

2017

**JOINT
APPROPRIATIONS –
EDUCATION**

MINUTES

NORTH CAROLINA GENERAL ASSEMBLY

Senate Appropriations on Education/Higher Education Committee 2017-2018 SESSION



**Sen. Chad Barefoot
Co-Chair**



**Sen. David Curtis
Co-Chair**



**Sen. Michael Lee
Co-Chair**



Sen. Deanna Ballard



Sen. Erica Smith-Ingram



Sen. Jerry Tillman



Sen. Joyce Waddell

Senate Appropriations on Education/Higher Education Committee 2017-2018

Sen. Chad Barefoot, Co-Chair
Room 406 LOB
919-715-3036
Chad.Barefoot@ncleg.net

Sen. David Curtis, Co-Chair
Room 410 LOB
919-715-3038
David.Curtis@ncleg.net

Sen. Michael Lee, Co-Chair
Room 408 LOB
919-715-2525
Michael.Lee@ncleg.net

Sen. Deanna Ballard
Room 521 LOB
919-733-5724
Deanna.Ballard@ncleg.net

Sen. Erica Smith-Ingram
Room 1118 LB
919-715-2808
Erica.Smith-Ingram@ncleg.net

Sen. Jerry Tillman
Room 309 LOB
919-733-5870
Jerry.Tillman@ncleg.net

Sen. Joyce Waddell
Room 1113 LB
919-733-5650
Joyce.Waddell@ncleg.net

Lisa Fox
Fiscal Research Division
919-733-4910
Lisa.Fox@ncleg.net

Lauren Metayer
Fiscal Research Division
919-733-4910
Lauren.Metayer@ncleg.net

Eric Naisbitt – Clerk
Room 406 LOB
919-715-3036
Barefootla@ncleg.net

Lynn Tennant - Clerk
Room 410 LOB
919-715-3038
Curtisla@ncleg.net

Emily Barnes- Clerk
Room 408 LOB
919-715-2525
Leela@ncleg.net

STAFF

Jennifer Hoffman
Fiscal Research Division
919-733-4910
Jennifer.Hoffman@ncleg.net

Brett Altman
Fiscal Research Division
919-733-4910
Brett.Altman@ncleg.net



FULL SITE SEARCH:	type search criteria	Go
SEARCH BILL TEXT:	2017-2018 Session <input checked="" type="checkbox"/> type search criteria	Go
FIND A BILL:	2017-2018 Session <input checked="" type="checkbox"/> enter bill # (e.g., S253)	Go
VIEW MEMBER INFO:	Select a member...	<input checked="" type="checkbox"/> Go

HOME	HOUSE	SENATE	ABOUT THE LEGISLATURE	AUDIO	CALENDARS	COMMITTEES	LEGISLATION/BILLS	WHO REPRESENTS ME?	CITIZEN'S GUIDE
------	-------	--------	-----------------------	-------	-----------	------------	-------------------	--------------------	-----------------

printable version

VISIT INSIDE INFO

Appropriations, Education

House Standing Committee

- Visit the **Committee's website**
- Meets: Every Tuesday, Wednesday, Thursday at 8:30 AM in 1425 LB
- Bills in Committee: *None*
- NCGA Users Only: Bills in Committee Report
- Meeting notices via e-mail

Members

Chairman	Rep. Blackwell
Chairman	Rep. Elmore
Chairman	Rep. Fraley
Chairman	Rep. Horn
Chairman	Rep. Hurley
Vice Chairman	Rep. Conrad
Members	Rep. Ball, Rep. L. Bell, Rep. Brockman, Rep. Corbin, Rep. Fisher, Rep. Gill, Rep. Grange, Rep. Lucas, Rep. Michaux, Rep. Sauls, Rep. Zachary

NCGA Division Links

- Legislative Library
 - In the Spotlight
- Fiscal Research Division
- Legislative Drafting Division
- Program Evaluation Division
- Legislative Analysis Division
- Legislative Publications
- NCGA Career Opportunities

Shortcuts

- General Statutes
 - Table of Contents
- Session Laws
- House Standing Committees
- Senate Standing Committees
- Non-Standing, Interim, and Study Committees
- Redistricting
- Votes on Bills
- NCGA Mobile Website
- Help

North Carolina General Assembly | Legislative Building | 16 West Jones Street | Raleigh, NC 27601 | 919-733-4111
 Disclaimer | Privacy | Policies | Contact Web Site Support | RSS Info

Helpful Links

- Legislative Calendar
- Staff Contact Info
- Homework Resources
- Subscribe to E-mail Notifications
- nc.gov





Senate Appropriations on Education/Higher Education Committee 2017-2018

Sen. Chad Barefoot, Co-Chair
Room 406 LOB
919-715-3036
Chad.Barefoot@ncleg.net

Sen. David Curtis, Co-Chair
Room 410 LOB
919-715-3038
David.Curtis@ncleg.net

Sen. Michael Lee, Co-Chair
Room 408 LOB
919-715-2525
Michael.Lee@ncleg.net

Sen. Deanna Ballard
Room 521 LOB
919-733-5724
Deanna.Ballard@ncleg.net

Sen. Erica Smith-Ingram
Room 1118 LB
919-715-2808
Erica.Smith-Ingram@ncleg.net

Sen. Jerry Tillman
Room 309 LOB
919-733-5870
Jerry.Tillman@ncleg.net

Sen. Joyce Waddell
Room 1113 LB
919-733-5650
Joyce.Waddell@ncleg.net

Lisa Fox
Fiscal Research Division
919-733-4910
Lisa.Fox@ncleg.net

Lauren Metayer
Fiscal Research Division
919-733-4910
Lauren.Metayer@ncleg.net

Eric Naisbitt – Clerk
Room 406 LOB
919-715-3036
Barefootla@ncleg.net

Lynn Tennant - Clerk
Room 410 LOB
919-715-3038
Curtisla@ncleg.net

Emily Barnes- Clerk
Room 408 LOB
919-715-2525
Leela@ncleg.net

STAFF

Jennifer Hoffman
Fiscal Research Division
919-733-4910
Jennifer.Hoffman@ncleg.net

Brett Altman
Fiscal Research Division
919-733-4910
Brett.Altman@ncleg.net



Principal Clerk _____
Reading Clerk _____

SENATE
NOTICE OF JOINT COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The **Senate Committee on Appropriations on Education/Higher Education** will meet at the following time:

DAY	DATE	TIME	ROOM
Tuesday	February 21, 2017	8:30 AM	423 LOB

Sen. Chad Barefoot will preside.

Senator Chad Barefoot, Co-Chair
Senator David L. Curtis, Co-Chair
Senator Michael V. Lee, Co-Chair



Senate Committee on Appropriations on Education/Higher Education
Tuesday, February 21, 2017 at 8:30 AM
Room 423 of the Legislative Office Building

MINUTES

The Senate Committee on Appropriations on Education/Higher Education met jointly at 8:30 AM on February 21, 2017 in Room 423 of the Legislative Office Building. 7 Senators were present, and Representatives Blackwell, Elmore, Fraley, Horn, Hurley, Conrad, Ball, Bell, Brockman, Corbin, Fisher, Gill, Grange, Michaux, and Zachary were present.

Senator Chad Barefoot, Chair, presided.

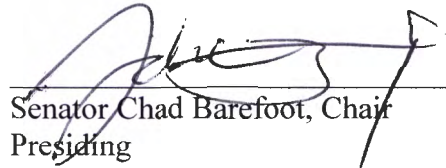
Senator Barefoot opened the meeting by thanking the House and Senate Sergeant at Arms and welcoming the House and Senate Pages.

The members of the House and Senate committees and staff from Fiscal Research Division introduced themselves.


Mr. William Cobey, Chairman of the North Carolina State Board of Education, explained the State Board's strategic plan and gave a brief overview of the Board's funding requests. After his explanation, members of the committee were given the opportunity to ask questions.

Mr. Mark Johnson, Superintendent of Public Instruction, explained the Department of Public Instruction's role, outlined his vision going forward, and provided background information on his efforts during his first few months in office. After his speech, members of the committee were given the opportunity to ask questions.

The meeting adjourned at 9:53 AM.



Senator Chad Barefoot, Chair
Presiding



Eric Naisbitt, Committee Clerk





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Tuesday, February 21, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee

Members
Sen. Hanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Senator Chad Barefoot,
Presiding Co-chair

2. Member Introductions

3. North Carolina Department of Public Instruction

Mr. William Cobey,
Chairman, State Board of Education

Mr. Mark Johnson,
State Superintendent

4. Adjourn

NEXT MEETING:

February 22, 2017



FY 2017-19 State Board of Education (SBE) Expansion Budget Request Funding Priorities for Implementing the SBE's Strategic Plan

November 2, 2016

It all Connects in the Classroom

Paying our Talented Team

Teachers (1%)	\$ 54.0
School Building Admin (1%)	3.2
Others (1%)	12.0
<i>Listed is the cost to increase the pay of public school employees by 1%. The letter that goes with the Expansion Budget request to the Governor will support a sizable raise and a tiered Comprehensive Teacher Compensation System (as the SBE has previously requested to pay NC teachers the highest average salary in the Southeast).</i>	
	\$ 69.2

Adding more Talented Members to the Team

Teacher Assistants	\$ 61.8
Assistant Principals	33.7
Instructional Support	34.8
Nurses	11.5
Child and Family Support Teams	1.3
Troops to Teachers (new request)	0.2
	\$ 143.3

Enhancing the Skills of the Team

Professional Development (gen) *	\$ 12.5
Behavioral Support Services	4.0
Professional Development (HB)	12.0
Recruitment and Retention	1.0
<i>* Professional Development offered by DPI enables school districts to obtain high quality training and it enables all schools and teachers to have access to the same training. By withholding 5% of the general Professional Development funds to public schools (\$625k), DPI can assure that dual language immersion, global education, standard course of study training, and curriculum specific training is available to all North Carolina teachers.</i>	
	\$ 29.5

Enhancing the Classroom Experience for Teachers and Students

Instructional Supplies	\$ 46.9
School Building Tech Support	84.6
UERS	6.5
Home Base Content	6.0
Textbooks/Digital Learning	48.0
Child Nutrition	20.0
Children with Special Needs	110.0
District and School Transformation	15.1
CTE Certifications	2.7
Cooperative and Innovative HS	4.0
NC Check-In's (was Interim Assessments)	0.8
NC Procurement Alliance	0.1
	\$ 344.7

Supporting for Results

DPI Expansion	\$ 11.4
Residential School Expansion	4.9
Licensure Renewals (new request)	0.8
	\$ 17.1

Investing in what Works

Make Pre-K a Part of Public Schools and expand funding.	
<i>Since funding for pre-K is in DHHS's Budget, we will not be including any amounts in the State Board's Expansion Budget request. This item will be included in the letter that goes with the Expansion Budget request.</i>	

Total (does not include pay increases)	\$ 534.6
--	----------





STATE BOARD OF EDUCATION STRATEGIC PLAN

Vision: Every public school student will graduate ready for post-secondary education and work, prepared to be a globally engaged and productive citizen.

Mission: The State Board of Education will use its constitutional authority to lead and uphold the system of public education in North Carolina.

GOALS	OBJECTIVES
1. Every student in the NC Public School System graduates from high school prepared for work, further education and citizenship	<ol style="list-style-type: none">1. Increase the cohort graduation rate2. Graduate students prepared for post-secondary education3. Graduate students pursuing a Career and Technical Education (CTE) concentration prepared for careers4. Reduce the percentage of students needing remediation in post-secondary education5. Increase student performance on the state's End of Grade (EOG) and End of Course (EOC) Assessments and on the National Assessment of Educational Progress (NAEP)
2. Every student has a personalized education	<ol style="list-style-type: none">1. Increase the number of students who graduate from high school with post secondary credit2. Increase the number of teachers and students using digital learning tools3. Increase the number of schools designated as Science, Technology, Engineering and Mathematics (STEM)- or Global Education-ready4. Increase the number of charter schools meeting academic, operational, and financial goals5. Decrease the percentage of Low-Performing Schools and Low-Performing School Districts in the State
3. Every student, every day has excellent educators	<ol style="list-style-type: none">1. Develop and support highly effective teachers2. Develop and support highly effective principals3. Increase the number of teachers graduating from quality traditional and alternative educator preparation programs4. Increase the number of principals graduating from quality traditional and alternative educator preparation programs5. Increase the access to effective and highly-effective teachers for students in low-achieving and high-poverty schools relative to their higher-achieving and lower-poverty peers.
4. Every school district has up-to-date financial, business, and technology systems to serve its students, parents and educators	<ol style="list-style-type: none">1. Provide all schools with sufficient wireless coverage to support 1:1 computing initiatives2. Use Home Base as an essential resource for instructional delivery and communications with parents and students3. Use State and federal funding according to State and federal laws and State Board of Education policies
5. Every student is healthy, safe, and responsible	<ol style="list-style-type: none">1. Create and maintain a safe and respectful school environment2. Promote healthy, active lifestyles for students3. Decrease the number of students who are chronically absent, dropout, or suspended out of school4. Decrease violence and crime in schools

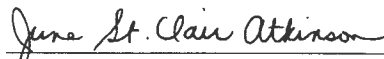


Resolution Establishing a
**A WHOLE SCHOOL, WHOLE COMMUNITY,
WHOLE CHILD FRAMEWORK**
for the State Board of Education

- WHEREAS, the North Carolina Constitution declares that the people have a right to the privilege of education, and that it is the duty of the State to guard and maintain that right, and
- WHEREAS, the North Carolina Constitution establishes the North Carolina State Board of Education as a body whose duty is to make all needed rules and regulations as it supervises and administers the free public school system, subject to laws enacted by the General Assembly, and
- WHEREAS, the North Carolina State Board of Education acknowledges the critical linkages to education that help ensure the privilege of education for all of its children, including initiatives and programs that support student health and safety and that develop student responsibility, and
- WHEREAS, the Board acknowledges that other State and local agencies, along with educators, parents, and the community, have significant roles in meeting the needs of children and in removing barriers to their success, and
- WHEREAS, the barriers to success for many children include poverty, poor health, unsafe environments, lack of access to services and supporting infrastructure needed to support their long-term health and safety and that will ensure their access to a quality public education that strives for high academic achievement for all, and
- WHEREAS, research shows that the health of students is inextricably linked to their academic achievement, and
- WHEREAS, public schools, health agencies, parents and communities share a common goal of supporting the health and academic achievement of adolescents, and
- WHEREAS, *the Whole School, Whole Community, Whole Child model* emphasizes the relationship between educational attainment and health, by putting the child at the center of a system designed to support both, and
- WHEREAS, *the Whole School, Whole Community, Whole Child model* focuses attention on the preK-12 child; emphasizes a school-wide approach; and acknowledges learning, health, safety and the school as being a part and reflection of the local community, and
- WHEREAS, the Healthy Active Children policy is grounded in *the Whole School, Whole Community, Whole Child model* and requires that all Local Education Agencies maintain a School Health Advisory Council,
- NOW THEREFORE BE IT,
- RESOLVED, that the North Carolina State Board of Education adopts *the Whole School, Whole Community, Whole Child model* as a framework for supporting the health behaviors and academic performance of students, and
- RESOLVED, that the North Carolina State Board of Education directs staff to change the name of the North Carolina State Board Interagency Committee, whose work it is to identify wrap-around services needed by public school students and to ensure coordination and collaboration of these services from State agencies and related external partners, to now be known as the North Carolina State Board of Education Whole Child NC Committee, and
- RESOLVED, that, the North Carolina State Board of Education encourages Local Education Agencies to use *the Whole School, Whole Community, Whole Child model* as a framework for creating collaborative school/community relationships and improving students' learning and health, and
- RESOLVED, that Board members direct the Secretary to the State Board of Education to enter a copy of this resolution into the official minutes of the North Carolina State Board of Education.



William W. Cobey, Chairman
North Carolina State Board of Education



June St. Clair Atkinson, State Superintendent
North Carolina Department of Public Instruction



The Whole School, Whole Community, Whole Child Model

The Whole School, Whole Community, Whole Child (WSCC) model is an expansion and update of the Coordinated School Health (CSH) approach. The WSCC incorporates the components of CSH and the tenets of the ASCD's* whole child approach to strengthen a unified and collaborative approach to learning *and* health.

The WSCC model focuses its attention on the child, emphasizes a school-wide approach, and acknowledges learning, health, and the school as being a part and reflection of the local community.

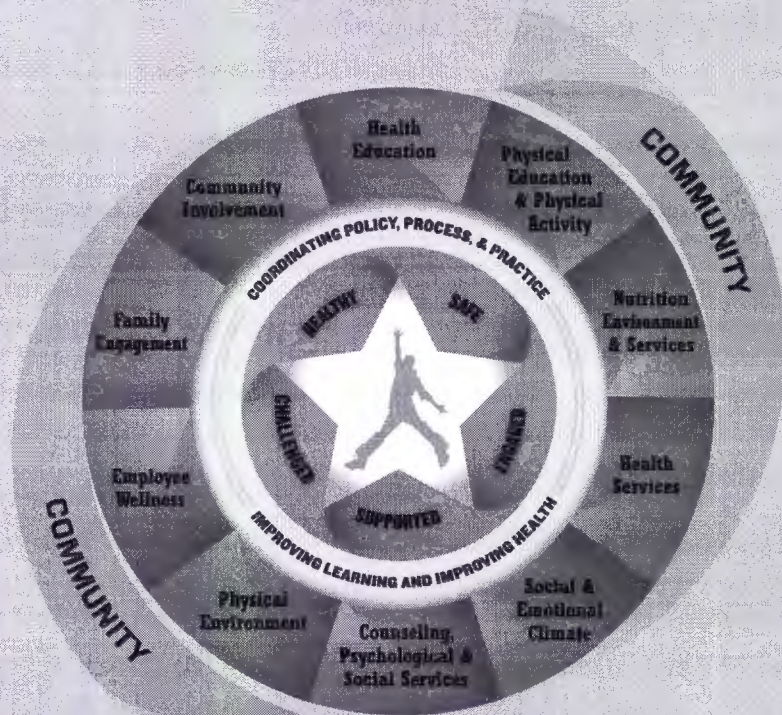
WSCC: The Model

Schools, health agencies, parents, and communities share a common goal of supporting the health and academic achievement of adolescents. Research shows that the health of students is linked to their academic achievement. By working together, the various sectors can ensure that *every young person* in every school in every community is healthy, safe, engaged, supported, and challenged.

The WSCC model accomplishes a number of important objectives:

- It combines the “Whole Child” model from ASCD with the CSH approach used by many in the adolescent and school health field.
- It emphasizes the relationship between educational attainment and health, by putting the child at the center of a system designed to support both.
- It provides an update to the CSH approach to better align with the way schools function.

Whole School, Whole Community, Whole Child Model



- The child in the center is at the focal point of the model; the child is encircled by the “whole child” tenets in green: being “healthy, safe, engaged, supported, and challenged.”
- The white band emphasizes the alignment, integration, and collaboration needed among the school, health, and community sectors to improve each child’s learning and health.
- Represented in the blue, the multiple school components surround the child, acting as the hub that provides the full range of learning and health support systems to each child, in each school, in each community.
- The community, represented in yellow, demonstrates that while the school may be a hub, it remains a focal reflection of its community and requires community input, resources, and collaboration in order to support its students.

*Formerly known as the Association for Supervision and Curriculum Development



VISITOR REGISTRATION SHEET

(Committee Name)

2/21/17

Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

[illegible]



VISITOR REGISTRATION SHEET

Joint Comm. on Education/Higher Education

2/21/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kevin Wilkins	NC Superintendent
Alex Schauss	NCDPI
Philip Brice	NCDPI
Bill Hussey	NCDPT
DAVE MACADON	NCDPI office of Choice Schools
Wendy Kelly	Focus on Learning
Bruce Aldred	NCSBA
Richard Bostic	NCSBil
Lee T. Taylor	NLA PCS
Bert Venable	NCAAT
Bryon A. Hollaway	Hollaway Group Inc.





Appropriations on Education / Higher Education

February 21, 2017 – Room 423-424 LOB – 8:30 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Sarah Sturdivant	SBE
Robb Jansen	SBE
Kari Travis	Carolina Journal
Jessica Englebert	Office of Governor
Josh Laves	SML
W. Gordon Culpepper	PPAB
Amarda Fyfe	UDA
Kris Nordstrom	NCJC
Sarah Hardin	NCEL
Adam Pridmore	NCRB
Jim Lavallee	Wake Ed Partnership
Harry Egle	MWC
Christopher Jones	Waddell Office
Martez Hill	NC SBE
ADAM LEVINSON	NCDPI/NCSSBE
Maria Pitre-Martin	NCDPI/NCSSBE
Jeni Corn	Friday Institute
Mark Johnson	NC Superintendent





Appropriations on Education / Higher Education

February 21, 2017 – Room 423-424 LOB – 8:30 AM

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
David Cooper	BEST NC
Elizabeth Brummett	NCCCS
Mary Shuping	NCCCS
Leanne Wynn	NCSBA
Cheryl Posner-Cahill	NC School Psych Assoc
Hope Williams	NCICU
Michael Houser	THCG
Fachel E Beaulieu	NC Public School Forum
C. Philip Byers	NC Board of Gov.
Keri Burke	MWC
Jonathan Kappler	UNC GA
Don Moritz	UNC GA
Steve Metcalfe	The Policy Group
Liz Bell	Education NC
Dan Gaultney	Power School
Jenna Robinson	Martin Center



AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Wednesday, February 22, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Representative Hugh Blackwell,
Presiding Co-chair

2. The University of North Carolina

Margaret Spellings
President

3. North Carolina Community College System

Dr. James Williamson
President

4. North Carolina Independent Colleges and Universities

Dr. A. Hope Williams
President

5. Adjourn

NEXT MEETING:

February 28, 2017



Joint House & Senate Committee on Appropriations, Education
Wednesday, February 22, 2017 at 8:30 AM
Room 423

MINUTES

The House Committee on Appropriations, Education met jointly with the Senate Committee on Appropriations, Education at 8:30AM on Wednesday, February 22, in Room 423. Representatives Ball, Bell, Blackwell, Brockman, Conrad, Corbin, Elmore, Fisher, Fraley, Gill, Grange, Horn, Hurley, Michaux and Zachary attended. Senators in attendance were Barefoot, Curtis, Lee, Smith-Ingram and Waddell. Fiscal department staff were Brett Altman, Lisa Fox, Jennifer Hoffman and Lauren Metayer. Drupti Chauhan, Kara McCraw and Brian Gwyn attended from the Legislative Analysis Division.

