1	300	$3,000	160	$0	$37	Halifax		DR		
11/6/97	CPSV & Street Law, Inc., National Crime Prevention Council						1		Teens Crime and the Community Implementation Workshop	Raleigh	NC	4	2	8	70	$12,000	120	######	$1,228	Statewide	PR	DR	CW GW	
11/7/97	Juvenile Justice Prevention Comm			1					Committee Meeting	Raleigh	NC	1	1	0	50	$0	10	$0	$2	N/A				JM
11/7/97	Sheriff's Association			1	1				Center Update	Boone	NC	1	1	1	50	$550	400	$0	$92	N/A				DH
11/8/97	Northeast Guilford High School							1	SAVE Rally	Greensboro	NC	1	1	1	500	$150	185	$0	$43	Guilford	PR			
11/12/97	NC State University			1					Meeting with Dr. Ed Gerler	Raleigh	NC	1	1	0	2	$0	0	$0	$0	N/A	PR			
11/12/97	UNC General Administration			1					Principal's Task Force	Chapel Hill	NC	1	1	1	30	$0	60	$0	$14		PR			
11/13/97	Model Drug Laws Summit	1					1		Workshop	Raleigh	NC	1	1	0	200	$0	0	$0	$0	N/A				DH
11/13/97	NC High School Athletic Association			1					Planning Meeting	Chapel Hill	NC	1	1	0	15	$0	75	$0	$17	Statewide			CW	
11/14/97	NCSU Computer Center							1	Web Class	Raleigh	NC	1	1	0	20	$0	0	$0	$0	N/A				DH
11/17/97	Buncombe County Schools				1				CPSV Presentation	Asheville	NC	1	1	1	35	$525	250	$100	$158	Buncombe County		DR		
11/18/97	Piedmont Horizons Education Consortium				1				Legal Issues Seminar	High Point	NC	2	1	2	35	$350	209	$0	$48	Guilford	PR			JM
11/19/97	Pull the Plug			1					Coalition Meeting	Raleigh	NC	1	1	0	10	$0	10	$0	$2	Wake			GW	
11/19/97	American Probation & Parole Association						1		Teen Court Seminar	Raleigh	NC	1	3	1	35	$30	10	$0	$2	National			GW	
11/19/97	Public Schools of NC, NC Association of School Admin., Tarheel Assoc. of Principals & Asst, Principals				1				Safe School Planning	Winston-Sal	NC	1	1	1	150	$50	239	$0	$55	Statewide				JM
11/19/97	NC School Boards Association				1				NCSBA Annual Conference	Greensboro	NC	1	1	1	60	$200	185	$0	$43	Statewide			CW	
11/19/97	North Carolina Justice Academy				1				School Resource Officer Basic Training	Salemburg	NC	1	1	1	27	$405	165	$0	$38	Bladen, Forsyth, Davie, Columbus, Harnett, Rockingham, Guilford, Rowan, Cumberland, Gates, Cherokee		DR		
11/20/97	Support Our Students			1					Grant Reviews	Raleigh	NC	1	1	0	20	$0	10	$0	$2	N/A				JM
11/20/97	Public Schools of NC, NC Association of School Admin., Tarheel Assoc. of Principals & Asst, Principals				1				Safe School Planning	Tarboro	NC	1	1	1	100	$50	239	$0	$55	Statewide				JM
11/20/97	Bear Grass School				1				CPSV Presentation	Bear Grass	NC	1	1	1	20	$300	217	$0	$50	Martin		DR		
11/20/97	Community Oriented Policing - US Attorney				1				Center as a Resource	Greenville	NC	1	1	1	200	$2,750	239	$0	$55	N/A				JM

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11/21/97	Public Schools of NC, NC Association of School Admin., Tarheel Assoc. of Principals & Asst, Principals				1				Safe School Planning	Asheville	NC	1	1	1	150	$50	538	$0	$124	Statewide				JM
11/24/97	Governor's Crime Commission			1					Meeting with Frank Edwards/Governor's Crime Commission	Raleigh	NC	1	1	0	1	$0	0	$0	$0		PR			
11/24/97	Responsive Media			1					It's Your Call Meeting	Raleigh	NC	2	1	0	6	$0	30	$0	$7	Statewide	PR		GW	
11/24/97	NCSU/Department of Counselor Ed				1				Center & Dept Partnership	Raleigh	NC	1	1	1	10	$100	0	$0	$0	N/A				JM
11/25/97	Charlotte-Mecklenburg Schools			1					S.A.V.E. Board Meeting	Charlotte	NC	1	1	0	5	$0	300	$0	$69	N/A	PR			
11/25/97	Juvenile Justice Commission							1	Public Hearing	Charlotte	NC	1	1	1	100	$0	300	$0	$69	Statewide	PR			
11/25/97	Public Schools of NC, NC Association of School Admin., Tarheel Assoc. of Principals & Asst, Principals				1				Safe School Planning	Kenansville	NC	1	1	1	200	$50	173	$0	$40	N/A				JM
12/1/97	Carolina Seminars - UNC			1					Aggressive and Disruptive Youth	Chapel Hill	NC	1	1	1	19	$0	60	$0	$14	Statewide	PR			
12/2/97	Committee on Professional Development/ UNC General Administration				1				Focus on Principals	Chapel Hill	NC	1	1	1	20	$600	60	$0	$14	Statewide	PR			
12/2/97	D. H. Conley High School			1	1				TCC Site Visit & Youth Leadership & Advocacy Site Visit/ S.A.V.E.. Presentation	Greenville	NC	1	1	1	70	$15	200	$0	$46	Pitt			GW	
12/2/97	Stacie LaGrow			1					Seeking employment	Office	NC	1	1	0	2	$0	0	$0	$0	N/A		DR		
12/3/97	State Board of Education			1					Monthly Meeting	Raleigh	NC	1	1	0	75	$0	6	$0	$1	N/A				DH
12/4/97	Gene Bishop			1					Sales person	CPSV	NC	1	1	0	2	$0	0	$0	$0	N/A		DR		
12/4/97	NC Character Education Partnership			1					Steering Committee Meeting	Raleigh	NC	1	1	0	6	$0	5	$0	$1	Wake, Cumberland, Mecklenburg				JM
12/4/97	Oakwood Elementary, Caswell Co. Schools						1		We Can Work It Out Training of Trainers	Yanceyville	NC	2	1	1	12	$200	150	$0	$35	Caswell			GW CW	
12/5/97	Davis Drive Middle School			1					TCC Planning	Cary	NC	1	1	1	2	$50	30	$0	$7	Wake			GW	
12/5/97	East Cary Middle School			1					TCC Planning	Cary	NC	1	1	1	2	$0	30	$0	$7	Wake			GW	
12/5/97	Juvenile Justice Commission					1			Position Paper by Center	General Ass	NC	1	1	1	150	$50	6	$0	$1	N/A	PR			
12/8/97	Committee on Professional Development, UNC General Administration				1				Focus on Teachers	Chapel Hill	NC	1	1	1	25	$650	60	$0	$14	Statewide	PR			
12/8/97	GCC/Juvenile Justice Committee			1					Committee Meeting	Raleigh	NC	1	1	0	20	$0	10	$0	$2	N/A		DR		
12/8/97	Sampson County School Board				1				Safe School Planning & Character Educ.	Sampson Co	NC	1	1	1	35	$350	131	$0	$30	Sampson				JM
12/9/97	Andrews High School				1				Safe School Planning	High Point	NC	1	1	1	80	$800	130	$0	$30	Guilford		DR		
12/9/97	CPSV/ NC Justice Academy						1		SRO Training of Trainers	Salemburg	NC	2	2	3	9	$140	300	$100	$169	Dare, Gates, Greene, Guilford, Wake, Yadkin, Buncombe	PR			JM

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12/10/97	CPSV / NC Justice Academy				1				Training of Trainers	Salemburg	NC	7	1	7	14	$1,000	600	$0	$138	Dare, Gates, Greene, Guilford, Wake, Yadkin, Buncombe	PR	DR	CW GW	JM DH LM
12/11/97	CPSV / NC Justice Academy						1		Training of Trainers	Salemburg	NC	1	1	0	8	$0	150	$0	$35	Dare, Gates, Greene, Guilford, Wake, Yadkin, Buncombe		DR		
12/12/97	Governor's Crime Commission				1				Update on SRO Grant	Winston Sale	NC	1	1	1	40	$50	450	$0	$104	Statewide	PR			
12/15/97	Governor's Conference on Teaching	1							Peer Review	Chapel Hill	NC	1	1	0	400	$0	60	$25	$39	Statewide	PR			
12/15/97	North Garner Middle School				1				General CPSV Presentation	Garner	NC	1	1	1	15	$0	12	$0	$3	Wake		DR		
12/16/97	Governor Hunt			1					3 Year Plan for Center	Raleigh	NC	1	1	1	10	$50	5	$0	$1	N/A	PR			
12/16/97	Safe School Planning						1		Planning briefing	Charlotte	NC	1	1	1	75	$125	326	$0	$75	Statewide				JM
12/17/97	North Garner Middle School							1	Career Class Student Shadow	Office	NC	1	1	0	2	$0	0	$0	$0	Wake		DR		
12/18/97	NC Association of School Resource Officers			1					Conference Planning	Burlington	NC	1	1	0	3	$0	100	$0	$23	Forsyth, Guilford		DR		
12/19/97	Juvenile Justice Commission					1			Preventing Juvenile Crime	Raleigh	NC	1	1	1	150	$50	5	$0	$1	N/A	PR			
1/6/98	Piedmont Horizons Education				1				Safe School Planning	High Point	NC	2	1		90	$900	440	$0	$101	Guilford, Davie, Rockingham, Alamance-Burlington, Randolph, Stokes, Davidson, Surry,Yadkin	PR			JM
1/6/98	Textile Printing			1					SAVE meeting	Greensboro	NC	1	1		2	$0	220	$0	$51	0	PR			
1/7/98	Center for the Prevention of School Violence			1					Meeting with Jim Klopovic, Governors Crime Commission	Raleigh	NC	2	1	0	3	$0	0	$0	$0	N/A	PR			JM
1/8/98	UNC-General Administration				1				Task Force on Principals Prof. Dev.	Chapel Hill	NC	1	1		25	$250	70	$0	$16	statewide	PR			
1/10/98	Hickory Housing Authority				1				S.A.V.E. Presentation	Hickory	NC	1	1	1	75	$0	375	$0	$86	Catawba County		DR		
1/12/98	North Carolina Association of School Resource Officers Conference Committee			1					Conference '98 Logistics	Morehead Ci	NC	1	1	1	4	$0	300	$0	$69	N/A		DR		
1/13/98	Center for the Prevention of School Violence			1					CT SRO planning	High Point	NC	1	1	0	2	$0	0	$0	$0	0	PR			
1/13/98	North Carolina Association of School Resource Officer Board Meeting			1					Board Meeting	Greensboro	NC	1	2	1	10	$0	185	$0	$43	N/A		DR		
1/13/98	Piedmont Horizons Education				1				Safe School Planning	High Point	NC	2	1		70	$700	440	$0	$101	Guilford, Davie, Rockingham, Alamance-Burlington, Randolph, Stokes, Davidson, Surry, Yadkin, Forsyth	PR			JM
1/13/98	State Board of Education			1					Monthly meeting	Asheville	NC	1	1	0	60	$0	500	$0	$115	Statewide				JM
1/14/98	Center for the Prevention of School Violence & Street Law, Inc.				1		1		Teens, Crime and the Community Implementation Training	Newport	NC	2	1	4	20	$3,500	360	$140	$223	Gates, Carteret			CW GW	

CPSV - Center for the Prevention of School Violence, SRO - School Resource Officer; S.A.V.E. -Students Against Violence Everywhere

Center for the Prevention of School Violence
North Carolina Meetings and Presentations -- Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials (# of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .23 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
1/14/98	Center for the Prevention of School Violence/ Governor's Crime Commission			1					Meet w/ M. Williams	Center	NC	1	1	0	1	$0	0	$0	$0	0	PR			
1/14/98	Dr. Michael Kanters			1					Meeting regarding research	Raleigh	NC	1	1	0	2	$0	0	$0	$0	N/A				JM
1/14/98	North Duplin High School			1					S.A.V.E. Presentation	Faison	NC	1	1	1	3	$30	274	$0	$63	Duplin		DR		
1/14/98	Project Citizen			1					Consultant from U. of Texas-Austin	Center	NC	1	1	0	1	$0	0	$0	$0	statewide	PR			
1/14/98	Wallace-Rosehill High School				1				S.A.V.E. Presentation	Wallace	NC	1	1	1	800	$40	185	$0	$43	Duplin		DR		
1/15/98	Center for the Prevention of School Violence & Street Law, Inc							1	Youth Leadership & Advocacy Site Visit - Greene Centeral High School	Snow Hill	NC	2	1	0	10	$0	60	$132	$146	Greene			CW GW	
1/15/98	Center for the Prevention of School Violence & Street Law, Inc							1	Youth Leadership & Advocacy Site Visit - Goldsboro High School	Goldsboro	NC	2	1	0	24	$0	30	$28	$35	Wayne			CW GW	
1/15/98	Department of Public Instruction/ Safe School Advisory Committee			1					Meeting regarding safe school planning and incidents	Raleigh	NC	2	1	0	12	$120	9	$0	$2	statewide	PR			JM
1/15/98	Juvenile Justice State Advisory Group			1					Meeting	Raleigh	NC	1	1	0	21	$0	9	$0	$2	statewide	PR			
1/16/98	Center for the Pevention of School Violence & Street Law, Inc.							1	Youth Leadership & Advocacy Site Visit - J.T. Webb High School	Oxford	NC	2	1	0	5	$0	80	$0	$18	Granville			CW GW	
1/16/98	Center for the Prevention of School Violence & Street Law, Inc.							1	Youth Leadership & Advocacy Site Visit - Northern Durham High School	Duirham	NC	2	1	0	5	$0	30	$0	$7	Durham			CW GW	
1/20/98	UNC-General Administration			1					Meeting with Dr. Coble	Raleigh	NC	1	1	0	2	$0	12	$0	$3	0	PR			
1/21/98	Pull the Plug			1					Advisory Board Meeting	Raleigh	NC	1	1	0	12	$0	10	$0	$2	N/A			AC	
1/22/98	Safe School Advisory Subcommittee			1					Meeting regarding safe school planning and incidents	Raleigh	NC	1	1	0	7	$0	0	$0	$0	Statewide				JM
1/22/98	UNC TV			1					Organizational Meeting	RTP	NC	1	1	0	25	$0	51	$0	$12	Forsyth, Mecklenburg, Wake, Cumberland		DR		
1/22/98	UNC-General Administration			1					Joint meet of task forces on Prof. Dev.	Chapel Hill	NC	1	1	0	30	$0	70	$0	$16	statewide	PR			
1/23/98	NCSU Internal Audit			1					Audit of Temporary Services	Raleigh	NC	1	1	0	2	$0	0	$0	$0	N/A			CW	
1/23/98	Southeast High School				1				S.A.V.E. Presentation	Raleigh	NC	1	1	1	10	$40	6	$0	$1	Wake		DR		
1/27/98	Center for the Prevention of School Violence						1		We Can Work It Out! Conflict Management Elementary Workshop	Raleigh	NC	5	1	5	55	$650	50	######	$1,012	Statewide	PR		CW GW AC DC	
1/27/98	NC Medical Society			1					Meeting with Carole Beaumont	Raleigh	NC	1	1	0	2	$10	0	$0	$0	Statewide		DR		
1/27/98	Safe School Advisory sub-subcommittee			1					Meeting regarding safe school planning and incidents	Raleigh	NC	1	1	0	2	$0	0	$0	$0	Statewide				JM

CPSV - Center for the Prevention of School Violence, SRO - School Resource Officer; S.A.V.E. -Students Against Violence Everywhere

Center for the Prevention of School Violence
North Carolina Meetings and Presentations -- Fiscal Year 1997-1998

Date	Organization	Conference	Media	Meeting	Presentation	Public Event	Workshop	Other	Description	Location	State	# Staff	# Days	# Presentations	# Attend	Cost of Materials (# of packets x $10)	Actual Miles Traveled	Meals/Hotel	Total Mileage & Meals (Miles X .22 + Meals/Hotel)	LEA's	Director	Programs	Information	Research
1/28/98	Center for the Prevention of School Violence						1		We Can Work It Out! Conflict Management Secondary Workshop	Raleigh	NC	5	1	5	65	$750	50	######	$1,212	Statewide	PR		CW GW AC CS	
1/28/98	Institute of Government			1					Civic Ed. Consortium	Chapel Hill	NC	1	1	0	20	$0	12	$0	$3	0	PR			
1/28/98	North Carolina Justice Academy				1				School Resource Officer Basic Training	Salemburg	NC	1	1	1	31	$310	136	$0	$31	Catawba, Wake, Ft. Bragg, Hickory, Forsyth, Johnson, Onslow, Union, Iredell, Cumberland, Pender, Randolph, Rown		DR		
1/28/98	Pitt County Safe and Drug Free Schools Campaign				1				General Presentation	Greenville	NC	1	1	1	32	$320	156	$28	$64	Pitt		DR		
1/29/98	ASG			1					Meeting with District Representative June Lash	Raleigh	NC	1	1	0	2	$10	0	$0	$0	N/A			CW	
1/29/98	North Carolina Association of School Administrators				1				Safe School Planning	High Point	NC	1	1	2	50	$500	200	$0	$46	Statewide				
1/30/98	Asheboro City Schools			1					Safe School Planning	Asheboro	NC	1	1	1	20	$0	120	$0	$28	Asheboro City	PR			DH
1/30/98	Center for the Prevention of School Violence							1	Youth Leadership and Advociacy Site Visit - Bunker Hill High School	Claremont	NC	1	1	0	6	$0	360	$0	$83	Catawba			GW	
1/21-22/9	Governor's Volunteer Conference	1				1			Annual Conference	Greensboro	NC	2	2	1	1000	$1,500	370	$150	$235	Statewide	PR		GW	
1/28-30/1	Mediation Center of Eastern Carolina				1		1		Conflict Resolution Training	Greenville	NC	1	1	1	25	$0	315	$14	$86	N/A		DR		
1/29-30/9	Center for the Prevention of School Violence						1		Training of Trainers	Burlington	NC	3	2	2	10	$500	400	$0	$92	Gates, Guilford, Greene, Dare	PR			JM DH
	Total events in North Carolina: 237	14	10	94	83	13	35	14						195	28,560	$114,938		$8,531	$16,251					

Att. 13

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Dr. Pamela L. Riley, Director

CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE
ANNUAL PLAN: FISCAL YEAR 1997-1998

The Center for the Prevention of School Violence will actively pursue a leadership role in efforts directed at solving the problem of school violence in Fiscal Year 1997-1998. The Center's three functional areas, information, programs, and research, will be maintained organizationally for the Center's operation. With reference to these areas, the Center has plans to further develop as a clearinghouse for information and materials concerning school violence prevention so that problems can be better identified and solutions can be developed. It intends to expand its provision of program development and technical support to schools, law enforcement agencies, and communities so that programs are better able to be successful. It will continue its research efforts so that schools and communities are better able to address their specific needs in ways that are effective.

As an information clearinghouse, the Center will continue to gather information and materials which pertain to understanding and preventing school violence for its resource library. This information will be available for distribution upon request and through the Center's quarterly newsletter. Other information will be distributed in brochures, manuals, briefs, bulletins, and press advisories. The Center's web site, managed by the research area, will also serve as an outlet for information and will continue to be expanded. The Center will exhibit at various local, state, and national workshops and public events. Articles will be submitted for publication in magazines and journals.

In the programs area, the Center will continue to facilitate program development and implementation as well as provide technical support. An area of particular importance is the Center's plan to emphasize law-related education with concentrations on Teens, Crime, and the Community and Street Law. The promotion and further development of Students Against Violence Everywhere (S.A.V.E.), at both the secondary as well as the elementary school level, will be a high priority program area. These strategies, in addition to peer mediation training and safe school design and assessments, will be instrumental in helping develop, implement and support the ever-expanding School Resource Officer (SRO) approach in North Carolina. They also will be helpful to educators across the state.

The research area will enter its first full fiscal year maintaining a research focus on SROs. Specifically, creating and maintaining successful SRO programs, the number of SROs in the state, and the effectiveness of SROs will be studied further. A survey of SROs who work in schools across the country will be conducted to facilitate understanding of the approach and put what is happening in North Carolina in context. The survey data generated from the high school strategy survey conducted in Fiscal Year 1996-1997 will be further analyzed, and information generated by the survey about the strategies which comprise the Center's Safe Schools Pyramid will allow examination of the effectiveness of these strategies. Some

research attention will be paid to S.A.V.E. chapters in Fiscal Year 1997-1998 in order to better understand the role students play in making schools safe. The research area will also examine the North Carolina Department of Public Instruction's school violence data for 1996-1997. Continuous review of literature about the problem of school violence as well as ways to address it will be conducted. The research area will continue to design, expand, and manage the Center's web site as well as its SRO web conferencing forum project which began in the previous fiscal year.

Beyond pursuing activities related to its functional areas, the Center, operating as a bridge for communication and cooperation between and among those who are involved in making schools safer, will continue to perform outreach through presentations, seminars, trainings, conferences, and workshops. Expanded attention to safe school planning and the training of school safety personnel and teachers highlight plans for 1997-1998. Enhanced collaboration with the Public Schools of North Carolina in its implementation of the "Pledge to Protect" and the Governor's Crime Commission's juvenile justice initiative within the Department of Crime Control and Public Safety will occur as will enhanced collaboration with the Board of Governors of the University of North Carolina system.

The Center's vision for the future is that every student in North Carolina will attend a school that is safe and secure, one that is free of fear and conducive to learning. Fiscal Year 1997-1998 will see the Center pursue efforts to make this vision a reality. It will do so by continuing to serve as the primary agency for identifying problems and developing solutions to stem the tide of school violence and promote safe and secure schools in North Carolina.

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Dr. Pamela L. Riley, Director

12 Month Budget
Center for the Prevention of School Violence

Personnel	294,494
Contractual	51,230
Travel	29,200
Operating/Supplies	195,076
Equipment	10,000
TOTAL	**$580,000**

SCHOOL VIOLENCE.
LET'S GET IT OUT OF OUR SYSTEM.
NC STATE UNIVERSITY

Att. 14a

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SCHOOL RESOURCE OFFICERS IN NORTH CAROLINA: 1998

The assignment of law enforcement officers to schools is a continuing trend in North Carolina. The Center for the Prevention of School Violence has been involved with the trend of placing "School Resource Officers" (SROs) in schools since the Center's establishment in 1993 and has carefully documented the increasing use of SROs since 1996.

Using a definition developed through research, the Center has determined that there are 450 SROs currently working in schools across North Carolina. The definition is of critical importance since it distinguishes those law enforcement officers who may be only visiting schools occasionally from those who are permanently assigned to schools. Specifically, the Center's definition for an SRO is:

> **a certified law enforcement officer who is permanently assigned to provide coverage to a school or a set of schools. The SRO is specifically trained to perform three roles: law enforcement officer; law-related counselor; and law-related education teacher. The SRO is not only a DARE officer, security guard, or officer who has been placed temporarily in a school in response to a crisis situation but rather acts as a comprehensive resource for his/her school.**

The Center's definition excludes non law enforcement agency security guards, law enforcement officers who are rotated in and out of schools as part of their regular duties, and off-duty law enforcement officers who work in schools for extra pay. Instead, the definition emphasizes the permanent assignment and specialized training that characterizes a programmatic approach to placing law enforcement officers in schools.

The 450 SROs currently working in schools represent an 85% increase over the Center's baseline of 243 SROs in 1996. Ninety-nine of the 117 school systems have at least one identified SRO, and 87 counties have an SRO presence in at least one school. Three-hundred-three SROs work in high schools with 262 of these officers responsible for covering only one high school. One-hundred-ninety SROs work in middle-level schools with 122 providing exclusive coverage to their schools.

A critical factor in the growth of SROs in North Carolina was an initiative passed by the General Assembly in 1995 which suggested consideration of placing SROs into each high school in the state. The funding associated with this effort plays a role in 338 of the 450 SRO positions. One-hundred-twenty-one positions rely exclusively on this funding.

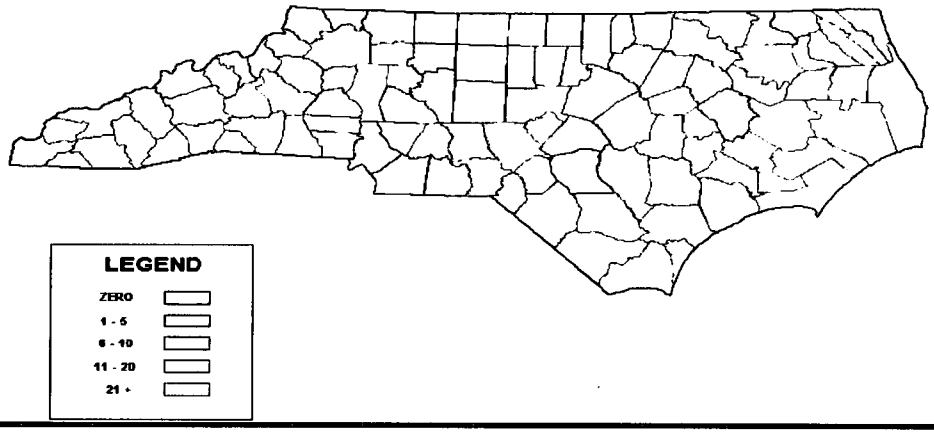
A Center survey of high school principals in 1997 resulted in the SRO approach being given the highest effectiveness rating possible by almost sixty-two percent of the respondents. This perceived effectiveness coupled with the funding initiative help explain the trend of assigning specially trained law enforcement officers to schools. Center's involvement with SROs has also contributed to the increased use of the SRO approach as a means to vent violence in schools across the state.

SCHOOL VIOLENCE.
LET'S GET IT OUT OF OUR SYSTEM.
NC STATE UNIVERSITY

CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

NUMBER OF SROs IN NORTH CAROLINA

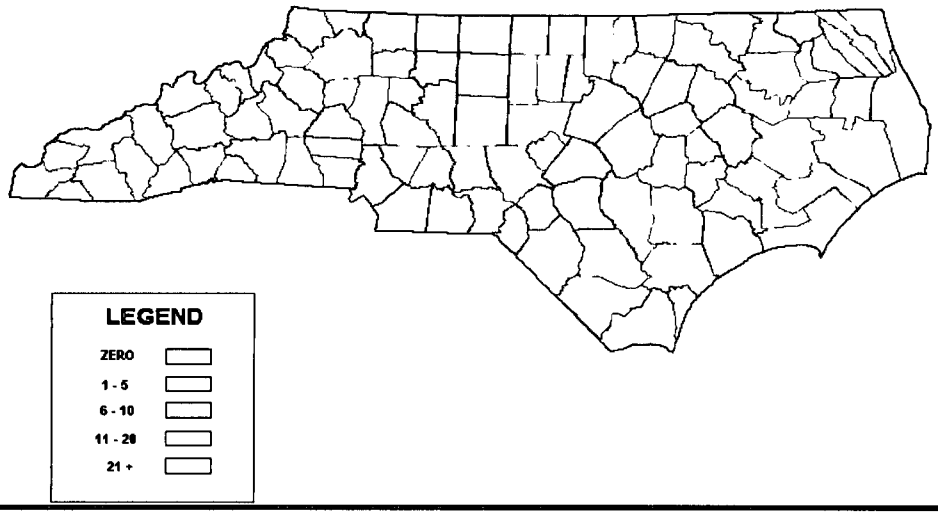
MAY 1996



CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

NUMBER OF SROs IN NORTH CAROLINA

FEBRUARY 1998



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Dr. Pamela L. Riley, Director

SRO FUNDING BREAKDOWN–February 1998

TYPE OF FUNDING	# of PROGRAMS	# of POSITIONS
General Assembly Allocation Only	47	121
General Assembly Allocation Only	*47 Programs*	*121 Positions*
General Assembly/Local	21	202
General Assembly/GCC Grant	3	8
General Assembly/Federal	1	4
General Assembly/Local/GCC Grant	1	3
Combination Including General Assembly	*26 Programs*	*217 Positions*
All programs using General Assembly Funding	*73 Programs*	*338 Positions*
GCC Grant Only	4	6
GCC Grant/Local	2	29
GCC Grant/Federal	1	2
GCC Grant or Combination including GCC Grant	*11 Programs*	*48 Positions*
Local Only	17	68
Local/Federal	1	5
Local or Combination Using Local	*42 Programs*	*307 Positions*
Federal Only	1	2
TOTALS:	99 Programs	450 Positions

SCHOOL VIOLENCE.
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CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

MASTER TABLE, SRO NUMBERS, *February 1998*

LEA ID #	LEA	DPI	CPSV	+/–	DISCREPANCY
10	Alamance-Burlington	6	6		
20	Alexander	3	1	-2	DPI COUNTS SECURITY GUARDS AS SROS
30	Alleghany	1	1		
40	Anson	2	2		
50	Ashe	1	1		
60	Avery	1	1		
70	Beaufort	2	2		
80	Bertie	1	1		
90	Bladen	5.5	5	-.5	DPI COUNTS ½ DAY ROTATING COVERAGE AS SRO
100	Brunswick	7	7		
110	Buncombe	12	12		
111	Asheville City	3	3		
120	Burke	4.5	2	-2.5	DPI COUNTS SHARED SROS AS EXCLUSIVE
130	Cabarrus	4	4		
132	Kannapolis	1	0	-1	DPI COUNTS SECURITY GUARDS AS SROS
140	Caldwell	7	4	-3	DPI COUNTS SHARED COVERAGE AS SROS
150	Camden	1	1		
160	Carteret	4	5	+1	DPI DOES NOT COUNT 2 SROS AT WEST CARTERET HIGH SCHOOL
170	Caswell	2	2		
180	Catawba	5	5		
181	Hickory City	4	4		
182	Newton-Connover City	2	2		
190	Chatham	3	3		
200	Cherokee	1	1		
210	Chowan	2	2		
220	Clay	0	0		

CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

MASTER TABLE, SRO NUMBERS, *February 1998*

LEA ID #	LEA	DPI	CPSV	+/–	DISCREPANCY
230	Cleveland	4	4		
231	Kings Mountain City	1	1		
232	Shelby City	1	1		
240	Columbus	4	0	-4	DPI COUNTS SECURITY GUARDS AS SROS
241	Whiteville City	2	2		
250	Craven	3	3		
260	Cumberland	23	23		
270	Currituck	2	2		
280	Dare	3	3		
290	Davidson	6	6		
291	Lexington City	1	1		
292	Thomasville City	1	1		
300	Davie	1	1		
310	Duplin	4	4		
320	Durham	26	5	-21	DPI COUNTS OFF-DUTY POLICE AS SROS
330	Edgecombe	3	0	-3	DPI COUNTS ROTATING OFFICERS AS SROS
340	Forsyth	20	21	+1	DPI RECEIVED INCORRECT INFORMATION
350	Franklin	3	4	+1	NEW PROGRAM WITH 4 SROS
360	Gaston	8	7	-1	DPI COUNTS 2 PART-TIME OFFICERS AS 1 SRO
370	Gates	1	1		
380	Graham	1	1		
390	Granville	2	2		
400	Greene	2	2		
410	Guilford	23	23		
420	Halifax	4	0	-4	DPI COUNTS ROTATING OFFICERS AS SROS
421	Roanoke Rapids City	1	0	-1	DPI COUNTS ROTATING OFFICERS AS SROS

CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

MASTER TABLE, SRO NUMBERS, *February 1998*

LEA ID #	LEA	DPI	CPSV	+/–	DISCREPANCY
422	Weldon City	1	0	-1	DPI COUNTS ROTATING OFFICERS AS SROS
430	Harnett	8	8		
440	Haywood	0	0		
450	Henderson	5	5		
460	Hertford	1	1		
470	Hoke	6	0	-6	DPI COUNTS ROTATING OFF-DUTY OFFICERS AS SROS
480	Hyde	1	1		
490	Iredell	4	4		
491	Mooresville City	1	1		
500	Jackson	2	0	-2	DPI COUNTS SECURITY GUARDS AS SROS
510	Johnston	6	6		
520	Jones	0	0		
530	Lee	1	2	+1	DPI DOES NOT COUNT NEW SRO POSITION
540	Lenoir	8	6	-2	DPI COUNTS SHARED SROS AS EXCLUSIVE
550	Lincoln	3	3		
560	Macon	0	0		
570	Madison	1	0	-1	DPI COUNTS SECURITY GUARDS AS SROS
580	Martin	4	4		
590	McDowell	1	1		
600	Mecklenburg	43	49	+6	NEW SROS NOT COUNTED BY DPI
610	Mitchell	1	1		
620	Montgomery	2	2		
630	Moore	2	2		
640	Nash	8	6	-2	DPI COUNTS SHARED SROS AS EXCLUSIVE
650	New Hanover	13	13		
660	Northampton	0	0		

CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

MASTER TABLE, SRO NUMBERS, *February 1998*

LEA ID #	LEA	DPI	CPSV	+/–	DISCREPANCY
670	Onslow	8	8		
680	Orange	3	3		
681	Chapel Hill-Carrboro	2	1	-1	POSITION LOST AT BEGINNING OF 97-98 SCHOOL YEAR
690	Pamlico	1	1		
700	Pasquotank	3	3		
710	Pender	2	2		
720	Perquimans	2	0	-2	DPI COUNTS SECURITY GUARDS AS SROS
730	Person	1	1		
740	Pitt	12	12		
750	Polk	1	1		
760	Randolph	8	6	-2	IN PROCESS OF HIRING
761	Asheboro City	1	1		
770	Richmond	4	3	-1	DPI COUNTS 2 SROS AT ALT. SCHOOL, THERE IS ONLY ONE
780	Robeson	15	15		
790	Rockingham	6	6		
800	Rowan	11	12	+1	DPI DOES NOT COUNT CITY-FUNDED SRO
810	Rutherford	5	6	+1	DPI COUNTS 2 OF 3 OFFICERS WHO SHARE COVERAGE
820	Sampson	4	4		
821	Clinton City	1	1		
830	Scotland	1	1		
840	Stanly-Albemarle	5	5		
850	Stokes	2	2		
860	Surry	1	1		
861	Elkin City	1	1		
862	Mount Airy City	0	0		
870	Swain	0	0		
880	Transylvania	4	4		
890	Tyrrell	1	1		

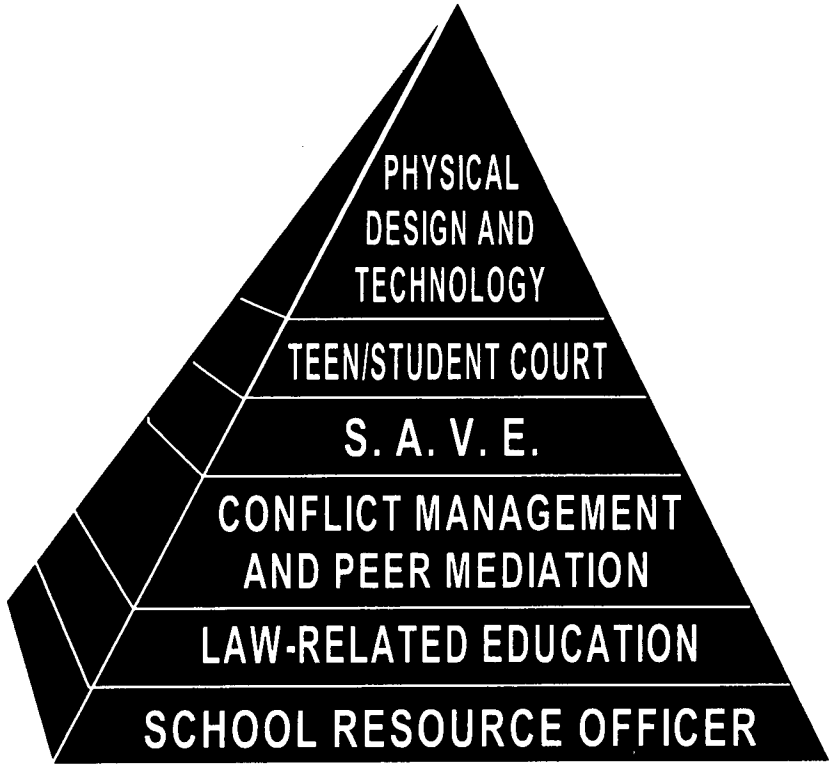
CENTER FOR THE PREVENTION OF SCHOOL VIOLENCE

MASTER TABLE, SRO NUMBERS, *February 1998*

LEA ID #	LEA	DPI	CPSV	+/–	DISCREPANCY
900	Union	7	7		
910	Vance	7	2	-5	DPI COUNTS ROTATING OFFICERSAND SECURITY GUARDS AS SROS
920	Wake	17	14	-3	UNKNOWN
930	Warren	2	2		
940	Washington	2	2		
950	Watauga	1	1		
960	Wayne	7.5	0	-7.5	DPI COUNTS ROTATING OFFICERS AS SROS
970	Wilkes	5	5		
980	Wilson	3	3		
990	Yadkin	2	2		
995	Yancey	1	1		
TOTAL:	**117 School Systems**	**516.5**	**450**	**-66.5**	

Center for the Prevention of School Violence

SAFE SCHOOLS PYRAMID



THE COMMUNITY

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Dr. Pamela L. Riley, Director

THANK YOU for inquiring about the School Resource Officer (SRO) program. The Center for the Prevention of School Violence is delighted to send you this information regarding School Resource Officers. The information highlights how to plan, implement, and institutionalize a School Resource Officer program.

WHAT A SCHOOL RESOURCE OFFICER PROGRAM IS: A School Resource Officer (SRO) program places law enforcement officers in schools with the goal of creating and maintaining safe, secure, and orderly learning environments for students, teachers, and staff. With such a program, the officer represents much more than "the cop in the shop." An SRO program reflects a community's desire to ensure that its schools are safe, secure, and orderly. SROs represent a proactive strategy designed to bring prevention and intervention into the schools.

WHAT SCHOOL RESOURCE OFFICERS (SROs) ARE: SROs are valuable resources for their schools. They are trained to fulfill three roles:

- they first and foremost are law enforcement officers whose primary purpose is to "keep the peace" in their schools so that students can learn and teachers can teach;
- secondly they are law-related counselors who provide guidance on law-related issues to students and act as a link to support services both inside and outside the school environment;
- and thirdly they are law-related education teachers who provide schools with an additional educational resource by sharing their expertise in the classroom.

Beyond these identified roles and, perhaps most importantly, SROs are positive role models for many students who are not exposed to such role models in today's society. Their presence in the schools sends a strong message that violence is not acceptable.

THE "PROMISE" OF AN SRO PROGRAM: An SRO program is a "promising" strategy because it enables communities and schools to address school violence with both prevention and intervention techniques. Having an SRO on a school campus can prevent problems from happening. It can enhance a school's capacity to address its safety and security concerns. When problems do arise, SROs can intervene quickly to address what is taking place. SROs can contribute to safe school planning efforts and offer their schools a resource to turn to when emergencies occur. Ultimately, the presence of an SRO assists in making the school safer and more secure for students, teachers, and staff. The entire community benefits as well because learning is more likely to take place in such an environment.

THE CENTER will be happy to assist you in setting up a School Resource Officer program in your school. Please contact us if you require further information or assistance. Together, we can get school violence out of our system!

Pamela L. Riley, Ed.D.
Executive Director

COLLEGE OF EDUCATION & PSYCHOLOGY

SCHOOL VIOLENCE.
LET'S GET IT OUT OF OUR SYSTEM.

The Center for the Prevention of School Violence acknowledges the efforts of Dr. Michael Vasu and Dr. Ellen Vasu of North Carolina State University in the development of this manual.

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Starting a School Outreach Program in Your Community: An Effective Practices Outline for the School Resource Officer Approach

Communities need to pursue comprehensive approaches to address the problem of school violence because the problem both comes out of and reflects back into communities. This outline is designed to help communities implement School Resource Officer (SRO) programs in their schools.

Part One of the Effective Practices Outline, **PLANNING A SCHOOL OUTREACH PROGRAM**, highlights activities which local officials should employ if they are interested in applying a comprehensive, multi-jurisdictional approach which is characterized by service integration. Planning a School Outreach Program is the basis from which an SRO program may be implemented, but it is not limited to this application. It offers guidelines for an entire community to use in addressing school violence.

Part Two of the outline, **IMPLEMENTING THE PROGRAM**, specifically focuses on how an SRO program can be conducted. It explains what such a program requires based upon research into the successes and failures of current programs. This research indicates that two factors are critical in creating a successful SRO program: the SRO selection process and the relationship between school-site administration and the SROs.

Part Three of the outline, **INSTITUTIONALIZING THE PROGRAM**, broadens the focus back to the larger approach of the school outreach program. It is designed to help local officials maintain and potentially expand such a program so it becomes an ongoing part of the community's efforts to address school violence.

Note that the organization of the outline, with its broader perspectives in Parts One and Three, allows for Part Two to be tailored to programs other than SRO programs. The key premise of the outline is that whatever program is chosen, it is one that values community involvement in attempts to deal with the issue of school violence.

The Effective Practices Outline

I. PLANNING A SCHOOL OUTREACH PROGRAM
II. IMPLEMENTING THE PROGRAM
III. INSTITUTIONALIZING THE PROGRAM

I. PLANNING A SCHOOL OUTREACH PROGRAM (SOP)

A. Identify the "critical mass" of local leadership.

Research conducted by the Center for the Prevention of School Violence has shown that programs which address school violence are most successful when they are an outgrowth of a community-wide approach to preventing youth violence. This approach is described as a community-wide School Outreach Program (SOP).

Since the problem of youth violence is systemic and community wide, the organizational design needed to deal with it needs to be systemic and community wide. With the SOP approach, school violence prevention programs must interact with other community agencies. Therefore, it is an **effective practice** for the approach to be coordinated through a community-wide task force. If a community decides to use a School Resource Officer approach, for example, this means that the SRO ideally should be located, organizationally, under a community-wide task force. The Center's research shows that the composition of this task force varies. An **effective practice** associated with the composition would be to structure it with a group of law enforcement juvenile specialists guided by an executive board coordinated via the sheriff's department or a municipal agency and implemented by local police departments. The purpose of the task force is to provide a community-wide juvenile intervention strategy that focuses on preventing disruptive juvenile behavior in the community and enabling schools to emphasize their educational mission.

There are two critical elements to the task force's effectiveness. First, basic to initiating the effort, is the executive board. The board needs to be selected based on members' knowledge of and involvement with the juvenile problems in the county. Second, task force members need to be able to make relevant decisions and support them with policy and resources. The ability of the task force to continue the positive influence for the long term lies with the dedicated juvenile intervention officers. Since the board is so critical, its selection must be broad based. What follows is a list of potential stakeholders plus steps for getting them involved in the task force:

1. Leadership in potential participating fields:

    a. Education: school board, principals, PTA or PTOs
    b. Law enforcement: representatives of city police and/or county sheriffs' departments
    c. Justice: judges, court counselors, district attorneys, public defenders
    d. Youth services: community-based youth advocates, child protective services professionals

e. Family services: youth and family services providers
f. Social services: child services professionals
g. Housing: fair housing advocates
h. Politics: elected and appointed officials
i. Business: Chamber of Commerce leaders and members

2. Conduct initial meeting of potential participants to assess needs and to ascertain community leadership support:

   a. Create pre-implementation task force from the list of stakeholders
   b. Choose pre-implementation task force leader to plan and conduct pre-implementation orientation meeting(s)
   c. Set up pre-implementation orientation meetings

B. Conduct pre-implementation orientation meeting(s) which:

1. Establish general direction and goals of the SOP: e.g., to provide our children with safe and secure environments in which their education may take place.

2. Establish specific objectives of the SOP: e.g., to reduce and prevent incidents of school violence and to develop operational measures of school violence. One such set of measures, which will continue to be available on a statewide basis, is the school violence survey collected by the North Carolina Department of Public Instruction (NCDPI) for all state school systems. These measures can serve as a **baseline** for school systems and can also be augmented by data collected at the school site; if a School Resource Officer approach is used, the SRO may be responsible for collecting such data.

   Because the NCDPI Annual Report on School Violence documents **incidents** not **perceptions** of school violence, our research suggests that an **effective practice** is to do a preprogram survey of students, teachers, and administrators at the beginning of the program to document school climate perceptions. Then, additional surveys should be conducted at another point(s) to indicate what impact the program is having. This could be at the end of the school year. These surveys can provide important longitudinal data that document the change in "school climate" produced by the program.

3. Identify potential funding strategies for the SOP: e.g., to conceptualize the approach to address school violence as part of a community-policing effort. An **effective practice** is to view the SRO as a community police officer in the school community.

   With a School Resource Officer approach, the officer should be viewed as either the first step in or an integrated part of a community-policing program. The SRO is a decentralized police professional who has specific

territorial responsibility. In addition, the SRO is expected to be proactive and to play roles that extend beyond simple law enforcement. Therefore, the officer is in many ways the ultimate community police officer. By placing any approach, School Resource Officer or otherwise, in this context, funding opportunities at the state and federal level may become available.

4. Identify the target populations for the SOP: e.g., general school populations at high and middle school levels. An **effective practice** is to use the school climate data to isolate the target population. The Center's research shows that many schools have problems associated with school violence that are not evident in incident reporting alone.

5. Identify the means to achieve the goals and objectives of the SOP: e.g., a School Resource Officer (SRO) program. An **effective practice** is to view school violence as, simply, youth violence that occurs at school. Therefore, many potential programs are available to address school violence.

   Unless a school is secure, other programs used to address school violence will not be effective in the long run. Therefore, the SRO program should serve as the foundation for school violence prevention. Building on this program are such support programs as conflict management, peer mediation, Law-Related Education, Teens, Crime and the Community, and Students Against Violence Everywhere (S.A.V.E.). For additional information on these very important additions to school violence prevention contact the **Center for the Prevention of School Violence.**

6. Identify the tasks to be undertaken by the SOP so that goals and objectives are achieved.

7. Identify the resources needed to support the identified means and tasks: e.g., money, personnel, and skills.

8. Develop an organizational structure and decision-making procedures for the SOP and measures to evaluate the program. Again, these measures need to be incident and perception based.

9. Create administrative agreements/contracts governing the service integration which characterizes the SOP. An **effective practice** is to determine, prior to starting any approach, the contractual understanding between the parties involved, particularly law enforcement and the school board. These should be in writing! Since an effective SOP involves stakeholders and resources that by definition are community-wide, it is important that all administrative agreements/contracts be in place prior to program commencement. The classic question of how to control a geographically-disbursed operation needs to be answered. Many argue that central control is the only way; however, central control usually

impedes field operations. Decentralized control leads to flexibility and greater action by the people working with children but leads to confusion and duplicated effort; how much of each is enough? Another problem is that often a juvenile case begins in a township and immediately leads to the county, across a jurisdictional line. Necessary procedures have to be followed when crossing jurisdictions. The task force needs to list the roles and procedures to be followed and the officer's department needs to do likewise with reference to role expectations.

10. Assess community support for the SOP. This can be informal in the form of a stakeholder analysis or formal by way of a community-wide survey.

11. Develop a media plan to educate the community about the SOP. An **effective practice** is to involve the local media who most directly cover crime and community affairs. Their involvement early can be very important in developing community support. The task force, if possible, should have a member of the media involved in some fashion.

12. Create action committees and assign duties to these committees to facilitate the development of B 1-11.

C. Develop a working plan for the SOP (from B 1-12) which contains:

1. Statements of general direction and goals of the SOP.
2. Identification of specific objectives of the SOP.
3. Outlines of funding strategies to be pursued.
4. Identification of site-specific target populations.
5. Identification of selected means.
6. Identification of tasks and performance evaluation criteria.
7. Delineation of needed resources.
8. Outline of organizational structure and decision-making procedures for the SOP.
9. Completion of administrative agreements/contracts.
10. Assessment of community support.
11. Media plan to be used to educate the community about the SOP.

D. Obtain funding for SOP based upon work plan; potential sources:

1. Local funding: a sharing of the costs. Typically, costs are shared between law enforcement and the school board, but other potential sources (e.g., private funding; other local agencies)should not be overlooked.

2. State funding: grants. Many programs which are now in place in North Carolina were started with grant money from the Governor's Crime Commission. A one year start-up grant is the norm with the potential for an additional year of funding. Contact the **Governor's Crime Commission** for information about these competitive grants.

3. Federal funding: grants. Again, at this writing, the federal government has specific funding for community-policing programs which the School Resource Officer approach, for example, is an ideal candidate.

   If the federal government moves to a block grant funding method, an integrated-service-delivery SOP, involving a task force, an SRO and related school violence prevention programs would be equally strong from a funding perspective.

E. Educate the community about the SOP to create community "ownership" of the SOP. This will involve implementing the media plan.

F. Establish the implementation task force for the SOP.

II. IMPLEMENTING THE PROGRAM: A SCHOOL RESOURCE OFFICER PROGRAM

A. Choose the SROs.

The SRO needs to be interested in working with juveniles, well trained (and experienced), and well equipped. Importantly, the task force and the SROs must support each other with regular, detailed communication. The most **effective practice** is to insure that every SRO work in a service integration mode with other community agencies. This means that the SRO serves as a point from which contacts to these agencies can be initiated. Where administrators and teachers from individual schools openly share information about incidents, especially more serious incidents, effective plans can be implemented for prevention. Similarly, the SRO is more effective when he or she works directly with other community service agencies and has an open line of communication with them. This allows the SRO to be proactive and to focus "upstream" before problems reach a critical point. This demand for a close working relationship requires that these agencies be aware of the SRO's role in the schools.

1. Determine the SRO selection process by interested parties in each jurisdiction and school site. It is important to involve all stakeholders in the choice, especially principals. An **effective practice** is to involve the principal in the SRO selection process itself.

2. Set minimum qualification standards which might address:

   a. Degree requirements. These may need to be higher than for the department in general. However, there is no research-based reasoning to support this position. Nonetheless, an **effective practice** may be to keep in mind that some college experience in the SRO's background may be useful.

   b. "Street time" minimum. An **effective practice** is to choose an experienced street officer, although a set number of years experience cannot be realistically identified for all programs. The point to emphasize is that being an SRO requires someone who has been on the street and knows all its dimensions.

   c. Service record. An **effective practice** is a service record reflective of ability to work with youth.

3. Recruit volunteers.

   An **effective practice,** almost as critical as the cited qualifications, is that the SRO be an officer who volunteers for the program. This leads to the kind of motivation which is necessary to make the program successful.

B. Prepare the SROs.

1. Attend formal training programs such as the one provided by the NC Justice Academy. An **effective practice** is to send the officers in the summer prior to their school assignment. If this is not possible, have the officers attend one of the periodically held sessions during the year or, lastly, the summer after the assignment. Being an SRO should be regarded as a specialized field requiring unique knowledge and techniques.

2. Work with experienced SROs. An effective practice is for new SROs to work with experienced SROs. If a program is new, other SRO programs may offer such opportunities. Contact the **North Carolina Association of School Resource Officers**.

C. Sign administrative agreements/contracts among interested parties. It is important that the SRO be assigned to the school full time and that the police department and school staff understand this assignment.

1. An **effective practice** is to tailor these agreements/contracts to specific jurisdictions and school-sites.

2. An **effective practice** is to explicitly delineate SRO responsibilities and duties.

D. Integrate the SRO into the school environment.

The Center's research clearly shows that the SRO's influence increases in proportion to his or her integration into the school community. Initially, the relationships with students are tentative. After becoming accepted, the SRO's greatest single asset is the relationship with that 90+% of the student body who wants a safe and secure learning environment at school. These students become involved in and accept ownership of the requirements for a safe school. In addition, the students can be important in assisting the SRO in impacting youth and adult violence in the larger community.

1. Define the roles of the SRO and the proportions of time to be spent in each role.

a. Law enforcement. An **effective practice** is to select officers who have some law enforcement experience.

b. Law-related Counselor. Training focused on the Law-related Counselor role is a part of SRO training but is also available elsewhere. Contact the Center for the Prevention of School Violence.

c. Law-related teacher. An **effective practice** is to develop or acquire a series of lessons in law-related education areas for which the

officer will be called upon to provide classroom resource teaching; for example, traffic, drugs, etc. Such modules are provided as a part of SRO training in places like the NC Justice Academy. The Center for the Prevention of School Violence also provides training in law-related education programs such as Teens, Crime and the Community.

2. Recognize/define role model function.

   a. For school population. An **effective practice** is for the SRO to tailor his or her role model function to the needs of the students. This again points out that each school and student body are unique and need to be uniquely addressed.

   b. For community. An **effective practice** is for the SRO to see his or her role model function as one that comes from the needs of the community and reflects back into that community.

3. Recognize/define role as community liaison. An **effective practice** is for the SRO to develop links to community agencies and organizations. It should be noted that these community entities are not always formal social service agencies. In our research we encountered SROs working with a wide variety of community groups, such as Boy Scouts, Girl Scouts, Boys and Girls Clubs and church groups.

4. Provide physical space (office) and logistical support (including a Management Information System).

5. Introduce and incorporate the SRO into school environment (which includes students, teachers, parents, administrative staff, PTA/PTO).

   a. **Effective practice:** Place the SRO in close proximity to the principal or administrative staff with whom he or she will need to work. The SRO needs to be integrated into the school physical communication system as well.

   b. **Effective Practice:** Before school begins, a critical step must be taken with the principal and SRO discussing expectations and setting procedures.

   c. **Effective Practice:** During the first days of school the SRO should be introduced to the entire student body. Usually, this is done at the opening day assemblies; one school used its school television channel to accomplish this.

   d. **Effective Practice:** During the first weeks of school the SRO should be introduced in a more personal setting, such as the

classroom. Language arts classes usually provide access to all students.

e. **Effective Practice:** During the first months of school the SRO should offer formal classroom presentations on the role of the SRO. Important to emphasize in these presentations is that the students should view the SRO as a **resource** for them.

f. **Effective Practice:** During the first year of school the SRO will carry out the roles of peace officer, law-related counselor, and law-related teacher in ways that best address the needs of his or her school. Our research highlights the fact that each school and student body is unique and therefore must be addressed with attention paid to this uniqueness. The first year is especially critical with reference to this because it sets the foundation for long-term success or failure of the SRO program.

g. **Effective Practice:** After the first year ends, conduct a first year strategic planning and brainstorming session which involves the principal, SRO, and SRO supervisor, at a minimum. Important in this effort is the development and implementation of special **performance criteria** for the SRO.

h. **Effective Practice:** The SRO position should be 12 months in assignment to allow for summer training, program development, and community interaction. Training options are typically available in the summer and are critical to the SRO's professional development.

The SRO's ability to develop effective school programs for security, resource teaching, and counseling require program development time.

Finally, the SROs need the summer to develop linkages to other community agencies. Many agencies can help youth. SROS need to develop relationships and lines of communication with these agencies so that this help can be accessed.

I. **Effective Practice:** The first year should evolve into assignment to a particular school for a minimum of three years. Although there is no research which specifically addresses this, such an assignment offers stability and allows the SRO to go through high school with a given tenth-grade class.

III. INSTITUTIONALIZING THE PROGRAM

A. **Effective Practice:** It is critical to hold **ongoing** meetings of the task force and all other interested parties to keep communication lines open.

B. **Effective Practice:** The four "e's" need to be focused upon: **e**valuation; **e**nvironment; **e**fficiency; **e**ffectiveness. Use a Management Information System to aid this effort.

1. **E**valuation of the program is a key in the institutionalization process. Often it will provide the facts which are necessary to move the program into permanent existence. Such evaluation may focus on **process** or **impact**. Process evaluation involves examining program activities; for example, the number and type of counseling sessions which the SRO conducts.

   Impact evaluation involves **tracking** of data about the program's impact on school violence incidents. If possible, such tracking should be done daily, weekly, monthly, quarterly, and annually. Minimum measures for interested parties (SROs and other intervention officers, courts, schools, county, state) need to be decided and documentation procedures established. The task force should review the data periodically to maintain an ongoing overview of the process and make any necessary adjustments to keep the program directed toward the goal of helping children obtain their education in safe and secure environments. One **effective practice** is to design measures from those currently collected over time. An example of such measures would be those required by the NCDPI school violence survey. If measures other than those required by statute are to be collected, they need to be standardized early, tied into a MIS plan, and clearly related to measures of program efficiency or effectiveness.

   It is important is to recognize that incident data may actually show increases in the number of incidents during the early stages of the program. This occurs because there may be an increase in the detecting and reporting of such incidents. It is therefore critical that enough **program history** be established before the incident data are used to measure the impact of the program. Ideally, preprogram incident data should be available as a baseline for comparison and at least two years of program history should have occurred prior to formal evaluation.

2. **E**nvironment refers to information collected about "school environment" or "school climate." Surveys of interested parties (for example, students and teachers) should be conducted to gauge the level of school violence which exists in any given school as **perceived** by those interested parties. Additionally, questions about the program and its impacts may be asked to add to the evaluation of the program. Ideally, such surveys should be

undertaken before the program begins (as discussed in I.B.2), but if this is not done, post-program surveys can be designed and implemented to measure perceived program impact.

3. Efficiency focuses on the efficient use of resources. Judging any program's efficiency should be done with focus on how the program addresses the unique needs of the students and schools involved. SROs who are permanently assigned to schools, for example, are seen as being assigned to "where the action is" in many communities. Therefore, this is an efficient exercise of law enforcement resources.

   Additionally, instead of school personnel relying on 911 calls and potentially slow response by law enforcement because of the rural locations of some schools, SROs have the capacity to immediately handle situations that arise. Not only will they immediately respond, they may prevent incidents from occurring.

4. Effectiveness may be thought of as overall "program effectiveness" or effectiveness with reference to specific stakeholders. A program's overall effectiveness may be measured in terms of whether or not the goal of the program is being met. Programs implemented to address school violence should be judged in terms of meeting the goal of providing our children with safe and secure environments in which they are able to learn. Incident data and survey results discussed previously in this outline (III.B.1 and III.B.2) aid in this process.

   Effectiveness with reference to specific stakeholders should focus on costs associated with some standard output. This approach in many instances will lead to information which addresses the issue of **cost savings** associated with the program. Assigning SROs to schools is seen as a source of cost savings for the juvenile justice system and, by extension, taxpayers. Such savings come in the areas of costs saved through a reduction in the number of juvenile cases because of the preventive nature of the SRO approach; costs saved by way of improved petition quality which results from knowledge the SRO obtains via his or her school assignment; and costs saved because of reductions in training school admissions which occur, again, because of improved SRO knowledge (For more information concerning this approach, contact the **Center for the Prevention of School Violence**.).

C. Pursue media plan to maintain and generate support for SOP.

D. Acquire funding.
   1. Two years of funding may be attainable through a grant. An **effective practice** is to begin planning for permanent funding as early as possible.

   2. Permanent funding. Local support will be critical in the process of acquiring permanent funding. The previously suggested four "e's," which

are designed to demonstrate the impact of the program, comprise an **effective practice** to be followed toward this end.

E. Continue training of program stakeholders. Special attention should be given to diversity concerns in the training of program participants. With SROs, continued training may occur at the NC Justice Academy, through professional SRO organizations, or through the Center for the Prevention of School Violence. Contact the **North Carolina Association of School Resource Officers**, the **National Association of School Resource Officers, the North Carolina Justice Academy or the Center for the Prevention of School Violence** for information.

F. Expand the program.

An **effective practice** is to determine early in the program's development where to first allocate resources. With SROs, if a limited number are available, consider where to allocate them through needs assessment surveys or by looking at incident data broken down by school. In many communities middle schools have more school violence problems than high schools; therefore, expansion to middle schools seems to be the next logical and effective step.

THE TEN MOST COMMONLY ASKED QUESTIONS ABOUT SCHOOL RESOURCE OFFICERS

The following list reflects the most commonly asked questions about School Resource Officers as noted at workshops sponsored by the Center. The responses to these questions are based upon the Center's research on SROs.

1. WHAT IS A SCHOOL RESOURCE OFFICER (SRO)?

The term "School Resource Officer" refers to officers who apply a community-policing philosophy within a school environment. The school is their permanent beat. SROs pursue personal relationships within their beat. They patrol and provide a policing function. They are proactive and attempt to solve problems. They see themselves in a partnership with the school community.

2. HOW DOES THE SRO APPROACH DIFFER FROM THE "COP IN THE SHOP" APPROACH?

SROs are resources for their schools. They are trained to fulfill three roles: first and foremost, they are law enforcement officers whose primary purpose is to "keep the peace" in their schools so students can learn; second, they are law-related counselors who provide guidance to students and act as links to support services both inside and outside the school environment; and third, they are law-related education teachers who provide the schools with an additional resource by sharing their expertise in the classroom.

Beyond these identified roles, SROs are positive role models for many students who are not exposed to such role models in today's society.

3. WHAT IS THE COMMUNITY'S INVOLVEMENT WITH THE SRO APPROACH?

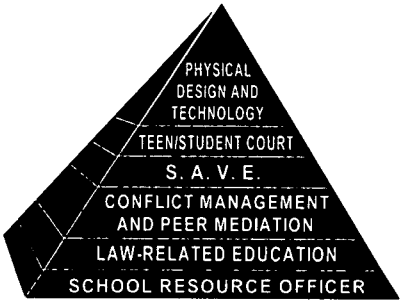
A community's involvement with the SRO approach often evolves through the community's provision of support for the SRO approach. This support is sometimes accomplished with the creation of a "task force" comprised of people from all different segments of the community: law enforcement; education; the judicial system; social services; and the private sector.

Such a task force may be involved with program planning, implementing, institutionalizing, and evaluating. In some places, the role the task force plays is an early one and begins with a needs assessments to determine whether a program should be created. In other places, the task force acts as a coordinating body which allows for communication between and among all interested parties in the community. In many places, it provides a forum for open dialog. In some, it provides a means through which evaluation of program impact may be addressed.

4. HOW DOES THE SRO APPROACH FIT WITH OTHER STRATEGIES THAT ARE DIRECTED AT ADDRESSING SCHOOL VIOLENCE?

The Center for the Prevention of School Violence believes that a comprehensive approach to preventing school violence is needed to create safe and secure schools. Reflecting this approach is the Center's Safe Schools Pyramid which emphasizes strategies directed at solving the puzzle of school violence. The foundation of the Pyramid is the SRO.

SAFE SCHOOLS PYRAMID



THE COMMUNITY

SROs provide a logical foundation for a comprehensive approach to preventing school violence. They have and can take advantage of links to the communities in which the schools exist. SROs are also able to facilitate other strategies which hold promise in schools' efforts to create safe and secure learning environments.

5. WHAT QUALIFICATIONS SHOULD THE SROs MEET AND HOW SHOULD THEY BE SELECTED?

Qualified SROs should meet three requirements: some college, a minimum amount of "street time," and a service record which reflects work with youth. Additionally, officers considered for selection should be those who demonstrate a desire to be SROs; in other words, they should be volunteers for the assignment and should not be forced into it. Once selected, the officers should undergo specialized SRO training.

The most successful SRO situations are ones in which the selection process reflects a coordinated effort among interested parties. Law enforcement, school board officials, and, most importantly, principals should have input. SROs should be screened based upon the three requirements for qualification. In addition, SRO applicants should be interviewed by principals, law enforcement officials, and school board officials.

6. HOW DO THE RELATIONSHIPS THAT THE SROs ESTABLISH WITH THEIR SCHOOLS (PARENTS, STUDENTS, TEACHERS, STAFF, AND PRINCIPALS) IMPACT THE WAY SRO PROGRAMS WORK?

The relationships SROs establish with their schools are critical. Two important factors govern these relationships. One is whether or not the SRO is exclusively assigned to one school or to several schools. Assignment to one school is the ideal situation. With exclusive assignment, the SRO is not "stretched too thin." He or she is able to participate in school activities, such as PTA, and to fully carry out the three roles of the SRO within one school.

A second important factor in the establishment of these relationships involves the SRO's specific relationship with the principal. The relationship between the SRO and the

principal sets the tone for the SRO's activities in the school. This relationship needs to be defined early in terms of both procedures and expectations. Procedures refer to how the SRO and principal will interact: with formal meetings, casual interactions, on an "as needed" basis, or a mixture of all of these. Expectations involve what the SRO and principal anticipate occurring when the SRO is at the school. Expectations from both perspectives, which sometimes are quite different, need to be identified. The difference between "school discipline" and more serious criminal offenses, for example, needs clarification by and for both. The principal needs to keep in mind that the SRO is not the school's assistant principal for discipline and the SRO needs to understand that his or her role as is, first and foremost, a law enforcement officer.

7. HOW DO THE RELATIONSHIPS THAT SROs MAINTAIN OUTSIDE THEIR SCHOOLS (WITH THEIR DEPARTMENTS, COMMUNITY AGENCIES, AND THE COMMUNITY AT LARGE) AFFECT THE WAY SROs CARRY OUT THEIR DUTIES?

Because SROs are applying a community-policing philosophy within a school environment, the relationships they maintain outside their schools are magnified in importance. The relationships they maintain with their departments form the foundation from which they gain legitimacy within the schools. Their relationships with community agencies allow them to act as links to these agencies so that the resources of the community can be used if needed. And their relationships with the community at large enable them to represent the norms and laws of that community. If a task force representing various segments of the community is in place, the SRO can act knowing that the community supports his or her presence in the school.

8. SHOULD SROs WEAR UNIFORMS AND CARRY GUNS?

There is wide variation in **approach** with reference to dress but not wide variation concerning guns. However, **opinions** vary intensely on the issue of guns and it is likely to be one of the first questions raised when a SRO program is suggested.

Some SROs always dress in uniform, some always dress casually or in civilian clothes, and many dress in uniform some days and casually other days. This choice, in most instances, is determined by law enforcement officials and the specific SROs and principals who are involved. Many times the unique needs of a particular school will dictate the approach. Schools that have a problem with trespassers are likely to have SROs who wear uniforms as a means of deterrence. Likewise, if the SRO is spending a lot of time at a middle school, he or she will find the uniform to be useful in working with younger students. With older students, it may sometimes be viewed as a barrier. In either case, the more critical question to address concerns *who* is wearing the uniform not what the person is wearing.

The issue of carrying guns is one that always receives attention. The variation in approach here is not as great as with uniforms. Usually, SROs carry guns; we have encountered only one SRO in North Carolina over two years of research who does not. The reasoning here is that the principal does not want him to and would have refused the SRO's assignment to his school if carrying a gun was required. This highlights the type

of input principals expect when considering SROs being placed in their schools. It also illustrates that there is concern about allowing any weapons on campus, even those in the hands of SROs.

The SROs' responses to this issue tend to be two-fold. First, the point is made that street officers are not required to remove their weapons when responding to 911 calls at schools; therefore, there is no rational reason why they should be required to "check them at the schoolhouse door" because they are SROs. Second, some have made the sad but telling point that they do not want to be unarmed and, as a consequence, have their effectiveness reduced in a circumstance in which the likelihood that weapons are present is increasing.

Overall, the SROs view their guns as part of their uniform. Not everyone else holds the same view. This difference in viewpoint will have to be confronted and addressed in any SRO program.

9. HOW CAN THE IMPACTS OF AN SRO PROGRAM BE IDENTIFIED?

The impacts of an SRO program can be identified by studying the "four e's": evaluation; environment; efficiency; and effectiveness. Evaluation refers to conducting baseline measures on incidents of school violence, before beginning the SRO program, and then collecting and tracking data throughout implementation. From this data, evaluations of various types can be performed.
Environment consists of determining SRO program impact on school environment, particularly in terms of the feelings of safety, attitudes, and behaviors of students, teachers and staff.

Efficiency focuses on impact related to wisely using law enforcement resources in the schools "where the action is." It also involves how savings associated with the preventive orientation of the SRO approach can be achieved.

Finally, effectiveness refers to both how well SROs fulfill their roles as law enforcement officers, law-related counselors, and law-related education teachers as well as the impact SROs have on incidents of violence both in schools and in the communities surrounding those schools.

10. HOW DOES A COMMUNITY DETERMINE THAT ITS SCHOOL(S) WILL BENEFIT FROM THE SRO APPROACH?

A community must determine what its needs are before it can decide if it will benefit from the SRO approach. The potential benefits of such an approach need to be identified in terms of those who have a stake in its existence: the courts; law enforcement; the schools; parents; and students. This will help communities focus on whether the approach meets their needs.

Additionally, community leaders should keep in mind the "promise" of the SRO approach. Such an approach provides a mechanism for both violence prevention and

crime intervention. It puts into action community "ownership" of the schools and provides a foundation for safe and secure learning environments.

Although not all communities will determine that they need to pursue the SRO approach, they should carefully examine their own needs and make determinations concerning which violence prevention strategies can best meet their needs. A careful examination of the SRO approach as well as other promising strategies will enable communities to provide the best possible schools for their students.

SCHOOL RESOURCE OFFICER PROGRAMS: INFORMATION SOURCES

Information about School Resource Officer programs is available from several sources:

- **Center for the Prevention of School Violence**

  Contact: Dr. Pamela L. Riley, Director
  Center for the Prevention of School Violence
  20 Enterprise Street, Suite 2
  Raleigh, North Carolina 27607
  (800) 299-6054

- **The National Association of School Resource Officers**

  Contact: Curt Lavarello, President
  The National Association of School Resource Officers
  2714 SW 5th Street
  Boynton Beach, FL 33435
  (407) 736-1736

- **The North Carolina Association of School Resource Officers**

  Contact: C.C. McGee, President
  North Carolina Association of School Resource Officers
  PO Box 21089
  Winston-Salem, North Carolina 27120
  (910) 748-4100

- **The North Carolina Justice Academy**

  Contact: Hank Snyder, Course Coordinator
  North Carolina Justice Academy
  P.O. Box 99
  Salemburg, North Carolina 28385
  (910) 525-4151

FOR FURTHER INFORMATION

For further information on these promising strategies or other school violence prevention initiatives please contact any of the Center's staff or visit the Center's web site.

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20 Enterprise Street, Suite 2
Raleigh, North Carolina 27607
(800) 299-6054 • (919) 515-9397 • FAX: (919) 515-9561

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Meeting the Challenge of School Violence: School Resource Officers

Dr. Pamela L. Riley

Executive Director

Center for the Prevention of School Violence

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SCHOOL VIOLENCE.
LET'S GET IT OUT OF OUR SYSTEM.