Representative Hugh Blackwell, presiding chair, called the meeting to order at 10:05 AM.

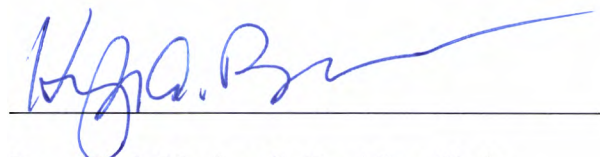
University of North Carolina President, Margaret Spellings, gave an overview of the UNC system in relation to the numbers of students enrolled at the sixteen universities and the NC School of Science and Mathematics, the number of graduates in over 2400 degree programs and the estimated economic impact on NC. She discussed the university system's strategic plan to improve access, affordability and efficiency for students. President Spellings answered questions from committee members and provided comments as to how concerns are being considered and will be addressed.

Dr. James Williamson, President of the North Carolina Community College System, stated that access and affordability are key tenants of the NCCC system. Every student is within 30 miles of a community college and NCCC has the lowest tuition in the Southeast, making it more affordable as an option for many students. NCCC's workforce development programs served over 900 companies in 2015-16 by teaching specific job skills to employees or potential hires. Curriculum courses are also available leading to certificates, diplomas or associate degrees that may be applied to a four-year university degree. NCCC is a leading provider of adult education as well. Dr. Williamson asserted that, for every \$1 spent on the community college system, \$4.10 is gained by the taxpayers. Dr. Williamson discussed questions raised by committee members such as articulation with the university system and monitoring of employment success of students who have and have not completed a workforce development program.

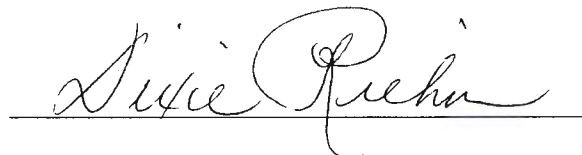
President of NC Independent Colleges and Universities, Hope Williams, provided comments on accessibility and location of campuses of private colleges and universities and the sometimes specialized fields of study offered. Dr. Williams explained that independent colleges and universities receive only 2% of state education dollars yet confer 27% of bachelor's degrees and 33% of graduate degrees awarded in North Carolina, thereby adding significant positive value to the state on a cost/benefit basis. President Williams addressed questions and provided additional information to committee members on areas questioned.

There being no further business, Chairman Blackwell adjourned the meeting at 9:50 AM. Handouts attached.





Rep. Hugh Blackwell, Presiding Chair



Dixie Riehm, Committee Clerk



ATTACHMENTS

Dr. Margaret Spellings, President, The University of North Carolina

1. UNC PRESIDENT MARGARET SPELLINGS PRESENTATION TO THE NORTH CAROLINA GENERAL ASSEMBLY JOINT EDUCATION APPROPRIATIONS COMMITTEE, FEB. 22, 2017

Dr. James Williamson, President, North Carolina Community College System

2. North Carolina Community College System (NCCS) Presentation to the Joint House and Senate Education Appropriations Committees

Dr. Hope Williams, President, North Carolina Independent Colleges & Universities

3. North Carolina Independent Colleges & Universities presentation to JOINT EDUCATION APPROPRIATIONS COMMITTEE, Wednesday, February 22, 2017





UNC PRESIDENT MARGARET SPELLINGS
PRESENTATION TO THE
NORTH CAROLINA GENERAL ASSEMBLY
JOINT EDUCATION APPROPRIATIONS COMMITTEE

FEBRUARY 22, 2017





BY THE NUMBERS

228,000 }



Number of students enrolled at 16 universities and NC School of Science and Mathematics.

53,000 }



Number of students who graduate annually from over 2,400 academic degree programs in 400 fields of study.

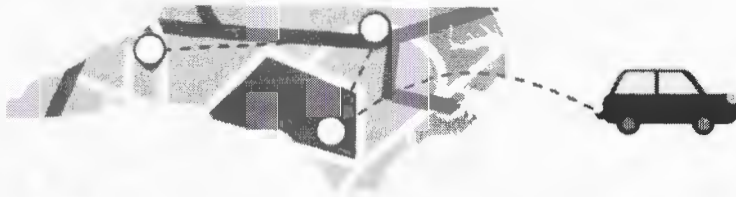
8.6M sq ft } \$22.3B value

\$27.9 B economic impact on NC

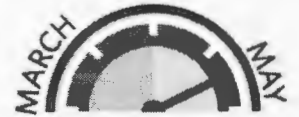




SYSTEM TOUR



3,877



TOTAL MILES TRAVELED TO 17 INSTITUTIONS, NC
RESEARCH CAMPUS, AND UNC-TV

ASU IS 3,333' ABOVE SEA LEVEL | CHAPEL HILL IS 499' ABOVE SEA LEVEL | ECSU IS 12' ABOVE SEA LEVEL



11
MASCOTS
HUGGED



4
GOLF CARTS
RIDDEN



1
ROBOTIC
SURGERY



17
DOGWOOD
TREES PLANTED



2
NOBEL PRIZE
WINNERS MET





STRATEGIC PLAN

Access



Affordability and Efficiency



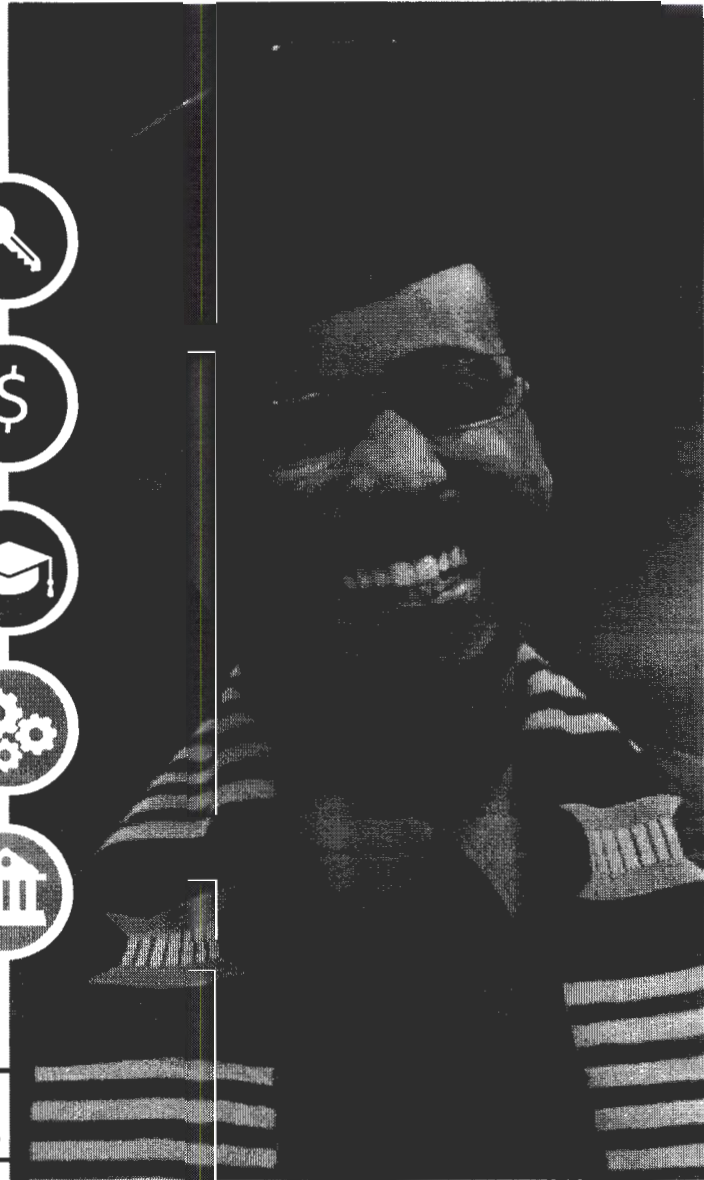
Student Success



Economic Impact and
Community Engagement



Excellent and Diverse Institutions





QUESTIONS?

CONNECT



www.northcarolina.edu

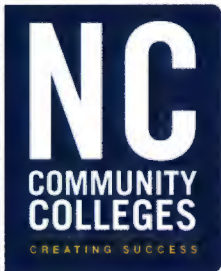


UNC_System



@UNC_system







North Carolina Community College System (NCCCS)

Presentation to the Joint House & Senate Education Appropriations Committees

www.nccommunitycolleges.edu

 @NCCCommColl





58 NC Community College Locations



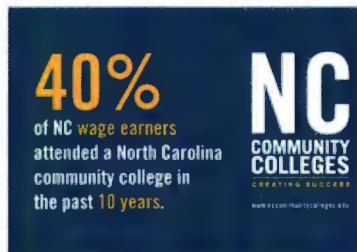
124 Remote Locations

<http://www.nccommunitycolleges.edu/about-us/main-campuses>



Who are We?

G.S. 115D-1 "...The Community Colleges System Office is designated as the **primary lead agency** for delivering **workforce development training, adult literacy training, and adult education programs** in the State."



NC Commerce (LEAD Division) 2015

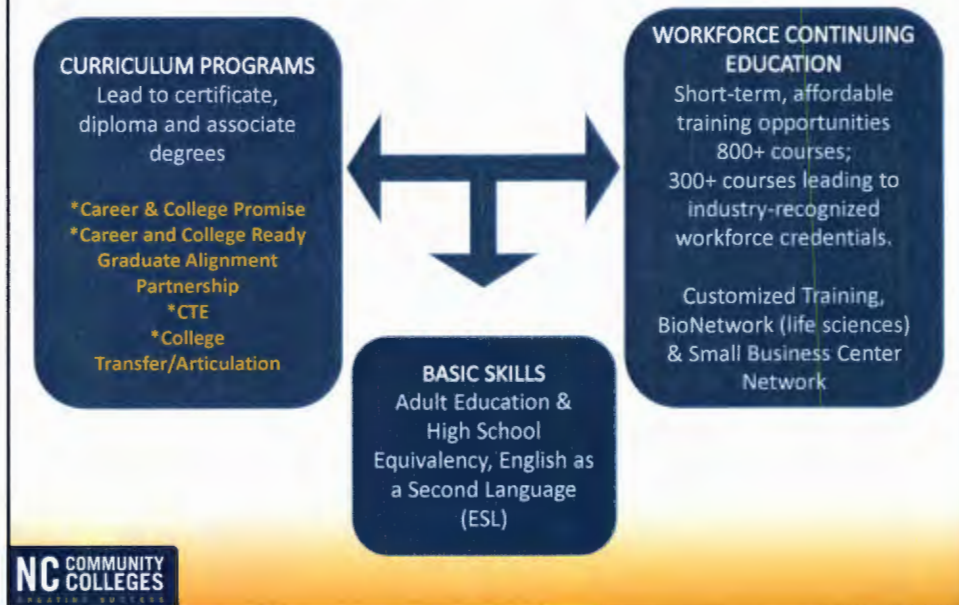
NC COMMUNITY
COLLEGES
CREATING SUCCESS

Mission

To open the door to high-quality, accessible educational opportunities that minimize barriers to post-secondary education, maximize student success, develop a globally and multi-culturally competent workforce, and improve the lives and well-being of individuals through **Access, Excellence and Completion.**

NC COMMUNITY
COLLEGES
CREATING SUCCESS

Areas of Education



History of the System

- **1952:** Study proposes a plan for development of State-supported community colleges.
- **1957:** Enactment of first Community College Act; first Industrial Education Centers funded.
- **1963:** Department of Community Colleges and new Community College System established under State Board of Education.
- **1980:** State Board of Community Colleges established.

"We must take the people where they are and carry them as far as they can go..."



Dr. Dallas Herring



NCCCS Statistics

- 3rd Largest System in the Nation
- Lowest tuition in the southeast
- Largest Higher Ed System in NC
- Served 710,000 students in 2015-16
- Graduate 38,000 annually
- 2015-2016 Full-Time Equivalent enrollment: 210,316
- Employ 34,000 faculty and staff statewide
- Median age of students: 32 years old



Economic Development Statistics



942

Companies Served
in 2015-16



\$367

Investment
average/employee



\$4.10

For every \$1 spent, \$4.10
gained by taxpayers



881

Small businesses
start-up assists

SERVING BUSINESSES IN ALL 100 COUNTIES THROUGH
58 COMMUNITY COLLEGES

NC COMMUNITY COLLEGES
CREATING SUCCESS

Customers of the NCCCS

- North Carolina Citizens
- Businesses
- DPI
- UNC System
- Independent Colleges & Universities



Public Schools of North Carolina
State Board of Education
Department of Public Instruction



NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

NC COMMUNITY COLLEGES
CREATING SUCCESS

Contact Information

- Jimmie Williamson, President

(919) 807-6950

williamsonj@nccommunitycolleges.edu

- Jennifer Haygood, Chief of Staff

(919) 807-7021

haygoodj@nccommunitycolleges.edu

- Elizabeth Grovenstein, Vice President/CFO

(919) 807-7070

grovensteine@nccommunitycolleges.edu

- Mary Shuping, Director of Government Relations

(919) 795-1636

shupingm@nccommunitycolleges.edu



NORTH CAROLINA INDEPENDENT COLLEGES & UNIVERSITIES

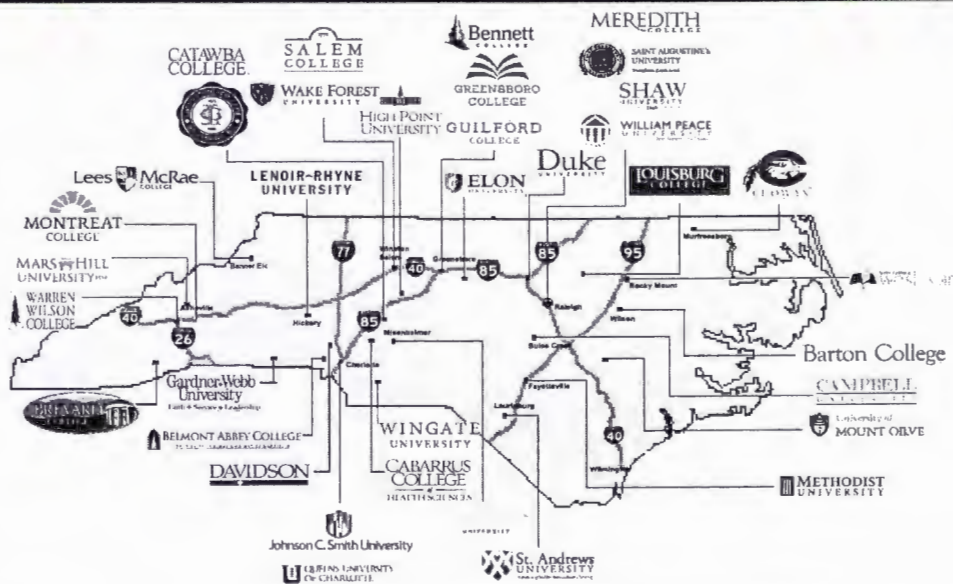
Presentation to
JOINT EDUCATION APPROPRIATIONS COMMITTEE

Wednesday, February 22, 2017

A. HOPE WILLIAMS, President

TOM WEST, VP for Government Relations/General Counsel

North Carolina Independent Colleges and Universities



NCICU

36

PRIVATE COLLEGES AND UNIVERSITIES

90k

STUDENTS

70k

UNDERGRADUATE

20k

GRADUATE

NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

NCICU Institutions Invest in STEM Degrees

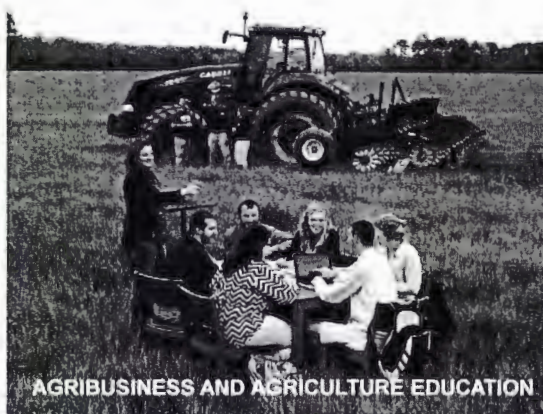


New Engineering and
Biomedical Sciences
academic programs
- Wake Forest University

Ferguson Health Sciences Center – Mars Hill University



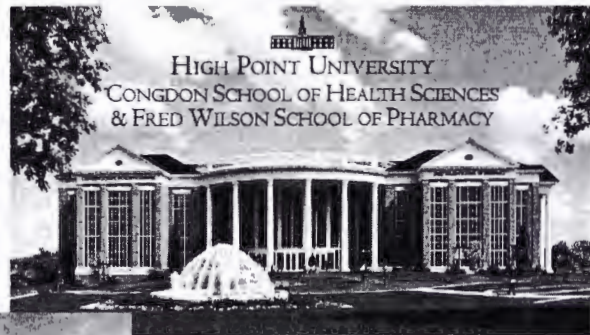
University of Mount Olive



AGRIBUSINESS AND AGRICULTURE EDUCATION

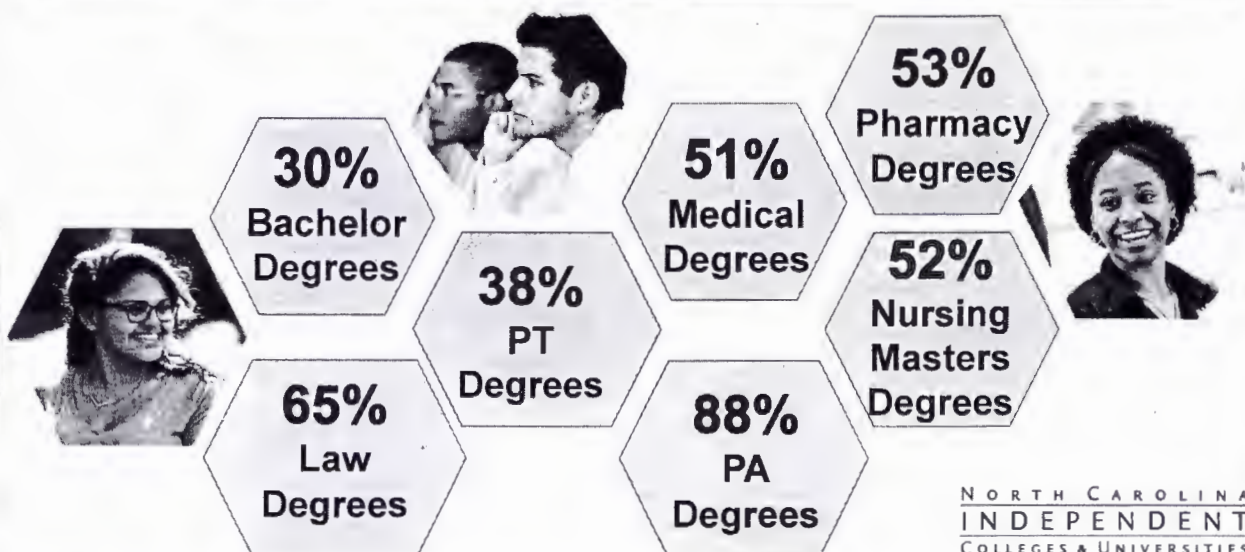
NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

NCICU Institutions Invest in STEM Degrees



NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

Degrees Awarded – Education Value to the State



Teacher Education

31

NCICU institutions have teacher education programs

- 2,763 undergraduates
- 1,858 graduates

84%

of students who graduated from NCICU programs between 2003-13 were licensed to teach in North Carolina within one year.

54%

of NCICU Teacher Education graduates between 2003-2013 who were licensed to teach in North Carolina were still teaching in the state in 2014

22%

of new 2014-15 public school teachers graduating from a North Carolina college/university were from an NCICU program

29%

of ALL public school teachers in 2014-15 who graduated from a North Carolina college were from an NCICU institution

NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

Statewide Economic Impact Analysis for

NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

**\$14.2
BILLION**
economic impact in
FY 2012-2013



Equivalent to
219,590 new jobs



101,926 Students in the NCICU Sector

\$4.5B clinical
spending

\$1.1B research
spending

\$166.3M
construction
spending

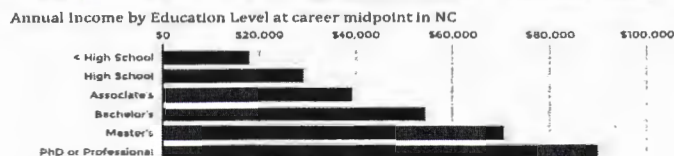
\$4.9 Billion
added income
generated by
alumni

66,309
employees

\$4B payroll/
benefits

\$360M
students/
visitor spending

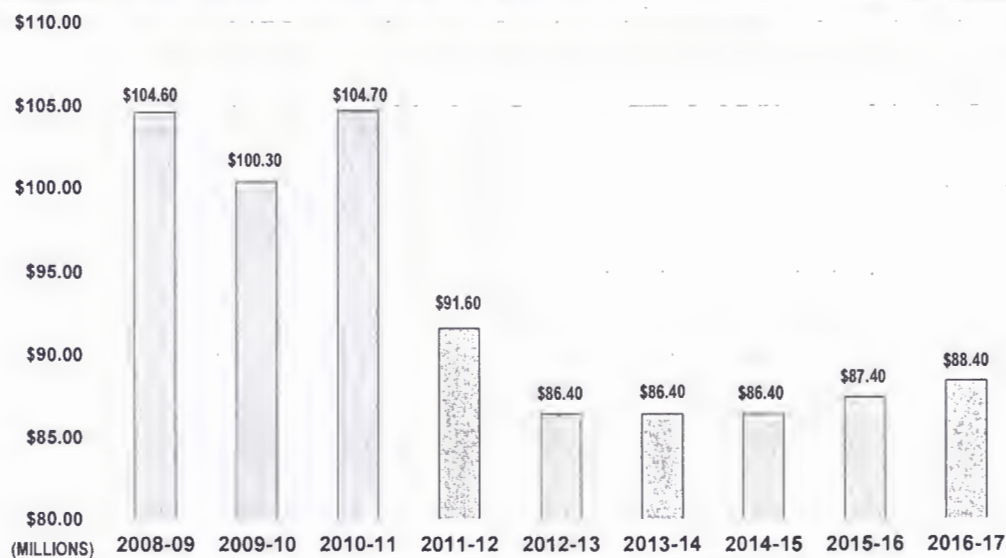
Economic Value to the State



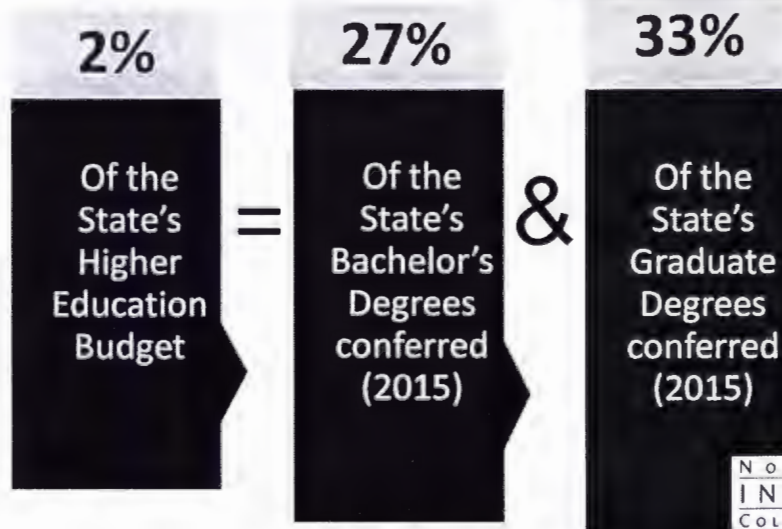
Source: BLS complete employment data

NORTH CAROLINA
INDEPENDENT
COLLEGES & UNIVERSITIES

State Financial Aid for NC Independent College/University Students



NCICU – Cost/Benefit Value to the State





VISITOR REGISTRATION SHEET

Jt. Comm. on Appropriations, Education

22 February 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Mark Lanier

UNCW

Anne Bacon

NCCCS

Jennifer Haygood

NCCCS

Betsy Rozakis

NCSEAA

Lu Tuyen

NEAPCS

Teri Kiddle

NCEL

Jenna Robinson

Martin Center

Jonathan Kappler

UNC GA

Sarah Stone

NCSU

Meredith Whitfield

WCU

Matthew Dockler

Appalachian State University



VISITOR REGISTRATION SHEET

Jt. Comm. on Appropriations, Education

22 February 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jimmie Williamson	NC Community College System
Elizabeth Hovenden	NCCCS
Mary Shuping	NCCCS
Jon Plot	NCTC
Dr. Hope Williams	NCTC
Rachel Bealier	PB Law
Dr. Mivetz	UNC GA
Michelle Brooks	ECU
Betty Foster	UNC Charlotte
Joseph Herlihy	UNCW
Taylor Farmer	UNCW



VISITOR REGISTRATION SHEET

Jt. Comm. on Appropriations, Education

22 February 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Amanda Flynn	JDA
Josh Larson	SML
Matthew Herr	DRAC
Jessica Englebert	Office of Gov. Cooper
Magnan Lewis	Neckhamer
Adam Pridemore	NCPSA
Kris Nordstrom	NCJC
Steve Metcalf	The Policy Group
C Phil Byers	UNC BOC
De B	De I
Richard Bostic	NC SBA



VISITOR REGISTRATION SHEET

Jt. Comm. on Appropriations, Education

22 February 2017

Name of Committee

Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK.

NAME _____

FIRM OR AGENCY AND ADDRESS

Bruce Alden

NCSRA

Jason Stencil

550

Joel Maynard

GAM : Assoc



VISITOR REGISTRATION SHEET

Jt. Comm. on Appropriations, Education

22 February 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Andrew Kelly

UNC - GA

Kevin Howell

UNC - GA



Eric Naisbitt (Sen. Chad Barefoot)

From: Eric Naisbitt (Sen. Chad Barefoot)
t: Monday, February 27, 2017 10:00 AM
To: Eric Naisbitt (Sen. Chad Barefoot)
Cc: Dixie Riehm (Rep. Hugh Blackwell)
Subject: <NCGA> Senate Appropriations on Education/Higher Education Committee Meeting
Notice for Tuesday, February 28, 2017 at 8:30 AM (Joint)
Attachments: Add Meeting to Calendar_LINC_ics

Principal Clerk _____
Reading Clerk _____

SENATE
NOTICE OF JOINT COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The **Senate Committee on Appropriations on Education/Higher Education** will meet at the following time:

 DAY	DATE	TIME	ROOM
Tuesday	February 28, 2017	8:30 AM	423 LOB

Sen. Michael Lee will preside.

Senator Chad Barefoot, Co-Chair
Senator David L. Curtis, Co-Chair
Senator Michael V. Lee, Co-Chair



**Senate Committee on Appropriations on Education/Higher Education
Tuesday, February 28, 2017 at 8:30 AM
Room 423 of the Legislative Office Building**

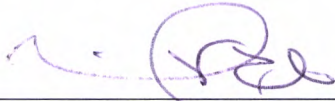
MINUTES

The Senate Committee on Appropriations on Education/Higher Education met jointly at 8:30 AM on February 28, 2017 in Room 423 of the Legislative Office Building. 5 Senators and Representatives Blackwell, Elmore, Fraley, Horn, Hurley, Conrad, Bell, Brockman, Corbin, Gill, and Grange members were present.

Senator Michael V. Lee, Chair, presided.

Jennifer Hoffmann of the Fiscal Research Division gave a presentation on NC's Budgeting Practices, Process and Policies. The presentation is attached. Following the presentation, members of the committee were given the opportunity to ask questions.

The meeting adjourned at 9:42 AM.



Senator Michael V. Lee, Chair
Presiding



Eric Naisbitt, Committee Clerk





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Tuesday, February 28, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Senator Michael Lee,
Presiding Co-chair

2. NC's Budgeting Practices, Process and Policies

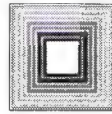
Jennifer Hoffmann,
Fiscal Research Division

3. Adjourn

NEXT MEETING:

March 1, 2017





FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

NC's Budgeting Practices, Process and Policies

February 28 2017

Presentation Topics

- **NC Budget Process**
- Budget Terms
- Budget Organization
- Budget Policy



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

NC Budget Process

State Constitution requires:

- **Preparation:** Governor to prepare and recommend to the General Assembly a comprehensive budget of anticipated revenue and proposed expenditures (Art.III, Sec 5(3))
- **State Treasury:** "No money shall be drawn from the State treasury but in consequence of appropriations made by law" (Art. V, Sec.7)
- **Administration:** "The budget as enacted by the General Assembly shall be administered by the Governor" (Sec 5(3))



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Budget Process

Budget
Preparation

Legislative
Consideration,
Enactment

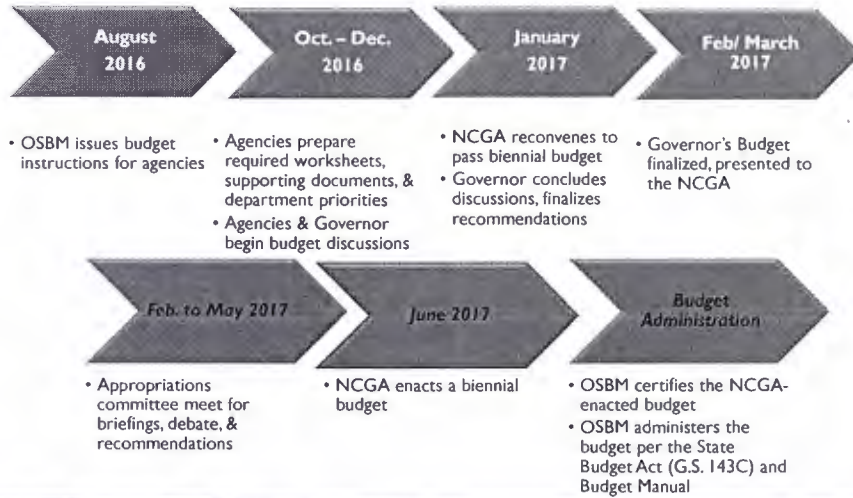
Execution,
Administration,
Management



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Budget Preparation Schedule



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

February 28, 2017

Governor's Recommended Budget



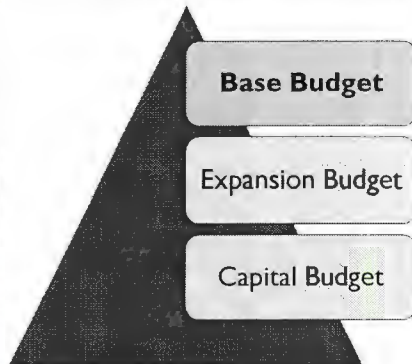
FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

February 28, 2017

Base Budget

The part of the Governor's Recommended Budget that provides the baseline for the next biennium. Starting point is current year authorized budget plus allowable adjustments:



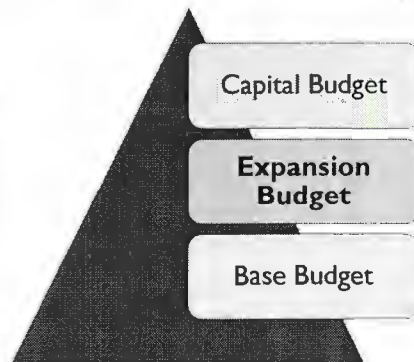
1. Program & position annualizations
2. Nonrecurring adjustments (+/-)
3. Federal payroll tax changes
4. Lease increases
5. Receipt projections changes
6. Reconciliation of transfers
7. Other statutory



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Expansion Budget



▪ Recommendations related to:

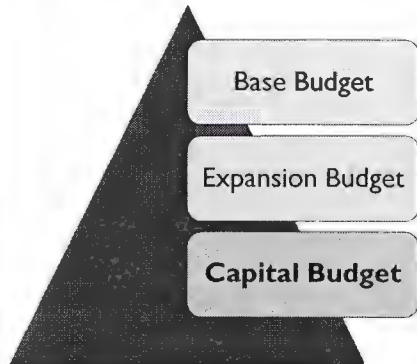
- New programs & expansions
- New initiatives
- Salaries & benefits
- Departmental need for equipment, staff, vehicles, etc.
- Enrollment growth
- And more...



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Capital Budget



▪ Recommendations related to:

- Constructing new facilities
- Repairing/ renovating existing facilities
- Purchasing land/ facilities



FISCAL RESEARCH DIVISION

A Non-Political Staff Agency of the North Carolina General Assembly

Budget Terms

Certified Budget - The budget as enacted by the GA plus

1. distributions to State agencies from statewide reserves appropriated by the General Assembly,
2. distributions of reserves appropriated to a specific agency by the General Assembly, and
3. organizational or budget changes mandated by the General Assembly.

What gets added/ How is it changed:

- Salary increases, retirement adjustments
- Management flexibility reserves
- Reorganizations



FISCAL RESEARCH DIVISION

A Non-Political Staff Agency of the North Carolina General Assembly

Authorized Budget - The certified budget with changes authorized by the Director of the Budget through authority granted in G.S. 143C-6-4 or other statutes.

▪ **What gets added/ How is it changed:**

- New grants, changes to existing grants, or federal "carryforward"
- Moving money between funds/programs
- Budgeting of an increase in departmental receipts



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Line Item	Certified	Authorized	Actuals
Computers	\$10,000	\$11,000	\$5,500
Furniture	\$10,000	\$9,000	\$9,000

- **Certified budget:** Provides \$10,000 to buy 10 computers
- **Authorized budget:** Agency determines they need 11 computers, and reallocate money from the furniture line-item
- **Actual expenditures:** Agency got a great deal on computers. The final cost for the 11 computers is \$5,500



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

- **General Fund (1xxxx)**
- **Special Revenue Funds (2xxxx)**
- Capital Funds (4xxxx)
- Enterprise Funds (5xxxx)
- Trust Funds (6xxxx)
- Internal Service Funds (7xxxx)
- Others – institutional funds, agency funds



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

- The primary operating fund for most governmental entities
- Accounts for all financial transactions, except those that must be accounted for in another type fund
- Money reverts at end of fiscal year



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Special Revenue Funds

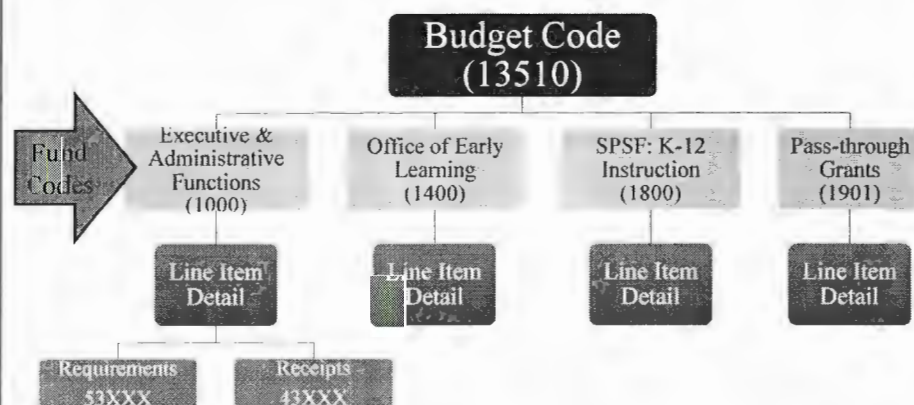
- A fund to which revenues are deposited that are designated for a specific purpose and remain in the account until expended for that purpose
- Funds do not revert to the General Fund
- Can build cash balances over time
- Cash balances are non-recurring in nature



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Budget Structure



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

State Budget Act:

■ Development of Governor's Recommended Budget:

- Must clearly distinguish program base budget requirements, program reductions and eliminations, program expansions, and new programs, and all proposed capital improvements
- Must contain a base budget presented in the "budget support documents" for each budget code and purpose or program in line-item detail
- Must contain a comparison of actual expenditures, current year budget, allowable increases/decreases and recommended base budget



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

13610-Instruction - General Fund

1000-OPS - Executive and Administrative Functions

The purpose of this fund is to support personnel and State Board of Education functions that establish policy for North Carolina's public school system subject to the laws enacted by the General Assembly, and implement policy through the State Superintendent, Human Resources, Policy and Strategic Planning, Communications, Internal Audit, Legal and State Requirements.

Requirements

PERSONAL SERVICES

Account Code	Account Title	Actual 2015-16	Certified 2015-15	Authorized 2016-15	Inc/Decr 2015-16	Total 2015-16	Inc/Decr 2016-17	Total 2016-17
531141	REG COUNCIL OF ST SALARY	\$124,676	\$125,676	\$125,676	\$0	\$125,676	\$0	\$125,676
531211	SFA REG SALARIES APPRO	\$2,156,991	\$2,157,758	\$2,158,064	\$0	\$2,158,064	\$0	\$2,158,064
531212	SFA REG SALARIES RECPT	\$704,418	\$1,157,726	\$1,021,744	\$0	\$1,021,744	\$0	\$1,021,744
531222	SFA TIME EMPERORAL REC	\$0	\$10,060	\$0	\$0	\$0	\$0	\$0
531311	REG ST TEMP WAGE APPRO	\$50,130	\$6,050	\$3,550	\$0	\$3,550	\$0	\$3,550
531312	REG ST TEMP WAGE RECPT	\$180	\$62,700	\$43,000	\$0	\$43,000	\$0	\$43,000
531322	CONTR EMPL MED INS RECPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
531351	STU TEMP WAGES - APPRO	\$2,360	\$0	\$0	\$0	\$0	\$0	\$0
531411	OT PAY - APPROPRIATED	\$15	\$0	\$0	\$0	\$0	\$0	\$0
531412	OT PAY - RECPTS	\$0	\$790	\$790	\$0	\$790	\$0	\$790
531452	DUAL EMP WAGES - RECPTS	\$150	\$0	\$0	\$0	\$0	\$0	\$0
531461	EPAS/SPAL/ONCUTY PAY-APPRO	\$41,545	\$41,823	\$40,434	\$0	\$40,434	\$0	\$40,434
531462	EPAS/SPAL/ONCUTY PAY-REC	\$14,191	\$11,840	\$9,335	\$0	\$9,335	\$0	\$9,335
531511	SPAL/SPAL CONTRIB-APPRO	\$176,593	\$177,026	\$180,774	\$0	\$180,774	\$0	\$180,774
531512	SPAL/SPAL CONTRIB-RECPTS	\$53,896	\$100,481	\$106,688	\$0	\$106,688	\$0	\$106,688
531521	REG RETIRE CONTRIB-APPRO	\$341,154	\$318,155	\$328,893	\$0	\$328,893	\$0	\$328,893
531522	REG RETIRE CONTRIB-RECPTS	\$105,637	\$131,403	\$158,629	\$0	\$158,629	\$0	\$158,629
531561	MED INS CONTRIB-APPRO	\$1,054,116	\$208,051	\$214,386	\$0	\$214,386	\$0	\$214,386
531562	MED INS CONTRIB-RECPTS	\$64,248	\$85,385	\$89,019	\$0	\$89,019	\$0	\$89,019
531572	UNEMP COMP PAYMENTS TO DES	\$50,316	\$1,123	\$1,123	\$0	\$1,123	\$0	\$1,123
531576	FLEXIBLE SPENDING ACCT	\$3,404	\$3,729	\$4,167	\$0	\$4,167	\$0	\$4,167
531577	UNINS IN PAYMENT TO DES	\$20,032	\$0	\$0	\$0	\$0	\$0	\$0

05/05/2015 09:08:29 PM
Page 1 of 1615



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

- NC Budget Process
- Budget Terms
- Budget Organization
- **Budget Policy**



FISCAL RESEARCH DIVISION
A Non-Partisan Staff Agency of the North Carolina General Assembly

- State Constitution
- State Budget Act (Chapter 143C)
- Appropriations Act
- North Carolina General Statute
- State Budget Manual
- Budget Instructions



FISCAL RESEARCH DIVISION
A Non-Partisan Staff Agency of the North Carolina General Assembly

▪ State Budget Act (Chapter 143C)

- Sets out the statutory procedures and requirements for preparing, reviewing, adopting and managing the State's Budget in accordance with the Constitution
- **Defines Appropriation:** "An enactment by the General Assembly authorizing the withdrawal of money from the State treasury. *An enactment by the General Assembly that authorizes, specifies, or otherwise provides that funds may be used for a particular purpose is not an appropriation.*"
- **Defines State Funds:** Any moneys including federal funds deposited in the State treasury except moneys deposited in a trust fund or agency fund as described in G.S. 143C-1-3.



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

▪ State Budget Act (Chapter 143C)

- Directs how the budget is to be administered
 - Appropriations for the purposes and programs and line-items enumerated in the Governor's recommended, as amended by the General Assembly
 - The Governor shall ensure that appropriations are expended in strict accordance with the budget enacted by the General Assembly.
- Sets out the limited circumstances under which the budget enacted by the General Assembly can change
 - Line items within programs
 - Responses to extraordinary events
 - Responses to unforeseen circumstances.
- Restricts expenditures for purposes for which the General Assembly has considered but not enacted an appropriation, regardless of source of funds



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Special provisions provide guidance on how to spend money and set budget policy:

- Places limits on how to implement management flexibility reduction:
 - No reductions to NC Center for Advancement of Teaching, three pass-through entities and the residential schools, except under certain circumstances (S.L. 2015-241, Section 8.37(b))
- No more than \$120,000 in State funds may be used for the annual salary of any individual employee of a nonprofit organization receiving State funds. (S.L. 2015-241, Section 6.26)
- Limits the authority of agency to spend funds....
 - A constituent institution shall not expand more than \$1 million of State funds on advancement programs...applies to FY 2016-17 and each subsequent fiscal year.



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

▪ Sets Fees:

- **G.S. 115C-216(g)** "The local boards of education shall fund driver education courses from funds available to them and may charge each student participating in a driver education course a fee of up to 65.00 to offset the costs of providing the training and instruction."

▪ Creates Special Revenue Funds:

- **115C 102.6D(a)**: "There is established under the control and direction of the State Board of Education the State School Technology Fund. This fund shall be a nonreverting special revenue fund consisting of any monies appropriated to it by the General Assembly and any monies credited to it under G.S. 20 81.12 from the sale of School Technology special license plates."

▪ Spends Reversions:

- **G.S. 116-30.3**: "Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each budget code of a special responsibility constituent institution...the amount carried forward under this section shall not exceed 2½ % of the General Fund appropriation."



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

- Prepared by the Office of State Budget and Management (OSBM)
- Used by state agencies in the administration of their budgets
- Provide more detailed budget related guidance to agencies
 - Examples: Use of lapsed salaries, travel reimbursement policies, etc.



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

- Prepared by the Office of State Budget and Management (OSBM)
- Used by state agencies to prepare their budgets



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

Fiscal Research Division 919-733-4910

Brett Altman– brett.altman@ncleg.net

Community Colleges, Financial Aid and Dual Enrollment programs

Lisa Fox– lisa.fox@ncleg.net

UNC System, Teacher Prep, and Digital Learning

Jennifer Hoffmann – jennifer.hoffmann@ncleg.net

Public Education

Lauren Metayer– lauren.metayer@ncleg.net

Public Education



FISCAL RESEARCH DIVISION

A Non-Partisan Staff Agency of the North Carolina General Assembly

VISITOR REGISTRATION SHEET

Senate Appropriations on Education/Higher Education 2/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
LAURA PURYEAR	MWCLLC
Lu T Nguyen	NEAPCS
Jessica Englebert	Office of Governor Cooper
Mark Lanier	UNCW
Jonathan Kappler	UNC GA
Drew Moretz	UNC GA
Tom West	NCILU
Liz Bell	EdNC
Rhaegan Jackson	Focus Carolina
Rachel Beaulieu	RBBLAN
Michael Houser	THCG



VISITOR REGISTRATION SHEET

Senate Appropriations on Education/Higher Education 2/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Robb Jansen	State Board of Education
Martez Hill	" "
Alex Modestan	Best NC
Matthew Herr	DR NC
William J. ...	NCCES
Laura Khan	Vista Strategies
Feri Riddle	NCEL
W. ...	PPAB
Mayhan ...	NC charter
Adam Pridemore	NCAAA
Leah Sutton	... Institute



VISITOR REGISTRATION SHEET

Senate Appropriations on Education/Higher Education 2/28/17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kari Travis	Carolina Journal
Richard Bostic	NCSBA
Linda M Stevenson	Leg. & Gov. Affs - E. more
Pattie Fleis	Rep. Harris' office
Marge Fyfe	NCAE
Susan Harris	NCDTSEA
Ann Milder	NCSBA
JOEL MANNING	GAH ASSOC
Harry Lyle	MWC



APPROPRIATIONS
ON
EDUCATION/HIGHER EDUCATION
February 28, 2017

House Sergeant-at-Arms

Marvin Lee
David Linthicum

Senate Sergeant-at-Arms

Larry Hancock
Hal Roach



Senate Pages Attending

COMMITTEE: Jr. Apps. Education / Higher Ed. ROOM: 423

DATE: 2-28 TIME: 8:30

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!.....or else!!!!