14c

Agenda

LEGAL ISSUES AFFECTING SAFETY & SECURITY IN SCHOOLS
GUILFORD COUNTY SCHOOLS OFFICE
ENGLISH STREET
HIGH POINT, NC
NOVEMBER 18, 1997

8:00 - 8:30 **Registration/Coffee**

8:30 - 8:45 **Introductions and Overview of the Workshop**
Dr. Frances Jones, Director
Piedmont Horizons Education Consortium

8:45 - 10:00 **1997 Legislation Affecting the Safety and Order of Schools**
Dr. Pamela L. Riley, Director
Center for the Prevention of School Violence

10:00 - 10:15 **Break**

10:15 - 11:15 **Teacher Responsibility for Achieving Safe, Secure and Orderly Schools**
Ms. Laurie Mesibov, Professor of Public Law and Government
Institute of Government

11:15 - 12:00 **Safe School Planning**
Ms. Joanne McDaniel, Research Director
Center for the Prevention of School Violence

12:00 - 1:00 **Lunch**

1:00 - 2:00 **Involving Law Enforcement in School Safety**
Mr. Robert Cansler, Chief
(Vice-President of the NC Association of Chiefs of Police)
Concord Police Department

2:00 - 2:15 **Break**

2:15 - 3:15 **Student Freedom of Expression Issues**
Ms. Jill Wilson, School Board Attorney
Guilford County Schools, Rockingham County Schools

3:15 - 3:30 **Wrap-Up**

Leading Safe Schools

Regional Briefings for School Administrators

December 16, 1997
UNC-Charlotte
Cone Center, Lucas Room

1 p.m.	Welcome ***Jan Crotts, Executive Director, NCASA***
1:10 p.m.	Local Board and LEA Component for Maintaining Safe Schools ***Joanne McDaniel, Research Director*** ***NC Center for the Prevention of School Violence***
	Local School Building Improvement Component for Safe Schools ***Sandra Peyser, SDPI*** ***School Counselor for Safe Schools Team***
3:10 p.m.	**Q & A**
4 p.m.	Closing Comments ***Lloyd Thrower, Executive Director, TAP-AP***

Co-sponsored by the NC Association of School Administrators and Tarheel Association of Principals and Assistant Principals

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Dr. Pamela L. Riley, Director

WRITING SAFE SCHOOL PLANS

January 6, 1998 2:00 - 4:00

2:00-2:30	Introduction and Overview
2:30-3:00	Review of Plan Protocol
3:00-3:15	The Four "S's" of Safe School Planning
3:15-3:30	Action Planning: Barriers & Supporting Factors and Example Plans
3:30-3:45	Plans and Salary Increases
3:45-4:00	Questions and Answers

Presenters: Dr. Pamela Riley, Executive Director - Center for the Prevention of School Violence
Joanne McDaniel, Research Director - Center for the Prevention of School Violence

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Classification	Number of Teachers Supervised
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Principal VI	55-65 Teachers
Principal VII	More than 65 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

(e) For the 1997-98 fiscal year, a principal or assistant principal shall be placed on the appropriate step plus one percent (1%) if:

(1) The employee's school meets or exceeds the projected levels of improvement in student performance for the 1997-98 fiscal year, in accordance with the ABC's of Public Education Program; or

(2) The local board of education finds that the employee's school has met objectively measurable goals set by the local board of education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus two percent (2%) if the conditions set out in both subdivision (1) and (2) are satisfied. The principal or assistant principal shall receive a lump sum payment for the 1997-98 fiscal year service if the conditions set out in subdivision (1) or (2) or both are satisfied. The lump sum shall be paid as determined by guidelines adopted by the State Board. Placement on the salary schedule in the following year shall be based upon these increases.

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Definition of Safe Schools

A safe school is a school:

(1) Where identified or specified problems or incidents of disruption, crime and violence are progressively decreased to zero;

(2) Which is perceived to be orderly, disciplined and safe by at least 95 percent of major stakeholders (i.e., students, educators, parents) and where at least 95 percent of occupants feel safe and secure at any time, while striving for 100 percent on these dimensions;

(3) Where the occurrence of absences, inadequate academic performance, or dropouts due to feeling afraid in school is progressively decreased to zero; and

(4) Where those factors thought to contribute to accomplishing these outcomes are progressively developed and nurtured.

as rewritten:

"§ 115C-105.27. **Development and approval of school improvement plans.**

In order to improve student performance, each school shall develop a school improvement plan that takes into consideration the annual performance goal for that school that is set by the State Board under G.S. 115C-105.35. The principal of each school, representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building, and parents of children enrolled in the school shall constitute a school improvement team to develop a school improvement plan to improve student performance. Unless the local board of education has adopted an election policy, parents shall be elected by parents of children enrolled in the school in an election conducted by the parent and teacher organization of the school or, if none exists, by the largest organization of parents formed for this purpose. Parents serving on school improvement teams shall reflect the racial and socioeconomic composition of the students enrolled in that school and shall not be members of the building-level staff. Parental involvement is a critical component of school success and positive student achievement; therefore, it is the intent of the General Assembly that parents, along with teachers, have a substantial role in developing school improvement plans. To this end, school improvement team meetings shall be held at a convenient time to assure substantial parent participation. The strategies for improving student performance shall include a plan for the use of staff development funds that may be made available to the school by the local board of education to implement the school improvement ~~plan.~~ plan and shall include a plan to address school safety and discipline concerns in accordance with the safe school plan developed under Article 8C of this Chapter. The strategies may include a decision to use State funds in accordance with G.S. 115C-105.25. The strategies may also include requests for waivers of State laws, rules, or policies for that school. A request for a waiver shall meet the requirements of G.S. 115C-105.26.

Support among affected staff members is essential to successful implementation of a school improvement plan to address improved student performance at that school. The principal of the school shall present the proposed school improvement plan to all of the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for their review and vote. The vote shall be by secret ballot. The principal shall submit the school improvement plan to the local board of education only if the proposed school improvement plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the school improvement plan. The local board shall not make any substantive changes in any school improvement plan that it accepts. If the local board rejects a school improvement plan, the local board shall state with specificity its reasons for rejecting the plan; the school improvement team may then prepare another plan, present it to the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for a vote, and submit it to the local board to accept or reject. If no school improvement plan is accepted for a school within 60 days after its initial submission to the local board, the school or the local board may ask to use the process to resolve disagreements recommended in the guidelines developed by the State Board under G.S. 115C-105.20(b)(5). If this request is made, both the school and local board shall participate in the process to resolve disagreements. If there is no request to use that process, then the local board may develop a school improvement plan for the school. The General Assembly urges the local board to utilize the school's proposed school improvement plan to the maximum extent possible when developing such a plan.

A school improvement plan shall remain in effect for no more than three years; however, the school improvement team may amend the plan as often as is necessary or appropriate. If, at any time, any part of a school improvement plan becomes unlawful or the local board finds that a school improvement plan is impeding student performance at a school, the local board may vacate the relevant portion of the plan and may direct the school to revise that portion. The procedures set out in this subsection shall apply to amendments and revisions to school improvement plans."

(3) The State Board of Education shall develop a plan to reward school principals for improving school safety and school climate. The Board shall report this plan, along with any recommended statutory changes, to the Joint Legislative Education Oversight Committee by April 15, 1998.

(4) Local boards of education shall begin implementation of local safe school plans developed under this section by the beginning of the 1998-99 school year

(r) Effective when this act becomes law:
(1) Chapter 115C of the General Statutes is amended by adding a new Article to read:

"ARTICLE 8C.
"Local Plans for Maintaining Safe and Orderly Schools.

"§ 115C-105.45. Legislative findings.

The General Assembly finds that all schools should be safe, secure, and orderly. If students are to aim for academic excellence, it is imperative that there is a climate of respect in every school and that every school is free of disruption, drugs, violence, and weapons. All schools must have plans, policies, and procedures for dealing with disorderly and disruptive behavior. All schools and school units must have effective measures for assisting students who are at risk of academic failure or of engaging in disruptive and disorderly behavior.

"§ 115C-105.46. State Board of Education responsibilities.

In order to implement this Article, the State Board of Education:

(1) Shall adopt guidelines for developing local plans under G.S. 115C-105.47;
(2) Shall provide, in cooperation with the Board of Governors of The University of North Carolina, ongoing technical assistance to the local school administrative units in the development, implementation, and evaluation of their local plans under G.S. 115C-105.47;
(3) May require a local board of education to withhold the salary of any administrator or other employee of a local school administrative unit who delays or refuses to prepare and implement local safe school plans in accordance with G.S. 115C-105.47; and
(4) May revoke the certificate of the superintendent, pursuant to G.S. 115C-274(c), for failure to fulfill the superintendent's duties under a local safe school plan.

"§ 115C-105.47. Local safe school plans.

(a) Each local board of education shall develop a local school administrative unit safe school plan designed to provide that every school in the local school administrative unit is safe, secure, and orderly, that there is a climate of respect in every school, and that appropriate personal conduct is a priority for all students and all public school personnel. The board shall include parents, the school community, representatives of the community, and others in the development or review of this plan. The plan may be developed by or in conjunction with other committees.

(b) Each plan shall include each of the following components:

(1) Clear statements of the standard of behavior expected of students at different grade levels and of school personnel and clear statements of the consequences that will result from one or more violations of those standards. There shall be a statement of consequences for students under the age of 13 who physically assault and seriously injure a teacher or other individual on school property or at a school-sponsored or school-related activity. The consequences may include placement in an alternative setting.
(2) A clear statement of the responsibility of the superintendent for coordinating the adoption and the implementation of the plan, evaluating principals' performance regarding school safety, monitoring and evaluating the implementation of safety plans at the school level, and coordinating with local law enforcement and court officials appropriate aspects of implementation of the plan. The statement of responsibility shall provide appropriate disciplinary consequences that may occur if the superintendent fails to carry out these responsibilities. These consequences may include a reprimand in the superintendent's personnel file or withholding of the superintendent's salary, or both.

(3) A clear statement of the responsibility of the school principal for restoring, if necessary, and maintaining a safe, secure, and orderly school environment and of the consequences that may occur if the principal fails to meet that responsibility. The principal's duties shall include exhibiting appropriate leadership for school personnel and students, providing for alternative placements for students who are seriously disruptive, reporting all criminal acts under G.S. 115C-288(g), and providing appropriate disciplinary consequences for disruptive students. The consequences to the principal that may occur shall include a reprimand in the principal's personnel file and disciplinary proceedings under G.S. 115C-325.

(4) Clear statements of the roles of other administrators, teachers, and other school personnel in restoring, if necessary, and maintaining a safe, secure, and orderly school environment.

(5) Procedures for identifying and serving the needs of students who are at risk of academic failure or of engaging in disruptive or disorderly behavior.

(6) Mechanisms for assessing the needs of disruptive and disorderly students, providing them with services to assist them in achieving academically and in modifying their behavior, and removing them from the classroom when necessary.

(7) Measurable objectives for improving school safety and order.

(8) Measures of the effectiveness of efforts to assist students at risk of academic failure or of engaging in disorderly or disruptive behavior.

(9) Professional development clearly matched to the goals and objectives of the plan.

(10) A plan to work effectively with local law enforcement officials and court officials to ensure that schools are safe and laws are enforced.

(11) A plan to provide access to information to the school community, parents, and representatives of the local community on the ongoing implementation of the local plan, monitoring of the local plan, and the integration of educational and other services for students into the total school program.

(12) The name and role description of the person responsible for implementation of the plan.

(13) Direction to school improvement teams within the local school administrative unit to consider the special conditions at their schools and to incorporate into their school improvement plans the appropriate components of the local plan for maintaining safe and orderly schools.

(14) A clear and detailed statement of the planned use of federal, State, and local funds allocated for at-risk students, alternative schools, or both.

(15) Any other information the local board considers necessary or appropriate to implement this Article.

A local board may develop its plan under this section by conducting a comprehensive review of its existing policies, plans, statements, and procedures to determine whether they: (i) are effective; (ii) have been updated to address recent changes in the law; (iii) meet the current needs of each school in the local school administrative unit; and (iv) address the components required to be included in the local plan. The board then may consolidate and supplement any previously developed policies, plans, statements, and procedures that the board determines are effective and updated, meet the current needs of each school, and meet the requirements of this subsection.

Once developed, the board shall submit the local plan to the State Board of Education and shall ensure the plan is available and accessible to parents and the school community. The board shall provide annually to the State Board information that demonstrates how the At-Risk Student Services/Alternative Schools Funding Allotment has been used to (i) prevent academic failure or (ii) promote school safety.

(c) The local board may amend the plan as often as it considers necessary or appropriate."

SAFE SCHOOL PLANNING "TEST"

COMPONENT	YES [✔]
Standards of behavior and consequences for students	
Standards of behavior and consequences for school personnel	
Statement of consequences for students under the age of 13 . . .	
Statements of roles and responsibilities for all involved personnel	
Procedures for identifying and serving at risk students nd mechanisms for evaluating the effectiveness of procedures	
A plan with: goals measurable objectives strategies person(s) responsible time lines evaluation	
Professional development that matches the plan	
Provisions for collaboration with law enforcement and court officials	
Provisions for communicating plan and progress	
Designation of responsible person	
Direction to local school improvement teams	
Delineation of fund usage	
Other information	

HOW TO DETERMINE IF YOUR SCHOOL IS . . .

A SECURE SCHOOL	A SAFE SCHOOL	AN ORDERLY SCHOOL
A "secure school" is one whose physical features, layout and policies and procedures are designed to minimize the impact of intrusions that might prevent the school from fulfilling its educational mission.	A "safe school" is one whose climate is free of fear. The perceptions, feelings, and behaviors of those who attend the school or are in some way involved with it reveal that the school is a place where people are comfortable and are able to go about their business without concern for their safety.	An "orderly school" is one characterized by a climate of respect. Students relate to each other and to teachers and school staff in acceptable ways. Expectations about what is acceptable behavior are clearly stated, and consequences for unacceptable behavior are known and applied when appropriate.
INDICATORS OF A SECURE SCHOOL	**INDICATORS OF A SAFE SCHOOL**	**INDICATORS OF AN ORDERLY SCHOOL**
•the existence and execution of a plan, policies, and procedures that address the "security" of the school •measures: number of trespassers number of break-ins number of firearms number of weapons other than firearms school-specific indicators	•the existence and execution of a plan, policies, and procedures that address the "safety" of the school •measures: results from surveys of students, teachers, school staff, parents, the community at-large absenteeism school-specific indicators	•the existence and execution of a plan, policies and procedures that address the "orderliness" of the school •measures: referrals to the office reasons for referrals number of in-school suspensions number of out-of-school suspensions school-specific indicators
EVALUATING A SCHOOL'S "SECURITY"	**EVALUATING A SCHOOL'S "SAFETY"**	**EVALUATING A SCHOOL'S "ORDERLINESS"**
To evaluate the "security" of a school, continuous assessments of the physical features, layout and policies and procedures need to occur. Knowledge gained from these assessments needs to be incorporated into the safe school plan and translated into action. Adjustments need to be made when appropriate.	To evaluate the "safety" of a school, assessments of the safety concerns of stakeholders, through surveys, for example, need to occur. Information from surveys and other safety measures needs to be used in the creation of the safe school plan so that safety concerns can be addressed. Continuous measurement of safety concerns needs to take place so that actions can be adjusted to address concerns.	To evaluate the "orderliness" of a school, assessments of the reasons for disorder need to occur. From these assessments, a code of conduct reflecting behavioral expectations can be established as part of the safe school plan. Review of the reasons for disorder should help establish the code of conduct. Adjustments to the code should be made based upon continuous review of the school's "orderliness."

LET'S GET SCHOOL VIOLENCE OUT OF OUR SYSTEM:
"PROMISING" STRATEGIES FOR SCHOOLS: LAW-RELATED EDUCATION

WHAT LAW-RELATED EDUCATION IS: Law-related education (LRE) teaches students about the importance of good citizenship. Students are introduced to concepts which are central to the exercise of citizenship. They are taught that laws and rules are useful and necessary in our democracy. They are instructed about their rights and the responsibilities which accompany them. Emphasis is given to respecting others. They are encouraged to become responsible, participatory citizens.

WHY LAW-RELATED EDUCATION IS NEEDED: The need for LRE is evidenced every day in our society. Citizens need to know about their rights and responsibilities if our democracy is to survive and thrive. Students need to be given guidance as to what the rules of society are. Those who know the rules are more likely to follow them. By explicitly teaching LRE, schools are providing their students with knowledge that will help them understand what is expected of them by society. Additionally, they are empowered by this information. Young people in our society are more likely to be victims of crime than other members of society. By teaching young people about the law, schools provide them with information which can help them avoid being victims of crime.

HOW LAW-RELATED EDUCATION IS UNDERTAKEN: With reference to curriculum, LRE is undertaken in one of two ways: it is either incorporated into existing school curriculum or it is pursued as a separate one. The first approach is the more traditional way of teaching about citizenship. The second is increasingly what is meant when references to LRE are made. When incorporated into existing curriculum, LRE is typically found in history, government, or social studies classes at all grade levels. Other courses may also integrate the concepts of rules, rights, responsibilities, and respect into existing course content.

When pursued as a separate curriculum, LRE becomes a programmatic approach. These programs are often designed to encourage students to become participants in society by performing community service. One point of emphasis with this approach is to teach students that they have a stake in their communities and have opportunities to make their communities better for everyone.

In addition to being included in curriculum, schools which emphasize rules, rights, responsibilities, and respect in their daily operations are also involved in LRE. By emphasizing these concepts and the conduct associated with them, these schools provide environments in which students can gain an understanding of their importance both in theory and in practice.

THE "PROMISE" OF LAW-RELATED EDUCATION: By teaching students about rules, rights, responsibilities, and respect, LRE contains the "promise" of creating citizens who understand that these concepts are critical in our democracy. This understanding will contribute to creating and maintaining both safe and secure schools and safe and secure communities.

Center for the Prevention of School Violence
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Dr. Pamela L. Riley, Director

WRITING SAFE SCHOOL PLANS

January 13, 1998 10:00-12:00

10:00-10:30	Introduction and Overview
10:30-11:00	Review of Plan Protocol
11:00-11:15	The Four "S's" of Safe School Planning
11:15-11:30	Action Planning: Barriers & Supporting Factors and Example Plans
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11:45-12:00	Questions and Answers

Presenters: Dr. Pamela Riley, Executive Director - Center for the Prevention of School Violence
Joanne McDaniel, Research Director - Center for the Prevention of School Violence

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A safe school is a school:

(1) Where identified or specified problems or incidents of disruption, crime and violence are progressively decreased to zero;

(2) Which is perceived to be orderly, disciplined and safe by at least 95 percent of major stakeholders (i.e., students, educators, parents) and where at least 95 percent of occupants feel safe and secure at any time, while striving for 100 percent on these dimensions;

(3) Where the occurrence of absences, inadequate academic performance, or dropouts due to feeling afraid in school is progressively decreased to zero; and

(4) Where those factors thought to contribute to accomplishing these outcomes are progressively developed and nurtured.

as rewritten:

"§ 115C-105.27. **Development and approval of school improvement plans.**

In order to improve student performance, each school shall develop a school improvement plan that takes into consideration the annual performance goal for that school that is set by the State Board under G.S. 115C-105.35. The principal of each school, representatives of the assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building, and parents of children enrolled in the school shall constitute a school improvement team to develop a school improvement plan to improve student performance. Unless the local board of education has adopted an election policy, parents shall be elected by parents of children enrolled in the school in an election conducted by the parent and teacher organization of the school or, if none exists, by the largest organization of parents formed for this purpose. Parents serving on school improvement teams shall reflect the racial and socioeconomic composition of the students enrolled in that school and shall not be members of the building-level staff. Parental involvement is a critical component of school success and positive student achievement; therefore, it is the intent of the General Assembly that parents, along with teachers, have a substantial role in developing school improvement plans. To this end, school improvement team meetings shall be held at a convenient time to assure substantial parent participation. The strategies for improving student performance shall include a plan for the use of staff development funds that may be made available to the school by the local board of education to implement the school improvement ~~plan.~~ plan and shall include a plan to address school safety and discipline concerns in accordance with the safe school plan developed under Article 8C of this Chapter. The strategies may include a decision to use State funds in accordance with G.S. 115C-105.25. The strategies may also include requests for waivers of State laws, rules, or policies for that school. A request for a waiver shall meet the requirements of G.S. 115C-105.26.

Support among affected staff members is essential to successful implementation of a school improvement plan to address improved student performance at that school. The principal of the school shall present the proposed school improvement plan to all of the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for their review and vote. The vote shall be by secret ballot. The principal shall submit the school improvement plan to the local board of education only if the proposed school improvement plan has the approval of a majority of the staff who voted on the plan.

The local board of education shall accept or reject the school improvement plan. The local board shall not make any substantive changes in any school improvement plan that it accepts. If the local board rejects a school improvement plan, the local board shall state with specificity its reasons for rejecting the plan; the school improvement team may then prepare another plan, present it to the principals, assistant principals, instructional personnel, instructional support personnel, and teacher assistants assigned to the school building for a vote, and submit it to the local board to accept or reject. If no school improvement plan is accepted for a school within 60 days after its initial submission to the local board, the school or the local board may ask to use the process to resolve disagreements recommended in the guidelines developed by the State Board under G.S. 115C-105.20(b)(5). If this request is made, both the school and local board shall participate in the process to resolve disagreements. If there is no request to use that process, then the local board may develop a school improvement plan for the school. The General Assembly urges the local board to utilize the school's proposed school improvement plan to the maximum extent possible when developing such a plan.

A school improvement plan shall remain in effect for no more than three years; however, the school improvement team may amend the plan as often as is necessary or appropriate. If, at any time, any part of a school improvement plan becomes unlawful or the local board finds that a school improvement plan is impeding student performance at a school, the local board may vacate the relevant portion of the plan and may direct the school to revise that portion. The procedures set out in this subsection shall apply to amendments and revisions to school improvement plans."

(3) The State Board of Education shall develop a plan to reward school principals for improving school safety and school climate. The Board shall report this plan, along with any recommended statutory changes, to the Joint Legislative Education Oversight Committee by April 15, 1998.

(4) Local boards of education shall begin implementation of local safe school plans developed under this section by the beginning of the 1998-99 school year

(r) Effective when this act becomes law:
(1) Chapter 115C of the General Statutes is amended by adding a new Article to read:

"ARTICLE 8C.

"Local Plans for Maintaining Safe and Orderly Schools.

115C-105.45. Legislative findings.

The General Assembly finds that all schools should be safe, secure, and orderly. If students are to aim for academic excellence, it is imperative that there is a climate of respect in every school and that every school is free of disruption, drugs, violence, and weapons. All schools must have plans, policies, and procedures for dealing with disorderly and disruptive behavior. All schools and school units must have effective measures for assisting students who are at risk of academic failure or of engaging in disruptive and disorderly behavior.

"§ 115C-105.46. State Board of Education responsibilities.

In order to implement this Article, the State Board of Education:

(1) Shall adopt guidelines for developing local plans under G.S. 115C-105.47;

(2) Shall provide, in cooperation with the Board of Governors of The University of North Carolina, ongoing technical assistance to the local school administrative units in the development, implementation, and evaluation of their local plans under G.S. 115C-105.47;

(3) May require a local board of education to withhold the salary of any administrator or other employee of a local school administrative unit who delays or refuses to prepare and implement local safe school plans in accordance with G.S. 115C-105.47; and

(4) May revoke the certificate of the superintendent, pursuant to G.S. 115C-274(c), for failure to fulfill the superintendent's duties under a local safe school plan.

15C-105.47. Local safe school plans.

) Each local board of education shall develop a local school administrative unit safe school plan designed to provide that every school in the local school administrative unit is safe, secure, and orderly, that there is a climate of respect in every school, and that appropriate personal conduct is a priority for all students and all public school personnel. The board shall include parents, the school community, representatives of the community, and others in the development or review of this plan. The plan may be developed by or in conjunction with other committees.

(b) Each plan shall include each of the following components:

(1) Clear statements of the standard of behavior expected of students at different grade levels and of school personnel and clear statements of the consequences that will result from one or more violations of those standards. There shall be a statement of consequences for students under the age of 13 who physically assault and seriously injure a teacher or other individual on school property or at a school-sponsored or school-related activity. The consequences may include placement in an alternative setting.

(2) A clear statement of the responsibility of the superintendent for coordinating the adoption and the implementation of the plan, evaluating principals' performance regarding school safety, monitoring and evaluating the implementation of safety plans at the school level, and coordinating with local law enforcement and court officials appropriate aspects of implementation of the plan. The statement of responsibility shall provide appropriate disciplinary consequences that may occur if the superintendent fails to carry out these responsibilities. These consequences may include a reprimand in the superintendent's personnel file or withholding of the superintendent's salary, or both.

(3) A clear statement of the responsibility of the school principal for restoring, if necessary, and maintaining a safe, secure, and orderly school environment and of the consequences that may occur if the principal fails to meet that responsibility. The principal's duties shall include exhibiting appropriate leadership for school personnel and students, providing for alternative placements for students who are seriously disruptive, reporting all criminal acts under G.S. 115C-288(g), and providing appropriate disciplinary consequences for disruptive students. The consequences to the principal that may occur shall include a reprimand in the principal's personnel file and disciplinary proceedings under G.S. 115C-325.

(4) Clear statements of the roles of other administrators, teachers, and other school personnel in restoring, if necessary, and maintaining a safe, secure, and orderly school environment.

(5) Procedures for identifying and serving the needs of students who are at risk of academic failure or of engaging in disruptive or disorderly behavior.

(6) Mechanisms for assessing the needs of disruptive and disorderly students, providing them with services to assist them in achieving academically and in modifying their behavior, and removing them from the classroom when necessary.

(7) Measurable objectives for improving school safety and order.

(8) Measures of the effectiveness of efforts to assist students at risk of academic failure or of engaging in disorderly or disruptive behavior.

(9) Professional development clearly matched to the goals and objectives of the plan.

(10) A plan to work effectively with local law enforcement officials and court officials to ensure that schools are safe and laws are enforced.

(11) A plan to provide access to information to the school community, parents, and representatives of the local community on the ongoing implementation of the local plan, monitoring of the local plan, and the integration of educational and other services for students into the total school program.

(12) The name and role description of the person responsible for implementation of the plan.

(13) Direction to school improvement teams within the local school administrative unit to consider the special conditions at their schools and to incorporate into their school improvement plans the appropriate components of the local plan for maintaining safe and orderly schools.

(14) A clear and detailed statement of the planned use of federal, State, and local funds allocated for at-risk students, alternative schools, or both.

(15) Any other information the local board considers necessary or appropriate to implement this Article.

A local board may develop its plan under this section by conducting a comprehensive review of its existing policies, plans, statements, and procedures to determine whether they: (i) are effective; (ii) have been updated to address recent changes in the law; (iii) meet the current needs of each school in the local school administrative unit; and (iv) address the components required to be included in the local plan. The board then may consolidate and supplement any previously developed policies, plans, statements, and procedures that the board determines are effective and updated, meet the current needs of each school, and meet the requirements of this subsection.

Once developed, the board shall submit the local plan to the State Board of Education and shall ensure the plan is available and accessible to parents and the school community. The board shall provide annually to the State Board information that demonstrates how the At-Risk Student Services/Alternative Schools Funding Allotment has been used to (i) prevent academic failure or (ii) promote school safety.

(c) The local board may amend the plan as often as it considers necessary or appropriate."

SAFE SCHOOL PLANNING "TEST"

COMPONENT	YES [✔]
Standards of behavior and consequences for students	
Standards of behavior and consequences for school personnel	
Statement of consequences for students under the age of 13 . . .	
Statements of roles and responsibilities for all involved personnel	
Procedures for identifying and serving at risk students nd mechanisms for evaluating the effectiveness of procedures	
A plan with: goals measurable objectives strategies person(s) responsible time lines evaluation	
Professional development that matches the plan	
Provisions for collaboration with law enforcement and court officials	
Provisions for communicating plan and progress	
Designation of responsible person	
Direction to local school improvement teams	
Delineation of fund usage	
Other information	

HOW TO DETERMINE IF YOUR SCHOOL IS . . .

A SECURE SCHOOL	A SAFE SCHOOL	AN ORDERLY SCHOOL
A "secure school" is one whose physical features, layout and policies and procedures are designed to minimize the impact of intrusions that might prevent the school from fulfilling its educational mission.	A "safe school" is one whose climate is free of fear. The perceptions, feelings, and behaviors of those who attend the school or are in some way involved with it reveal that the school is a place where people are comfortable and are able to go about their business without concern for their safety.	An "orderly school" is one characterized by a climate of respect. Students relate to each other and to teachers and school staff in acceptable ways. Expectations about what is acceptable behavior are clearly stated, and consequences for unacceptable behavior are known and applied when appropriate.
INDICATORS OF A SECURE SCHOOL	**INDICATORS OF A SAFE SCHOOL**	**INDICATORS OF AN ORDERLY SCHOOL**
•the existence and execution of a plan, policies, and procedures that address the "security" of the school •measures: number of trespassers number of break-ins number of firearms number of weapons other than firearms school-specific indicators	•the existence and execution of a plan, policies, and procedures that address the "safety" of the school •measures: results from surveys of students, teachers, school staff, parents, the community at-large absenteeism school-specific indicators	•the existence and execution of a plan, policies and procedures that address the "orderliness" of the school •measures: referrals to the office reasons for referrals number of in-school suspensions number of out-of-school suspensions school-specific indicators
EVALUATING A SCHOOL'S "SECURITY"	**EVALUATING A SCHOOL'S "SAFETY"**	**EVALUATING A SCHOOL'S "ORDERLINESS"**
To evaluate the "security" of a school, continuous assessments of the physical features, layout and policies and procedures need to occur. Knowledge gained from these assessments needs to be incorporated into the safe school plan and translated into action. Adjustments need to be made when appropriate.	To evaluate the "safety" of a school, assessments of the safety concerns of stakeholders, through surveys, for example, need to occur. Information from surveys and other safety measures needs to be used in the creation of the safe school plan so that safety concerns can be addressed. Continuous measurement of safety concerns needs to take place so that actions can be adjusted to address concerns.	To evaluate the "orderliness" of a school, assessments of the reasons for disorder need to occur. From these assessments, a code of conduct reflecting behavioral expectations can be established as part of the safe school plan. Review of the reasons for disorder should help establish the code of conduct. Adjustments to the code should be made based upon continuous review of the school's "orderliness."

LET'S GET SCHOOL VIOLENCE OUT OF OUR SYSTEM:
"PROMISING" STRATEGIES FOR SCHOOLS: LAW-RELATED EDUCATION

WHAT LAW-RELATED EDUCATION IS: Law-related education (LRE) teaches students about the importance of good citizenship. Students are introduced to concepts which are central to the exercise of citizenship. They are taught that laws and rules are useful and necessary in our democracy. They are instructed about their rights and the responsibilities which accompany them. Emphasis is given to respecting others. They are encouraged to become responsible, participatory citizens.

WHY LAW-RELATED EDUCATION IS NEEDED: The need for LRE is evidenced every day in our society. Citizens need to know about their rights and responsibilities if our democracy is to survive and thrive. Students need to be given guidance as to what the rules of society are. Those who know the rules are more likely to follow them. By explicitly teaching LRE, schools are providing their students with knowledge that will help them understand what is expected of them by society. Additionally, they are empowered by this information. Young people in our society are more likely to be victims of crime than other members of society. By teaching young people about the law, schools provide them with information which can help them avoid being victims of crime.

HOW LAW-RELATED EDUCATION IS UNDERTAKEN: With reference to curriculum, LRE is undertaken in one of two ways: it is either incorporated into existing school curriculum or it is pursued as a separate one. The first approach is the more traditional way of teaching about citizenship. The second is increasingly what is meant when references to LRE are made. When incorporated into existing curriculum, LRE is typically found in history, government, or social studies classes at all grade levels. Other courses may also integrate the concepts of rules, rights, responsibilities, and respect into existing course content.

When pursued as a separate curriculum, LRE becomes a programmatic approach. These programs are often designed to encourage students to become participants in society by performing community service. One point of emphasis with this approach is to teach students that they have a stake in their communities and have opportunities to make their communities better for everyone.

In addition to being included in curriculum, schools which emphasize rules, rights, responsibilities, and respect in their daily operations are also involved in LRE. By emphasizing these concepts and the conduct associated with them, these schools provide environments in which students can gain an understanding of their importance both in theory and in practice.

THE "PROMISE" OF LAW-RELATED EDUCATION: By teaching students about rules, rights, responsibilities, and respect, LRE contains the "promise" of creating citizens who understand that these concepts are critical in our democracy. This understanding will contribute to creating and maintaining both safe and secure schools and safe and secure communities.

B

Safe School Planning

Center for the Prevention of School Violence

Dr. Pamela L. Riley, Director

20 Enterprise Street, Suite 2 • Raleigh, NC 27607

1-800-299-6054 • (919) 515-9397•FAX (919) 515-9561

www.ncsu.edu/cpsv/

Attachment 15 (3)

Summary of School Resource Officer (SRO) Surveys

General Information

	Description	FY 1997-98 #	FY 1997-98 %	FY 1996-97 #/%
All 117 LEAs responded to the Survey	**Total LEAs Reporting**	117	100.00%	
	LEAs with SROs	110	94.02%	102
	LEAs without SROs	7	5.98%	15
	Total SROs Statewide	516.50		
A High School serves Grades 9 & 10 or 12 and receives a principal	**Total High Schools**	388	100.00%	
	High Schools with SROs	322	82.99%	78.74%
	High Schools without SROs	66	17.01%	21.26%
A Middle School serves no grades lower than 6 and higher than 9 and receives a principal	**Total Middle Schools**	352	100.00%	
	Middle Schools with SROs	156	44.32%	33.72%
	Middle Schools without SROs	196	55.68%	66.28%
The State Allocation for FY 1997-98 for At-Risk Student /Alternative School is $124,371,197	**Funding Sources for SROs**			
	State Public School Fund	290.36	56.22%	211.00
	Governor's Crime Control	2.15	0.42%	7.00
	LEA Funded (local through LEA)	103.30	20.00%	102.00
	Federal Funded	4.50	0.87%	5.00
	Other(supplied by Sheriff/Police)	116.19	22.49%	119.00
	Total SROs Statewide	516.50	100.00%	444.00

High Schools

Statistics	LEAs with SROs in all High Schools	72	61.54%	69
	LEAs with Partial Coverage	35	29.91%	33
	LEAs with No SROs	10	8.55%	15
	Total LEAs	117	100.00%	117
Reasons for Partial or No Coverage	1. There are no behavior problems that warrant an SRO.	31	68.89%	
	2. SRO's at other schools serve high school as needed.	9	20.00%	
	3. No Funds Available/Used funds for other needs.	5	11.11%	
	Total	45	100.00%	

Middle Schools

Statistics	LEAs with SROs in all Middle Schools	29	27.89%	
	LEAs with Partial Coverage	16	15.38%	
	LEAs with No SROs	59	56.73%	
	Total LEAs Note: Thirteen LEAs do not have middle schools	104	100.00%	
Reasons for Partial or No Coverage	1. No Funds Available/Used funds for other needs.	27	36.00%	
	2. There are no behavior problems that warrant an SRO.	21	28.00%	
	3. SRO's in other schools serve middle school as needed.	18	24.00%	
	4. In the process of hiring additional SRO's	6	8.00%	
	5. No response	3	4.00%	
	Total	75	100.00%	

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Wednesday, February 18, 1998 9:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Daniel Brown, Jr	DSBM
Kay Quarry	OSPL
Maurice King	OSBM
Ann Bellam	SBE
DICK ROBINSON	UNC GEN. ADM.
Whitney B Hutchens	UNC GA
Tom Maxwell	NCAICU
Gene Causby	E-EBC
Janet Shires	Department of Revenue
Jennifer Rasle	Gov. Public Policy Office
Leanne Winner	NCSBA
MICHAEL CROWELL	NC SCHOOL BDS ASS'N
Pam Morris	Public School Forum of NC

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Wednesday, February 18, 1998 9:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Harriet Diel	NCAE
Bill Thousand	Dept. of Community Colleges

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Tuesday, March 17, 1998

MINUTES

The Joint Appropriations Subcommittee on Education met at 10:00 a.m. on Tuesday, March 17, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Preston and Grady, Co-chairs; Representatives Black, Bonner, Davis, Insko, Moore, Oldham, Reynolds, Rogers, Russell, Shubert, and Yongue, and Representative Creech, Co-Chair, APPROPRIATIONS Committee; Senator Lee, Co-chair; Senators Garwood, Purcell and Hartsell . A visitors sheet is attached to these minutes.

Representative Robert Grady called the meeting to order. Reports on Use of Occupational Extension Appropriations and Community College Enrollment Update were presented by Mr. Kennon Briggs, Vice President for Finance, Department of Community Colleges. (See Handouts #1 and #2).

Mr. Briggs discussed the status of funds provided by the 1997 session of the General Assembly for occupational continuing education. An interim report on the expenditure of occupational dollars was given. Ten million dollars was appropriated for each year of the biennium for the enhancement of occupational continuing education (OCE) programs. Funds were requested by the State Board of Community Colleges in their 1997-99 expansion budget. Mr. Briggs said that the Board's intent was to increase parity with curriculum programs. A supplemental funding study report prepared by MGT of America stated that occupational programs were as valuable as curriculum programs in preparing North Carolinians to go into the work force and in upgrading the skills of those already there.

The General Assembly directed the State Board to consider an appropriate level of funding for OCE and to submit a report by April 30, 1998. That report will be submitted to this subcommittee in April, 1998.

Mr. Briggs reviewed guidelines established by the Community College System for the use of $10 million in expansion funds provided by the General Assembly as well as measures taken for accountability in the use of these funds. Questions and discussion followed this presentation.

Enrollment update included current enrollment estimates as well as curriculum enrollment trend and budget stability.

Representative Grady requested background information on Operations and Maintenance of Plant Report. Ms. Charlotte Todd, Fiscal Research Staff, gave an excellent report.

Presentations on Operations and Maintenance of Plant Report were given by Dr. Marvin Joyner, President, Central Carolina Community College, Sanford, North Carolina, and by Dr. Cecil Groves, President, Southwestern Community College, in Sylva.

Dr. Joyner said that Central Carolina Community College has the largest number of out-of-county students and is impacted heavily by these students. Home counties have to provide services to people that cannot be taxed to help in the operation of the physical plant.

Dr. Groves outlined circumstances in Southwestern Community College, which has the highest percentage of out-of-county students. Swain County, one of three service areas, has 85% of non-taxable land and an unemployment rate in excess of 25%. Macon County has had two plant closures and, as a result, a recent 2.8% increase in unemployment with a further expected increase. Jackson County has not been able to build an manufacturing base whose decline is one of the problems in this area. Special programs draw students from outside the service areas. The counties work very hard to do what they can but need help in recovering economy and building the tax base. (See Handout #3).

Discussion followed these presentations and questions were asked by committee members.

Dr. Scott Rawls from the North Carolina Community College System gave a presentation on New and Expanding Industry Report. (See handout #4). The State Board of Community Colleges is required to report at mid-year and at the end of each fiscal year on expenditures and number of trainees in the New and Expanding Industry Training Program. This report reflects the first full period of time under new guidelines enacted by the State Board on April 18, 1998. Discussion followed this presentation.

At 11:45 a.m., this subcommittee recessed for lunch.

The subcommittee reconvened at 1:30 p.m.. Representative Grady announced a full APPROPRIATIONS Committee meeting for tomorrow, April 18, at 8:30 a.m. after which the APPROPRIATIONS/Education Subcommittee will meet in Room 421.

At this time, Representative Grady recognized Ms. Molly Corbett Broad, President, University of North Carolina System, who introduced Mr. Bill McCoy, Vice President for Finance, UNC General Administration. Mr. McCoy reviewed the UNC proposed new model for funding enrollment increases. (See handout #5). Questions followed this presentation.

President Broad gave an overview of the UNC System budget request. (See handout #6).

President Broad complimented the subcommittee on already being involved in the development of the budget prior to the beginning of the Session. She said that in this second year of the biennium, the budget request is straightforward; however, it reflects how the UNC System is

trying to respond to the emergence of the forces of change. Strategic directions in the long-term plan of the Board of Governors were reviewed.

There was not further business to come before the subcommittee at this time. The meeting was adjourned at 3:00 p.m..

Respectfully submitted:

Robert Grady

Representative Robert Grady, Co-Chair

Peggy B. Murray

Peggy B. Murray, Committee Clerk

Joint Appropriations Subcommittee on Education

March 17, 1998
10:00 AM

Call to Order	Representative. Robert Grady, Co-Chair
Use of Occupational Extension Appropriations	Kennon Briggs
Community College Enrollment Update	Kennon Briggs
Operations and Maintenance of Plant Report	Marvin Joyner, Central Carolina Community College Cecil Groves, Southwestern Community College
New and Expanding Industry Report	Scott Rawls
Lunch Break	
UNC Proposed New Model for Funding Enrollment Increases	Bill McCoy, Vice President for Finance UNC General Administration
UNC Budget Priorities 1998-99	Molly Broad, President University of North Carolina

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Tuesday, March 17, 1998 10:00 A.M.

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Elizabeth Grossenstein	OSBM
Kay Query	OSPL
Maurice Kiy	OSBM
David Brown, Jr	OSBM
Lora Watters	Gov. Office
Larry Morgan	DCC
Philip Albano	DCC
MARVIN R. JOYNER	CENTRAL CAR. Com. Coll
Suzanne Williams	Dept. CC
Linn Bulam	SBE
Linn Norris	Public School Forum of NC

HANDOUT #1
3-17-98
APPROPRIATIONS - Education

The North Carolina Community College System
Department of Community Colleges
Division of Business and Finance

I. Title: Occupational Continuing Education

II. Background:

The 1997 Session of the General Assembly, in S.L 1997-443, appropriated $10,000,000 in each year of the 1997-99 biennium to the Community College System to increase the funding for Occupational Continuing Education (O.C.E.). The intent of the increased funding was to incrementally bring the amount of funding per full-time equivalent (FTE) student up to the Curriculum rate. The assumption underlying this gradual movement toward equivalent funding was that Occupational Extension classes, probably better understood as Continuing Education, were just as important in providing job skills training as other workforce development or degree-granting programs. The goal is to eventually fund O.C.E. classes on an equivalent basis with Curriculum.

A May 2, 1997, short report from Dr. Kent Caruthers of MGT of America, Inc., acknowledged that O.C.E. programs are an integral part of the state of North Carolina's economic development strategy. Because of funding practices in place at that time, which provided O.C.E. funding at less than half the rate per student of Curriculum programs, it was noted that offerings were limited. It was believed that course offerings would improve and increase, especially those which were previously cost prohibitive, if funding was enhanced.

Language was included in Section 9.2 of S.L. 1997-443 which, among other things, required the State Board to "consider the appropriate funding level for occupational extension programs based on an analysis of cost." This study is being conducted as a part of a Phase III study on the budget formula.

III. Funding Levels:

As noted, the 1997 Session of the General Assembly appropriated $10 million of recurring funds for enhancing the funding for O.C.E. programs. The continuation budget funding level for 1997-98, after adjusting for the legislative salary increase and enrollment growth, but before the addition of the $10 million of expansion funds, stood at $20.99 million. The following chart tracks the increase in funding from the 1996-97 continuation budget to the point prior to the infusion of the $10 million in expansion funds:

1997-98 Continuation Budget Amount	Legislative Salary Increase	Enrollment Growth	Total Funding Before $10,000,00 Increase	Unit Value
$18,264,562	$2,521,171	$198,374	$20,984,107	$23,876

Table 1. Continuation Funding

Infusion of Expansion Funds

The appropriation of the additional $10 million brought O.C.E. funding to approximately $30.99 million. After application of the expansion funds, the results were two-fold. The first was a lowering of the position/budgeted FTE ratio, and the second was an increase in the unit value. The ratio decreased from 1 instructional unit per 23 FTE to 1 instructional unit per 17.8 FTE at <500 FTE, and from 1 /23 to 1/21.55 at > 500 FTE. This action brought the O.C.E. class size in line with Curriculum class size, for budget purposes. This was one of the goals of moving toward equivalent funding.

The second result, which was also a goal of equivalent funding, was to increase the unit value. This was only partially achieved. The unit value in O.C.E. increased from $23,876 to $30,069. Additional funding would be required to move the unit value to the Curriculum rate of $42,201.

IV. Interim Report on the Use of Funds:

As a mechanism for providing accountability for the use of O.C.E. funds, this report has been prepared as an interim update. Final information will not be available until the end of fiscal year 1997-98. The information presented here is actual expenditure data through January 31, 1998, as reported by each of the 58 community colleges.

Attachment A displays the actual expenditure information. Column A of the attachment displays how the funds were allotted to each college. In other words, each college received through the formula allocation process the amount of funds shown. In order to properly account for the use of these funds, the Division of Business and Finance established a tracking mechanism for reporting purposes.

Column B of the attachment displays the movement of funds, based upon the original allotment, either into or out of O.C.E. From the report, it can be seen that **$588,134 has actually been moved into O.C.E.** Of this amount, approximately $262,000 has been used for equipment purchases (displayed in Column C). This clearly demonstrates that funds have not been moved out of O.C.E. to date.

It is important to note that the Division of Business and Finance, upon consultation with the System President, established categories of expenditures within O.C.E. to enable colleges to fully utilize the funds without "transferring" them out of this program area. Examples of this include the purchase of equipment (computers), program and course development, and marketing. Included as **Attachment B** are examples of suggested uses of O.C.E. funds, which are consistent with the intent of the expansion appropriation.

Actual Expenditures to Date

Column D reports actual expenditures to date. The amount spent year-to-date for the latest reporting period is approximately $13.7 million. This represents approximately 43.4 percent of the total funds available. This rate of expenditure is reasonably good given the late adjournment of the 1997 Session of the General Assembly. The colleges have communicated that a certain amount of time is required to develop and deliver course offerings which both individuals and businesses need to upgrade job skills. Expectations are that as colleges determine the need for additional courses, some of which have heretofore been cost-prohibitive, the rate of expenditure will increase.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
OCCUPATIONAL BUDGET AND EXPENDITURE SUMMARY
PERIOD ENDING: 01/31/98

ATTACHMENT A

COMMUNITY COLLEGES	TOTAL BEGINNING OCCUPATIONAL FORMULA BUDGETS	NET TRANSFERS OCCUPATIONAL CURRENT OPERATING	TRANSFERS TO OCCUPATIONAL EDUCATIONAL EQUIPMENT	OCCUPATIONAL BUDGET ENDING 02/98 CURRENT OPERATING	BUDGET PERCENTAGE INCREASE (DECREASE) CURRENT OPERATING	ACTUAL FORMULA OCCUPATIONAL EXPENDITURES CURRENT OPERATING	PERCENTAGE OF BUDGET EXPENDED CURRENT OPERATING
ALAMANCE CC	$397,010	($5,000)		$392,010	(0.0126)	$409,001.84	104%
ANSON CC	176,877	445		177,322	0.0025	66,331.88	37%
ASHEVILLE-BUNCOMBE TCC	794,133	15,499		809,632	0.0195	339,953.67	42%
BEAUFORT COUNTY CC	490,500	(24,169)	24,169	466,331	(0.0493)	204,062.40	44%
BLADEN CC	116,765			116,765	-	43,448.63	37%
BLUE RIDGE CC	640,642	(30,000)	30,000	610,642	(0.0468)	285,402.55	47%
BRUNSWICK CC	270,311	(7,399)		262,912	(0.0274)	104,286.22	40%
CALDWELL CC & TI	550,502			550,502	-	146,813.49	27%
CAPE FEAR CC	703,992	(12,644)		691,348	(0.0180)	291,254.74	42%
CARTERET CC	246,925	(46,925) E		200,000	(0.1900)	84,308.46	42%
CATAWBA VALLEY CC	597,218	(102,452) F		494,766	(0.1715)	152,016.06	31%
CENTRAL CAROLINA CC	550,502			550,502	-	233,558.66	42%
CENTRAL PIEDMONT CC	1,437,855	(33,560)		1,404,295	(0.0233)	461,672.75	33%
CLEVELAND CC	280,246			280,246	-	56,836.71	20%
COASTAL CAROLINA CC	1,038,325	(90,000)	90,000	948,325	(0.0867)	422,241.64	45%
COLLEGE OF ALBEMARLE	326,963	(38,711) E		288,252	(0.1184)	66,580.01	23%
CRAVEN CC	590,576			590,576	-	257,930.63	44%
DAVIDSON COUNTY CC	737,369	76,600		813,969	0.1039	332,312.76	41%
DURHAM TCC	593,925			593,925	-	176,023.66	30%
EDGECOMBE CC	150,142			150,142	-	86,279.15	57%
FAYETTEVILLE TCC	3,637,115	195,105		3,832,220	0.0536	1,734,538.00	45%
FORSYTH TCC	1,196,172			1,196,172	-	691,298.14	58%
GASTON COLLEGE	433,793			433,793	-	213,618.73	49%
GUILFORD COLLEGE	1,212,973	64,016		1,276,989	0.0528	622,132.77	49%
HALIFAX CC	330,368			330,368	-	77,363.39	23%
HAYWOOD CC	210,199	55,639		265,838	0.2647	136,930.10	52%
ISOTHERMAL CC	220,189			220,189	-	70,923.81	32%
JAMES SPRUNT CC	163,537			163,537	-	74,098.85	45%
[illegible]STON CC	370,331			370,331	-	162,593.17	44%
[illegible]IR CC	513,831			513,831	-	236,693.07	46%
MARTIN CC	233,585	3,000		236,585	0.0128	84,649.67	36%
MAYLAND CC	367,038	(70,582)	60,000	296,456	(0.1923)	90,715.02	31%
MCDOWELL TCC	150,142			150,142	-	82,571.69	55%
MITCHELL CC	370,331			370,331	-	140,007.05	38%
MONTGOMERY CC	130,160	1,486		131,646	0.0114	87,104.37	66%
NASH CC	403,708			403,708	-	138,460.00	34%
PAMLICO CC	53,358	33,072		86,430	0.6198	15,017.88	17%
PIEDMONT CC	130,104	133		130,237	0.0010	38,034.67	29%
PITT CC	380,378	(16,012)		364,366	(0.0421)	183,954.69	50%
RANDOLPH CC	580,586			580,586	-	292,302.38	50%
RICHMOND CC	370,387	8,000		378,387	0.0216	161,041.62	43%
ROANOKE CHOWAN CC	93,378	(5,000)	5,000	88,378	(0.0535)	45,103.13	51%
ROBESON CC	557,255	(10,020)		547,235	(0.0180)	181,093.37	33%
ROCKINGHAM CC	370,331	9,262		379,593	0.0250	155,253.57	41%
ROWAN-CABARRUS CC	824,161	38,407		862,568	0.0466	403,262.27	47%
SAMPSON CC	220,189	16,577		236,766	0.0753	134,376.93	57%
SANDHILLS CC	597,274	(57,244) E		540,030	(0.0958)	264,206.04	49%
SOUTHEASTERN CC	270,255	40,270		310,525	0.1490	173,808.74	56%
SOUTHWESTERN CC	613,963	228,675		842,638	0.3725	200,931.61	24%
STANLY CC	377,085			377,085	-	107,222.56	28%
SURRY CC	690,652			690,652	-	301,928.79	44%
TRI COUNTY CC	153,434			153,434	-	75,362.90	49%
VANCE-GRANVILLE CC	583,935	243,350		827,285	0.4167	362,155.96	44%
WAKE TCC	1,427,752			1,427,752	-	823,186.99	58%
WAYNE CC	623,953			623,953	-	338,914.67	54%
WESTERN PIEDMONT CC	306,926			306,926	-	106,967.87	35%
WILKES CC	613,963	190,078		804,041	0.3096	319,274.20	40%
WILSON TCC	510,538	(81,762)	53,155	428,776	(0.1601)	155,414.44	36%
TOTAL	$30,984,107	$588,134	$262,324	$31,572,241		$13,702,829.02	
	(A)	(B)	(C)			(D)	

A: Includes: Salary & fringe; other costs which include travel, instructional supplies, subscriptions, equipment rental and repair.
[illegible] Transfers in and out of salary & fringe and other costs.
[illegible]INFORMATION ONLY. Actual adjustments are shown in column B.
[illegible] Expenditure period ending January 31, 1998
E: From 310 - Occupational to Non-Curriculum Administration (340)
F: From 310 - Occupational to Curriculum Salary & Fringes (220)

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03/04/98

Occupational Extension

Suggested Expenditures of Increased Funding

- Conduct business & industry need's assessment/labor market analysis for new unmet training needs. Major areas of emphasis would be: Team Building Skills; Preparation for ISO Certification; computer and technology skills; professional trade association's certification and licensing; develop and implement Work First Training Program - "Pathways to Employment".

- Plan to employ and share full-time personnel with curriculum programs to deliver occupational extension programs, facilitating the transition of those Continuing Education students who wish to continue their education in curriculum programs.

- Utilize funds to procure best occupational extension instructors available for quality training.

- Employ full-time instructional personnel where appropriate which will allow either for more flexible delivery/development of customized courses for business/industry, or for delivery/development of instructional materials across broad subject areas.

- Upgrade occupational extension instructional software -- specifically state of the art software for computer training courses.

- Appropriately upgrade occupational extension instructional equipment to enhance course offerings.

- Provide occupational extension training in small classes previously too expensive to offer - for example, OSHA training.

- Increase offerings to meet workforce development needs identified by various councils and commissions as special economic development initiatives.

- Enhance marketing of occupational extension offerings to business, industry, trade and other key occupational associations.

- Enhance cooperative course development/delivery initiatives with Small Business Centers and Focused Industry Training Coordinators.

HANDOUT #2
3-17-98
APPROPRIATIONS - Education

The North Carolina Community College System
Department of Community Colleges
Division of Business and Finance

I. Title: Enrollment Update

II. Background:

Effective in the fall of 1997, the North Carolina Community College System (NCCCS) began operations under the "semester system" for the first time. This represented a dramatic shift in the way student hours are counted and the length of curriculum courses which are taught. The process of designing courses to fit the semester system was called "reengineering", and the number of hours to calculate a full-time equivalent student (FTE) was recomputed.

There was an expectation, based upon national data and college experience around the country, that enrollment in the first year after semester conversion would decline. The expectation was predicated upon the notion that a combination of "mental conversion", wherein students must take one additional class per semester on average to complete their degree, and the effects of "sticker shock", wherein students would pay for classes on a semester basis rather than an a quarter basis, would combine to drive enrollments down in the first year. Evidence has also shown however that nationwide, enrollments rebound the second year after conversion to the semester system as students adjust to the change in course load and price adjustment.

III. Initial Report:

In January 1998, the NCCCS reported that based upon the fall semester 10 percent census date for curriculum students, it appeared that enrollments were down significantly in all program areas: Curriculum, Occupational Continuing Education, and Basic Skills. At that time, we projected an enrollment decline of about 2,319 Curriculum, 270 Occupational Continuing Education, and 212 Basic Skills FTE students. The estimated costs at that time of lost appropriations was approximately $8,100,000.

At the same time we reported fall preliminary census information, we knew that the headcount, or number of students being served, was up in most every area. Simultaneously, there were being offered in the fall of 1997 "mini-mesters", or courses lasting eight weeks instead of the normal 16 weeks, and a number of basic skills classes which start and end at times other than the census date.

We respectfully requested that we be allowed to report back to the Joint Appropriations Sub-Committee on Education once final fall 1997, and preliminary spring 1998 semester enrollment data was in.

IV. Current Enrollment Estimates:

The Department of Community Colleges has completed its analysis, by college, of Curriculum, Occupational Continuing Education (O.C.E), and Basic Skills enrollment. The analysis includes the fall 1997 actual and spring 1998 10 percent census date for Curriculum, and spring, summer and fall 1997 actual enrollments for O.C.E., and Basic Skills. It also includes the appropriate budget stability provisions (3/5 rule + 2-year averaging) as allowed by the General Assembly.

The analysis reveals the following:

Program	Budgeted FTE	Estimated FTE	Difference	Amount PER FTE	Total Cost
Curriculum	107,515	107,684	169	$ 2,957.70	$ 499,851
Occupational Continuing Education	16,998	17,220	222	$ 2,433.54	$ 540,246
Basic Skills	13,355	13,473	118	$ 2,808.00	$ 331,344
TOTALS	137,868	138,377	509		$ 1,371,441

Table 1. Budget vs Estimated Enrollment - 1997-98

From Table 1 above, it can be seen that enrollment is projected to grow by 509 FTE systemwide in 1997-98. Because of the one-year lag in funding enrollment growth, this becomes the 1998-99 Consensus Budget request. Therefore, the amount of funds estimated to be needed for enrollment growth for 1998-99 is approximately $1.4 million. Attachment A calculates the total estimated cost by program. Attachments B, C, and D display the increases and decreases in FTE by college.

It should be noted that while the estimates for both OCE and Basic Skills are firm because we use spring, summer, and fall actual enrollments, the estimate for curriculum enrollment will change when the spring 1998 semester final numbers are calculated.

V. Curriculum Enrollment Trend & Budget Stability:

A true picture of curriculum enrollment, that is a picture taken **before** the application of the budget stability provisions of two-year averaging and the 3/5 rule, indicates that enrollment for the past several years has been relatively constant. The following chart displays this fact:

	Actual FTE					Estimated
	1992-93	1993-94	1995-95	1995-96	1996-97	1997-98
FTE	109,058	105,869	104,728	104,144	104,762	104,213
% Change		-2.9%	-1.1%	-0.6%	0.6%	-0.5%

Actual FTE: 1992-93 thru 1997-98

What has kept budgeted enrollment up during this period, and has dramatically helped in the maintenance of funding for the colleges, is the budget stability provisions provided by the General Assembly. It is important to review what these provisions mean in order to understand the stability they provide to curriculum enrollment at the colleges.

Two-Year Averaging:
Using the two most recent years; the **higher** of the current year or the average of the two most recent years is calculated. This number is then compared to the Budgeted FTE.

3/5 Rule:
The result of the comparison between the current Budgeted FTE and the higher of the two-year process is calculated. If the comparison yields

Growth > 3% of Budgeted FTE; then the amount > 3% is added to current Budget

or,

Decline > 5% of Budgeted FTE; then the amount > 5% is deducted from current Budget

The result becomes the new Budgeted FTE for the subsequent fiscal year. This process has, over the past several years, protected colleges who were in a declining mode from wide fluctuations in their enrollment funding, and has lessened the amount of funds required for enrollment growth.

VI. Comment on Budget Stability:

Section 9.3 of S.L. 1997-443 requires the State Board of Community Colleges to "study alternative methods of protecting colleges from the budgetary impact of fluctuations in enrollment." The Funding Study Advisory Committee to the State Board has been working on this study throughout the past several months. A report is due to the General Assembly prior to April 30, 1998, and will be submitted as required by law.

North Carolina Community College System
Estimated Curriculum FTE
1998-99

	Higher Avg or Current	1997-98 Budgeted	3% of Budget	5% of Budget	Actual Less Budget	Growth Above 3%	Loss Below 5%	1998-99 Est FTE
ALAMANCE COMMUNITY COLLEGE	1,983	2,144	64	107	-161	0	-54	2,090
ANSON COMMUNITY COLL.	876	912	27	46	-36	0	0	912
ASHEVILLE-BUNCOMBE TECH CC	2,816	2,753	83	138	63	0	0	2,753
BEAUFORT CO COMMUNITY COLLEGE	1,074	1,049	31	52	25	0	0	1,049
BLADEN COMMUNITY COLLEGE	705	703	21	35	2	0	0	703
BLUE RIDGE COMMUNITY COLLEGE	1,018	1,105	33	55	-87	0	-32	1,073
BRUNSWICK COMMUNITY COLLEGE	652	676	20	34	-24	0	0	676
CALDWELL COMMUNITY COLLEGE	2,161	2,144	64	107	17	0	0	2,144
CAPE FEAR COMMUNITY COLLEGE	3,168	2,644	79	132	524	445	0	3,089
CARTERET COMMUNITY COLLEGE	1,083	1,065	32	53	18	0	0	1,065
CATAWBA VALLEY COMMUNITY COLL	2,348	2,399	72	120	-51	0	0	2,399
CENTRAL CAROLINA COMMUNITY COL	2,495	2,429	73	121	66	0	0	2,429
CENTRAL PIEDMONT COMMUNITY COL	7,837	8,534	256	427	-697	0	-270	8,264
CLEVELAND COMMUNITY COLLEGE	1,375	1,366	41	68	9	0	0	1,366
COASTAL CAROLINA COMMUNITY COL	2,569	2,828	85	141	-259	0	-118	2,710
COLLEGE OF THE ALBEMARLE	1,529	1,516	45	76	13	0	0	1,516
CRAVEN COMMUNITY COLLEGE	1,626	1,787	54	89	-161	0	-72	1,715
DAVIDSON CO COMMUNITY COLLEGE	1,779	1,802	54	90	-23	0	0	1,802
DURHAM TECHNICAL COMM COLL	2,650	2,741	82	137	-91	0	0	2,741
EDGECOMBE COMMUNITY COLLEGE	1,451	1,462	44	73	-11	0	0	1,462
FAYETTEVILLE TECH COMM COLL	5,313	5,636	169	282	-323	0	-41	5,595
FORSYTH TECHNICAL COMM COLL	2,916	3,117	94	156	-201	0	-45	3,072
GASTON COLLEGE	2,702	3,050	92	153	-348	0	-195	2,855
GUILFORD TECH COMM COLL	4,784	4,813	144	241	-29	0	0	4,813
HALIFAX COMMUNITY COLLEGE	1,169	1,238	37	62	-69	0	-7	1,231
HAYWOOD COMMUNITY COLLEGE	1,290	1,212	36	61	78	42	0	1,254
ISOTHERMAL COMMUNITY COLLEGE	1,190	1,251	38	63	-61	0	0	1,251
JAMES SPRUNT COMMUNITY COLLEGE	861	892	27	45	-31	0	0	892
JOHNSTON COMMUNITY COLLEGE	2,128	2,366	71	118	-238	0	-120	2,246
LENOIR COMMUNITY COLLEGE	1,592	1,755	53	88	-163	0	-75	1,680
MARTIN COMMUNITY COLLEGE	585	652	20	33	-67	0	-34	618
MAYLAND COMMUNITY COLLEGE	599	622	19	31	-23	0	0	622
MCDOWELL TECHNICAL COMM COLL	787	784	24	39	3	0	0	784
MITCHELL COMMUNITY COLLEGE	1,172	1,149	34	57	23	0	0	1,149
MONTGOMERY COMMUNITY COLLEGE	590	592	18	30	-2	0	0	592
NASH COMMUNITY COLLEGE	1,302	1,173	35	59	129	94	0	1,267
PAMLICO COMMUNITY COLLEGE	125	148	4	7	-23	0	-16	132
PIEDMONT COMMUNITY COLLEGE	1,111	936	28	47	175	147	0	1,083
PITT COMMUNITY COLLEGE	3,317	3,174	95	159	143	48	0	3,222
RANDOLPH COMMUNITY COLLEGE	1,079	1,118	34	56	-39	0	0	1,118
RICHMOND COMMUNITY COLLEGE	907	933	28	47	-26	0	0	933
ROANOKE-CHOWAN COMMUNITY COLL	668	720	22	36	-52	0	-16	704
ROBESON COMMUNITY COLLEGE	1,364	1,382	41	69	-18	0	0	1,382
ROCKINGHAM COMMUNITY COLLEGE	1,359	1,445	43	72	-86	0	-14	1,431
ROWAN-CABARRUS COMMUNITY COLL	2,292	2,206	66	110	86	20	0	2,226
SAMPSON COMMUNITY COLLEGE	831	882	26	44	-51	0	-7	875
SANDHILLS COMMUNITY COLLEGE	2,165	2,311	69	116	-146	0	-30	2,281
SOUTHEASTERN COMMUNITY COLLEGE	1,487	1,573	47	79	-86	0	-7	1,566
SOUTHWESTERN COMMUNITY COLLEGE	1,364	1,356	41	68	8	0	0	1,356
STANLY COMMUNITY COLLEGE	1,229	1,233	37	62	-4	0	0	1,233
SURRY COMMUNITY COLLEGE	2,054	2,128	64	106	-74	0	0	2,128
TRI-COUNTY COMMUNITY COLLEGE	670	567	17	28	103	86	0	653
VANCE GRANVILLE COMMUNITY COLL	2,077	2,098	63	105	-21	0	0	2,098
WAKE TECHNICAL COMMUNITY COLL	4,981	4,409	132	220	572	440	0	4,849
WAYNE COMMUNITY COLLEGE	2,117	2,209	66	110	-92	0	0	2,209
WESTERN PIEDMONT COMM COLLEGE	1,675	1,678	50	84	-3	0	0	1,678
WILKES COMMUNITY COLLEGE	1,547	1,568	47	78	-21	0	0	1,568
WILSON TECH. COMM. COLLEGE	1,087	1,080	32	54	7	0	0	1,080
	105,681	107,515	3,223	5,376	-1,834	1,322	-1,153	107,684

ATTACHMENT "B"

NORTH CAROLINA CO[illegible]ITY COLLEGE SYSTEM
OCCUPATIONAL FTE
FINAL
FY 1998-99

[illegible]OJ1.XLS
3-5PROJ1
2-13-98 DT

	1997-98 BUDGETED FTE	3% OF BUDGETED	5% OF BUDGETED	ACTUAL 1998-99 BUDGET	ACTUAL LESS BUDGETED	CURRENT GROWTH IN EXCESS OF 3%	CURRENT DECLINE IN EXCESS OF 5%	1998-99 ACTUAL FTE 3/5% INC/DEC
886 ALAMANCE COMMUNITY COLLEGE	211	6	11	216	5	0	0	211
800 ANSON COMMUNITY COLL.	95	3	5	105	10	7	0	102
802 ASHEVILLE-BUNCOMBE TECH CC	424	13	21	422	(2)	0	0	424
804 BEAUFORT CO COMMUNITY COLLEGE	262	8	13	262	0	0	0	262
806 BLADEN COMMUNITY COLLEGE	62	2	3	50	(12)	0	(9)	53
843 BLUE RIDGE COMMUNITY COLLEGE	342	10	17	309	(33)	0	(16)	326
807 BRUNSWICK COMMUNITY COLLEGE	145	4	7	130	(15)	0	(8)	137
808 CALDWELL COMMUNITY COLLEGE	293	9	15	273	(20)	0	(5)	288
810 CAPE FEAR COMMUNITY COLLEGE	375	11	19	318	(57)	0	(38)	337
812 CARTERET COMMUNITY COLLEGE	132	4	7	143	11	7	0	139
814 CATAWBA VALLEY COMMUNITY COLL	318	10	16	288	(30)	0	(14)	304
816 CENTRAL CAROLINA COMMUNITY COL	293	9	15	353	60	51	0	344
818 CENTRAL PIEDMONT COMMUNITY COL	821	25	41	795	(26)	0	0	821
820 CLEVELAND COMMUNITY COLLEGE	149	4	7	158	9	5	0	154
858 COASTAL CAROLINA COMMUNITY COL	565	17	28	711	146	129	0	694
822 COLLEGE OF THE ALBEMARLE	174	5	9	164	(10)	0	(1)	173
824 CRAVEN COMMUNITY COLLEGE	315	9	16	318	3	0	0	315
826 DAVIDSON CO COMMUNITY COLLEGE	393	12	20	407	14	2	0	395
828 DURHAM TECHNICAL COMM COLL	317	10	16	319	2	0	0	317
830 EDGECOMBE COMMUNITY COLLEGE	80	2	4	77	(3)	0	0	80
832 FAYETTEVILLE TECH COMM COLL	2,233	67	112	1,863	(370)	0	(258)	1,975
834 FORSYTH TECHNICAL COMM COLL	667	20	33	666	(1)	0	0	667
836 GASTON COLLEGE	232	7	12	279	47	40	0	272
838 GUILFORD TECH COMM COLL	678	20	34	615	(63)	0	(29)	649
840 HALIFAX COMMUNITY COLLEGE	177	5	9	178	1	0	0	177
842 HAYWOOD COMMUNITY COLLEGE	112	3	6	151	39	36	0	148
844 ISOTHERMAL COMMUNITY COLLEGE	117	4	6	112	(5)	0	0	117
846 JAMES SPRUNT COMMUNITY COLLEGE	88	3	4	84	(4)	0	0	88
847 JOHNSTON COMMUNITY COLLEGE	197	6	10	210	13	7	0	204
848 LENOIR COMMUNITY COLLEGE	274	8	14	300	26	18	0	292
850 MARTIN COMMUNITY COLLEGE	125	4	6	140	15	11	0	136
851 MAYLAND COMMUNITY COLLEGE	196	6	10	187	(9)	0	0	196
852 MCDOWELL TECHNICAL COMM COLL	80	2	4	69	(11)	0	(7)	73
853 MITCHELL COMMUNITY COLLEGE	197	6	10	199	2	0	0	197
854 MONTGOMERY COMMUNITY COLLEGE	70	2	4	55	(15)	0	(11)	59
856 NASH COMMUNITY COLLEGE	215	6	11	260	45	39	0	254
860 PAMLICO COMMUNITY COLLEGE	28	1	1	25	(3)	0	(2)	26
861 PIEDMONT COMMUNITY COLLEGE	69	2	3	69	0	0	0	69
862 PITT COMMUNITY COLLEGE	203	6	10	236	33	27	0	230
864 RANDOLPH COMMUNITY COLLEGE	310	9	16	313	3	0	0	310
866 RICHMOND COMMUNITY COLLEGE	198	6	10	217	19	13	0	211
868 ROANOKE-CHOWAN COMMUNITY COLL	49	1	2	43	(6)	0	(4)	45
870 ROBESON COMMUNITY COLLEGE	298	9	15	321	23	14	0	312
872 ROCKINGHAM COMMUNITY COLLEGE	197	6	10	242	45	39	0	236
874 ROWAN-CABARRUS COMMUNITY COLL	440	13	22	408	(32)	0	(10)	430
876 SAMPSON COMMUNITY COLLEGE	117	4	6	157	40	36	0	153
878 SANDHILLS COMMUNITY COLLEGE	319	10	16	301	(18)	0	(2)	317
880 SOUTHEASTERN COMMUNITY COLLEGE	144	4	7	169	25	21	0	165
882 SOUTHWESTERN COMMUNITY COLLEGE	328	10	16	318	(10)	0	0	328
883 STANLY COMMUNITY COLLEGE	202	6	10	188	(14)	0	(4)	198
884 SURRY COMMUNITY COLLEGE	368	11	18	386	18	7	0	375
888 TRI-COUNTY COMMUNITY COLLEGE	81	2	4	100	19	17	0	98
889 VANCE GRANVILLE COMMUNITY COLL	312	9	16	370	58	49	0	361
890 WAKE TECHNICAL COMMUNITY COLL	814	24	41	759	(55)	0	(14)	800
892 WAYNE COMMUNITY COLLEGE	333	10	17	398	65	55	0	388
894 WESTERN PIEDMONT COMM COLLEGE	163	5	8	178	15	10	0	173
896 WILKES COMMUNITY COLLEGE	328	10	16	352	24	14	0	342
898 WILSON TECH. COMM. COLLEGE	273	8	14	273	0	0	0	273
TOTAL	16,998	508	853	17,009	11	654	(432)	17,220

ATTACHMENT "C"

NORTH CAROLINA CO[illegible]ITY COLLEGE SYSTEM
BASIC SKILLS FTE
FINAL
FY 1998-99

[illegible]OJ1.XLS
3-5PROJ1
2-13-98 DT

	1997-98 BUDGETED FTE	3% OF BUDGETED	5% OF BUDGETED	ACTUAL 1998-99 BUDGET	ACTUAL LESS BUDGETED	CURRENT GROWTH IN EXCESS OF 3%	CURRENT DECLINE IN EXCESS OF 5%	1998-99 ACTUAL FTE 3/5% INC/DEC
886 ALAMANCE COMMUNITY COLLEGE	235	7	12	217	(18)	0	(6)	229
800 ANSON COMMUNITY COLL.	169	5	8	156	(13)	0	(5)	164
802 ASHEVILLE-BUNCOMBE TECH CC	271	8	14	295	24	16	0	287
804 BEAUFORT CO COMMUNITY COLLEGE	209	6	10	181	(28)	0	(18)	191
806 BLADEN COMMUNITY COLLEGE	51	2	3	35	(16)	0	(13)	38
843 BLUE RIDGE COMMUNITY COLLEGE	130	4	7	142	12	8	0	138
807 BRUNSWICK COMMUNITY COLLEGE	152	5	8	151	(1)	0	0	152
808 CALDWELL COMMUNITY COLLEGE	234	7	12	237	3	0	0	234
810 CAPE FEAR COMMUNITY COLLEGE	275	8	14	274	(1)	0	0	275
812 CARTERET COMMUNITY COLLEGE	140	4	7	147	7	3	0	143
814 CATAWBA VALLEY COMMUNITY COLL	171	5	9	154	(17)	0	(8)	163
816 CENTRAL CAROLINA COMMUNITY COL	672	20	34	663	(9)	0	0	672
818 CENTRAL PIEDMONT COMMUNITY COL	706	21	35	715	9	0	0	706
820 CLEVELAND COMMUNITY COLLEGE	208	6	10	177	(31)	0	(21)	187
858 COASTAL CAROLINA COMMUNITY COL	222	7	11	195	(27)	0	(16)	206
822 COLLEGE OF THE ALBEMARLE	194	6	10	236	42	36	0	230
824 CRAVEN COMMUNITY COLLEGE	108	3	5	117	9	6	0	114
826 DAVIDSON CO COMMUNITY COLLEGE	163	5	8	159	(4)	0	0	163
828 DURHAM TECHNICAL COMM COLL	336	10	17	353	17	7	0	343
830 EDGECOMBE COMMUNITY COLLEGE	253	8	13	315	62	54	0	307
832 FAYETTEVILLE TECH COMM COLL	694	21	35	697	3	0	0	694
834 FORSYTH TECHNICAL COMM COLL	387	12	19	426	39	27	0	414
836 GASTON COLLEGE	310	9	16	296	(14)	0	0	310
838 GUILFORD TECH COMM COLL	366	11	18	360	(6)	0	0	366
840 HALIFAX COMMUNITY COLLEGE	183	5	9	162	(21)	0	(12)	171
842 HAYWOOD COMMUNITY COLLEGE	69	2	3	74	5	3	0	72
844 ISOTHERMAL COMMUNITY COLLEGE	134	4	7	122	(12)	0	(5)	129
846 JAMES SPRUNT COMMUNITY COLLEGE	139	4	7	114	(25)	0	(18)	121
847 JOHNSTON COMMUNITY COLLEGE	281	8	14	275	(6)	0	0	281
848 LENOIR COMMUNITY COLLEGE	334	10	17	323	(11)	0	0	334
850 MARTIN COMMUNITY COLLEGE	174	5	9	155	(19)	0	(10)	164
851 MAYLAND COMMUNITY COLLEGE	91	3	5	80	(11)	0	(6)	85
852 MCDOWELL TECHNICAL COMM COLL	158	5	8	154	(4)	0	0	158
853 MITCHELL COMMUNITY COLLEGE	111	3	6	101	(10)	0	(4)	107
854 MONTGOMERY COMMUNITY COLLEGE	42	1	2	39	(3)	0	(1)	41
856 NASH COMMUNITY COLLEGE	187	6	9	193	6	0	0	187
860 PAMLICO COMMUNITY COLLEGE	34	1	2	31	(3)	0	(1)	33
861 PIEDMONT COMMUNITY COLLEGE	123	4	6	112	(11)	0	(5)	118
862 PITT COMMUNITY COLLEGE	137	4	7	167	30	26	0	163
864 RANDOLPH COMMUNITY COLLEGE	205	6	10	206	1	0	0	205
866 RICHMOND COMMUNITY COLLEGE	422	13	21	429	7	0	0	422
868 ROANOKE-CHOWAN COMMUNITY COLL	129	4	6	107	(22)	0	(16)	113
870 ROBESON COMMUNITY COLLEGE	448	13	22	480	32	19	0	467
872 ROCKINGHAM COMMUNITY COLLEGE	104	3	5	93	(11)	0	(6)	98
874 ROWAN-CABARRUS COMMUNITY COLL	213	6	11	193	(20)	0	(9)	204
876 SAMPSON COMMUNITY COLLEGE	272	8	14	304	32	24	0	296
878 SANDHILLS COMMUNITY COLLEGE	269	8	13	246	(23)	0	(10)	259
880 SOUTHEASTERN COMMUNITY COLLEGE	241	7	12	248	7	0	0	241
882 SOUTHWESTERN COMMUNITY COLLEGE	91	3	5	105	14	11	0	102
883 STANLY COMMUNITY COLLEGE	142	4	7	132	(10)	0	(3)	139
884 SURRY COMMUNITY COLLEGE	128	4	6	127	(1)	0	0	128
888 TRI-COUNTY COMMUNITY COLLEGE	22	1	1	33	11	10	0	32
889 VANCE GRANVILLE COMMUNITY COLL	211	6	11	192	(19)	0	(8)	203
890 WAKE TECHNICAL COMMUNITY COLL	575	17	29	672	97	80	0	655
892 WAYNE COMMUNITY COLLEGE	302	9	15	276	(26)	0	(11)	291
894 WESTERN PIEDMONT COMM COLLEGE	401	12	20	399	(2)	0	0	401
896 WILKES COMMUNITY COLLEGE	157	5	8	158	1	0	0	157
898 WILSON TECH. COMM. COLLEGE	170	5	9	173	3	0	0	170
TOTAL	13,355	399	671	13,373	18	330	(212)	13,473

ATTACHMENT "D"

3-17-98 Groves (3)

SOUTHWESTERN Community College

447 College Drive • Sylva, North Carolina 28779
(704) 586-4091 • Fax (704) 586-3129 • http://www.southwest.cc.nc.us

OFFICE OF THE PRESIDENT

MEMORANDUM

TO: CoChairs, Joint Appropriations Subcommittee on Education:
The Honorable Gene G. Arnold, NC House of Representatives
The Honorable Robert Grady, NC House of Representatives
The Honorable Howard Lee, NC Senate
The Honorable Jean R. Preston, NC House of Representatives
The Honorable Leslie Winner, NC Senate

FROM: Cecil L. Groves, President Cecil L Groves

DATE: March 16, 1998

SUBJECT: Loss of Operations of Maintenance of Plant Funds for Southwestern Community College as Stipulated in SB 352

Given the impending loss of $121,175 in state funding for 1998/99, Southwestern Community College has informed officials in Jackson, Macon and Swain counties. They have taken under advisement and consideration the loss of funds and will hopefully be able to make up some of the loss in revenue for the next year. As yet, the amount to be made up has not been identified.