	Page Name	Hometown	Sponsoring Senator
1.	Nelson Lomick	Gastonia	Kathy Harrington
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Wednesday, March 1, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-

Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-

Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-

Chairs

Rep. Debra Conrad

Senate Committee

Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee

Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Representative Jeffery Elmore
Presiding Co-chair

2. Community College Budget Flexibility

Elizabeth Grovenstein,
Chief Financial Officer
Community College System Office

3. Public Education Budget Flexibility

Alexis Schauss, Director
School Business Administration
Department of Public Instruction

NEXT MEETING:

March 7, 2017

⋮

⋮

⋮



**JOINT MEETING: HOUSE APPROPRIATION COMMITTEE ON EDUCATION-
SENATE EDUCATION/HIGHER EDUCATION**

**Wednesday, March 1, 2017 8:30 AM
Room 423 of the Legislative Office Building**

MINUTES

The House Committee on Education and the Senate Committee on Education/Higher Education met at 8:30 AM on March 1, 2017 in Room 423 of the Legislative Office Building.

Representatives Blackwell, Elmore, Fraley, Horn and Hurley – Co-Chairs; Representatives Ball, Bell, Brockman, Corbin, Fisher, Grange, Lucas, Michaux and Zachary were in attendance. Senator Curtis Co-Chair; Senator Waddell were in attendance.

Representative Elmore, Co-Chair, called the meeting to order at 8:37 A.M. and introduced the Pages and Sergeant At Arms who would be assisting with the Committee. Copies of the attendance and visitor registration are attached to these minutes, (Attachment 1-3).

Rep. Elmore introduced Ms. Elizabeth Grovenstein, Chief Financial Officer- Community College System Office to discuss Community College Budget Flexibility. Ms. Grovenstein had a handout distributed to the committee (Attachment 4). She explained to the committee that statute G.S. 115D-31(b1) gives the college flexibility with state funds allocation to colleges except for Literacy (Basic Skills) funds and Customized Training funds. She also explained the different categories of funds and how the funds are to be spent and what the funds are to be used for.

Rep. Elmore recognized members for questions or concerns. Rep. Blackwell, Hurley, Horn, Michaux and Sen. Waddell and Curtis all had questions and concerns regarding programs, usage of funds, limitations, forward funding and carry forward. Ms. Grovenstein and Ms. Jennifer Haygood, Chief of Staff-NC Community Colleges were able to answer questions and concerns.

Following the presentation, Rep. Elmore thanked Ms. Grovenstein. He asked if there were any other questions. There being none, he introduced Ms. Alexis Schauss, Director- School Business Administration Department of Public Instruction. Ms. Schauss explained DPI has budget flexibility according to statute 115C-105.25 to meet budgetary needs (Attachment 5). Rep. Horn and Blackwell had questions and concerns relating to class size ratio funding. Rep. Hurley asked questions relating to the number of classrooms that have teacher assistants in classrooms and Rep. Michaux had concerns with funds for charter schools. Ms. Schauss answered questions and concerns.

Rep. Elmore asked if there were any other questions. He thanked Ms. Schauss for presenting. He also stated UNC was not able to attend the committee meeting today due to reporting time restraints, but would be willing to meet with the committee at a different date.

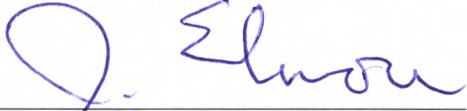
⋮

⋮

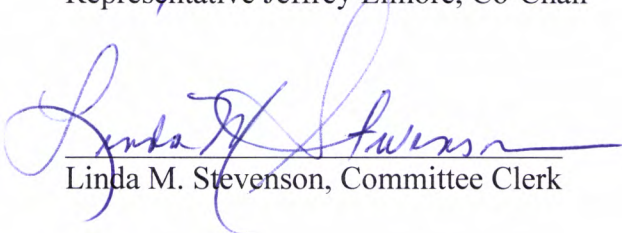
⋮

There being no further business before the Committee, Representative Elmore adjourned the meeting at 9:40 AM.

Respectfully submitted:



Representative Jeffrey Elmore, Co-Chair



Linda M. Stevenson, Committee Clerk

Attachments:

1. Attendance
2. Committee Sergeant at Arms and Pages
3. Visitor Registration
4. NC Community College Flexibility Presentation
5. Statue 115C-105.25, Budget Flexibility (Part 2 School Based Management Page 1)

⋮

⋮

⋮

Committee Sergeants at Arms

NAME OF COMMITTEE: House Appropriation Committee on Education -

DATE: 3/1/17 Room: 423

House Sgt-At Arms:

1. Name: Malachi McCullough
2. Name: Doug Harris
3. Name: Warren Hawkins
4. Name: Marvin Lee
5. Name: _____



VISITOR REGISTRATION SHEET

Joint Comm on App, Edu

Mar 1 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

C. Philip Byers	UNC BDC
Jonathan Kapper	UNC GA
Daniel Patrick	GRNC
Paul Iadonisi	GRNC
Paul Hoger	THTGAC
Jennifer Haygood	NCCCS
X/ta Canados	EdNC
hu Tyme	NCAPES
Michelle Brooks	ECU
Paul Harrison	NCDTSEA
Rachel Benchi	RBlaw

⋮

⋮

⋮

VISITOR REGISTRATION SHEET

Joint Comm on App, Edu

Mar 1 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sarah Sturdivant	SBE
Laura K. Tian	Vista
Maghan Lewis	NC chamber
W. Gardner Calhoun	PPAB
David Powers	UNC BOB
LAURA PURYEAR	MWELL
Tom West	NCI CH

⋮

⋮

⋮

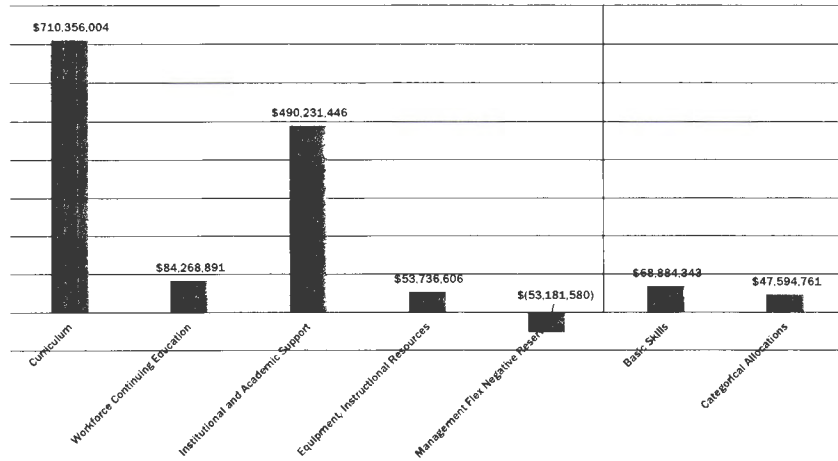
NC Community College Budget Flexibility

Elizabeth Grovenstein,
Chief Financial Officer
North Carolina Community College System

G.S. 115D-31(b1)

- **A local community college may use all State funds allocated to it, except for Literacy (Basic Skills) funds and Customized Training funds, for any purpose consistent with the college's Institutional Effectiveness Plan.**

2017-18 Base Budget



Part 2. School-Based Management.

§ 115C-105.25. Budget flexibility.

(a) Consistent with improving student performance, a local board shall provide maximum flexibility to schools in the use of funds to enable the schools to accomplish their goals.

(b) Subject to the following limitations, local boards of education may transfer and may approve transfers of funds between funding allotment categories:

- (1) Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.
- (1a) Funds for children with disabilities, career and technical education, and other purposes may be transferred only as permitted by federal law and the conditions of federal grants or as provided through any rules that the State Board of Education adopts to ensure compliance with federal regulations.
- (2), (2a) Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.
- (3) No funds shall be transferred into the central office administration allotment category.
- (3a) No funds shall be transferred out of the teacher assistants allotment category.
- (4), (5) Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.
- (5a) Positions allocated for classroom teachers may be converted to dollar equivalents to contract for visiting international exchange teachers through a visiting international exchange teacher program approved by the State. These positions shall be converted at the statewide average salary for classroom teachers, including benefits. The converted funds shall be used only to provide visiting international exchange teachers with salaries commensurate with their experience levels, to provide any State-approved bonuses, and to cover the costs associated with supporting visiting international exchange teachers within the local school administrative unit, including programming and related activities, background checks, medical coverage, and other program administration services in accordance with the federal regulations for the Exchange Visitor Program, 22 C.F.R. Part 62.
- (5b) Except as provided in subdivision (5a) of this subsection, positions allocated for classroom teachers and instructional support personnel may be converted to dollar equivalents for any purpose authorized by the policies of the State Board of Education. These positions shall be converted at the salary on the first step of the "A" Teachers Salary Schedule. Certified position allotments shall not be transferred to dollars to hire the same type of position.
- (5c) Funds allocated for school building administration may be converted for any purpose authorized by the policies of the State Board of Education. For funds related to principal positions, the salary transferred shall be based on the first step of the Principal III Salary Schedule. For funds related to assistant principal months of employment, the salary transferred shall be based on the first step of the Assistant Principal Salary Schedule. Certified position allotments shall not be transferred to dollars to hire the same type of position.
- (6) through (9) Repealed by Session Laws 2013-360, s. 8.14, effective July 1, 2013.
- (10) Funds to carry out the elements of the Excellent Public Schools Act that are contained in Section 7A.1 of S.L. 2012-142 shall not be transferred.
- (11) **(Applicable beginning with the 2016-2017 school year)** No funds shall be transferred into the driver education allotment category.

(c) To ensure that parents, educators, and the general public are informed on how State funds have been used to address local educational priorities, each local school administrative unit shall publish the following information on its Web site by October 15 of each year:

- (1) A description of each program report code, written in plain English, and a summary of the prior fiscal year's expenditure of State funds within each program report code.
- (2) A description of each object code within a program report code, written in plain English, and a summary of the prior fiscal year's expenditure of State funds for each object code.
- (3) A description of each allotment transfer that increased or decreased the initial allotment amount by more than five percent (5%) and the educational priorities that necessitated the transfer.
- (4) A description of any transfer of funds from the textbooks and digital resources allotment into another allotment category with an explanation of why the transfer from the textbooks and digital resources allotment was made to a different allotment category.
- (5) A chart that clearly reflects how the local school administrative unit spent State funds. (1995 (Reg. Sess., 1996), c. 716, s. 3; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(h)-(k); 1998-212, s. 9.20(b); 1999-237, s. 8.25(c); 2001-424, s. 28.22; 2005-276, s. 7.22(a); 2006-69, s. 3(b); 2011-145, s. 7.13(g); 2011-391, s. 14(b); 2013-360, s. 8.14; 2015-241, ss. 8.33, 8.39(c), 8.47(a); 2016-94, ss. 8.5, 8.16.)

Eric Naisbitt (Sen. Chad Barefoot)

From: Eric Naisbitt (Sen. Chad Barefoot)
Sent: Monday, March 06, 2017 10:13 AM
To: Eric Naisbitt (Sen. Chad Barefoot)
Cc: Dixie Riehm (Rep. Hugh Blackwell)
Subject: <NCGA> Senate Appropriations on Education/Higher Education Committee Meeting Notice for Tuesday, March 07, 2017 at 8:30 AM (Joint)
Attachments: Add Meeting to Calendar_LINC_ics

Principal Clerk _____

Reading Clerk _____

SENATE
NOTICE OF JOINT COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The **Senate Committee on Appropriations on Education/Higher Education** will meet at the following time:

DAY	DATE	TIME	ROOM
Tuesday	March 7, 2017	8:30 AM	423 LOB

Sen. David Curtis will preside.

Senator Chad Barefoot, Co-Chair
Senator David L. Curtis, Co-Chair
Senator Michael V. Lee, Co-Chair



Senate Committee on Appropriations on Education/Higher Education
Tuesday, March 7, 2017 at 8:30 AM
Room 423 of the Legislative Office Building

MINUTES

The Senate Committee on Appropriations on Education/Higher Education met jointly at 8:30 AM on March 7, 2017 in Room 423 of the Legislative Office Building. 7 Senators and Representatives Blackwell, Elmore, Fraley, Horn, Hurley, Conrad, Ball, Bell, Brockman, Corbin, Fisher, Gill, and Michaux were present.

Senator David L. Curtis, Chair, presided.

Adam Bruggemann, Assistant State Budget Officer for Education with the Office of State Budget and Management, Jennifer Neisner, Budget Analyst for DPI with the Office of State Budget and Management, and Bryan Conrad, Budget Analyst for the NC Community Colleges System with the Office of State Budget and Management, presented Governor Cooper's budget recommendations for education. Following their remarks, members of the committee were given the opportunity to ask questions.

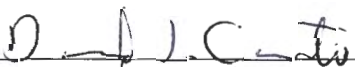
Adam Levinson, CFO of the Department of Public Instruction, presented the department's comments on the Governor's recommended budget. Following his remarks, members of the committee were given the opportunity to ask questions.

Dr. James Williamson, NC Community Colleges System President, presented the system's comments on the Governor's recommended budget. Following his remarks, members of the committee were given the opportunity to ask questions.

Jonathan Pruitt, Senior Vice President for Finance and Budget with the UNC System Office, presented the system's comments on the Governor's recommended budget. Following his remarks, members of the committee were given the opportunity to ask questions.

Dr. Hope Williams, President of the North Carolina Independent Colleges and Universities, presented the system's comments on the Governor's recommended budget. Following her remarks, members of the committee were given the opportunity to ask questions.

The meeting adjourned at 9:50 AM.



Senator David L. Curtis, Chair
Presiding



Eric Naisbitt, Committee Clerk



AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Tuesday, March 7, 2017 8:30 a.m.
Legislative Office Building - Room 423



Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Senator David Curtis,
Presiding Co-chair

2. Governor Cooper's Budget Recommendations for Education

Adam Brueggemann,
Asst. State Budget Officer for Education
Office of State Budget and Management

Jennifer Neisner, Budget Analyst for DPI
Office of State Budget and Management

Bryan Conrad, Budget Analyst for NCCCS
Office of State Budget and Management

3. Agency Comment and Budget Priorities

Adam Levinson, CFO
Department of Public Instruction

Jennifer Haygood, Chief of Staff
Community College System Office

Jonathan Pruitt,
Sr. Vice President for Finance & Budget
UNC System Office

NEXT MEETING:

March 8, 2017



**GOVERNOR ROY COOPER'S
RECOMMENDED BUDGET**
2017-2019

Common Ground Solutions
for **NORTH CAROLINA**





Investments in education training will benefit the next generation, keep North Carolina's economy competitive and make NC a Top Ten Educated State by 2025.

Raising Teacher Pay

Makes multi-year investment in public education by raising average teacher pay by 5% in the first year and an additional 5% in the following year. North Carolina would reach best in the Southeast in three years and the national average in five years.

Helping Pay for School Supplies

Offsets the amount that many teachers spend out of pocket on supplies each year by providing an annual \$150 stipend for every state-funded teacher to use on classroom and instructional supplies.

NC Best & Brightest Forgivable Loan

Draws talented North Carolinians into the field of education by providing forgivable loans of \$10,000 per year to students who commit to teaching in a state public school for four years after graduation, or three years at a low-performing or low-wealth school.

NC GROW (Getting Ready for Opportunities in the Workforce) Scholarship

Covers the cost of tuition and fees at any North Carolina Community College for recent high school graduates with a GPA of 2.0 or higher.

Preparing Students for the Workforce

Provides grants to students for workforce trainings that lead to industry credentials. Supports success by funding academic advising, counseling, and mentoring services at Community Colleges. Invests \$3 million in grants that support Community Colleges in establishing new workforce training programs.

Valuing School Administrators and Staff

Provides \$20 million in pay raises for leadership staff in North Carolina's public schools. Supports an average 6.5% raise for principals and assistant principals. Covers recurring pay raises of 2% or \$800—whichever is greater—and a non-recurring \$500 bonus for other permanent state-funded school employees.

Improving Student Performance

Transforms student achievement in low-performing public schools by supporting intensive planning and coaching support for school staff. Invests \$13 million in new textbooks and digital resources. Creates a \$3 million competitive grant program to fund innovative strategies that raise UNC graduation rates.

Staffing Public Schools

Improves student outcomes by investing \$20 million in flexible funding that can be used for additional school staff, including behavioral staff and teacher assistants. Also provides recurring funding for Troops to Teachers Program, which transitions military veterans into teaching careers.

Universities Leading the Way

Provides \$2 million in additional support to the UNC Research Opportunities Initiative, which funds innovative research projects in engineering, sciences, and technology.

Recommended Change Budget for Department of Public Instruction (13510)

Year 1 FY 2017-18	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 13,023,846,639	\$ 486,376,448	\$ 86,784,454	\$ 573,160,902	\$ 13,597,007,541	4.4%
Receipts	\$ 4,284,625,653	\$ 25,500,000	\$ 19,800,000	\$ 45,300,000	\$ 4,329,925,653	1.1%
Net Appropriation	\$ 8,739,220,986	\$ 460,876,448	\$ 66,984,454	\$ 527,860,902	\$ 9,267,081,888	6.0%
Positions (FTE)	1,138.447	2.000	0.000	2.000	1,140.447	0.2%

Year 2 FY 2018-19	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 13,008,346,639	\$ 888,780,117	\$ 10,000,000	\$ 898,780,117	\$ 13,907,126,756	6.9%
Receipts	\$ 4,284,625,653	\$ 25,500,000	\$ 10,000,000	\$ 35,500,000	\$ 4,320,125,653	0.8%
Net Appropriation	\$ 8,723,720,986	\$ 863,280,117	\$ -	\$ 863,280,117	\$ 9,587,001,103	9.9%
Positions (FTE)	1,138.447	2.000	0.000	2.000	1,140.447	0.2%

	FY 2017-18		FY 2018-19	
	Recurring Changes	Nonrecurring Changes	Recurring Changes	Nonrecurring Changes

1 - Raising Teacher Pay

Provides funding as part of a multi-year plan for North Carolina to lead the Southeast in average teacher salary within three years and reach at least the national average in five years. Implements new North Carolina Public School Salary Schedules in both FY 2017-18 and FY 2018-19 that will raise average teacher pay by 5% this year and another 5% next year. This item also moves eligible teachers, based on years of experience, to the next step on the new Salary Schedule.

Req	\$ 271,000,000	\$ -	\$ 542,000,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 271,000,000	\$ -	\$ 542,000,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 - Raising Principal and School-Based Administrator Pay

Provides \$20 million to address compression and inequities in School-Based Administrator Pay schedules. Supports an average 6.5% increase in state-funded pay for principals and assistant principals, including an experience-based step increase.

Req	\$ 20,000,000	\$ -	\$ 20,000,000	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 20,000,000	\$ -	\$ 20,000,000	\$ -
FTE	0.000	0.000	0.000	0.000

3 - Compensation Increase - Other LEA and School-Based Employees

Provides funds for a 2% recurring salary increase or an \$800 recurring salary increase, whichever is greater, and a \$500 nonrecurring bonus for permanent full-time State employees.

Req	\$ 50,471,098	\$ 26,665,163	\$ 50,471,098	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 50,471,098	\$ 26,665,163	\$ 50,471,098	\$ -
FTE	0.000	0.000	0.000	0.000

4 - Compensation Increase - DPI

Provides funds for a 2% recurring salary increase or an \$800 recurring salary increase, whichever is greater, and a \$500 nonrecurring bonus for permanent full-time State employees.

Req	\$ 1,166,636	\$ 444,444	\$ 1,166,636	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 1,166,636	\$ 444,444	\$ 1,166,636	\$ -
FTE	0.000	0.000	0.000	0.000

5 - State Retirement Contributions - State Public School Fund

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.5% one-time cost-of-living supplement to retirees.

Req	\$ 6,391,709	\$ 38,350,254	\$ 41,255,576	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 6,391,709	\$ 38,350,254	\$ 41,255,576	\$ -
FTE	0.000	0.000	0.000	0.000

6 - State Retirement Contributions - DPI

Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.5% one-time cost-of-living supplement to retirees.

Req	\$	49,320	\$	295,923	\$	318,341	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	49,320	\$	295,923	\$	318,341	\$	-
FTE		0.000		0.000		0.000		0.000

7 - State Health Plan - State Public School Fund

Provides additional funding to continue health benefit coverage for enrolled active and retired employees supported by the General Fund for the 2017-19 biennium.

Req	\$	46,933,723	\$	-	\$	93,867,445	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	46,933,723	\$	-	\$	93,867,445	\$	-
FTE		0.000		0.000		0.000		0.000

8 - State Health Plan - DPI

Provides additional funding to continue health benefit coverage for enrolled active and retired employees supported by the General Fund for the 2017-19 biennium.

Req	\$	284,080	\$	-	\$	568,159	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	284,080	\$	-	\$	568,159	\$	-
FTE		0.000		0.000		0.000		0.000

9 - Compensation Increase - State Agency Teachers

Supports experience-based step increases and salary increases associated with the changes to the salary schedule for State agency teachers and school-based administrators.

Req	\$	550,456	\$	-	\$	1,100,912	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	550,456	\$	-	\$	1,100,912	\$	-
FTE		0.000		0.000		0.000		0.000

10 - Instructional Supplies Stipend

Establishes an annual \$150 stipend payable at the start of the school year directly to state-funded teachers to purchase classroom and instructional supplies to offset the amount teachers pay out of pocket for these supplies. This item includes funding for all state agency teachers. DPI shall transfer to other state agencies the amount required for payment of the stipend to eligible state agency teachers.

Req	\$	14,033,461	\$	-	\$	14,033,461	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	14,033,461	\$	-	\$	14,033,461	\$	-
FTE		0.000		0.000		0.000		0.000

11 - Average Daily Membership (ADM) Adjustments

Adjusts funding for multiple public school allotments that are allocated to schools based on average daily membership (ADM) to reflect the growth in student population. This item also increases receipts from the Civil Penalties and Forfeiture Fund by \$2.5 million to support total requirements for the ADM adjustment.