The ability of Jackson, Macon or Swain counties to readily make up for the loss-of-funds is dependent upon the general economic condition of the area. While the economy of most counties in North Carolina have experienced significant economic growth, Jackson, Macon and Swain counties have not. They are still struggling with a declining manufacturing employment base resulting from plant closures. This situation is made worse by the lack of taxable property, with over 85 percent of the land in Swain County being owned by the federal government, and an unemployment rate which is the highest in the state.

The need and desire for education in the region is illustrated by the fact that Southwestern Community College for the past two years has graduated as many students with the GED as the total number of students graduated from all the high schools in the three county area. Fortunately, the adult population is recognizing their need for education and is making an effort to overcome their educational deficiencies.

Despite the comparatively poorer economic conditions in Jackson, Macon and Swain counties, they have annually increased their level of funding for the past decade. This is a significant accomplishment given the economic conditions they have encountered. Clearly, these counties value education and the role played by Southwestern Community College.

CHEROKEE CENTER
P.O. Box 920
Cherokee, NC 28719
(704) 497-7233 • Fax (704) 497-7135

MACON COUNTY CENTER
152 Industrial Road
Franklin, NC 28734
(704) 369-7331 • Fax (704) 369-2428

SWAIN COUNTY CENTER
10 Almond School Road
Bryson City, NC 28713
(704) 488-6413 • Fax (704) 488-2982

An Equal Opportunity Institution

We respectfully request that consideration be given to allowing the College to retain all or part of the $121,175 for maintenance of our facilities. It is our understanding that such consideration is being given to the other two community colleges who were similarly impacted by the loss of funds. In meeting with the Commissioners in each county, they expressed understanding and concern about our needs as well as a willingness to do the best they could. Unfortunately, the loss of funds comes at a time when county government efforts are having to be made to address serious infrastructure problems that negatively impact economic growth and development.

We would be grateful to the Legislature and the State Board for any consideration you might give to our request for restoring all or any part of the $121,175 in state funding we are scheduled to lose for 1998/99.

CLG/sg

3-17-98
Rawls

(4)

NEW AND EXPANDING INDUSTRY TRAINING PROGRAM EXPENDITURE REPORT

submitted to the

JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE

March 1, 1998

North Carolina Community College System
200 West Jones Street
Raleigh, North Carolina 27603

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Equipment Warehouses
Trade Mission

ADDENDUM 14-19

EXECUTIVE SUMMARY

Section 9.5 G.S. 115D-5(I) reads as rewritten:

(I) The State Board of Community Colleges shall report to the Joint Legislative Education Oversight Committee on March 1 and October 1 of each year on expenditures for the New and Expanding Industry Program each fiscal year. The report shall include, for each company or individual that receives funds for New and Expanding Industry:

(1) The total amount of funds received by the company or individual;

(2) The amount of funds per trainee received by the company or individual;

(3) The amount of funds received per trainee by the community college training the trainee;

(4) The number of trainees trained by company and by community college; and

(5) The number of years the companies or individuals have been funded.

This report is submitted as the March 1, 1998 annual expenditure report for the New and Expanding Industry Training (NEIT) Program.

HISTORY AND BACKGROUND OF THE NEIT PROGRAM

The New and Expanding Industry Training (NEIT) Program supports the economic development efforts of the State by providing education and training opportunities for new and expanding businesses. Started in 1958, it was the first state-sponsored customized training program and has since been copied by numerous other states around the nation.

The program was developed in recognition of the fact that one of the most important factors for a business or industry considering locating or expanding in North Carolina, is the ability of the State to ensure the presence of a well-trained workforce. The program is designed to respond quickly to the needs of businesses, and to respect the confidential nature of the proprietary processes and information within those businesses.

PROGRAM GUIDELINES

On April 18, 1997, the State Board of Community Colleges adopted new program guidelines which are provided as follows.

PURPOSE

The purpose of the New and Expanding Industry Training (NEIT) Program is to provide customized training assistance in support of new, full-time production positions created in the State of North Carolina, thereby enhancing the growth potential of companies located in the state while simultaneously preparing North Carolina's workforce with the skills essential to successful employment in emerging industries.

ELIGIBILITY

Companies creating 12 or more production jobs in excess of their previous 3-year maximum employment level are eligible for assistance through the New and Expanding Industry Training Program. Resources may support training assessment, program development, instructional costs, and training delivery for new front-line personnel involved in the direct production of goods and services and their first-line supervisors.

Companies which downsize positions in one area of the State and then transfer those positions to another area of the State are not eligible for training assistance for those transferred positions.

Employees of temporary or staffing agencies are not eligible for post-hire training support under the NEIT program.

EXPENDITURE GUIDELINES

Salaries, Wages, and Related Expenses

- The following priorities will be given to the recruitment and utilization of instructors for New and Expanding Industry Training projects: 1) community college permanent or part-time employees; 2) contractors of the community college; 3) company personnel or contractors. It shall be the responsibility of community college staff, with consultation from the client company, to determine the appropriate length and provision of training, and this shall be indicated in the Training Project Profile submitted for approval.

- Reimbursement for instructors will be made at a 6:1 or greater trainee to trainer ratio.

- In those cases when community college staff or contractors are used for instruction, they will be compensated directly in accordance with existing policies and guidelines. In addition to costs of instruction including travel

expenses and course preparation time, community college staff or contractors may be reimbursed for costs associated with job analysis, training needs assessment and program development. The payment of social security taxes and other employee benefits to community college employees will be made in accordance with the existing policies and procedures of the college.

- Employees or contractors of the client company may be used as instructors if community college staff or contractors with the appropriate expertise are not readily available. The community colleges have the responsibility, in such circumstances, to insure that all trainees are registered, and to monitor the instruction so as to assure that it is being delivered according to the Training Plan and Project Profile.

  In such cases where company personnel or contractors are used as instructors, they will be reimbursed their normal rate of pay, not to exceed a maximum of $26.50 per hour. In addition to actual hours of direct instruction, compensation for additional time devoted to training program preparation may be recommended by the Regional Economic Development Manager and authorized by the Director of Economic Development for the North Carolina Community College System. This amount may not exceed 15 percent of the scheduled training hours or a maximum of 80 hours total. Wages may not be paid to prospective trainers while they themselves are training in production operations, and under no circumstances may funds be used to pay trainee wages or salaries.

- Colleges will receive 5 percent of the project costs as an administrative allowance, not to exceed $60,000 per project during any one fiscal year. Temporary clerical and administrative personnel, and project coordination staff, may be employed by a community college expressly for direct services related to a specific project, if recommended by the Regional Economic Development Manager and the Director of Economic Development.

- If recommended by the local community college and the Regional Economic Development Manager, and approved by the Director of Economic Development, NEIT funds may also support training of community college instructors for skill acquisition of strategic technologies associated with a New and Expanding Industry Training project. The purpose of these expenditures will be to support specialized college instructor training for skills deemed important for future support of employers within the college's service area.

Travel Expenses

- Community college instructors may be reimbursed for travel expenses in accordance with established travel policies and procedures.

- Out-of-state residents, employed or reimbursed directly by the company, may be temporarily assigned as training instructors and reimbursed for their expenses after having trained six or more North Carolina residents who are new company employees. The number of individuals per project supported for travel to the state is subject to negotiation and prior approval, and under such circumstances they will be limited to:
  a) a maximum of twelve (12) weeks per diem at a daily rate of $71.
  b) one round-trip air fare (coach class, reimbursed at a 14-day prior purchase rate) or cost equivalent for each of the two complete or partial six-week periods of supported state residency.
  c) local travel allowances as authorized by the Regional Economic Development Manager prior to departure.

- In-state residents, serving as instructors and employed by the company, may be reimbursed for previously authorized out-of-state travel, after having returned and trained six or more North Carolina residents who are new company employees in the knowledge or skills acquired as a result of the out-of-state travel. The intent of the out-of-state travel will be to acquire knowledge or skills necessary for NEIT project instruction. The

number of individuals supported for out-of-state travel per project is subject to negotiation and prior approval, and under such circumstances they will be limited to:

a) a maximum of six weeks per diem at a daily rate of $83. Per diem allowances for international travel may be adjusted for actual cost differences in different locations.

b) one round-trip air fare (coach class, reimbursed at a 14-day prior purchase rate) or cost equivalent to location of the temporary assignment.

c) local travel allowances as authorized by the Regional Economic Development Manager prior to departure.

Training Facilities

- Community colleges may be reimbursed for costs associated with providing dedicated training facilities for New and Expanding Industry projects. Reimbursement may be provided for the period required by the client company for dedicated temporary training space, not to exceed twelve months in duration.

  For training provided at existing college facilities, the college may be reimbursed a reasonable cost share of utilities (including electricity, gas, oil, water and sewer) for the space provided to the NEIT project. If suitable space is not available at a community college permanent facility, colleges may also be reimbursed for the costs of leasing space on a temporary basis. In such cases, colleges may be reimbursed the reasonable costs of leasing, utilities, maintenance, trash and garbage service, protective and security services, and insurance costs. Colleges may not lease temporary training space from New and Expanding Industry client companies or their subsidiaries.

  Colleges may be reimbursed for reasonable costs associated with necessary alterations to facilities to accommodate the training. Authorization for the provision of training facility reimbursements, including costs associated with alterations to facilities, must be approved by the Director of Economic Development prior to initiation of the project.

Client companies may not be reimbursed for the leasing of training or other facilities through the New and Expanding Industry Training Program. They may, however, be reimbursed the reasonable costs of transporting, installing, and removing training equipment to and from community college-provided training facilities.

Training Materials, Supplies, and Equipment

- The State may provide necessary classroom and training-related supplies and materials in support of a specific training project.

- Media development services, including videos and print media, may be provided at State expense if recommended by the Regional Economic Development Manager and approved by the Director of Economic Development. In addition, if authorized, the State may assist with offsetting a percentage of the expenses of developing and producing customized training manuals and computer-based training programs.

- The State may provide, install, and maintain at the training site, standard items of equipment normally associated with vocational-occupational training as available and typically used within the North Carolina Community College System.

- Considerations for non-salvageable material, consumed by company employees during formal training periods of instruction, may be reimbursed if approved in advance by the Director of Economic Development. The eligible company may be reimbursed for 50% of the costs of the non-salvageable materials consumed during formal training, not to exceed $100 per trainee participating in the training in which the materials were consumed. The cost and the amount of non-salvageable materials must be authenticated with appropriate company documentation.

APPROVAL PROCEDURES

- A Project Profile Form as well as Expenditure Authorization Forms must be signed by both a local college representative and the Regional Economic Development Manager and submitted for approval prior to project initiation. The Project Profile Forms must include total estimated project costs and a project time frame, not to exceed 36 months in duration after project approval. Time frames and project costs may be amended according to project training needs, with prior approval from the Director of Economic Development.

- Approval for projects with estimated total expenditures less than $75,000 may be made by the Director of Economic Development. Projects in excess of $75,000 must be approved by the Director of Economic Development, and submitted by the Director for secondary approval to a Joint Community College/ Department of Commerce Review Panel consisting of a designate(s) of the President of the North Carolina Community College System and a designate(s) of the Secretary of Commerce.

- Project expenditures must be in accordance with the approved profile and may not exceed the amount indicated in the profile without prior amendment and approval.

GUIDELINE EXCEPTIONS

- In unusual or extenuating circumstances, the Director of Economic Development after consultation with the Review Panel consisting of both designated representatives from the North Carolina Community College System and the Department of Commerce, may authorize exceptions to these Guidelines. Exceptions will be documented and included with the Project Profile Form as a matter of public record.

WORKER TRAINING TAX CREDIT PROVISIONS

- Provided that expenses claimed for the Worker Training Tax Credit are reasonable and directly related to support of the company's training plan, NEIT categorical reimbursement limitations (i.e., company instructor wages, instructor travel costs, and costs of non-salvageable training materials) will not apply in the administration of the Worker Training Tax Credit given that there is a tax credit limit per eligible employee.

- Any expenditures made through the New and Expanding Industry Training Program may not be claimed by the company for credit as an eligible expenditure under the Worker Training Tax Credit.

DATA CATEGORY DEFINITIONS

COLUMN	DEFINITION
1 Community College	College to which funds have been allocated for the support of an NEIT project.
2 Company	New or expanding company supported by NEIT project funding.
3 Years Funded	Total number of years the NEIT project has been funded.
4 Company Training Expenditures	Funds provided directly to a company for instructional and other training-related expenditures allowable under the NEIT program.
5 Number Trained by Company Instructors	Number of trainees trained by instructors who are company employees/contractors, for which the company has received NEIT funds to reimburse travel for train-the-trainer expenses, and/or their wages for instructional and company instructors course development time.
6 Company Cost Per Trainee	NEIT training-related company expenditures divided by the number of trainees trained by company instructors.

7 College Training Expenditures	Funds expended by a community college to support the training of employees and potential employees of a particular company under the NEIT program, including the 5 percent administrative allowance.
8 Number Trained by College Instructors	Number of trainees at a particular company trained by either full or part-time contracted community college instructors under a NEIT funded project.
9 College Cost Per Trainee	Total NEIT funds expended by a community college for support of a NEIT project, outside of funds provided directly to a company, divided by the total number of trainees trained by community college instructors.
10 Total Expenditures by Company and College	Total amount of NEIT funds expended by both a community college and a company in support of a NEIT training project.
11 Total Trained by Company and College Instructors	Total number of employees trained under a NEIT funded project, including those trained by both company and community college instructors.
12 Total Cost Per Trainee	Total NEIT expenditures (by company and college) for a particular NEIT training project divided by the total number of employees trained.

North Carolina C[illegible]ity College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

Community College (1)	Company (2)	Years Funded (3)	Company Training Expenditures (4)	Number Trained by Company Instructors (5)	Company Cost Per Trainee (6)	College Training Expenditures (7)	Number Trained by College Instructors (8)	College Cost Per Trainee (9)	Total Expenditures by Company & College (10)	Total Trained by Company & College Instructors (11)	Total Cost Per Trainee (Company & College) (12)
ALAMANCE											
	Armstrong World Industries (1)	3	40,292.00	6	6,715.33	0.00	0	0.00	40,292.00	6	6,715.33
	Laboratory Corp. of America	3	21,558.34	62	347.72	32,367.19	0	N/A	53,925.53	62	869.77
	Medi Manufacturing	1	11,615.00	12	967.92	0.00	0	0.00	11,615.00	12	967.92
	3-C Alliance (2)	2	0.00	0	0.00	6,720.58	0	N/A	6,720.58	0	N/A
ASHEVILLE-BUNC.											
	Volvo Construction Equip. (3)	1	0.00	0	0.00	14,344.37	0	N/A	14,344.37	0	N/A
BLUE RIDGE											
	Wilsonart	1	0.00	0	0.00	3,461.18	92	37.62	3,461.18	92	37.62
BRUNSWICK											
	Armada	1	0.00	0	0.00	452.13	26	17.39	452.13	26	17.39
CARTERET											
	Bally Refrigerated Boxes	4	0.00	0	0.00	1,287.00	0	N/A	1,287.00	0	N/A

North Carolina Co[illegible]ty College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

Community College (1)	Company (2)	Years Funded (3)	Company Training Expenditures (4)	Number Trained by Company Instructors (5)	Company Cost Per Trainee (6)	College Training Expenditures (7)	Number Trained by College Instructors (8)	College Cost Per Trainee (9)	Total Expenditures by Company & College (10)	Total Trained by Company & College Instructors (11)	Total Cost Per Trainee (Company & College) (12)
CATAWBA VALLEY											
	Alcatel Cable	7	9,861.00	64	154.08	3,400.00	0	N/A	13,261.00	64	207.20
	Alcatel Fiber	7	23,288.00	165	141.14	3,800.00	0	N/A	27,088.00	165	164.17
	Comm Scope	5	5,260.79	63	83.50	5,300.00	0	N/A	10,560.79	63	167.63
	Siecor (4)	2	2,460.40	10	246.04	0.00	0	0.00	2,460.40	10	246.04
CENTRAL CAROLINA											
	Conveyor Technologies	3	4,016.00	42	95.62	0.00	0	0.00	4,016.00	42	95.62
	Eaton Corp.	5	1,600.00	292	5.48	7,947.50	92	86.39	9,547.50	292	32.70
	Envir O Tire	1	186.00	24	7.75	0.00	6	N/A	186.00	27	6.89
	Frontier Spinning Mills	1	34,944.00	48	728.00	0.00	0	0.00	34,944.00	48	728.00
	Hydro Tube South	1	3,600.00	11	327.27	4,227.28	15	281.82	7,827.28	15	521.82
	Lazar Industries East	2	3,420.00	18	190.00	0.00	0	0.00	3,420.00	18	190.00
	Magneti-Marelli (5)	2	1,728.00	9	192.00	0.00	0	0.00	1,728.00	9	192.00
	Neon Impressions (6)	2	3,600.00	6	600.00	0.00	0	0.00	3,600.00	6	600.00
	Pac Fab, Inc.	1	1,720.00	59	29.15	7,009.95	0	N/A	8,729.95	59	147.97
	Redman Homes	1	55,120.00	115	479.30	0.00	0	0.00	55,120.00	115	479.30

North Carolina Community College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

Community College (1)	Company (2)	Years Funded (3)	Company Training Expenditures (4)	Number Trained by Company Instructors (5)	Company Cost Per Trainee (6)	College Training Expenditures (7)	Number Trained by College Instructors (8)	College Cost Per Trainee (9)	Total Expenditures by Company & College (10)	Total Trained by Company & College Instructors (11)	Total Cost Per Trainee (Company & College) (12)
	Stonecraft International (7)	2	2,400.00	6	400.00	0.00	0	0.00	2,400.00	6	400.00
	Summit Crest	1	0.00	61	0.00	2,975.00	25	119.00	2,975.00	66	45.08
	Townsends, Inc.	1	1,462.00	32	45.69	0.00	0	0.00	1,462.00	32	45.69
CENTRAL PIEDMONT											
	Electronic Data Systems	1	10,783.26	165	65.35	1,765.00	0	N/A	12,548.26	165	76.05
	Equitable	1	18,771.16	92	204.03	7,899.21	92	85.86	26,670.37	92	289.90
	First Data Corporation	1	139,568.12	131	1,065.41	6,978.41	0	N/A	146,546.53	131	1,118.68
	First Union	2	76,965.67	232	331.75	3,848.29	0	N/A	80,813.96	232	348.34
	Foamex (8)	2	3,698.53	0	N/A	184.93	7	26.42	3,883.46	7	554.78
	Keating Gravure	1	10,551.00	25	422.04	527.55	0	N/A	11,078.55	25	443.14
	Metropolitan Life	1	40,954.67	74	553.44	4,048.80	0	N/A	45,003.47	74	608.16
	Sea-Land	4	1,194.17	57	20.95	7,246.47	123	58.91	8,440.64	123	68.62
	Transamerica Life Co.	7	20,351.12	62	328.24	1,017.56	0	N/A	21,368.68	62	344.66
CLEVELAND											
	Copeland Corp.	2	52,159.62	245	212.90	13,540.38	135	100.30	65,700.00	298	220.47
	Curtiss Wright	2	0.00	18	0.00	3,759.72	22	170.90	3,759.72	40	93.99

North Carolina C[illegible]ity College System
New and Expanding Industry Training
Expenditure Report
JULY 1, 1997 - DECEMBER 31, 1997

Community College (1)	Company (2)	Years Funded (3)	Company Training Expenditures (4)	Number Trained by Company Instructors (5)	Company Cost Per Trainee (6)	College Training Expenditures (7)	Number Trained by College Instructors (8)	College Cost Per Trainee (9)	Total Expenditures by Company & College (10)	Total Trained by Company & College Instructors (11)	Total Cost Per Trainee (Company & College) (12)
	Express Container (9)	3	0.00	0	0.00	7,650.00	5	1,530.00	7,650.00	5	1,530.00
COASTAL CAROLINA											
	AT&T Customer Solutions	2	0.00	0	0.00	106,195.58	451	235.47	106,195.58	451	235.47
CRAVEN											
	Wheatstone	1	0.00	0	0.00	2,345.76	70	33.51	2,345.76	70	33.51
DAVIDSON											
	AMT	1	0.00	0	0.00	437.50	18	24.31	437.50	18	24.31
DURHAM TECH											
	Bekaert Fibre Technologies	1	0.00	0	0.00	3,197.08	35	91.35	3,197.08	35	91.35
	General Electric Aircraft Engines	6	0.00	0	0.00	28,460.00	98	290.41	28,460.00	98	290.41
	Motorola Semiconductor	4	0.00	0	0.00	19,047.30	46	414.07	19,047.30	46	414.07
FORSYTH TECH											
	Deere-Hitachi Construction (10)	1	0.00	0	0.00	47.00	0	N/A	47.00	0	N/A

North Carolina C[illegible]ity College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

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	Jones Apparel (11)	1	0.00	0	0.00	17.00	17	1.00	17.00	17	1.00
GASTON COLLEGE											
	Beal Manufacturing	1	2,000.00	14	142.86	19,588.00	14	1,399.14	21,588.00	14	1,542.00
	Gold Medal Homes	1	32,779.71	190	172.52	0.00	0	0.00	32,779.71	190	172.52
	Stabilus	2	62,480.00	75	833.07	9,638.35	75	128.51	72,118.35	75	961.58
GUILFORD TECH											
	Adplex	2	5,080.00	14	362.86	0.00	0	0.00	5,080.00	14	362.86
	Banner Pharmacaps, Inc.	3	0.00	0	0.00	8,430.00	348	24.22	8,430.00	348	24.22
	Dana Corp.	3	24,938.00	99	251.90	4,454.07	64	69.59	29,392.07	163	180.32
	Deluxe Corp.	2	4,500.00	28	160.71	0.00	0	0.00	4,500.00	28	160.71
	Iomega	1	0.00	11	0.00	4,705.60	139	33.85	4,705.60	150	31.37
	Shionogi Qualicaps (12)	1	2,641.20	0	N/A	0.00	0	0.00	2,641.20	0	N/A
	Timco	1	19,490.40	93	209.57	0.00	0	0.00	19,490.40	93	209.57
HALIFAX											
	Westpoint Stevens	1	0.00	90	0.00	7,632.00	28	272.57	7,632.00	118	64.68

North Carolina Community College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

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ISOTHERMAL											
	Aeroquip	2	0.00	0	0.00	1,367.90	22	62.18	1,367.90	22	62.18
	All American Homes	2	0.00	0	0.00	11,490.00	27	425.56	11,490.00	24	478.75
JOHNSTON											
	PCX Corporation (13)	4	0.00	0	0.00	81.48	0	N/A	81.48	0	N/A
	Thyssen Precision Forge, Inc.	2	0.00	201	0.00	80.61	0	N/A	80.61	201	0.40
LENOIR											
	Citterio	1	4,159.00	20	207.95	29,605.33	0		33,764.33	20	1,688.22
	DOPACO, Inc.	5	318.00	8	39.75	0.00	0	N/A	318.00	8	39.75
MCDOWELL TECH											
	Baxter Healthcare, Inc.	4	0.00	0	0.00	43,408.54	613	70.81	43,408.54	613	70.81
	Coats American	2	91,751.20	218	420.88	0.00	0	0.00	91,751.20	218	420.88
	Dodge Marion	3	21,007.00	12	1,750.58	3,466.76	15	231.12	24,473.76	27	906.44
	Marion Mills	1	92,916.00	278	334.23	0.00	0	0.00	92,916.00	278	334.23

North Carolina C[illegible]ity College System
New and Expanding Industry Training
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MITCHELL											
	L.B. Plastics (14)	1	0.00	0	0.00	254.00	0	0.00	254.00	0	N/A
	Polar Plastics (15)	1	0.00	0	0.00	1,469.24	0	0.00	1,469.24	0	N/A
NASH											
	McLane Company, Inc.	2	0.00	481	0.00	23,987.23	36	666.31	23,987.23	517	46.40
PIEDMONT											
	Clairemont Electronics	1	1,552.25	127	12.22	12,079.32	127	95.11	13,631.57	127	107.34
	Eaton Corp.	3	7,627.07	124	61.51	1,288.11	0	N/A	8,915.18	124	71.90
PITT											
	ASMO Greenville of NC	4	46,156.80	175	263.75	9,345.39	0	N/A	55,502.19	175	317.16
	North Carolina ASAHI	3	15,293.32	61	250.71	0.00	0	0.00	15,293.32	61	250.71
RANDOLPH											
	Ornamental Moulding, Inc.	3	0.00	0	0.00	73.46	27	2.72	73.46	27	2.72

North Carolina Community College System
New and Expanding Industry Training

Expenditure Report

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	The Timken Company	7	19,550.00	115	170.00	42.10	104	0.40	19,592.10	115	170.37
	Times Fiber	1	106.00	24	4.42	0.00	0	0.00	106.00	24	4.42
ROBESON											
	Campbell Soup	1	9,367.75	37	253.18	3,038.67	0	N/A	12,406.42	37	335.31
ROCKINGHAM											
	Schlegel-North Carolina, Inc.	5	0.00	0	0.00	404.00	16	25.25	404.00	16	25.25
ROWAN-CABARRUS											
	Dai Nippon IMS	4	0.00	0	0.00	1,206.00	18	67.00	1,206.00	18	67.00
	Draftex, Inc. USA	2	47,353.01	94	503.76	16,943.55	172	98.51	64,296.56	172	373.82
	Freightliner	5	187,340.54	969	193.33	0.00	29	0.00	187,340.54	969	193.33
	Phillip Morris, USA	5	36,655.63	32	1,145.49	0.00	0	0.00	36,655.63	32	1,145.49
SAMPSON											
	Schindler Elevator	1	1,484.00	12	123.67	2,206.00	32	68.94	3,690.00	44	83.86

North Carolina C[illegible]ity College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

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SOUTHEASTERN											
	Amerimark	2	318.00	20	15.90	0.00	26	0.00	318.00	46	6.91
	Haworth	1	0.00	0	0.00	2,350.19	61	38.53	2,350.19	61	38.53
SOUTHWESTERN											
	Consolidated Metco	2	0.00	0	0.00	11,763.70	149	78.95	11,763.70	149	78.95
SURRY											
	ASMO Appalachian	1	11,232.00	40	280.80	4,814.00	66	72.94	16,046.00	66	243.12
TRI-COUNTY											
	Blackhawk Industries	1	24,840.00	55	451.64	6,234.14	0	N/A3,848	31,074.14	55	564.98
	Clifton Precision	1	0.00	118	0.00	553.25	0	N/A	553.25	118	4.69
	H.D. Lee Co.	1	13,250.00	41	323.17	108.75	69	1.58	13,358.75	110	121.44
VANCE-GRANVILLE											
	Altec Industries (16)	3	690.00	0	N/A	1,910.95	18	106.16	2,600.95	18	144.50
	Gate Concrete Products (17)	3	33,352.00	0	N/A	4,000.51	6	666.75	37,352.51	6	6,225.42

North Carolina Co[illegible]ty College System
New and Expanding Industry Training
Expenditure Report
JULY 1, 1997 - DECEMBER 31, 1997

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	Georgia Pacific (18)	2	44,580.00	0	N/A	3,330.87	54	61.68	47,910.87	54	887.24
	Hannaford Brothers Co.	3	35,532.80	50	710.66	8,339.04	29	287.55	43,871.84	79	555.34
	Harperprints, Inc.	3	0.00	0	0.00	278.25	19	14.64	278.25	19	14.64
	Newton Instruments (19)	4	0.00	0	0.00	999.60	0	N/A	999.60	0	N/A
WAKE TECH											
	Biogen	2	530.00	17	31.18	0.00	0	0.00	530.00	17	31.18
	Customer Access Resources	4	10,055.00	266	37.80	0.00	0	0.00	10,055.00	266	37.80
	John Deere (20)	2	4,535.00	0	N/A	6,463.00	17	380.18	10,998.00	17	646.94
	MCI	6	51,900.90	914	56.78	8,932.53	0	N/A	60,833.43	914	66.56
	Merisel (21)	5	0.00	0	0.00	352.00	0	N/A	352.00	0	N/A
	R.H. Donnelley	3	7,806.86	204	38.27	7,307.51	0	N/A	15,114.37	204	74.09
WESTERN PIEDMONT											
	Caterpillar	1	0.00	11	0.00	70.50	11	6.41	70.50	11	6.41
WILKES											
	ABT Co., Inc.	2	0.00	7	N/A	7,960.42	0	N/A	7,960.42	7	1,137.20

North Carolina Community College System
New and Expanding Industry Training

Expenditure Report

JULY 1, 1997 - DECEMBER 31, 1997

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	Bristol Compressors	3	0.00	0	0.00	4,497.08	0	N/A	4,497.08	0	N/A
	Gates Rubber Company	2	0.00	0	0.00	659.00	0	N/A	659.00	0	N/A
	Leviton	1	53,280.00	74	720.00	0.00	0	0.00	53,280.00	74	720.00
WILSON TECH											
	CommScope, Inc.	2	249.90	12	20.83	0.00	0	0.00	249.90	12	20.83
	Granutec, Inc.	2	1,530.00	14	109.29	3,253.26	10	325.33	4,783.26	24	199.30
	Novapharm	1	0.00	0	0.00	11,200.00	32	350.00	11,200.00	32	350.00
TOTALS			**1,645,063.23**	7,651	**215.01**	**611,464.94**	**3,848**	**158.90**	**2,256,528.17**	10,645	211.98

PROGRAM-RELATED EXPENDITURES

Media Development Office

Central Piedmont Community College $ 69.323.19

As specified in the New and Expanding Industry Training Guidelines, "Media development services including videos and print media, may be provided at State expense if recommended by the Regional Economic Development Manager and approved by the Director of Economic Development. In addition, if authorized, the State may assist with offsetting a percentage of the expenses of developing and producing customized training manuals and computer-based training programs."

The NEIT program has traditionally supported a Media Development Office at a local community college to provide comprehensive media development services for new and expanding industry projects. The office, currently located at Central Piedmont Community College produces video, print, and computer-based media training programs for projects throughout the state, as well as develops and maintains statewide marketing materials.

Equipment Warehouses

Durham Technical Community College	$ 27,202.49
Forsyth Technical Community College	$ 12,649.04

As specified in the NEIT Guidelines, "The State may provide, install, and maintain at the training site, standard items of equipment normally associated with vocational-occupational training as available and typically used within the North Carolina Community College System."

The Community College System receives categorical funding for equipment to support NEIT projects. When the project is completed, the equipment is either transferred to another NEIT project for use, temporarily housed at a local community college, or stored at an equipment warehouse until reused or surplused.

During the time frame of this report, the Community College System maintained two warehouses, one in Durham and the other in Kernersville. The Durham warehouse was closed on December 31, 1997, and all quipment inventories were consolidated to the Kernersville warehouse.

European Trade Mission

President's travel funds	$9,594

President Lancaster's participation in the state-sponsored European Trade Mission was financed by NEIT program funds. During the mission, the President met daily with company representatives as part of the state industry recruiting efforts, to describe the New and Expanding Industry Training and other community college programs which are of benefit to companies considering new locations in North Carolina.

ADDENDUM

This report is footnoted for two reasons: (1) if the number of trainees identified in column eleven is less than 12; and (2) if the cost per trainee in column twelve exceeds $2,500

NOTE: For those projects where college expenditures were incurred but all instruction was carried out by company employees, the college expenditures in almost all cases occurred in one of three categories: 1) instructional supplies and material costs, 2) travel costs, and 3) administrative allowance. As specified in the New and Expanding Industry Training Guidelines, "Colleges will receive 5 percent of the project costs as an administrative allowance, not to exceed $60,000 per project during any one fiscal year."

1. Alamance CC
Armstrong World Industries

The majority of expenditures reported for this project and incurred during this reporting period supported training that occurred at the end of the previous fiscal year. During the 1996-97 program year, this project provided training to 277 people.

2. Alamance CC
3-C Alliance

This project was terminated during the 1996-97 program year. Expenditures reported and incurred during this fiscal year were outstanding contract costs involved in closing down the project.

3. **Asheville-Buncombe Technical CC**
Volvo Construction Equipment

This project is in its initial stages. Expenditures incurred to date have been for job analysis and program development.

4. **Catawba Valley CC**
CommScope

Fewer than 12 trainees are reported due to the fact that this project represents a multi-year expansion. During the 1996-97 program year, 95 people received training through this project.

5. **Central Carolina CC**
Magneti-Marelli

Fewer than 12 trainees are reported due to the fact that this project represents a multi-year expansion. During the 1996-97 program year, 13 people received training through this project.

6. **Central Carolina CC**
Neon Impressions

Fewer than 12 trainees are reported due to the fact that this project represents a multi-year expansion. During the 1996-97 program year, 6 people received training through this project.

7. Central Carolina CC
Stonecraft International

Fewer than 12 trainees are reported due to the fact that this project represents a multi-year expansion. During the 1996-97 program year, 7 people received training through this project.

8. Central Piedmont CC
Foamex

Expenditures reported for this project and incurred during this reporting period included costs of training that occurred at the end of the previous fiscal year. During the 1996-97 program year, this project provided training 20 people.

9. Cleveland CC
Express Container

Fewer than 12 trainees are reported due to the fact that this project represents a multi-year expansion. During the 1996-97 program year, 46 people received training through this project.

10. Forsyth Technical CC
Deere-Hitachi Construction

Expenditures reported by the college to date are for the 5% administrative allowance.

11. Forsyth Technical CC
Jones Apparel

Expenditures reported by the college to date are for the 5% administrative allowance.

12. Guilford Technical CC
Shionogi Qualicaps

Expenditures reported for this project and incurred during this reporting period supported training that occurred at the end of the previous fiscal year.

13. Johnston CC
PCX Corporation

Expenditures reported by the college to date are for the 5% administrative allowance.

14. Mitchell CC
L.B. Plastics

Expenditures reported by the college to date are for the 5% administrative allowance.

15. Mitchell CC
Polar Plastics

Expenditures reported by the college to date are for the 5% administrative allowance.

16. Vance-Granville CC
Altec Industries

Training funds provided to the company reimbursed instructor expenses for training that occurred in the prior program year.

17. Vance-Granville CC
Gate Concrete Products

Training funds provided to the company reimbursed instructor expenses for training that occurred in the prior program year.

18. Vance-Granville CC
Georgia Pacific

Training funds provided to the company reimbursed instructor expenses for training that occurred in the prior program year.

19. Vance-Granville CC
Newton Instruments

This project was terminated early in its development. Expenditures incurred supported development of a customized CNC programming manual developed specifically for the project by an instructor at another community college.

20. Wake Technical CC
John Deere

Training funds provided to the company reimbursed instructor expenses for training that occurred in the prior program year.

21. Wake Technical CC
Merisel

This project was terminated during the previous fiscal year. Costs incurred were for transporting training equipment to the Kernersville warehouse following the close-out of the project.

ADDITIONAL ADDENDUM

Rowan-Cabarrus CC
Freightliner Corporation

Expenditures and trainees reported in support of Freightliner Corporation at Rowan-Cabarrus Community College were paid through the last installment of a commitment made by the State in 1993 to support retraining costs for Freightliner employees. During the past year, Freightliner also announced a 600 person expansion at their Cleveland facility which is currently being supported through an expansion project that falls within the NEIT Guidelines approved in April, 1997. The initial allotment for this expansion project was made in January of 1998 and therefore expenditures will be reflected in the year-end report.

UNC's Service to North Carolina

Joint Appropriations Subcommittee on Education

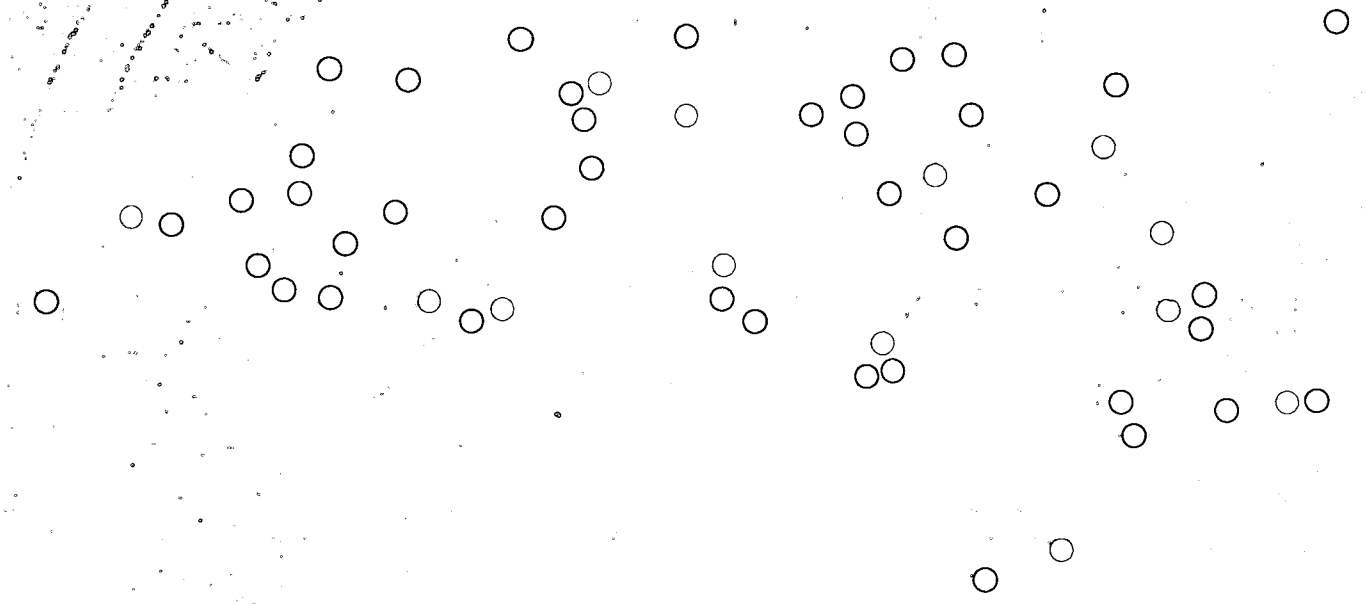
March 17, 1998

Molly Corbett Broad - President

The University of North Carolina

UNC Degree-Related Extension Programs

Currently Active Programs by Discipline and County



Health
Technology
Business

Each symbol represents one or more program.

Source: UNC General Administration

UNC Degree-Related Extension Programs

- Many North Carolinians come to our campuses for an education, but we also go to them. Last year North Carolina residents took almost 42,000 student credit hours of off-campus extension instruction, equal to roughly 14,000 course enrollments.

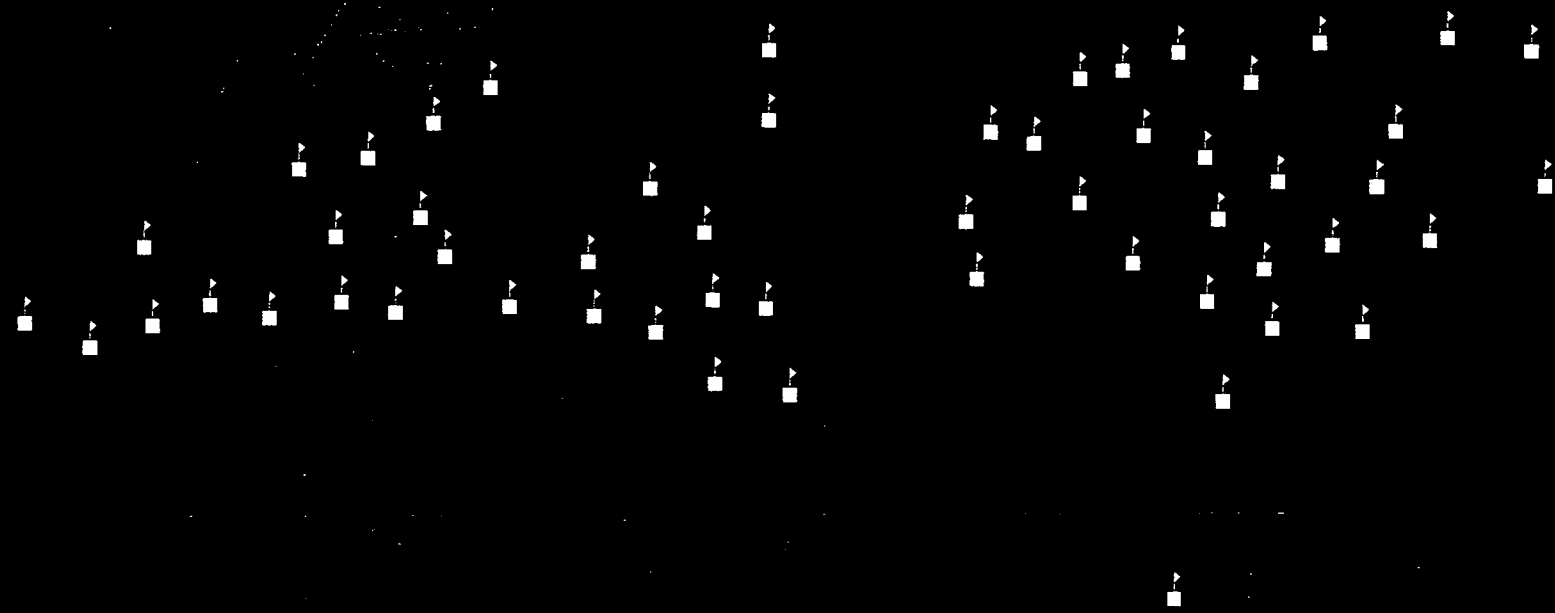
- There are 133 UNC degree-related extension programs that are currently active in 41 counties. *This map shows the distribution of these programs in the state by content area and degree level.*

- Programs by instructional level: 62 **baccalaureate**; 63 **masters**; 7 **doctoral**; and 1 **intermediate** level program.

- Programs by discipline areas: 45 related to **education** and the public schools; 51 in **health and social work** professional areas; 15 **technology and engineering** related; and 13 **business** degree programs.

Model Clinical Teaching Network

Public School Systems Served by Model Clinical Programs



One or More Public School Systems Served by the Model Clinical Teaching Programs

Source: Model Clinical Teaching Network

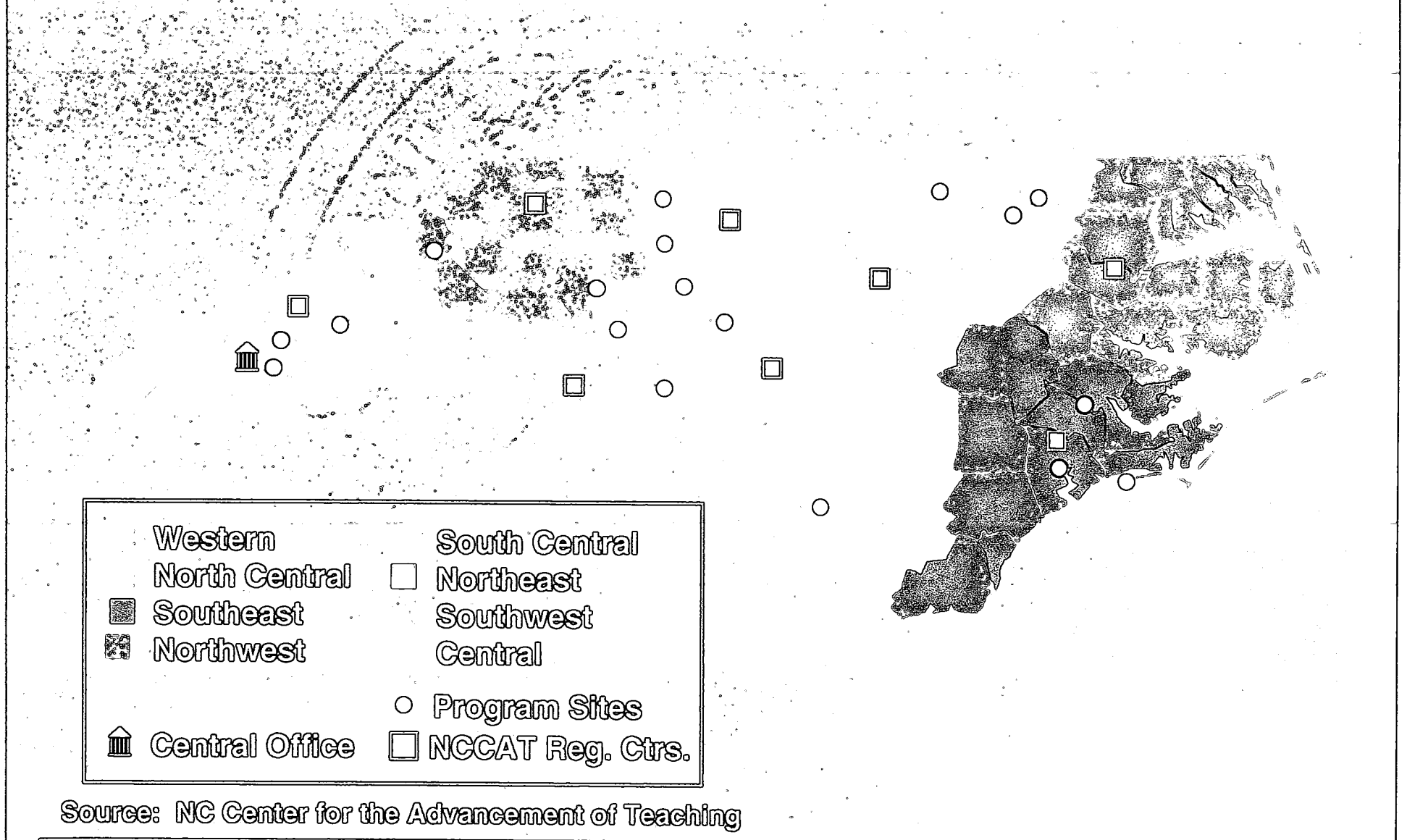
Model Clinical Teaching Network

- Model Clinical Teaching Programs at 10 UNC institutions and two private institutions identify and implement "best practices" for improving teacher education through the use of experienced public school teachers as clinical faculty.

- The success of Model Clinical Teaching Programs has led to the statewide initiative to establish University-School Teacher Education Partnerships in all 15 colleges, schools, or departments of education in the UNC system. *This map shows the location of public school systems in the state served by model clinical programs from 1995-1998.*

- From 1995-1998, the Model Clinical Teaching Programs have:
  - served over 320 schools
  - involved more than 1,735 public school teachers and 200 university faculty
  - prepared and supervised over 1,150 student teachers and interns

NC Center for the Advancement of Teaching



Source: NC Center for the Advancement of Teaching

NC Center for the Advancement of Teaching

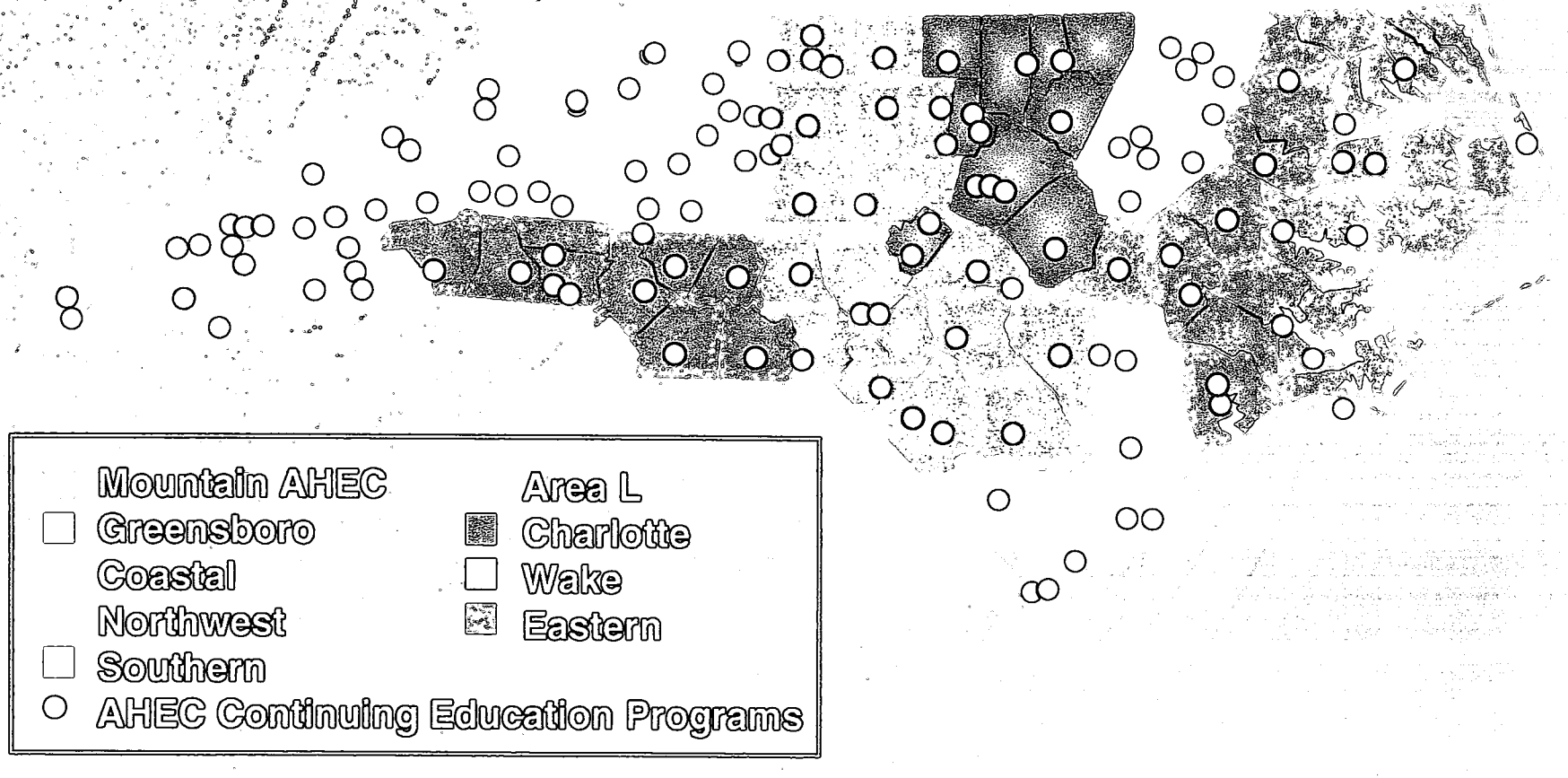
- The Center for the Advancement of Teaching conducts residential seminars year-round for teachers in the arts, sciences, and the humanities at its headquarters in Cullowhee and other locations. Programs are planned to address school or school system needs and may last up to three days.

- *This map shows the Cullowhee central office, regional program centers, and the location of school districts for which programs have been conducted during the last three years.*

- In 1996-97 there were a total of 4,132 participants in 146 seminars, programs, meetings, and conferences conducted by the Center.

NC Area Health Education Centers (AHEC) Program

Locations of Continuing Education Programs: 1996-97



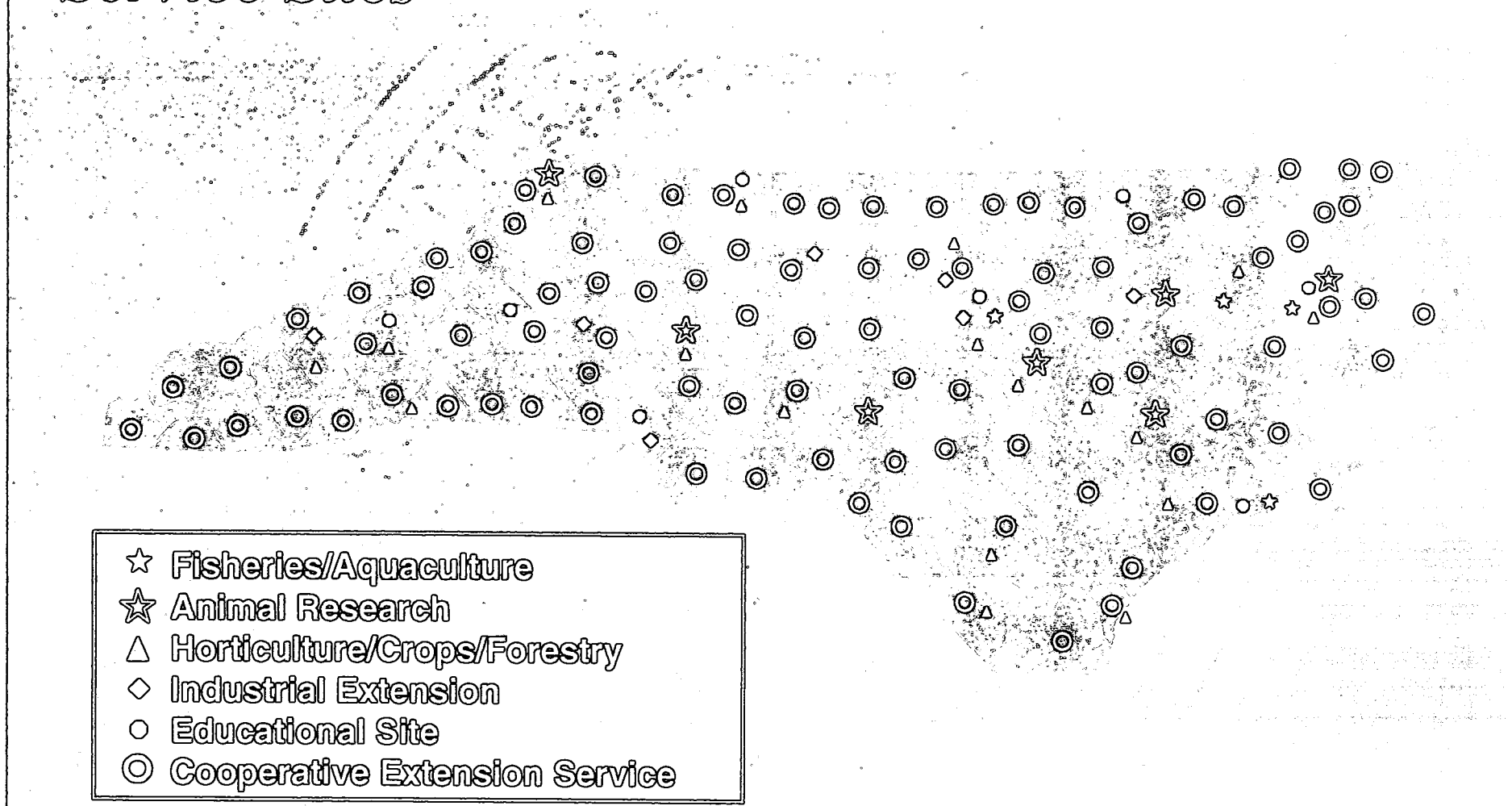
Source: NC AHEC Program

NC Area Health Education Centers (AHEC) Program

- The AHEC Program, through its central office on the Chapel Hill campus and its *nine regional centers serving the areas shown on this map*, supports the educational needs of practicing health professionals through faculty consultations, access to library resources, and direct provision of faculty and student health care services.

- *This map shows the 137 towns in 81 counties that were the sites of AHEC continuing education programs in 1996-97.* Provision of such educational services is essential to keeping our health professions workforce current with the latest health care advances and providing the network of support needed to encourage retention of professionals practicing in remote and underserved areas.

Cooperative and Industrial Extension Service Sites



Source: NC State University

The University of North Carolina

Cooperative and Industrial Extension Service Sites

As our University's two land-grant institutions, North Carolina State University and North Carolina A&T State University have a special mandate to serve the entire state through extension services.

- ***Cooperative Extension Service Sites (one in every county)***

  The North Carolina Cooperative Extension Service has 20 major programs offered by county field faculty and supported by university-based specialists. These programs center on five focus areas: sustaining agriculture and forestry; protecting the environment; maintaining viable communities; developing responsible youth; and developing strong, healthy, and safe families.

- ***Industrial Extension Service Sites***

  The Industrial Extension Service provides engineering and industrial management assistance and education to help North Carolina industries

gain a competitive advantage. In 1996-97 the Service provided assistance to more than 35,000 firms and individuals.

- ***Other Service Sites***

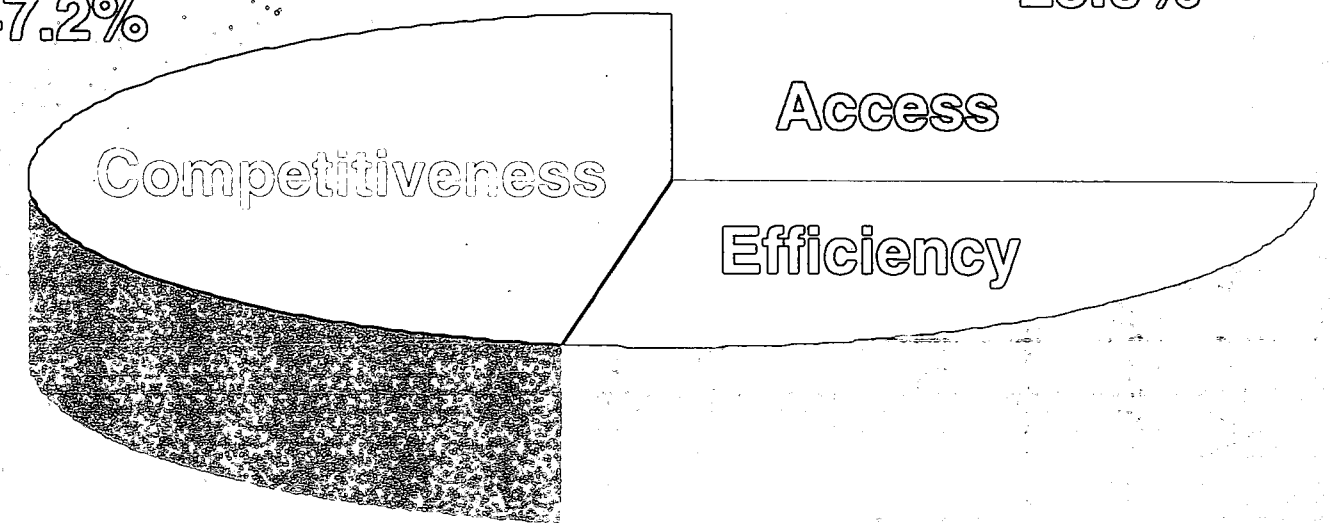
  - Fisheries and aquaculture research sites
  - Horticultural and forest research stations
  - Additional educational and laboratory sites around the state

1998-99 Supplemental Budget Request
Major Themes

	Current Operations Appropriations
Access	
Regular Term Enrollment Changes	$ 13,730,338
Distance Learning/Extension Degree Credit Instruction	18,046,943
Total - Access	31,777,281
Efficiency	
Information Technology - further development	19,583,866
Year 2000 Compliance (nonrecurring)	6,011,056
Libraries	9,782,276
Remove the Remaining 1% Reversion Rate Requirement	no additional appropriation required
Total - Efficiency	35,377,198
Competitiveness	
6% Academic Salary Increase	54,496,078
State Matching Funds for Distinguished Professors Endowment	5,600,000
Total - Competitiveness	60,096,078
Total	127,250,557

1998-99 Supplemental Budget Request
Major Themes

Current Operations Appropriations



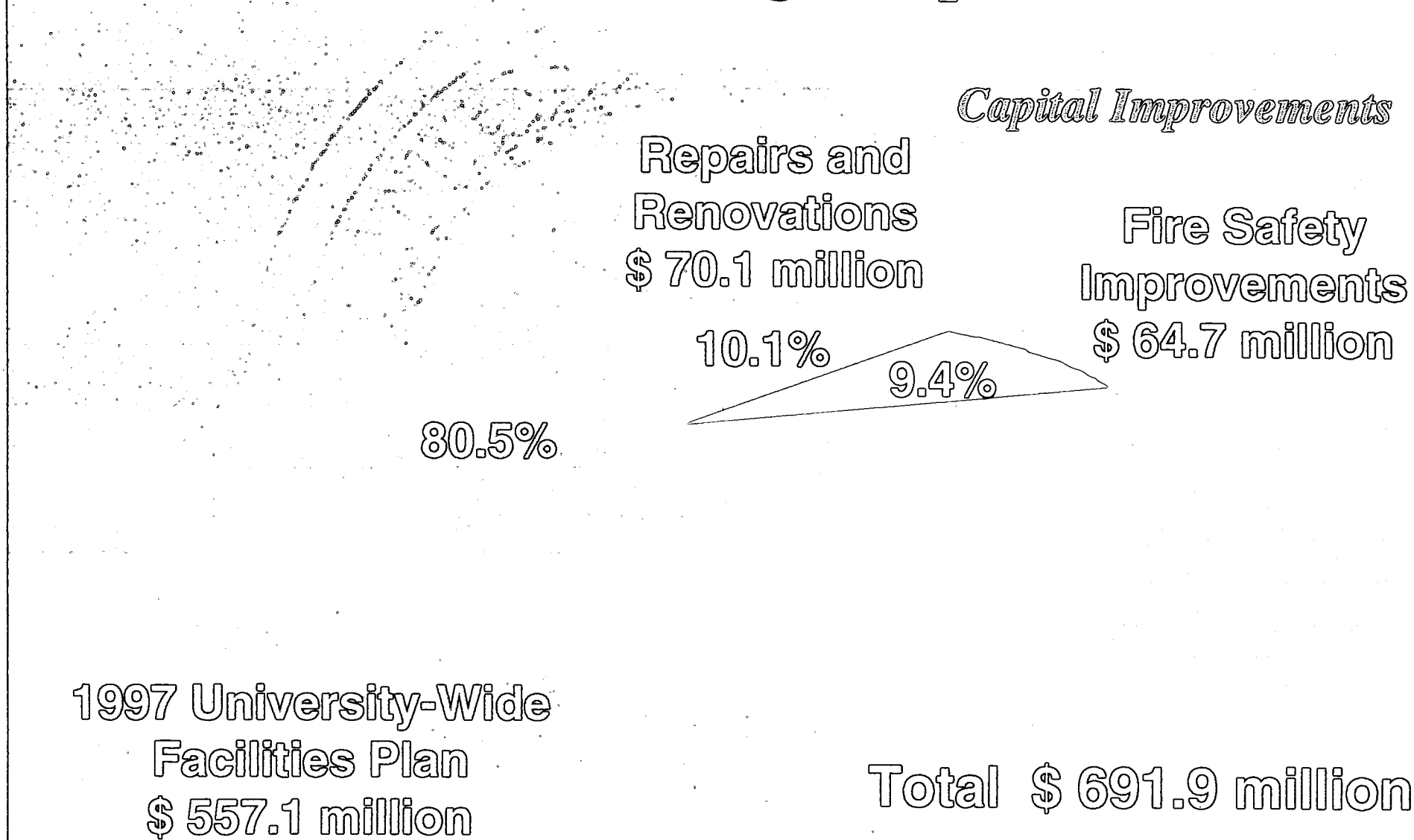
Total $ 127.3 million
(represents 82% of the
Total Supplemental Request)

1998-99 Supplemental Budget Request

	Capital Improvements
Repairs and Renovations	$ 70,052,700
Fire Safety Improvements, Student Residence Halls	64,734,400
1997 University-Wide Facilities Plan	
Current Capacity	356,140,600
Future Capacity	38,696,200
Technology Infrastructure	*
Program Quality	100,711,000
Special Purpose	37,098,500
Support Facility	5,943,400
Land Acquisition	15,000,000
Special Appropriation	3,500,000
Total - 1997 University-Wide Facilities Plan	557,089,700
Total	691,876,800

* The cost estimate for technology is contingent upon the completion of the review of infrastructure needs at the constituent institutions

1998-99 Supplemental Budget Request



Joint Appropriations Subcommittee on Education

March 18, 1998

Call to Order	Sen. Howard Lee, Co-Chair
Community College Salaries	Martin Lancaster, President Community College System
Community College 98-99 Budget Priorities	Martin Lancaster, President Community College System
1998-99 Supplemental Budget Request of the State Board of Education	Dr. Richard Thompson, Dep't. of Public Instruction
Report on the State School Bond Expenditures	Dr. Ben Matthews, Department of Public Instruction
Report on Tracking Building Level Expenditures in Local Public Schools	Lou Thompson, Department of Public Instruction

MINUTES

JOINT LEGISLATIVE APPROPRIATIONS EDUCATION SUBCOMMITTEE

Wednesday, March 18, 1998
10:00 a.m.
Room 421, Legislative Office Building

The Joint Legislative Appropriations Education Subcommittee met on Wednesday, March 18, 1998, in Room 421 of the Legislative Office Building. Four senators were present and Representatives Arnold, Bonner, Black, Davis, Grady, Insko, Moore, Preston, Shubert, Oldham, Reynolds, Rogers, Russell and Yongue in attendance.

Senator Howard Lee presided. He called the meeting to order at 10:27 am and welcomed the presenters.

PRESENTATIONS

Community College 1998-99 Budget Priorities

President Martin Lancaster, Community College System, presented details about Budget Transfers. (Attachment 1, Section A.) In addition, he capsules a brief overview about regional meetings held throughout the state to determine priorities and information for the Community College System's budget requests. (Attachment 1, Section B). Trustees, individuals, groups and stakeholders participated in these meetings reaching consensus about faculty salaries, equipment issues, technology of the future, supplies and related topics. The Presidents' Association unanimously approved this budget request; the Trustees Association unanimously approved the budget request; and the State Board of Community Colleges unanimously approved the budget request. (Attachment 2).

An analysis of the budget transfers was presented based upon the FTE formula allotments (only) for fiscal year 1996-97. Charts were supplied (Addendum to Attachment 1) reflecting the movement of funds as defined by budget categories and where the funds were moved. President Lancaster indicated that the funding allocation was based on the instructional units. In 1985 the allocated amount for "other costs" was $105 and it continues at $105 at the present time. North Carolina is next to last in community colleges faculty salaries within the nation, with South Dakota in last ranking. In the southeast, North Carolina system is "dead last". He addressed faculty salaries and salaries as transferred. (Attachment 1, Section A).

Technology areas continue to need flexibility in order to respond to local needs, including business and industry needs and requests. Each of the 58 community colleges and technology center are very different. (Attachment 2). President Lancaster commented on

summary areas of the Capital Improvement Requests. (Attachment 3). He made a request for the State to change its policy and fund repair and renovation projects for community colleges. In addition, a memorandum from Southwestern Community College outlined their specific concerns regarding Loss of Operations of Maintenance of Plant Funds. (SB 352)

Additional discussion followed regarding renovation and repair funds, as well as the current policy on recurring tax deductions for the donation of equipment to community college.

INTRODUCTIONS

The chair recognized five guests from India visiting under the auspices of Rotary International's Group Study Exchange program, accompanied by Dr. Earl Danieley, president emeritus of Elon College.

PRESENTATION

1998-99 State Board of Education Supplement Budget Request

Dr. Richard Thompson, Deputy Superintendent, Department of Public Instruction, presented the 1998-99 Supplemental Budget Request of the State Board of Education. (Attachment 4). He outlined requests for Excellent Schools; ABCs; Safe Schools; Maintaining Operations; Charter Schools; High Student Performance and Quality Teachers. Discussion followed including the possibility of renaming the Low Performing Schools to present a different and more encouraging position. Other topics discussed included over-testing, flexible versus control, school resource officers, teacher licensure and temporary acceptance of teachers awaiting certification status and determination of their pay scale. It was requested the DPI provide more information to the Committee about group homes and ICFMR funds.

An additional request of staff was to supply the total budget requests individually and totaled for Public Schools, Community Colleges and the University system. Representative Grady asked for these numbers, exclusive of legislative salary increases and construction. Total amounts for Excellent Schools Act and the Teachers' Salary pledge were also requested.

Presiding Chair Senator Lee postponed the additional reports on the agenda until next month. The report on the State School Bond Expenditures as well as the report on Tracking Building Level Expenditures in Local Public Schools will be heard at the April meeting.

Senator Lee recognized Jim Johnson, Fiscal Research, who noted the imminent retirement of Ms. Lou Thompson, , Director of School Business Services, Department of Public Instruction.

Senator Lee presented the following tribute to Ms. Thompson.

Comments on the Retirement of Lou Thompson

"Lou, other members of the committee will have some words to say to you, if not publicly I am sure privately.

"On behalf of our committee and those of us who have been around here for a few years and have known of your great work and your tremendous contributions to the many committees and leaders who have passed through these halls, I express our deepest appreciation to you and gratitude for your commitment, your dedicated service to the state of North Carolina; and having created a monument in your own honor because of the schools that exist, the systems that are in place.

"The children who have benefited from that opportunity and the access to those resources will become the great leaders of this State. We hope that in spite of the fact that you are retiring, you will always be accessible to those of us who will continue to need your mind, and to need your thought, your creativity, your vision.

"Thank you for all you have contributed to the State of North Carolina in your position."

The Committee adjourned at 12:12 p.m.

Senator Howard N. Lee
Co-Chair Presiding

Betty E. Stoddard
Clerk

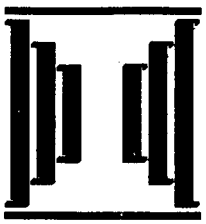
Senator Leslie Winner
Co-Chair

Representative Gene Arnold
Co-Chair

Representative Robert Grady
Co-Chair

Representative Jean Preston
Co-Chair

ATTACHMENT 1



NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

February 20, 1998

H. MARTIN LANCASTER
PRESIDENT

ALAMANCE COMMUNITY COLLEGE
ANSON COMMUNITY COLLEGE
ASHEVILLE-BUNCOMBE TECHNICAL COMMUNITY COLLEGE
BEAUFORT COUNTY COMMUNITY COLLEGE
BLADEN COMMUNITY COLLEGE
BLUE RIDGE COMMUNITY COLLEGE
BRUNSWICK COMMUNITY COLLEGE
CALDWELL COMMUNITY COLLEGE & TECHNICAL INSTITUTE
CAPE FEAR COMMUNITY COLLEGE
CARTERET COMMUNITY COLLEGE
CATAWBA VALLEY COMMUNITY COLLEGE
CENTRAL CAROLINA COMMUNITY COLLEGE
CENTRAL PIEDMONT COMMUNITY COLLEGE
CLEVELAND COMMUNITY COLLEGE
COASTAL CAROLINA COMMUNITY COLLEGE
COLLEGE OF THE ALBEMARLE
CRAVEN COMMUNITY COLLEGE
DAVIDSON COUNTY COMMUNITY COLLEGE
DURHAM TECHNICAL COMMUNITY COLLEGE
[illegible]ECOMBE COMMUNITY COLLEGE
[illegible]TTEVILLE TECHNICAL [illegible]MMUNITY COLLEGE
FORSYTH TECHNICAL COMMUNITY COLLEGE
GASTON COLLEGE
GUILFORD TECHNICAL COMMUNITY COLLEGE
HALIFAX COMMUNITY COLLEGE
HAYWOOD COMMUNITY COLLEGE
ISOTHERMAL COMMUNITY COLLEGE
JAMES SPRUNT COMMUNITY COLLEGE
JOHNSTON COMMUNITY COLLEGE
LENOIR COMMUNITY COLLEGE
MARTIN COMMUNITY COLLEGE
MAYLAND COMMUNITY COLLEGE
MCDOWELL TECHNICAL COMMUNITY COLLEGE
MITCHELL COMMUNITY COLLEGE
MONTGOMERY COMMUNITY COLLEGE
NASH COMMUNITY COLLEGE
PAMLICO COMMUNITY COLLEGE
PIEDMONT COMMUNITY COLLEGE
PITT COMMUNITY COLLEGE
RANDOLPH COMMUNITY COLLEGE
RICHMOND COMMUNITY COLLEGE
ROANOKE-CHOWAN COMMUNITY COLLEGE
ROBESON COMMUNITY COLLEGE
ROCKINGHAM COMMUNITY COLLEGE
ROWAN-CABARRUS COMMUNITY COLLEGE
SAMPSON COMMUNITY COLLEGE
SANDHILLS COMMUNITY COLLEGE
SOUTHEASTERN COMMUNITY COLLEGE
SOUTHWESTERN COMMUNITY COLLEGE
STANLY COMMUNITY COLLEGE
SURRY COMMUNITY COLLEGE
TRI-COUNTY COMMUNITY COLLEGE
VANCE-GRANVILLE COMMUNITY COLLEGE
WAKE TECHNICAL COMMUNITY COLLEGE
WAYNE COMMUNITY COLLEGE
WESTERN PIEDMONT COMMUNITY COLLEGE
[illegible]KES COMMUNITY COLLEGE
[illegible]ON TECHNICAL [illegible]MMUNITY COLLEGE
[illegible] CENTER FOR APPLIED TEXTILE TECHNOLOGY

IMPORTANT!

MEMORANDUM

TO: Presidents
Business Officers

FROM: Kennon Briggs KB
Vice President for Business and Finance

SUBJECT: 1. Budget Transfers
2. 1998-99 Consensus Budget & Capital Budget Request

Enclosed you will find several documents. One document was prepared as the result of a legislative inquiry, while the other is the State Board of Community Colleges' 1998-99 Consensus Budget, as approved on Friday, February 20, 1998. Taken together, these documents should help in explaining the news release surrounding the budget transfers made for fiscal year 1996-97, and how it relates to the need for additional funding. The following information may be used in any manner deemed necessary by your college.

A. Budget Transfers

In response to a **legislative inquiry**, the Division of Business and Finance prepared an analysis (attached) of the budget transfers based upon the FTE formula allotments (only) for fiscal year 1996-97. The transfers reflect the movement of funds (Budget Revision Form 104) in and out of salaries and other costs as defined by budget categories. We were not at liberty to share this information in printed form under the confidentiality statutes (G.S. 120-130 & G.S. 120-131.1). As soon as the legislator who requested the information made it public, we at the System Office were enabled to release it. This occurred on Friday, February 20. At the State Board meeting that day, copies of this information were distributed and explained to the Board by the President and staff.

In order to understand the information, we have attached what appears to be duplicates. The first set of numbers shows the net movement in and out by category, while the second set of numbers shows the gross transfers in and out by

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AFFIRMATIVE ACTION/EQUAL OPPORTUNITY EMPLOYER

salaries and other costs. In other words, while it is true we net moved approximately $25.4 million funds out of "Curriculum Instruction", in fact we transferred $28.2 million out of "Curriculum Instructional Salaries", but $2.8 million of the $28.2 million went into "Curriculum Other Costs".

The second set of numbers helps show more clearly where the funds were moved. Systemwide, approximately 13 percent of the "Curriculum Instructional Salaries" was transferred out.

While some would call this an indictment of the Community College System, President Lancaster saw it otherwise. If you examine closely where the funds were transferred, the story is compelling. Approximately $19 million of the $28 million transferred out of "Curriculum Salaries" was moved to supplement "Instructional/Administrative Support", and another $4 million was moved to "Equipment and Books". If one were to look even closer, of the $19 million moved to "Instructional/Administrative Support", $13.6 million went into Salaries and another $5.4 million went into Other Costs. In other words, college presidents and business officers, out of necessity, transferred funds to the places most needed to operate their programs. The picture now becomes more clear. While it would be extremely popular to retain all funds in "Curriculum Instructional Salaries", it would create an impossible situation in trying to provide sufficient program supervision, counselors, technology staff, and financial aid personnel; procure sufficient supplies, materials and computer software; provide state-of-the-art instructional equipment; and the myriad of other things required to operate a community college. The statement made here, while intentional or not, is most compelling: Colleges must have sufficient funds with which to operate, even if funds must transferred from other areas in order to serve students.

B. 1998-99 Consensus Budget and Capital Budget Request

As a result of the six regional meetings, input from the Trustees' and Presidents' Associations and review and comment by the State Board's Finance and Capital Needs and Legislative Committees, the 1998-99 Consensus Budget and Capital Budget Request have been approved by the State Board (attached). The only modifications which have been made since the presidents reviewed and unanimously voted to support the 1998-99 Consensus Budget in Wilson are:

1. Revising the funds needed for enrollment.
2. Adding the amount necessary for Occupational Extension funding to reflect enrollment growth.
3. Updating the amount needed for multi-campus funding.
4. Adding the request from the Center for Applied Textile Technology.

None of these items alters substantively the position taken by the presidents.

In view of the discussion in "A" above, we would ask that you lay side-by-side the State Board's budget request and the budget transfer information. The State Board is requesting funds for instructional support, other costs, and equipment. These are **exactly** the places colleges were, out of necessity, precipitated to transfer funds. One could conclude that **IF** colleges were properly funded in these areas, funds intended for "Curriculum Instructional Salaries" could remain there. The consequences of this are two-fold. First, average faculty salaries would increase systemwide. Second, colleges would be enabled to hire more full-time faculty.

You will note that the Board is asking for funds in "Technology", "Improve and Enhance Instruction and Support", and "Equipment and Physical Plant Improvements" for these purposes. Again, only if we can get funding in these areas can we retain the funds in instructional salaries.

We in the Division of Business and Finance will be glad to assist in explaining any of the information contained herein. Please call us if necessary. We hope this information will be useful in answering any inquiries, and in explaining the 1998-99 Consensus Budget.

/kdb

Enclosures

NORTH CAROLINA COM[illegible]Y COLLEGE SYSTEM
DETAIL BUDGET TRANSFERS
FORMULA ALLOTMENTS
June 30, 1997

S[illegible]6.XLS

COLLEGE			CURRICULUM INSTRUCTION	NON-CURR. INSTRUCTION	LITERACY INSTRUCTION	COMMUNITY SERVICE	INSTRUCTIONAL/ ADM. SUPPORT	OTHER NON-FORMULA	EQUIPMENT AND BOOKS	TOTAL TRANSFERS	1996-97 CURRIC. AVG. ANNUAL STATE SALARY
ISOTHERMAL CC	SAL	1	(217,525)	(25,019)	(10,692)	(25,281)	194,082	0		(84,435)	37,137
	OC	2	34	21,794	17,738	281	44,588	0		84,435	
JAMES SPRUNT CC	SAL	1	(169,323)	(4,489)	(126,449)	5,029	26,456	1,155		(267,621)	36,268
	OC	2	(9,391)	1,944	126,449	1,271	127,224	1,084	19,040	267,621	
JOHNSTON CC	SAL	1	(371,233)	32,336	(106,418)	(6,286)	(374,604)	513		(825,692)	37,731
	OC	2	212,118	50,752	106,418	6,289	159,765	0	290,350	825,692	
LENOIR CC	SAL	1	(681,697)	817	(41,215)	(968)	215,206	4,396		(503,461)	38,806
	OC	2	140,830	2,843	54,279	968	(26,107)	2,600	328,048	503,461	
MARTIN CC	SAL	1	(315,878)	11,727	(45,385)	2,135	(99,720)	7,249		(439,872)	38,883
	OC	2	105,408	15,565	45,385	5,638	164,275	670	102,931	439,872	
MAYLAND CC	SAL	1	(235,333)	(40,787)	(12,206)	(1,385)	78,742	3,686		(207,283)	35,102
	OC	2	50,566	9,228	14,620	1,385	126,731	4,753		207,283	
MCDOWELL TCC	SAL	1	(177,263)	61,725	(15,350)	(743)	(85,943)	0		(217,574)	35,398
	OC	2	6,271	18,208	15,350	743	97,007	0	79,995	217,574	
MITCHELL CC	SAL	1	(402,314)	2,196	(17,355)	(2,559)	268,588	0		(151,444)	37,959
	OC	2	(56,315)	5,465	18,405	2,559	176,850	0	4,480	151,444	
MONTGOMERY CC	SAL	1	(194,158)	(28,120)	(11,358)	(12,371)	15,796	229		(229,982)	37,820
	OC	2	46,224	1,153	13,616	73	103,133	0	65,783	229,982	
NASH CC	SAL	1	(120,406)	3,656	(51,438)	(2,498)	(115,676)	3,805		(282,557)	39,699
	OC	2	97,881	26,385	51,438	2,498	103,855	500		282,557	
PAMLICO CC	SAL	1	229,630	(2,027)	(3,084)	(576)	(285,162)	0		(61,219)	40,817
	OC	2	3,760	2,027	8,584	576	46,272	0		61,219	
PIEDMONT CC	SAL	1	(184,464)	39,159	(34,680)	(7,225)	10,967	0		(176,243)	35,413
	OC	2	40,962	2,234	42,858	1,825	82,964	5,400		176,243	
PITT CC	SAL	1	(726,176)	102,007	43,437	(10,120)	509,015	8,088		(73,749)	38,659
	OC	2	(59,153)	25,432	29,133	1,992	45,562	94	30,689	73,749	
RANDOLPH CC	SAL	1	(281,707)	79,436	(25,082)	(4,086)	(4,180)	0		(235,619)	39,114
	OC	2	66,063	33,677	51,576	1,486	82,817	0		235,619	
RICHMOND CC	SAL	1	(395,955)	142,820	(136,800)	(1,000)	148,327	500		(242,108)	42,292
	OC	2	14,500	11,000	136,800	1,900	75,408	2,500		242,108	
ROANOKE CHOWAN CC	SAL	1	(336,823)	(19,155)	(14,835)	1,880	232,719	8,525		(127,689)	37,991
	OC	2	6,338	8,875	35,975	1,770	163,701	4,900	(93,870)	127,689	
ROBESON CC	SAL	1	(690,394)	(24,498)	(191,117)	(2,214)	225,403	0		(682,820)	40,977
	OC	2	42,402	18,984	191,117	5,528	142,829	0	281,960	682,820	
ROCKINGHAM CC	SAL	1	(525,921)	12,595	(16,892)	(208)	173,688	88		(356,650)	39,265
	OC	2	141,124	18,674	29,219	0	167,189	444		356,650	
ROWAN-CABARRUS CC	SAL	1	(379,149)	30,613	(15,430)	(9,130)	215,866	0		(157,230)	40,003
	OC	2	66,857	32,561	41,822	323	15,488	179		157,230	
SAMPSON CC	SAL	1	(209,492)	11,503	(52,876)	(1,142)	102,597	0		(149,410)	39,084
	OC	2	9,928	6,255	53,761	1,142	78,324	0		149,410	
SANDHILLS CC	SAL	1	43,957	(37,771)	(45,134)	(10,189)	239,264	1		190,128	43,766
	OC	2	(71,629)	27,622	47,504	8,747	43,014	0	(245,386)	(190,128)	
SOUTHEASTERN CC	SAL	1	(374,201)	104,784	(62,999)	2,871	246,004	9		(83,532)	40,122
	OC	2	(13,008)	35,798	62,999	1,578	(25,543)	(4,490)	26,198	83,532	
SOUTHWESTERN CC	SAL	1	(473,139)	(129,518)	(5,527)	(273)	111,458	0		(496,999)	39,033
	OC	2	44,812	26,504	21,410	2,899	333,198	3,986	64,190	496,999	
STANLY CC	SAL	1	(480,111)	(23,075)	(25,934)	(500)	435,553	0		(94,067)	36,615
	OC	2	(18,827)	11,886	25,934	500	74,574	0		94,067	
SURRY CC	SAL	1	(453,686)	121,500	52,436	13,150	(138,699)	3,600		(401,699)	40,633
	OC	2	206,000	25,000	31,800	3,300	135,599	0		401,699	
TRI COUNTY CC	SAL	1	(247,948)	7,803	44	(3,306)	(185,929)	0		(429,336)	37,216
	OC	2	49,945	21,635	(44)	3,307	178,029	13,270	163,194	429,336	

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
DETAIL BUDGET TRANSFERS
FORMULA ALLOTMENTS
June 30, 1997

COLLEGE			CURRICULUM INSTRUCTION	NON-CURR. INSTRUCTION	LITERACY INSTRUCTION	COMMUNITY SERVICE	INSTRUCTIONAL/ ADM. SUPPORT	OTHER NON-FORMULA	EQUIPMENT AND BOOKS	TOTAL TRANSFERS	1996-97 CURRIC. AVG. ANNUAL STATE SALARY
VANCE-GRANVILLE CC	SAL	1	(890,159)	48,269	(21,275)	(1,006)	389,245	525		(474,401)	39,398
	OC	2	17,115	36,587	35,086	1,006	146,786	0	237,821	474,401	
WAKE TCC	SAL	1	(1,640,769)	16,652	282,536	0	1,672,875	0		331,294	38,021
	OC	2	(205,794)	(9,679)	76,064	0	(191,885)	0		(331,294)	
WAYNE CC	SAL	1	(244,799)	48,433	(51,350)	13,550	(53,332)	0		(287,498)	40,748
	OC	2	92,944	51,827	51,350	800	85,577	5,000		287,498	
WESTERN PIEDMONT CC	SAL	1	(413,001)	19,306	(46,770)	5,628	(74,757)	0		(509,594)	38,426
	OC	2	74,931	24,869	46,770	1,881	9,870	0	351,273	509,594	
WILKES CC	SAL	1	(339,644)	(64,214)	(3,713)	(12,344)	249,478	0		(170,437)	39,914
	OC	2	(50,089)	8,044	26,635	5,024	185,296	0	(4,473)	170,437	
WILSON TCC	SAL	1	(54,763)	(32,755)	(11,435)	11,201	(12,743)	0		(100,495)	38,995
	OC	2	23,356	25,429	26,001	3,557	64,433	98	(42,379)	100,495	
	SAL	1	($28,232,779)	($756,431)	($2,054,379)	($70,596)	$13,618,862	$85,529	$0	($17,409,794)	$39,370
	OBJ	2	$2,838,702	$1,176,732	$3,622,064	$123,143	$5,511,686	$97,270	$4,040,197	$17,409,794	
TOTAL			($25,394,077)	$420,301	$1,567,685	$52,547	$19,130,548	$182,799	$4,040,197	$0	

NORTH CAROLINA CO[illegible]ITY COLLEGE SYSTEM
DETAIL BUD[illegible] TRANSFERS
FORMULA ALLOTMENTS
June 30, 1997

COLLEGE			CURRICULUM INSTRUCTION	NON-CURR. INSTRUCTION	LITERACY INSTRUCTION	COMMUNITY SERVICE	INSTRUCTIONAL/ ADM. SUPPORT	OTHER NON-FORMULA	EQUIPMENT AND BOOKS	TOTAL TRANSFERS	1996-97 CURRIC. AVG. ANNUAL STATE SALARY
ALAMANCE CC	SAL	1	(562,767)	284,422	(43,428)	(2,166)	(4,697)	0		(328,636)	40,051
	OC	2	132,345	33,245	43,428	2,166	117,452	0		328,636	
ANSON CC	SAL	1	(223,602)	(16,852)	(68,400)	(1,500)	45,286	0		(265,068)	32,580
	OC	2	32,649	7,852	68,400	1,500	154,667	0		265,068	
ASHEVILLE-BUNCOMBE TCC	SAL	1	(558,255)	70,838	(73,134)	(2,225)	178,147	3,600		(381,029)	43,473
	OC	2	79,201	10,950	73,134	2,004	193,090	22,650		381,029	
BEAUFORT COUNTY CC	SAL	1	(118,463)	2,260	(66,000)	(41)	21,483	498		(160,263)	36,663
	OC	2	36,535	25,028	66,000	41	29,097	302	3,260	160,263	
BLADEN CC	SAL	1	(191,623)	21,615	4,287	6,384	104,998	0		(54,339)	40,674
	OC	2	17,225	5,348	7,833	1,159	22,774	0		54,339	
BLUE RIDGE CC	SAL	1	20,445	(40,121)	(30,874)	(66)	(3,170)	0		(53,786)	41,226
	OC	2	(5,908)	7,473	33,400	66	18,755	0		53,786	
BRUNSWICK CC	SAL	1	(447,299)	(47,752)	(11,535)	(8,733)	129,157	2,038		(384,124)	39,470
	OC	2	56,715	15,120	48,542	1,707	172,547	15,929	73,564	384,124	
CALDWELL CC & TI	SAL	1	(457,045)	(17,726)	39,039	(9,236)	166,318	1,827		(276,823)	37,469
	OC	2	65,039	19,207	42,528	3,324	142,330	4,395		276,823	
CAPE FEAR CC	SAL	1	(951,162)	(127,375)	(114,137)	5,833	244,084	0		(942,757)	37,496
	OC	2	224,796	78,997	121,446	0	182,983	0	334,535	942,757	
CARTERET CC	SAL	1	(413,240)	(16,990)	(30,125)	(6,631)	206,288	0		(260,698)	39,703
	OC	2	90,116	12,490	30,125	1,000	126,967	0		260,698	
CATAWBA VALLEY CC	SAL	1	(107,565)	(93,062)	(45,489)	(414)	(120,432)	8,525		(358,437)	40,681
	OC	2	163,592	31,726	51,201	414	107,477	0	4,027	358,437	
CENTRAL CAROLINA CC	SAL	1	(390,113)	(8,560)	(161,552)	(116)	118,521	0		(441,820)	36,753
	OC	2	306,336	21,118	166,949	1,582	42,183	0	(96,348)	441,820	
CENTRAL PIEDMONT CC	SAL	1	(3,695,287)	(93,555)	(114,502)	(26,929)	3,049,095	2,641		(878,537)	39,893
	OC	2	267,941	(4,125)	84,991	8,086	535,638	6	(14,000)	878,537	
CLEVELAND CC	SAL	1	198,810	(7,656)	(112,000)	0	(299,514)	0		(220,360)	38,509
	OC	2	(3,873)	(2,344)	112,000	0	114,577	0		220,360	
COASTAL CAROLINA CC	SAL	1	(940,115)	(80,461)	(80,260)	19,877	67,600	18,208		(995,151)	36,034
	OC	2	129,017	80,461	80,260	5,700	199,713	0	500,000	995,151	
COLLEGE OF ALBEMARLE	SAL	1	(546,131)	8,074	152,758	(8,271)	294,620	0		(98,950)	36,975
	OC	2	1,535	350	41,360	(16,652)	72,357	0		98,950	
CRAVEN CC	SAL	1	(912,553)	(63,285)	(36,256)	(1,552)	597,585	0		(416,061)	37,987
	OC	2	5,485	8,543	36,256	491	136,919	0	228,367	416,061	
DAVIDSON COUNTY CC	SAL	1	(628,419)	(61,318)	(82,592)	(1,700)	640,172	0		(133,857)	40,810
	OC	2	(66,183)	14,964	82,592	1,700	89,835	10,949		133,857	
DURHAM TCC	SAL	1	(435,798)	(85,092)	(76,250)	(2,500)	557,261	0		(42,379)	38,774
	OC	2	(29,360)	(6,715)	76,250	2,500	(296)	0		42,379	
EDGECOMBE CC	SAL	1	(67,261)	53,311	29,678	(2,145)	(1,843)	0		11,740	37,306
	OC	2	43,724	4,179	20,069	2,145	1,843	0	(83,700)	(11,740)	
FAYETTEVILLE TCC	SAL	1	(1,189,333)	(985,891)	(62,068)	53,747	404,693	1,300		(1,777,552)	42,854
	OC	2	253,807	135,308	516,097	20,649	(121,309)	0	973,000	1,777,552	
FORSYTH TCC	SAL	1	(133,577)	(54,004)	(138,964)	0	358,664	1,103		33,222	40,582
	OC	2	(33,798)	3,109	138,964	0	(141,663)	166	0	(33,222)	
GASTON COLLEGE	SAL	1	(859,373)	36,395	(52,780)	(7,424)	364,655	0		(518,527)	43,642
	OC	2	121,825	10,008	59,949	4,066	12,679	0	310,000	518,527	
GUILFORD TCC	SAL	1	(1,855,698)	130,771	(32,248)	(3,595)	1,609,887	0		(150,883)	41,155
	OC	2	(73,488)	47,360	43,428	3,595	129,988	0		150,883	
HALIFAX CC	SAL	1	(291,373)	(33,756)	(18,500)	3,687	155,827	3,420		(180,695)	38,236
	OC	2	(44,571)	9,760	18,500	630	36,376	0	160,000	180,695	
HAYWOOD CC	SAL	1	(522,138)	3,430	(4,701)	(14,914)	403,593	0		(134,730)	39,679
	OC	2	(8,163)	8,742	22,310	4,424	117,884	1,885	(12,352)	134,730	

SOUTHWESTERN Community College
447 College Drive • Sylva, North Carolina 28779
(704) 586-4091 • Fax (704) 586-3129 • http://www.southwest.cc.nc.us
OFFICE OF THE PRESIDENT

MEMORANDUM

TO: CoChairs, Joint Appropriations Subcommittee on Education:
The Honorable Gene G. Arnold, NC House of Representatives
The Honorable Robert Grady, NC House of Representatives
The Honorable Howard Lee, NC Senate
The Honorable Jean R. Preston, NC House of Representatives
The Honorable Leslie Winner, NC Senate

FROM: Cecil L. Groves, President Cecil L Groves

DATE: March 16, 1998

SUBJECT: Loss of Operations of Maintenance of Plant Funds for Southwestern Community College as Stipulated in SB 352

Given the impending loss of $121,175 in state funding for 1998/99, Southwestern Community College has informed officials in Jackson, Macon and Swain counties. They have taken under advisement and consideration the loss of funds and will hopefully be able to make up some of the loss in revenue for the next year. As yet, the amount to be made up has not been identified.

The ability of Jackson, Macon or Swain counties to readily make up for the loss-of-funds is dependent upon the general economic condition of the area. While the economy of most counties in North Carolina have experienced significant economic growth, Jackson, Macon and Swain counties have not. They are still struggling with a declining manufacturing employment base resulting from plant closures. This situation is made worse by the lack of taxable property, with over 85 percent of the land in Swain County being owned by the federal government, and an unemployment rate which is the highest in the state.

The need and desire for education in the region is illustrated by the fact that Southwestern Community College for the past two years has graduated as many students with the GED as the total number of students graduated from all the high schools in the three county area. Fortunately, the adult population is recognizing their need for education and is making an effort to overcome their educational deficiencies.

Despite the comparatively poorer economic conditions in Jackson, Macon and Swain counties, they have annually increased their level of funding for the past decade. This is a significant accomplishment given the economic conditions they have encountered. Clearly, these counties value education and the role played by Southwestern Community College.

We respectfully request that consideration be given to allowing the College to retain all or part of the $121,175 for maintenance of our facilities. It is our understanding that such consideration is being given to the other two community colleges who were similarly impacted by the loss of funds. In meeting with the Commissioners in each county, they expressed understanding and concern about our needs as well as a willingness to do the best they could. Unfortunately, the loss of funds comes at a time when county government efforts are having to be made to address serious infrastructure problems that negatively impact economic growth and development.

We would be grateful to the Legislature and the State Board for any consideration you might give to our request for restoring all or any part of the $121,175 in state funding we are scheduled to lose for 1998/99.

CLG/sg

Consensus Budget Items
1998-99

Title	Description	Estimated Cost
Fund Enrollment Growth	Appropriations are requested to fund enrollment growth. Budgeted enrollment for 1997-98 includes 107,515 Curriculum, 16,998 Occupational Continuing Education, and 13,355 Basic Skills FTE. Based upon fall 1997 actual and spring 1998 10% census date for Curriculum FTE; and Spring, Summer and Fall 1997 O.C.E. and Basic Skills FTE; and the application of budget stability rules, it appears enrollment growth for 1998-99 will be 169 Curriculum (107,684); 222 Occupational Continuing Education (17,220); and 118 Basic Skills (13,473) FTE.	**$ 1,371,441**[1]
Occupational Continuing Education Funding	To request additional funding for the planning, design, and delivery of Occupational Continuing Education courses in order to help individuals and businesses acquire new knowledge and skills. The State Board had requested that funds be used to move toward equivalent funding with Curriculum programs. These funds will increase the unit value from $30,069 to $39,678. The 1997-98 Curriculum unit value is $42,201. {This request includes $128,991 for the 222 FTE growth in Occupational Extension.}	**$10,129,656**

[1] These are revised estimates based upon data submitted by the Colleges and analyzed on March 11, 1998.

ATTACHMENT 2

Technology	Provide funds to improve computer technology capabilities associated with: improving instructional delivery, responding to reporting requirements, developing student information systems, using state-of-the-art software and infrastructure, and improving instructional staff support in the following areas:	
	a. Equipment - hardware and infrastructure	a. < See Equipment >[2]
	b. Instructional Support - additional "MIS" positions for colleges	b. $ 8,436,000
	c. Other Costs - Software procurement and maintenance	c. $11,043,000
	d. N.C. Virtual Library {NC LIVE} - additional operating costs	d. $ 500,000
	e. System Office Staff for Technical Assistance to Colleges	e. $ 655,500
	TOTAL	**$20,634,500**
Improve and Enhance Instruction and Support Capabilities	To provide funds for colleges to retain and recruit qualified faculty, and the personnel who support them by providing compensation increases. Funds would be used to address compensation equity issues, and to reduce the dependency upon part-time faculty and support staff. The amount requested increases the gross salary pool by approximately 6%, but shall not be delivered as an across-the-board salary increase. Funds would be allocated by adjusting the position/budgeted FTE ratios from 1 to 16.5 at<500 FTE (was 17.8) and from 1 to 20.45 at>500 FTE (was 21.55).	a. Instruction: $17,440,230 b. Support: 8,971,864
	TOTAL	**$26,412,094**

The amount included for technology is found under the equipment request. The amount for computer and related technology is estimated to be $54.1 million

Equipment & Physical Plant Improvements	To provide funds to enable colleges to update and add equipment needed to improve instructional quality, initiate new programs, and enhance instructional delivery through equipment replacement and the renovation of facilities:		
	a. Equipment	a. Equipment: Recurring:	**$15,500,000**
	b. Renovations and Repairs	b. R&R	**$16,500,000**
	TOTAL		**$32,000,000**
Business and Industry Services	To retain nonrecurring funds, appropriated for 1997-98, for programs of assistance to new and expanding industry	**$ 4,000,000**	
College Enhancements	To request special funding for needs which are not system wide in nature or purpose, including:		
	Multi-campus funding: to fund 12 existing campuses, and add 2 campuses in 1998-99, according to an approved formula	$ 2,185,000	
	Center for Applied Textile Technology: provides funds for Occupational Continuing Education; and Additional Utilities	$ 452,400	
	TOTAL	**$ 2, 637,400**	

System Support

To procure additional funding on a recurring basis to enable the system office to provide requested services to colleges and operate the system office, including but not limited to:
computer equipment, data processing charges, software development, law library, new industry decision support, and other office needs.

a. Services to System Colleges		a. $ 1,183,885
b. System Office Support to Colleges		b. $ 85,237
	TOTAL	**$ 1,269,122**
	TOTALS	**$ 100,454,213**

Business & Finance
kennon/1998-99/priority.msword
3-11-98

Attachment B
(Due 3/2/98)

SUMMARY LIST OF CAPITAL IMPROVEMENT REQUESTS
1998-99

Department Community Colleges

Capital Priority Number	Project Description			1998-99
1	Repair and Renovation funds for the 58 community colleges and the Center for Applied Textile Technology	Requirements	$	16,500,000
		Receipts (Source)		0
		Appropriation	$	16,500,000
2	Requested capital improvement projects for the 58 community colleges in priority order	Requirements	$	154,126,798
		Receipts (Source)		0
		Appropriation	$	154,126,798
3	Center for Applied Textile Technology Laboratory and Administration Building	Requirements	$	2,250,971
		Receipts (Source)		0
		Appropriation	$	2,250,971
		Total Requirements	$	172,877,769
		Total Receipts		0
		Total Appropriation	$	172,877,769

Submit 4 copies on 8 1/2 x 11-inch white paper.

ATTACHMENT 3

Priority No. _1_ of _3_
(Due 3/2/98)

WORKSHEET FOR CAPITAL IMPROVEMENT REQUEST

Department _____Community Colleges_____
Division/Program ___Community Colleges_____
Project Title_____Repair and Renovations_____

On an attached sheet(s), provide the following information:

1. Description, including space, type of structure, age of buildings, number and type of persons served, and any unusual construction or repair problems anticipated.

   The repairs and renovations will be made to all types of buildings and infrastructures located at the 58 community colleges and the Center for Applied Textile Technology. The buildings range in age from pre 1900 to the present, with 54 percent being 18 to 30 years old. These buildings serve over 700,000 students.

2. Justification.

   Without needed repairs being accomplished these facilities, in which the state has a significant investment, will continue to deteriorate resulting in more expensive repairs.

3. Criteria used to select this project as a recommendation.

   A survey of all 59 community colleges conducted in the fall of 1997 showed an immediate need of $91.4 million.

4. Define all program outcome for this capital investment.

   This will increase the longevity of the buildings and enhance the educational experience for the students.

In the space provided below, provide the following information:

5. Schedule of construction, repair, etc. requested.

   These repairs and renovations will begin when funds are appropriated and required matching funds are available.

	First Year of Operation FY_____	Second Year of Operation FY_____	Third Year of Operation FY_____	Fourth Year of Operation FY_____	Fifth Year of Operation FY_____
6. Operating Costs					
Staff (Additional Annual Cost) (Include # of Additional Employees)	$ N/A	$	$	$	$
Maintenance (Additional Annual Costs)	N/A				
Other Operating (Additional Annual Costs)	N/A				
Special Equipment/Furnishings Not Included in Construction Request	N/A				
Total Requirements	N/A				
Less Receipts	N/A				
Appropriation	N/A				

7. If operation is supported from receipts, give current level of receipts, increase in rates, if necessary (from _____ to _____), and any restrictions on the use of these receipts by federal or state law. _____ N/A

8. Does the project have an approved OC-25 attached? Yes ____ No __X__. An approved OC-25 must be submitted for every capital improvement request.

9. If new construction, where is the proposed location? _____N/A_____
Has this proposed site been approved by the Office of State Property? Yes ____ No ____N/A
Is the proposal site currently owned by the State of North Carolina? Yes____ No ____ (If "No," a complete plan for acquisition must be attached.)N/A

10. If repair or renovation, has this facility been inspected by the Office of State Construction's F-CAP team? Yes ____ No ____ If so, when? Some of the colleges have been inspected. It is a slow process!

11. For additional information contact _____Philip V. Albano_____ at telephone number _919-733-7051_____.

Submit 4 copies on 8 1/2 x 11-inch white paper.

WORKSHEET

ATTACHMENT

Priority No. _2_ of _3_
(Due 3/2/98)

WORKSHEET FOR CAPITAL IMPROVEMENT REQUEST

Department _____Community Colleges_____
Division/Program ____Community Colleges_____
Project Title_____Capital Improvement Projects_____

On an attached sheet(s), provide the following information:

1. Description, including space, type of structure, age of buildings, number and type of persons served, and any unusual construction or repair problems anticipated.

   Various new construction and major renovations at 79 community college campuses and centers. The system serves over 700,000 students.

2. Justification.

   A capital improvement needs survey undertaken in April of 1997 indicates a need for $154.1 million of state funds. This request only includes one project at each campus or center which showed a need.

3. Criteria used to select this project as a recommendation.

   A capital outlay resource allocation formula which contains seven ranking criteria was used to prioritize the capital improvement projects (see attached ranking order). The State Board of Community Colleges has requested that the Department study this request and reduce it by those colleges which cannot meet the non-state matching requirements prescribed by law.

4. Define all program outcome for this capital investment.

   This will provode more or improved space to enhance the educational experience for the students.

In the space provided below, provide the following information:

5. Schedule of construction, repair, etc. requested.

   Construction should begin approximately 12 months after the appropriation, depending on the availability of staff at the SCO.

	First Year of Operation FY_____	Second Year of Operation FY_____	Third Year of Operation FY_____	Fourth Year of Operation FY_____	Fifth Year of Operation FY_____
6. Operating Costs					
Staff (Additional Annual Cost) (Include # of Additional Employees)	$ N/A*	$	$	$	$
Maintenance (Additional Annual Costs)	N/A*				
Other Operating (Additional Annual Costs)	N/A*				
Special Equipment/Furnishings Not Included in Construction Request	N/A*				
Total Requirements	N/A*				
Less Receipts	N/A*				
Appropriation	N/A*				

7. If operation is supported from receipts, give current level of receipts, increase in rates, if necessary (from _____ to _____), and any restrictions on the use of these receipts by federal or state law. _____N/A_____

8. Does the project have an approved OC-25 attached? Yes ____ No __X__. An approved OC-25 must be submitted for every capital improvement request. N/A

9. If new construction, where is the proposed location? __At 79 campuses and centers_____
Has this proposed site been approved by the Office of State Property? Yes ____ No ____ N/A
Is the proposal site currently owned by the State of North Carolina? Yes____ No ____ (If "No," a complete plan for acquisition must be attached.)N/A

10. If repair or renovation, has this facility been inspected by the Office of State Construction's F-CAP team? Yes ____ No ____ If so, when? ____N/A_____

11. For additional information contact _____Philip V. Albano_____at telephone number ___919-733-7051___.

*Under G.S. 115D-32 these are local expenses.

Submit 4 copies on 8 1/2 x 11-inch white paper.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
CAPITAL OUTLAY RESOURCE ALLOCATION FORMULA
RANKINGS

COLLEGE	PROJECT NAME	TOTAL RANKING POINTS	TOTAL REQUEST WITH $3M CAP	ACCUMULATIVE TOTAL
Graham Cty.	Renovations to Existing Facilities	79.6	97,500	97,500
Central Piedmont CC	Art Building	77.6	3,000,000	3,097,500
Wake TCC	*Technology Education Building	77.5	3,000,000	6,097,500
Catawba Valley CC	*Classroom/ Laboratory Building	76.9	3,000,000	9,097,500
Cape Fear CC	Phase III -Technical Center	76.0	3,000,000	12,097,500
Cabarrus Cty.	Classroom Lab Building	75.4	2,986,204	15,083,704
Fayetteville TCC	Early Childhood Center/ Classroom	75.3	3,000,000	18,083,704
Lincoln Cty.	Complete Lincoln Cty. Renovations	75.1	1,500,000	19,583,704
Transylvania Cty.	*Straus School Renovation	74.6	1,316,985	20,900,689
Coastal Carolina CC	*Classroom Building	73.5	3,000,000	23,900,689
Robeson CC	Classroom /Laboratory Building	72.9	1,442,012	25,342,701
Franklin Cty.	Industry Training/ Classroom Facility/ Acquisition	72.9	2,500,000	27,842,701
Pitt CC	Industrial Construction Facility	72.7	3,000,000	30,842,701
Granville Cty.	Continuing Education Center	72.5	1,000,000	31,842,701
Craven CC	*Havelock Classroom Building	72.3	3,000,000	34,842,701
Watauga Cty.	Classroom, Multi-purpose Facility	70.9	3,000,000	37,842,701
College of The Albemarle	Allied Health & Wellness Center	70.6	2,377,344	40,220,045
Brunswick CC	*Recreational Grounds/ Aquaculture Facility	70.5	3,000,000	43,220,045
Dare Cty.	Student Center	70.3	1,540,721	44,760,766
Central Carolina CC	*Classroom Building Renovation	69.7	2,078,124	46,838,890
Edgecombe CC	*Community Resource Development Center	69.4	1,962,634	48,801,524
Cleveland CC	Allied Health Building	69.2	1,263,892	50,065,416
Yadkin Cty.	Class/ Lab/ Office Building	69.2	1,500,000	51,565,416
Vance-Granville CC	Public Service/ Truck Driver Training Center	69.2	2,500,000	54,065,416
Davidson County CC	Laboratory-Industrial Training Center Renovations	69.1	3,000,000	57,065,416
Halifax CC	*Business/ Industry/ Economic Dev't. Center	68.5	2,337,388	59,402,804
Western Piedmont CC	Classroom/ Training Building	68.3	3,000,000	62,402,804
Randolph CC	*Emergency Services Training Center	68.0	2,396,029	64,798,833
Carteret CC	*Classroom Building	68.0	2,702,861	67,501,694
Harnett Cty.	Classroom Building Renovation	67.8	250,000	67,751,694
Guilford TCC	Industrial, Construction & Engineering Tech. Ctr.	67.7	3,000,000	70,751,694
Nash CC	Business & Industry Center	67.6	1,500,000	72,251,694
McDowell TCC	Major Renovations	67.6	175,410	72,427,104
Chatham Cty.	Classroom Building Renovation	67.5	276,919	72,704,023
Alamance CC	*Phase III - LRC Expansion	67.4	2,895,077	75,599,100
Mitchell CC	Classroom Buildings Renovation	67.2	2,500,000	78,099,100
Wilson TCC	Instructional Building with Renovations	67.0	1,900,000	79,999,100
Richmond CC	Classroom Building & Child Care Ctr.	67.0	2,407,553	82,406,653
Wayne CC	Classroom/ Laboratory Building	66.7	2,920,066	85,326,719
Gaston College	Rauch Science & Fine Arts Building	66.3	3,000,000	88,326,719
Stanly CC	Campus Renovations	66.1	500,000	88,826,719
Piedmont CC	Classroom Faculty Office Renovations	66.0	111,221	88,937,940
Warren Cty.	Warren Cty. Classroom Bldg./Land /Acquisition	65.8	380,000	89,317,940
Jones Cty.	Jones County Renovations	65.7	100,000	89,417,940
Mayland CC	Avery County Learning Center	65.6	750,000	90,167,940
Lenoir CC	*Main Campus Building Renovations	65.3	2,000,000	92,167,940
Rowan-Cabarrus CC	Renovation & Energy Conservation Upfit	65.3	2,730,785	94,898,725
Ashe Cty.	Campus Renovations (Classrooms/Offices)	64.9	25,000	94,923,725
Forsyth TCC	Classroom/ Student Union	64.8	3,000,000	97,923,725
Southwestern CC	Classroom/ Library	64.4	2,407,791	100,331,516
Wilkes CC	Classroom Building & Renovations	64.2	2,500,000	102,831,516
Durham TCC	*Office/Classroom Building Renovation	64.1	2,140,231	104,971,747
Johnston CC	Classroom/ Laboratory Building	64.1	3,000,000	107,971,747
Washington Cty.	Washington Center	63.7	500,000	108,471,747
Bertie Cty.	Complete Bertie Ctr. Renov.	63.5	250,000	108,721,747
Caldwell CC & TI	Classroom, Laboratory, Multi-purpose Facility	61.7	3,000,000	111,721,747
Rockingham CC	Center for Lifelong Learning	61.6	3,000,000	114,721,747
Montgomery CC	Classroom Building	61.3	2,551,722	117,273,469
Sampson CC	Multipurpose Wing - Shop Addition	61.2	2,500,000	119,773,469
Beaufort County CC	*Classroom/Lab/PE Complex	60.5	2,850,000	122,623,469

TABLE 7
2-4-98
PVA/DB

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
CAPITAL OUTLAY RESOURCE ALLOCATION FORMULA
RANKINGS

COLLEGE	PROJECT NAME	TOTAL RANKING POINTS	TOTAL REQUEST WITH $3M CAP	ACCUMULATIVE TOTAL
Surry CC	Lecture Hall/ Classrooms	59.7	1,300,000	123,923,469
Tri-County CC	Classroom Building & Small Business Center	59.5	650,000	124,573,469
Sandhills CC	Student-Technology Center	59.5	3,000,000	127,573,469
Bladen CC	Renovations	59.5	1,000,000	128,573,469
Davie Cty.	Classroom/ Lab/ Emergency Training Center	59.4	1,855,210	130,428,679
Asheville-Buncombe TCC	*Child Care & Administrative Addition	59.3	2,700,000	133,128,679
Isothermal CC	Continuing Education Repairs	59.1	600,000	133,728,679
Roanoke-Chowan CC	Library Expansion/ Laboratory Renovation	58.2	504,900	134,233,579
Pender Cty.	Pender Expansion	57.0	2,500,000	136,733,579
Southeastern CC	Classroom/ Auditorium Building	56.2	2,500,000	139,233,579
Haywood CC	Library & Laboratory Facilities Renovation	55.5	3,000,000	142,233,579
Anson CC	LRC	54.7	1,500,000	143,733,579
Pamlico CC	Multi-Purpose Classroom/ Office Building Addition	54.7	500,000	144,233,579
Martin CC	Continuing Ed/ Learning Center	54.1	2,643,219	146,876,798
Blue Ridge CC	Ctr. for Life Long Learning & Work Force Bldg.	51.9	3,000,000	149,876,798
Madison Cty.	*Land Acquisition	50.7	225,000	150,101,798
James Sprunt CC	Multi-Purpose Meeting Facility	50.1	2,125,000	152,226,798
Greene Cty.	Parking Lot & Storage Facility	49.6	400,000	152,626,798
Union Cty.	LRC	44.5	1,500,000	154,126,798
Total			154,126,798	

*Project in Previous Survey

TABLE 7
2-4-98
PVA/DB

ATTACHMENT

WORKSHEET

Priority No. _3_ of _3_
(Due 3/2/98)

WORKSHEET FOR CAPITAL IMPROVEMENT REQUEST

Department _____Community Colleges_____
Division/Program ____North Carolina Center for Applied Textile Technology_____
Project Title_____Laboratory and Administration Building_____

On an attached sheet(s), provide the following information:

1. Description, including space, type of structure, age of buildings, number and type of persons served, and any unusual construction or repair problems anticipated.

   Multi-use laboratory facility for state-of-the-art textile processing equipment. The center serves approximately 4,000 students.

2. Justification.

   The college needs additional space to house new textile processing equipment on which to train their students.

3. Criteria used to select this project as a recommendation.

   This is the only project the center is requesting.

4. Define all program outcome for this capital investment.

   This will provide more needed training space. The center is currently turning away students due to a lack of space.

In the space provided below, provide the following information:

5. Schedule of construction, repair, etc. requested.

   This project is now under design and construction could begin six months after the appropriation.

	First Year of Operation FY_2000-01_	Second Year of Operation FY_2001-02_	Third Year of Operation FY_2002-03_	Fourth Year of Operation FY_2003-04_	Fifth Year of Operation FY_2004-05_
6. Operating Costs					
Staff (Additional Annual Cost) (Include # of Additional Employees)	$ 0	$ 0	$ 0	$ 0	$ 0
Maintenance (Additional Annual Costs)	5,000	5,250	5,513	5,789	6,078
Other Operating (Additional Annual Costs)	27,400	28,770	30,209	31,719	33,305
Special Equipment/Furnishings Not Included in Construction Request	8,000	0	0	0	0
Total Requirements	40,400	34,020	35,722	37,508	39,383
Less Receipts	0	0	0	0	0
Appropriation	40,400	34,020	35,722	37,508	39,383

7. If operation is supported from receipts, give current level of receipts, increase in rates, if necessary (from _____ to _____), and any restrictions on the use of these receipts by federal or state law. _____ N/A

8. Does the project have an approved OC-25 attached? Yes __X__ No ____. An approved OC-25 must be submitted for every capital improvement request.

9. If new construction, where is the proposed location? ____At the North Carolina Center for Applied Textile Technology_____
Has this proposed site been approved by the Office of State Property? Yes ____ No ____ N/A
Is the proposal site currently owned by the State of North Carolina? Yes_X_ No ____ (If "No," a complete plan for acquisition must be attached.)

10. If repair or renovation, has this facility been inspected by the Office of State Construction's F-CAP team? Yes ____ No ____ If so, when? ____N/A_____

11. For additional information contact _____Philip V. Albano_____ at telephone number __919-733-7051_____.

Submit 4 copies on 8 1/2 x 11-inch white paper.

OC-25 MAINTENANCE
OC-25: 95681000016

DEPT: 68 ID#: 1000 BIENNIUM: 1993 - 1995

PROJECT TYPE: 46 CLASS: E DATE RECEIVED: 022594
PROJECT SUBTYPE: PRTY: DATE RETURNED: 022594

PROJECT LOCATION: NCCATT, BELMOUNT

PROJECT IDENTIFICATION

LAB AND ADMINISTRATION BUILDING

PROJECT DESCRIPTION

CONSTRCT MULTI-USE LAB FACILITY FOR STATE OF THE ART TEXTILE PROCESSING EQUIPMENT AND PROVIDE ADEQUATE ADMINISTRATIVE OFFICE SPACE FOR STAFF ADDITIONS.

PROJECT ID:

P101 OC-25 MAINTENANCE

OC-25 95681000016 DATE REVIEWED: BIENNIUN 1993 - 1995

CURRENT ESTIMATED CONSTRUCTION COST	UNITS	UNIT COST	TOTAL
A.LAND REQUIREMENT		.	
TE PREPARATION: DEMOLITION		.	
GENERAL		.	000023000
C.CONSTRUCTION: UTILITY SERVICES		.	
GENERAL CONTRUCTION	0025000	055 . 00	001375000
PLUMBING	0025000	004 . 00	000100000
HVAC	0025000	008 . 00	000200000
ELECTRICAL	0025000	008 . 00	000200000
OTHER SP		.	000010000
OTHER SP	0025000	002 . 50	000062500
D.EQUIPMENT: FIXED		.	
MOVEABLE		.	
TOTAL CURRENT ESTIMATED COST			001970500

CONTIG % 03 . 00 = 00059115 DESIGN FEE % 08 . 00 = 000162369
TOTAL EST PROJECT COST (INCLUDING CONTIG AND DESIGN FEE) = 002192000
EST COST INC. = 00 . 40 % X 18 MONTHS X EST PROJ COST = 000157800
EST COST ON BID DATE = EST PROJECT COST + EST COST INC = 0002349800
STATUS: A APPROVED BY: GAD DATE APPROVED: 022594

State Board of Education FY 1998-99 Budget Request

Increase Teachers' Salaries to the National Average

- 2nd Year of a 4 Year Plan
- 6.5% Salary Increase
- Each 1% Salary Increase Cost Almost $30 million

Excellent Schools Act

$193 million

Teacher Mentors & Additional Employment for New Teachers

- Expand Mentor Program $12.6 million
  - Continue for 1st Year Teachers
  - Expand to Include 2nd Year Teachers
  - Expand to Include Teachers with Student Teachers
  - Anticipate Mentors for 10,000 Teachers
- 3 Additional Days of Employment for New Teachers $2.1 million
  - Continue Orientation Program

Excellent Schools Act

$14.7 million

Teacher Evaluation Instruments

- Beginning Teacher Instrument $600,000
  - To update the Teacher Performance Appraisal Instrument - Test Development and Training
- New Evaluation Guidelines and Criteria for All Professional School Employees $1 million
  - Contract to examine job descriptions of all employees
  - Develop an evaluation instrument
  - Train evaluators

Excellent Schools Act

$1.6 million

ATTACHMENT 4

Forfeited Teacher Vacation Day

- Increase Maximum Payment of Forfeited Days to Five
  - Currently $8.5 million is budgeted to pay for 4 days of forfeited vacation if:
    - The teacher has more than 30 days accumulated at the end of the school year.
    - The teacher does not roll the excess into sick leave.

Excellent Schools Act

$3.5 million

NBPTS

- Pay the $2,000 Application Fee for 1,500 Teachers
- Pay the Substitutes for 3 Days
- Additional Salary for Being Certified is Included in the Salary Schedule.
- Teachers with NBPTS Certification are paid 12% Above Teachers Without Certification.

Excellent Schools Act

$2.3 million

Incentive Awards - FY 1998-99

- Based on 45% of the 2,068 Schools Exceeding Expectations
  - $1,500 per certified position ($1,777 with benefits)
  - $500 per teacher assistant ($592 with benefits)
- Based on an Additional 30% Meeting Expectations
  - $750 per certified position ($889 with benefits)
  - $375 per teacher assistant ($444 with benefits)

ABCs

$99 million

Resources for Low Performing Schools

- Base Funding per Low Performing School
- Additional Funding Based on Need
- Additional Resources Available for State Board to Target to Low Performing Schools
- Flexible Use of Resources :
  - Used to reduce class size
  - Used for instructional support personnel
  - Converted to dollars for staff development, bonuses, etc.

ABCs

$24 million

Replacing SIMS

- Student Information Management System
- Current Software Established in 1985
- Total Estimated Cost: $66 million
- Combined with the $3 million Recurring Funds.

ABCs

$6 million

Advanced Placement Test

- State to Cover the Exam Cost - $2,141,195
  - $72 per exam ($74 before applying the 2.7% College Board discount if the State pays for all test)
  - Estimated 29,738 test will be taken in FY 1998-99
- Staff Development for AP Teachers - $480,000
  - $800 per teacher (600 estimated)
- International Baccalaureate Test - $225,000

ABCs

$2.8 million

Testing

- Cost to Develop, Score, Analyze, and Implement New tests - $3.8 million. Including:
  - Grade 3 pretest
  - Printing/scoring open ended assessments in grades 4 and 8
  - Computer skills
- Alternative Assessment for Children with Disabilities - $336,000

ABCs

$4.2 million

School Resource Officers in Middle Schools

- 352 Middle Schools in FY 1997-98:
  - Serves no grade lower than grade 6 or higher than grade 9.
  - Average salary currently paid (including benefits) $29,934
- Currently We Allot $14.7 million for Resource Officers in 388 High Schools ($37,838 per school).
  - Serves grades 9 and 10, or grade 12.

Safe Schools

$10.5 million

Funding for At-Risk Student Services/Alternative Schools

- Current Funding: $125.4 million
- The Dollar Equivalent of One Additional Instructional Support Position for Schools with Grades 6-12.
  - Estimated 743 schools ($42,462 per school).
  - Instructional support positions can be used to employ guidance counselors, social workers, psychologist, etc.
  - Funding can be used for other purposes to reduce school violence and for alternative schools.

Safe Schools **$31.7 million**

School Technology

- To Implement the NC Instructional Technology Plan
- Previous Funding:
  - $42 million in FY 1995-96 (not recurring)
  - $20 million in FY 1996-97 ($10 million recurring)
  - $30 million in FY 1997-98 ($10 million recurring)

Maintaining Operations **$71 million**

Continuation Adjustments

- Adjustment for Average Daily Membership Increases and Updated Projections of Needs
  - 255 more teachers ($12 million)
  - Increase in longevity rate ($9 million)
  - More Children with Special Needs ($6.7 million)
  - Teacher Assistants ($5.4 million)
  - Incentive Pay ($17.1 million). This increases the budget for FY 1997-98 to $89.5 million (was $72.4 million).

Maintaining Operations **$52.8 million**

School Buses

- To Replace 1,205 13 Year or Older Buses.
- $45,500 Per Bus.
- Current Budget for FY 1998-99: $46.3 million.
- FY 1997-98 was Reduced $7.6 million.

Maintaining Operations **$5.7 million**

Worker's Compensation

- Claims Increased:
  - 30% in FY 1996-97
  - 21% is the estimated increase for this year
- Administration Cost of the Contract has Increased

Maintaining Operations | **$9 million**

Funding to Cover SIPS Bill

- State Information Processing Services
  - Annual cost is around $575,000
  - Current budget is $380,000
  - $51,000 to be covered by usage adjustment within DPI

Maintaining Operations | **$144,000**

Increase Teacher Licensing Fees

- 4 Additional Certification Specialists are Needed
- This Will not Require Additional Appropriations; Just Authorization to Increase Fees.

Maintaining Operations | **$160,000**

Charter Schools State Level Administration

- Additional Positions at DPI - $375,000
  - 2 accountants for School Business, 1 monitoring consultant, 1 educational consultant, and 1 technical analyst.
- Additional Positions for the Local Government Commission - $116,000
  - 2 auditors to manage audit requirements of charter schools
  - Funding will be in the State Treasurer's budget.

$491,000

Charter Schools Reducing the Impact on LEAs

- LEAs will not be reduced in the first year of the charter school.
- The LEA's ADM will reflect the decrease for charter schools in the 2nd year.
  - LEAs will be overfunded for one year.

$20 million

Reduce Class Size in Grade 3 to 1:23

- Current Class Size in Grade 3 is 1 Teacher and 1 Teacher Assistant for Every 26 Students
- This Funds an Additional 529 Teachers and 529 Teacher Assistants.

High Student Performance

$30.6 million

Limited Proficiency in English

- Number of LPE Students Increases by Approximately 3,000 Per Year.
- Cost Requirements Based on Additional Teachers Required Per Formula Developed by Georgia.
  - Funds will be allocated based on number of LPE students.

High Student Performance

$10 million

Children with Special Needs

- Studies Indicates Cost for Children With Special Needs is 2.3 Times That of Regular Education.
- N.C. Spends Approximately 1.9 Times.
- More Categories of Exceptionality Have Been Included in Federal Law, With No Additional Funding.
- Additional Cost to Fully Fund at 2.3 % is Approximately $145 million.

High Student Performance

$25 million

Academically or Intellectually Gifted Students

- Current Funding is Based on 4% of ADM.
- This Will Increase the Funding Factor by 10%.
  - From $746.96
  - To $821.66 (an increase of $74.70)

High Student Performance

$3.7 million

Reserve for Severely Disabled Children

- Current Budget of $500,000 (not recurring)
- Funding Needed for:
  - Severely disabled children - significant drain on limited State resources
  - Increased populations not included in fundable headcount.
- Funding Will be Based on LEA and Charter School Request.

High Student Performance

$3.6 million

3 Days of Extended Staff Development for Teachers

- Extend Employment of All Teachers by 3 Days for Staff Development.

Quality Teachers

$35.9 million

Extend Months of Employment for Some Teachers

- Extend the Employment of 10% of the LEAs Teachers by 1 Month
  - LEAs could reduce class size
  - Employ some teachers 11 or 12 months
  - Extend employment of all teachers by 3 days.
  - Additional pay for additional responsibilities as per the Excellent Schools Act.

Quality Teachers

$35.9 million

Increase Pay for Certified Substitute Teachers

- Certified Substitute Teacher to be Paid at 75% of the Beginning Teacher Daily Rate of Pay
  - Beginning Teacher: $100.68 per day
  - Sub Pay @ 75%: $75.50
  - Current rate is $57 (57% of daily rate).

Quality Teachers

$15.8 million

Increase Teacher Assistants to Pay Grade 56

- In July 1996, the State Board of Education Approved a Pay Grade for Teacher Assistants of 56 (previously 53).
  - Based on State Personnel Classifications for similar positions.
- No Additional Funds Appropriated
- Currently Funded at a Pay Grade 54.

Quality Teachers

$5.7 million

Increase Salaries for Assistant Principals

- Reestablish 3% Differential Between the Assistant Principal's Salary Schedule and the Teacher's Salary Schedule.
- The FY 1997-98 Schedule has a Differential of 1%.
- Difficult to Recruit Teachers Into an Assistant Principal Position.

Quality Teachers

$4.2 million

Statewide Sports Medicine Program

- Funding for the High School Athletic Association.
- $190,000 for Personnel at NCHSAA
- $310,000 for Operations.

Safe Schools

$500,000

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education **Wednesday, March 18, 1998**

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Larry Morgan	DCC
John Malia	DCC
Kyle Dimentrout	Senate
Leanne Winner	NCSBA
Hal Miller	NCACCT
Doug Hunter	NCCCS
Jim Biggs	DCC
Barry Russell	NCCCS
Richard Thompson	SDPI
Jim Barker	"
Ben Matthews	"
Karen Gale	Governor's Office

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education **Wednesday, March 18, 1998**

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Clifton B. Metcalf	LPDC GA
JERRY KNOTT	DPI
JIM LORA	DPI
[illegible]	NCAICU

Approp Sub Com Ed

NORTH CAROLINA GENERAL ASSEMBLY
STATE LEGISLATIVE BUILDING
RALEIGH 27603

Winner, Lee, Hartsell, Dalton, Garwood

October 15, 1997

MEMORANDUM

TO: Senate Appropriations Subcommittee on Education Members

FROM: Jim Johnson, Jim Newlin, Charlotte Todd

RE: Meeting of Joint Appropriation Subcommittee on Education
Tuesday, October 21, 1997

The Joint Appropriations Co-Chairs have asked that members of this committee come to Raleigh for a meeting on Tuesday, October 21, 1997. The full Appropriations Committee will meet briefly in Room 643 LOB at 10:00 a.m. The Appropriations Subcommittee on Education will meet immediately following the Full Appropriations meeting, in Room 421 LOB to talk about agenda items during the interim.

Though there will be just one meeting of the Appropriations Subcommittee on Education in October, please mark your calendar the third Tuesday, Wednesday and Thursday of each month beginning in November and going through April for meetings of this subcommittee. Further information will be sent to you prior to the scheduled meetings.

If there are any questions, please call members of the staff at 919-733-4910.

10/21
file w/ Ed
Appropriations -
interim meetings

SENATOR AARON PLYLER
North Carolina Senate, 17th District

Room 627, LOB
Raleigh, NC 27601-2808

Phone: 919/733-5739
Fax: 919/715-5407

SENATOR BEVERLY PERDUE
North Carolina Senate, 3rd District

Room 629, LOB
Raleigh, NC 27601-2808

Phone: 919/733-2505
Fax: 919/834-0499

SENATOR FOUNTAIN ODOM
North Carolina Senate, 34th District

Room 300 B, LOB
Raleigh, NC 27601-2808

Phone: 919/733-5707
Fax: 919/833-1058

October 8, 1997

To: Senate Appropriation Committee Members

From: Senators Plyler, Perdue and Odom

Re: Joint Appropriation Subcommittee Meetings October 21 -23

The first meeting of the Joint Appropriation Subcommittees will be held October 21st through the 23rd. Please re-refer to our September 25th memorandum (attached) addressed to the subcommittee chairs which discusses the purpose and focus of these interim appropriation meetings.

We are asking all Senate and House Appropriations Subcommittees to meet jointly for just a few minutes at 10:00am in room 643 LOB on October 21 to begin our deliberations.

We look forward to seeing you on the 21st.

NORTH CAROLINA GENERAL ASSEMBLY

MEMORANDUM

TO: Joint Appropriations Subcommittee Chairs

FROM: Senator Aaron Plyler and Representative George Holmes
Appropriations Chairmen

RE: Interim Appropriation Committee Meetings

DATE: September 25, 1997

Section 22 of Chapter 443, 1997 Session Laws authorizes the standing Appropriations Committees and Subcommittees to meet during the interim between the Regular 1997 and 1998 Sessions of the General Assembly to review matters related to the State budget, the organization of State government and any other matter as they deem appropriate.

Enclosed is a copy of the legislation that spells out the charge to the subcommittees for review of the budgets in their area of responsibility. We expect you primarily to focus your review on the continuation budget as set out in Section 22 and to utilize the performance budget documents to help you identify marginal, obsolete or duplicative programs in the various State departments.

We plan for the subcommittees to meet the third Tuesday, Wednesday and Thursday of each month beginning in October and ending in April. To allow sufficient time to conduct your reviews, you should plan to meet on Tuesdays beginning at 10:00 a.m. and on Wednesdays beginning at 9:00 a.m. concluding each day around 4:00 p.m. On Thursdays, we expect you to begin at 9:00 a.m. and continue until 1:00 p.m. Of course, if your work demands a longer meeting time, then please feel free to schedule as appropriate. We have decided that all of these meetings will be joint meetings of the Senate and House membership. Also, all meetings will be held in Raleigh unless you have made a request in writing to us showing reason why you should meet in another location and have received approval from us.

You should contact your Fiscal Research Division staff and begin to formulate a plan of work that you intend to follow during the course of this review. Staff is putting together a list of reports that are required by statute to be presented to the Appropriations Subcommittees, to the Joint Legislative Commission on Governmental Operations, to the Joint Legislative Oversight Committees and to the General Assembly. You will need to work with staff to determine an assignment of these reports in order to avoid duplication of a committee's work in reviewing and evaluating them and to avoid burdening legislators and department personnel with duplicative reporting. In addition, you may wish to pursue the feasibility of some joint meetings with the Legislative Oversight Committees or other independent study committees. We also understand that the Senate ProTem and the Speaker of the House will be assigning some LRC studies to the Appropriations Subcommittees and to the other committees mentioned above. Hopefully during the interim, we can accomplish some efficiencies and streamlining by recommending elimination of reports whose purpose and impact are no longer useful and by making recommendations consolidating effort among the numerous legislative committees meeting during the interim. So we understand clearly your subcommittee's key issues, focus, and objectives, please provide us with your written plan of work prior to the November meeting.

The full Joint Appropriations Committee may meet from time to time during the interim to discuss issues relevant to all subcommittees. These meetings will be announced in advance in order not to interfere with your planned agenda. Subcommittee chairs will be expected to provide to the Appropriations oversight committee a written summary of the issues studied and actions taken as a result of each month's meeting within ten working days following that month's meeting.

We are currently discussing with the leadership the procedure we will follow for clerical assistance to the subcommittees during the interim. We will let you know this information as soon as a final decision is made. In the meantime, if you have other questions or need further clarification, please contact us.

Having Appropriation meetings during the interim is new. We are committed to work together to make this "pilot program" a success. Our goal for all of us is to prepare us and position us to make informed decisions regarding the Governor's budget recommendations and, hopefully, in a more timely fashion.

Your dedication and commitment are critical to this task; and, we look forward to working with you. We will do all that we can to make things run smoothly for you.

Enclosure

-----ANALYSIS OF STATE BUDGET DURING THE INTERIM

Section 22. (a) The President Pro Tempore of the Senate shall authorize the standing Appropriations Committees and standing Appropriations Subcommittees of the Senate and the Speaker of the House of Representatives shall authorize the standing Appropriation Committees and standing Appropriation Subcommittees of the House of Representatives to meet separately or jointly during the interim between the Regular 1997 and 1998 Sessions of the General Assembly to review matters related to the State budget, the organization of State government, and any other matter as they deem appropriate. The review shall include, but not be limited to, an analysis of the budget of each agency to determine:

(1) The cost savings that could be realized from improvements in administrative structure, practices, and procedures in State agencies;

(2) Ways to increase efficiency in budgeting and use of resources; and

(3) Instances in which functions of agencies are duplicative, overlapping, obsolete, incomplete in scope or coverage, or fail to accomplish legislative objectives, and should be abolished, transferred, or modified to accomplish cost savings.

(b) The President Pro Tempore of the Senate shall appoint an oversight committee comprised of the Senate Appropriations Committee Chairs and one member of each Senate Appropriations Subcommittee and the Speaker of the House of Representatives shall appoint an oversight committee comprised of the House Appropriations Committee Chairs and one member of each House Appropriations Subcommittee to meet separately or jointly to oversee the work of the Appropriations Committees and Subcommittees during the interim.

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Tuesday, April 21, 1998

MINUTES

The House Appropriations Subcommittee on Education met at 9:00 a.m. on Tuesday, April 21, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Arnold, and Grady, Co-chairs; Representatives Black, Bonner, Insko, Moore, Oldham, Reynolds, Russell, Shubert, and Yongue. A visitors sheet is attached to these minutes.

Representative Arnold called the meeting to order and welcomed subcommittee members and visitors. The first agenda item was the Governor's Recommended Base Budget Reductions for Education for 1998-99. Ms. Janet Pittard, Office of State Budget, gave introductory remarks and some background information on these budget reductions. (See Handout #1). Mr. Maurice King, Office of State Budget, gave a briefing on recommendations for community college reductions. Programs in community colleges recommended for budget reductions were State Board Reserve and Human Resource Development as well as departmental reductions and worker's compensation.

Representative Grady asked the staff to talk about the Human Resource Development Program. Ms. Charlotte Todd explained that this program is under the categorical program funding outside the funding formula in the budget. It is a program that targets the chronically unemployed and those on public assistance to try to teach them job-related skills to be able to hold on and maintain a job. This program is one of the performance based funding programs. The amount of money received is based on how good a job you do.

Mr. David Brown from the Office of State Budget gave a briefing on operating efficiencies for the UNC Board of Governors. The first is the Current Operations Efficiencies and has three components which are non-academic reductions, reductions in utilities and deferred equipment purchases for 1998-99. The second is the Reserve for Operating New Facilities which are adjustments due to changes in construction completion dates. Six capital construction projects at five constituent institutions are included in this adjustment. Mr. Jim Newlin gave further details for some of the reductions.