Req	\$	31,897,244	\$	-	\$	80,307,533	\$	-
Rec	\$	2,500,000	\$	-	\$	2,500,000	\$	-
App	\$	29,397,244	\$	-	\$	77,807,533	\$	-
FTE		0.000		0.000		0.000		0.000

12 - Technical Adjustment for Increase in Average Teacher Salary

Adjusts budgeted average salaries using actual 2016-17 sixth pay period as the revised projection base. This adjustment is made annually after reviewing budgeted salary projections for all certified personnel.

Req	\$	3,165,790	\$	-	\$	3,258,025	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	3,165,790	\$	-	\$	3,258,025	\$	-
FTE		0.000		0.000		0.000		0.000

13 - More School-Based Personnel to Improve Student Outcomes

Establishes a new allotment to be allocated to LEAs based on average daily membership (ADM). Provides \$20 million from lottery receipts as flexible funding for LEAs to hire additional school-based personnel who will have a direct impact on improving student outcomes including: assistant principals, nurses, behavioral support staff, teaching assistants, and other instructional support personnel.

Req	\$	20,000,000	\$	-	\$	20,000,000	\$	-
Rec	\$	20,000,000	\$	-	\$	20,000,000	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

14 - Textbooks and Digital Resources

Provides \$10 million in nonrecurring lottery receipts and an additional \$3 million in recurring Indian Gaming receipts that LEAs may use for textbooks and digital resources. This brings total funding for textbooks and digital materials to \$74.5 million for each year of the biennium.

Req	\$	3,000,000	\$	10,000,000	\$	3,000,000	\$	10,000,000
Rec	\$	3,000,000	\$	10,000,000	\$	3,000,000	\$	10,000,000
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

15 - Advanced Teaching Roles and Student Outcomes Pilot

Appropriates nonrecurring lottery receipts to fund the Teacher Compensation and Advanced Teaching Roles pilot program established in Section 8.7 of SL 2016-94. Ten pilot LEAs will receive funds to develop advanced teaching roles, organizational models and compensation methods that link teacher performance, professional growth, and student outcomes to salary increases for classroom teachers.

Req	\$	-	\$	9,800,000	\$	-	\$	-
Rec	\$	-	\$	9,800,000	\$	-	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

16 - Digital Learning - Professional Development

Supports digital learning professional development for teachers as part of the state's Digital Learning Plan (DLP). This funding ensures that all LEAs have access to the same training.

Req	\$	5,000,000	\$	-	\$	5,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	5,000,000	\$	-	\$	5,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

17 - Digital Learning - Home Base Content and Support

Provides \$1 million for DPI to procure, vet and make available high-quality digital content and lesson plans for teachers in Home Base as part of the State's Digital Learning Plan (DLP) for public schools. An additional \$212,931 is also recommended for two positions at DPI to provide professional development and training on Home Base for LEAs across the state. Trainers will assist LEAs in their use of the various components of Home Base, including student information, instructional resources, assessment tools, data and analysis functions and educator effectiveness systems.

Req	\$	1,212,931	\$	-	\$	1,212,931	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	1,212,931	\$	-	\$	1,212,931	\$	-
FTE		2.000		0.000		2.000		0.000

18 - Transforming Low-Performing Schools

Increases funding for intensive planning and coaching support for teachers, principals, superintendents and central office staff in low-performing schools in order to improve student achievement.

Req	\$	10,000,000	\$	-	\$	10,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	10,000,000	\$	-	\$	10,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

19 - Whole School, Whole Child, Whole Community Pilot

Creates a new, three-year pilot program to implement the Whole School, Whole Community, Whole Child (WSCC) model in at least five LEAs. The WSCC model focuses on integrating education and health by bringing schools, health agencies, parents and communities together to support health and academic achievement outcomes. This pilot will be administered by the State Board of Education.

Req	\$	250,000	\$	-	\$	250,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	250,000	\$	-	\$	250,000	\$	-
FTE		0.000		0.000		0.000		0.000

20 - Troops to Teachers

Provides recurring funding for the Troops to Teachers program which works to transition veterans into the teaching profession by recruiting separating and retiring military service members, providing job search services, and providing financial aid.

Req	\$	120,000	\$	-	\$	120,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	120,000	\$	-	\$	120,000	\$	-
FTE		1.000		0.000		1.000		0.000

21 - Charter Schools Oversight

Establishes a position within the Department of Public Instruction's Office of Charter Schools to meet the demands of providing quality oversight of the growing number of charter schools on behalf of the State Board of Education (SBE) and the Charter Schools Advisory Board (CSAB).

Req	\$	100,000	\$	-	\$	100,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	100,000	\$	-	\$	100,000	\$	-
FTE		1.000		0.000		1.000		0.000

22 - Residential Schools

Provides additional funding for increased utilities costs, maintenance, equipment, and vehicle replacement at the three residential schools. Recurring funds are provided in the amount of \$250,000 for ENCSD, \$90,000 for NCSD, and \$150,000 for Governor Morehead School. Nonrecurring funds of \$40,000 are provided for each institution.

Req	\$	490,000	\$	120,000	\$	490,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	490,000	\$	120,000	\$	490,000	\$	-
FTE		0.000		0.000		0.000		0.000

23 - Governor's School

Provides funding for programmatic costs to increase enrollment from 650 to 800 students at the Governor's School.

Req	\$	400,000	\$	-	\$	400,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	400,000	\$	-	\$	400,000	\$	-
FTE		0.000		0.000		0.000		0.000

24 - School Risk Management Tip Line

Provides funding to assist the Center for Safer Schools to operate an anonymous tip line, as required by G.S. 115C-105.51.

Req	\$	-	\$	958,670	\$	-	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	958,670	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

25 - State Board Room Audio and Visual Upgrade

Upgrades the audio and visual system in the State Board of Education room including the audio streaming server and video streaming capability. Improved A/V equipment will enhance the communication between board members and stakeholders around the state.

Req	\$	-	\$	150,000	\$	-	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	150,000	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

26 - Remove Funding for Unratified Pending Legislation

Technical adjustment to remove recurring funding from the base budget that was provided to implement Senate Bill 867. This legislation was never ratified by the General Assembly.

Req	\$	(140,000)	\$	-	\$	(140,000)	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	(140,000)	\$	-	\$	(140,000)	\$	-
FTE		(2.000)		0.000		(2.000)		0.000

Total Change to Requirements	\$	486,376,448	\$	86,784,454	\$	888,780,117	\$	10,000,000
Total Change to Receipts	\$	25,500,000	\$	19,800,000	\$	25,500,000	\$	10,000,000
Total Change to Net Appropriation	\$	460,876,448	\$	66,984,454	\$	863,280,117	\$	-
Total Change to Full-Time Equivalent (FTE)		2.000		0.000		2.000		0.000

Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	527,860,902	\$	863,280,117
Recommended Total FTE Changes		2.000		2.000

Recommended Change Budget for NC Community Colleges System (16800)

Year 1 FY 2017-18	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,465,717,504	\$ 81,933,578	\$ 16,017,733	\$ 97,951,311	\$ 1,563,668,815	6.7%
Receipts	\$ 397,484,160	\$ 3,197,179	\$ -	\$ 3,197,179	\$ 400,681,339	0.8%
Net Appropriation	\$ 1,068,233,344	\$ 78,736,399	\$ 16,017,733	\$ 94,754,132	\$ 1,162,987,476	8.9%
Positions (FTE)	198.450	0.000	0.000	0.000	198.450	0.0%

Year 2 FY 2018-19	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 1,465,717,504	\$ 116,342,119	\$ -	\$ 116,342,119	\$ 1,582,059,623	7.9%
Receipts	\$ 397,484,160	\$ 25,130,288	\$ -	\$ 25,130,288	\$ 422,614,448	6.3%
Net Appropriation	\$ 1,068,233,344	\$ 91,211,831	\$ -	\$ 91,211,831	\$ 1,159,445,175	8.5%
Positions (FTE)	198.450	0.000	0.000	0.000	198.450	0.0%

	FY 2017-18		FY 2018-19	
	Recurring Changes	Nonrecurring Changes	Recurring Changes	Nonrecurring Changes
1 - Compensation Increase for State Employees - System Office				
Provides funds for a 2% recurring salary increase or an \$800 recurring salary increase, whichever is greater, and a \$500 nonrecurring bonus for permanent full-time State employees.	Req \$ 294,462	\$ 89,080	\$ 294,462	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 294,462	\$ 89,080	\$ 294,462	\$ -
	FTE 0.000	0.000	0.000	0.000
2 - Compensation Increase for State Employees - State Aid				
Provides funds for a 2% recurring salary increase or an \$800 recurring salary increase, whichever is greater, and a \$500 nonrecurring bonus for permanent full-time State employees.	Req \$ 22,994,204	\$ 9,654,055	\$ 22,994,204	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 22,994,204	\$ 9,654,055	\$ 22,994,204	\$ -
	FTE 0.000	0.000	0.000	0.000
3 - State Retirement Contributions - System Office				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.5% one-time cost-of-living supplement to retirees.	Req \$ 13,337	\$ 80,020	\$ 86,082	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 13,337	\$ 80,020	\$ 86,082	\$ -
	FTE 0.000	0.000	0.000	0.000
4 - State Retirement Contributions - State Aid				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.5% one-time cost-of-living supplement to retirees.	Req \$ 1,016,013	\$ 6,096,078	\$ 6,557,902	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 1,016,013	\$ 6,096,078	\$ 6,557,902	\$ -
	FTE 0.000	0.000	0.000	0.000
5 - State Health Plan - System Office				
Provides additional funding to continue health benefit coverage for enrolled active and retired employees supported by the General Fund for the 2017-19 biennium.	Req \$ 64,048	\$ -	\$ 128,095	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 64,048	\$ -	\$ 128,095	\$ -
	FTE 0.000	0.000	0.000	0.000
6 - State Health Plan - State Aid				
Provides additional funding to continue health benefit coverage for enrolled active and retired employees supported by the General Fund for the 2017-19 biennium.	Req \$ 6,056,752	\$ -	\$ 12,113,503	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 6,056,752	\$ -	\$ 12,113,503	\$ -
	FTE 0.000	0.000	0.000	0.000

7 - Community College Faculty and Staff Salary Restoration

Restores \$10 million in funds originally included in the 2015-16 budget to provide increases for state-funded community college employees. Community colleges shall be given flexibility in allocating these funds.

Req	\$	10,000,000	\$	-	\$	10,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	10,000,000	\$	-	\$	10,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

8 - Enrollment Growth Adjustment

Appropriates funds to support enrollment growth at North Carolina community colleges, the first year of growth since FY 2011-12. Community college enrollment has grown by 0.8% (or 1,841 Full-Time Equivalent students) over the FY 2016-17 budgeted enrollment. The additional receipts reflect tuition and fees from the enrollment growth. No additional funds are requested in FY 2018-19, as no additional enrollment growth is forecast.

Req	\$	9,093,387	\$	-	\$	9,093,387	\$	-
Rec	\$	697,179	\$	-	\$	697,179	\$	-
App	\$	8,396,208	\$	-	\$	8,396,208	\$	-
FTE		0.000		0.000		0.000		0.000

9 - NC Getting Ready for Opportunities and Work (NC GROW)

Establishes a new scholarship program providing for the full cost of community college tuition and mandatory fees for recent North Carolina high school graduates. Eligible students must have graduated from high school during the 2017-18 academic year or later with a 2.0 GPA or higher. Students must apply for financial aid and enroll at a community college within 18 months of graduating from high school. This is a "last-dollar" scholarship, meeting only the financial need remaining after eligibility for existing state and federal aid has been exhausted. This program begins with the 2018-19 academic year and is funded entirely from lottery receipts. A corresponding special provision provides additional program requirements.

Req	\$	-	\$	-	\$	19,433,109	\$	-
Rec	\$	-	\$	-	\$	19,433,109	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

10 - Financial Assistance for Students Seeking Industry Credentials

Offers financial assistance for students who enroll in non-credit, short-term workforce training programs that lead to an industry credential. Awards will enable students to pay for any costs they may incur in enrolling in these programs and pursuing these credentials. This assistance will be funded from lottery receipts and awards will not exceed \$1,000 per student. Of the funds appropriated in FY 2017-18, up to \$500,000 may be used to market this program and NC GROW to prospective students.

Req	\$	2,500,000	\$	-	\$	5,000,000	\$	-
Rec	\$	2,500,000	\$	-	\$	5,000,000	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

11 - Increase Student Degree Completion

Increases the number of students completing degrees by providing community colleges with additional funding for academic advising and counseling, mentoring, supplemental instruction, streamlined curriculum, cohort-based student supports, and other proven student success strategies. Community colleges will receive approximately \$10 per student headcount and shall use these funds on activities that have the highest impact on improving degree completion. The State Board of Community Colleges will report on the use of these funds to the Joint Legislative Education Oversight Committee.

Req	\$	7,500,000	\$	-	\$	7,500,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	7,500,000	\$	-	\$	7,500,000	\$	-
FTE		0.000		0.000		0.000		0.000

12 - Additional NCWorks Career Coaches

Supports an additional 30 NCWorks career coaches in FY 2017-18 and 50 new coaches in FY 2018-19. These career coaches are in addition to the 28 already funded in the base budget. Career coaches are placed in partnering high schools to assist students with setting career goals and identifying community college programs to achieve those goals. The State Board of Community Colleges will allocate funds upon application from the partnering community colleges.

Req	\$	1,100,000	\$	-	\$	1,840,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	1,100,000	\$	-	\$	1,840,000	\$	-
FTE		0.000		0.000		0.000		0.000

13 - More Funding for Workforce Programs

Increases continuing education funding to levels similar to curriculum programs. Continuing education currently calculates a full-time equivalent (FTE) student at 688 classroom hours per year. Curriculum programs currently calculate one FTE as 512 classroom hours. This item converts continuing education to the same calculation used for curriculum programs which generates an additional 4,800 FTE at a cost of \$15.3 million.

Req	\$	15,301,375	\$	-	\$	15,301,375	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	15,301,375	\$	-	\$	15,301,375	\$	-
FTE		0.000		0.000		0.000		0.000

14 - Start-Up Funding for Specialized Workforce Programs (Invest in Workforce Training)

Provides \$3 million for community colleges to create needed workforce training programs that have high start-up costs due to specialized equipment or technical instruction. The State Board of Community Colleges shall award nonrecurring grants each year on a competitive basis. Funds shall be used to support costs of beginning the program, with the program's enrollment generating recurring operating support after the program's first year.

Req	\$	3,000,000	\$	-	\$	3,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	3,000,000	\$	-	\$	3,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

15 - Measure and Reward Student Earnings Gains

Implements a new performance measure that assesses a community college education's impact on a student's wages after completing a program. The measure compares the average gain in median wages two years before to two years after exit for students enrolled in career and technical areas of study. Beginning with the FY 2017-18 budget, these funds are awarded to community colleges based on their students' earnings gains.

Req	\$	3,000,000	\$	-	\$	3,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	3,000,000	\$	-	\$	3,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

16 - Study of Workforce Program Costs

Provides nonrecurring funds to conduct a study of the costs of workforce academic programs. Community college enrollment is funded in tiers of instruction as determined by those programs' costs. In its 2016 study, the General Assembly's Program Evaluation Division recommended verifying that the tiered amounts colleges receive for courses fully cover the costs of those courses.

Req	\$	-	\$	98,500	\$	-	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	98,500	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

Total Change to Requirements	\$	81,933,578	\$	16,017,733	\$	116,342,119	\$	-
Total Change to Receipts	\$	3,197,179	\$	-	\$	25,130,288	\$	-
Total Change to Net Appropriation	\$	78,736,399	\$	16,017,733	\$	91,211,831	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000

Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	94,754,132	\$	91,211,831
Recommended Total FTE Changes		0.000		0.000

Recommended Change Budget for The University of North Carolina (160xx)

Year 1 FY 2017-18	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 4,634,716,690	\$ 156,966,294	\$ 47,621,616	\$ 204,587,910	\$ 4,839,304,600	4.4%
Receipts	\$ 1,853,120,342	\$ 52,194,233	\$ 20,221,283	\$ 72,415,516	\$ 1,925,535,858	3.9%
Net Appropriation	\$ 2,781,596,348	\$ 104,772,061	\$ 27,400,333	\$ 132,172,394	\$ 2,913,768,742	4.8%
Positions (FTE)	35,141.073	0.000	0.000	0.000	35,141.073	0.0%

Year 2 FY 2018-19	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 4,674,722,949	\$ 282,517,046	\$ 12,708,115	\$ 295,225,161	\$ 4,969,948,110	6.3%
Receipts	\$ 1,853,120,342	\$ 99,900,390	\$ 20,221,283	\$ 120,121,673	\$ 1,973,242,015	6.5%
Net Appropriation	\$ 2,821,602,607	\$ 182,616,656	\$ (7,513,168)	\$ 175,103,488	\$ 2,996,706,095	6.2%
Positions (FTE)	35,141.073	45.100	0.000	45.100	35,186.173	0.1%

	FY 2017-18		FY 2018-19	
	Recurring Changes	Nonrecurring Changes	Recurring Changes	Nonrecurring Changes
1 - Compensation Increase for State Employees (16011)				
Provides funds for a 2% recurring salary increase or an \$800 recurring salary increase, whichever is greater, and a \$500 nonrecurring bonus for permanent full-time State employees.				
Req	\$ 49,845,301	\$ 17,734,407	\$ 49,845,301	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 49,845,301	\$ 17,734,407	\$ 49,845,301	\$ -
FTE	0.000	0.000	0.000	0.000
2 - State Retirement Contributions - TSERS Members (16011)				
Increases the State's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) to fund the actuarially determined contribution and provide a 1.5% one-time cost-of-living supplement to retirees.				
Req	\$ 1,363,643	\$ 8,181,857	\$ 8,801,695	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 1,363,643	\$ 8,181,857	\$ 8,801,695	\$ -
FTE	0.000	0.000	0.000	0.000
3 - State Retirement Contributions - ORP Members (16011)				
Decreases the State's contribution for members of the Optional Retirement Program (ORP) to match the actuarially determined contribution for the Disability Income Plan.				
Req	\$ (2,472,685)	\$ -	\$ (2,472,685)	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ (2,472,685)	\$ -	\$ (2,472,685)	\$ -
FTE	0.000	0.000	0.000	0.000
4 - State Health Plan (16011)				
Provides additional funding to continue health benefit coverage for enrolled active and retired employees supported by the General Fund for the 2017-19 biennium.				
Req	\$ 12,451,442	\$ -	\$ 24,902,883	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 12,451,442	\$ -	\$ 24,902,883	\$ -
FTE	0.000	0.000	0.000	0.000
5 - Compensation Increase - State Agency Teachers at NCSSM (16094)				
Supports experience-based step increases and salary increases associated with the changes to the salary schedule for State agency teachers and school-based administrators.				
Req	\$ 313,248	\$ -	\$ 626,497	\$ -
Rec	\$ -	\$ -	\$ -	\$ -
App	\$ 313,248	\$ -	\$ 626,497	\$ -
FTE	0.000	0.000	0.000	0.000
6 - Enrollment Growth Adjustment (16011)				
Provides enrollment growth funding for the projected increase in regular term and distance education student full-time equivalents (FTE) in the university system. For FY 2017-18, FTE are projected to increase by 4,088 or 1.98% over FY 2016-17 Budgeted FTE, to a total of 210,246. For FY 2018-19, FTE is projected to increase an additional 5,174 or 2.46% to a projected total of 215,420.				
Req	\$ 75,265,345	\$ -	\$ 155,134,908	\$ -
Rec	\$ 28,694,233	\$ -	\$ 60,400,390	\$ -
App	\$ 46,571,112	\$ -	\$ 94,734,518	\$ -
FTE	0.000	0.000	0.000	0.000

7 - Competitive Grants to Improve Graduation Rates (16011)

Creates a \$3 million competitive grant program for UNC institutions to implement innovative, evidence-based strategies that improve graduation rates. Funded projects will be evaluated by a third party and successful projects will be scaled across the UNC system. Implementation and evaluation costs shall not exceed \$500,000 each year.

Req	\$	500,000	\$	-	\$	3,500,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	500,000	\$	-	\$	3,500,000	\$	-
FTE		0.000		0.000		0.000		0.000

8 - Increase Faculty Recruitment and Retention Reserve (16011)

Increases funding for the Faculty Recruitment and Retention Fund which plays an important role in attracting and retaining nationally recognized university faculty. Additional funding for this reserve was last provided in FY 2012-13 and the unallocated reserve balance is now less than \$700,000.

Req	\$	3,000,000	\$	-	\$	3,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	3,000,000	\$	-	\$	3,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

9 - Enhance Data Systems to Improve Institutional Performance and Student Success (16011)

Modernizes UNC's data systems to improve the quality of information and analytics available to decision-makers when determining resource allocations. Funding is provided to enhance data integration in the areas of finance, human resources, and student accounts; improve data collection on post-graduation student success and faculty retention; and pilot a web-based student advising software solution designed to improve graduation rates.

Req	\$	-	\$	11,950,000	\$	2,275,000	\$	9,225,000
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	11,950,000	\$	2,275,000	\$	9,225,000
FTE		0.000		0.000		0.000		0.000

10 - Expand Research Opportunities Initiative (16011)

Increases the UNC Research Opportunities Initiative (ROI) which provides targeted funding for highly innovative research projects. During the first two years of this program, UNC institutions earned \$7.5 million in external funding, produced two startup companies, filed 11 patents, and attracted sought-after faculty. This increased funding will be used to seed additional research in the targeted areas of advanced manufacturing; data sciences; defense, military and security; energy; marine and coastal sciences; and pharmacoengineering. Research priorities may be expanded to include agriculture and life sciences. With this increase, a total of \$5 million is appropriated for the ROI program.

Req	\$	2,000,000	\$	-	\$	2,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	2,000,000	\$	-	\$	2,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

11 - NC Promise Tuition Plan (16011)

Fully funds the NC Promise Tuition Plan by authorizing an additional \$11 million from lottery receipts. Net appropriations of \$40 million are provided in the FY 2018-19 base budget for this program. The NC Promise Tuition Plan, established by SL 2016-94, offers \$500 tuition per semester for residents and \$2,500 tuition per semester for nonresidents attending UNCP, WCU, and ECSU. A total of \$51 million is authorized to implement this program in FY 2018-19.