Ms. Janet Pittard presented the two items under public education, Average Annual Salary Adjustment and School Bus Replacement Purchases.

Fiscal Research staff members presented Expansion Budget Requests, detailing each of the items that will be pending in the budget deliberations. Ms. Charlotte Todd went through the requests of the State Board of Community Colleges. (See Handout #2). Ms. Jim Newlin

reviewed requests from the University System. (See Handout #3 and #4). Mr. Jim Johnson went over requests from the Public Schools. (See Handout #5). An extended discussion and questions were generated by each of these presentations.

It was announced that this Subcommittee will meet tomorrow, April 22, 1998, jointly with the Senate to hear extremely important reports which were called for in the various appropriations bills and reports related to issues that will be coming in front of the Subcommittee very shortly. Issues to be addressed are the Community College Funding Formula Study, the UNC Hospital Study and the Management Flexibility in the UNC System. For public schools, discussion will center on the issue of requiring budgeting reporting at the school building level within the LEA, and a presentation on the Student Information Management System (SIMS) system.

Representative Arnold said that the Subcommittee will also discuss prioritizing the budget items. The Subcommittee will meet immediately following the 9:00 a.m. House Session.

There was no further business to come before the subcommittee at this time. The meeting was adjourned.

Respectfully submitted:

Gene Arnold

Representative Gene Arnold, Co-Chair

Peggy B. Murray

Peggy B. Murray, Committee Clerk

VISITOR REGISTRATION SHEET

House APPROPRIATIONS/Subcommittee on Education Tuesday, April 21, 1998 9:00 A.M.

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
G Markham	EGHR
Philip Price	DPI
Ann Bellamy	SBE
Derek Graham	DPI
Jim Brothers	UNC-GA - NCSU Ag Pgms
John Austin	NCFPC
Suzanne Wells	NCCCS
Judith Pulley	UNC General Administration
Leanne Winner	NC SBA
Ken Grogan	UNC-GA
Clifton B. Metcalf	UNC GA
Karen Gore	Gov's Office

HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

April 21, 1998
9:00 a.m.

Agenda

Welcome	Chair
Governor's Recommended Base Budget Reductions for Education:	Office of State Budget and Management
Community Colleges	Maurice King
University System	David Brown
Public Schools	Janet Pittard
Description of Education Boards' Expansion Budget Requests:	Fiscal Research Staff
Community Colleges	Charlotte Todd
University System	Jim Newlin
Public Schools	Jim Johnson
Discussion of Subcommittee's Budget Priorities	Subcommittee Members

VISITOR REGISTRATION SHEET

House APPROPRIATIONS/Subcommittee on Education Tuesday, April 21, 1998 9:00 A.M.

Name of Committee **Date**

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Gene Causby	E-EBC
Ann Harris	Public School Forum of NC
Lynda R McCulloch	Gov's Office
Larry Morgan	DCC
John Malia	DCC
Tom D Bryan	"
W O McCoy	UNC
Hal Miller	NCACCT

4-21-98
#1

Public Education
Operating Efficiencies

		1998-99
1.	**Average Annual Salary Adjustment** A reduction of $35,525,769 is recommended to adjust the budgeted average annual salaries for principals, assistant principals, teachers, and instructional support using actual salaries for the sixth month pay period of 1997-98 as the base.	$ (35,525,769)
2.	**School Bus Replacement Purchases** The Department of Public Instruction estimates that in fiscal year 2000-2001, school bus replacement costs will decrease dramatically because all buses will be diesel, allowing replacement to be made on the basis of mileage rather than just the age of the vehicle. In anticipation of this impact on the school bus replacement schedule, it is recommended that $24,199,403 of the $46,299,403 currently budgeted in fiscal year 1998-99 be changed to a nonrecurring requirement.	(24,199,403)
	Subtotal - Public Education	$ (59,725,172)

Department of Community Colleges
Operating Efficiencies

		1998-99
1.	**State Board Reserve** The State Board Reserve is limited by statute to fund feasibility studies, pilot projects, start-up of new programs, and innovative ideas. The amount was increased by $250,000 to a total of $1,150,000 in the 1997 legislative session. The State Board Reserve is recommended for reduction by $250,000; the amount of one time contract programmers $37,324; plus a 1½% reduction of the remaining balance in the amount of $12,940.	$ (300,264)

		1998-99
2.	**Human Resource Development** The Human Resource Development program was designed to help with the unemployment problem. The intent of the program is to provide chronically unemployed adults with reading, writing, arithmetic and human relations skills needed to become and remain successful employees. The $6.2 million budget has not been fully expended for several years, with a reversion in excess of $798,000 in state fiscal year 1996-97. This program is recommended for a 1½% reduction.	$ (92,904)
3.	**Departmental Reductions** Reductions in the operating budget of the department are recommended. The warehouse rent line item of $22,003 is unused and a vacant program assistant position is recommended for reduction in the amount of $35,657 including fringe benefits.	(57,660)
	Number of Positions	(1.0)
4	**Adjustments to Inflationary Increases** The increase in the worker's compensation budgeted in the continuation budget is reduced to the level of the 1997-98.	$ (121,731)
	Subtotal - Department of Community Colleges	
	Appropriation	$ (572,559)
	Number of Positions	(1.0)

University of North Carolina Board of Governors
Operating Efficiencies

		1998-99	
1. Current Operations Efficiencies			
In an effort to facilitate efficiencies at the constituent institutions of the University of North Carolina, a reduction in the operating budgets for fiscal year 1998-99 is recommended. The 1990 session of the General Assembly established Special Responsibility Constituent Institutions (SRCI's) and granted budget flexibility to constituent institutions with this status. Therefore, SRCI's have the authority to make the necessary budgetary adjustments to accommodate the reduction required by each campus. This reduction does not include UNC-GA Related Education or UNC-AHEC. Other recommended reductions will defer equipment replacement and reduce inflationary increases in utilities.			
Requirements		$ (6,018,846)	
Receipts		119,325	
Appropriation		$ (5,899,521)	
2. Reserves for Operating New Facilities			
As a result of adjustments to schedules in constructing or renovating six facilities at five of the constituent institutions throughout the University system, funds which had been appropriated for facilities operations in 1998-99 can be changed. The affected buildings and corresponding adjustments include:			
Principal's Executive Program Building-UNC-CH	$(224,300)		
Development and Learning Center Facility-UNC-CH	(384,730)		
Meat Processing Facility-NCSU	(136,427)		
New Music Building-UNC-G	(167,581)		
Fine Arts Building- ECSU	(39,579)		
Biomedical/Biotechnology Building-NCCU	128,778	(823,839)	NR
Subtotal - University of North Carolina Board of Governors			
Requirements		$ (6,842,685)	
Receipts		119,325	
Appropriation		$ (5,899,521)	
		(823,839)	NR
Total		$ (6,723,360)	

4-21-98

#2

COMMUNITY COLLEGES

Consensus Budget Items
1998-99

Title	Description	Estimated Cost
Fund Enrollment Growth	Appropriations are requested to fund enrollment growth. Budgeted enrollment for 1997-98 includes 107,515 Curriculum, 16,998 Occupational Continuing Education, and 13,355 Basic Skills FTE. Based upon fall 1997 actual and spring 1998 10% census date for Curriculum FTE; and Spring, Summer and Fall 1997 O.C.E. and Basic Skills FTE; and the application of budget stability rules, it appears enrollment growth for 1998-99 will be 169 Curriculum (107,684); 222 Occupational Continuing Education (17,220); and 118 Basic Skills (13,473) FTE.	**$ 1,371,441**[1]
Occupational Continuing Education Funding	To request additional funding for the planning, design, and delivery of Occupational Continuing Education courses in order to help individuals and businesses acquire new knowledge and skills. The State Board had requested that funds be used to move toward equivalent funding with Curriculum programs. These funds will increase the unit value from $30,069 to $39,678. The 1997-98 Curriculum unit value is $42,201. {This request includes $128,991 for the 222 FTE growth in Occupational Extension.}	**$10,129,656**

[1] These are revised estimates based upon data submitted by the Colleges and analyzed on March 11, 1998.

Technology	Provide funds to improve computer technology capabilities associated with: improving instructional delivery, responding to reporting requirements, developing student information systems, using state-of-the-art software and infrastructure, and improving instructional staff support in the following areas:	
	a. Equipment - hardware and infrastructure	a. < See Equipment >[2]
	b. Instructional Support - additional "MIS" positions for colleges	b. $ 8,436,000
	c. Other Costs - Software procurement and maintenance	c. $11,043,000
	d. N.C. Virtual Library {NC LIVE} - additional operating costs	d. $ 500,000
	e. System Office Staff for Technical Assistance to Colleges	e. $ 655,500
	TOTAL	**$20,634,500**
Improve and Enhance Instruction and Support Capabilities	To provide funds for colleges to retain and recruit qualified faculty, and the personnel who support them by providing compensation increases. Funds would be used to address compensation equity issues, and to reduce the dependency upon part-time faculty and support staff. The amount requested increases the gross salary pool by approximately 6%, but shall not be delivered as an across-the-board salary increase. Funds would be allocated by adjusting the position/budgeted FTE ratios from 1 to 16.5 at<500 FTE (was 17.8) and from 1 to 20.45 at>500 FTE (was 21.55).	a. Instruction: $17,440,230 b. Support: 8,971,864
	TOTAL	**$26,412,094**

The amount included for technology is found under the equipment request. The amount for computer and related technology is estimated to be $54.1 million

Equipment & Physical Plant Improvements	To provide funds to enable colleges to update and add equipment needed to improve instructional quality, initiate new programs, and enhance instructional delivery through equipment replacement and the renovation of facilities:		
	a. Equipment	a. Equipment: Recurring:	**$15,500,000**
	b. Renovations and Repairs	b. R&R	**$16,500,000**
	TOTAL		**$32,000,000**
Business and Industry Services	To retain nonrecurring funds, appropriated for 1997-98, for programs of assistance to new and expanding industry	**$ 4,000,000**	
College Enhancements	To request special funding for needs which are not system wide in nature or purpose, including:		
	Multi-campus funding: to fund 12 existing campuses, and add 2 campuses in 1998-99, according to an approved formula	$ 2,185,000	
	Center for Applied Textile Technology: provides funds for Occupational Continuing Education; and Additional Utilities	$ 452,400	
	TOTAL	**$ 2, 637,400**	

System Support

To procure additional funding on a recurring basis to enable the system office to provide requested services to colleges and operate the system office, including but not limited to:
computer equipment, data processing charges, software development, law library, new industry decision support, and other office needs.

a. Services to System Colleges		a. $ 1,183,885
b. System Office Support to Colleges		b. $ 85,237
	TOTAL	**$ 1,269,122**
	TOTALS	**$ 100,454,213**

Business & Finance
kennon/1998-99/priority.msword
3-11-98

The North Carolina Community College System
1998-99 Capital Budget Request

The State Board of Community Colleges has determined that the following items represent the Capital Needs of the North Carolina Community College System, as presented in staff recommendations, reviewed by the State Board's Finance and Capital Needs and Legislative Committees, and distributed to the Trustees' and Presidents' Associations.

I. Equipment Request

The State Board of Community Colleges has determined that there is a backlog of approximately $131.7 million of equipment needs systemwide. This determination was made as a result of a survey of all 59 colleges in the fall of 1997. While the State Board is requesting $15.5 million of recurring funds in its "1998-99 Consensus Budget," the Board has determined that an infusion of funds is critical in order to meet immediate needs for equipping classrooms, shops, and labs. Additionally, the Board has determined there is a need to more equitably allocate continuing equipment appropriations, and any additional funds which may be appropriated by the General Assembly. Therefore, there is requested for fiscal year 1998-99:

A non-recurring appropriation of $100 million to purchase needed equipment for classrooms, shops, laboratories, high cost programs, and for enhancing instructional support and administrative activities.

The staff of the Division of Business and Finance, working through the "Funding Study Advisory Committee" and MGT of America, Inc., is directed to develop a new method for allocating equipment resources. Once developed, a new allocation formula shall be presented to the State Board and, if possible, presented to the North Carolina General Assembly during the 1998 Session for approval.

NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
CAPITAL IMPROVEMENT REQUEST
1998-99

COLLEGE/COUNTY	PROJECT NAME	TOTAL RANKING POINTS	REQUEST WITH $3M CAP	ACCUMULATIVE TOTAL
Graham Cty.	Renovations to Existing Facilities	79.6	97,500	97,500
Central Piedmont CC	Art Building	77.6	3,000,000	3,097,500
Wake TCC	Technology Education Building	77.5	3,000,000	6,097,500
Catawba Valley CC	Classroom/ Laboratory Building	76.9	3,000,000	9,097,500
Cape Fear CC	Phase III -Technical Center	76.0	3,000,000	12,097,500
Cabarrus Cty.	Classroom Lab Building	75.4	2,986,204	15,083,704
Fayetteville TCC	Early Childhood Center/ Classroom	75.3	3,000,000	18,083,704
Lincoln Cty.	Complete Lincoln Cty. Renovations	75.1	1,500,000	19,583,704
Transylvania Cty.	Straus School Renovation	74.6	1,316,985	20,900,689
Coastal Carolina CC	Classroom Building	73.5	3,000,000	23,900,689
Robeson CC	Classroom /Laboratory Building	72.9	1,442,012	25,342,701
Franklin Cty.	Industry Training/ Classroom Facility/ Acquisition	72.9	2,500,000	27,842,701
Pitt CC	Industrial Construction Facility	72.7	3,000,000	30,842,701
Granville Cty.	Continuing Education Center	72.5	1,000,000	31,842,701
Craven CC	Havelock Classroom Building	72.3	3,000,000	34,842,701
Watauga Cty.	Classroom, Multi-purpose Facility	70.9	3,000,000	37,842,701
College of The Albemarle	Allied Health & Wellness Center	70.6	2,377,344	40,220,045
Brunswick CC	Recreational Grounds/ Aquaculture Facility	70.5	3,000,000	43,220,045
Dare Cty.	Student Center	70.3	1,540,721	44,760,766
Central Carolina CC	Classroom Building Renovation	69.7	2,078,124	46,838,890
Edgecombe CC	Community Resource Development Center	69.4	1,962,634	48,801,524
Cleveland CC	Allied Health Building	69.2	1,263,892	50,065,416
Yadkin Cty.	Class/ Lab/ Office Building	69.2	1,500,000	51,565,416
Vance-Granville CC	Public Service/ Truck Driver Training Center	69.2	2,500,000	54,065,416
Davidson County CC	Laboratory-Industrial Training Center Renovations	69.1	3,000,000	57,065,416
Halifax CC	Business/ Industry/ Economic Dev't. Center	68.5	2,337,388	59,402,804
Western Piedmont CC	Classroom/ Training Building	68.3	3,000,000	62,402,804
Randolph CC	Emergency Services Training Center	68.0	2,396,029	64,798,833
Carteret CC	Classroom Building	68.0	2,702,861	67,501,694
Harnett Cty.	Classroom Building Renovation	67.8	250,000	67,751,694
Guilford TCC	Industrial, Construction & Engineering Tech. Ctr.	67.7	3,000,000	70,751,694
Nash CC	Business & Industry Center	67.6	1,500,000	72,251,694
McDowell TCC	Major Renovations	67.6	175,410	72,427,104
Chatham Cty.	Classroom Building Renovation	67.5	276,919	72,704,023
Alamance CC	Phase III - LRC Expansion	67.4	2,895,077	75,599,100
Mitchell CC	Classroom Buildings Renovation	67.2	2,500,000	78,099,100
Wilson TCC	Instructional Building with Renovations	67.0	1,900,000	79,999,100
Richmond CC	Classroom Building & Child Care Ctr.	67.0	2,407,553	82,406,653
Wayne CC	Classroom/ Laboratory Building	66.7	2,920,066	85,326,719
Gaston College	Rauch Science & Fine Arts Building	66.3	3,000,000	88,326,719
Stanly CC	Campus Renovations	66.1	500,000	88,826,719
Piedmont CC	Classroom Faculty Office Renovations	66.0	111,221	88,937,940
Warren Cty.	Warren Cty. Classroom Bldg./Land /Acquisition	65.8	380,000	89,317,940
Jones Cty.	Jones County Renovations	65.7	100,000	89,417,940
Mayland CC	Avery County Learning Center	65.6	750,000	90,167,940
Lenoir CC	Main Campus Building Renovations	65.3	2,000,000	92,167,940
Rowan-Cabarrus CC	Renovation & Energy Conservation Upfit	65.3	2,730,785	94,898,725
Ashe Cty.	Campus Renovations (Classrooms/Offices)	64.9	25,000	94,923,725
Forsyth TCC	Classroom/ Student Union	64.8	3,000,000	97,923,725
Southwestern CC	Classroom/ Library	64.4	2,407,791	100,331,516
Wilkes CC	Classroom Building & Renovations	64.2	2,500,000	102,831,516
Durham TCC	Office/Classroom Building Renovation	64.1	2,140,231	104,971,747
Johnston CC	Classroom/ Laboratory Building	64.1	3,000,000	107,971,747
Washington Cty.	Washington Center	63.7	500,000	108,471,747
Bertie Cty.	Complete Bertie Ctr. Renov.	63.5	250,000	108,721,747
Caldwell CC & TI	Classroom, Laboratory, Multi-purpose Facility	61.7	3,000,000	111,721,747
Rockingham CC	Center for Lifelong Learning	61.6	3,000,000	114,721,747
Montgomery CC	Classroom Building	61.3	2,551,722	117,273,469
Sampson CC	Multipurpose Wing - Shop Addition	61.2	2,500,000	119,773,469
Beaufort County CC	Classroom/Lab/PE Complex	60.5	2,850,000	122,623,469

7-11-97
PVA/DB

North Carolina Center for Applied Textile Technology
Lab and Administration Building

Original Capital Request	$2,349,800
1997 Appropriation	(437,200)
Balance	$1,912,600
Cost Increases since original project was approved: (36 months x .4%/month)	$ 338,371
Balance Needed	$2,250,971

4-21-98
3

UNIVERSITY SYSTEM

Revised
4/9/98

The University of North Carolina
Supplemental Budget Request
1998 Reconvened Session

Substantial and important proposals included in the *1997-99 Budget Request of the Board of Governors of The University of North Carolina*, which were forwarded to the Governor and the General Assembly in October, 1996, were not funded by the Regular Session of the 1997 General Assembly and it is asked that those unfunded requests not be withdrawn from consideration (please see following schedules). However, the Board of Governors has recently made a comprehensive review of its 1997-99 biennial request and the actions taken on this request by the 1997 Regular Session and has identified requests for priority consideration by the 1998 Reconvened Session. Included also are several additional requests and modifications it wishes to make to the original *1997-99 Budget Request*. The purpose of this document is to identify the Board's 1998 Legislative priorities in both Current Operations and Capital Improvements.

ACADEMIC SALARY INCREASES	Request 1998-99
• **Academic Salary Increases**	
– 6% salary increase for all personnel exempt from the State Personnel Act (EPA)	**$54,496,078**

The strength of a university and its national reputation are dependent on the strength of its faculty. A 6% salary increase fund of $54.5 million addresses the continuing need for maintaining the competitive position of The University in the recruitment and retention of its faculty in the national marketplace.

SCHEDULE OF PRIORITIES

• **Enrollment Changes**	
Regular Term Instruction	**13,730,338**
Distance Learning/Extension Degree Credit Instruction	**18,046,943**

In response to Legislative directives, the Board of Governors has developed a new, comprehensive funding model for determining the costs of enrollment growth in Regular Term instruction. The new model, which is more refined than the current model, is based on semester credit hours rather than full-time equivalent students and takes into account cost differentials among levels of instruction and academic disciplines, as well as other factors.

The request for Regular Term enrollment growth of $13.7 million covers the costs associated with increases for 1998-99. The 1997 Regular Session fully funded the Board's original enrollment increase request. However, based on the current year's actual enrollment, the enrollment projection for 1998-99 is revised upward by 1,100 students and additional support is requested.

SCHEDULE OF PRIORITIES (continued)

Request 1998-99

The request for Distance Learning/Extension Degree Credit Instruction of $18 million is also based on the new funding model. In addition to funding projected growth, the request covers base level funding for this type of instruction for the first time on a comprehensive basis and also provides appropriation support so that in-state tuition rates can be made comparable to Regular Term rates.

- **Information Technology–Computing & Telecommunications** — **$19,583,866**, **6,011,056** (nonrecurring)

  The $19.6 million recurring request focuses on two broad outcome areas – higher effectiveness of teaching and learning, and improvements in service and cost effectiveness. Nonrecurring appropriations of $6 million are also requested to cover costs associated with University-wide Year 2000 Computer Compliance. (An Information Technology study is underway to assess campus infrastructure needs and a cost estimate will be developed later this spring in time for consideration by the 1998 Reconvened Session.)

- **Libraries** — **9,782,276**

  Expansion and improvements of library resources for the constituent institutions and the development of the State-wide electronic library (NC-LIVE), which will extend library access throughout the universities, the community colleges and the public libraries, are requested. Recently, the University has completed a University-wide study of library resources to ensure that UNC libraries meet national standards for library resources and services as they enter the 21st century. The institutional priorities are consistent with the findings of that study.

- **Remove the Remaining 1% Reversion Rate Requirement** — **no additional appropriation required**

  The Board requested the elimination of the 2% reversion rate requirement in its original budget request. The 1997 Regular Session responded by reducing the reversion rate to 1% and enacted legislation allowing 1% to be used for information technology and libraries. It requested that the 1998 Reconvened Session allow the remaining 1% reversion to be used also for strengthening information technology and libraries. This action would increase resources by approximately $13 million without any increase in appropriations. However, it is acknowledged that at the end of the fiscal year, total reversions to the State's General Fund would be reduced by the same amount.

SCHEDULE OF PRIORITIES (continued)

Request 1998-99

- **Distinguished Professors' Endowment Trust Fund – State Matching Funds** — **$5,600,000**

  Under this program established by the General Assembly in 1985, every $2 in private funds raised by the constituent institutions is matched with $1 of State funds to establish endowments of $500 thousand or $1 million in order to provide funds to attract and retain distinguished professors for the faculties. Over 120 professorships have been established under this program, including those fully matched and those qualifying for placement in escrow for matching over a 5-year period. Recently, the C. D. Spangler Foundation, Inc. announced a generous gift to provide matching funds related to this program of $100 thousand to each of the 16 constituent institutions for each of the next 5 years (total potential contributions of $8 million) provided the State continues to fund this program and matching private contributions are raised. The General Assembly appropriated $3 million for State matching funds for this program in 1997-98. However, the matching requirements for endowed professorships already qualifying exceed the annual matching amount. Additional State matching funds of $5.6 million are requested to cover the current backlog and to meet anticipated qualifying professorships in 1998-99.

Revised 4/9/98

The University of North Carolina
Schedule of Priorities Requests – Current Operations
1998-99

Line	Budget Request for Current Operations	Board of Governors' Original Request	1998-99 Amended Request	1997 Regular Session Appropriations	1998-99 Supplemental Request
1.	Enrollment Changes:				
	Regular Term	$ 3,744,391	$ 17,474,729	$ 3,744,391	$ 13,730,338
	Distance Learning/Extension Degree Credit	–	18,046,943	–	18,046,943
	Total – Enrollment Changes	3,744,391	35,521,672	3,744,391	31,777,281
2.	Funding Equity	21,000,000	21,000,000	21,000,000	–
3.	Information Technology – Computing and Telecommunications	19,583,866	19,583,866	*	19,583,866
	Year 2000 Computer Compliance (non-recurring)	–	6,011,056	–	6,011,056
4.	Libraries	11,782,276	11,782,276	* 2,000,000	9,782,276
5.	Rewarding Teaching Excellence	12,781,584	6,695,697	–	6,695,697
6.	University Outreach to the Public Schools	5,978,301	6,217,371	1,185,000	5,032,371
7.	New Degree Programs	3,000,000	3,125,000	2,325,000	800,000
8.	Graduate Education and Research	9,103,699	9,576,985	7,700,659	1,876,326
9.	Area Health Education Centers	4,000,000	4,000,000	2,750,000	1,250,000
10.	Administrative Support for New Processes	915,466	915,466	481,521	433,945
11.	Remove 2% Reversion Rate Requirement	2% requested	2% requested	1% approved *	1% requested
12.	Distinguished Professors Endowment Trust Fund – State Matching Funds	2,000,000	6,600,000	1,000,000	5,600,000
13.	Interinstitutional Programs	2,100,201	6,754,517	794,000	5,960,517
	TOTAL	**95,989,784**	**137,783,906**	**42,980,571**	**94,803,335**

* *By a special provision, each special responsibility constituent institution is authorized to use 1% of its required reversion for nonrecurring costs of technology, including infrastructure for academic facilities on the campus; for implementation of the campus technology plan as approved by the Board of Governors; or for libraries. University-wide, this will increase funding availability for these purposes by approximately $13 million.*

Revised
4/9/98

The University of North Carolina
Schedule of Priorities – Changes
Original vs. Amended
1998-99

Schedule of Priorities:

Amended Request		137,783,906
Original Request		95,989,784
Net Increase		41,794,122

Amendment reflects the following changes:

Line 1 – Enrollment		31,777,281
Regular Term	13,730,338	
Distance Learning/Extension	18,046,943	
Total Increase – Line 1	31,777,281	
Line 3 – Information Technology		
Year 2000 Computer Compliance		6,011,056
Line 5 – Rewarding Teaching Excellence		
1% Request – Less		(6,085,887)
Line 6 – Outreach to the Public Schools		239,070
Reallocate Educational Consortia funding – 1997 Regular Session action	(1,200,000)	
UNC School Services Matching Incentive Grants	975,000	
Additional Principal Fellows Request	340,000	
Reading Together – Funded by 1997 Session	50,000	
– Additional Request	200,000*	
Adjustments in funded expansion–1997 Session		
Teacher Education Partnerships	(99,750)	
School Leadership Academy	(25,877)	
Early Math Placement Testing	(303)	
Net Increase – Line 6	239,070	
Line 7 – New Degree Program		125,000
Line 8 – Graduate Education and Research		473,286
Recalculation of costs – 10% Overhead offset and Graduate Tuition Remissions		
Line 12 – Distinguished Professors – State Matching		4,600,000
Line 13 – Interinstitutional Programs		4,654,316
Institute on Aging (UNC-CH)	550,000	
Alcohol Studies Endowment Funds (UNC-CH)	500,000	
N.C. Alliance for Minority Participation (various)	1,500,000	
Manufacturing Extension Partnerships (NCSU)	900,000	
Biomedical/Biotechnology Research Institute (NCCU)	350,000	
Local Government Information Technology (UNC-CH, Institute of Government)	854,316*	
Total Increase – Line 13	4,654,316	
Total Net Increase		**41,794,122**

** Amendments approved by Board of Governors on April 9, 1998.*

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 1 – Enrollment Changes	**$3,744,391**	**$35,521,672**	**$3,744,391**	**$31,777,281**
Regular Term	3,744,391	17,474,729	3,744,391	13,730,338
Off-Campus Degree Credit Extension	–	18,046,943	–	18,046,943
Total	**3,744,391**	**35,521,672**	**3,744,391**	**31,777,281**
Line 2 – Funding Equity	**$21,000,000**	**$21,000,000**	**$21,000,000**	–
Institution				
Appalachian State University	3,400,000	3,400,000	3,400,000	–
East Carolina University	3,100,000	3,100,000	3,100,000	–
The University of North Carolina at Charlotte	5,100,000	5,100,000	5,100,000	–
The University of North Carolina at Greensboro	6,800,000	6,800,000	6,800,000	–
The University of North Carolina at Wilmington	2,600,000	2,600,000	2,600,000	–
Total	**21,000,000**	**21,000,000**	**21,000,000**	–

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 3 – Information Technology – Computing and Telecommunications	**$19,583,866**	**$19,583,866**	*	**$19,583,866**
Institution				
Appalachian State University	1,479,415	1,479,415		1,479,415
East Carolina University				
Academic Affairs	1,703,235	1,703,235		1,703,235
Health Affairs	822,635	822,635		822,635
Elizabeth City State University	391,064	391,064		391,064
Fayetteville State University	399,005	399,005		399,005
North Carolina A & T State University	910,828	910,828		910,828
North Carolina Central University	711,746	711,746		711,746
North Carolina School of the Arts	423,246	423,246		423,246
North Carolina State University	2,890,000	2,890,000		2,890,000
The University of North Carolina at Asheville	309,172	309,172		309,172
The University of North Carolina at Chapel Hill				
Academic Affairs	2,240,000	2,240,000		2,240,000
Health Affairs	1,046,437	1,046,437		1,046,437
The University of North Carolina at Charlotte	1,386,540	1,386,540		1,386,540
The University of North Carolina at Greensboro	1,274,399	1,274,399		1,274,399
The University of North Carolina at Pembroke	574,738	574,738		574,738
The University of North Carolina at Wilmington	780,678	780,678		780,678
Western Carolina University	778,532	778,532		778,532
Winston-Salem State University	469,000	469,000		469,000
UNC-General Administration	993,196	993,196		993,196
Total	**19,583,866**	**19,583,866**		**19,583,866**
University-wide Year 2000 Computer Compliance (non-recurring)	–	**6,011,056**		**6,011,056**

**The General Assembly made no direct appropriation for Information Technology – Computing and Telecommunications; however, the General Assembly did enact a special provision which provided for the use of one-half of the required reversions (1%) by each SRCI for the nonrecurring costs of technology, including the installation of technology infrastructure for academic facilities on the campus, the implementation by the constituent institution of its campus technology plan or for libraries.*

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 4 – Libraries	**$11,782,276**	**$11,782,276**	**$2,000,000***	**$ 9,782,276**
Institution				
Appalachian State University	547,700	547,700	120,702	426,998
East Carolina University				
Academic Affairs	758,882	758,882		758,882
Health Affairs	430,818	430,818		430,818
Elizabeth City State University	212,400	212,400	46,720	165,680
Fayetteville State University	263,200	263,200		263,200
North Carolina A & T State University	552,600	552,600	132,800	419,800
North Carolina Central University	544,500	544,500		544,500
North Carolina School of the Arts	168,900	168,900		168,900
North Carolina State University	1,446,400	1,446,400		1,446,400
The University of North Carolina at Asheville	259,900	259,900		259,900
The University of North Carolina at Chapel Hill				
Academic Affairs	1,840,000	1,840,000		1,840,000
Health Affairs	456,700	456,700		456,700
The University of North Carolina at Charlotte	751,100	751,100	163,680	587,420
The University of North Carolina at Greensboro	638,700	638,700	139,920	498,780
The University of North Carolina at Pembroke	211,500	211,500	74,080	137,420
The University of North Carolina at Wilmington	414,900	414,900		414,900
Western Carolina University	378,000	378,000	75,600	302,400
Winston-Salem State University	223,800	223,800	46,498	177,302
UNC-General Administration:				
Virtual Library (NC-LIVE)	1,682,276	1,682,276	1,200,000	482,276
Total	**11,782,276**	**11,782,276**	**2,000,000**	**9,782,276**

** The General Assembly also enacted a special provision which provided for the use of one-half of the required reversions (1%) by each SRCI for the nonrecurring costs of technology, including the installation of technology infrastructure for academic facilities on the campus, the implementation by the constituent institution of its campus technology plan or for libraries.*

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 5 – Rewarding Teaching Excellence	**$12,781,584**	**$6,695,697**	**–**	**$ 6,695,697**
Institution				
Appalachian State University	826,004	428,996	–	428,996
East Carolina University				
Academic Affairs	1,142,869	600,314	–	600,314
Health Affairs	433,943	224,529	–	224,529
Elizabeth City State University	134,295	68,483	–	68,483
Fayetteville State University	258,388	132,935	–	132,935
North Carolina A & T State University	528,082	271,918	–	271,918
North Carolina Central University	364,611	197,049	–	197,049
North Carolina School of the Arts	150,250	77,343	–	77,343
North Carolina State University	2,129,236	1,137,704	–	1,137,704
The University of North Carolina at Asheville	193,299	100,356	–	100,356
The University of North Carolina at Chapel Hill				
Academic Affairs	1,769,258	929,678	–	929,678
Health Affairs	1,548,177	806,201	–	806,201
The University of North Carolina at Charlotte	974,250	513,228	–	513,228
The University of North Carolina at Greensboro	909,146	464,866	–	464,866
The University of North Carolina at Pembroke	191,588	98,072	–	98,072
The University of North Carolina at Wilmington	592,028	311,985	–	311,985
Western Carolina University	442,235	227,528	–	227,528
Winston-Salem State University	193,925	104,512	–	104,512
Total	**12,781,584**	**6,695,697**	**–**	**6,695,697**

Note: Original budget request was based on 1% of the teaching salary base for 1997-98 and an additional 1% for 1998-99. The 1997 Regular Session made no appropriation in response to the request. The supplemental request is based on 1% of teaching salaries.

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 6 – University Outreach to the Public Schools	**$ 5,978,301**	**$ 6,017,371**	**$1,185,000**	**$ 4,832,371**
Program				
UNC School Services Matching Incentive Grant Program	–	975,000	–	975,000
University-School Teacher Education Partnerships	1,899,750	1,800,000	1,800,000	–
School Technology Users Task Force Implementation	521,250	521,250	–	521,250
Technology Outreach	500,000	500,000	–	500,000
Master of School Administration Programs	20,500	20,500	–	20,500
Principal Fellows Program	660,000	1,000,000	240,000	760,000
Principals' Executive Program	74,362	74,362	–	74,362
School Leadership Academy	175,877	150,000	150,000	–
The North Carolina Center for the Advancement of Teaching	145,000	145,000	–	145,000
Mathematics and Science Education Network (MSEN)	212,000	212,000	–	212,000
MSEN Center at Elizabeth City State University	120,000	120,000	–	120,000
MSEN Center for Research in Mathematics & Science (CRMSE)	55,773	55,773	–	55,773
MSEN Pre-College Program Expansion	70,000	70,000	–	70,000
Early Math Placement Testing Program	145,303	145,000	145,000	–
Summer Ventures in Science and Mathematics	147,919	147,919	–	147,919
"Late-Night Learning"	530,567	530,567	–	530,567
Learning Link – North Carolina's Electronic Educational Community	120,000	120,000	–	120,000
North Carolina Center for the Prevention of School Violence	580,000	580,000	–	580,000
Reading Together Program	–	250,000	50,000	200,000
Other Reductions/Redirection of Appropriations (Educational Consortia) – Action of 1997 Regular Session	–	(1,200,000)	(1,200,000)	–
Total	**5,978,301**	**6,217,371**	**1,185,000**	**5,032,371**

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 7 – New Degree Programs	**$3,000,000**	**$3,125,000**	**$2,325,000**	**$ 800,000**
Allocated to Board of Governors' Reserve for subsequent distribution.				
Line 8 – Graduate Education and Research	**$9,103,699**	**$9,576,985**	**$7,700,659***	**$1,876,326**
** Eliminates 10% Overhead Receipts Offset to the General Fund.*				
Institution				
Appalachian State University	55,770	62,850	26,500	36,350
East Carolina University, Academic Affairs	154,770	155,350	119,000	36,350
Elizabeth City State University	9,560	10,500	10,500	–
Fayetteville State University	44,462	44,810	23,000	21,810
North Carolina A & T State University	265,424	280,833	237,213	43,620
North Carolina Central University	92,921	94,081	21,381	72,700
North Carolina School of the Arts	24,633	25,884	–	25,884
North Carolina State University	1,926,600	2,148,300	1,690,000	458,300
The University of North Carolina at Asheville	7,500	7,500	7,500	–
The University of North Carolina at Chapel Hill				
Academic Affairs	5,348,620	5,522,410	5,201,600	320,810
Health Affairs	341,280	366,640		366,640
The University of North Carolina at Charlotte	294,620	300,600	82,500	218,100
The University of North Carolina at Greensboro	309,724	312,172	160,000	152,172
The University of North Carolina at Pembroke	25,798	26,030	11,490	14,540
The University of North Carolina at Wilmington	123,972	132,400	59,700	72,700
Western Carolina University	56,770	57,625	21,275	36,350
Winston-Salem State University	21,275	29,000	29,000	–
Total	**9,103,699**	**9,576,985**	**7,700,659**	**1,876,326**

Note: Supplemental request for $1,876,326 covers 222 additional out-of-state graduate assistants tuition remissions.

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 9 – Area Health Education Centers	**$4,000,000**	**$4,000,000**	**$2,750,000**	**$1,250,000**
Line 10 – Administrative Support for New Processes	**$ 915,466**	**$ 915,466**	**$ 481,521**	**$ 433,945**
Institution				
Appalachian State University	53,374	53,374		53,374
East Carolina University, Academic Affairs	53,374	53,374		53,374
Elizabeth City State University	49,168	49,168	31,677	17,491
Fayetteville State University	46,918	46,918	31,677	15,241
North Carolina A & T State University	55,776	55,776		55,776
North Carolina Central University	56,526	56,526	37,553	18,973
North Carolina School of the Arts	48,955	48,955	34,500	14,455
North Carolina State University	57,276	57,276		57,276
The University of North Carolina at Asheville	44,627	44,627	29,249	15,378
The University of North Carolina at Chapel Hill Academic Affairs	56,526	56,526		56,526
The University of North Carolina at Charlotte	68,168	68,168		68,168
The University of North Carolina at Greensboro	49,918	49,918		49,918
The University of North Carolina at Pembroke	46,918	46,918	31,677	15,241
The University of North Carolina at Wilmington	57,276	57,276	37,553	19,723
Western Carolina University	51,124	51,124	34,437	16,687
Winston-Salem State University	47,668	47,668	31,677	15,991
UNC-General Administration, Operating	71,874	71,874		71,874
Additional appropriations for Board allocation in 1998-99			181,521	(181,521)
Total	**915,466**	**915,466**	**481,521**	**433,945**

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 11 – Remove 2% Reversion Rate Requirement	2% requested	2% requested	1% approved	1% requested
The General Assembly enacted a special provision which provided for the use of one-half of the required reversions (1%) by each SRCI for the nonrecurring costs of technology, including the installation of technology infrastructure for academic facilities on the campus, the implementation by the constituent institution of its campus technology plan or for libraries. One percent totals approximately $13 million.				
Line 12 – Distinguished Professors Endowment Trust Fund – State Matching Funds	$2,000,000	$6,600,000	$1,000,000	$5,600,000

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Budget Request Schedule of Priorities 1998-99	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Line 13 – Inter-Institutional Programs	**$2,100,201**	**$5,900,201**	**$ 794,000**	**$5,106,201**
Program				
The North Carolina Arboretum	491,024	491,024	–	491,024
Water Resources Research Institute (WRRI)	100,000	100,000	–	100,000
The UNC Sea Grant College Program	82,625	82,625	–	82,625
The University of North Carolina Press	145,000	145,000	–	145,000
North Carolina Health Careers Access Program (NC-HCAP)	223,722	223,722	–	223,722
North Carolina Center for Nursing (NCCN)	71,380	71,380	–	71,380
University Council on International Programs (UCIP)	75,000	75,000	–	75,000
Summer Institute of the North Carolina School of the Arts on Roanoke Island	500,000	500,000	500,000	–
North Carolina State Education Assistance Authority (SEAA)	267,450	267,450	100,000	167,450
Board of Governors Doctoral Study Assignment Program	50,000	50,000	–	50,000
North Carolina Scholastic Media Association Program	94,000	94,000	94,000	–
Institute on Aging	–	550,000	100,000	450,000
Alcohol Studies Endowment Funds	–	500,000	–	500,000
N.C. Alliance for Minority Participation	–	1,500,000	–	1,500,000
Manufacturing Extension Partnership (NCSU)	–	900,000	–	900,000
Biomedical/Biotechnology Research Institute (NCCU)	–	350,000	–	350,000
Local Government Information Technology (UNC-CH Inst. of Gov.)	–	854,316	–	854,316
Total	**2,100,201**	**6,754,517**	**794,000**	**5,960,517**
Total – Schedule of Priorities	**95,989,784**	**137,783,906**	**42,980,571**	**94,803,335**
Less: Tuition Increase *	**–**	**(12,162,041)**	**(12,067,925)**	**(94,116)**
Net Appropriation	**95,989,784**	**125,621,865**	**30,912,646**	**94,709,219**

**By actions of 1997 Regular Session tuition rate increases:*
1997-98 – residents, 3%; nonresidents at NCSU and UNC-CH, 5% and NCSA, 3%
1998-99 – both residents and nonresidents, 2%

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

Agricultural Programs	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Program Enhancement:	$3,100,000	–	–	–
Academic Enhancement Salary Increases	–	1,396,692	–	1,396,692
Non-personnel Support	–	831,120	–	831,120
Agricultural Production and Life Sciences Industries	1,400,000	1,400,000	–	1,400,000
Natural Resources and the Environment	900,000	900,000	–	900,000
Communities and Rural Development	600,000	600,000	–	600,000
Pfiesteria Research	–	500,000	–	500,000
Water Quality Research – Neuse & Cape Fear River Basins	–	400,000	–	400,000
Agricultural Research	–	500,000	500,000	–
Total – Agricultural Programs	**6,000,000**	**6,527,812**	**500,000**	**6,027,812**

** By special provision, NCSU may allocate $500,000 in overhead receipts for covering academic enhancement EPA salary increases and the required reversions for the Agricultural Programs are reduced by $500,000 for 1997-98. A Board of Governors' recommendation for a funding plan, which is due by March 15,1998, is also directed.*

The 1998-99 Supplemental Budget Request includes continued funding of the academic enhancement EPA salary increases totaling $1,396,692.

THE UNIVERSITY OF NORTH CAROLINA
1998-99 Expansion Budget – Current Operations

North Carolina School of Science and Mathematics	Board's Original Request	Amended Request	1997 Regular Session Appropriation	Supplemental Request
Residential Program Enhancements	$ 285,455	$ 285,455	–	$ 285,455
Student Leadership Development Program with Israel	111,059	111,059	–	111,059
Coordinated Growth of Outreach, Residential, and Support Services	655,020	655,020	–	655,020
Salary Plan	38,952	38,952	–	38,952
Total – N.C. School of Science and Mathematics	**1,090,486**	**1,090,486**	**–**	**1,090,486**
Total Expansion Budget–Current Operations Appropriations	**103,080,270**	**133,240,163**	**31,412,646**	**101,827,517**

4-21-98 Handout

University of North Carolina

#4

Reduction of 1998-99 General Fund Appropriation

Institution	Budget Code	1998-99 Appropriation	$3.2 mil Non-Academic Reduction	Building Reserves Adjustments	Utilities Reduction	Equipment Reduction	Total Reduction	Adjusted 1998-99 Appropriation
UNC General Administration	16010	$ 39,527,277	$ 91,028	$ -	$ -	$ 14,300	$ 105,328	$ 39,421,949
Lump Sum: Institutional Programs	16011	18,151,870	43,527		-	-	43,527	18,108,343
Related Education Programs	16012	69,182,374	-		-	-	-	69,182,374
UNC - Chapel Hill-Academic Affairs	16020	172,529,441	400,269	224,300	271,125	155,931	1,051,625	171,477,816
UNC - Chapel Hill-Health Affairs	16021	142,027,954	329,495	384,730	180,750	13,053	908,028	141,119,926
UNC-Chapel Hill-AHEC	16022	43,426,577	-		-	-	-	43,426,577
NC State-Academic Affairs	16030	223,351,998	518,010	136,427	-	228,977	883,414	222,468,584
NC State-Agricultural Research	16031	43,899,126	101,825		-	-	101,825	43,797,301
NC State-Cooperative Extension	16032	34,748,951	80,590		-	-	80,590	34,668,361
UNC - Greensboro	16040	75,694,445	175,535	167,581	-	65,786	408,902	75,285,543
UNC - Charlotte	16050	78,568,247	182,202		39,680	138,147	360,029	78,208,218
UNC - Asheville	16055	21,456,933	49,750		-	88,950	138,700	21,318,233
UNC - Wilmington	16060	46,981,989	108,912			26,501	135,413	46,846,576
East Carolina-Academic Affairs	16065	96,671,842	224,145		102,477	717,284	1,043,906	95,627,936
East Carolina-Health Affairs	16066	43,691,842	101,315		-	35,148	136,463	43,555,379
NC A&T State	16070	51,987,022	120,575		-	-	120,575	51,866,447
Western Carolina	16075	46,775,545	108,246		24,986	-	133,232	46,642,313
Appalachian State	16080	70,266,007	162,970		87,133	144,626	394,729	69,871,278
UNC - Pembroke	16082	20,120,156	46,657		-	-	46,657	20,073,499
Winston-Salem State	16084	22,679,717	51,151		-	-	51,151	22,628,566
Elizabeth City State	16086	18,636,237	43,223	39,579	-	-	82,802	18,553,435
Fayetteville State	16088	25,450,702	59,011		-	-	59,011	25,391,691
NC Central	16090	36,874,893	85,229	(128,778)	94,787	87,400	138,638	36,736,255
NC School of the Arts	16092	13,673,104	31,713			131,450	163,163	13,509,941
NC School of Science and Math	16094	10,131,377	-			51,030	51,030	10,080,347
UNC Hospitals @ Chapel Hill	16095	36,468,707	84,622			-	84,622	36,384,085
Total UNC System		**$ 1,502,974,333**	**$ 3,200,000**	**$ 823,839**	**$ 800,938**	**$ 1,898,583**	**$ 6,723,360**	**$ 1,496,250,973**

4/20/98

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University of North Carolina
Summary of 1998-99 Equipment Reductions

Institution	Budget Code	Fund/ Object	Authorized 1996-97 Equipment Requirements	Certified 1998-99 Equipment Requirements	Less: Receipts	Certified 1998 99 Equipment Appropriation Inc/Dec	1998-99 Recommended Reduction
UNC General Administration	16010	0141-5000	$ 443,910	$ 465,210	$ 7,000	$ 14,300	$ 14,300
UNC - Chapel Hill-Academic Affairs	16020	0188-5000	3,990,082	4,157,013	11,000	155,931	155,931
UNC - Chapel Hill-Health Affairs	16021	0188-5000	17,016	30,069	-	13,053	13,053
NC State-Academic Affairs	16030	0101-5000	5,337,801	5,341,383	(500)	4,082	
NC State-Academic Affairs	16030	0106-5000	522,926	474,361	(10,800)	(37,765)	
NC State-Academic Affairs	16030	0188-5000	1,871,738	2,170,448	36,050	262,660	
Total NC State-Academic Affairs	16030		7,732,465	7,986,192	24,750	228,977	228,977
UNC - Greensboro	16040	0188-5000	407,779	479,590	6,025	65,786	65,786
UNC - Charlotte	16050	0188-5000	515,573	664,570	10,850	138,147	138,147
UNC - Asheville	16055	0142-5000	80,590	128,590	1,100	46,900	
UNC - Asheville	16055	0188-5000	243,237	278,537	(6,750)	42,050	
Total UNC - Asheville	16055		323,827	407,127	(5,650)	88,950	88,950
UNC - Wilmington	16060	0110-5000	67,815	82,815	3,700	11,300	
UNC - Wilmington	16060	0188-5000	492,818	503,219	(4,800)	15,201	
Total UNC - Wilmington	16060		560,633	586,034	(1,100)	26,501	26,501
East Carolina-Academic Affairs	16065	0101-5000	946,290	1,000,918	3,000	51,628	
East Carolina-Academic Affairs	16065	0110-5000	12,113	33,448	1,000	20,335	
East Carolina-Academic Affairs	16065	0151-5000	368,581	385,619	1,000	16,038	
East Carolina-Academic Affairs	16065	0188-5000	2,392,223	3,065,406	43,900	629,283	
Total East Carolina-Academic Affairs	16065		3,719,207	4,485,391	48,900	717,284	717,284
East Carolina-Health Affairs	16066	0101-5000	856,455	893,603	2,000	35,148	35,148
Appalachian State	16080	0188-5000	770,496	921,322	6,200	144,626	144,626
NC Central	16090	0188-5000	210,408	300,408	2,600	87,400	87,400
NC School of the Arts	16092	0101-5000	134,821	204,821	(700)	70,700	
NC School of the Arts	16092	0188-5000	231,302	292,352	300	60,750	
Total NC School of the Arts	16092		366,123	497,173	(400)	131,450	131,450
NC School of Science and Math	16094	1411-5000	45,970	97,000	-	51,030	51,030
Total UNC System							**$ 1,898,583**

University Of North Carolina
Summary of 1998-99 Equipment Reductions

Institution	Budget Code	Fund/ Object	Authorized 1996-97 Equipment Requirements	Certified 1998-99 Equipment Requirements	Less: Receipts	Certified 1998 99 Equipment Appropriation Inc/Dec	1998-99 Recommended Reduction	% of Reduction	Academic Cuts
UNC General Administration	16010	0141-5000	$ 443,910	$ 465,210	$ 7,000	$ 14,300	$ 14,300	0.75%	$ -
UNC - Chapel Hill-Academic Affairs	16020	0188-5000	3,990,082	4,157,013	11,000	155,931	155,931	8.21%	$ -
UNC - Chapel Hill-Health Affairs	16021	0188-5000	17,016	30,069	-	13,053	13,053	0.69%	$ -
NC State-Academic Affairs	16030	0101-5000	5,337,801	5,341,383	(500)	4,082		0.00%	$ 4,082
NC State-Academic Affairs	16030	0106-5000	522,926	474,361	(10,800)	(37,765)		0.00%	$ -
NC State-Academic Affairs	16030	0188-5000	1,871,738	2,170,448	36,050	262,660		0.00%	$ -
Total NC State-Academic Affairs	16030		7,732,465	7,986,192	24,750	228,977	228,977	12.06%	$ -
UNC - Greensboro	16040	0188-5000	407,779	479,590	6,025	65,786	65,786	3.47%	$ -
UNC - Charlotte	16050	0188-5000	515,573	664,570	10,850	138,147	138,147	7.28%	$ -
UNC - Asheville	16055	0142-5000	80,590	128,590	1,100	46,900		0.00%	$ -
UNC - Asheville	16055	0188-5000	243,237	278,537	(6,750)	42,050		0.00%	$ -
Total UNC - Asheville	16055		323,827	407,127	(5,650)	88,950	88,950	4.69%	$ -
UNC - Wilmington	16060	0110-5000	67,815	82,815	3,700	11,300		0.00%	$ -
UNC - Wilmington	16060	0188-5000	492,818	503,219	(4,800)	15,201		0.00%	$ -
Total UNC - Wilmington	16060		560,633	586,034	(1,100)	26,501	26,501	1.40%	$ -
East Carolina-Academic Affairs	16065	0101-5000	946,290	1,000,918	3,000	51,628		0.00%	$ 51,628
East Carolina-Academic Affairs	16065	0110-5000	12,113	33,448	1,000	20,335		0.00%	$ -
East Carolina-Academic Affairs	16065	0151-5000	368,581	385,619	1,000	16,038		0.00%	$ -
East Carolina-Academic Affairs	16065	0188-5000	2,392,223	3,065,406	43,900	629,283		0.00%	$ -
Total East Carolina-Academic Affairs	16065		3,719,207	4,485,391	48,900	717,284	717,284	37.78%	$ -
East Carolina-Health Affairs	16066	0101-5000	856,455	893,603	2,000	35,148	35,148	1.85%	$ 35,148
Appalachian State	16080	0188-5000	770,496	921,322	6,200	144,626	144,626	7.62%	$ -
NC Central	16090	0188-5000	210,408	300,408	2,600	87,400	87,400	4.60%	$ -
NC School of the Arts	16092	0101-5000	134,821	204,821	(700)	70,700		0.00%	$ 70,700
NC School of the Arts	16092	0188-5000	231,302	292,352	300	60,750		0.00%	$ -
Total NC School of the Arts	16092		366,123	497,173	(400)	131,450	131,450	6.92%	$ -
NC School of Science and Math	16094	1411-5000	45,970	97,000	-	51,030	51,030	2.69%	
Total UNC System							**$ 1,898,583**	100.00%	**$ 161,558**
									8.51%

University of North Carolina
Reduction of 1998-99 Non-Academic General Fund Appropriation

Institution	Budget Code	1998-99 Appropriation	$3.2 mil Non-Academic Reduction
UNC General Administration	16010	$ 39,259,608	$ 91,028
Lump Sum: Institutional Programs	16011	18,772,867	43,527
UNC - Chapel Hill-Academic Affairs	16020	172,632,258	400,269
UNC - Chapel Hill-Health Affairs	16021	142,108,228	329,495
NC State-Academic Affairs	16030	223,413,124	518,010
NC State-Agricultural Research	16031	43,916,083	101,825
NC State-Cooperative Extension	16032	34,757,733	80,590
UNC - Greensboro	16040	75,706,732	175,535
UNC - Charlotte	16050	78,581,935	182,202
UNC - Asheville	16055	21,456,933	49,750
UNC - Wilmington	16060	46,972,879	108,912
East Carolina-Academic Affairs	16065	96,671,842	224,145
East Carolina-Health Affairs	16066	43,696,446	101,315
NC A&T State	16070	52,002,895	120,575
Western Carolina	16075	46,685,545	108,246
Appalachian State	16080	70,287,347	162,970
UNC - Pembroke	16082	20,122,665	46,657
Winston-Salem State	16084	22,061,150	51,151
Elizabeth City State	16086	18,641,735	43,223
Fayetteville State	16088	25,450,702	59,011
NC Central	16090	36,758,279	85,229
NC School of the Arts	16092	13,676,881	31,712
UNC Hospitals @ Chapel Hill	16095	36,496,895	84,622
Total UNC System		**$ 1,380,130,762**	**$ 3,200,000**

University of North Carolina
1998-99 Building Reserve Adjustments

Building Reserve	Certified Budget	Original Estimated Completion Date	Revised Completion Date	Adjustment
UNC PRINCIPAL'S EXECUTIVE PROGRAM BUILDING	$ 224,300	Jan-99	Jan-00	$ (224,300)
UNC-HA CENTER FOR THE STUDY OF DEVEL & LEARNING	384,730	Jan-99	delayed	(384,730)
NCSU MEAT PROCESSING FACILITY	136,427	Mar-99	delayed	(136,427)
UNC-G MUSIC BUILDING	322,852	Mar-99	Jun-99	(167,581)
.ECSU FINE ARTS BUILDING	70,621	Jan-99	May-99	(39,579)
Subtotal	**$ 1,138,930**			**$ (952,617)**
NCCU BIOMEDICAL/BIOTECHNOLOGY BUILDING	243,294	Dec-98	Jun-98	128,778
Net Total	**$ 1,382,224**			**$ (823,839)**

4-21-98

#5

PUBLIC SCHOOLS

Public Schools of North Carolina

North Carolina Department of Public Instruction

State Board of Education Supplemental Budget Request
For 1998-99 Fiscal Year

Maintain Progress On Current Public Education Initiatives	1998-99 Budget Request	R/NR	1998-99 Certified Budget (plus LI)
Excellent Schools Act			
Increase teachers' salaries so as to achieve the national average new salary schedule cost yr. for 4 successive yrs. 2nd yr. →	$ 193,000,000	R	$2,970,000,000
Provide support of pre-service for student and beginning teachers by funding a three year mentor program and three additional days of employment for orientation and classroom preparation	14,708,900	R	-
Provide funds to develop teacher evaluation instruments	1,600,000	NR	-
Pay teachers for one additional required forfeited workday 2nd yr's calendar bill.	3,500,000	R	8,500,000
Pay for the National Board for Professional Teaching Standards (NBPTS) participation fee and for up to 3 days of approved paid leave for teachers participating in NBPTS program	2,261,588	R	1,012,912
ABCs			
Award incentives to schools that meet growth or reach exemplary growth in student performance in 1998-99, based on 45% of schools being exemplary and 30% meeting growth expectations → catch-up funding for next yr. if appropriated.	99,000,000	R	-
Provide additional state resources/incentives for low-performing schools & staff	24,000,000	R	-
Begin funding replacement of Student Information Management System (SIMS)	6,000,000	R	3,018,927
Pay for advanced placement tests - International Baccalaureate.	2,846,195	R	-
Compliance Provide funds to score/grade tests and develop and implement new tests including: grade 3 pretest, high school comprehensive test, additional end of course tests, exit exam(s); and to fund pilot program for alternate assessment for students with disabilities	4,158,000	NR	5,394,653
Safe Schools			
Provide School Resource Officers in all middle schools	10,536,768	R	-
Increase funds for allotment for At-Risk Student Services/Alternative Schools	31,621,337	R	125,358,223
Instructional **School Technology Plan** - fund systems and software for every K-12 classroom	71,000,000	NR	10,000,000

Public Schools of North Carolina

North Carolina Department of Public Instruction

State Board of Education Supplemental Budget Request
For 1998-99 Fiscal Year

Maintain Progress On Current Public Education Initiatives	1998-99 Budget Request	R/NR	1998-99 Certified Budget (plus LI)
Continuation of Operations			
Public Schools - Fund the average daily membership annual revision (including 1997-98 incentive award)	52,772,042	R	4,686,160,962
Restore school bus replacement funding to maintain a 13 year replacement cycle	5,661,597	NR	46,299,403
Increase funding for worker's compensation claims to meet increased volume and cover administrative cost	9,000,000	R	11,369,790
DPI - Fully fund cost of State Information Processing Services (SIPS)	144,000	R	377,321
Increase teacher licensing fees to provide funds to support 4 additional certification specialist positions (Note: this request would not require state funds)	160,000	R	823,783
Charter Schools			
Fund DPI administrative, program and financial operations supporting Charter Schools; Includes 5 positions for DPI & 2 two positions for the Local Government Commission	491,209	R	103,147
Revise the allocation method/formula for funding Charter Schools	20,000,000	NR	-

Public Schools of North Carolina

North Carolina Department of Public Instruction

State Board of Education Supplemental Budget Request
For 1998-99 Fiscal Year

Enhance Public Education Initiatives	1998-99 Budget Request	R/NR	1998-99 Certified Budget (plus LI)
High Student Performance			
Reduce class size in grade 3 from 1 teacher and 1 teacher assistant per 26 students to 1 teacher and 1 teacher assistant per 23 students	30,633,392	R	238,937,648
Improve services to students with limited proficiency in English	10,000,000	R	-
Increase funding for children with special needs toward a goal of 2.3 times regular funding	25,000,000	R	330,167,103
Increase funding for academically or intellectually gifted students	3,738,810	R	37,235,467
Increase funding to establish a reserve for severely disabled children in group homes and LEAs	3,595,275	R	-
Quality Teachers, Administrators and Staff			
Provide funds for three days of extended staff development time for all teachers	35,834,025	R	6,947,663
Extend the months of employment for some teachers, allowing local flexibility in determining which teachers will work the extended calendar	35,834,025	R	1,787,991,153
Increase pay for certified substitute teachers to 75% of a beginning teacher's salary ($75.50 per day) Noninstructional support funding is used for substitute teachers, clerical and custodians	15,776,280	R	235,472,629
Provide funding for Teacher Assistant's paygrade to move from 54 to 56 as approved by the SBE	5,673,238	R	305,119,765
Increase salaries for Assistant Principals 3% (this is to teachers)	4,219,002	R	68,389,441
Safe & Orderly Schools			
Provide funds for statewide sports medicine program	500,000	NR	165,000
	$ 723,265,683		

Amounts are subject to change based on updated information.

R/NR = Recurring/Nonrecurring.

1997-98

INTERIM

JOINT APPROPRIATIONS - EDUCATION COMMITTEE

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Wednesday, April 22, 1998

MINUTES

The Joint Appropriations Subcommittee on Education met at 9:00 a.m. Wednesday, April 22, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Preston and Grady, Co-chairs; Representatives Black, Bonner, Davis, Insko, Moore, Oldham, Reynolds, Rogers, Russell, Shubert, and Yongue, and Representative Creech, Co-Chair, House APPROPRIATIONS Committee; Senator Lee, Co-chair; Senators Garwood, Purcell and Hartsell . A visitors sheet is attached to these minutes.

Senator Lee presided. The meeting was called to order and members and visitors were welcomed. Mr. Jim Johnson gave an introduction to Public School Reports. Following Mr. Johnson's remarks, Mr. Philip Price from the NC Department of Public Instruction gave the School Based Budgeting Report. (See Handout #1). There were questions and discussion following this presentation.

A report on Student Information Management Systems Replacement(SIMS) was given by Dr. Richard Thompson, Associate Superintendent of Education, NC Department of Public Instruction. (See Handout #2). Discussion and questions followed this report. Mr. Johnson gave a concluding and stated that some policy questions to be considered in changing information management were: 1.What core business functions would the state and LEA's have to have to start this transaction? 2.Are costs going to be shared by the state and local governments? 3.What is the maximum efficient use of networks, etc.? 4.What is cost to manage networks?

An introduction to Community College Reports was given by Ms. Charlotte Todd. Mr. Kennon Briggs, Finance Officer, NC Department of Community Colleges, presented a report on budget stability and occupational extension. Mr. Briggs reviewed reports released in January 1997 and April 1997 on phases 1 and 2 of the funding study. Phase 3 of this funding study focused on enrollment fluctuations and funding stability. (See Handout #3).

The subcommittee recessed at 11:50 a.m. for lunch.

At 1:35 p.m., the APPROPRIATIONS Subcommittee on Education reconvened. Mr. Jim Newlin gave an introduction to the UNC Reports, and introduced Mr. Bill McCoy, Vice President for Finance, UNC System. Following an introduction by Mr. McCoy, Dr. Larry Lewin, consultant to the University, presented the UNC Hospital Report. (See Handouts 4A and 4B). Questions and discussion were generated by this presentation.

Mr. Ken Grogan from the UNC System, was introduced by Mr. Newlin. Mr. Grogan, presented the Management Flexibility Report. (See Handout #5). Questions and discussion followed.

There was no further business to come before the committee at this time. The meeting was adjourned at 3:50 p.m.

Respectfully submitted by:

Senator Howard Lee, Co-Chair

Peggy B. Murray, Committee Clerk

JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

April 22, 1998
9:00 a.m.

Agenda

Welcome	Chair
Public School Reports:	
School Based Budgeting Report	Philip Price
Student Information Management Systems Replacement	Richard Thompson
Community College Reports:	Kennon Briggs
Community College Formula Study Report: • Budget Stability • Occupational Extension	
Lunch Break	
1:30:	
UNC Reports:	
UNC Hospital Report	Bill McCoy Larry Lewin
Management Flexibility Report	Ken Grogan

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Wednesday, April 22, 1998 10:00 A.M.

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Larry Morgan	DCC
Jan Crutts	NCASA
Julie Campbell	NCASA
Susan Harrison	WCPSS
Leanne Winner	NCSBA
S Markham	EGHS
Harriet Dail	NCAE
[illegible]	[illegible]
Pat Simes	DPI
Ann Bellam	SBE
Richard Thompson	SDPI
J Ramquist	NLRHA

VISITOR REGISTRATION SHEET

Joint APPROPRIATIONS/Subcommittee on Education Wednesday, April 22, 1998 ~~10:00 A.M.~~ 1:30 pm

Name of Committee Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Elizabeth Grossenbacher	OSBM
Joyce Peters	Assoc/EEBC
Tim McDowell	NCAICU
David Bason	OSBM
Ken Grogan	UNC-GA
Jane Griffin	UNC-GA/NC State Ag Pgms
ERIC MUNSON	UNC HOSPITALS - CHAPEL HILL
Jeff Horvat	UNC - Sch. of Med.
Clifton B Nutter	UNC GA
William McCoy	UNC GA
Sue Adams	OSBM
Charles Aycock	UNC Hospitals

4-22-98
#1 (Johnson) Intro -
Price -

UNIFORM EDUCATION REPORTING SYSTEMS FUNDS/BUILDING LEVEL REPORTS ON SCHOOL FUNDING - 1997 Session of the General Assembly, Senate Bill 352, *Section 8.25*

(a) Funds appropriated for the 1997-99 fiscal biennium for the Uniform Education Reporting System shall be used for the maintenance, enhancement, or purchase of financial, personnel, or student information software, in order to support the State Board of Education's responsibilities under G.S. 115C12(18).

(b) The State Board of Education shall modify the Uniform Education Reporting System to provide clear, accurate, and standard information on the use of funds at the unit and school level. The plan shall provide information that will enable the General Assembly to determine State, local, and federal expenditures for personnel at the unit and school level. The plan also shall allow the tracking of expenditures for textbooks, educational supplies and equipment, capital outlay, at-risk students, and other purposes. The revised Uniform Education Reporting System shall be implemented beginning with the 1998-99 school year.

Tracking Public School Expenditures to the School Building Level

The North Carolina Department of Public Instruction representatives and a committee of seven select LEA finance officers have developed a proposal to record expenditures to the school level by 1998-99. The majority of expenditures can be charged to the school at the time of disbursement. However, due to warehousing, or items that are not applicable to specific schools, or a school acting as a fiscal agent for other LEAs, there will always be expenditures that cannot provide a school number. When this occurs, the expenditures will have a location code that identifies (1) county wide, (2) warehouse, (3) fiscal agent, or (4) central office in order to account for all expenditures.

The attached worksheet was developed based on responses from the seven committee members. The worksheet lists every available object code of expenditures in the Uniform Chart of Accounts. For each of these objects, you will find a break down reflecting the estimated reporting of expenditures by location. We can collect LEA data from the year-to-date files through a special submission by each LEA on an agreed upon schedule. This information will be at the general ledger summary level, not by individual payee/vendor. It is very important to understand that a journal entry, after the check has been written, is necessary in obtaining the school level information when bulk purchases are made by an LEA and then later distributed to schools. Benefits are not recommended to be coded to the school level due to the fact this would expand detail items tenfold and can be estimated at a very high accuracy rate.

Further, most school receipts are collected and can be reported. However, funds that are not collected by the school, but benefits the school, do not get recorded anywhere in school accounting books or LEA books. Examples of these would be PTA funds, booster clubs, or private donations of equipment or supplies.

Summary of Object Codes

% of Expenditures which could be coded to Location Level at the time the check is written

Object Codes	Description	% School Level Code	% County Wide Code	% Warehouse Code	% Fiscal Agent Code	% Cannot
Salary						
100-139	Certified Salaries	100.0%				
141	AV Materials Coord/Tech	66.7%	33.3%			
142	Teacher Assistant	100.0%				
143	Tutor	84.4%	15.6%			
144	Voc Ed Tech Assistant	100.0%				
145	Therapist	49.3%	50.7%			
146	Teacher Assist when sub	100.0%				
147	Technology Assistant	100.0%				
149	Other Technical Assignment	56.8%	43.2%			
151	Office Personnel	99.2%	0.8%			
159	Other Office/Clerical Assistant	100.0%				
162	Maintenance Supervisor	16.7%	83.3%			
165	Transportation Personnel	16.7%	83.3%			
169	Other Crafts/Trade Assign	29.2%	70.8%			
171	Driver	83.3%	16.7%			
172	Substitute Driver	100.0%				
173	Custodian	100.0%				
174	Child Nutrition Employee	100.0%				
175	Warehouseman	16.7%	83.3%			
176	Manager	100.0%				
177	Work Study Student	83.3%	16.7%			
178	Cashier	100.0%				
179	Longevity Pay	77.2%	22.8%			
180	Overtime Pay	89.0%	11.0%			
181	Supplementary Pay	92.6%	7.4%			
182	Substitute Pay	100.0%				
183	Bonus Pay	96.5%	3.5%			
186	Workshop Participant	97.5%	2.5%			

Prepared by:
Division of School Business
1/6/98
objcd4 - obj sum

Summary of Object Codes

% of Expenditures which could be coded to Location Level at the time the check is written

Object Codes	Description	% School Level Code	% County Wide Code	% Warehouse Code	% Fiscal Agent Code	% Cannot
187	Local Salary Differential	97.5%	2.5%			
188	Annual Leave Payoff	78.0%	22.0%			
189	Short Term Disability	78.8%	21.2%			
190	S/T Disability beyond 6 mon	90.7%	9.3%			
193	Mentor Pay	100.0%				
194	Teacher Workday Pay	100.0%				
199	Salary - Other Assign	80.5%	19.5%			
	Total Salaries	**87.4%**	**12.6%**	**0.0%**	**0.0%**	**0.0%**
Benefits						
200-299	Total Employee Benefits					100.0%
Prof Services						
311	Contracted Services	60.7%	17.6%		7.5%	14.2%
312	Workshop Expenses/allow travel	68.8%	29.5%			1.7%
313	Contracted - Legal/Audit	25.0%	66.7%		8.3%	
315	Workshop Expenses/travel sal	88.0%	10.3%			1.7%
316	Workshop Expenses/ex trav	88.0%	10.3%			1.7%
319	Other Prof and Tech Services	78.0%	22.0%			
321	Public Utilities - Electric	79.2%	20.8%			
322	Public Utilities - Gas	80.8%	19.2%			
323	Public Utilities - Other	75.8%	24.2%			
324	Cleaning Services	80.0%	20.0%			
325	Contracted Rep & Maint - Bldg	32.0%	68.0%			
326	Contracted Rep & Maint - Equip	35.8%	62.5%			1.7%
327	Rentals	78.7%	19.6%			1.7%
328	Energy Cost	33.3%	66.7%			
331	Pupil Transportation - Contracted	8.3%	91.7%			
332	Travel	95.8%	4.2%			
333	Travel - Bus Routing	100.0%				
334	Travel - Student	100.0%				

Prepared by:
Division of School Business
1/6/98
objcd4 - obj sum

Summary of Object Codes

% of Expenditures which could be coded to Location Level at the time the check is written

Object Codes	Description	% School Level Code	% County Wide Code	% Warehouse Code	% Fiscal Agent Code	% Cannot
335	Travel - Salary	100.0%				
336	Travel - Greater than IRS Rate	100.0%				
339	Other Transportation Services	55.8%	40.0%			4.2%
341	Telephone	74.7%	25.3%			
342	Postage	36.7%	56.6%			6.7%
343	Telecommunications Services	37.6%	60.7%			1.7%
351	Advertising Fees	16.7%	83.3%			
361	Printing & Binding Fees	30.0%	70.0%			
362	Reproduction Costs	46.7%	53.3%			
371	Tuition Fees	99.5%	0.5%			
391	Field Trips	100.0%				
399	Other Purchased Services	43.3%	56.7%			
	Total Professional Services	**65.0%**	**33.3%**	**0.0%**	**0.5%**	**1.2%**
Supplies						
411	Instructional Supplies	90.3%	9.7%			
412	Supplies & Materials	70.8%	29.2%			
413	Fuel for Facilities	74.2%	25.8%			
414	Oil	14.6%	83.3%			2.1%
415	Tires & Tubes		100.0%			
416	Repair Parts, Materials, etc.	5.8%	94.2%			
417	Gas/Diesel Fuel		100.0%			
418	Computer Software/Supply	68.3%	10.9%	20.8%		
419	Other Supplies	65.5%	26.2%	8.3%		
421	Textbooks	50.8%	25.0%	24.2%		
431	Library Books	100.0%				
432	Periodicals	83.3%	16.7%			
433	Audiovisual Supplies/Materials	90.0%	10.0%			
434	Processing and Cataloging	100.0%				
451	Food Purchase	86.6%	6.7%	6.7%		

Prepared by:
Division of School Business
1/6/98
objcd4 - obj sum

Summary of Object Codes

% of Expenditures which could be coded to Location Level at the time the check is written

Object Codes	Description	% School Level Code	% County Wide Code	% Warehouse Code	% Fiscal Agent Code	% Cannot
452	USDA Commodity Foods	88.3%	5.0%	6.7%		
459	Other Food Purchases	55.8%	37.5%	6.7%		
461	Purch Non-Cap Equipment	85.7%	14.3%			
462	Purch Non-Cap Computer Equip	83.2%	16.8%			
	Total Supplies & Materials	**63.9%**	**32.1%**	**3.9%**	**0.0%**	**0.1%**
Capital						
500-529	Capital Outlay - Land/Bldgs	100.0%				
531	Improvements to New Sites	95.8%	4.2%			
532	Improvements to Existing Sites	95.8%	4.2%			
541	Purchase of Equipment	77.5%	14.2%	8.3%		
542	Purchase of Computer Hardware	56.7%	30.8%	12.5%		
551	Purchase of Vehicles	37.5%	62.5%			
561	Library Books - Capitalized	96.7%	3.3%			
	Total Capital Outlay	**90.7%**	**7.9%**	**1.4%**	**0.0%**	**0.0%**
Other						
611	Membership Dues & Fees	28.3%	71.7%			
621-629	Insurance's - Various		100.0%			
681	Debt Service - Principal	41.7%	58.3%			
682	Debt Service - Interest	41.7%	58.3%			
691-695	Misc Objects (indirect cost, etc.)	20.8%	79.2%			
699	Miscellaneous	64.9%	35.1%			
	Total Other Objects	**32.9%**	**67.1%**	**0.0%**	**0.0%**	**0.0%**
Transfers						
710-720	Total Fund Transfers		100.0%			

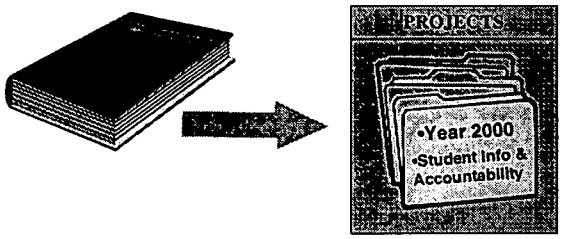
Prepared by:
Division of School Business
1/6/98
objcd4 - obj sum

4-22-98
R. Thompson
2

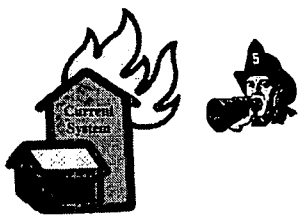
Agenda

- Five-Year Strategic Technology Plan
- Why New Student Information & Accountability System
- Timeframe and Cost Requirements

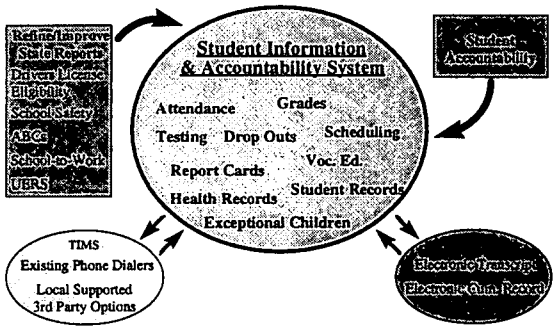
Five-Year Strategic Technology Plan



Why New Student Information & Accountability System

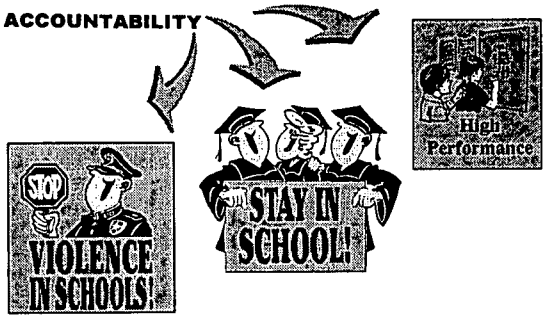


Phase I: Student Information & Accountability System

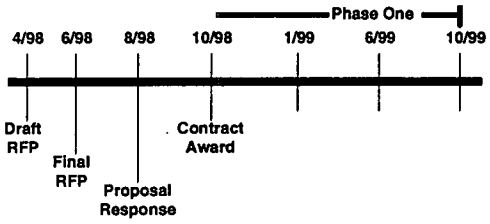


Why New Student Information & Accountability System

Why New Student Information & Accountability System



Timeframe and Cost Requirements



Estimated Cost for Phase One = $6 Million

4-22-98
#3

Requested by: Senators Lee, Winner, Representatives Arnold, Grady, Preston

MODIFICATIONS IN THE FTE FUNDING FORMULA TO REFLECT FLUCTUATIONS IN ENROLLMENT

Section 9.3. The State Board of Community Colleges shall study alternative methods of protecting colleges from the budgetary impact of fluctuations in enrollment. The State Board shall report to the General Assembly on its recommended budget stability proposals and on an appropriate transition period prior to April 30, 1998.