Req	\$	-	\$	-	\$	11,000,000	\$	-
Rec	\$	-	\$	-	\$	11,000,000	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

12 - NC Best and Brightest Program (16012)

Establishes a new forgivable loan program from lottery receipts to provide North Carolina's high achieving students the opportunity to earn undergraduate education degrees in exchange for a commitment to teach in a North Carolina public school. Scholarships of \$10,000 per year for four years will be provided to cohorts of 500 students beginning with the 2018-19 academic year. A corresponding special provision provides additional program requirements.

Req	\$	-	\$	-	\$	5,000,000	\$	-
Rec	\$	-	\$	-	\$	5,000,000	\$	-
App	\$	-	\$	-	\$	-	\$	-
FTE		0.000		0.000		0.000		0.000

13 - UNC Need-Based Financial Aid Program (16012)

Increases available receipts from the Escheat Fund and NC Education Lottery Fund to support the UNC Need-Based Financial Aid Program. General Fund appropriations are offset accordingly. For the 2017-19 biennium, a nonrecurring increase from lottery receipts brings total lottery support for the program up to \$30,966,016. A total of \$60,787,242 from the Escheat Fund will support the financial aid program on a recurring basis. Total requirements will remain unchanged at \$125,930,498, resulting in net appropriations of \$34,177,240 for each year of the biennium.

Req	\$	-	\$	-	\$	-	\$	-
Rec	\$	23,500,000	\$	20,221,283	\$	23,500,000	\$	20,221,283
App	\$	(23,500,000)	\$	(20,221,283)	\$	(23,500,000)	\$	(20,221,283)
FTE		0.000		0.000		0.000		0.000

14 - Increase NC Need-Based Scholarship Program (16015)

Provides an additional \$2 million for the North Carolina Need-Based Scholarship Program. This program provides resident undergraduate students with scholarships to attend North Carolina independent colleges and universities. Total appropriations for this program will be \$90.4 million which is a 2% increase from FY 2016-17.

Req	\$	2,000,000	\$	-	\$	2,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	2,000,000	\$	-	\$	2,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

15 - Opportunity Scholarship (16015)

Increases funding for the Opportunity Scholarship Grant Funding Reserve to honor existing commitments to students with scholarships already awarded for the 2017-18 academic year and to fund the remaining years of scholarship for those students. Anticipates no new scholarships.

Req	\$	-	\$	4,750,000	\$	-	\$	300,000
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	4,750,000	\$	-	\$	300,000
FTE		0.000		0.000		0.000		0.000

16 - UNC Cancer Research Fund (16011)

Restores total funding for the University Cancer Research Fund to \$50 million annually by providing an additional \$4 million of General Fund appropriation.

Req	\$	4,000,000	\$	-	\$	4,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	4,000,000	\$	-	\$	4,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

17 - Food Processing Innovation Center (16011)

Provides funds for the Food Processing Innovation Center, to be housed at the NC Research Campus. The Center will facilitate small-scale testing of products and processes for food manufacturing entrepreneurs, enable evaluation of new techniques for food manufacturers, enhance work with NC farm commodity groups for value added products, and serve NC manufacturers of food manufacturing equipment. This builds on the report of the Food Manufacturing Task Force. Nonrecurring funds are provided to equip the Center. Recurring funding will be used for lease payments for the space to be renovated by the NC Research Campus and the City of Kannapolis and for personnel costs to be augmented by additional staffing supported by the NCSU College of Agriculture and Life Sciences and the NC Department of Agriculture.

Req	\$	700,000	\$	2,200,000	\$	700,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	700,000	\$	2,200,000	\$	700,000	\$	-
FTE		0.000		0.000		0.000		0.000

18 - Mountain Area Health Education Center/Western School of Medicine Building Reserve (16021)

Provides funding to operate and maintain the Mountain Area Health Education Center/Western School of Medicine building that will be completed in the 2017-19 biennium.

Req	\$	-	\$	-	\$	838,974	\$	154,253
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	-	\$	838,974	\$	154,253
FTE		0.000		0.000		7.800		0.000

19 - NCSU Innovation in Manufacturing Biopharmaceuticals (16030)

Provides state matching funds for NCSU's participation in a new initiative aimed at advancing North Carolina and US leadership in the biopharmaceutical manufacturing sector. The National Institute for Innovation in Manufacturing Biopharmaceuticals (NIIMBL) is supported with a five-year, \$70 million grant from the US Department of Commerce and at least \$129 million from a consortium of 150 companies, educational institutions, research centers, coordinating bodies, non-profits and Manufacturing Extension Partnerships. This funding represents the first installment of a total \$10 million state pledge.

Req	\$	2,000,000	\$	-	\$	2,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	2,000,000	\$	-	\$	2,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

20 - ECU Brody School of Medicine Stabilization Funds (16066)

Supports medical education at the Brody School of Medicine with an additional \$4 million of recurring General Fund appropriation.

Req	\$	4,000,000	\$	-	\$	4,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	4,000,000	\$	-	\$	4,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

21 - NC A&T Doctoral Program (16070)

Reduces faculty teaching load to the system peer average for Doctoral Research Institutions. Provides resources to attract new faculty, and increase graduate student population from 15% to 25% of the total enrollment.

Req	\$	2,000,000	\$	-	\$	2,000,000	\$	-
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	2,000,000	\$	-	\$	2,000,000	\$	-
FTE		0.000		0.000		0.000		0.000

22 - ASU Beaver College of Health Sciences Building Reserve (16080)

Provides funding to operate and maintain the Beaver College of Health Sciences building at ASU which will be completed in the 2017-19 biennium.

Req	\$	-	\$	-	\$	3,364,473	\$	843,510
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	-	\$	3,364,473	\$	843,510
FTE		0.000		0.000		37.300		0.000

23 - ECSU Academic and Student Success Initiatives (16086)

Implements recommendations of the ECSU working group by funding short-term investments to increase enrollment and enable long-term sustainable funding. Investments include providing students with individual coaching through a student success center, adding new degree programs in Aviation Science, and hiring additional faculty to anchor the key STEM and Education programs.

Req	\$	-	\$	2,805,352	\$	-	\$	2,185,352
Rec	\$	-	\$	-	\$	-	\$	-
App	\$	-	\$	2,805,352	\$	-	\$	2,185,352
FTE		0.000		0.000		0.000		0.000

Total Change to Requirements	\$	156,966,294	\$	47,621,616	\$	282,517,046	\$	12,708,115
Total Change to Receipts	\$	52,194,233	\$	20,221,283	\$	99,900,390	\$	20,221,283
Total Change to Net Appropriation	\$	104,772,061	\$	27,400,333	\$	182,616,656	\$	(7,513,168)
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		45.100		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	132,172,394			\$	175,103,488		
Recommended Total FTE Changes		0.000				45.100		



**House Pages
Assignments
Tuesday, March 07, 2017
Session: 2:00 PM**

Committee	Room	Time	Staff	Comments	Member
Appropriations on Department of Transportation	1027/1128	8:30 AM	Christopher Irvin		Rep. Speaker Tim Moore
			Mahlaysia Thomas		Rep. Speaker Tim Moore
Appropriations on Health and Human Services	643	8:30 AM	Jacob Harris		Rep. Ted Davis
			Brian Ornelas		Rep. Speaker Tim Moore
			Ryan Velten		Rep. Pat McElraft
Appropriations on Justice and Public Safety	415	8:30 AM	Tyler Phillips		Rep. Mike Clampitt
			Shaun Robinson		Rep. Speaker Tim Moore
Appropriations, Agriculture and Natural and Economic Resources	421	8:30 AM	Rayquian Jones		Rep. Speaker Tim Moore
			Michael Lee		Rep. Speaker Tim Moore
Appropriations, Education	Other 423	8:30 AM	Kaleah Poole		Rep. Speaker Tim Moore
			Leonardo Tamburro		Rep. Gale Adcock

100

101

102

103

104



Senate Pages Attending

COMMITTEE: Jt. App. Education Higher Ed. ROOM: 423

DATE: 3-7 TIME: 8:30

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!.....or else!!!!!!

	Page Name	Hometown	Sponsoring Senator
1.	Dajah Stallings	Durham	McKissick
2.	Katrina Diamond	Durham	McKissick
3.	Holly Hutcheson	Durham	Woodard
4.			
5.			
6.			
7.			
8.			

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

Mar 7 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Ten Riddle	NC Ed. Lottery
Leah Sutton	Hunt Institute
Dr. Kambiz Tahmassebi	Vance-Granville Community College & North Carolina Community College Faculty Assor.
Josh Lanier	SML
Alexis Schuss	NC DPI
Thomas Walker	Wayne Comm. Coll.
Jina Ayn	Ed Consultant
Robb Jansen	NC SBE
Maria Pitke Martin	NC DPI / NC SBE
Martez Hill	" "
Anne Baron	NCCCS



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

Mar 7 2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Nathan Krutman	UNC
Jonathan Pruitt	UNC
Paul Yegorov	HTGA
LAURA PURYEAR	MWC
Sara Nilsson	GA Program Evaluation
W. Douglas Gilpin	PPAB
Mark Lanier	UNCW
Drew Moretz	UNC GA
Jonathan Kappler	UNC GA
Jessica Englett	Governor
Tom Most	NCIHA



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

Mar 7 2017

Name of Committee

Date

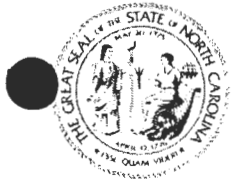
VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

James C. Williamson	NC COMMUNITY COLLEGES 200 W JONES ST., 5001 MAIL CTR RALEIGH, NC 27603
Jennifer Haygood	NCCCS
Lisa Chapman	NCCCS
Mary Shuping	NCCCS
CHRIS EMANUEL	EMANUEL GROUP
Michael Houser	TH/CG
Susan Harrison	XCDTSEA
Dana Shillinglaw	NC State





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Wednesday, March 8, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Representative John Fraley
Presiding Co-chair

2. Budget Overview of Community College System

Brett Altman, Fiscal Analyst
Fiscal Research Division

3. Adjourn

NEXT MEETING:

March 9, 2017





**Joint Education Appropriations
Wednesday, March 8, 2017 at 8:30 AM**

MINUTES

The Joint Meeting of Education Appropriations met at 8:30 AM on March 8, 2017 in Committee Room 423 of the Legislative Office Building. Representative Chairs Blackwell, Elmore, Fraley, Horn, and Hurley were present from the House. Senate Chairs Barefoot and Curtis were present from the Senate. Representatives Bell, Fisher, Lucas, Michaux and Zachary and Senators Ballard, Tillman, and Waddell were present. Fiscal Research Department staff in attendance was Jennifer Hoffmann, Bret Altman, Lauren Metayer and Drupti Chauhan. Visitor registration sheets are provided. (Attachment 1)

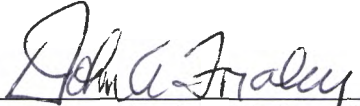
Representative John Fraley, Chair, presided. He called the meeting to order at 8:33 AM and introduced the Sergeant-at-Arms and Pages.

Representative Fraley introduced Bret Altman from the Fiscal Staff to present a Budget Overview of the NC Community College System. Handouts and slides were used in his presentation. (Attachment 2).

Following each division in his presentation Mr. Altman entertained questions from members. Jennifer Haygood from the Community College System Office contributed.

Chairman Fraley informed members that the Committee will meet tomorrow, March 9th at 8:30am.

With no further business Chairman Fraley adjourned the meeting at 9:30 AM.



Representative John Fraley, Chair



Pattie Fleming, Committee Clerk



ATTACHMENTS

- 1. Visitor Registration Sheet**
- 2. NC Community College System: Budget Overview**



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-8-17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
LAURA PURYEAR	MNC
W. Gardner Crippen	PPAB
Liz Bell	EDNC
Tom West	NCICA
Jessica Engler	Governor Cooper
Betty Dostke	UNC Charlotte
Jonathan Kapper	UNC GA
Mark Lanier	UNCW
Neil Hays	
Matt Ellsworth	NKJC
Jack Sire	NCFPC



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-8-17

Name of Committee

Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME _____

FIRM OR AGENCY AND ADDRESS

Brian Rose

Learning curve

Andrew Cagle

UNCG

Walker Harris

Student

Ken Melton

K.M.A.



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-8-17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Robb Jansen	NCSBE
Bryan Conrad	OSBM
Jennifer Haggard	NCCCS
James C. Williamson	"
Mary Shuping	NCCCS
John Bakken	Wake Tech CC
Leah Sutton	The Hunt Institute
Marghan Lewis	NC chamber
Laura Kiron	Vista
Teri Riddle	NCEL
Bo Heath	McGuire Woods



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-8-17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Rachel Brumlin

RBLA

Michelle Brooks

ECU

Gene Smith

Wayne Community College



NC Community College System: Budget Overview



Presentation to the Joint Appropriations Committee on Education
Brett Altman
Fiscal Research Division
March 8, 2017



Presentation Agenda

1. NCCCS Background
2. Enrollment
3. Budget Overview
4. Budget Allocations
5. Recent Legislative Actions
6. Questions

NCCCS Background



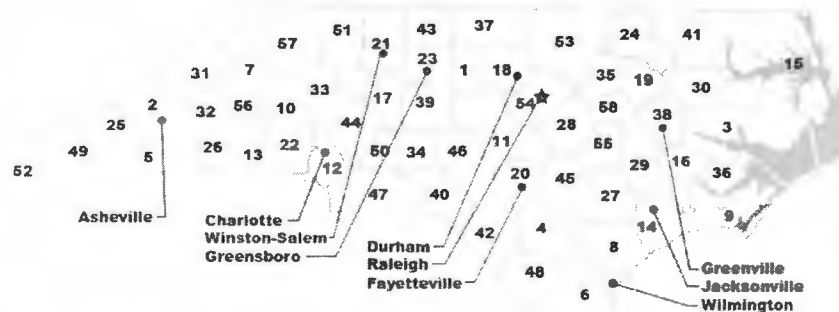
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

3

03/08/2017

Locations

- 58 colleges, 3rd most in the nation.
- 36 additional campuses



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

4

03/08/2017

Governance

State Board of Community Colleges

- Serves as the governing authority for NCCCS
- 21 members – 18 are appointed by Governor (10), House(4), and Senate (4); 3 serve ex-officio
- Elects the System President and sets system policies and regulations

Local Boards of Trustees

- Serve as the governing authority for each of the 58 colleges
- At least 13 members – 12 appointed by local Board of Ed, county commissioners, and Governor; 1 ex-officio
- Elect college presidents

Major Program Areas

Curriculum

Credit courses that lead to certificates, diplomas, or associate degrees.

Includes Career & College Promise (high school students earning college credit)

Occupational Continuing Education

Non-credit courses that provide job training opportunities to individuals.

Basic Skills

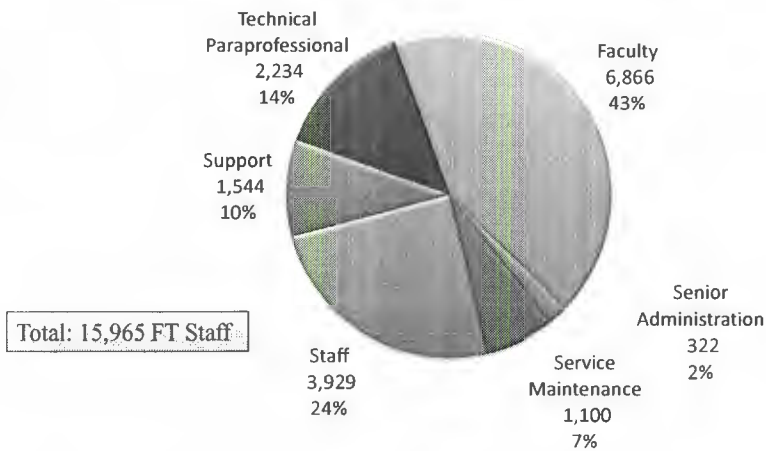
Includes Adult Basic Education, GED, Adult High School, English as a Second Language (ESL), and Compensatory Education.

Economic Development Programs

Job training programs targeted to specific types of companies or populations.

College Faculty and Staff

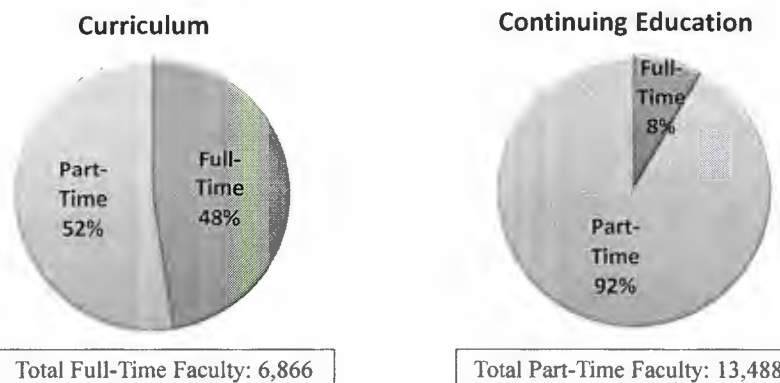
Full-Time College Staff: FY 2016-17



Note: This does not include positions in the NCCCS System Office. Source: NCCCS System Office

College Faculty

Full-Time versus Part-Time Faculty, FY2016-17



Source: NC Community College System Office

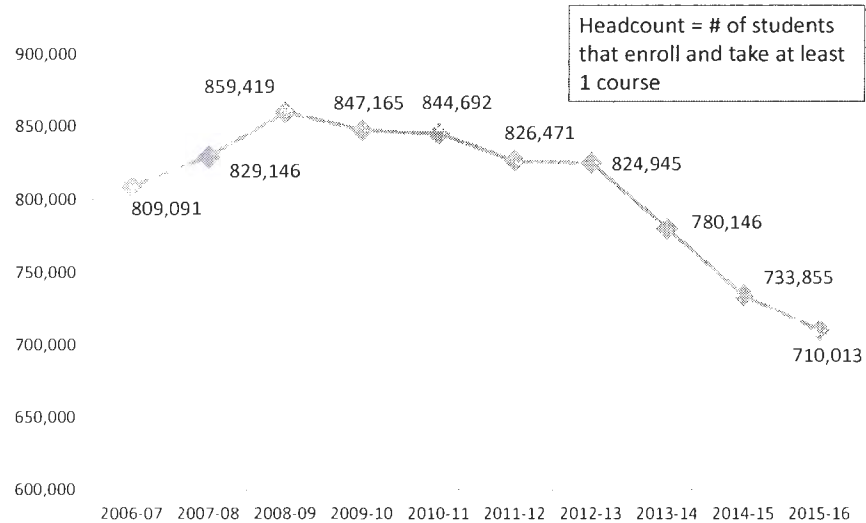
Enrollment

FISCAL RESEARCH DIVISION
Utah State Office of Higher Education

9

03/08/2017

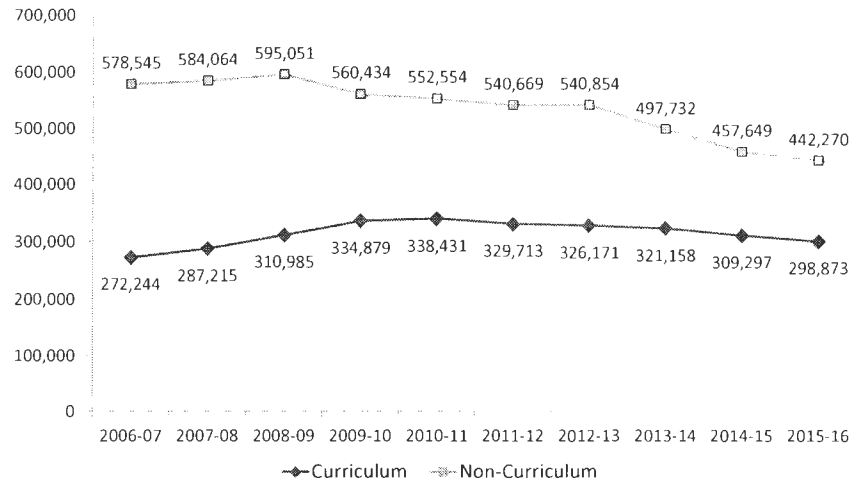
Headcount: FY 2007-2016

FISCAL RESEARCH DIVISION
Utah State Office of Higher Education

10

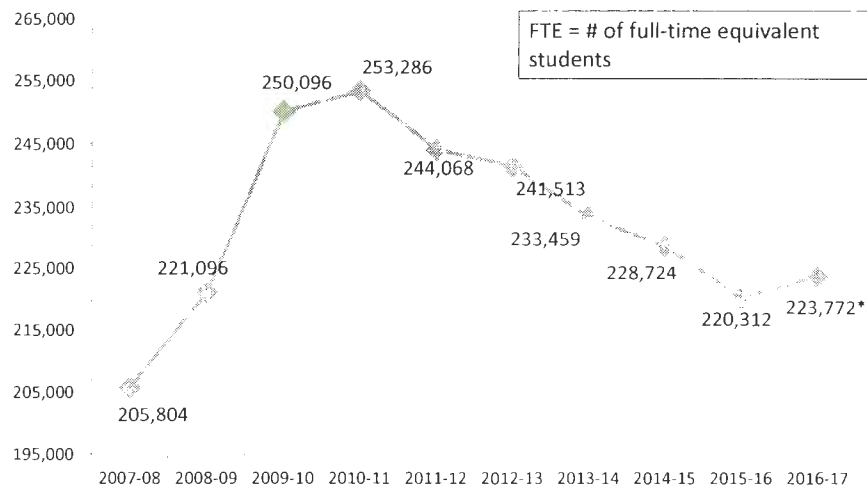
03/08/2017

Curriculum and Non-Curriculum Headcount FY 2007-2016



Source: NCCCS Statistical Reports for FY 2006-07 to FY 2015-16

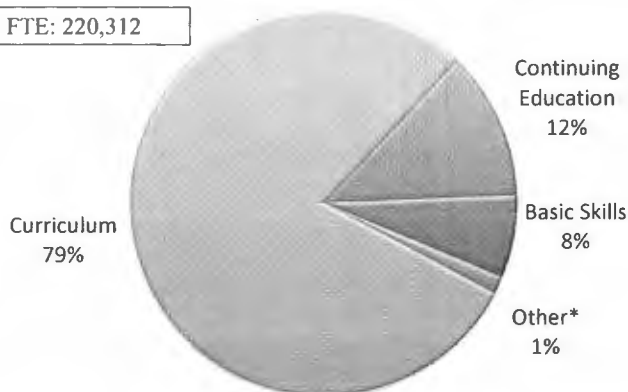
Actual FTE: FY 2008-2017*



Source: NCCCS Statistical Reports for FY 2007-08 to FY 2015-16. *NCCCS System Office for 2016-17 estimate

Actual FTE by Program Area FY 2015-16

Total FTE: 220,312



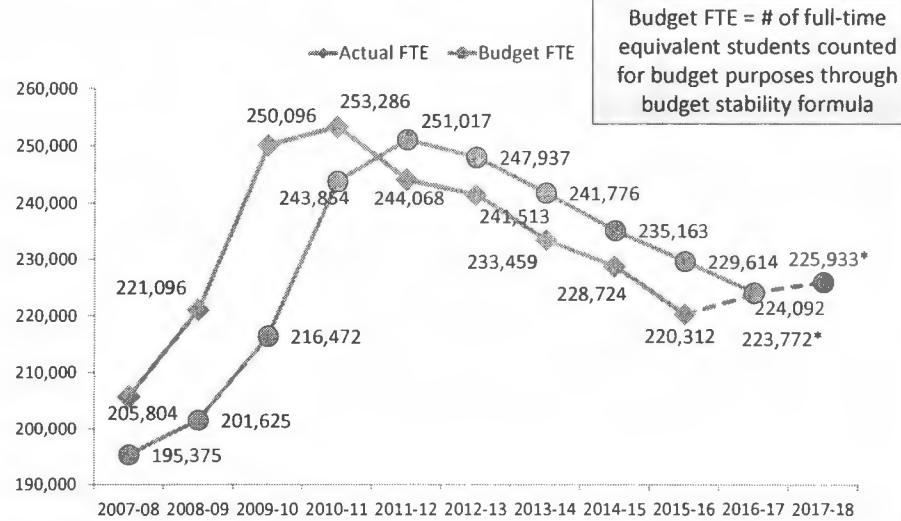
*"Other" includes Customized Training FTE, Small Business Center FTE, self-supporting continuing education FTE, and other non-budget FTE.