Requested by: Senators Lee, Winner, Representatives Arnold, Grady, Preston

ASSESSMENT OF OCCUPATIONAL EXTENSION FORMULA

Section 9.2. As the State Board of Community Colleges completes Phase Three of its consultant's study on the budget formula, the State Board shall reexamine whether and the extent to which the faculty-student ratio for occupational extension programs should vary by college size. The State Board shall also consider the appropriate funding level for occupational extension programs based on analysis of cost.

The State Board shall report the results of its studies to the Joint Legislative Education Oversight Committee prior to April 30, 1998.

DRAFT

4-22-98
Briggs
3 4

FUNDING FORMULA STUDY: PHASE 3 REPORT NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

SUBMITTED TO:

STATE BOARD OF COMMUNITY COLLEGES
200 WEST JONES STREET
RALEIGH, NORTH CAROLINA 27603

SUBMITTED BY:

MGT OF AMERICA, INC.
2425 TORREYA DRIVE
TALLAHASSEE, FLORIDA 32303

PREVIEW DRAFT
APRIL 16, 1998

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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

For the past year and a half, the State Board of Community Colleges has undertaken a comprehensive study of the budget formulas it uses to request and allocate funding for the institutions in the North Carolina Community College System (NCCCS). The effort was initiated in response to a special provision enacted during the 1996 session of the General Assembly that directed the State Board to:

> "undertake a comprehensive study of the funding formula used to distribute funds to local community colleges . . . (including) the development of a plan to increase the level of funding for occupational extension courses to the funding level of curriculum courses . . ."

The following document is the third major report that we have developed for the State Board concerning its funding formulas.

In the Phase 1 report, which was submitted to the State Board in January 1997, we recommended that occupational extension instruction be funded at parity with curriculum instruction. Several months later in the Phase 2 report, we recommended that the formulas used both for instruction programs and for instructional and administrative support include elements that recognize the special funding requirements of smaller colleges that face difficulty in achieving economy of scale in their operations.

The current Phase 3 report contains recommendations in four areas. Three of these areas have been the subjects of analyses in the previous reports (e.g., funding stability, sliding scale for occupational extension, and equipment) while the fourth area (e.g., repairs and renovations) is discussed for the first time in this report.

The renewed focus on the funding stability issue grows out of a special provision enacted during the 1997 session of the General Assembly. Our recommendation includes both near-term and longer-term components. Effective with the 1999-2000 fiscal year, we recommend that the funding stability provision change from the current 3/5 rule to a 2/3 rule. Under this approach, a college's funding level would be unaffected as long as its actual FTE enrollment stayed within a corridor between 2 percent above and 3 percent below its budgeted FTE. The only effect of this recommendation will be to tighten the corridor by one percent and two percent, respectively, at the upper and lower boundaries from the current 3 percent above to 5 percent below range. Importantly, we view the movement from the 3/5 rule to a 2/3 rule as an intermediate step. Our longer-term recommendation is for a modified 3-year rolling average, whereby funding would be based on the greater of current actual FTE enrollment or the rolling average of the three most recent fiscal years.

The use of the sliding scale in the occupational extension formula is a second topic that was the subject of a special provision from the 1997 session. We reaffirm our earlier recommendation that state appropriations for occupational extension and curriculum instruction should be at parity with one another. Just as with curriculum instruction, we believe that the first 500 FTE students at all colleges should be funded with a lower student-to-faculty ratio to reflect the difficulty that all colleges face in their efforts to provide a full, responsive array of programs in their service areas.

Our recommendation for a revised equipment allocation formula builds from the current approach but differs in at least one significant way. Unlike the current formula, our proposal would not consider depreciation expense – a major feature of the current model that we believe has contributed to inequities among colleges that have had differing capacities to build a sizeable equipment inventory. Instead, our recommendation calls for a three part allocation model that is independent of the historic equipment inventory and focuses more on current programs: (1) a base allotment of $100,000 per college. (2) a special allotment for a limited number of previously recognized, especially high cost programs, and (3) the allocation of the balance of the equipment appropriation on the basis of equipment FTE enrollment (E-FTE) whereby high equipment intensity programs will generate more funding per student than other programs.

The final recommendation calls for the establishment of a new formula for requesting and allocating state appropriations for repairs and renovations (R&R). The proposed formula is generally based on an industry standard that calls for R&R to be funded at 1.5 percent of building replacement value per year. However, our proposal recognizes the greater R&R requirements of older buildings and the minimal needs for new facilities by providing a variable percentage replacement factor according to age of the building. We believe that state funding for R&R will be an issue of critical importance in the coming years.

1.0 BACKGROUND

1.0 BACKGROUND

For the past year and a half, the State Board of Community Colleges has undertaken a comprehensive study of the budget formulas it uses to request and allocate funding for the institutions in the North Carolina Community College System (NCCCS). The effort was initiated in response to a special provision enacted during the 1996 session of the General Assembly that directed the State Board to:

> "undertake a comprehensive study of the funding formula used to distribute funds to local community colleges . . . (including) the development of a plan to increase the level of funding for occupational extension courses to the funding level of curriculum courses . . ."

The following report is one of several documents resulting from the State Board's study of the formula.

To assist it in conducting the formula study, the State Board retained the services of MGT of America, Inc., a consulting firm with recognized expertise in state-level higher education planning and budgeting. Also, the President of the System appointed a Funding Study Advisory Committee to work with the consultant on this endeavor. A membership roster of the Study Committee is included as Exhibit 1-1.

Since it began work on the project in late 1996, MGT has issued three reports related to the NCCCS funding formula:

- The Phase 1 report, entitled "Assessment of the Funding Formula Used by the North Carolina Community College System," was submitted to the State Board on January 17, 1997. The principal recommendation in this report was to fund occupational extension programs at parity with curriculum instruction programs.

- The Phase 2 report, "Economy of Scale Supplemental Report," was submitted to the State Board on April 18, 1997. This report focused on the appropriateness of two features in the formula designed to recognize the special funding requirements of smaller colleges -- the sliding scale of student-faculty ratios for instruction and the base funding procedure for instructional and administrative support.

EXHIBIT 1-1
MEMBERSHIP ROSTER
FUNDING STUDY ADVISORY COMMITTEE

State Board of Community Colleges

Mr. James Woody

Presidents, North Carolina Community College System

Mr. Ray Bailey, Asheville-Buncombe Technical Community College
Dr. Lonnie Blizzard, Lenoir Community College
Dr. Frank Eagles, Wilson Technical Community College
Dr. Marvin Joyner, Central Carolina Community College
Dr. Larry Linker, Randolph Community College
Dr. Donald Reichard, James Sprunt Community College

College Business Officers

Mr. Colin Shaw, Rowan-Cabarrus Community College
Ms. Kathy Drumm, Central Piedmont Community College

North Carolina Association of Community College Trustees

Mr. Hal Miller

Central Staff, North Carolina Community College System

Mr. Kennon Briggs, Vice President, Business and Finance
Mr. Larry Morgan, Director, Auditing and Accounting
Mr. Phil Albano, Director, Administrative and Facility Services
Mr. John Malia, Assistant Director, State Aid Accounting

- A brief follow-up report on Phase 1 recommendations, entitled "Occupational Extension Supplemental Report," was submitted to the NCCCS leadership on May 2, 1997. This report provided further rationale for the earlier recommendation for parity of funding between occupational extension and curriculum instruction.

Information from all three reports was shared with the General Assembly during its 1997 session.

Due to the short timeframe available for the early phases of the formula study, many issues of importance were not the subject of final recommendations in the Phase 1 and Phase 2 reports but instead were proposed for further study and analysis. Subsequent to the adjournment of the 1997 legislative session, the NCCCS initiated Phase 3 of the formula study. The Study Committee directed the consultant to focus on four issues as part of Phase 3:

- Funding stability – a topic of concern to the General Assembly which relates to how much budget stability should be provided to those colleges that experience fluctuating enrollment levels.
- Occupational extension – a topic requested by the General Assembly related to whether the sliding scale features of the curriculum instruction formula should extend to the occupational extension formula.
- Equipment – an examination of the equity of the allocation of the equipment appropriation with respect to college size and program offerings, and
- Repair and renovation – the development of a model to be used in requesting and allocating state resources for upkeep of buildings.

The following Phase 3 report contains detailed analyses and recommendations in each of these four areas.

2.0 ENROLLMENT FLUCTUATIONS AND FUNDING STABILITY

2.0 ENROLLMENT FLUCTUATIONS AND FUNDING STABILITY

2.1 Background

The formula used by the NCCCS, like funding formulas used in many states, incorporates provisions to provide some degree of funding stability for those institutions that are experiencing fluctuations in enrollment levels. Most observers of formula practice believe that such funding stability features represent good policy since colleges face multi-year spending commitments and can not readily increase or decrease their budgets without serious repercussions. Stability features are believed to be especially valuable to smaller institutions, such as those that make up the majority of the NCCCS, since they face an extremely small margin of error in budget planning.

Despite the rationale behind and general support for a funding stability provision in the NCCCS formula, many find fault with the specific mechanism now in place, which is known as the "3/5 rule." Basically, a college's allocation is unchanged as long as its actual enrollment stays within a corridor of 3 percent above and 5 percent below its budgeted FTE enrollment.

Colleges that are experiencing growth find that the 3 percent growth requirement before new funding is available serves to discourage development of new programs, especially those programs which would not increase the total college enrollment by at least 3 percent. In effect, the college potentially would face all the costs of a new program offering (e.g., new instructors, new equipment, etc.) without receiving any increase in state funding.

On the other hand, critics of the 3/5 rule believe that the 5 percent downward protection is overly generous, especially when it seems to become a permanent fixture in a college's budget. Legislative staff have calculated that the 3/5 rule has provided

over $40 million in extra funding to the NCCCS during the past four years. Further, the 3/5 rule serves to dilute the unit value, causing colleges to receive less state appropriations per FTE student than would otherwise be available.

As part of our Phase 1 report, we noted the concerns of many presidents with the 3/5 rule and introduced the concept of a "three-year rolling average" as a possible alternative. Due to concerns about the expected near-term instability of enrollment levels resulting from semester conversion and course reengineering, however, we recommended that any action on the issue be deferred.

In its 1997 session, the General Assembly expressed a renewed interest in the funding stability issue. In particular, it directed the State Board of Community Colleges in section 9.3 of the special provisions to:

> "study alternative methods of protecting colleges from the budgetary impact of fluctuations in enrollment. The State Board shall report the results of its studies to the Joint Legislative Education Oversight Committee prior to April 30, 1998."

2.2 *Further Investigations During Phase 3*

Once preliminary fall 1997 FTE enrollments were known, further analyses were undertaken to determine how the 3/5 rule might be modified to be more responsive to enrollment growth while still providing a reasonable measure of protection during periods of enrollment downturn. An early step in our analysis was to consider the practices of other state community college systems in dealing with similar issues. As seen in Exhibit 2-1, fifteen of twenty states responding to this item on our survey of community college funding practices reported some type of enrollment stability feature as an integral part of their funding model. A rolling average technique was found to be

the most common approach. Enrollment corridor and no-loss approaches were also common.

EXHIBIT 2-1
FUNDING STABILITY APPROACHES
USED IN OTHER STATES' FORMULAS

State (1),(2)	Rolling average	No loss	Last Year	Other	None	Explanation	No Response
California		X				In year of decline; reductions made over 3 yrs. with the ability to restore.	
Florida					X		
Georgia					X	Request made of Governor & legislature, however, no set factors.	
Hawaii					X		
Illinois	X		X			3 year avg. or last year, whichever is higher.	
Kansas							X
Louisiana		X					
Maryland				X		"hold harmless" clause prevents reduction of state aid below prior year.	
Mississippi		X				Allows colleges time to budget for significant changes due to enrollment.	
Nebraska							X
Nevada							X
New Jersey						No college receives less than the average of three prior years' state aid.	
New Mexico					X		
New York	X					Credit hours are buffered, using average of most current 3 years.	
North Carolina				X		Funding corridor is -5 to +3% of base enrollment.	
North Dakota							X
Ohio							X
Oklahoma	X		X			Rolling enrollment average, no loss if enrollment falls.	
Oregon	X					3 year weighted avg. for enrollment, hold harmless, limit incr. to 10%	
Pennsylvania							X
Tennessee				X		FTE floor = 95% or above = no change	
Texas					X		
Washington	X					2 year enrollment targets/3 year tuition & student-faculty ratio data.	
West Virginia					X		
Wisconsin					X		
Wyoming	X					Safety net.	
Total	**6**	**3**	**2**	**3**	**7**		**6**
% of Total (3)	**30%**	**15%**	**10%**	**15%**	**35%**		

Notes
(1) Alabama, Indiana, Massachusetts, Michigan, New Hampshire, South Carolina, South Dakota, Utah, and Virginia did not respond to the survey.
(2) Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, Idaho, Iowa, Kentucky, Maine, Minnesota, Missouri, Montana, Rhode Island, and Vermont responded to the survey, but indicated they do not currently use a formula.
(3) Percentages sum to more than 100% due to responses in more than one category by some states.

In response to the directive in the special provision, several of our analyses examined several different multi-year rolling averages (i.e., for the 3 and the 5 most recent years). The results of these analyses are reported in Exhibit 2-2. In each case, the rolling average was compared to the budgeted enrollment as determined under the current 3/5 rule. As might be expected, the averages based on the greatest number of years provided the greatest stability. The obvious drawback, of course, is that the averages based on the greatest number of years also are the least responsive to enrollment growth.

To create a more responsive technique, we also examined variations where the greater of the current year actual enrollment or the multi-year rolling average were used. These analyses are also summarized in Exhibit 2-2. The Advisory Committee determined that a "modified three-year rolling average," where funding would be based on the higher of the current year or the rolling average enrollment, was the preferred option should a rolling average technique be adopted.

As an alternative to the modified 3-year rolling average, we also considered a variation of the current 3/5 rule. Since the principal concerns with the current approach were that it provided too much downside protection and was too slow to respond during periods of growth, the proposed alternative simply tightened the range from 3/5 to 2/3. That is, if actual FTE enrollment stayed within the range of 3 percent below and 2 percent above the budgeted FTE, funding levels would remain unaffected. A simulation of the 2/3 rule is shown in Exhibit 2-3.

2.3 Recommendation

Our recommendation is in two parts – one for near-term implementation and the other for longer-term consideration.

EXHIBIT 2-2
COMPARISON OF FUNDED ENROLLMENT STABILITY METHODS
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Institution	1997-98 Budgeted FTE	1997 3 year Rolling Average	Variance from Budget	1997 5 Year Rolling Average	Variance from Budget	Greater of 96-97 or 3 Year Average	Variance from Budget	Greater of 96-97 or 5 Year Average	Variance from Budget
Alamance	2,144	2,063	-3.8%	2,135	-0.4%	2,063	-3.8%	2,135	-0.4%
Anson	912	905	-0.8%	803	-11.9%	938	2.9%	938	2.9%
Asheville-Buncombe	2,753	2,727	-0.9%	2,732	-0.8%	2,747	-0.2%	2,747	-0.2%
Beaufort County	1,049	1,023	-2.4%	1,033	-1.5%	1,023	-2.4%	1,033	-1.5%
Bladen	703	663	-5.7%	654	-7.0%	722	2.7%	722	2.7%
Blue Ridge	1,106	1,073	-3.0%	1,087	-1.7%	1,073	-3.0%	1,087	-1.7%
Brunswick	676	678	0.3%	682	0.8%	678	0.3%	682	0.8%
Caldwell	2,144	2,059	-4.0%	1,986	-7.4%	2,204	2.8%	2,204	2.8%
Cape Fear	2,644	2,705	2.3%	2,662	0.7%	2,723	3.0%	2,723	3.0%
Carteret	1,065	1,037	-2.7%	1,086	2.0%	1,037	-2.7%	1,086	2.0%
Catawba Valley	2,399	2,280	-5.0%	2,327	-3.0%	2,280	-5.0%	2,327	-3.0%
Central Carolina	2,429	2,439	0.4%	2,424	-0.2%	2,449	0.8%	2,449	0.8%
Central Piedmont	8,534	8,271	-3.1%	8,713	2.1%	8,271	-3.1%	8,713	2.1%
Cleveland	1,366	1,244	-9.0%	1,191	-12.8%	1,400	2.5%	1,400	2.5%
Coastal Carolina	2,828	2,692	-4.8%	2,742	-3.0%	2,692	-4.8%	2,742	-3.0%
Albemarle	1,516	1,426	-5.9%	1,416	-6.6%	1,558	2.8%	1,558	2.8%
Craven	1,787	1,723	-3.6%	1,770	-0.9%	1,723	-3.6%	1,770	-0.9%
Davidson County	1,802	1,777	-1.4%	1,787	-0.8%	1,777	-1.4%	1,787	-0.8%
Durham	2,741	2,632	-4.0%	2,682	-2.2%	2,632	-4.0%	2,682	-2.2%
Edgecombe	1,462	1,421	-2.8%	1,419	-2.9%	1,504	2.9%	1,504	2.9%
Fayetteville	5,636	5,562	-1.3%	5,536	-1.8%	5,562	-1.3%	5,536	-1.8%
Forsyth	3,117	2,977	-4.5%	3,035	-2.6%	2,977	-4.5%	3,035	-2.6%
Gaston	3,050	2,944	-3.5%	3,019	-1.0%	2,944	-3.5%	3,019	-1.0%
Guilford	4,813	4,589	-4.7%	4,710	-2.1%	4,631	-3.8%	4,710	-2.1%
Halifax	1,238	1,198	-3.3%	1,214	-2.0%	1,198	-3.3%	1,214	-2.0%
Haywood	1,212	1,182	-2.4%	1,194	-1.5%	1,209	-0.2%	1,209	-0.2%
Isothermal	1,251	1,185	-5.3%	1,239	-0.9%	1,185	-5.3%	1,239	-0.9%
James Sprunt	892	862	-3.4%	901	1.0%	862	-3.4%	901	1.0%
Johnston	2,366	2,283	-3.5%	2,336	-1.3%	2,283	-3.5%	2,336	-1.3%
Lenoir	1,755	1,666	-5.1%	1,712	-2.4%	1,666	-5.1%	1,712	-2.4%
Martin	652	619	-5.1%	659	1.0%	623	-4.4%	659	1.0%
Mayland	622	599	-3.7%	651	4.7%	622	0.0%	651	4.7%
Mcdowell	784	726	-7.4%	667	-14.9%	805	2.7%	805	2.7%
Mitchell	1,149	1,150	0.1%	1,149	0.0%	1,175	2.3%	1,175	2.3%
Montgomery	592	582	-1.7%	563	-4.8%	609	2.9%	609	2.9%
Nash	1,173	1,182	0.7%	1,178	0.4%	1,196	2.0%	1,196	2.0%
Pamlico	148	144	-2.7%	138	-6.9%	144	-2.7%	138	-6.9%
Piedmont	936	899	-3.9%	927	-1.0%	924	-1.3%	927	-1.0%
Pitt	3,174	3,184	0.3%	3,172	-0.1%	3,184	0.3%	3,177	0.1%
Randolph	1,118	1,072	-4.1%	1,102	-1.4%	1,094	-2.1%	1,102	-1.4%
Richmond	933	925	-0.8%	922	-1.2%	925	-0.8%	922	-1.2%
Roanoke-Chowan	720	693	-3.8%	714	-0.8%	693	-3.8%	714	-0.8%
Robeson	1,382	1,326	-4.0%	1,304	-5.6%	1,421	2.8%	1,421	2.8%
Rockingham	1,445	1,399	-3.2%	1,420	-1.7%	1,399	-3.2%	1,420	-1.7%
Rowan-Cabarrus	2,206	2,208	0.1%	2,179	-1.2%	2,272	3.0%	2,272	3.0%
Sampson	882	848	-3.9%	880	-0.2%	873	-1.0%	880	-0.2%
Sandhills	2,311	2,215	-4.2%	2,289	-1.0%	2,215	-4.2%	2,289	-1.0%
Southeastern	1,573	1,493	-5.1%	1,542	-2.0%	1,496	-4.9%	1,542	-2.0%
Southwestern	1,356	1,307	-3.6%	1,296	-4.4%	1,394	2.8%	1,394	2.8%
Stanly	1,233	1,253	1.6%	1,225	-0.6%	1,260	2.2%	1,260	2.2%
Surry	2,128	2,030	-4.6%	2,069	-2.8%	2,049	-3.7%	2,069	-2.8%
Tri-County	567	564	-0.5%	556	-2.0%	584	3.0%	584	3.0%
Vance-Granville	2,098	2,031	-3.2%	2,056	-2.0%	2,049	-2.3%	2,056	-2.0%
Wake Technical	4,409	4,525	2.6%	4,474	1.5%	4,541	3.0%	4,541	3.0%
Wayne	2,209	2,119	-4.1%	2,202	-0.3%	2,119	-4.1%	2,202	-0.3%
Western Piedmont	1,678	1,662	-1.0%	1,668	-0.6%	1,695	1.0%	1,695	1.0%
Wilkes	1,568	1,433	-8.6%	1,423	-9.3%	1,609	2.6%	1,609	2.6%
Wilson	1,080	1,071	-0.8%	1,058	-2.0%	1,111	2.9%	1,111	2.9%
Total	107,516	104,545	-2.8%	105,712	-1.7%	106,093	-1.3%	107,621	0.1%

EXHIBIT 2-3
COMPARISON OF FUNDED FTE ENROLLMENT
2/3 RULE VS. MODIFIED 3-YEAR ROLLING AVERAGE

COLLEGES	CURRICULUM		BASIC SKILLS		OCCUPATIONAL		COMBINED	
	3/5 Rule Becomes 2/3 Rule	Higher of Current or 3-Yr Ave	3/5 Rule Becomes 2/3 Rule	Higher of Current or 3-Yr Ave	3/5 Rule Becomes 2/3 Rule	Higher of Current or 3-Yr Ave	3/5 Rule Becomes 2/3 Rule	Higher of Current or 3-Yr Ave
Alamance	(97)	(129)	(11)	(15)	1	5	(107)	(139)
Anson	(9)	(28)	(8)	(11)	8	10	(9)	(29)
Asheville-Buncombe	8	63	19	24	0	(15)	27	72
Beaufort County	4	25	(22)	(18)	0	(1)	(18)	6
Bladen	0	(16)	(14)	(10)	(10)	(15)	(24)	(41)
Blue Ridge	(54)	(69)	9	12	(23)	(30)	(68)	(87)
Brunswick	(4)	(18)	0	(1)	(11)	(11)	(15)	(30)
Caldwell	0	(13)	0	1	(11)	(26)	(11)	(38)
Cape Fear	471	524	0	(1)	(46)	(35)	425	488
Carteret	0	18	4	7	8	11	12	36
Catawba Valley	0	(51)	(12)	(15)	(20)	(26)	(32)	(92)
Central Carolina	17	66	0	(9)	54	60	71	117
Central Piedmont	(441)	(594)	0	(2)	(1)	(10)	(442)	(606)
Cleveland	0	(16)	(25)	(22)	6	9	(19)	(29)
Coastal Carolina	(174)	(209)	(20)	(19)	135	146	(59)	(82)
Albemarle	0	(17)	38	42	(5)	(17)	33	8
Craven	(107)	(129)	7	9	0	(3)	(100)	(123)
Davidson County	0	(19)	0	(4)	6	14	6	(9)
Durham	(9)	(91)	10	17	0	2	1	(72)
Edgecombe	0	(26)	57	62	(1)	(9)	56	27
Fayetteville	(154)	(238)	0	3	(303)	(249)	(457)	(484)
Forsyth	(107)	(189)	31	39	0	(11)	(76)	(161)
Gaston	(256)	(272)	(5)	(14)	42	47	(219)	(239)
Guilford	0	(29)	0	(9)	(43)	(36)	(43)	(74)
Halifax	(32)	(56)	(16)	(16)	0	2	(48)	(70)
Haywood	54	78	4	5	37	39	95	122
Isothermal	(23)	(61)	(8)	(7)	(1)	(5)	(32)	(73)
James Sprunt	(4)	(31)	(21)	(15)	(1)	(5)	(26)	(51)
Johnston	(167)	(175)	0	(6)	9	13	(158)	(168)
Lenoir	(110)	(133)	(1)	(14)	21	26	(90)	(121)
Martin	(47)	(61)	(14)	(14)	12	15	(49)	(60)
Mayland	(4)	(35)	(8)	(8)	(3)	(8)	(15)	(51)
Mcdowell	0	(15)	0	(11)	(9)	(10)	(9)	(36)
Mitchell	0	19	(7)	(8)	0	(2)	(7)	9
Montgomery	0	(4)	(2)	(2)	(13)	(9)	(15)	(15)
Nash	106	129	2	6	41	45	149	180
Pamlico	(19)	(14)	(2)	(2)	(2)	(3)	(23)	(19)
Piedmont	156	175	(7)	(9)	0	(3)	149	163
Pitt	80	143	27	30	29	33	136	206
Randolph	(5)	(55)	0	(4)	0	(4)	(5)	(63)
Richmond	0	(26)	0	2	15	19	15	(5)
Roanoke-Chowan	(30)	(47)	(18)	(16)	(5)	(6)	(53)	(69)
Robeson	0	(30)	23	32	17	23	40	25
Rockingham	(43)	(78)	(8)	(14)	41	45	(10)	(47)
Rowan-Cabarrus	42	86	(14)	(17)	(19)	(22)	9	47
Sampson	(25)	(56)	27	32	38	40	40	16
Sandhills	(77)	(137)	(15)	(23)	(8)	(22)	(100)	(182)
Southeastern	(39)	(94)	2	6	22	25	(15)	(63)
Southwestern	0	(22)	12	14	0	(28)	12	(36)
Stanly	0	(3)	(6)	(13)	(8)	(13)	(14)	(29)
Surry	(10)	(74)	0	0	11	18	1	(56)
Tri-County	92	103	11	11	17	19	120	133
Vance-Granville	0	(21)	(13)	(15)	52	58	39	22
Wake Technical	484	572	85	97	(31)	(50)	538	619
Wayne	(26)	(92)	(17)	(20)	58	65	15	(47)
Western Piedmont	0	(2)	0	(8)	12	15	12	5
Wilkes	0	(82)	0	(4)	17	24	17	(62)
Wilson	0	(1)	0	1	0	(6)	0	(6)
Total	(559)	(1557)	74	56	135	138	(350)	(1363)

For the near-term, we are concerned that any of the rolling average alternatives would create undue hardship on students already enrolled at colleges whose FTE levels are down from prior years and who would be subject to significant budget reductions. For this reason, we recommend that the initial change from the 3/5 rule be to a 2/3 rule effective with the 1999-2000 fiscal year. Even this approach, if implemented immediately, would cause 33 colleges to suffer budget reductions from current levels, but 24 colleges will have their recent growth recognized with greater allocations.

After the colleges have had an opportunity to adjust to this tighter enrollment corridor and, perhaps, to rebuild their enrollments, we recommend that the modified 3-year rolling average technique be adopted. The viability of a modified 3-year rolling average could be further enhanced if special protection were provided to a limited number of colleges who have experienced significant enrollment loss. Once the initial impact of this approach has been absorbed, we believe that this technique will provide the proper balance over the long run to being responsive to growth while still being sensitive to the problems caused by temporary enrollment downturns.

3.0 OCCUPATIONAL EXTENSION

3.0 OCCUPATIONAL EXTENSION

3.1 Background

One of the primary programs of instruction offered by the NCCCS is known as "occupational extension." Occupational extension courses are designed for the specific purposes of training an individual for employment, upgrading the skills of persons presently employed, and retraining others for new employment in occupational fields. Economic development officials often cite the availability of occupational extension programs as a critical element in their ability of attract and retain well-paying jobs for the people of the state.

Historically, occupational extension instruction has been funded at a rate per FTE student that was significantly below that for curriculum instruction. Due to concerns that this critically important program was not being funded at a level adequate to enable the colleges to respond to the needs of local industry, the 1996 General Assembly included a special provision that instructed the State Board of Community Colleges to develop:

> ". . . a plan to increase the level of funding for occupational extension courses to the funding level for curriculum courses . . . "

Our Phase 1 report recommended that occupational extension programs be funded at parity with curriculum instruction programs. In particular, we recommended that the formula for occupational extension include:

- a sliding scale to calculate instructional units required, with:
  - a staffing ratio of 17.8:1 for the first 500 FTE students, and
  - a staffing ratio of 21.55:1 for enrollment beyond 500 FTE
- the same value per instructional unit as curriculum instruction,
- the same treatment for fringe benefits as curriculum instruction, and

- the same rate per FTE student for other costs.

We further recommended that any subsequent changes in the funding model for curriculum instruction should also apply to occupational extension in order to maintain parity.

Although the General Assembly responded favorably to the State Board's request for more parity in funding for occupational extension programs by appropriating $10 million in recurring support, lingering concerns related to the need for the sliding scale remained. In its 1997 session, the General Assembly enacted a new special provision (section 9.2) that called on the State Board to:

> ". . . reexamine whether and the extent to which the faculty-student ratio for occupational extension programs should vary by college size. The State Board shall also consider the appropriate funding level for occupational extension programs based on analysis of cost."

3.2 *Further Analyses Conducted During Phase 3*

As the first step in the reexamination of the occupational extension funding formula, we sought to learn more about other states' practices in funding similar programs. Due to differences in delivery systems and nomenclature across the states, comparisons proved to be difficult. Nonetheless, we found that the approaches used by other states are mixed, and that no single pattern prevails. Some states require all non-credit instruction to be self-supporting, while others appear to subscribe to the parity concept. Exhibit 3-1 summarizes the survey results related to funding for occupational extension programs. Just under half of the responding states provide appropriations for occupational extension. The majority of those states fund occupational extension at parity with curriculum instruction.

EXHIBIT 3-1
FUNDING POLICIES IN OTHER STATES FOR OCCUPATIONAL EXTENSION PROGRAMS

State (1),(2)	Does state provide formula funding for occupational extension?		If Yes, is rate the same for Academic courses and occupational Extension courses?		If rate is different, describe how occupational extension courses are funded.	No Response
	No	Yes	Yes	No		
California		X		X	All non-credit instruction is funded at the same rate for all colleges.	
Florida	X				Self-supporting.	
Georgia		X		X	Separate line request in formula for community education.	
Hawaii	X					
Illinois		X	X			
Kansas	X				Non-credit courses are self-supporting.	
Louisiana	X					
Maryland		X	X			
Mississippi	X				Workforce projects are funded on a project by project basis currently.	
Nebraska	X					
Nevada	X					
New Jersey	X					
New Mexico	X				Self-supporting.	
New York						X
North Carolina		X	X			
North Dakota	X				Campus-based decisions, often funded with fees charged for the courses.	
Ohio		X		X		
Oklahoma	X				Fees cover at least a portion of cost. Could come from lump sum appropriations.	
Oregon		X	X		Some but not all.	
Pennsylvania		X		X	70% of basic ($1260/FTE), or 882 per FTE	
Tennessee	X				None except direct fees or contracts.	
Texas		X	X		Contracts w/TX Workforce Commission and companies.	
Washington		X	X			
West Virginia	X					
Wisconsin		X	X			
Wyoming		X		X	$30/day/student (6 hour day).	
Total	**13**	**12**	**7**	**5**		**1**
% of Total	**52%**	**48%**	**58%**	**42%**		

Notes

(1) Alabama, Indiana, Massachusetts, Michigan, New Hampshire, South Carolina, South Dakota, Utah, and Virginia did not respond to the survey.

(2) Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, Idaho, Iowa, Kentucky, Maine, Minnesota, Missouri, Montana, Rhode Island, and Vermont responded to the survey, but indicated they do not currently use a formula.

Given the concerns of the General Assembly about the sliding scale aspects of the previous recommendation for parity funding between occupational extension and curriculum instruction, we compiled data to analyze whether average class size varies according to the size of the occupational extension programs of the colleges. As shown in Exhibit 3-2, those colleges with the smallest occupational extension programs (i.e., those with fewer than 100 FTE), enrolled 13.4 students per class while the largest programs (i.e., those with more than 500 FTE) averaged 16.1 students per class. Colleges in the three middle-size categories had average class size rates in the range of 15 students. Thus, recent class size data provide confirmation of the economy of scale phenomena in occupational extension programs. Once the colleges have operated under the parity funding model for several years with potentially increased numbers of students, further analysis of class size should be conducted.

EXHIBIT 3-2
ANALYSIS OF AVERAGE CLASS SIZE
FOR OCCUPATIONAL EXTENSION COURSES

Occupational Extension FTE Enrollment	Average Number of Classes	Average Unduplicated Headcount	Average Class Size
Less Than 100	170.1	2,215.3	13.4
101-200	365.5	5,433.8	15.1
201-300	504.8	7,401.7	14.7
300-500	620.0	9,366.6	15.3
501 and More	1,249.3	19,536.2	16.1

The final step in our analysis was to examine how the colleges were deploying their expanded 1998-99 appropriations for occupational extension. Basically, we would expect to see all new funds used for their intended purpose if parity funding was needed even though there was little planning time between the appropriation and start of the fiscal year. As seen in Exhibit 3-3, the System allocated several percent more to

occupational extension that it received in legislative appropriations. That is, occupational extension programs appear to "cost" more slightly than the amount of the enhanced appropriations level.

3.3 Recommendation

After reexamination of the new funding approach for occupational extension, we continue to find that such programs are integral to the mission and success of community colleges in the state. We feel that small class sizes are the standard for occupational extension programs at small colleges and that most colleges (regardless of size) are budgeting more for this program than they receive in state appropriations. Accordingly, we recommend that the funding formula for occupational extension instruction continue to be calculated at parity with the formula for curriculum instruction.

EXHIBIT 3-3
INTERNAL ALLOCATIONS OF 1997-98
OCCUPATIONAL EXTENSION APPROPRIATIONS

Institutions	Total Beginning Occupational Formula Budgets	Net Transfers Occupational	Occupational Extension Budget Ending 12/97	Transfers as % of Beginning	Add-Back Transfers to Occupational Educational Equipment	Amended Occupational Budget (Including Equipment)	Budget Percentage Increase (Decrease) Current Operating
Alamance	397,010	(5,000)	392,010	-1.3%		392,010	-1.3%
Anson	176,877		176,877	0.0%		176,877	0.0%
Asheville-Buncombe	794,133	9,699	803,832	1.2%		803,832	1.2%
Beaufort County	490,500	(24,169)	466,331	-4.9%	24,169	490,500	0.0%
Bladen	116,765		116,765	0.0%		116,765	0.0%
Blue Ridge	640,642	(30,000)	610,642	-4.7%	30,000	640,642	0.0%
Brunswick	270,311	(7,399)	262,912	-2.7%		262,912	-2.7%
Caldwell	550,502		550,502	0.0%		550,502	0.0%
Cape Fear	703,992		703,992	0.0%		703,992	0.0%
Carteret	246,925		246,925	0.0%		246,925	0.0%
Catawba Valley	597,218	(102,452)	494,766	-17.2%		494,766	-17.2%
Central Carolina	550,502		550,502	0.0%		550,502	0.0%
Central Piedmont	1,437,855	(30,439)	1,407,416	-2.1%		1,407,416	-2.1%
Cleveland	280,246		280,246	0.0%		280,246	0.0%
Coastal Carolina	1,038,325	(90,000)	948,325	-8.7%	90,000	1,038,325	0.0%
Albemarle	326,963		326,963	0.0%		326,963	0.0%
Craven	590,576		590,576	0.0%		590,576	0.0%
Davidson County	737,369	76,600	813,969	10.4%		813,969	10.4%
Durham	593,925		593,925	0.0%		593,925	0.0%
Edgecombe	150,142		150,142	0.0%		150,142	0.0%
Fayetteville	3,637,115	271,339	3,908,454	7.5%		3,908,454	7.5%
Forsyth	1,196,172		1,196,172	0.0%		1,196,172	0.0%
Gaston	433,793		433,793	0.0%		433,793	0.0%
Guilford	1,212,973	59,927	1,272,900	4.9%		1,272,900	4.9%
Halifax	330,368		330,368	0.0%		330,368	0.0%
Haywood	210,199	81,468	291,667	38.8%		291,667	38.8%
Isothermal	220,189		220,189	0.0%		220,189	0.0%
James Sprunt	163,537		163,537	0.0%		163,537	0.0%
Johnston	370,331		370,331	0.0%		370,331	0.0%
Lenoir	513,831		513,831	0.0%		513,831	0.0%
Martin	233,585		233,585	0.0%		233,585	0.0%
Mayland	367,038	(10,582)	356,456	-2.9%		356,456	-2.9%
Mcdowell	150,142		150,142	0.0%		150,142	0.0%
Mitchell	370,331		370,331	0.0%		370,331	0.0%
Montgomery	130,160	1,486	131,646	1.1%		131,646	1.1%
Nash	403,708		403,708	0.0%		403,708	0.0%
Pamlico	53,358	33,072	86,430	62.0%		86,430	62.0%
Piedmont	130,104	133	130,237	0.1%		130,237	0.1%
Pitt	380,378	(7,439)	372,939	-2.0%		372,939	-2.0%
Randolph	580,586		580,586	0.0%		580,586	0.0%
Richmond	370,387	8,000	378,387	2.2%		378,387	2.2%
Roanoke-Chowan	93,378	(5,000)	88,378	-5.4%	5,000	93,378	0.0%
Robeson	557,255	1,130	558,385	0.2%		558,385	0.2%
Rockingham	370,331		370,331	0.0%		370,331	0.0%
Rowan-Cabarrus	824,161	38,407	862,568	4.7%		862,568	4.7%
Sampson	220,189	16,577	236,766	7.5%		236,766	7.5%
Sandhills	597,274	(31,964)	565,310	-5.4%		565,310	-5.4%
Southeastern	270,255	40,270	310,525	14.9%		310,525	14.9%
Southwestern	613,963		613,963	0.0%		613,963	0.0%
Stanly	377,085		377,085	0.0%		377,085	0.0%
Surry	690,652		690,652	0.0%		690,652	0.0%
Tri-County	153,434		153,434	0.0%		153,434	0.0%
Vance-Granville	583,935	243,350	827,285	41.7%		827,285	41.7%
Wake Technical	1,427,752		1,427,752	0.0%		1,427,752	0.0%
Wayne	623,953		623,953	0.0%		623,953	0.0%
Western Piedmont	306,926		306,926	0.0%		306,926	0.0%
Wilkes	613,963		613,963	0.0%		613,963	0.0%
Wilson	510,538		510,538	0.0%		510,538	0.0%
TOTAL	30,984,107	537,014	31,521,121	1.7%	149,169	31,670,290	2.2%

4.0 EQUIPMENT

4.0 EQUIPMENT

4.1 Background

During Phase 1 of the funding study, one of the initial project activities was to determine the perceived strengths and weaknesses of the current funding process from the perspective of campus presidents. Through a series of six regional meetings, we identified a number of features of the current formula that were felt to need further enhancement. One part of the formula that was a source of concern to many presidents was the procedure for allocating equipment monies.

Student access to equipment is a critical element in a quality instructional experience. For instructional programs in vocational and technical fields, such as those emphasized by the System, the need for state-of-the-art equipment is especially pronounced. As noted in the phase 1 report, the vast majority of funding for equipment is currently based on a depreciation/replacement concept although the model also includes components for a base allotment and per-student funding.

Overall, the concerns with the current equipment funding formula were modest. Beyond the pervasive feeling that significantly greater appropriations for equipment were needed, the only major concern was that the depreciation step was "incomprehensible" and seemed to perpetuate significant, historic inequities in the distribution of equipment funds. There seemed to be a broad acceptance of the features of the current formula that provide a base allotment to each college regardless of its enrollment level and that provide greater equipment funding per FTE student in the vocational-technical fields than in college transfer programs.

Concern about the inadequate level of equipment was further documented in September, 1997, when the NCCCS conducted a survey of the 58 colleges to identify

current unmet needs. As shown in Exhibit 4-1, the survey determined needs by purpose and by type of equipment. Overall, $131.7 million of needs were identified. The major purposes were to "equip shops and labs" representing 38.9 percent of total need and "equip classrooms" at 28.2 percent. Computers and machinery/mechanical were the two major types of equipment needed, at 41.1 percent and 32.2 percent, respectively.

EXHIBIT 4-1
SUMMARY OF CURRENT EQUIPMENT NEEDS
AS DETERMINED BY SEPTEMBER 1997 SURVEY
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
(Amounts in Millions of Dollars)

Purpose of Equipment	Amount Needed	% of Total	Type of Equipment	Amount Needed	% of Total
Equip Classrooms	$ 37.17	28.2%	Automotive	$ 5.61	4.3%
Equip Shops & Labs	51.17	38.9%	Computers	54.13	41.1%
Equip High Cost Programs	14.07	10.7%	Furniture	8.42	6.4%
Enhance Instructional Support	16.66	12.7%	Health	6.29	4.8%
Enhance Administrative Activities	12.61	9.6%	Library	0.79	0.6%
			Machinery/Mechanical	42.45	32.2%
			Other	1.41	1.1%
			Support	12.59	9.6%
Total	$ 131.69	100.0%		$ 131.69	100.0%

4.2 Further Analyses Conducted During Phase 3

To assist in determining possible alternative treatments for equipment funding, we surveyed other state community college boards across the nation to learn more about their formula provisions. As seen in Exhibit 4-2, slightly over half of the responding states reported a specific formula provision for equipment.

A major challenge in the design of a revised allocation formula for equipment was the existence of several instructional programs with extremely high requirements for expensive equipment at a limited number of colleges. To determine the magnitude of

EXHIBIT 4-2
FUNDING APPROACHES USED BY OTHER STATES FOR EQUIPMENT

State (1),(2)	Formula for Equipment		How?	No Response
	Yes	No		
California		X	Funded by state, not in formula. $/FTE with a minimum per district.	
Florida		X		
Georgia		X		
Hawaii		X		
Illinois	X		Based on credit hours.	
Kansas		X	State technology grants	
Louisiana	X		As part of basic support calculation.	
Maryland		X		
Mississippi	X		A majority of formula funds are unrestricted grant to colleges.	
Nebraska				X
Nevada		X		
New Jersey		X		
New Mexico	X			
New York				X
North Carolina	X		Combination of rates per weighted FTE, depreciation, and base allocation.	
North Dakota		X	Despite component within formula, request for FY98 was not based on formula amount.	
Ohio				X
Oklahoma	X		The formula results in a lump sum allocation to institutions.	
Oregon		X		
Pennsylvania	X		If part of pre-approved, equipped facility, it is "mandated", otherwise "non-mandated."	
Tennessee	X			
Texas	X		Institutions can use appropriated funds for equipment.	
Washington	X		The equipment allocation doesn't cover all equipment costs of colleges.	
West Virginia		X		
Wisconsin	X			
Wyoming	X		Replacement-15% of equipment valuation.	
Total	**12**	**11**		**3**
% of Total	**52%**	**48%**		

Notes

(1) Alabama, Indiana, Massachusetts, Michigan, New Hampshire, South Carolina, South Dakota, Utah, and Virginia did not respond to the survey.

(2) Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, Idaho, Iowa, Kentucky, Maine, Minnesota, Missouri, Montana, Rhode Island, and Vermont responded to the survey, but indicated they do not currently use a formula.

the situation, NCCCS staff determined the actual equipment expenditures for each of these programs for each of the past three years. This data, which shows annual expenditures in the $600,000 range, is summarized in Exhibit 4-3.

EXHIBIT 4-3
ESTIMATED REQUIREMENTS FOR SPECIAL ALLOCATIONS FOR EQUIPMENT FOR EXCEPTIONALLY HIGH COST PROGRAMS

Colleges with High Cost Programs	Program Description	Actual Expenditures			3-Year Average	Estimated* Requirements
		1994-95	1995-96	1996-97		
Caldwell CC&TI	Truck Driving	98,000	61,390	39,550	66,313	66,313
Cape Fear CC	Marine Technology	15,561	30,887	13,763	20,070	20,070
Haywood CC	Saw Mill	84,306	11,348	128,162	74,605	74,605
	Robotics	24,051	104,384	111,357	79,931	79,931
Johnston CC	Truck Driving	251,238	160,415	101,279	170,977	170,977
Wilson TCC	Heavy Equipment	198,892	114,259	120,807	144,653	144,653
Total		672,048	482,683	514,918	556,550	556,550

*Estimated Requirements calculated as 10 percent more than the 3-year average to reflect inflationary adjustment.

Note: Enrollment associated with the high cost programs which receive a special allocation for equipment would not be counted in the equipment formula calculations.

As with other parts of the NCCCS formula, provision for the inability of some colleges to achieve economy of scale is needed in the equipment formula. To determine an appropriate amount for a base allotment for each college, regardless of its enrollment level, we considered several different approaches. First, we sought simply to update the current base allotment rate to reflect the impact of inflation since the current formula was implemented. Second, we conducted a regression analysis of current enrollment levels against total equipment funding to estimate the level of equipment funding that would be in place with no students. Finally, we reviewed the national survey data to search for base funding rates for equipment in other states. A summary of the results of these three methods is seen in Exhibit 4-4.

EXHIBIT 4-4
COMPARISON OF ESTIMATION TECHNIQUES FOR BASE ALLOTMENT FOR EQUIPMENT ALLOCATION

Methodology	Base Allotment
Estimate based on adjustment for price-level inflation since inception of equipment formula	
HEPI price inflator	$ 83,961
CPI price inflator	$ 99,861
Estimate based on regression analysis of 1996-97 allocation and unweighted FTE enrollment	$ 146,103
Typical base allotment used in community college equipment formulas in other states	$ 100,000
Most representative estimate for base allotment	$ 100,000

A final challenge in updating the equipment formula was the need to establish Equipment FTE (E-FTE) rates for the recently redefined program areas. For this purpose, we aggregated enrollments for the several programs into three broad categories for purposes of the equipment allocation:

- Low equipment intensity programs – college transfer, general education and basic skills programs
- Moderate equipment intensity programs – occupation extension program
- High equipment intensity programs – technical education and vocational education programs.

Exhibit 4-5 lists the current FTE enrollment by college in each of the three equipment categories.

EXHIBIT 4-5
FTE ENROLLMENT BY PROGRAM CATEGORY

	Low Equipment Intensity Programs					Moderate Intensity		High Equipment Intensity Programs				
College	College Transfer	General Education	Basic Skills	Subtotal	Percent of Total	Occupational Education	Percent of Total	Technical Education	Vocational Education	Subtotal	Percent of Total	Total
Alamance	-	218	211	429	20%	211	10%	1,307	234	1,541	71%	2,181
Anson	39	35	137	211	21%	87	9%	495	199	694	70%	992
Asheville-Buncombe	443	-	262	705	23%	413	13%	1,663	279	1,942	63%	3,060
Beaufort County	177	-	186	363	28%	232	18%	545	151	696	54%	1,291
Bladen	1	164	46	211	32%	64	10%	161	225	386	58%	661
Blue Ridge	241	-	118	359	27%	309	23%	397	286	683	51%	1,351
Brunswick	179	-	155	334	40%	138	16%	200	169	369	44%	841
Caldwell	487	-	238	725	32%	279	12%	999	282	1,281	56%	2,285
Cape Fear	920	38	246	1,204	42%	339	12%	1,057	234	1,291	46%	2,834
Carteret	220	-	121	341	30%	123	11%	521	157	678	59%	1,142
Catawba Valley	381	-	148	529	21%	287	11%	1,433	259	1,692	67%	2,508
Central Carolina	188	98	619	905	29%	309	10%	1,319	551	1,870	61%	3,084
Central Piedmont	2,390	528	659	3,577	43%	854	10%	3,422	549	3,971	47%	8,402
Cleveland	250	77	181	508	35%	141	10%	433	361	794	55%	1,443
Coastal Carolina	1,180	-	207	1,387	45%	577	19%	820	327	1,147	37%	3,111
Albemarle	381	40	183	604	40%	166	11%	556	190	746	49%	1,516
Craven	348	102	106	556	35%	310	20%	492	219	711	45%	1,577
Davidson County	341	-	148	489	24%	390	19%	925	264	1,189	57%	2,068
Durham	472	64	306	842	31%	294	11%	1,454	136	1,590	58%	2,726
Edgecombe	106	-	236	342	21%	80	5%	936	274	1,210	74%	1,632
Fayetteville	558	744	586	1,888	26%	1,908	26%	2,860	616	3,476	48%	7,272
Forsyth	428	-	377	805	22%	671	18%	1,953	294	2,247	60%	3,723
Gaston	960	502	246	1,708	49%	191	6%	1,288	285	1,573	45%	3,472
Guilford	896	-	345	1,241	28%	687	16%	2,121	335	2,456	56%	4,384
Halifax	158	-	168	326	24%	188	14%	577	270	847	62%	1,361
Haywood	131	29	67	227	19%	113	9%	600	264	864	72%	1,204
Isothermal	303	-	137	440	35%	113	9%	520	189	709	56%	1,262
James Sprunt	118	10	120	248	27%	88	10%	359	227	586	64%	922
Johnston	319	-	266	585	23%	189	8%	757	960	1,717	69%	2,491
Lenoir	390	-	328	718	37%	265	13%	813	169	982	50%	1,965
Martin	74	12	159	245	31%	125	16%	282	132	414	53%	784
Mayland	91	12	85	188	23%	192	24%	285	140	425	53%	805
Mcdowell	76	68	152	296	32%	77	8%	364	194	558	60%	931
Mitchell	273	-	103	376	30%	195	15%	597	104	701	55%	1,272
Montgomery	22	7	38	67	11%	58	10%	291	193	484	79%	609
Nash	234	-	181	415	30%	216	16%	619	136	755	54%	1,386
Pamlico	7	12	32	51	29%	24	14%	98	-	98	57%	173
Piedmont	58	-	112	170	18%	67	7%	349	366	715	75%	952
Pitt	632	-	171	803	26%	210	7%	1,827	271	2,098	67%	3,111
Randolph	-	110	205	315	22%	319	22%	732	63	795	56%	1,429
Richmond	159	-	404	563	41%	190	14%	468	161	629	46%	1,382
Roanoke-Chowan	78	4	118	200	26%	46	6%	385	139	524	68%	770
Robeson	88	2	443	533	28%	292	16%	673	376	1,049	56%	1,874
Rockingham	359	3	91	453	31%	191	13%	584	249	833	56%	1,477
Rowan-Cabarrus	373	-	205	578	23%	431	18%	1,155	296	1,451	59%	2,460
Sampson	124	79	262	465	43%	123	11%	351	154	505	46%	1,093
Sandhills	568	29	242	839	35%	295	12%	1,086	193	1,279	53%	2,413
Southeastern	447	-	248	695	43%	144	9%	453	337	790	48%	1,629
Southwestern	55	164	87	306	20%	290	19%	862	75	937	61%	1,533
Stanly	98	-	129	227	16%	178	13%	794	178	972	71%	1,377
Surry	526	-	126	652	30%	361	16%	948	240	1,188	54%	2,201
Tri-County	163	-	22	185	30%	73	12%	229	121	350	58%	608
Vance-Granville	286	-	193	479	21%	320	14%	851	606	1,457	65%	2,256
Wake Technical	925	79	603	1,607	31%	776	15%	2,425	431	2,856	55%	5,239
Wayne	601	-	289	890	36%	347	14%	988	237	1,225	50%	2,462
Western Piedmont	402	7	407	816	40%	162	8%	865	182	1,047	52%	2,025
Wilkes	353	-	160	513	31%	313	19%	775	57	832	50%	1,658
Wilson	82	1	163	246	18%	286	21%	589	244	833	61%	1,365
Total	20,159	3,238	12,583	35,980	30%	16,317	14%	50,908	14,830	65,738	56%	118,035

4.3 Recommendation

We recommend that the funding model to be used for allocating equipment appropriations contain three major components:

- A provision for a base allotment for each college regardless of its enrollment level,
- A provision to recognize the needs of those colleges that offer those programs that are widely recognized to encounter extremely high equipment costs, and
- A provision for distributing the majority of available funding on an equipment-FTE basis.

Based on our several analyses to determine an appropriate range for the base allotment, we recommend that it be re-established at $100,000 per college. For the provision for the several extremely high cost programs, we simply recommend that the average of actual expenditures over the past three years, plus an allowance for inflation, be established as an ongoing allowance. Finally, we recommend that the balance of the equipment appropriation be allocated on an E-FTE basis with program weights as follows:

Category	Weight
low equipment intensity programs	0.50
moderate intensity programs	0.75
high intensity programs	1.00

The colleges, of course, should continue to be granted flexibility to invest their equipment allocations in any program category in any given year regardless of the category in which the funds were generated.

A simulated allocation based on this methodology is shown as Exhibit 4-6. The several colleges that would suffer the greatest reduction in equipment allocations

appear to be those who have been best able to leverage their equipment inventory in past years through the depreciation-based allocation.

EXHIBIT 4-6
SIMULATION OF WEIGHTED FTE EQUIPMENT ALLOCATION

	Actual FTE			Equipment FTE				Base	Exceptionally	E-FTE	FY 1997-98	FY 1997-98	
College	Low Intensity	Moderate Intensity	High Intensity	Low X 0.50	Med X 0.75	High X 1.00	Total	Allotment $100,000 Each	High Cost Programs	Allotment 187.6/E-FTE	Simulated Allotment	Actual Allotment	Increase/ Decrease
Alamance	429	211	1,541	215	158	1,541	1,914	100,000		358,069	458,069	441,499	16,570
Anson	211	87	694	106	65	694	865	100,000		161,823	261,823	209,998	51,825
Asheville-Buncombe	705	413	1,942	353	310	1,942	2,605	100,000		487,341	587,341	587,058	283
Beaufort County	363	232	696	182	174	696	1,052	100,000		196,807	296,807	279,593	17,214
Bladen	211	64	386	106	48	386	540	100,000		101,023	201,023	147,696	53,327
Blue Ridge	359	309	683	180	232	683	1,095	100,000		204,852	304,852	339,558	(34,706)
Brunswick	334	138	369	167	104	369	640	100,000		119,731	219,731	145,343	74,388
Caldwell	725	279	1,281	363	209	1,281	1,853	100,000	72,945	346,657	519,602	433,558	86,044
Cape Fear	1,204	339	1,291	602	254	1,291	2,147	100,000	22,077	401,659	523,736	612,963	(89,227)
Carteret	341	123	678	171	92	678	941	100,000		176,041	276,041	297,116	(21,075)
Catawba Valley	529	287	1,692	265	215	1,692	2,172	100,000		406,336	506,336	824,855	(318,519)
Central Carolina	905	309	1,870	453	232	1,870	2,555	100,000		477,987	577,987	585,406	(7,419)
Central Piedmont	3,577	854	3,971	1,789	641	3,971	6,401	100,000		1,197,493	1,297,493	1,158,479	139,014
Cleveland	508	141	794	254	106	794	1,154	100,000		215,889	315,889	296,463	19,426
Coastal Carolina	1,387	577	1,147	694	433	1,147	2,274	100,000		425,418	525,418	560,800	(35,382)
Albemarle	604	166	746	302	125	746	1,173	100,000		219,444	319,444	244,620	74,824
Craven	556	310	711	278	233	711	1,222	100,000		228,611	328,611	375,626	(47,015)
Davidson County	489	390	1,189	245	293	1,189	1,727	100,000		323,085	423,085	364,962	58,123
Durham	842	294	1,590	421	221	1,590	2,232	100,000		417,560	517,560	568,578	(51,018)
Edgecombe	342	80	1,210	171	60	1,210	1,441	100,000		269,581	369,581	304,634	64,947
Fayetteville	1,888	1,908	3,476	944	1,431	3,476	5,851	100,000		1,094,599	1,194,599	1,176,636	17,963
Forsyth	805	671	2,247	403	503	2,247	3,153	100,000		589,860	689,860	695,208	(5,348)
Gaston	1,708	191	1,573	854	143	1,573	2,570	100,000		480,793	580,793	631,082	(50,289)
Guilford	1,241	687	2,456	621	515	2,456	3,592	100,000		671,988	771,988	865,754	(93,766)
Halifax	326	188	847	163	141	847	1,151	100,000		215,328	315,328	265,810	49,518
Haywood	227	113	864	114	85	864	1,063	100,000	169,990	198,865	468,855	519,553	(50,698)
Isothermal	440	113	709	220	85	709	1,014	100,000		189,698	289,698	377,536	(87,838)
James Sprunt	248	88	586	124	66	586	776	100,000		145,173	245,173	200,639	44,534
Johnston	585	189	1,717	293	142	1,717	2,152	100,000	188,075	402,594	690,669	710,902	(20,233)
Lenoir	718	265	982	359	199	982	1,540	100,000		288,102	388,102	541,961	(153,859)
Martin	245	125	414	123	94	414	631	100,000		118,047	218,047	179,857	38,190
Mayland	188	192	425	94	144	425	663	100,000		124,033	224,033	207,978	16,055
Mcdowell	296	77	558	148	58	558	764	100,000		142,928	242,928	156,935	85,993
Mitchell	376	195	701	188	146	701	1,035	100,000		193,627	293,627	253,749	39,878
Montgomery	67	58	484	34	44	484	562	100,000		105,138	205,138	152,849	52,289
Nash	415	216	755	208	162	755	1,125	100,000		210,464	310,464	306,497	3,967
Pamlico	51	24	98	26	18	98	142	100,000		26,565	126,565	85,665	40,900
Piedmont	170	67	715	85	50	715	850	100,000		159,017	259,017	210,607	48,410
Pitt	803	210	2,098	402	158	2,098	2,658	100,000		497,256	597,256	562,241	35,015
Randolph	315	319	795	158	239	795	1,192	100,000		222,998	322,998	322,446	552
Richmond	563	190	629	282	143	629	1,054	100,000		197,181	297,181	343,073	(45,892)
Roanoke-Chowan	200	46	524	100	35	524	659	100,000		123,285	223,285	196,105	27,180
Robeson	533	292	1,049	267	219	1,049	1,535	100,000		287,166	387,166	359,424	27,742
Rockingham	453	191	833	227	143	833	1,203	100,000		225,056	325,056	334,198	(9,142)
Rowan-Cabarrus	578	431	1,451	289	323	1,451	2,063	100,000		385,944	485,944	557,148	(71,204)
Sampson	465	123	505	233	92	505	830	100,000		155,276	255,276	273,169	(17,893)
Sandhills	839	295	1,279	420	221	1,279	1,920	100,000		359,192	459,192	415,475	43,717
Southeastern	695	144	790	348	108	790	1,246	100,000		233,100	333,100	291,056	42,044
Southwestern	306	290	937	153	218	937	1,308	100,000		244,699	344,699	480,766	(136,067)
Stanly	227	178	972	114	134	972	1,220	100,000		228,236	328,236	272,387	55,849
Surry	652	361	1,188	326	271	1,188	1,785	100,000		333,936	433,936	392,774	41,162
Tri-County	185	73	350	93	55	350	498	100,000		93,165	193,165	156,064	37,101
Vance-Granville	479	320	1,457	240	240	1,457	1,937	100,000		362,372	462,372	458,148	4,224
Wake Technical	1,607	776	2,856	804	582	2,856	4,242	100,000		793,589	893,589	793,920	99,669
Wayne	890	347	1,225	445	260	1,225	1,930	100,000		361,062	461,062	458,144	2,918
Western Piedmont	816	162	1,047	408	122	1,047	1,577	100,000		295,024	395,024	342,762	52,262
Wilkes	513	313	832	257	235	832	1,324	100,000		247,693	347,693	394,298	(46,605)
Wilson	246	286	833	123	215	833	1,171	100,000	159,118	219,070	478,188	648,111	(169,923)
Total	35,980	16,317	65,738	18,007	12,244	65,738	95,989	5,800,000	612,205	17,957,526	24,369,731	24,369,732	(1)

5.0 REPAIR AND RENOVATION

5.0 REPAIR AND RENOVATION

5.1 Background

A major financial burden facing the North Carolina community colleges is the cost of major repairs and renovations (R&R) for college buildings. Because of the historic division of responsibility between the state and local government for community college facilities, the funding needs for repair and renovation have received only modest state-level attention until recently. Now with the State playing a more active role in supporting construction costs, it has a vested interest in protecting its capital investment.

Given the relatively young age of the campuses of most colleges in the System, R&R has not been a major source of concern. That is, most community college buildings had not until recently reached the point in their life cycle where the more costly repairs and renovations were needed. Now and over the next few years, however, adequate funding for R&R can be expected to be a growing problem for all the colleges across the state. Exhibit 5-1 shows that nearly half of the square feet in the System were built more than 20 years ago.

To express the magnitude of R&R funding requirements in financial terms, the NCCCS conducted a survey of the 58 colleges in September, 1997. The survey not only sought information on the dollars required, but also about the types of repairs and renovations to be performed. As shown in Exhibit 5-2, approximately $91.4 million in requirements was identified. General maintenance (i.e., roofs, chillers, flooring, windows, etc.) and improvement of teaching environment (updating classrooms or labs, converting other space to classes or labs, etc.) were the most common plans.

EXHIBIT 5-1
GROSS SQUARE FEET OF BUILDINGS BY YEAR CONSTRUCTED
NORTH CAROLINA COMMUNITY COLLEGES

Name	Before 1962	1962-1966	1967-1971	1972-1976	1977-1981	1982-1986	1987-1991	1992-96	Total
Alamance	32,504			115,484		14,517	49,902	49,535	261,942
Anson	8,689				29,950	4,040	12,196		54,875
Asheville-Buncombe	80,735	25,587	96,445		86,873	12,344	109,100	56,884	467,968
Beaufort County			26,843	37,456	68,839			45,835	178,973
Bladen	7,170		27,262	40,560	14,320	4,053	13,805		107,170
Blue Ridge				71,023	19,849	21,837	50,488	69,270	232,467
Brunswick	33,315					15,236	84,126	35,010	167,687
Caldwell			63,351	82,989	4,000	19,794	28,606	57,918	256,658
Cape Fear	25,444	4,000	45,540	166,109			23,523	2,901	267,517
Carteret	36,974	27,840	1,296	52,377		18,643	6,856	3,161	147,147
Catawba Valley	43,324	1,536	53,718	123,106	27,205		59,003		307,892
Central Carolina	14,250	38,367	28,735	28,330	17,305	14,095	101,297	46,554	288,933
Central Piedmont	272,273		216,005	122,043	481,953	10,043	322,661	45,557	1,470,535
Cleveland	1,875			44,921	100,295		44,850	1,260	193,201
Coastal Carolina				70,652	110,242	25,490	38,678	31,964	277,026
Albemarle	5,268		15,000	49,069	69,543		58,480		197,360
Craven			73,770		29,273	10,731	38,492	4,320	156,586
Davidson County	4,846	33,486	52,462	52,901	69,747		2,736	65,399	281,577
Durham	53,709		38,016		50,082	51,440	45,680	40,950	279,877
Edgecombe	37,209		31,639		30,746		78,006	7,200	184,800
Fayetteville	110,112	96,452	37,055	97,807	9,431	8,629	177,044		536,530
Forsyth	112,218	22,106	103,561	1,300	64,031	62,000	72,040	82,449	519,705
Gaston	4,480	53,472	99,628	55,351	56,306	27,256	34,155	39,760	370,408
Guilford	131,184	58,331	88,732	183,012	17,100	42,529	113,092	101,600	735,580
Halifax				552	79,055	29,618	23,382	42,814	175,421
Haywood			26,164	126,276	24,456	28,817	71,417		277,130
Isothermal			57,962	40,620	79,256		42,219		220,057
James Sprunt	3,040	23,045	19,812	31,067	26,951	2,584	14,030	768	121,297
Johnston				64,364	22,159	23,957	82,421	21,326	214,227
Lenoir	34,880		100,530	17,776	87,255	1,680	24,162	4,749	271,032
Martin			50,196	93,955		14,440	70,840		229,431
Mayland				720	48,474	3,932	27,044	9,800	89,970
Mcdowell	3,875		30,884	33,959	2,944		23,300		94,962
Mitchell	145,816	9,470	26,349	11,411	61,177				254,223
Montgomery		2,360			64,090		8,362	1,536	76,348
Nash				64,955	22,519		70,325		157,799
Pamlico				39,598	600				40,198
Piedmont					90,229	11,796	15,461		117,486
Pitt	600	45,407	34,794	8,080	31,450	5,406	66,673	55,250	247,660
Randolph		34,932	21,461	38,759	88,649		38,103		221,904
Richmond	9,000	13,932	75,613	1,800	17,299		38,995		156,639
Roanoke-Chowan			8,379	51,624	24,169	6,000	45,749		135,921
Robeson				74,419	3,000		105,824		183,243
Rockingham			175,617	21,974	14,556		57,270	36,950	306,367
Rowan-Cabarrus	13,838	42,143	40,782	96,525			42,960		236,248
Sampson			2,381	36,566	16,499	5,000	57,200		117,646
Sandhills		112,152	10,838	12,676	52,061	21,641	61,232		270,600
Southeastern			105,048	10,832	27,457	18,448		17,924	179,709
Southwestern			27,000	22,376	26,450	29,453	90,163	1,761	197,203
Stanly	14,131			49,951	13,527	3,696	24,712	13,600	119,617
Surry			85,469	53,412	27,825		15,370	65,162	247,238
Tri-County	18,334	3,144	7,296	16,800	33,188		25,211		103,973
Vance-Granville		3,069		111,432	32,400	13,057	50,680	23,500	234,138
Wake Technical	32,150	45,226	41,050	38,526	49,380	40,860	179,178		426,370
Wayne		3,838	10,355		27,949		149,959	144,327	336,428
Western Piedmont			101,471	781	36,239	10,678	45,944	2,430	197,543
Wilkes		8,784	98,598		92,991	42,508	27,277	9,525	279,683
Wilson	27,384	21,320	40,100		58,976	12,800	5,160		165,740
Total	1,318,627	729,999	2,297,207	2,566,276	2,640,320	689,048	3,165,439	1,238,949	14,645,865

EXHIBIT 5-2
SUMMARY OF CURRENT NEEDS FOR R&R FUNDING
AS DETERMINED BY SEPTEMBER 1997 SURVEY
NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
(Amounts in Millions of Dollars)

Category of Need	Description	Amount Needed	% of Total
ADA Compliance	Elevators, Automatic Doors, Signage, Accessible Restrooms	$ 6,577,869	7.2%
Fire/Life Safety Code	Fire Alarms, Correcting Electrical Hazards Installing Sprinkler Systems	7,183,895	7.9%
Maintenance	Roofs, Chillers, Floor Coverings, Painting, Leaking Roofs, Window Replacement, etc.	37,781,426	41.3%
Improve Teaching Environment	Renovating Classrooms or Labs, Creating a Classroom out of Offices, Adding Raised Platform	27,272,525	29.8%
Improve Administrative Environment		5,871,089	6.4%
Adapt to Modern Technology	Wiring or Cabling for Information Highway, Unix, or Telecommunications	6,699,508	7.3%
Total		$91,386,312	100.0%

5.2 Analyses Conducted During Phase 3

As the problem of deferred maintenance became more widely recognized in colleges and universities across the nation, a number of study commissions addressed what could and should be done. Under the leadership of the National Association of College and University Business Officers (NACUBO) and the Association of Physical Plant Administrators (APPA), an industry standard or "best practice" for R&R funding has begun to emerge. The overall recommended rate for R&R funding tends to be in the range of 1.5 percent of building replacement value per year.