Source: NCCCS 2015-16 Statistical Report

FTE & Budget Allocations

- Funds are allotted on a full-time equivalent (FTE) basis
- Based on actual enrollment numbers – not projections
- A college's Budget FTE is determined by the Modified Budget Stability Formula
 - Calculates the higher of
 - the prior year; or
 - the average of the two previous years' enrollment.

Actual vs Budget FTE: FY 2008-2018*



Budget Overview

Financial Support of Institutions

State

G.S. 115D-31

- Operating costs for instruction, administration, and support services

Local

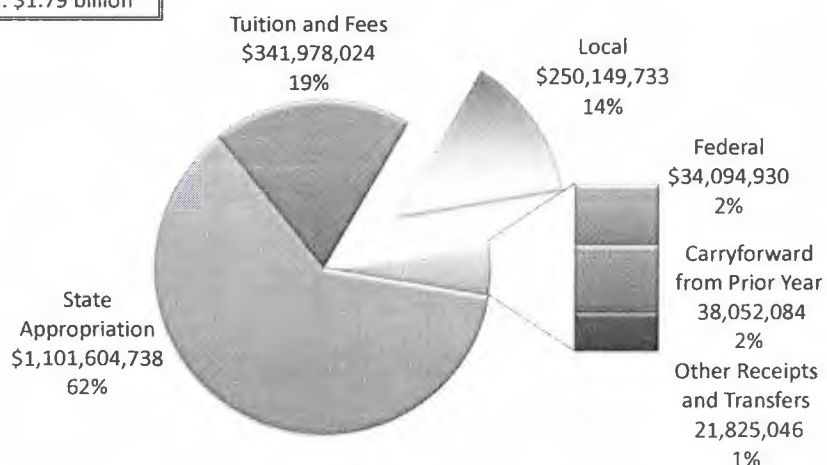
G.S. 115D-32

- Operation and maintenance of plant

Per G.S. 115D-32, capital construction is the legal responsibility of the county. However, G.S. 115D-31 authorizes the State to provide capital funding to local institutions, provided that it is matched on a dollar-for-dollar basis.

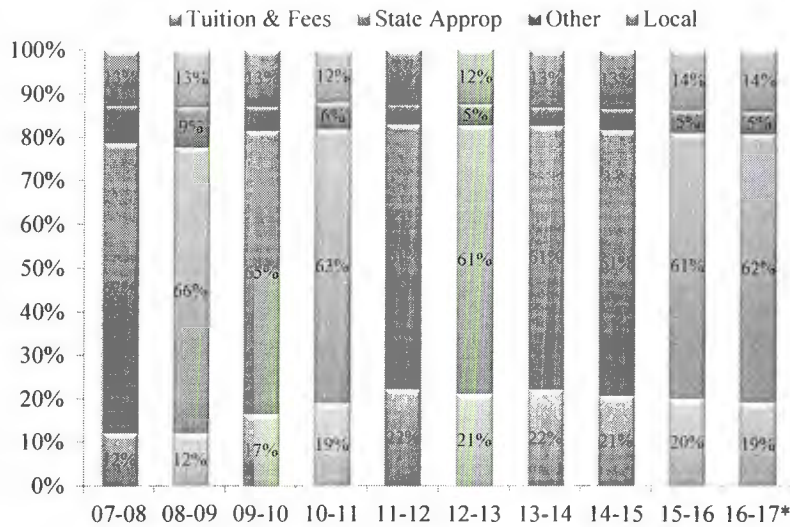
FY 2016-17 Sources of Operational Funding

Total: \$1.79 billion



Sources: FY 2016-17 Authorized Budget as of Jan. 2017, NCCCS College Budget Summary (2-1)

% Total Operational Budget by Source, FY 2008-17



Sources: NCAS Final Authorized Budgets FY 2008-2016, *FY 2016-17 Jan. Auth. Budget, NCCCS College Budget Summaries



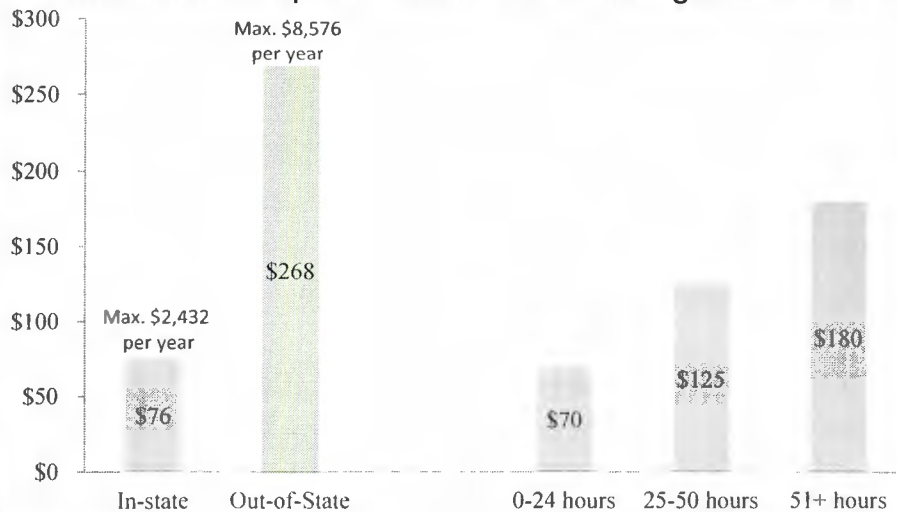
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

19

03/08/2017

Tuition: FY 2016-17

Curriculum Tuition per Credit Hour Continuing Education Fees

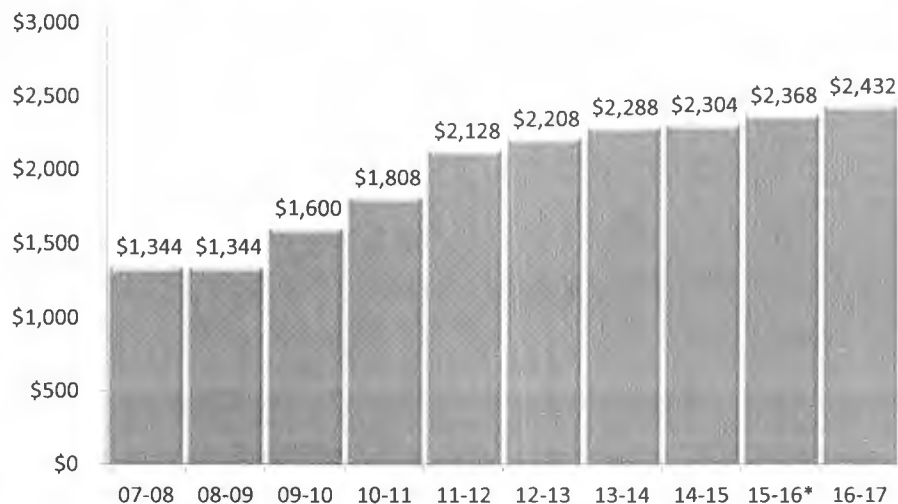


FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

20

03/08/2017

Tuition: Maximum Curriculum Tuition

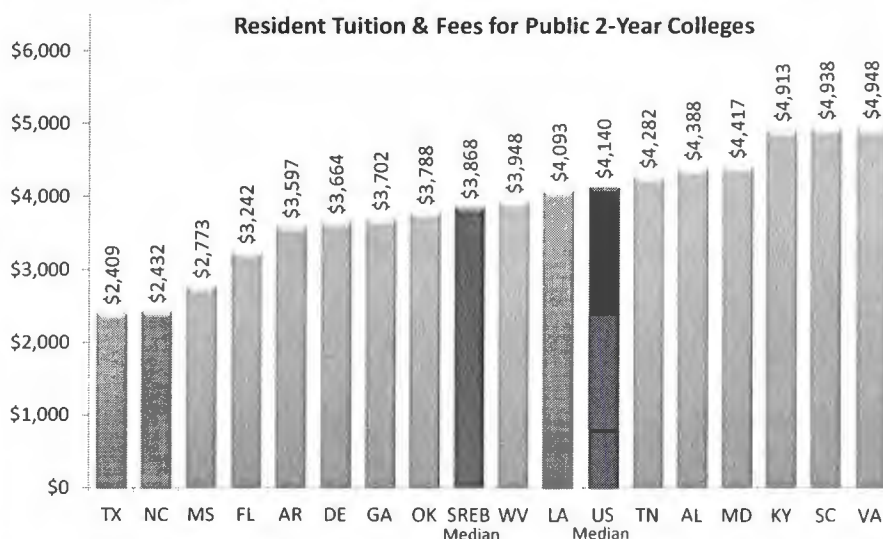


FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

21

03/08/2017

Tuition: SREB States FY 2016-17



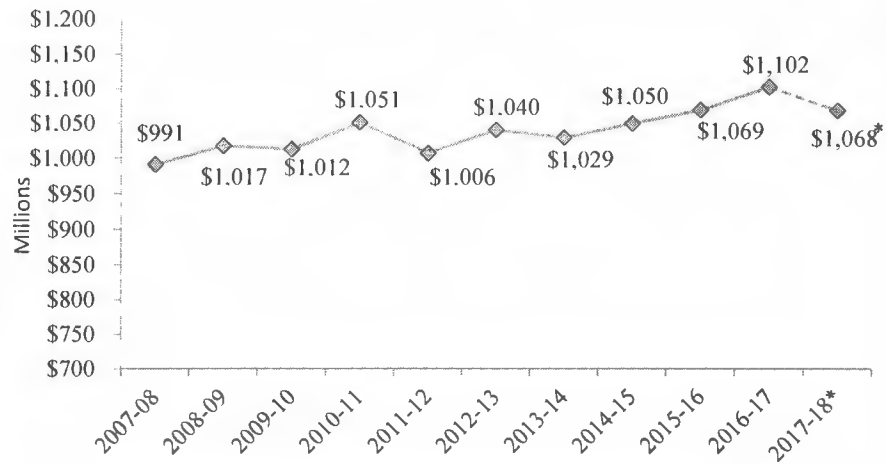
Source: The College Board, NC Community College System

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

22

03/08/2017

NCCCS General Fund Appropriations



Sources: NCAS Final Authorized Budgets FY 2008-2016, *FY 2016-17 Jan. Auth. Budget



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

23

03/08/2017

General Fund Appropriations per BFTE



Sources: NCAS Final Authorized Budgets FY 2008-2016, *FY 2016-17 Jan. Auth. Budget, NCCCS System Office



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

24

03/08/2017

State Aid Allocation

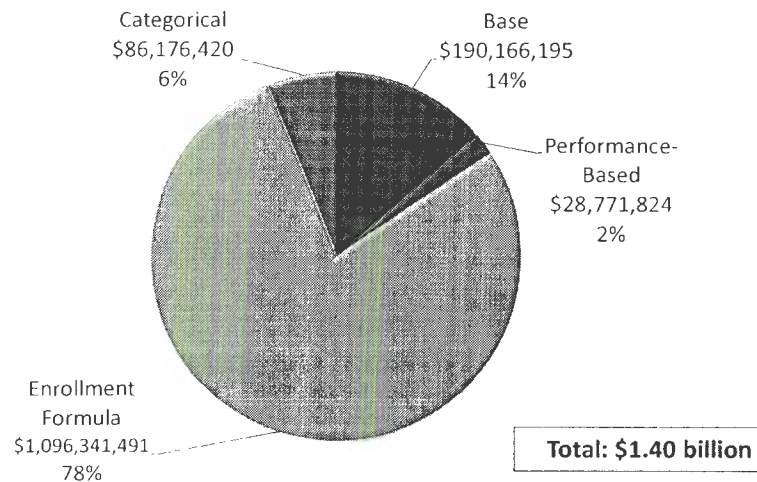


State Aid Allocations

- Formula Budget:
 - Base allocation to provide a standard amount of support regardless of size
 - Enrollment allocation driven by tier classification of a college's Budget FTE
 - Performance-based allocation determined by student success on 6 performance measures and Basic Skills.
- Categorical Allocations
- Specific Program Categorical Allocations



Formula Allocation of Funds: FY 2016-17



Source: FY 2016-17 NCCC's State Aid Allocations and Budget Policies



FISCAL RESEARCH DIVISION

27

03/08/2017

Funding Flexibility

- The General Assembly has allowed colleges to have flexibility in order to meet individual college needs.
- Formulas are for allocation purposes only.
- Colleges can spend the formula allocations however they choose, except:
 - Literacy (Basic Skills) funds and Customized Training funds must be used for those specific purposes.

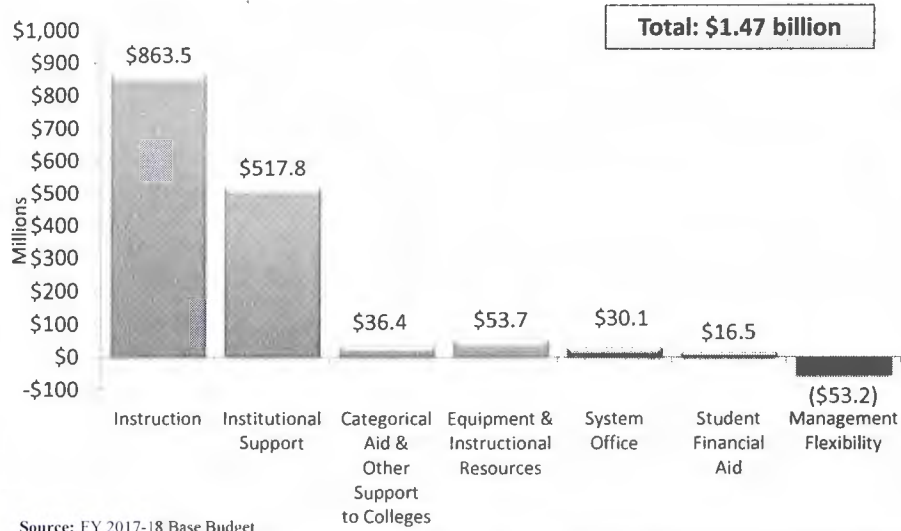


FISCAL RESEARCH DIVISION

28

03/08/2017

Allocation of Funds: FY 2017-18

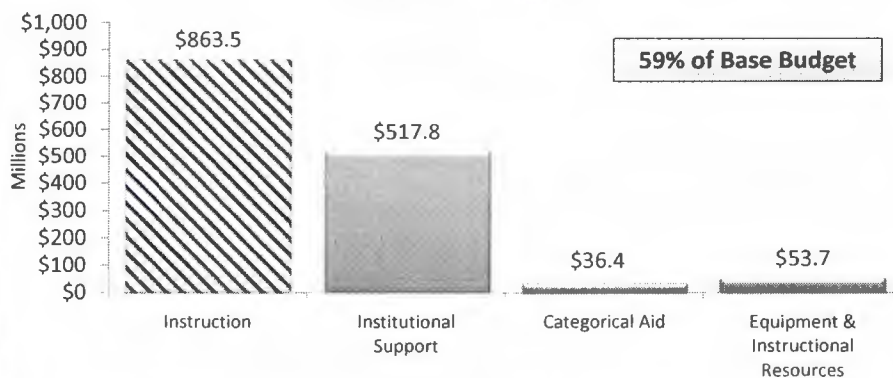


FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

29

03/08/2017

Instruction



What it is:

- Curriculum
- Continuing Education
- Basic Skills

What it pays for:

- Faculty Salaries
- Instructional Supplies

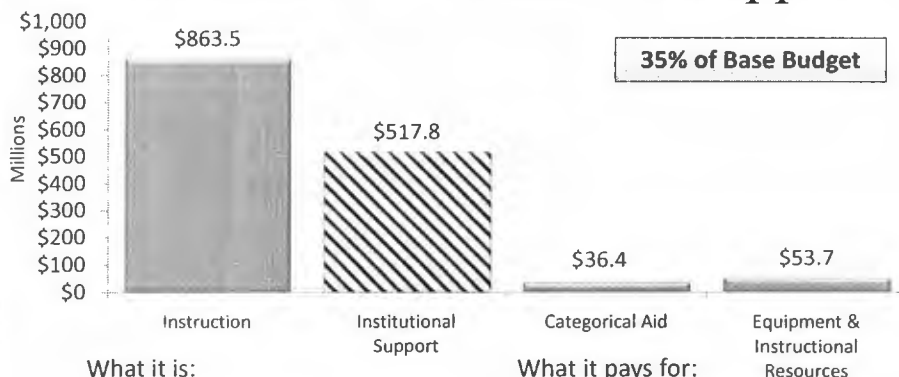
Source: FY 2017-18 Base Budget

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

30

03/08/2017

Institutional & Academic Support



What it is:

- Academic & Student Support
- General College Administration
- Multi-campus college (MCC) funding

What it pays for:

- President & Senior Administrators
- Guidance Counselors & Financial Aid Officers
- Librarians & IT Staff
- Paraprofessionals & Clerical Staff
- Salary & Benefit-related items

Source: FY 2017-18 Base Budget



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

31

03/08/2017

Categorical Aid & Other Support



What it is:

- Funding provided to colleges outside the regular allotments

What it pays for:

- Items outside of Instruction, Institutional Support, Equipment, and other formula driven items
- Specific campus initiatives
- Specific programs

Source: FY 2017-18 Base Budget



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

32

03/08/2017

Categorical Aid & Other Support

- Examples of Programs in this Category:

– Customized Training:	\$12.5 million
– Small Business Centers:	\$6.3 million
– BioNetwork:	\$4.3 million
– NC Research Campus:	\$3.4 million
– Child Care Grants:	\$1.8 million
– NC Military Business Center:	\$1.1 million
– NC Works Career Coaches:	\$1 million
– Manufacturing Solutions Center:	\$887,159
– Center for Applied Textile Tech:	\$669,228

Source: FY 2017-18 Base Budget

 FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

33

03/08/2017

Equipment & Instructional Resources



What it is:

- Equipment
- Instructional Resources

What it pays for:

- Computers
- Instructional equipment
- Books and other library resources

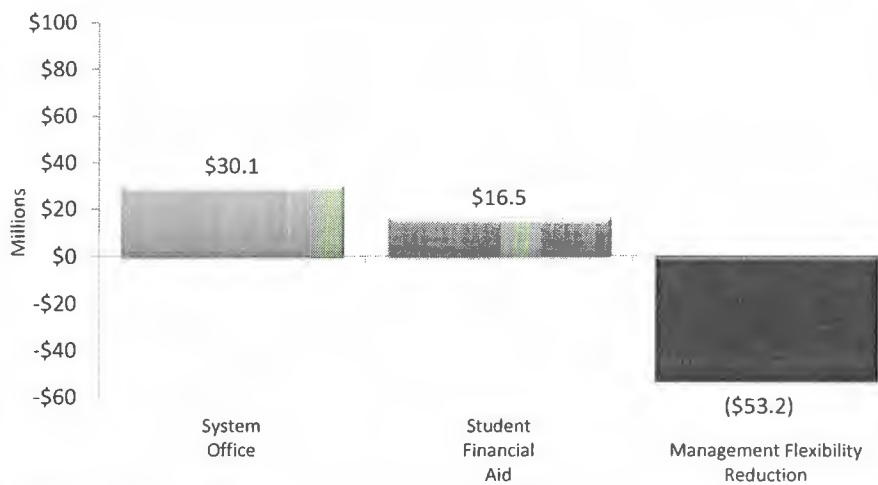
Source: FY 2017-18 Base Budget

 FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

34

03/08/2017

Allocation of Funds: FY 2017-18



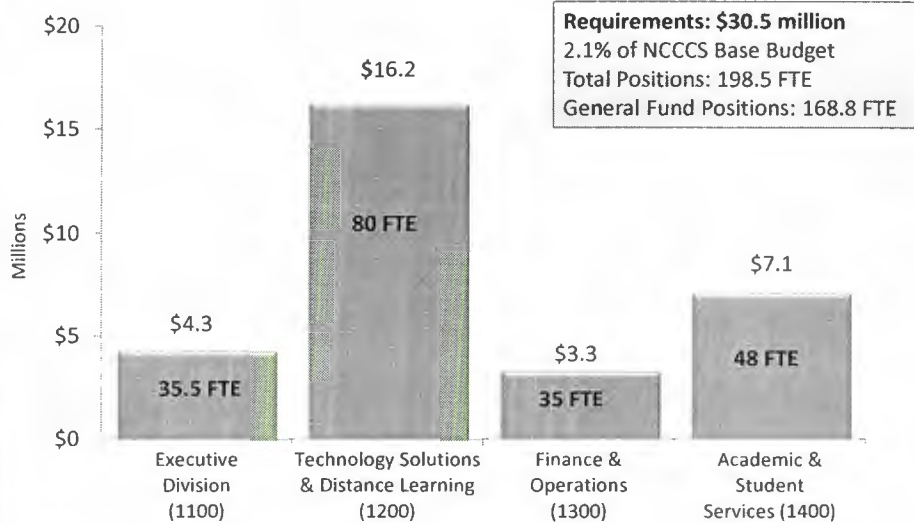
Source: FY 2017-18 Base Budget

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

35

03/08/2017

Community Colleges System Office Budget



Source: FY 2017-18 Base Budget

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

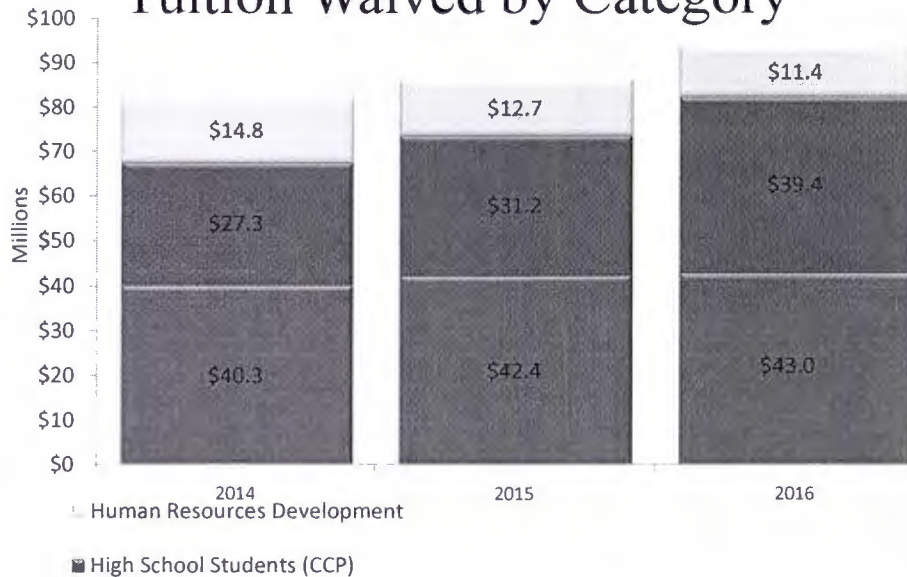
36

03/08/2017

Student Financial Aid

- NC Community College Grant
 - \$16.5 million from Escheats budgeted in NCCCS
- Education Lottery Scholarship
- Tuition Waivers
 - \$93.8 million in waived tuition in 2016
 - Waivers for particular instruction are authorized in statute

Tuition Waived by Category



Source: NC Community College System Office

Management Flexibility Reserve

FY 2017-18 Base Management Flexibility Reduction: \$53.2 million

- Management flexibility reduction is a budget cut that is not specifically prescribed.
- Colleges have the flexibility to determine which budget line items to cut, within certain parameters.
- Allocated on a pro-rata basis based on each colleges' estimated General Fund appropriation.