To explore the potential of using building replacement value as the driver variable in an R&R formula for the NCCCS, we identified data on this measure for the colleges that is regularly reported as part of the Higher Education Comprehensive Planning Program by the Commission on Higher Education Facilities in Chapel Hill. Upon closer

examination of this information, however, we found wide variance – with a range of more than two-to-one -- in the building replacement value per gross square foot across the colleges. These differences, which can be seen in Exhibit 5-3, are attributed to differences in the ages of the buildings, the cost bases for the buildings when they came into possession of the colleges, and similar factors.

For the purposes of an R&R funding model, we felt that the amounts reported by the Commission were not the most appropriate. For instance, we questioned the equity of funding one college at less than half the rate per square foot as for another college. Instead, we sought to identify a single rate that would apply to all colleges. Therefore, we developed an estimate of building replacement value per square foot that would apply to all colleges using a measure of current construction cost for similar facilities multiplied by total square feet per college. This estimate is shown in Exhibit 5-4.

5.3 Recommendation

We recommend an allocation model for R&R funds that, in aggregate, will provide annual funding at the approximate rate of 1.5 percent of building replacement value. To recognize that R&R needs are much greater for older buildings and almost non-existent for new facilities, however, we recommend a model that takes age of facilities into account. Our recommended model classifies buildings into four age categories, each with its own R&R funding rate:

Age Category	Factor
25 years old and older	2.0%
16 – 25 years old	1.5%
6 – 15 years old	1.0%
5 years old and younger	no R&R funding rate

EXHIBIT 5-3
RANGE IN CALCULATED REPLACEMENT VALUES PER REPORT BASED ON FALL 1996 BUILDING REPLACEMENT VALUE NORTH CAROLINA COMMUNITY COLLEGE SYSTEM

Institution	No. of Campus Buildings	Building Cost	Building Replacement Value	Gross Square Feet on Campus	Replacement Value per Gross Square Foot	Rank Order Replacement Value per GSF	
Pamlico	4	1,528,200	4,120,949	40,198	102.52	1	< High Value
Alamance	12	14,333,403	26,112,955	261,942	99.69	2	
Wayne	14	26,045,601	31,083,883	336,428	92.39	3	
Coastal Carolina	14	15,747,357	25,506,790	277,026	92.07	4	
Caldwell	11	12,706,846	23,493,560	256,658	91.54	5	
Mcdowell	7	3,961,452	8,491,300	94,962	89.42	6	
Vance-Granville	14	9,787,958	20,785,108	234,138	88.77	7	
Central Carolina	18	12,346,869	25,334,177	288,933	87.68	8	
Albemarle	11	8,020,940	17,214,386	197,360	87.22	9	
Mayland	9	4,109,136	7,828,665	89,970	87.01	10	
Western Piedmont	15	8,130,986	17,133,229	197,543	86.73	11	
Piedmont	11	5,610,180	10,189,066	117,486	86.73	12	
Carteret	16	4,161,853	12,651,111	147,147	85.98	13	
Pitt	29	12,420,676	20,900,642	247,660	84.39	14	< Upper Quartile
Cape Fear	11	5,712,637	22,349,339	267,517	83.54	15	< Upper Quartile
Guilford	27	29,986,830	61,422,755	735,580	83.50	16	
Brunswick	10	10,178,790	13,905,927	167,687	82.93	17	
Wilson	11	4,588,556	13,649,967	165,740	82.36	18	
Gaston	29	14,689,115	30,488,043	370,408	82.31	19	
Robeson	15	8,954,000	14,986,759	183,243	81.79	20	
Craven	14	6,757,343	12,622,145	156,586	80.61	21	
Cleveland	11	9,031,801	15,507,758	193,201	80.27	22	
Rowan-Cabarrus	12	7,501,016	18,753,144	236,248	79.38	23	
Richmond	9	4,984,574	12,399,290	156,639	79.16	24	
Asheville-Buncombe	18	19,016,333	37,011,845	467,968	79.09	25	
Catawba Valley	17	9,304,058	24,347,786	307,892	79.08	26	
Tri-County	15	3,925,673	8,157,667	103,973	78.46	27	
Davidson County	15	11,093,415	21,895,480	281,577	77.76	28	
Rockingham	14	11,742,103	23,769,323	306,367	77.58	29	< Median Value
Blue Ridge	13	11,319,049	17,917,820	232,467	77.08	30	< Median Value
Johnston	10	9,739,263	16,480,396	214,227	76.93	31	
Forsyth	19	16,833,943	39,956,752	519,705	76.88	32	
Southwestern	10	9,289,721	15,150,670	197,203	76.83	33	
Durham	13	11,419,308	21,440,192	279,877	76.61	34	
Roanoke-Chowan	8	5,165,869	10,409,031	135,921	76.58	35	
Sandhills	27	10,005,467	20,709,402	270,600	76.53	36	
Randolph	20	9,053,117	16,803,856	221,904	75.73	37	
Wake Technical	21	16,031,207	31,830,840	426,370	74.66	38	
Surry	12	10,426,615	18,455,965	247,238	74.65	39	
Isothermal	15	8,478,885	16,416,880	220,057	74.60	40	
Stanly	12	3,346,302	8,909,983	119,617	74.49	41	
Southeastern	15	5,387,404	13,334,329	179,709	74.20	42	
Edgecombe	10	6,848,700	13,600,868	184,800	73.60	43	
Beaufort County	10	7,970,608	13,114,457	178,973	73.28	44	
Lenoir	22	7,557,250	19,740,435	271,032	72.83	45	
Wilkes	26	8,373,130	19,796,027	279,683	70.78	46	
Sampson	9	4,797,302	8,284,199	117,646	70.42	47	
Mitchell	19	4,589,528	17,816,325	254,223	70.08	48	
Haywood	31	11,333,160	19,330,128	277,130	69.75	49	
Bladen	18	2,834,818	7,437,831	107,170	69.40	50	
James Sprunt	15	3,191,461	8,380,625	121,297	69.09	51	
Nash	7	7,004,055	10,865,950	157,799	68.86	52	
Fayetteville	28	16,120,005	36,580,282	536,530	68.18	53	
Anson	6	1,886,292	3,690,724	54,875	67.26	54	
Halifax	10	8,062,352	11,393,382	175,421	64.95	55	
Montgomery	10	2,521,126	4,835,464	76,348	63.33	56	
Central Piedmont	43	34,240,492	82,834,993	1,470,535	56.33	57	
Martin	13	4,891,455	11,585,449	229,431	50.50	58	< Low Value
TOTAL	885	555,095,585	1,119,216,304	14,645,865	76.42		< Mean Value

EXHIBIT 5-4
CURRENT CONSTRUCTION COSTS PER SQUARE FOOT FOR VARIOUS TYPES OF COMMUNITY COLLEGE BUILDINGS

Type of Facility		National Cost/SF
College Classroom	$	96.10
College Laboratory	$	152.65
Office	$	79.75
Library	$	98.15
Simple Average	$	106.66
North Carolina Cost Adjustment Factors		
Asheville		0.78
Charlotte		0.78
Greensboro		0.79
Raleigh		0.79
Wilmington		0.77
Winston-Salem		0.78
Simple Average		0.78
Estimated North Carolina Cost/SF for Community College Facilities	$	83.19

Source: 1998 RS Means, 19th Annual Edition

A simulation of an R&R allocation using the recent construction cost and age-based factors is shown in Exhibit 5-5.

We believe that this approach will more closely match the funding requirement for major repairs and renovation than a simpler model with a uniform 1.5 percent rate for all buildings.

EXHIBIT 5-5
NORTH CAROLINA COMMUNITY COLLEGES
R&R ALLOCATIONS GENERATED BY AGE CATEGORY OF SPACE

Name	Before 1962	1962-1966	1967-1971	1972-1976	1977-1981	1982-1986	1987-1991	1992-96	Total
Alamance	54,080	-	-	144,107	-	12,077	41,513	-	251,777
Anson	14,457	-	-	-	37,373	3,361	10,146	-	65,337
Asheville-Buncombe	134,327	42,572	160,465	-	108,404	10,269	90,760	-	546,797
Beaufort County	-	-	44,661	46,739	85,901	-	-	-	177,302
Bladen	11,929	-	45,359	50,613	17,869	3,372	11,484	-	140,626
Blue Ridge	-	-	-	88,626	24,769	18,166	42,001	-	173,562
Brunswick	55,429	-	-	-	-	12,675	69,984	-	138,089
Caldwell	-	-	105,403	103,558	4,991	16,467	23,797	-	254,217
Cape Fear	42,334	6,655	75,769	207,279	-	-	19,569	-	351,606
Carteret	61,517	46,320	2,156	65,359	-	15,509	5,704	-	196,565
Catawba Valley	72,082	2,556	89,376	153,618	33,948	-	49,085	-	400,664
Central Carolina	23,709	63,835	47,809	35,352	21,594	11,726	84,269	-	288,294
Central Piedmont	453,008	-	359,389	152,291	601,405	8,355	268,422	-	1,842,870
Cleveland	3,120	-	-	56,055	125,153	-	37,311	-	221,638
Coastal Carolina	-	-	-	88,163	137,565	21,205	32,176	-	279,110
Albemarle	8,765	-	24,957	61,231	86,779	-	48,650	-	230,381
Craven	-	-	122,739	-	36,528	8,927	32,021	-	200,215
Davidson County	8,063	55,714	87,286	66,013	87,034	-	2,276	-	306,385
Durham	89,361	-	63,251	-	62,495	42,793	38,001	-	295,901
Edgecombe	61,908	-	52,641	-	38,366	-	64,893	-	217,809
Fayetteville	183,204	160,477	61,652	122,048	11,768	7,178	147,283	-	693,612
Forsyth	186,708	36,780	172,305	1,622	79,901	51,578	59,930	-	588,824
Gaston	7,454	88,967	165,761	69,070	70,261	22,674	28,414	-	452,601
Guilford	218,264	97,051	147,632	228,372	21,338	35,380	94,081	-	842,118
Halifax	-	-	-	689	98,649	24,639	19,451	-	143,428
Haywood	-	-	43,532	157,574	30,517	23,973	59,412	-	315,007
Isothermal	-	-	96,437	50,688	98,900	-	35,122	-	281,146
James Sprunt	5,058	38,342	32,963	38,767	33,631	2,150	11,672	-	162,582
Johnston	-	-	-	80,317	27,651	19,930	68,566	-	196,464
Lenoir	58,033	-	167,262	22,182	108,881	1,398	20,100	-	377,856
Martin	-	-	83,516	117,242	-	12,013	58,932	-	271,702
Mayland	-	-	-	898	60,488	3,271	22,498	-	87,156
Mcdowell	6,447	-	51,385	42,376	3,674	-	19,383	-	123,265
Mitchell	242,609	15,756	43,839	14,239	76,340	-	-	-	392,783
Montgomery	-	3,927	-	-	79,975	-	6,956	-	90,858
Nash	-	-	-	81,054	28,100	-	58,503	-	167,658
Pamlico	-	-	-	49,412	749	-	-	-	50,161
Piedmont	-	-	-	-	112,592	9,813	12,862	-	135,267
Pitt	998	75,548	57,890	10,083	39,245	4,497	55,465	-	243,727
Randolph	-	58,120	35,707	48,365	110,621	-	31,698	-	284,511
Richmond	14,974	23,180	125,805	2,246	21,587	-	32,440	-	220,232
Roanoke-Chowan	-	-	13,941	64,419	30,159	4,991	38,059	-	151,569
Robeson	-	-	-	92,864	3,744	-	88,035	-	184,642
Rockingham	-	-	292,192	27,420	18,164	-	47,643	-	385,418
Rowan-Cabarrus	23,024	70,118	67,853	120,449	-	-	35,738	-	317,181
Sampson	-	-	3,962	45,629	20,588	4,160	47,585	-	121,923
Sandhills	-	186,598	18,032	15,818	64,964	18,003	50,939	-	354,355
Southeastern	-	-	174,779	13,517	34,262	15,347	-	-	237,905
Southwestern	-	-	44,923	27,922	33,006	24,502	75,007	-	205,359
Stanly	23,511	-	-	62,331	16,880	3,075	20,558	-	126,355
Surry	-	-	142,203	66,650	34,721	-	12,786	-	256,361
Tri-County	30,504	5,231	12,139	20,964	41,414	-	20,973	-	131,225
Vance-Granville	-	5,106	-	139,050	40,430	10,862	42,161	-	237,610
Wake Technical	53,491	75,247	68,299	48,075	61,619	33,991	149,058	-	489,780
Wayne	-	6,386	17,229	-	34,876	-	124,751	-	183,241
Western Piedmont	-	-	168,827	975	45,221	8,883	38,221	-	262,127
Wilkes	-	14,615	164,047	-	116,039	35,362	22,692	-	352,755
Wilson	45,561	35,472	66,718	-	73,593	10,648	4,293	-	236,286
Total	2,193,932	1,214,572	3,822,093	3,202,328	3,294,723	573,219	2,633,329	-	16,934,195

6.0 CONCLUSIONS AND NEXT STEPS

6.0 CONCLUSIONS AND NEXT STEPS

6.1 Summary of Phase 3 Recommendations

The preceding document is the third major report that we have developed for the State Board concerning the budget formulas its uses to request funding for and allocate state appropriations to the 58 community colleges. In the reports for the two previous phases, we have recommended that occupational extension instruction be funded at parity with curriculum instruction (see the phase 1 report) and that the formulas used both for instruction programs and for instructional and administrative support include elements that recognize the special funding requirements of smaller colleges (see the phase 2 report).

The current report contains recommendations in four areas. Three areas have also been the subjects of analyses in the previous reports (e.g., funding stability, sliding scale for occupational extension, and equipment) while the fourth area (e.g., repairs and renovations) was discussed for the first time in this report.

Our recommendation for funding stability includes both near-term and longer-term components. Effective with the 1999-2000 fiscal year, we recommend that the funding stability provision change from the current 3/5 rule to a 2/3 rule. Under this approach, a college's funding level would be unaffected as long as its actual FTE enrollment stayed within a corridor between 2 percent above and 3 percent below its budgeted FTE. The only effect of this recommendation is to tighten the corridor by one percent and two percent, respectively, at the upper and lower boundaries from the current 3 percent above to 5 percent below range. Importantly, we view the movement from the 3/5 rule to a 2/3 rule as an intermediate step. Our longer-term recommendation is for a modified 3-year rolling average, whereby funding would be based on the greater of current actual FTE enrollment or the rolling average of the three most recent fiscal years.

Regarding the use of the sliding scale in the occupational extension formula, we reaffirm our earlier recommendation that state appropriations for occupational extension and curriculum instruction should be at parity with one another. Just as with curriculum instruction, we believe that the first 500 FTE students at all colleges should be funded with a lower student-to-faculty ratio to reflect the difficulty that all colleges face in their efforts to provide a full, responsive array of programs in their service areas.

Our recommendation for a revised equipment allocation formula builds from the current approach but differs in at least one significant way. Unlike the current formula, our proposal would not consider depreciation expense – a major feature of the current model that we believe has contributed to inequities among colleges with differing capacities in the past to build a sizeable equipment inventory. Instead, our recommendation calls for a base allotment of $100,000 per college; a special allotment for a limited number of previously recognized, especially high cost programs; with the remainder of the allocation on the basis of equipment FTE enrollment (E-FTE) whereby high equipment intensity programs generate more funding per student than other programs.

The final recommendation calls for the establishment of a new formula for requesting and allocating state appropriations for repairs and renovations (R&R). The proposed formula is generally based on the industry standard that calls for R&R to be funded at 1.5 percent of building replacement value per year. However, our proposal recognizes the greater R&R requirements of older buildings and the minimal needs for new facilities by weighting square feet by age. We believe that state funding for R&R will be an issue of critical importance in the coming years.

6.2 Topics for Further Development

During the coming months, we expect to continue to work with the State Board and System staff on formula-related issues. At the request of the Funding Study Advisory Committee, our next effort will be to compile a comprehensive summary of the first three phases. The Committee feels that a new document that will consolidate all recommendations in a single volume will be valuable in communicating formula changes with those colleges that have not been actively involved in the funding study.

We also expect to undertake a more detailed review of the current library formula with the goal of creating an expanded instructional resources formula. This effort not only would address concerns with the current library formula, but also would lead to a new formula that is more reflective of new computer and telecommunications-based technologies that are changing the demands placed on college libraries today.

We also expect to begin a thorough review of the capital outlay formula for new construction. The Presidents' Association plans to appoint a new committee to work with the System staff and us in a joint effort to develop a new formula that can be used in preparing the budget request for 1999-2000.

Finally, we stand ready to work with the State Board and System on any additional formula-related issues that are identified by the General Assembly during its short session over the next few months.

The LEWIN GROUP

University of North Carolina
&
University of North Carolina Hospitals

Report to the
Joint Legislative Education Oversight Committee

April 15, 1998
Chapel Hill, NC

Fairfax, Virginia
San Francisco, California
Cambridge, Massachusetts

4-22-98
#4A
Lewin

The Charge to the Board of Governors

- In the 1997 legislative session, the General Assembly of the State of North Carolina charged the Board of Governors of The University of North Carolina to study
  - "the impact, if any, that reductions in General Fund operating support have had on UNC Hospitals at Chapel Hill, the hospitals' ability to serve and treat indigent patients, and the impact that continuing those same cuts may or may not have."
  - "In conducting the study the Board shall consider the impacts of managed care, federal reimbursement for Medicare and Medicaid, and increased competition in the health care industry on the Hospitals' ability to generate sufficient revenues to carry out its missions for medical education and quality health care."

The findings and recommendations of the Board of Governors are to be reported to the Joint Legislative Education Oversight Committee by April 15, 1998

Historical Information

UNCH has emerged as North Carolina's only state-owned acute care hospital, but with increasing operating and fiscal autonomy

UNCH's history can be divided into four phases:

- **1948-1970**: UNCH was created as part of the University of North Carolina (UNC) for the purpose of establishing a statewide system of healthcare and allowing the UNC School of Medicine to develop a four year physician education program to assure qualified health providers for the entire state.

- **1971-1990**: UNCH became a separate operating division within the state university system, with its own statutory Board of Directors and expectations of improved efficiency, competitiveness, and fiscal viability. The improved management this afforded substantially increased UNCH's benefit to the state during this period.

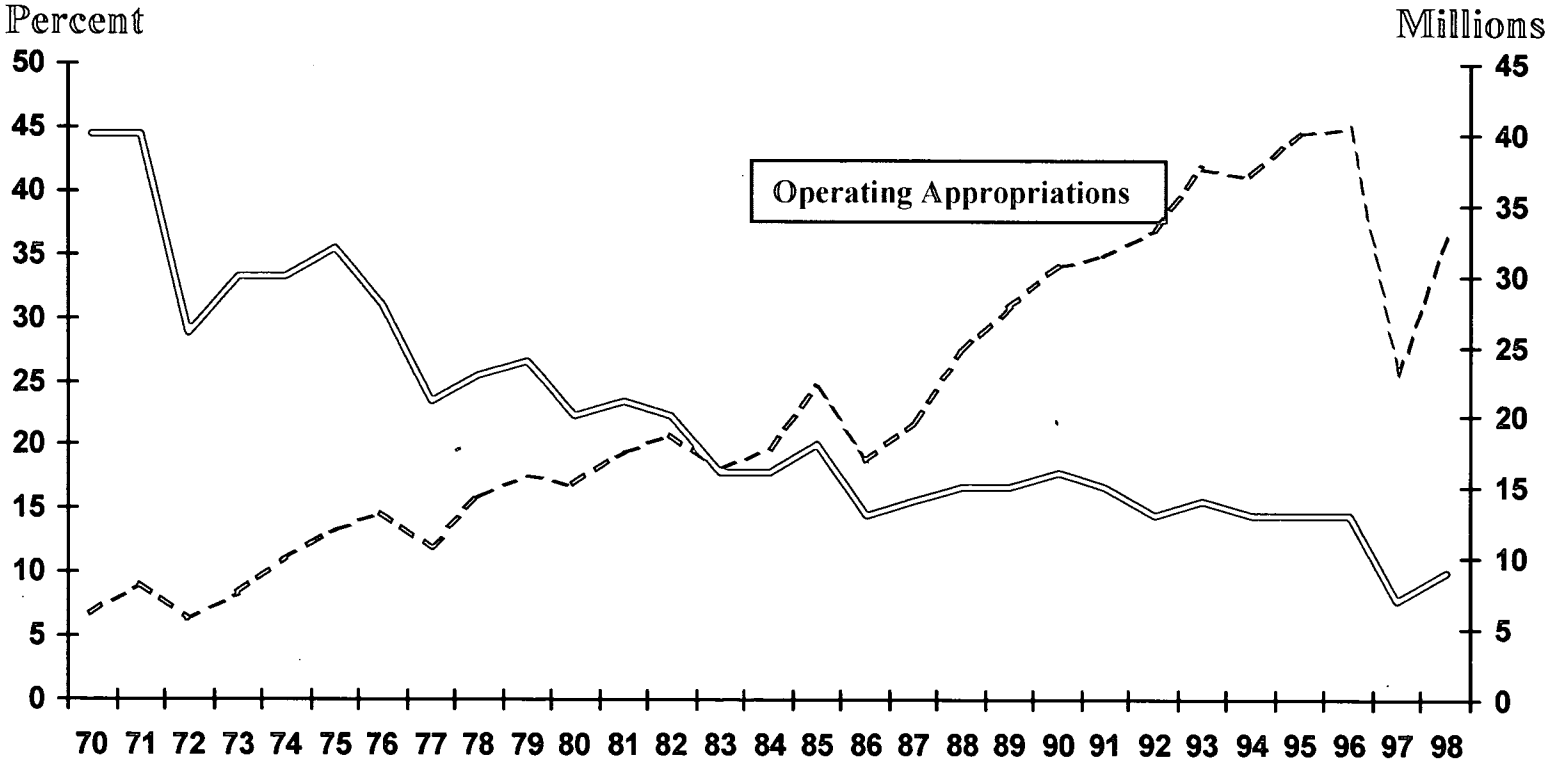
UNCH has emerged as North Carolina's only state-owned acute care hospital, but with increasing operating and fiscal autonomy (cont.)

UNCH's history can be divided into four phases:

- **1990-1996**: The Governor of North Carolina exercised his statutory authority to create an "enterprise fund" allowing the hospital to retain its earnings and develop creditworthiness in its own right. Since 1990, UNCH has twice gone to the bond market and has obtained $193M with which to improve its facilities and services.

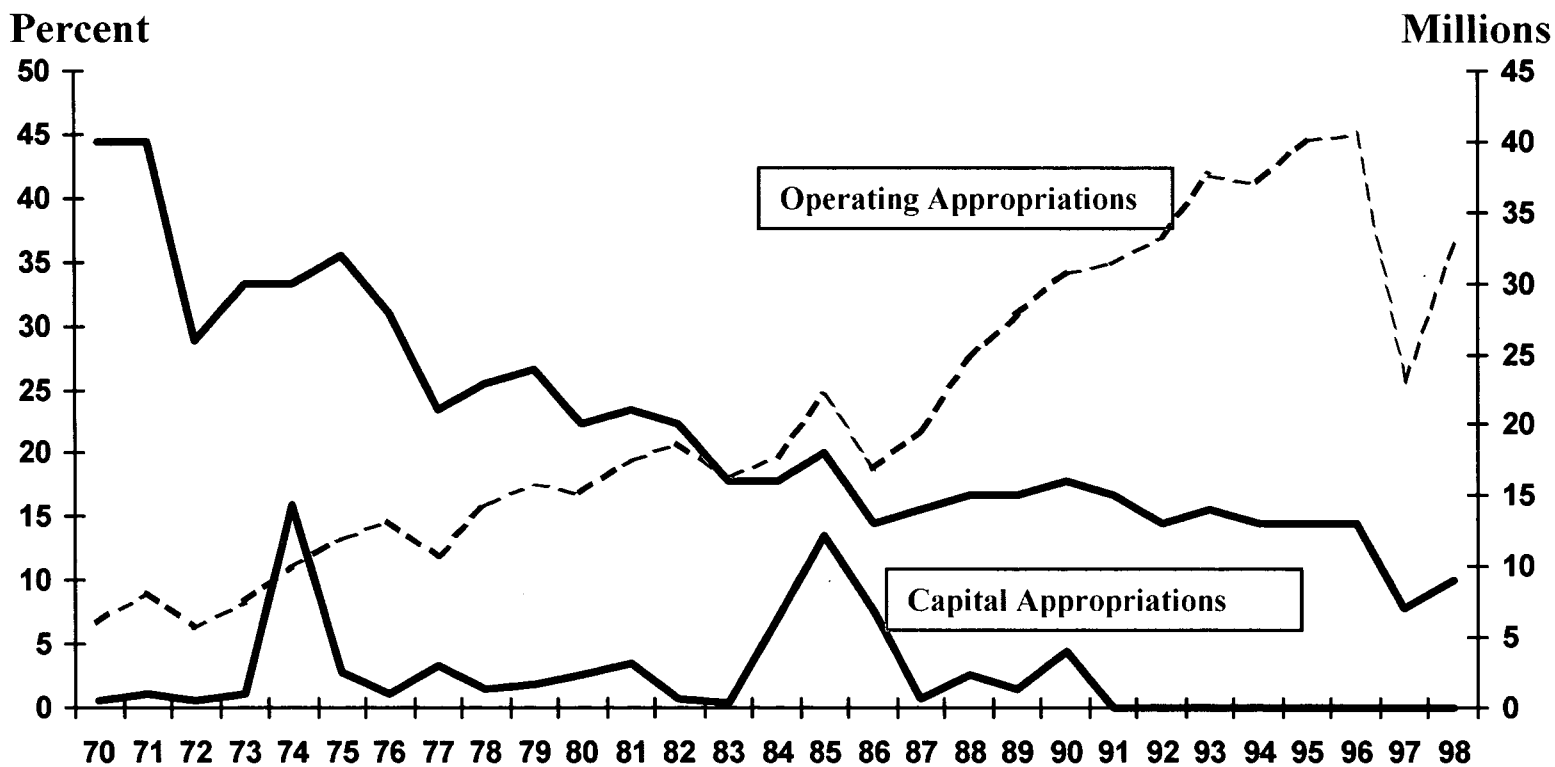
- **1997-1998**: In 1997, the General Assembly imposed a $19M (43%) non-recurring reduction in the appropriation from $45M to $26M; and then enacted a recurring appropriation level of $36M, where it stands today. At the same time the General Assembly provided UNCH with an increase in relief from the state sales tax worth about $4.1M per year.

The operating appropriation has increased in amount (until 1997) but has steadily decreased as a percent of UNCH's operating expense



The hospital has become increasingly efficient at leveraging the state's investment to provide substantial improvements in service and education. The appropriation in 1998 is less than 10% of the operating expense of the hospital, and the state has not provided a capital appropriation for UNCH since 1990

No capital appropriation has been made since 1990



The Benefits Provided By UNCH

The primary intentions of the state in creating the university hospital were:

- To provide a statewide **system of high quality and sophisticated health services for all residents, regardless of ability to pay,** particularly given the growing numbers of uninsured and underinsured throughout the state
- **To support the UNC School of Medicine's educational programs** (with patients and funds), to meet the state's medical workforce needs for primary care and specialty physicians

Other benefits to the state result from UNCH's ability to leverage state support

- **Support for biomedical research programs** for UNC and its School of Medicine, fueling leadership in research and attracting world class faculty
- **Direct economic benefits** from UNCH as a major North Carolina employer and consumer
- Ability to obtain **capital financing from private equity markets** *(capital appropriations by the state ended in 1990 while the hospital has acquired capital assets of $253M primarily for the Neuroscience Hospital, North Carolina Children's Hospital, North Carolina Women's Hospital and routine equipment and facility renovation and replacement)*
- Moreover -- since 1990, UNCH has provided statewide tertiary and specialty services, charity care, educational support for UNC and its research and, in addition, the state has seen the net worth of UNCH grow by more than the sum of these appropriations (generating a return on its "investment" of 4.8% per year)

UNCH provides a **statewide system of health services** to all residents as evidenced by non-local use of its 15 clinical "centers of excellence"

Burn center[1] *(78% outside MSA)*	**Heart disease** *(50% outside MSA)*	**Neurosciences** *(45% outside MSA)*
Clinical Cancer center *(61% outside MSA)*	**Hemophilia** *(71% outside MSA)*	**Organ transplant** *(80% outside MSA)*
Cystic fibrosis *(55% outside MSA)*	**High risk OB** *(47% outside MSA)*	**Otolaryngology (ENT)** *(63% outside MSA)*
Children's programs *(49% outside MSA)*	**Neonatal intensive care unit (NICU)** *(53% outside MSA)*	**Pediatric surgery** *(68% outside MSA)*
Digestive diseases *(54% outside MSA)*	**Nephrology** *(59% outside MSA)*	**Trauma** *(67% outside MSA)*

[1]**The next closest burn center is located in Richmond, VA.**

Maintaining these specialized services in the state hospital assures access to high quality services for all state residents

Access to this statewide system of care by the uninsured is assured by UNCH's unrestricted admission policy

- "It is the purpose of the University of North Carolina Hospitals to provide the citizens and physicians of North Carolina a referral medical service program....*Medical services are provided to all persons from North Carolina based on the need for the services and not upon the patient's ability to pay.*"
- Other major providers are more locally focused - UNCH provided unreimbursed care to residents of all 100 North Carolina counties in 1997.

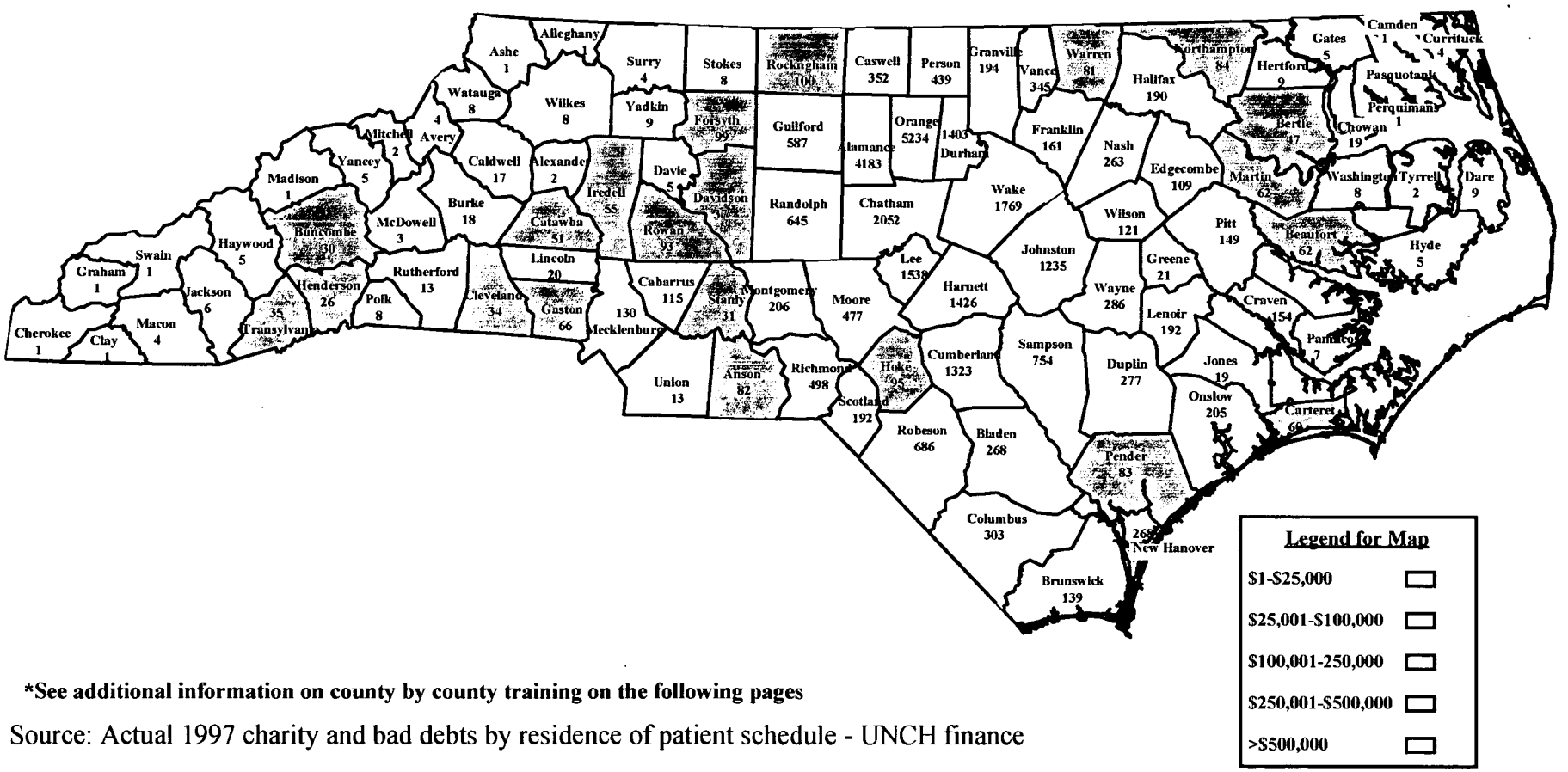
The shrinking inpatient healthcare market is creating fiscal pressures on providers - weakening the public "safety net" that assures care to those unable to pay. The University of North Carolina Hospitals admission policy provides care to all residents of the state - regardless of their ability to pay

UNCH's commitments to tertiary services and access have made it **the number one provider of uninsured care in North Carolina**

- According to the North Carolina Hospital Association database, UNCH delivered more care to uninsured people than any other acute care institution in North Carolina
- Approximately two-thirds (63%) of UNCH's uncompensated care was delivered to residents outside of the Raleigh Durham Metropolitan Statistical Area
- In total, the value of uncompensated care provided to residents of the state of North Carolina in 1997 by UNCH equaled $31.8M, and the UNCH medical staff provided an additional $7M in uncompensated physician care in 1997 *(these figures are stated at cost, not discounts from charges)*

University of North Carolina Hospitals - distribution of un-reimbursed care

(by County of residence)



***See additional information on county by county training on the following pages**

Source: Actual 1997 charity and bad debts by residence of patient schedule - UNCH finance

The benefit of the investment in University of North Carolina Hospitals by county ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Grand Total	**484,465**	**31,840**	**9%**	**100%**	**23%**	**10%**
Orange	80,913	5,234	9%	16%	64%	23%
Chatham	31,556	2,052	9%	6%	69%	19%
Wake	40,518	1,769	6%	6%	30%	15%
Franklin	2,350	161	9%	1%	25%	10%
Durham	26,186	1,403	7%	4%	16%	14%
Johnston	14,246	1,235	12%	4%	19%	13%
Subtotal MSA - Research Triangle	**195,770**	**11,854**	**8%**	**37%**	**34%**	**16%**
Lee	19,248	1,538	11%	5%	25%	13%
Alamance	41,630	4,183	14%	13%	36%	18%
Guilford	9,222	587	9%	2%	26%	11%
Hamett	15,764	1,426	12%	4%	13%	12%
Randolph	9,145	645	10%	2%	19%	13%
Sampson	10,023	754	10%	2%	24%	8%
Subtotal (12 county primary service area)	**300,801**	**20,987**	**9%**	**66%**	**32%**	**14%**
Alexander	44	2	8%	0%	25%	12%
Alleghany	58	1	3%	0%	9%	10%
Anson	1,298	82	9%	0%	16%	8%
Ashe	175	1	1%	0%	19%	10%
Avery	156	4	3%	0%	7%	11%
Beaufort	797	62	11%	0%	35%	9%
Bertie	127	47	50%	0%	40%	11%
Bladen	3,593	268	10%	1%	35%	6%
Brunswick	2,361	139	8%	0%	7%	14%
Buncombe	1,468	30	3%	0%	17%	5%
Burke	365	18	7%	0%	14%	8%
Cabarrus	644	115	24%	0%	18%	9%
Caldwell	476	17	5%	0%	11%	13%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Camden	36	1	5%	0%	50%	8%
Carteret	1,673	60	5%	0%	29%	11%
Caswell	5,103	352	9%	1%	40%	12%
Catawba	789	51	9%	0%	20%	11%
Cherokee	26	0	0%	0%	10%	5%
Chowan	281	19	9%	0%	12%	12%
Clay	6	1	14%	0%	17%	5%
Cleveland	995	34	5%	0%	14%	9%
Columbus	3,939	303	10%	1%	19%	9%
Craven	2,150	154	10%	0%	24%	8%
Cumberland	21,574	1,323	8%	4%	16%	8%
Currituck	30	4	19%	0%	33%	7%
Dare	446	9	3%	0%	0%	10%
Davidson	1,269	37	4%	0%	23%	9%
Davie	220	5	3%	0%	10%	10%
Duplin	3,575	277	10%	1%	23%	12%
Edgecombe	2,615	109	6%	0%	31%	10%
Forsyth	2,851	99	5%	0%	14%	9%
Gaston	1,708	66	5%	0%	18%	10%
Gates	172	5	4%	0%	100%	4%
Graham	40	0	0%	0%	17%	5%
Granville	4,320	194	6%	1%	14%	11%
Greene	86	21	32%	0%	0%	14%
Halifax	4,430	190	6%	1%	20%	10%
Haywood	81	5	8%	0%	16%	9%
Henderson	682	26	5%	0%	14%	6%
Hertford	706	9	2%	0%	14%	13%
Hoke	1,771	95	7%	0%	10%	12%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

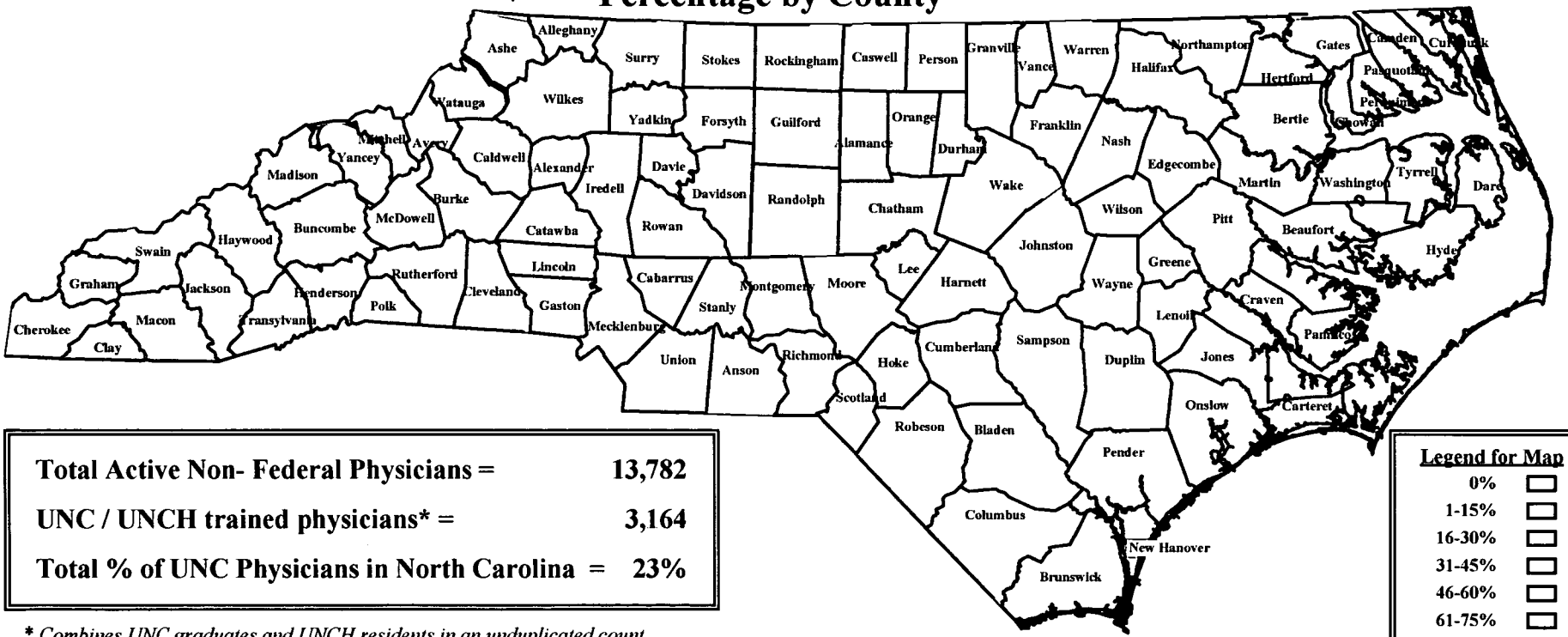
UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists
Hyde	84	5	8%	0%	100%	5%
Iredell	321	55	23%	0%	22%	8%
Jackson	132	6	6%	0%	13%	5%
Jones	277	19	9%	0%	21%	11%
Lenoir	2,594	192	10%	1%	29%	12%
Lincoln	306	20	9%	0%	13%	14%
Macon	116	4	5%	0%	10%	8%
Madison	708	1	0%	0%	17%	3%
Martin	647	62	13%	0%	44%	13%
Mcdowell	278	3	2%	0%	10%	12%
Mecklenburg	3,135	130	6%	0%	18%	8%
Mitchell	15	2	18%	0%	14%	9%
Montgomery	2,771	206	10%	1%	20%	12%
Moore	8,483	477	8%	1%	21%	8%
Nash	4,832	263	7%	1%	21%	11%
New Hanover	7,673	268	5%	1%	26%	10%
Northampton	1,890	84	6%	0%	0%	10%
Onslow	4,015	205	7%	1%	13%	7%
Pamlico	141	7	7%	0%	100%	15%
Pasquotank	254	5	3%	0%	14%	6%
Pender	2,331	83	5%	0%	25%	10%
Perquimans	31	1	6%	0%	100%	20%
Person	5,376	439	11%	1%	25%	18%
Pitt	1,801	149	11%	0%	17%	7%
Polk	200	8	5%	0%	5%	5%
Richmond	8,173	498	8%	2%	12%	7%
Robeson	10,735	686	9%	2%	23%	11%
Rockingham	2,007	100	7%	0%	13%	12%

The benefit of the investment in University of North Carolina Hospitals by county (cont.) ($000s)

UNC Hospitals Uncompensated Care by County at Cost Fiscal Year Ending June 30, 1997 County	UNCH County Revenue at Charges	Uncompensated Care by County (at cost)	% of Revenue Written off as Uncompensated	Percent of UNCH's Total Uncomp. Care	UNC/ UNCH Trained MD's as % of Total Within Each County	UNC / UNCH Other Health Professionals * as % of Total (Dentists, Nurses, Pharmacists, Hygenicists)
Rowan	831	93	15%	0%	21%	8%
Rutherford	804	13	2%	0%	22%	10%
Scotland	3,292	192	8%	1%	30%	10%
Stanly	433	31	10%	0%	10%	11%
Stokes	165	8	7%	0%	0%	11%
Surry	412	4	1%	0%	14%	11%
Swain	405	1	0%	0%	18%	7%
Transylvania	389	35	12%	0%	14%	7%
Tyrrell	46	2	5%	0%	0%	8%
Union	430	13	4%	0%	25%	9%
Vance	5,426	345	9%	1%	27%	15%
Warren	1,823	81	6%	0%	11%	16%
Washington	122	8	9%	0%	0%	11%
Watauga	330	8	3%	0%	21%	8%
Wayne	4,683	286	8%	1%	24%	9%
Wilkes	682	8	2%	0%	16%	8%
Wilson	3,341	121	5%	0%	29%	12%
Yadkin	253	9	5%	0%	5%	12%
Yancey	47	5	14%	0%	36%	11%
Rest of State (outside primary service area)	**166,380**	**9,478**	**8%**	**30%**	**18%**	**9%**
Out of State Total	17,284	1,375	11%	4%		
Grand total	**484,465**	**31,840**	**9%**	**100%**	**23%**	**10%**

Clinical Support for Educational Programs - UNCH & UNC have trained 23% of active North Carolina physicians - distributed throughout the state

North Carolina
Active Physicians Trained by UNC/UNCH
Percentage by County



Total Active Non- Federal Physicians =	13,782
UNC / UNCH trained physicians* =	3,164
Total % of UNC Physicians in North Carolina =	23%

Legend for Map
- 0%
- 1-15%
- 16-30%
- 31-45%
- 46-60%
- 61-75%
- 76-100%

** Combines UNC graduates and UNCH residents in an unduplicated count*

Source: Alumni Affairs Data, 2/14/96 and NC Health Professions Data System: 1996 Physicians, Sheps Center.

UNC/UNCH trained 50% of the MDs in the 10 counties with the fewest MDs

Clinical Support for other health professionals' education is also provided by UNCH

Professional Title	UNC Trained Graduate Professionals	Total State Wide Professionals	Percent UNC Trained
Dentists *	1,738	2,900	60%
Pharmacists	3,801	6,172	62%
Registered Nurses	1,858	63,240	3%
Dental Hygienists	486	3,079	16%

*** Note that UNC provides the <u>only</u> training program in the state for this profession**

UNCH as the sponsor for clinical clerkship and residency programs **directly supports undergraduate and graduate medical education costs**

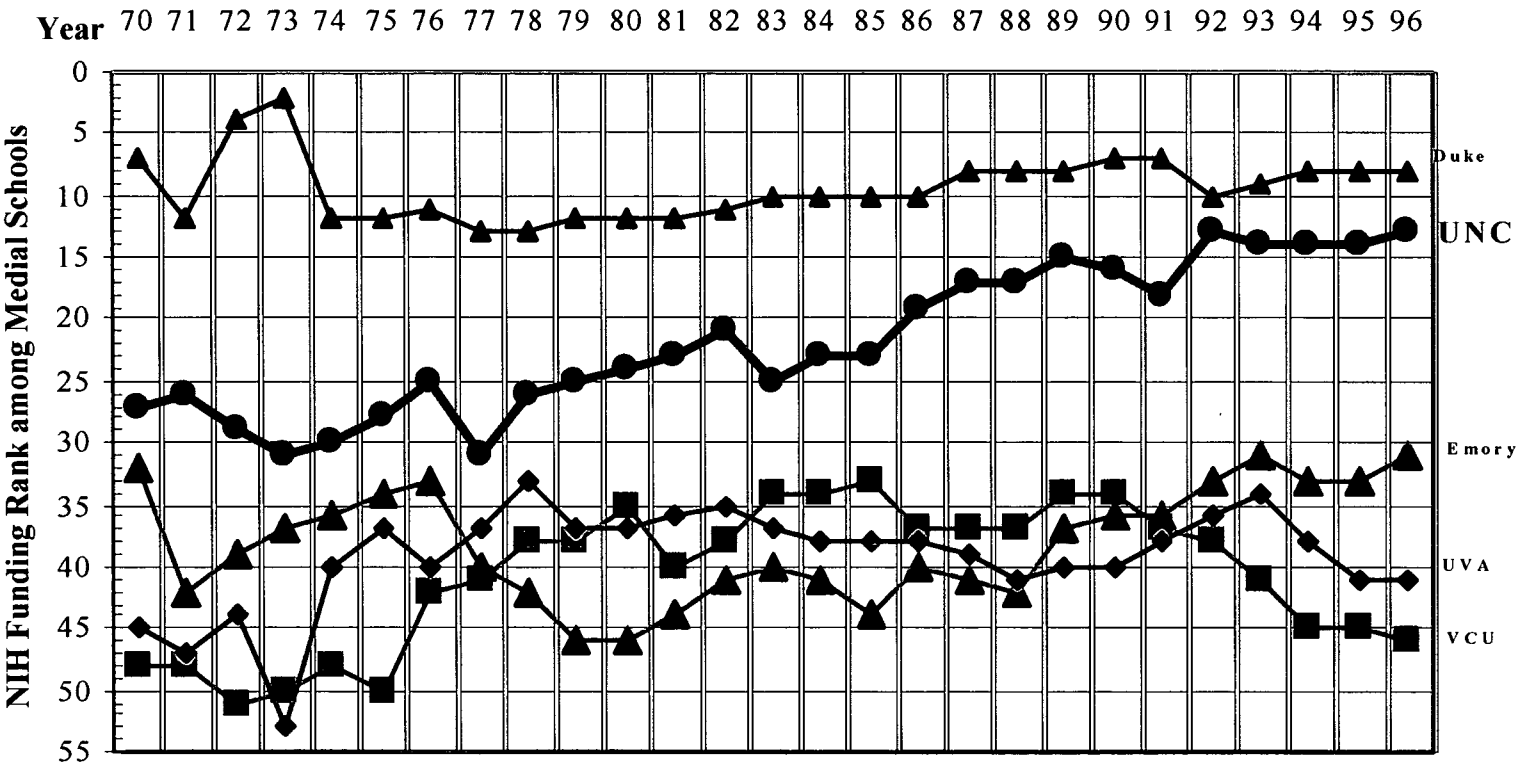
- Undergraduate education - UNCH serves as the principal facility for clerkships and undergraduate rotations for over 600 health sciences students; including medical, nursing, dentistry and pharmacy. The cost for these programs (in terms of increased operating and clinical costs) is not reimbursed to UNCH by Medicare, Medicaid, or commercial insurers
- In 1996-97, the 320 third and fourth year students collectively spent 7,247 weeks (approximately half of their time) within UNCH - gaining clinical experience
- Graduate medical education of physicians has a net cost of $3.3M
  - All UNCH residency programs are sponsored and primarily paid for by UNCH - not the UNC School of Medicine
  - 1997 Direct Medical Education costs of $19.3M per year were only partially offset by $16M of payments received from Medicare, AHEC, and other sources leaving a direct graduate medical education loss of $3.3M in 1997
  - UNCH's support for medical student education is both extensive and effective, but difficult to quantify precisely

The UNC School of Medicine's success depends on the success of UNCH - and the Hospital's success depends on the UNC School of Medicine

- The hospital, its patients, and its facilities are essential to providing teaching cases for medical students and residents and for attracting faculty, and the faculty with their expertise and reputation are essential to the hospital centers of excellence
- Hospital resources and facilities are essential to attracting clinical research funding. UNCH-SOM research grants in 1997 provided $28M in overhead recovery to the University; roughly 55% of the Chapel Hill campus' total
- Providing indigent care requires physicians willing to provide the care (residents and faculty) as well as support from a viable facility
- Clinical earnings potential is a significant factor in faculty recruitment, and earnings are heavily dependent on hospital reputation and service delivery
- The Hospital also directly supports research [e.g. general clinical research center through annual funding ($.2M) and capital investment ($1M)]

Maintaining the "critical mass" of the clinical enterprise is a basic requirement to academic training. Some actions acceptable to community facilities (such as eliminating unprofitable programs) might be precluded at UNCH by the need to provide a wide range of clinical experience to students

The UNC SOM and its clinical partner UNCH have been increasingly effective in attracting **NIH and other research funding** to the state



The UNC School of Medicine ranks as the fifth highest public school in NIH funding at over $100M annually, as well as attracting $25M in industry funding, which is primarily clinical in nature

UNCH operations also provide **general economic benefits** to the state

- UNCH employs 4,745 individuals - 4,660 are state residents
- UNCH employees pay ~$8.25M a year in state income taxes - on UNCH wages of $155M
- UNCH expenditures to North Carolina individuals and firms for goods and services exceed $100M annually.
  - To estimate the indirect economic impact of these expenditures, an economic multiplier of 2.0 can be applied to these expenditures resulting in an estimated aggregate direct and indirect effect on the state economy in excess of $765M
  - This is without considering UNCH's impact on attracting dollars to the UNC economy through tuition and/or research

UNCH as a healthy and successful state hospital is a major employer and purchaser in the state

Since 1990 UNCH has become self funding with respect to capital needs - no longer requiring state appropriations

- The capital expenditures of UNCH since 1990 total $253M - UNCH issued bonds to finance $193M and generated the remaining $60M from successful operations
- The Hospital currently maintains an attractive "Aa" bond rating as a result of strong operating performance - allowing it access to private capital markets at attractive rates
- The state has benefited by not having to supply capital improvement dollars <u>and</u> by being able to fund a declining percentage of operating expense, while providing specialized services, indigent care access, educational support, research support, and manpower through the hospital's operating success

Conversion of UNCH to an "enterprise fund" and the retention of "reserves" has allowed the state to obtain increasing operating benefits without directly funding capital needs

The financial return to the state has improved with each UNCH restructuring

(in $Millions)

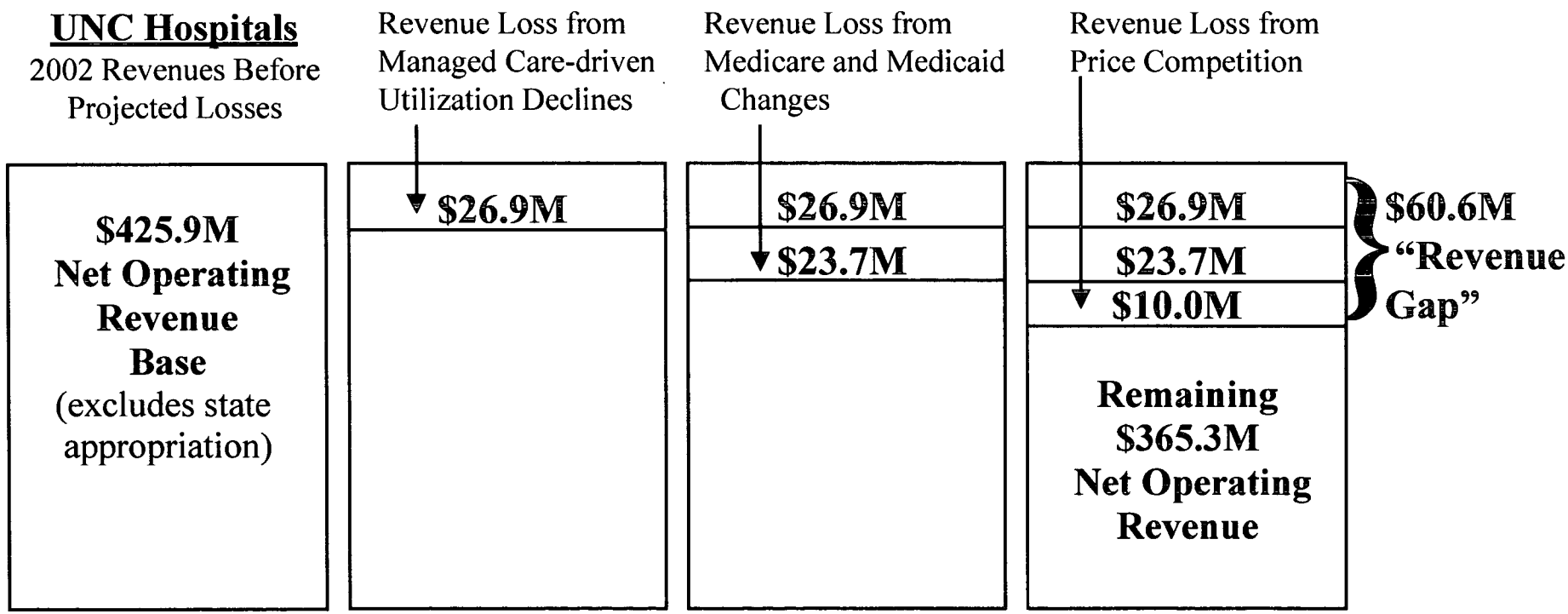
	1948-69	1970-1989	1990-1997
Cumulative State Appropriation During Period	NA	$ 477	$ 270
Hospital Net Worth @ end of period	$ -	$ 170	$ 483
Increase in net worth within period	NA	$ 170	$ 313

In the 1990 - 1997 period, the state got the benefit of service availability (special services - centers of excellence, and indigent care) and educational support at no net cost - and got a 4.8% average annual return on its $270M investment

The Future, However, Presents Some Serious Perils, Especially for Academic Medical Centers and Public "Safety Net" Hospitals

Principal threats are from managed care,
competition and consolidation, and
Medicaid and Medicare reimbursement changes

The Lewin Group projected UNCH losses from Medicare, Medicaid, and market threats in the year 2002



A $60.6 million reduction in UNCH net operating revenue is projected (14.2% of the current base revenue) - assuming that UNCH can perform as well as the average hospital in the Chapel Hill environment.

The assumptions used are conservative in nature - changes in these assumptions would result in the following:

- Market share:
  - Decreasing the UNCH share of all admissions by 5% will decrease UNCH revenue by $80M
  - Decreasing the UNCH share of commercial admissions by 5% will decrease UNCH revenue by $42M
- Managed care (HMO) penetration:
  - Increasing the managed care penetration by 5% will decrease revenue by $2M
- Price:
  - Decreasing the payment from all insurers by 1% annually will decrease revenue in 2002 by $10M

Note: For more detail please refer to Appendix I

The California experience reveals the vulnerability of Academic Medical Centers in particular to declines in inpatient utilization

- 1990-1995 California discharge data were reviewed to assess the distribution of volume declines between academic medical centers and community hospitals as managed care and other pressures produced service volume declines
- The average institution in California lost 8% of its admissions and 3% of its patient days during this period (controlling for population growth)
  - **The Academic Medical Centers as a group lost 21% of their admissions and 23% of their patient days**,
  - while generally more flexible community hospitals fared better - losing only 7% of their admissions and 1% of their patient days

UNCH is currently doing well in its management of operating cost vs. other Academic Medical Centers, but is more costly than community hospitals

- In a 1997 management engineering study of 40 hospitals primarily affiliated with state institutions, UNCH compares favorably:
  - "total operating expense per discharge" (Medicare case mix adjusted) is lower than 75% of the participating AMCs
  - The number of paid full time equivalents per occupied bed (3.85) was lower than 75% of the group
- But a review of 1995 Medicare cost per discharge at community facilities shows that UNCH and Duke had nearly identical non-teaching operating costs - and both are about 30% higher than other community hospitals with less commitment to education
- While UNCH is doing well relative to academic facilities, it will face a substantial challenge - just to hold its existing market share in a price competitive market

Currently, UNCH is competitively handicapped in several areas

- Personnel restrictions in regard to classification, compensation, and incentive systems
- Procurement procedures that add time and inflexibility, especially where "lowest bidder" may be an inappropriate choice (e.g. medical equipment or services)
- Construction management / procurement requirements also add time and cost; and complicate management of multiple contractors
- Obstacles to structuring strategic alliances with other providers
- Disclosure requirements place UNCH at a disadvantage in competing with private sector players who are not subject to such requirements

Evaluating the Impact of Appropriation Reductions

The 1997 and 1998 appropriation reductions have had a material impact on UNCH's long-term ability to carry out its mission

- The 1997 reduction of $20M in appropriation did substantially affect the operating profitability, the cash balance on hand, and, accordingly, management flexibility
- In fact, in 1997, had it not been for the appropriation and interest on the current reserves, UNCH's margin would have all but disappeared
- As a result, key financial ratios deteriorated and fell below the threshold for "Aa" bond rating as shown in the table that follows
- While access to capital has not yet been affected by these declines, both rating agencies have asked for assurances that this was a one time reduction, and not expected to be the long term pattern regarding state support

As projected Medicare, Medicaid and market changes reduce UNCH's revenue, appropriations become even more important to sustain its mission

- Even if UNCH maintains its current market share, the projected $60.6M of revenue reduction by 2002 will result in an estimated $56M operating loss in 2002, (before the appropriation)
- If the costs of indigent care and educational support are absorbed without state assistance, UNCH will have to:
  - suffer a reduction in its credit standing (with negative impacts on its access to and cost of borrowing, and on the value of bonds currently held by North Carolinians),
  - cut back on its programs,
  - weaken its ability to compete for insured patients, or
  - some combination of the three

As other hospitals are faced with market challenges, they may reduce commitments to indigent care or education - compounding the negative effect on UNCH

Even with a fully restored appropriation, the hospital will face a considerable challenge in order to produce outcomes comparable to 1996 or 1997

University of North Carolina Hospitals - Projected Financial Results

(in nominal $ - with constant market share)

	1996	1997	2002	
Net Patient Service / Operating Revenue	$355	$367	$365	*
Operating Expense - (other than interest)	$341	$363	$428	**
Income from Operations (before appropriation & interest)	**$14**	**$4**	**($63)**	
Non Operating Gains (Interest Income - net of interest expense)	$19	$22	$13	
Subtotal Operating and Non Operating Before Appropriation	**$33**	**$26**	**($50)**	
Appropriation	$45	$26	$46	
Bottom Line	**$78**	**$52**	**($4)**	
Additional Required to match 1997 Bottom Line			**$56**	

* Revenue in 2002 is the 1997 revenue inflated by 3% annually, net of the projected $60.6M Price, Policy and Utilization loss

** Expense in 2002 is projected at a 3% inflation factor, less 50% of the cost of volume losses caused by utilization declines plus depreciation increase of $20 M

Observations:

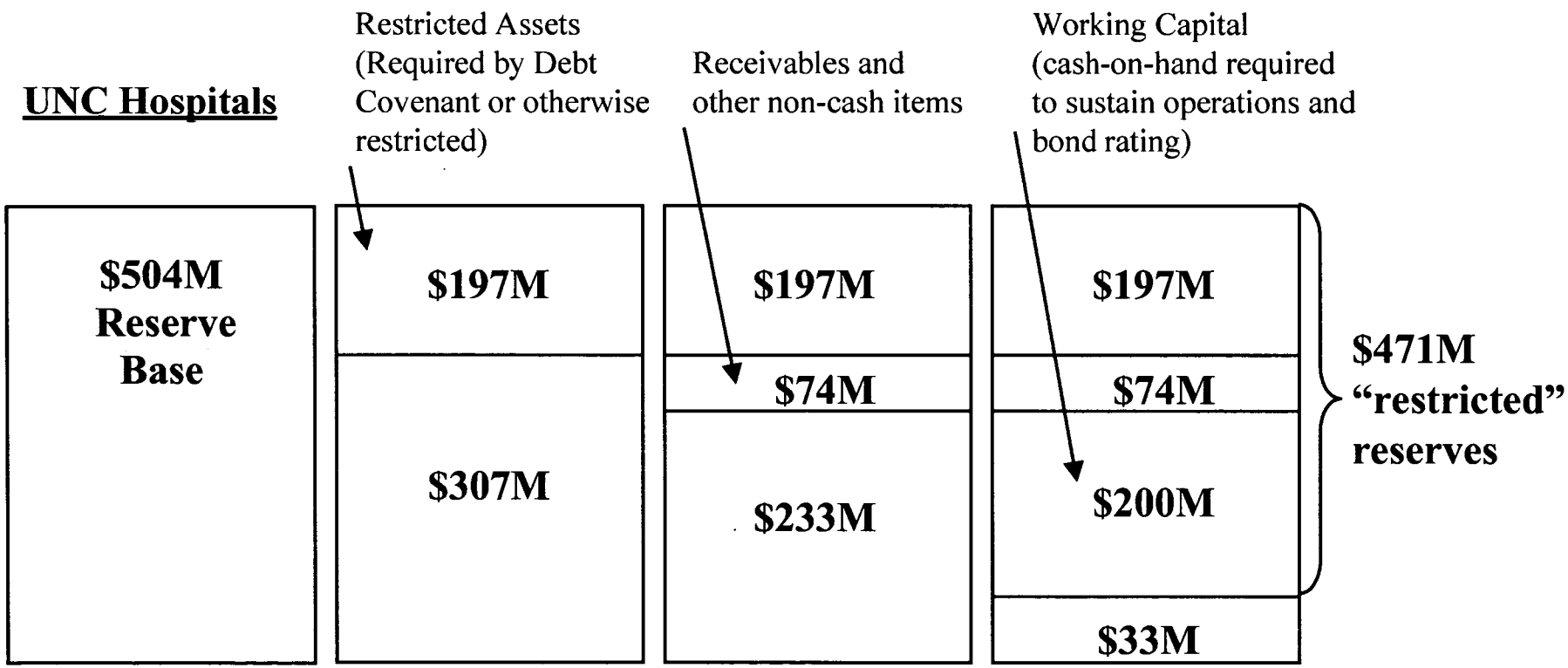
1. Margin on operations before appropriation is declining due to environmental forces
2. Interest income contributes significantly to bottom line results - and will decline as funds are expended
3. The appropriation has a highly leveraged effect on bottom line strength and available resources
4. Even if returned to its former level, the appropriation will not by itself resolve the challenge at UNCH
5. Projecting expense at the general inflation rate implies active management since the hospital market basket index for the five year period 1992-1996 averaged 1.3 times the general consumer price index

Without appropriations to support service and educational missions, market driven revenue declines could force UNCH to cut programs

- Reductions of cost that UNCH would be forced to undertake:
  - Layoffs of clinical and administrative staff
  - Reduction / delay of investments needed to protect market share and address competitive challenges (coordinated and improved care systems, more convenient sites of service, development of programs of clinical excellence)
  - Eliminating some patient care programs that are important but not self-supporting (e.g., burn center, cystic fibrosis, hemophilia etc.) - This will reduce the breadth and scope of experience of training of the School of Medicine students and residents, as well as reduce service offerings to those dependent on UNCH
  - Reducing the size of residency training programs and thus house staff - compromising the supply of physicians available within the state
  - Rationing or eliminating non-emergent indigent/charity care

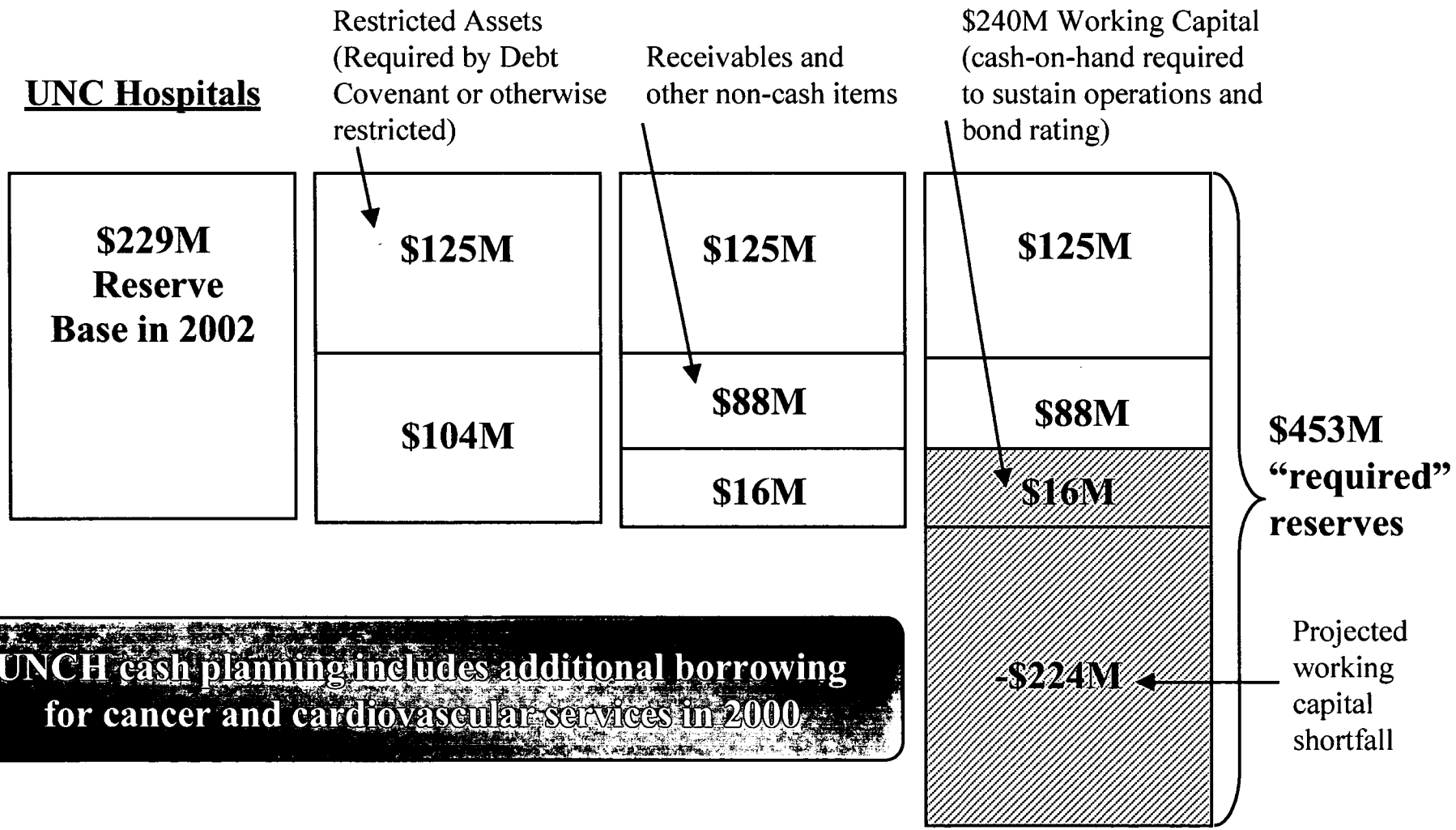
The cutbacks to meet current financial needs would jeopardize the chance for long term success of the hospital and the School of Medicine as well as remove access to some services for all patients, and additional services for indigent patients

The hospitals' reserves will not suffice as a cushion; all but $33M is restricted or needed as working capital for continuing operations



The remaining $33M will not be sufficient to fund routine capital equipment replacement, let alone new building and renovation needs over the next five years
The hospital will need to issue additional debt to meet its capital needs

Available cash projected for 2002 indicates a need for additional borrowing by UNCH



UNCH cash planning includes additional borrowing for cancer and cardiovascular services in 2000

Continued reduction in appropriations without offsetting performance improvements may imperil continued "Aa" bond rating

COMPARATIVE STATISTICS	UNCH 1995	UNCH 1996	UNCH 1997	1996 Moody's Medians Aa*	1996 S&P Medians Aa**
Financial Performance:					
Operating Margin (%)	17.20	13.67	5.00	4.10	4.61
Excess Margin (%)	20.21	18.46	12.13	8.30	10.18
Times Max. Debt Service Coverage (X)	6.60	6.67	4.56	4.67	4.39
Liquidity					
Unrestricted Cash & Inc ($000)	217,251	122,853	172,631	286,356	
Days Cash on Hand	259.4	140.82	184.82	201.3	238.51
Days in Accounts Receivable	48.15	59.11	53.27	62.3	

*Medians exclude multi-hospital systems. Compiled from 1996 audited financial statements.

**Ratios include all acute care hospitals and systems rated during calendar year 1996 and some underlying ratings.

This table highlights the areas where the more sensitive short term performance ratios have suffered relative to the average "Aa" rated credit. Note that these ratios, in some cases, have fallen below the "Aa" group averages. While these ratios by themselves have not caused a downgrading of credit rating, all are evaluated in establishing creditworthiness

Findings of the Lewin Group

- The state owns, in UNC Hospitals, a well managed facility that is providing:
  - access to very high quality care without regard to ability to pay for all of the state's residents, nearly two-thirds of whom are outside the Raleigh-Durham MSA
  - vital support for the UNC School of Medicine which, in turn is serving the state's needs for a well-trained medical workforce, while distinguishing itself as one of the nation's leading medical schools
- The state's appropriation has played a major role in allowing UNCH and UNC-SOM to produce these benefits. The reductions in this appropriation in 1997 and 1998 have weakened UNCH's financial strength, which if not corrected, potentially threatens its current "Aa" bond rating. At risk are UNCH's continuing ability to finance its own capital needs and the value of current bonds, many of which are held locally.

Findings of the Lewin Group

- Looking ahead to the year 2002, UNCH, along with other hospitals, faces substantial revenue reductions as a result of:
  - cuts in federal Medicare and Medicaid reimbursement, enacted as part of the Balanced Budget Act
  - reductions in hospital utilization imposed by increasingly aggressive managed care organizations, e.g. HMOs
  - price discounting as a result of competition among insurance companies
- These revenue reductions will not fall evenly on providers - Academic Medical Centers such as UNCH will suffer disproportionate reductions - their increased vulnerability deriving largely from their indigent care and educational mission obligations.

Findings of the Lewin Group

- As a result, The Lewin Group estimates that **even if UNCH maintains its current market share**, its 2002 revenues will likely be $60.6M less than they would otherwise have been. These reductions, even with corresponding cost-reduction efforts, would virtually eliminate UNCH's margin.
- This outcome would seriously jeopardize UNCH's creditworthiness, and its ability to accomplish its indigent care and education missions. Since private payers are increasingly resistant to paying for the costs of these functions, public funds will continue to be needed for these purposes.
- The revenue shortfall will be much larger if UNCH is unable to take the necessary steps to meet the competition that threatens to erode its market share, especially of insured patients.

Findings of the Lewin Group

- The increasingly competitive nature of the North Carolina health care market thus requires UNCH to **both:**
  - sustain its mission commitments, and to undertake a range of activities to remain price competitive, meet patient service expectations, modernize its information systems, and
  - build a truly integrated health care network.

Proposed Recommendations from the Board of Governors to the General Assembly

- **Reaffirm: the mission components of UNCH** public ownership, and with it, assurance of access to high quality hospital services regardless of ability to pay; and, support for the clinical component of a quality medical education program to meet North Carolina's medical workforce needs.
- **Restore the appropriation to the 1996 level as soon as possible** in order to ensure that UNCH is not handicapped in carrying out its key mission elements. Failure to do so will seriously endangerUNCH's ability to serve patients and their healthcare providers, and may well require UNCH to do one or more of three things: reduce its mission commitments, lose its favorable borrowing position, or undermine its ability to attract a sufficient volume of insured patients to meet its teaching and fiscal requirements. In all of these events, the state would be at risk fiscally and in terms of UNCH's ability to meet public needs and expectations. The level of the appropriation should be guided by theunreimbursed cost of statewide specialty and indigent care and medical education.

Proposed Recommendations from the Board of Governors to the General Assembly (cont.)

- **Broaden the purview of the UNCH Board** and provide the structure and flexibility to allow UNCH to strengthen its functioning as a healthcare system. Specifically, this will entail: bringing under the Board's purview clinical practice organizations and, possibly, other entities; broadening the Board's membership to assure that the structure, governance, executive leadership and the strategic planning process are attuned to these new perspectives; and providing the resulting structures the flexibility to act decisively.
- **Afford UNCH maximum flexibility** to deal with the increasingly competitive challenges of the healthcare marketplace. This entails minimizing traditional state and university limitations on procurement, personnel, property acquisition and construction activities, and allowing UNCH the degrees of freedom necessary to develop vital strategic alliances.

Proposed Recommendations from the Board of Governors to the General Assembly (cont.)

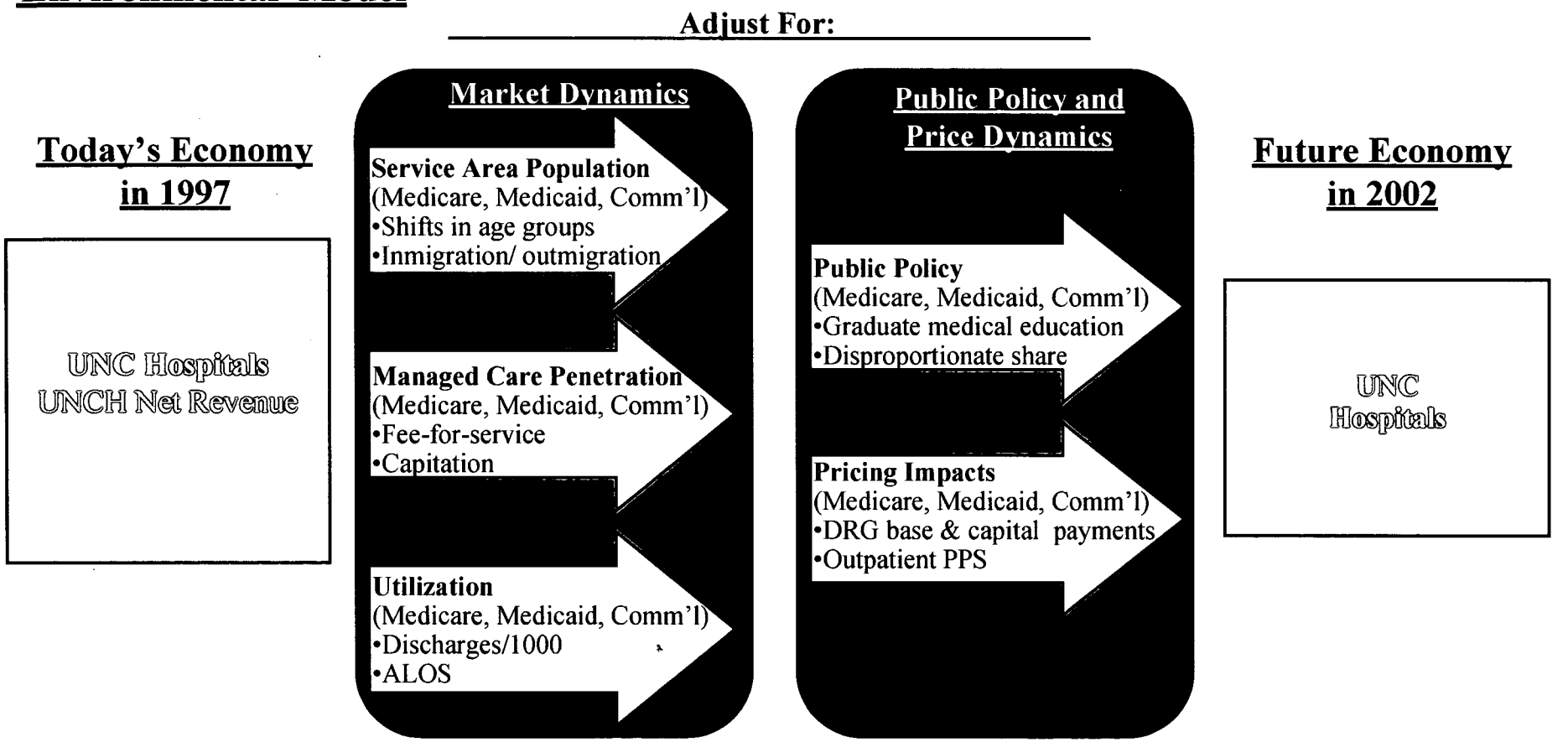
- **Improve communication and accountability between the University system and the General Assembly** regarding: UNCH's strategic plan and mission-related objectives, and its success in attaining them; andUNCH's success in meeting the market challenges confronting it, including the costs of such efforts.

UNC / UNCH
Appendix I

Information in support of the Projection of the Revenue Threats in 2002

The Lewin Environmental Model: Conceptual Overview

Environmental Model



Market and Utilization Assumptions: Summary

Major Model Levers	1997 Actual	2002 Assumption
◆ Service area population (1)	1.8 million	2.0 million
◆ HMO penetration (2)	17.0%	33.0%
➢ Medicare	2.0%	13.0%
➢ Medicaid	0.0%	42.0%
➢ All Other (3)	22.0%	35.0%
◆ Overall Use Rate (discharges/1000)	107	92
◆ UNCH Avg Length of Stay (days)	6.1	5.2
◆ Outmigration/ inmigration of patients	6.0%/22.0%	6.0%/22.0%

Note(1): The service area includes the following counties- Orange, Alamance, Chatham, Lee, Guilford, Randolph, Durham, Wake, Johnston, Harnett, and Sampson
Note(2): HMO penetration only includes risk contract enrollees , e.g., excludes primary care case management contracts
Note(3): Commercial HMO penetration excludes POS plans

Public Policy and Price Assumptions: Summary

Major Model Revenue Area	Assumption (annual percent decline relative to inflation)	5 Year Impact (percent decline relative to inflation)
Medicare (Inpatient)	1.1%	5.4%
Medicare Capital	3.8%	17.8%
Medicare – Direct Graduate Med Education	1.0%	4.9%
Medicare – Indirect Medical Education	6.5%	28.6%
Medicare – Disproportionate Share	1.0%	5.0%
Medicaid (Inpatient)	1.7%	8.1%
Medicaid – Direct Graduate Med Education	1.0%	4.9%
Medicaid – Indirect Medical Education	6.5%	28.6%
Medicaid – Disproportionate Share	1.0%	5.0%
All Other (Inpatient)	1.1%	5.4%
Outpatient Revenue	1.1%	5.4%

Utilization Assumptions

- **Population of the Service Area**
  - The service area is defined by the following counties: Alamance, Chatham, Durham, Guilford, Harnett, Johnston, Lee, Orange, Randolph, Sampson and Wake. The service area represents almost 70% of all UNCH discharges during 1997. *Source: HCIA, 1997.*
  - The service area population is projected to grow from 1,812,000 in 1997 to 1,967,000 in 2002- an 8.6% increase. *Source: Office of State Planning Data Center.*
- **Managed Care Penetration**
  - **Medicare**: 15% of all eligibles in the U.S. enrolled in HMOs during 1997 (13% risk contracts/ 2% cost contracts). The current service area penetration of 2% (4,600 enrollees) is assumed to equal the national level of 13% (33,000 enrollees) by 2002. *Source: HCFA, 3rd Qtr-1997.*
  - **Medicaid:** Voluntary HMO enrollment in the service area began on January, 1998 with Generations, Optimum Choice, and Maxicare. The baseline projection assumes that penetration will reach the current level of 42% attained by the Health Care Connections program (voluntary , full risk model) in Mecklenburg and Gaston Counties. S*ource: NC Division of Medical Assistance-Managed Care, 1997.*
  - **Commercial:** The current penetration for "pure" HMO plans in the service area is 22% (295,000 enrollees), while the 1996 National level for major markets (> 1 million lives) is 26%. The baseline projection of 35% (503,000 enrollees) is derived from increasing current service area enrollment by the State average annual rate of change of 13%. *Source: NC Department of Insurance-Managed Care, 1997; Interstudy, 1997.*

Utilization Assumptions

- **Use Rates (discharges/1,000)**
  - **Medicare:** The current discharge use rate for service area eligibles is 283, while the 1995 national use rate is 317. The national use rates are trended for 1983-1995 to estimate the 2002 service area use rate of 253. *Source: HCFA, 1997.*
  - **Medicaid:** The current discharge use rate for SA eligibles is 132, while the 1996 State use rate is 158 (national at 129). The national use rates are trended for 1991-1996 to estimate the 2002 service area use rate of 101. Although the current service area use rate is above the National level, the expansion of the Health Care Connections project to the rest of the State should lower hospital utilization. *Source: HCFA, 1997.*
  - **Commercial/All Other:** The current discharge use rate for commercial/ all other lives is 72, while the 1994 national use rate is 74. The national use rates are trended for 1988-1993 to estimate the 2002 service area use rate of 63. *Source: American Association of Health Plans data, 1996; Health Insurance Association of America, 1996.*
- **Average Length of Stay (ALOS)**
  - **Medicare:** The current ALOS for UNC Hospitals is 6.9, while the 1995 National ALOS is 7.1. The ALOS projection of 6.2 is derived from decreasing the current service area ALOS by the national average annual rate of change of -2.1% (1983-1995). *Source: HCFA, 1997.*

Utilization Assumptions

- **Average Length of Stay (continued)**

  ➢**Medicaid:** The current ALOS for UNC Hospitals is 6.5, while the State ALOS is 5.3 (national at 5.0). The national length of stay is trended for 1991-1996 to estimate the 2002 service area length of stay of 4.8; which is consistent with HMO growth continuing throughout the State. *Source: HCFA, 1997.*

  ➢**Commercial/ All Other:** The current ALOS for UNC Hospitals is 5.4 while the ALOS for service area residents is 4.0. The national length of stay is trended for 1988-1993 to estimate the 2002 service area length of stay of 4.7. *Source: American Association of Health Plan, 1996.*

- **Outmigration/Inmigration of the Service Area:**

  Outmigration refers to residents of the service area seeking care in non-service area hospitals, e.g., rest of North Carolina, rest of U.S. Inmigration refers to non-service area patients traveling to seek care in service area hospitals. The 1996 ratio of *6% 'out'/22% 'in'* is held constant for 2002. *Source: HCIA- North Carolina hospitals and Virginia hospitals with North Carolina resident discharges (outmigrators).*

Public Policy and Price Assumptions: Impact of the Balanced Budget Act of 1997

- **Medicare Base Payment:**

  The baseline assumption expects payments 1.1% less than the HCFA market basket inflation index for the next five years. This is consistent with the Act that requires no adjustment in FY1998, 1.9% below the index in FY1999, 1.8% below the index in FY2000, and 1.1% below the index in FY2001 and FY2002.

- **PPS Capital**:

  Current Medicare law limits capital payment to 84.32% of cost. In addition, the Act will reduce payment by 2.1% for FY1998 through FY2002- resulting in an overall reduction of 17.78% for the next five years.

- **Direct Graduate Medical Education (DGME):**

  The Act limits the number of residents that a hospital can include in the FTE count for payment to the unweighted FTE count on or before December 31, 1996. This should result in an annual decline in payments by 1.0% relative to inflation.

Source: Federal Register, August 29, 1997.

Public Policy and Price Assumptions: Impact of the Balanced Budget Act of 1997

- **Indirect Medical Education (IME):**
  - Historically, IME adjustments averaged a 7.7% add-on for every 10 residents per 100 beds. The Act requires a phase down of the adjustment factor from 7.7% in FY1997 to 7.0% in FY1998, 6.5% in FY1999, 6.0% in FY2000, 5.5% in FY2001 and FY2002- a 29% overall reduction.
  - Similar to DGME, the Act limits the number of residents included in the ratio of residents-to-beds to the unweighted FTE count on or before December 31, 1996. In addition the ratio of residents-to-bed (IRB) may not exceed the IRB from the prior cost reporting period (after accounting for the cap).
- **Disproportionate Share Payments (DSH):** The Act reduces payments to hospitals by 1.0% in FY1998 and an additional 1.0% per year until FY2002.
- **Hospital Outpatient Services:** The Omnibus Budget Reconciliation Act of 1986 and 1990 directed the Secretary of HHS to develop an outpatient PPS by FY1991; the Act requires outpatient PPS to be implemented for FY1999. The Ambulatory Patient Group (APG) Outpatient PPS appears to be the preferred methodology of the Medicare Payment Advisory Commission. No matter what methodology is selected it is assumed that reimbursement for all outpatients mirror DRG base payment reductions by 2002- a 1.1% annual decline relative to inflation.

Source: Federal Register, August 29, 1997.

Additional Public Policy and Price Assumptions

- **Medicaid Base Payment**: Inpatient reimbursement is expected to experience a 'one-time' reduction of 5.0% in 1998 to meet expenditure targets. Payment thereafter is assumed to be consistent with Medicare reductions- a 1.1% annual decline to 2002.
- **Medicaid DGME:** North Carolina DGME is calculated similar to the Medicare methodology. Payment is assumed to be consistent with Medicare reductions- a 1.0% annual decline for the next five years. DGME cost is currently carved out of full risk contracts in the State.
- **Medicaid IME**: North Carolina indirect medical education factor is calculated similar to the Medicare methodology. The adjustment is assumed to be consistent with Medicare reductions- a 29% overall reduction. IME cost is currently carved out of full risk contracts in the State.
- **Medicaid DSH:** The rate of adjustment for a DSH hospital is 2.5% plus 0.25% for each percentage point that a hospital's Medicaid inpatient utilization rate exceeds one standard deviation of the mean Medicaid inpatient utilization rate in North Carolina. The adjustment is assumed to be consistent with Medicare reductions- a 1.0% annual decline for the next five years. DSH adjustments are currently carved out of full risk contracts in the State.
- **Other/ Commercial Price Impacts:** A 1.0% annual loss for the next five years as competition drives price increases below inflation for all fee-for-service commercial, self pay, and other payer groups.

Environment and market projections: Sensitivity of the revenue gap to various assumptions

- **Managed care (HMOs):**

  The base environmental model assumes that managed care plans will increase coverage from 17% of the local population to 33% by 2002. This results in a $23.2M utilization loss for UNC Hospitals.

  Increasing the managed care penetration by 5% will decrease revenue by $2.0M.

- **Price:**

  The base environmental model assumes:

  - Medicare- reimbursement decreases 1.1% annually relative to inflation,
  - Medicaid- reimbursement decreases 1.7% annually relative to inflation,
  - Other Insurers- reimbursement decreases 1.1% annually relative to inflation,
  - The combined impact results in a $15.8M reimbursement loss for UNC Hospitals by 2002.

  Decreasing reimbursement of all insurers by 1% annually will decrease revenue by $10.0M.

Environment and market projections: Sensitivity of the revenue gap to various assumptions (cont.)

- **Market share:**

  The base environmental model assumes that UNC Hospitals will maintain its current share of admissions through 2002 (10.3% of all service area residents requiring hospitalization go to UNCH). This results in a $52.3M loss for UNCH because of the price, policy, and utilization impacts in the market.

  Decreasing the UNCH share of all admissions by 5% will decrease revenue by $78.9M.

  Decreasing the UNCH share of <u>only</u> admissions from patients with commercial insurance by 5% will decrease revenue by $42.1M.

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The LEWIN GROUP

University of North Carolina & University of North Carolina Hospitals: Highlights and Summary

Report to the
Joint Legislative Education Oversight Committee

April 15, 1998
Chapel Hill, NC

Fairfax, Virginia
San Francisco, California
Cambridge, Massachusetts

HIGHLIGHTS

Introduction - In 1997 the General Assembly requested a report by the Board of Governors concerning the impact of recent reductions in state appropriations on the University of North Carolina Hospitals' (UNCH) ongoing ability to provide the range and quality of healthcare services North Carolinians expect. The Board was asked to submit its report to the Joint Legislative Education Oversight Committee by April 15, 1998 and to address two questions:

1. What impact might reductions in the General Fund operating support for UNCH have, especially on indigent patient care; and
2. How do market forces, along with the state appropriation, affect other mission components including medical education and quality of care?

The overall conclusions drawn by this analysis include the following:

- UNC Hospitals, North Carolina's only state-owned acute care hospital, plays a unique role by providing unequaled access to advanced healthcare for all the state's residents, especially those with little or no insurance. It also plays a vital role in meeting North Carolina's need for a well-trained medical workforce, through its substantial support for the UNC School of Medicine.
- UNC Hospitals is a well-run teaching hospital with a strong current financial position whose management has been strongly endorsed by the JCAHO, the state auditor and public bond authorities. However, like most teaching hospitals, it faces serious threats to its future financial success, and therefore its mission. This threat comes from increasing competition and from the tightening of federal and state payment programs related to both medical education and patient care.
- Since the inception of its "enterprise fund" status in 1990, and the increased flexibility it afforded, the Hospitals' success has enabled it to meet its capital financing needs, through a combination of borrowing in public bond markets, and internally generated funds. This has relieved the state of $253 million in capital appropriations primarily for the Neuroscience Hospital, North Carolina Children's Hospital, North Carolina Women's Hospital and routine equipment and facility renovation and replacement. Future access to public bond markets, and the current value of the existing bonds, depends on UNCH maintaining its successful financial performance.
- If UNCH is to maintain the services expected by the people of North Carolina, both statewide access to a broad spectrum of specialized medical care, especially to the under-and uninsured, and the scale and quality of UNC's health professions education and training programs, conservative projections of future market conditions strongly indicate a critical need for ongoing state operations support. The level of appropriation needed is a function of the costs of providing these services. Underfunding would undermine UNCH's financial strength, its appeal to insured patients, and service to under- and uninsured patients statewide.

- At the same time, UNC Hospitals needs to be governed and managed as a health care system that fully integrates all critical components of health care. This system of governance and management should include faculty physician leadership, and be afforded the maximum flexibility to manage its costs, and build the alliances and operating capabilities needed to accomplish its mission in a rapidly changing healthcare marketplace.

The recommendations that follow from these conclusions are as follows:

1. **Reaffirm: the mission components of UNCH** public ownership, and with it, assurance of access to high quality hospital services regardless of ability to pay; and, support for the clinical component of a quality medical education program to meet North Carolina's medical workforce needs.

2. **Restore the appropriation to the 1996 level as soon as possible** in order to ensure that UNCH is not handicapped in carrying out its key mission elements. Failure to do so will seriously endanger UNCH's ability to serve patients and their healthcare providers, and may well require UNCH to do one or more of three things: reduce its mission commitments, lose its favorable borrowing position, or undermine its ability to attract a sufficient volume of insured patients to meet its teaching and fiscal requirements. In all of these events, the state would be at risk fiscally and in terms of UNCH's ability to meet public needs and expectations. The level of the appropriation should be guided by the unreimbursed cost of statewide specialty and indigent care and medical education.

3. **Broaden the purview of the UNCH Board** and provide the structure and flexibility to allow UNCH to strengthen its functioning as a healthcare system. Specifically, this will entail: bringing under the Board's purview clinical practice organizations and, possibly, other entities; broadening the Board's membership to assure that the structure, governance, executive leadership and the strategic planning process are attuned to these new perspectives; and providing the resulting structures the flexibility to act decisively.

4. **Afford UNCH maximum flexibility** to deal with the increasingly competitive challenges of the healthcare marketplace. This entails minimizing traditional state and university limitations on procurement; personnel classification, compensation and incentive systems; property acquisition and construction activities; and allowing UNCH the degrees of freedom necessary to develop vital strategic alliances.

5. **Improve communication and accountability between the University system and the General Assembly** regarding: UNCH's strategic plan and mission-related objectives, and its success in attaining them; and UNCH's success in meeting the market challenges confronting it, including the costs of such efforts.

SUMMARY

Introduction - In 1997 the General Assembly requested a report by the Board of Governors concerning the impact of recent reductions in state appropriations on the University of North Carolina Hospitals' (UNCH) ongoing ability to provide the range and quality of healthcare services North Carolinians expect. The Board was asked to submit its report to the Joint Legislative Education Oversight Committee by April 15, 1998 and to address two questions:

1. What impact might reductions in the General Fund operating support for UNCH have, especially on indigent patient care; and
2. How do market forces, along with the state appropriation, affect other mission components including medical education and quality of care?

This report summarizes the Board's principal findings and provides recommendations for future state support to UNCH. The overall conclusions drawn by this analysis include the following:

- UNC Hospitals, North Carolina's only state-owned acute care hospital, plays a unique role by providing unequaled access to advanced healthcare for all the state's residents, especially those with little or no insurance. It also plays a vital role in meeting North Carolina's need for a well-trained medical workforce, through its substantial support for the UNC School of Medicine.
- UNC Hospitals is a well-run teaching hospital with a strong current financial position whose management has been strongly endorsed by the JCAHO, the state auditor and public bond authorities. However, like most teaching hospitals, it faces serious threats to its future financial success, and therefore its mission. This threat comes from increasing competition and from the tightening of federal and state payment programs related to both medical education and patient care.
- Since the inception of its "enterprise fund" status in 1990, and the increased flexibility it afforded, the Hospitals' success has enabled it to meet its capital financing needs, through a combination of borrowing in public bond markets, and internally generated funds. This has relieved the state of $253 million in capital appropriations primarily for the Neuroscience Hospital, North Carolina Children's Hospital, North Carolina Women's Hospital and routine equipment and facility renovation and replacement. Future access to public bond markets, and the current value of the existing bonds, depends on UNCH maintaining its successful financial performance.
- If UNCH is to maintain the services expected by the people of North Carolina, both statewide access to a broad spectrum of specialized medical care, especially to the under-and uninsured, and the scale and quality of UNC's health professions education and training programs, conservative projections of future market conditions strongly indicate a critical need for ongoing state operations support. The level of appropriation needed is a function of the costs of providing these services. Underfunding would undermine UNCH's

financial strength, its appeal to insured patients, and service to under- and uninsured patients statewide.

- At the same time, UNC Hospitals needs to be governed and managed as a health care system that fully integrates all critical components of health care. This system of governance and management should include faculty physician leadership, and be afforded the maximum flexibility to manage its costs, and build the alliances and operating capabilities needed to accomplish its mission in a rapidly changing healthcare marketplace.

History and mission of North Carolina's only state owned acute care hospital –

UNCH's history can be divided into four phases:

1. **1948-1970**: UNCH was created as part of the University of North Carolina (UNC) for the purpose of establishing a statewide system of healthcare and allowing the UNC School of Medicine to develop a four year physician education program to assure the supply of qualified health providers for the entire state.

2. **1971-1990**: UNCH became a separate operating division within the state university system, with its own statutory Board of Directors and expectations of improved efficiency, competitiveness, and fiscal viability. The improved management this afforded substantially increased UNCH's value to the state during this period.

3. **1990-1996**: The Governor of North Carolina exercised his statutory authority to create an "enterprise fund" allowing the hospital to retain its earnings and develop creditworthiness in its own right. Since 1990, UNCH has twice accessed the bond market and has obtained $193M with which to improve its facilities and services.

4. **1997-1998**: In 1997, the General Assembly imposed a $19M (43%) non-recurring reduction in the appropriation from $45M to $26M; and then enacted a recurring appropriation level of $36M, where it stands today. At the same time the General Assembly provided UNCH with an increase in relief from the state sales tax worth about $4.1M per year.

Since its inception, UNCH has operated under the following mission:

1. to provide **statewide access to a full range of high quality healthcare services** – regardless of the ability of North Carolina residents to pay for those services, and
2. to **support the academic mission of the University School of Medicine** (thereby ensuring a supply of physician healthcare providers to the citizens of the state).

The value of the state's investment in UNCH –

UNCH, as a state supported institution, has been a major success story in terms of the performance of its mission, and the economic return the state and the local community have enjoyed from the state's investment. Medical services are provided by UNCH to all persons from North Carolina based on the need for the services and not upon the patient's ability to pay. The availability of quality hospital services to all citizens of the state is a direct outcome of both the funding and the management latitude that the state has provided UNCH over the years.

The significance of the General Assembly's investment in UNCH is exemplified in the following areas:

- **Indigent Care** – UNCH delivers more care to uninsured people than any other acute care institution in North Carolina according to the North Carolina Hospital Association Database. In 1997, UNCH delivered uncompensated care to residents of all 100 counties in the state, with approximately two-thirds of that care being delivered to residents outside the Raleigh Durham Metropolitan Statistical Area while only 16% was provided within Orange county. The total value of UNCH uncompensated care (charity and bad debt) was $31.8M. The UNCH faculty provided an additional $7M in uncompensated care during 1997.
- **Complexity and Severity of Cases Treated** - UNCH provides for North Carolina patients and health care providers many programs of high quality and cutting-edge technology (fueled, in large part, by the presence of advanced NIH-funded biomedical research grants). Among the unique services offered by UNCH are its burn unit, NICU and cystic fibrosis program as well as many other centers of excellence. The majority of the patients served by these programs come from outside the Raleigh-Durham MSA.
- **Medical Education** – In 1997 UNCH supported graduate medical education (residents) by incurring direct costs that exceeded medical education reimbursement for those costs by $3.4M. Its support for medical student education is both extensive and effective, but difficult to quantify precisely. In the ten counties with the fewest active physicians, UNCH and UNC-SOM trained 50% of those physicians and in total provided training to 23% of practicing non-federal physicians in N. Carolina. UNCH and UNC-SOM have also trained significant numbers of primary care physicians and allied health professionals who practice in N. Carolina.
- **Medical Research** – UNCH support for the UNC-SOM has contributed to UNC's national rank in 1996 of 13th in NIH research grants (UNC ranks 5th among public SOMs). That year, UNC-SOM's NIH research grants contributed $28 million in indirect total cost recovery revenues to the Chapel Hill campus, 55% of UNC-CH's indirect cost recovery. In 1997, UNC-SOM attracted an additional $17M in private non-governmental research which mostly served clinical trials and required affiliation with UNCH's extensive patient population and the UNC faculty.
- **Building of Reserves** - Since 1990, the ability to build reserves as a result of the Enterprise Fund Status and to maintain a solid "Aa" bond rating, has allowed the

hospital to rely on internally generated funds and $193 million in bonds to meet capital needs without any capital funding appropriation from the state.

- **UNCH Asset Value** - Since granting the hospital enterprise fund status, UNCH's net worth has increased so as to provide a positive financial return on the state's operating appropriation of 4.8% per year, over and above the value of the social benefits achieved.

As the data exemplify, the value to the state from its investment in UNCH extends beyond the direct financial results to the contribution that the hospital makes in helping the UNC-SOM and other UNC-Schools of health achieve success. What these interrelationships mean though is that UNCH is committed to uphold important responsibilities not incurred by hospitals with less intensive social and academic support missions. The indirect impacts on the state economy from research, education and training and the availability of healthcare to any citizen are significant additional benefits of maintaining a strong state hospital affiliate for the UNC-SOM.

Environmental threats to UNCH and its mission –

While UNCH has enjoyed substantial mission and financial success to date, its future ability to sustain its missions is currently threatened. Projections of changes in public and private payment systems, efforts to constrain demand and industry consolidation suggest the current success enjoyed by UNCH will be threatened by the year 2002. As managed care penetrates the RTP area, utilization of inpatient services will decline further while costs of providing services increase at a faster rate than the actual payments per service. Assuming UNCH can maintain its market share among the threats from local competitors and emerging managed care networks, the Lewin Group forecasts that the hospital's 2002 net operating revenue will decline by $61M or 13.3% of the current base revenue over the next five years. Failure to maintain market share will, of course, result in even greater declines. For example, if UNCH were to match the average market share performance of academic medical centers in California from 1990-1995, its revenues would decline by an additional $38M for a total decline of $99M or 23% of revenues.

Even though management engineering studies comparing forty academic medical centers show UNCH's productivity and its relative cost per case today at the 75th percentile among these institutions (i.e. better than three-quarters of the hospitals in both categories), UNCH's costs (reflecting its special missions) are substantially above the costs of facilities that do not carry the burden of statewide access, indigent care, and education but against whom UNCH must compete. While UNCH is performing well today relative other academic facilities, it will face increasingly tough competitiveness to simply hold onto its existing market share as managed care and price competition continue to grow in North Carolina.

Impact of the 1997 – 1998 state appropriation reductions –

The reductions in the state operating appropriation from $44.9M in 1996 to $25.7M in 1997, and $36.4M in 1998 have had a substantial impact on UNCH's long term ability to maintain its effective track record, and continued reductions pose an even greater threat. UNCH's cash position, excess of revenue over expense, and ability to service debt have all felt the effect of reduced appropriations (See Table I). While the hospital has a strong current financial position, analysis reveals that after considering non-cash assets, cash restricted for capital improvements, required insurance funds, other board designated measures and amounts restricted by bond covenants (for principal and interest payments and maintenance reserves) UNCH has unrestricted cash reserves of only $33M in excess of its needs in 1998. This means that it will need to borrow additional funds just to cover its routine renovation and equipment replacement needs.

Table I

COMPARATIVE STATISTICS	UNCH 1995	UNCH 1996	UNCH 1997	1996 Moody's Medians Aa*	1996 S&P Medians Aa**
Financial Performance:					
Operating Margin (%)	17.20	13.67	5.00	4.10	4.61
Excess Margin (%)	20.21	18.46	12.13	8.30	10.18
Times Max. Debt Service Coverage (X)	6.60	6.67	4.56	4.67	4.39
Liquidity					
Unrestricted Cash & Inc ($000)	217,251	122,853	172,631	286,356	
Days Cash on Hand	259.4	140.82	184.82	201.3	238.51
Days in Accounts Receivable	48.15	59.11	53.27	62.3	

*Medians exclude multi-hospital systems. Compiled from 1996 audited financial statements.

**Ratios include all acute care hospitals and systems rated during calendar year 1996 and some underlying ratings.

Continuation of the reduction in appropriations without offsetting performance improvements may imperil the current "Aa" bond rating, as it brings UNCH below a number of threshold financial ratios set by Moody's and Standard and Poors' investor services. The key ratios, taken collectively, did not result in a downgrading of credit (and potential loss for the holders of the existing bonds) as a result of the 1997 action, although some of the ratios were reduced below the averages of hospitals that are designated as "Aa" credits. Comparison to other Academic Medical Centers suggests that UNCH has already achieved significant operating savings versus other AMCs, making further cost savings an unlikely source, by itself, to replace loss of appropriations.

Recommendations –

1. **Reaffirm: the mission components of UNCH** public ownership, and with it, assurance of access to high quality hospital services regardless of ability to pay; and, support for the clinical component of a quality medical education program to meet North Carolina's medical workforce needs.

2. **Restore the appropriation to the 1996 level as soon as possible** in order to ensure that UNCH is not handicapped in carrying out its key mission elements. Failure to do so will seriously endanger UNCH's ability to serve patients and their healthcare providers, and may well require UNCH to do one or more of three things: reduce its mission commitments, lose its favorable borrowing position, or undermine its ability to attract a sufficient volume of insured patients to meet its teaching and fiscal requirements. In all of these events, the state would be at risk fiscally and in terms of UNCH's ability to meet public needs and expectations. The level of the appropriation should be guided by the unreimbursed cost of statewide specialty and indigent care and medical education.

3. **Broaden the purview of the UNCH Board** and provide the structure and flexibility to allow UNCH to strengthen its functioning as a healthcare system. Specifically, this will entail: bringing under the Board's purview clinical practice organizations and, possibly, other entities; broadening the Board's membership to assure that the structure, governance, executive leadership and the strategic planning process are attuned to these new perspectives; and providing the resulting structures the flexibility to act decisively.

4. **Afford UNCH maximum flexibility** to deal with the increasingly competitive challenges of the healthcare marketplace. This entails minimizing traditional state and university limitations on procurement; personnel classification, compensation and incentive systems; property acquisition and construction activities; and allowing UNCH the degrees of freedom necessary to develop vital strategic alliances.

5. **Improve communication and accountability between the University system and the General Assembly** regarding: UNCH's strategic plan and mission-related objectives, and its success in attaining them; and UNCH's success in meeting the market challenges confronting it, including the costs of such efforts.

4-22-98
#5

The University of North Carolina
Special Responsibility Constituent Institutions
Operations Under the UNC Management Flexibility Legislation
1996-97

Joint Appropriations Subcommittee on Education
April 22, 1998

UNC Fiscal Accountability and Flexibility Legislation (G.S. 116-30.1 – 30.6)

A. Accountability

1. Selection criteria and operating guidelines are established by the Board of Governors for the special responsibility constituent institutions (SRCI's).

2. Management staffing and internal financial controls are reviewed at least biennially, in consultation with the State Auditor, the Director of Office of State Personnel, and the Director of State Purchasing and Contract.

3. Aggressive follow-up on all financial and other audit exceptions is required.

4. Assessment measures, with special emphasis on general undergraduate education, are reported.

5. Annual reporting of results by the Board of Governors is made to the Joint Legislative Education Oversight Committee.

B. Flexibility

1. Since the 1991-92 fiscal year, qualifying constituent institutions, known as Special Responsibility Constituent Institutions (SRCI's), have been able to administer their General Fund operating budgets under the UNC Fiscal Accountability and Flexibility Legislation (G.S. 116-30.1 – 30.6).

2. Even though the budget certifications have numerous line items, appropriations to SRCI's are considered to be in the form of a single sum to each budget code for the fiscal year.

3. Notwithstanding certain provisions of the Executive Budget Act, each SRCI may expend the General Fund monies appropriated to it in the manner deemed by the Chancellor to be calculated to maintain and advance the programs and services of the institution, consistent with directives and policies of the Board of Governors. This provides broad authority to revise budgets without approval by the Office of State Budget and Management, including the use of lapsed salaries.

4. All SRCI's have an effective uniform reversion rate of 1% (except AHEC, 1/2%).

5. In addition, SRCI's are allowed to carry-forward to the next fiscal year up to 2.5% of the current year's appropriation for one-time expenditures that will not impose additional financial obligations on the State.

6. SRCI's are allowed to abolish and establish positions within prescribed guidelines.

7. Purchases may be made on campus within established benchmarks without processing through the Division of State Purchase and Contract.

The University of North Carolina
Special Responsibility Constituent Institutions
UNC Management Flexibility
Required Reversions and Carry-Forward of General Fund Appropriations
From 1996-97 To 1997-98

Budget Code	Institution	Authorized Appropriation June 30, 1997	Appropriation Expenditures	Required Reversion * Amount	Required Reversion * %	Appropriation Carry-Forward Amount	Appropriation Carry-Forward %
16080	Appalachian State University	$ 62,178,238	$ 60,623,780	** 0	0.00%	$ 1,554,455	2.50%
	East Carolina University:						
16065	Academic Affairs	87,231,479	85,599,474	** 0	0.00%	1,632,005	1.87%
16066	Health Affairs	41,845,495	41,132,362	836,910	2.00%	687,196	1.64%
16086	Elizabeth City State University	18,576,782	18,117,691	371,536	2.00%	459,091	2.47%
16088	Fayetteville State University	24,157,871	23,752,703	483,157	2.00%	405,167	1.68%
16070	North Carolina A & T State University	51,041,117	50,264,598	1,020,822	2.00%	776,518	1.52%
16090	North Carolina Central University	36,557,068	36,458,378	731,141	2.00%	98,688	0.27%
16092	North Carolina School of the Arts	11,446,574	11,160,411	228,931	2.00%	286,163	2.50%
	North Carolina State University:						
16030	Academic Affairs	217,477,988	212,735,312	4,349,560	2.00%	4,742,675	2.18%
16031	Agricultural Research	45,249,520	44,915,076	904,990	2.00%	334,444	0.74%
16032	Cooperative Extension	33,418,501	33,418,501	668,370	2.00%	0	0.00%
16055	UNC-Asheville	21,211,973	20,728,058	424,239	2.00%	483,914	2.28%
	UNC-Chapel Hill:						
16020	Academic Affairs	164,606,850	161,179,248	3,292,137	2.00%	3,427,602	2.08%
16021	Health Affairs	134,514,473	132,044,520	2,690,289	2.00%	2,469,952	1.84%
16022	AHEC	39,404,626	38,630,053	394,046	1.00%	774,573	1.97%
16050	UNC-Charlotte	71,672,092	70,493,214	** 0	0.00%	1,178,878	1.64%
16040	UNC-Greensboro	66,065,922	64,734,983	** 0	0.00%	1,330,938	2.01%
16082	UNC-Pembroke	19,619,923	19,293,887	392,398	2.00%	326,035	1.66%
16060	UNC-Wilmington	40,741,468	40,292,806	** 0	0.00%	448,662	1.10%
16075	Western Carolina University	44,620,308	43,990,599	892,406	2.00%	629,708	1.41%
16084	Winston-Salem State University	20,794,590	20,372,311	415,892	2.00%	422,278	2.03%
	TOTAL	**1,252,432,858**	**1,229,937,965**	**18,096,824**	**1.44%**	**22,468,942**	**1.79%**

* *At the direction of the State Budget Officer, the Required Reversion funds were transferred to OSBM immediately prior to end of fiscal year for Hurricane Fran Disaster Relief (object code 8333).*

***The five "equity" institutions were not required to revert 2% of their General Fund appropriations for 1996-97 (Sec. 16.2 of 1996 Approp. Act).*

The University of North Carolina
Special Responsibility Constituent Institutions
UNC Management Flexibility
1996-97 Appropriations Carried Forward – Planned Expenditures in 1997-98

Institution	Capital Projects	Personnel Comp.	Supplies & Materials	Current Services	Fixed Charges	Capital Outlay	Aids & Grants	Total
Appalachian State University	–	–	–	101,225	–	1,453,230	–	1,554,455
East Carolina University:								
Academic Affairs	–	32,391	320,131	255,497	62,671	961,315	–	1,632,005
Health Affairs	–	–	–	–	–	687,196	–	687,196
Elizabeth City State University	–	–	–	106,000	90,000	263,091	–	459,091
Fayetteville State University	–	–	–	237,886	–	6,918	160,363	405,167
N. C. A & T State University	–	–	–	105,000	–	671,518	–	776,518
North Carolina Central University	–	–	–	98,688	–	–	–	98,688
North Carolina School of the Arts	–	10,000	51,163	30,000	–	195,000	–	286,163
North Carolina State University:								
Academic Affairs	182,164	493,185	90,930	232,993	20,500	3,712,131	10,772	4,742,675
Agricultural Research	308,746	–	–	–	–	25,698	–	334,444
Cooperative Extension	–	–	–	–	–	–	–	none
UNC-Asheville	12,000	103,113	2,932	53,470	2,028	310,371	–	483,914
UNC-Chapel Hill:								
Academic Affairs	–	25,000	12,283	3,090,188	–	300,131	–	3,427,602
Health Affairs	–	135,624	460,920	1,293,012	21,396	559,000	–	2,469,952
AHEC	–	–	10,000	90,000	–	–	674,573	774,573
UNC-Charlotte	1,076,100	–	–	–	–	102,778	–	1,178,878
UNC-Greensboro	–	127,744	113,703	218,583	2,625	868,283	–	1,330,938
UNC-Pembroke	–	29,250	9,400	120,344	–	167,041	–	326,035
UNC-Wilmington	–	91,000	35,735	217,787	–	104,140	–	448,662
Western Carolina University	–	–	46,023	314,180	6,615	262,890	–	629,708
Winston-Salem State University	–	9,000	700	118,231	–	294,347	–	422,278
TOTAL	**1,579,010**	**1,056,307**	**1,153,920**	**6,683,084**	**205,835**	**10,945,078**	**845,708**	**22,468,942**

The University of North Carolina
Management Flexibility
Reversions and Carry-Forwards

SRCI's	Year	Authorized Appropriation June 30	Expenditures	Required Reversion	%	Appropriation Carry-Forward Amount	%
12	1991-92	$ 917,051,624	$ 884,809,788	$22,226,787	2.42%	$10,004,321	1.09%
14	1992-93	1,011,100,152	968,236,653	26,798,681	2.65%	15,561,766	1.54%
16	1993-94	1,110,195,270	1,063,915,314	28,674,902	2.58%	17,478,622	1.57%
16	1994-95	1,166,222,993	1,121,229,281	26,395,706	2.26%	18,584,385	1.59%
16	1995-96	1,173,356,983	1,130,978,443	23,082,594	1.97%	19,295,934	1.64%
16	1996-97	1,252,432,858	1,229,937,965	18,096,824	1.44%	22,468,942	1.79%

The University of North Carolina
Special Responsibility Constituent Institutions
UNC Management Flexibility
One-Time Reallocations
1996-97

Budget Code	Institution	(1) Authorized Requirements at 6/30/97	(2) One-Time Reallocations	(3) Percent of Authorized Requirements (Col. 2 ÷ Col. 1)	(4) Transfers FROM Personnel Compensation Accounts	(5) Percent of One-Time Reallocations (Col. 4 ÷ Col. 2)
16080	Appalachian State University	87,451,791	496,403	0.57%	145,609	29.33%
	East Carolina University					
16065	Academic Affairs	127,379,658	1,661,157	1.30%	1,056,273	63.59%
16066	Health Affairs	44,866,573	1,096,896	2.44%	960,068	87.53%
16086	Elizabeth City State University	22,265,687	304,679	1.37%	245,083	80.44%
16088	Fayetteville State University	31,289,806	680,716	2.18%	591,700	86.92%
16070	North Carolina A & T State University	70,839,114	464,664	0.66%	180,733	38.90%
16090	North Carolina Central University	48,925,855	936,411	1.91%	924,994	98.78%
16092	North Carolina School of the Arts	17,446,932	145,477	0.83%	56,561	38.88%
	North Carolina State University					
16030	Academic Affairs	304,540,386	13,954,732	4.58%	13,905,608	99.65%
16031	Agricultural Research	54,463,485	344,286	0.63%	326,596	94.86%
16032	Cooperative Extension	49,708,283	2,489,659	5.01%	2,248,639	90.32%
16055	UNC-Asheville	26,320,150	113,999	0.43%	48,604	42.64%
	UNC-Chapel Hill					
16020	Academic Affairs	249,555,953	7,533,415	3.02%	6,660,018	88.41%
16021	Health Affairs	159,884,739	4,814,305	3.01%	4,782,085	99.33%
16022	AHEC	39,912,846	75,765	0.19%	75,765	100.00%
16050	UNC-Charlotte	103,778,351	2,532,337	2.44%	2,435,261	96.17%
16040	UNC-Greensboro	95,761,616	3,376,979	3.53%	3,296,047	97.60%
16082	UNC-Pembroke	23,730,380	649,892	2.74%	577,436	88.85%
16060	UNC-Wilmington	62,041,301	1,446,013	2.33%	1,348,899	93.28%
16075	Western Carolina University	58,856,113	94,267	0.16%	54,329	57.63%
16084	Winston-Salem State University	25,415,126	384,251	1.51%	384,251	100.00%
	TOTAL	**1,704,434,145**	**43,596,303**	**2.56%**	**40,304,559**	**92.45%**

The University of North Carolina
Special Responsibility Constituent Institutions
Management Initiatives
One-time Reallocations to Accomplish Initiatives
1996-97

Institution	Undergrad. Instruction Grad. Rates	Graduate Instruction & Res.	Library Collection & Services	Upgrade Classrooms & Labs	Enhancing Other Physical Facilities	Computing & Telecom.	Support Student Services	Admin. Infrastr.	Student Financial Aid	Other Targeted Program Areas	Total
ASU	362,053	3,360	19,300	17,648	74,042	–	–	20,000	–	–	496,403
ECU, AA	517,074	–	167,887	102,000	230,000	294,500	229,696	45,000	75,000	–	1,661,157
ECU, HA	–	–	–	907,796	–	83,100	–	–	106,000	–	1,096,896
ECSU	7,100	–	–	78,989	–	132,187	42,850	43,553	–	–	304,679
FSU	89,016	–	–	–	–	15,200	–	36,500	540,000	–	680,716
NCA&T	66,126	15,430	12,247	138,178	44,199	26,719	3,410	133,813	–	24,542	464,664
NCCU	170,632	44,834	49,571	–	132,967	188,675	63,125	97,000	68,108	121,499	936,411
NCSA	–	–	5,500	93,236	–	–	–	–	–	46,741	145,477
NCSU, AA	2,616,626	1,254,443	877,000	1,754,173	1,687,700	4,242,680	30,000	1,152,110	220,000	120,000	13,954,732
NCSU, Ag Res.	–	–	–	50,754	15,600	72,932	–	–	–	205,000	344,286
NCSU, Coop. Ext.	–	–	–	–	280,136	1,155,096	–	–	–	1,054,427	2,489,659
UNC-A	16,303	–	39,840	16,356	–	–	–	8,065	13,787	19,648	113,999
UNC-CH, AA	1,959,459	587,615	1,571,044	–	1,969,963	1,040,307	382,660	–	–	22,367	7,533,415
UNC-CH, HA	337,001	825,447	818,432	878,404	350,344	494,773	379,230	271,458	–	459,216	4,814,305
UNC-CH, AHEC	–	53,937	–	14,113	–	7,715	–	–	–	–	75,765
UNC-C	423,391	–	288,000	1,045,310	–	601,236	–	–	–	174,400	2,532,337
UNC-G	213,000	22,000	110,427	1,046,850	55,509	1,098,903	318,365	238,534	185,826	87,565	3,376,979
UNC-P	104,998	–	–	325,094	66,360	25,558	99,875	28,007	–	–	649,892
UNC-W	821,197	13,683	79,047	104,541	108,073	85,000	57,000	5,000	–	172,472	1,446,013
WCU	3,895	–	10,086	–	4,125	38,102	4,422	16,665	–	16,972	94,267
WSSU	–	–	–	94,000	75,000	109,051	–	106,200	–	–	384,251
TOTAL	**7,707,871**	**2,820,749**	**4,048,381**	**6,667,442**	**5,094,018**	**9,711,734**	**1,610,633**	**2,201,905**	**1,208,721**	**2,524,849**	**43,596,303**

The University of North Carolina
Special Responsibility Constituent Institutions
UNC Management Flexibility
Permanent Reallocations (Recurring)
1996-97

Budget Code	Institution	(1) Authorized Requirements at 6/30/97	(2) Permanent Reallocations	(3) Percent of Authorized Requirements (Col. 2 ÷ Col. 1)	(4) Transfers TO Personnel Compensation Accounts	(5) Percent of Permanent Allocations (Col. 4 ÷ Col. 2)
16080	Appalachian State University	87,451,791	301,881	0.35%	218,052	72.23%
	East Carolina University					
16065	Academic Affairs	127,379,658	388,754	0.31%	318,259	81.87%
16066	Health Affairs	44,866,573	none	–	none	–
16086	Elizabeth City State University	22,265,687	9,847	0.04%	8,592	87.26%
16088	Fayetteville State University	31,289,806	38,708	0.12%	38,708	100.00%
16070	North Carolina A & T State University	70,839,114	78,590	0.11%	10,554	13.43%
16090	North Carolina Central University	48,925,855	233,242	0.48%	233,242	100.00%
16092	North Carolina School of the Arts	17,446,932	353,928	2.03%	303,928	85.87%
	North Carolina State University					
16030	Academic Affairs	304,540,386	664,622	0.22%	87,167	13.12%
16031	Agricultural Research	54,463,485	935,244	1.72%	58,429	6.25%
16032	Cooperative Extension	49,708,283	1,293,105	2.60%	1,293,105	100.00%
16055	UNC-Asheville	26,320,150	60,899	0.23%	60,899	100.00%
	UNC-Chapel Hill					
16020	Academic Affairs	249,555,953	1,970,725	0.79%	1,002,881	50.89%
16021	Health Affairs	159,884,739	258,084	0.16%	161,591	62.61%
16022	AHEC	39,912,846	8,023	0.02%	8,023	100.00%
16050	UNC-Charlotte	103,778,351	415,606	0.40%	415,606	100.00%
16040	UNC-Greensboro	95,761,616	367,786	0.38%	355,784	96.74%
16082	UNC-Pembroke	23,730,380	1,052	0.00%	1,052	100.00%
16060	UNC-Wilmington	62,041,301	248,630	0.40%	204,671	82.32%
16075	Western Carolina University	58,856,113	141,399	0.24%	109,149	77.19%
16084	Winston-Salem State University	25,415,126	none	–	none	–
	TOTAL	**1,704,434,145**	**7,770,125**	**0.46%**	**4,889,692**	**62.93%**

The University of North Carolina
Special Responsibility Constituent Institutions
Management Initiatives
Permanent Reallocations to Accomplish Initiatives
1996-97

Institution	Undergrad. Instruction Grad. Rates	Graduate Instruction & Res.	Library Collection & Services	Upgrade Classrooms & Labs	Enhancing Other Physical Facilities	Computing & Telecom.	Support Student Services	Admin. Infrastr.	Other Targeted Program Areas	Total
ASU	19,293	–	71,817	–	126,057	–	33,488	32,559	18,667	301,881
ECU, AA	78,785	–	–	–	–	90,596	59,696	159,677	–	388,754
ECU, HA	–	–	–	–	–	–		–	–	none
ECSU	2,644	–	5,948	–	–	–	1,255	–	–	9,847
FSU	38,708	–	–	–	–	–	–	–	–	38,708
NCA&T	–	–	–	–	58,254	–	–	20,336	–	78,590
NCCU	82,694	–	–	–	–	–	150,548	–	–	233,242
NCSA	95,182	–	–	50,000	–	–	26,616	18,763	163,367	353,928
NCSU, AA	182,566	75,254	57,466	–	–	273,843	–	75,493	–	664,622
NCSU, Ag Res.	–	–	–	–	680,000	–	–	–	255,244	935,244
NCSU, Coop. Ext.	–	–	–	–	–	–	–	–	1,293,105*	1,293,105
UNC-A	–	–	–	–	–	–	–	60,899	–	60,899
UNC-CH, AA	133,311	112,287	3,000	–	–	1,654,527	10,000	–	57,600	1,970,725
UNC-CH, HA	19,773	60,775	–	–	29,972	–	23,519	124,045	–	258,084
UNC-CH, AHEC	–	–	–	–	–	–	–	8,023	–	8,023
UNC-C	123,167	–	–	–	45,929	51,374	112,681	82,455	–	415,606
UNC-G	–	–	–	–	15,000	69,035	22,000	113,408	148,343	367,786
UNC-P	–	–	–	–	–	–	–	1,052	–	1,052
UNC-W	38,283	–	–	–	–	–	52,473	157,874	–	248,630
WCU	19,529	2,400	4,244	–	–	11,247	16,341	21,478	66,160	141,399
WSSU	–	–	–	–	–	–	–	–	–	none
TOTAL	**833,935**	**250,716**	**142,475**	**50,000**	**955,212**	**2,150,622**	**508,617**	**876,062**	**2,002,486**	**7,770,125**

**Includes Academic Enhancement funding for salary increases for Extension campus and field faculty. The 1997 Regular Session directed the Board of Governors to review this issue and make a recommendation to the General Assembly by March 15, 1998.*

The University of North Carolina
Special Responsibility Constituent Institutions
UNC Management Flexibility
Purchases Between Old Benchmark of $10,000 and New Benchmark of $35,000
1996-97

	Number	Amount
Appalachian State University	177	$ 3,304,496
East Carolina University	282	4,808,138
Elizabeth City State University	10	295,412
Fayetteville State University	37	646,305
North Carolina A & T State University	85	1,520,472
North Carolina Central University	34	2,250,854
North Carolina School of the Arts	32	540,897
North Carolina State University	779	14,631,358
UNC-Asheville	48	866,145
UNC-Chapel Hill	1,264	22,760,200
UNC-Charlotte	301	5,672,312
UNC-Greensboro	214	3,965,517
UNC-Pembroke	17	394,815
UNC-Wilmington	143	2,417,155
Western Carolina University	32	554,025
Winston-Salem State University	38	698,646
TOTAL	**3,493**	**65,326,747**

The University of North Carolina
Special Responsibility Constituent Institutions
UNC Management Flexibility
Positions Established, Positions Abolished, and Net Position Changes
Full-Time Equivalent Positions
1996-97

NO TEACHING POSITIONS

Budget Code	Institution	Positions Established			Positions Abolished			Net Position Changes		
		EPA	SPA	Total	EPA	SPA	Total	EPA	SPA	Total
16080	Appalachian State University	1.00	7.25	8.25	0.50	3.00	3.50	0.50	4.25	4.75
	East Carolina University:									
16065	Academic Affairs	3.62	8.00	11.62	0.55	5.00	5.55	3.07	3.00	6.07
16066	Health Affairs	–	–	–	–	–	–	–	–	–
16086	Elizabeth City State University	–	–	–	0.35	2.30	2.65	(.35)	(2.30)	(2.65)
16088	Fayetteville State University	1.00	–	1.00	–	1.00	1.00	1.00	(1.00)	0.00
16070	North Carolina A & T State University	–	2.50	2.50	–	7.50	7.50	–	(5.00)	(5.00)
16090	North Carolina Central University	1.00	1.00	2.00	–	–	–	1.00	1.00	2.00
16092	North Carolina School of the Arts	4.00	3.00	7.00	–	2.00	2.00	4.00	1.00	5.00
	North Carolina State University:									
16030	Academic Affairs	6.34	15.87	22.21	0.90	4.00	4.90	5.44	11.87	17.31
16031	Agricultural Research	–	–	–	–	–	–	–	–	–
16032	Cooperative Extension	–	–	–	–	–	–	–	–	–
16055	UNC-Asheville	–	–	–	–	–	–	–	–	–
	UNC-Chapel Hill:									
16020	Academic Affairs	4.80	21.75	26.55	1.80	23.61	25.41	3.00	(1.86)	1.14
16021	Health Affairs	–	5.07	5.07	–	–	–	–	5.07	5.07
16022	AHEC	–	–	–	–	–	–	–	–	–
16050	UNC-Charlotte	1.00	10.73	11.73	–	–	–	1.00	10.73	11.73
16040	UNC-Greensboro	3.65	11.63	15.28	2.00	1.00	3.00	1.65	10.63	12.28
16082	UNC-Pembroke	–	0.50	0.50	–	1.00	1.00	–	(.50)	(.50)
16060	UNC-Wilmington	1.00	2.50	3.50	–	–	–	1.00	2.50	3.50
16075	Western Carolina University	0.50	8.25	8.75	–	5.10	5.10	0.50	3.15	3.65
16084	Winston-Salem State University	–	–	–	–	–	–	–	–	–
	TOTAL	**27.91**	**98.05**	**125.96**	**6.10**	**55.51**	**61.61**	**21.81**	**42.54**	**64.35**

Parentheses denote net reductions.

Increased Efficiency and Effectiveness Achieved

Budgeting

- The institutions have the ability to use funds budgeted for salaries of positions that are vacant for all or a part of the fiscal year (lapsed salaries) for non-personnel expenditures. Before flexibility, unspent salary funds were not available for such uses.

- The institutions can use lapsed salary funds to update and replace obsolete educational, scientific, and computing equipment, to repair and renovate teaching and laboratory facilities, to support information technology initiatives, and make other one-time improvements in instruction and support functions.

- Flexibility also has provided the opportunity for the institutions to reallocate resources in response to changing institutional priorities, as well as to respond to unforeseen opportunities or problems, such as budget reductions.

- Most of the budget reallocations (revisions) that previously required the approval of the Office of State Budget and Management were accomplished on campus during 1996-97.

- The opportunity to carry forward appropriations to the next fiscal year has given the institutions clear incentives and the related cost-consciousness which produces more efficient operations.

Purchasing

- Prior to the management flexibility legislation, institutional purchases of $10,000 or more required processing through the central Purchase and Contract Division in Raleigh. Under flexibility, the benchmark amount has been increased to $35,000.

- During 1996-97, 3,493 purchases totaling $65.3 million were made on campus between the old benchmark of $10,000 and the increased benchmark of $35,000. [Effective January 1, 1998, the maximum benchmark has been raised to $250,000.]

- Through budget flexibility, institutions took advantage of time-limited buying opportunities, purchased items in quantity in order to receive volume discounts, ordered on a timely basis to avoid price increases, saved time and paperwork and improved service by purchasing from local vendors, and received the benefits of purchasing rather than leasing certain equipment.

Purchasing (continued)

- Processing time for purchases made by the campuses has been less than the time required for similar purchase awards through the Purchase and Contract Division, and continues to improve as institutions further refine and automate their own processes.
- The decrease in processing time has substantially increased the efficiency of the institutions' procurement functions by putting equipment and supplies in the hands of users in a much more timely fashion without sacrificing competitive pricing or quality.
- A corollary result is an increase in goodwill and cooperation between the institutions' purchasing departments and their campus customers.

Personnel

- Flexibility has given institutions the ability to examine their spending patterns and reallocate funds in order to use resources more effectively.
- Within overall guidelines, the institutions have been able to abolish and establish positions.
- Work assignments have been reorganized since the institutions can reallocate the funds necessary to accommodate the related changes.
- Efficiencies, as well as savings, have also been achieved through the increased use of students and other temporary employees.
- Using flexibility, the institutions have been able to redirect funds originally budgeted for permanent positions, or for non-personnel expenditures, to fund temporary employees to assist in peak work load periods and thereby able to staff at a lower level on a regular basis.
- Other major benefits of flexibility in the personnel administration area have been the ability to reallocate funds in order to cover salary adjustments resulting from reclassifications and changes in duty assignments, and to fund certain support positions above the minimum hiring rate in order to recruit and retain more experienced personnel.
- Several of the institutions have used flexibility in order to increase or improve health and safety services on campus to students and employees, including the increase or upgrading of security forces.

McCoy

Recent Management Flexibility Legislation

- More stringent resolution of audit findings, and monitoring of fiscal internal controls and management staffing – must be Resolved within 3 mos.
- On-campus purchasing benchmark increased to a maximum of $250,000, subject to Board of Governors' approval
- Construction management download to institutions
- Authorization to use 1% of required reversions for technology and libraries (see pages 15 – 19)

Planned Expenditures:

Technology	$10,669,336	82%
Libraries	2,329,537	18%
Total	**12,998,873**	**100%**

Proposed Management Flexibility Legislation

- Authorization to use the remaining 1% of required reversion for technology and libraries (see pages 20 – 24)

Planned Expenditures:

Technology	$11,460,626	88%
Libraries	1,612,537	12%
Total	**13,073,163**	**100%**

The University of North Carolina
Proposed Use of 1% Reversions Authorized by 1997 Legislative Session
Fiscal Year 1997-98

	Amount	Percent of Total
Appalachian State University		
Technology: Computers for Faculty Offices	$ 381,915	54.03%
Library: Purchase books and journals	325,000	45.97%
Total – ASU	**706,915**	**100.00%**
East Carolina University		
Technology: Computers for instructional purposes and administrative offices; network/connection upgrades; standardization of and expanded access to email services; development/purchase of new softwares	834,978	59.23%
Library: Upgrade computers systems; rent book storage during renovation; purchase expandable/movable shelving	574,780	40.77%
Total – ECU	**1,409,758**	**100.00%**
Elizabeth City State University		
Technology: Purchase/upgrade computer equipment for academic labs, faculty offices, software for Teacher Education program, classrooms, and Academic Computing; purchase backup power supply for campus network and telephone systems	154,449	82.40%
Library: Purchase books and journals	33,000	17.60%
Total – ECSU	**187,449**	**100.00%**

Fayetteville State University	Amount	Percent of Total
Technology: Purchase/upgrade computers for faculty use; increase access to campus network in academic buildings; expand and improve closed circuit television system to instructional buildings; update Technology Plan	$ 218,638	85.98%
Library: Purchase computers and printers	35,662	14.02%
Total – FSU	**254,300**	**100.00%**
North Carolina A&T University		
Technology: Purchase necessary equipment and install fiber optic backbone in nine campus buildings; Phase I of campuswide Technology Infrastructure Upgrade	524,531	100.00%
Total – NCA&T	**524,531**	**100.00%**
North Carolina Central University		
Technology: Repair and extend university network	72,915	20.16%
Library: Purchase subscriptions	288,691	79.84%
Total – NCCU	**361,606**	**100.00%**
North Carolina School of the Arts		
Technology: Connect library and other parts of campus via fiber optic cable; equip General Studies computer lab	137,032	100.00%
Total – NCSA	**137,032**	**100.00%**

North Carolina State University	Amount	Percent of Total
Technology: Upgrade network and extend fiber optic network; including the library; purchase computers for university field labs, research stations, and waste management program; purchase computers, digital cameras, printers, workstations for faculty; geo-referenced field scouting system for Geographical Information Systems laboratory; extend network to enhance distance education	$3,043,674	100.00%
Total – NCSU	**3,043,674**	**100.00%**
UNC-Asheville		
Technology: New computer equipment for N. C. Arboretum; fiber optic network infrastructure work campuswide	220,629	100.00%
Total – UNC-A	**220,629**	**100.00%**
UNC-Chapel Hill		
Technology: Upgrades to campus network; upgrade email/WEB services; upgrade scientific computing services; expand distributed computing infrastructure; upgrade general support services; database conversion and Request for Proposals to expand internet access for AHEC	2,447,747	75.60%
Library: Acquire 10-year backfiles for library computer system; digitize print collection; purchase computers; expand network connections	790,178	24.40%
Total – UNC-CH	**3,237,925**	**100.00%**

UNC-Charlotte	Amount	Percent of Total
Technology: New computer and network equipment for instructional areas; computers and software for administrative areas; instructional equipment	$ 731,309	92.64%
Library: Publications and periodicals for PhD programs	58,100	7.36%
Total – UNC-C	**789,409**	**100.00%**
UNC-Greensboro		
Technology: Network upgrades; fiber optic cable and network design; consultants for Year 2000 modifications	632,541	84.05%
Library: Shelving	120,000	15.95%
Total – UNC-G	**752,541**	**100.00%**
UNC-Pembroke		
Technology: Connect fiber optic backbone from Lumbee Hall to Oxendine Science building; upgrade email system; purchase new fileserver; install network firewall	104,126	50.00%
Library: Increase book collection; equip electronic classroom; upgrade technology in the library	104,126	50.00%
Total – UNC-P	**208,252**	**100.00%**

UNC-Wilmington	Amount	Percent of Total
Technology: Computer and related equipment for computer labs and classrooms; WEB software; Human Resource System training; conversion of VAX (Digital Equipment) hardware to ALPHA hardware; upgrade outdialling capabilities	$ 473,923	100.00%
Total – UNC-W	**473,923**	**100.00%**
Western Carolina University		
Technology: Computers and other instructional equipment for academic facilities; computer training for faculty; increase network access; purchase basic network software; install 800 number for questions regarding WCU's computer requirement	468,647	100.00%
Total – WCU	**468,647**	**100.00%**
Winston-Salem State University		
Technology: One card management system; faculty computers; wiring to fiber optic network for all academic buildings	222,282	100.00%
Total – WSSU	**222,282**	**100.00%**
All Institutions		
Technology	**10,669,336**	**82.08%**
Library	**2,329,537**	**17.92%**
Total All Institutions	**12,998,873**	**100.00%**

The University of North Carolina
Proposed Use of Remaining 1% of Required Reversions for Technology and Libraries
Fiscal Year 1998-99

Appalachian State University	Amount	Percent of Total
Technology: Computers for faculty offices, Web site registration technology; data communication wiring	$ 377,873	53.76%
Library: Purchase books and journals	325,000	46.24%
Total – ASU	**702,873**	**100.00%**
East Carolina University		
Technology: Computers for instructional purposes, including distance education initiatives; computing equipment for administrative offices	1,000,000	71.24%
Library: Increase library collections; rent book storage during renovation	403,682	28.76%
Total – ECU	**1,403,682**	**100.00%**
Elizabeth City State University		
Technology: Purchase computers and projection units for faculty; purchase computers for administrative offices; acquire equipment for network infrastructure; purchase computer equipment for library	186,417	100.00%
Total – ECSU	**186,417**	**100.00%**

Fayetteville State University	Amount	Percent of Total
Technology: Purchase/upgrade computers and printers for faculty offices; establish science lab; purchase computer equipment for library; purchase two campus servers; complete expansion and improvements of campus network	$ 254,507	100.00%
Total – FSU	**254,507**	**100.00%**
North Carolina A&T University		
Technology: Purchase network equipment and fiber optic cable to extend computer access to six buildings	520,029	100.00%
Total – NCA&T	**520,029**	**100.00%**
North Carolina Central University		
Technology: Equip electronic classroom; upgrade/acquire computer equipment for faculty; purchase software to enable distance learning; software licenses; faculty and staff training	142,583	38.79%
Library: Increase library collections	225,000	61.21%
Total – NCCU	**367,583**	**100.00%**
North Carolina School of the Arts		
Technology: Replace computer equipment in library; purchase computer equipment for Design and Production Computer Lab and new Sound Pgm; enhance MIS area to handle larger capacity	136,769	100.00%
Total – NCSA	**136,769**	**100.00%**

North Carolina State University	Amount	Percent of Total
Technology: Acquire modern workstations and software for faculty and academic staff and enhance connectivity for student access to the University network from various locations. In the Agricultural Program areas, purchase computers, digital cameras, printers, workstations for faculty; purchase computers for university field labs, research stations, and waste management programs; improve network connectivity in agricultural facilities throughout the state; upgrade facilities at seven county sites for distance education, marketing, and recruiting	$3,020,869	100.00%
Total – NCSU	**3,020,869**	**100.00%**
UNC-Asheville		
Technology: Upgrade computer equipment for N. C. Arboretum; enhance new Multimedia program; upgrade computers in student labs; enhance computers for faculty	214,569	100.00%
Total – UNC-A	**214,569**	**100.00%**
UNC-Chapel Hill		
Technology: Upgrades to campus network and infrastructure; (with emphasis on the university wiring plan); new server and disk storage capacity for the library; AHEC expansion of computer network	2,964,556	88.11%
Library: Acquire electronic database backfiles	400,000	11.89%
Total – UNC-CH	**3,364,556**	**100.00%**

UNC-Charlotte	Amount	Percent of Total
Technology: Purchase computers and software for faculty offices; upgrade equipment to support distance learning; equip 3 electronic classrooms; upgrade student ID card system; purchase computers for administration	$ 735,819	93.64%
Library: Publications and periodicals for PhD programs	50,000	6.36%
Total – UNC-C	**785,819**	**100.00%**
UNC-Greensboro		
Technology: Infrastructure, including wiring to ensure computing access for both instructional and administrative buildings	757,067	100.00%
Total – UNC-G	**757,067**	**100.00%**
UNC-Pembroke		
Technology: Upgrade infrastructure and computer equipment	101,227	50.30%
Library: Increase book collection; upgrade technology in the library	100,000	49.70%
Total – UNC-P	**201,227**	**100.00%**
UNC-Wilmington		
Technology: Computer and related equipment for computer labs and classrooms; upgrade both academic and administrative systems	$ 469,729	100.00%
Total – UNC-W	**469,729**	**100.00%**

Western Carolina University	Amount	Percent of Total
Technology: Purchase Web-based student registration system; renovate and equip electronic classroom; expand computing capabilities for the North Carolina Center for the Advancement of Teaching; purchase computers for faculty offices	408,000	87.39%
Library: Increase reference material and electronic subscriptions	58,855	12.61%
Total – WCU	**466,855**	**100.00%**
Winston-Salem State University		
Technology: Purchase computers and printers for faculty offices; develop campus computing infrastructure	170,612	77.34%
Library: Enhance library book collections	50,000	22.66%
Total – WSSU	**220,612**	**100.00%**
All Institutions		
Technology	**11,460,626**	**87.67%**
Library	**1,612,537**	**12.33%**
Total All Institutions	**13,073,163**	**100.00%**