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

39

03/08/2017

Recent Legislative Actions

- Weighted FTE Tier System
 - Instituted 2011, additional tier added 2014
- FTE rolling average reduced
 - From 3 years to 2 years in 2013
- Summer curriculum instruction counted for Budget FTE purposes
 - Partial 2014, extended to all curr. courses in 2015



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

40

03/08/2017

Questions

Brett Altman: brett.altman@ncleg.net
919-733-4910



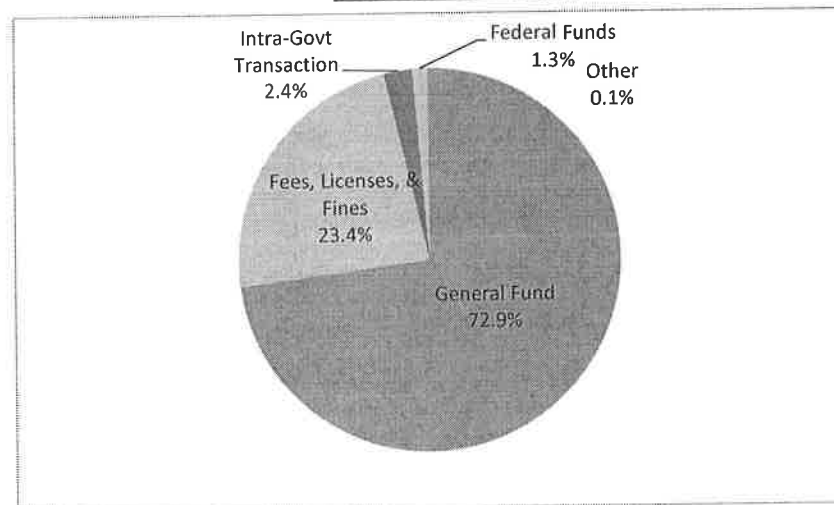
NC Community College System General Fund

The mission of the North Carolina Community College System includes the provision of the following: Education, training and retraining for the workforce including basic skills and literacy education, occupational and pre-baccalaureate programs; Support for economic development through services to and in partnership with business and industry and in collaboration with the University of North Carolina System and private colleges and universities; and Services to communities and individuals which improve the quality of life.

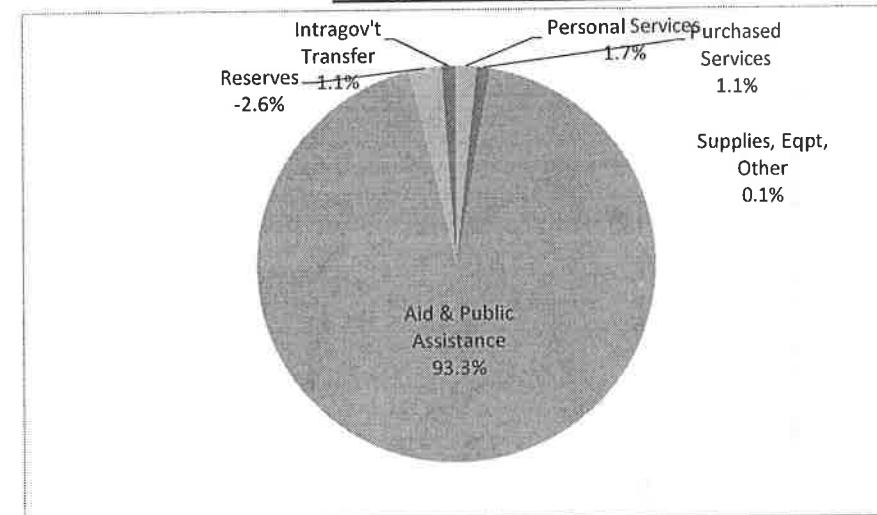
	2014-15	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19
	Actual	Actual	Authorized	Adjustments	Base Budget	Adjustments	Base Budget
Expenditures	\$ 1,458,163,442	\$ 1,485,058,480	\$ 1,498,923,901	\$ (33,206,397)	\$ 1,465,717,504	\$ (33,206,397)	\$ 1,465,717,504
Less Receipts	\$ 415,908,777	\$ 420,079,002	\$ 397,374,160	\$ 110,000	\$ 397,484,160	\$ 110,000	\$ 397,484,160
Appropriations	\$ 1,042,254,665	\$ 1,064,979,478	\$ 1,101,549,741	\$ (33,316,397)	\$ 1,068,233,344	\$ (33,316,397)	\$ 1,068,233,344
Community College FTE	194.10	195.45	198.45	N/A	198.45	N/A	198.45

FY 2017-18 Base Budget

Source of Funds



Budgeted Expenses



Expenditures: Summary by Account

Fund Code	531-XXX Personal Services	532-XXX Purchased Services	533-XXX to 535-XXX Supplies, Eqpt, & Other	536-XXX Aid & Public Assistance	537-XXX Reserves	538-XXX Intragov't Transfer	Total
1100 - Executive Division	\$ 3,602,890	\$ 569,648	\$ 72,482	\$ -	\$ 50,000	\$ -	\$ 4,295,020
1200 - Tech Solutions & Distance Learning	\$ 8,145,546	\$ 6,473,262	\$ 268,782	\$ -	\$ 102,368	\$ 1,250,000	\$ 16,239,958
1300 - Finance & Operations	\$ 3,081,861	\$ 178,112	\$ 33,240	\$ -	\$ -	\$ -	\$ 3,293,213
1400 - Academic & Student Services	\$ 4,561,036	\$ 745,062	\$ 443,288	\$ -	\$ 1,365,857	\$ -	\$ 7,115,243
1600 - State Aid - Institutions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1620 - Curriculum Instruction	\$ -	\$ 200,000	\$ 3,750	\$ 708,482,210	\$ 1,670,044	\$ -	\$ 710,356,004
1621 - Basic Skills Instruction	\$ -	\$ 535,768	\$ 21,705	\$ 60,638,230	\$ 7,688,640	\$ -	\$ 68,884,343
1622 - Con Ed & Workforce Development	\$ -	\$ -	\$ -	\$ 107,400,338	\$ -	\$ -	\$ 107,400,338
1623 - Equipment & Instructional Resources	\$ -	\$ -	\$ 500,000	\$ 53,236,606	\$ -	\$ 16,501,944	\$ 70,238,550
1624 - Specialized Centers & Programs	\$ -	\$ -	\$ -	\$ 11,897,231	\$ -	\$ -	\$ 11,897,231
1625 - Institutional & Academic Support	\$ 6,917,217	\$ 8,079,747	\$ -	\$ 502,797,529	\$ -	\$ -	\$ 517,794,493
1900 - Reserves & Transfers	\$ -	\$ -	\$ -	\$ -	\$ (51,796,889)	\$ -	\$ (51,796,889)
	\$ 26,308,550	\$ 16,781,599	\$ 1,343,247	\$ 1,444,452,144	\$ (40,919,980)	\$ 17,751,944	\$ 1,465,717,504

Revenues: Summary by Account

Fund Code	432-XXX & 434-XXX Grants & Sales, Services & Rentals	435-XXX Fees, Licenses & Fines	437-XXX Misc.	438-XXX Intragov't Transact.	538-XXX Int. Govt	538-8XX Federal Funds	General Fund
1100 - Executive Division	\$ -	\$ -	\$ 44,938	\$ 330,074	\$ -	\$ 18,199	\$ 3,901,809
1200 - Tech Solutions & Distance Learning	\$ -	\$ -	\$ 39,983	\$ 359,254	\$ -	\$ -	\$ 15,840,721
1300 - Finance & Operations	\$ 1,000	\$ -	\$ -	\$ 466,758	\$ -	\$ -	\$ 2,825,455
1400 - Academic & Student Services	\$ 453,415	\$ -	\$ 372,064	\$ 1,389,169	\$ -	\$ 2,043,700	\$ 2,856,895
1600 - State Aid - Institutions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1620 - Curriculum Instruction	\$ -	\$ 326,615,158	\$ 3,750	\$ 12,458,675	\$ -	\$ -	\$ 371,278,421
1621 - Basic Skills Instruction	\$ -	\$ -	\$ 21,705	\$ -	\$ -	\$ 16,633,658	\$ 52,228,980
1622 - Con Ed & Workforce Development	\$ -	\$ 15,472,866	\$ -	\$ -	\$ -	\$ -	\$ 91,927,472
1623 - Equipment & Instructional Resources	\$ -	\$ -	\$ -	\$ 1,773,844	\$ -	\$ -	\$ 51,962,762
1624 - Specialized Centers & Programs	\$ -	\$ -	\$ -	\$ 1,233,917	\$ -	\$ -	\$ 10,663,314
1625 - Institutional & Academic Support	\$ -	\$ 175,275	\$ -	\$ -	\$ 758,123	\$ -	\$ 516,861,095
1900 - Reserves & Transfers	\$ 34,319	\$ -	\$ -	\$ 16,551,569	\$ -	\$ 232,747	\$ (52,113,580)
	\$ 488,734	\$ 342,263,299	\$ 482,440	\$ 34,563,260	\$ 758,123	\$ 18,928,304	\$ 1,068,233,344

Detailed Adjustments to Base Budget

Removes NR Increase for Equipment	\$ (6,000,000)
Removes NR Management Flexibility Reduction Funds	\$ (6,395,815)
Removes NR Increases for IT and Various Specialized Centers and Institutes	\$ (4,247,000)
Removes NR Bonus Funds for College and System Office State Employees	\$ (17,109,097)
Removes NR COLA for Retirees	\$ (4,491,707)
Removes NR Receipts Adjustment for Youth Apprenticeship Waiver	\$ (110,000)
Longevity and System Office Benefit Adjustments	\$ 545,856
Increase in retirement up to 16.12%	\$ 4,491,366

Emily Barnes (Sen. Michael Lee)

From: Eric Naisbitt (Sen. Chad Barefoot)
Sent: Wednesday, March 08, 2017 12:46 PM
To: Eric Naisbitt (Sen. Chad Barefoot)
Cc: Dixie Riehm (Rep. Hugh Blackwell)
Subject: <NCGA> Senate Appropriations on Education/Higher Education Committee Meeting
Notice for Thursday, March 09, 2017 at 8:30 AM (Joint)
Attachments: Add Meeting to Calendar_LINC_ics

Principal Clerk _____
Reading Clerk _____

SENATE
NOTICE OF JOINT COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The **Senate Committee on Appropriations on Education/Higher Education** will meet at the following time:

DAY	DATE	TIME	ROOM
Thursday	March 9, 2017	8:30 AM	423 LOB

Sen. Chad Barefoot will preside.

Senator Chad Barefoot, Co-Chair
Senator David L. Curtis, Co-Chair
Senator Michael V. Lee, Co-Chair



Senate Committee on Appropriations on Education/Higher Education
Thursday, March 9, 2017 at 8:30 AM
Room 423 of the Legislative Office Building

MINUTES

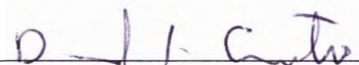
The Senate Committee on Appropriations on Education/Higher Education met jointly at 8:30 AM on March 9, 2017 in Room 423 of the Legislative Office Building. 7 Senators and Representatives Blackwell, Elmore, Fraley, Horn, Hurley, Conrad, Ball, Bell, Corbin, Fisher, Grange, Lucas, and Michaux were present.

Senator David L. Curtis, Chair, presided.

Sara Nienow, Senior Program Evaluator of the Program Evaluation Division gave a presentation on Community College Funding Formula and Potential Ways to Improve Efficiency and Effectiveness. The presentation is attached. Following the presentation, members of the committee were given the opportunity to ask questions.

Dr. James Williamson, NC Community Colleges System President, Jennifer Haygood, Chief of Staff of the NC Community Colleges System, and Dr. Gary Green, Forsyth Technical Community College President, answered questions from committee members.

The meeting adjourned at 9:27 AM.



Senator David L. Curtis, Chair
Presiding



Emily Barnes, Committee Clerk





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Thursday, March 9, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Senator Chad Barefoot,
Presiding Co-chair

2. Community College Funding Formula and Potential Ways to Improve Efficiency and Effectiveness

Sara Nienow, Sr. Program Evaluator
Program Evaluation Division

3. Adjourn

NEXT MEETING:

March 14, 2017



Steps for Determining Allotments to Community Colleges for FY 2016-17

Step 1. Calculate budget FTE for each college

Actual full-time equivalent (FTE) - one FTE equals 512 scheduled class hours per year for curriculum classes and 688 hours for continuing education classes

Actual FTE is converted into

Budget FTE - the higher of the actual FTE for the previous year or the average of actual FTE for the last two years

Step 2. Calculate base allocation for each college

- Allot \$470,986, which represents the cost to support 7 full-time faculty members
- Allot salary and related fringe benefits for college president based on the table below

Number of Budget FTE	0-2,499	2,500-6,499	6,500+
President Salary	\$138,254	\$147,659	\$157,718

- Allot \$2,259,591 for institutional and academic support, which represents the cost to support 9 administrative positions and 21 instructional support positions
- For colleges serving more than 750 budget FTE, allot \$1,736 per budget FTE above 750 for institutional and academic support
- For colleges operating multiple campuses, allot \$526,119 for each location that serves less than 1,200 budget FTE and \$880,926 for each location that serves more than 1,200 budget FTE

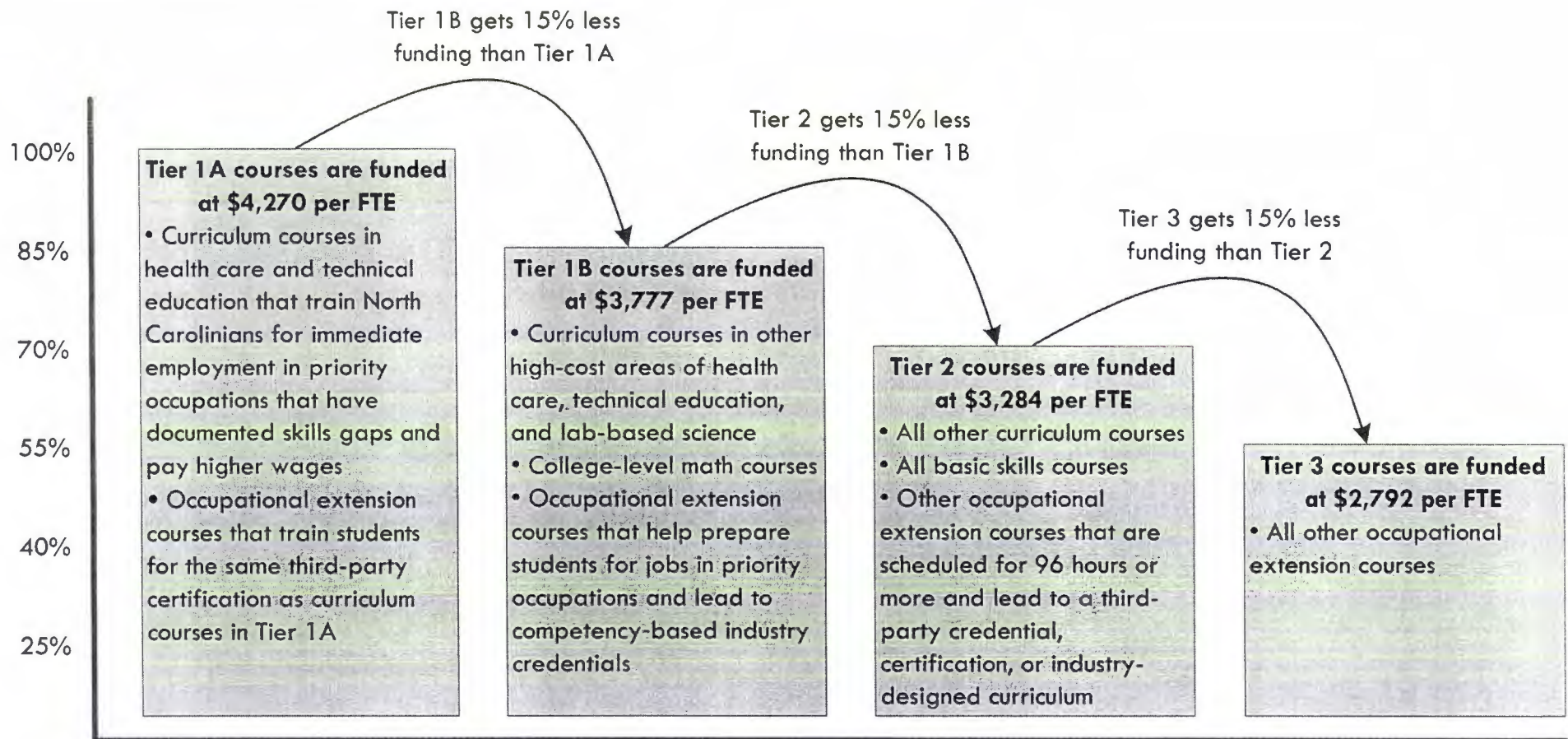
Step 3. Calculate enrollment allocation for each college

- Allot \$4,270 per budget FTE for Tier 1A courses:
 - Curriculum courses in health care and technical education that train North Carolinians for immediate employment in priority occupations that have documented skills gaps and pay higher wages
 - Occupational extension courses that train students for the same third-party certification as curriculum courses in Tier 1A
- Allot \$3,777 per budget FTE for Tier 1B courses:
 - Curriculum courses in other high-cost areas of health care, technical education, and lab-based science
 - College-level math courses
 - Occupational extension courses that help prepare students for jobs in priority occupations and lead to competency-based industry credentials
- Allot \$3,284 per budget FTE for Tier 2 courses:
 - All other curriculum courses
 - All basic skills courses
 - Other occupational extension courses that are scheduled for 96 hours or more and lead to a third-party credential, certification, or industry-designed curriculum
- Allot \$2,792 per budget FTE for Tier 3 courses:
 - All other occupational extension courses

Step 4. Calculate performance-based allocation for each college

- For each of the 8 performance measures below, determine college's proportion of \$3 million in available funding based on the number of its students subject to the performance measures relative to the systemwide number of students subject to the performance measure
 - Success of students in credit-bearing English courses
 - Success of students in credit-bearing math courses
 - First-year curriculum student progress
 - Licensure and certification passing rate
 - Performance after transfer to 4-year college
 - Curriculum completion
 - Basic skills student progress
 - High school equivalency completion (awarded via impact component only)
- For each measure, allot the quality component based on the college's performance relative to the baseline (two standard deviations below the statewide mean) and goal (one standard deviation above the mean) based on the following rules:
 - If a college does not meet the baseline, it receives no performance-based funding
 - If a college exceeds the baseline but does not meet the goal, it receives a proportionate amount of eligible performance-based funding
 - If a college meets the goal, it receives 100% of eligible performance-based funding
 - If a college exceeds the goal, it receives a proportionate amount above 100% of eligible performance-based funding
- For each measure, allot any remaining funds through an impact component based on the number of students meeting the measure's goal at the college relative to the number of students meeting the goal systemwide

Current Tier Structure for Course Reimbursements





Education Appropriations Committee
March 9, 2017

Funding for North Carolina's Community Colleges: A Description of the Current Formula and Potential Methods to Improve Efficiency and Effectiveness

A presentation to the Education Appropriations
Committee

March 9, 2017

Sara Nienow, Senior Program Evaluator

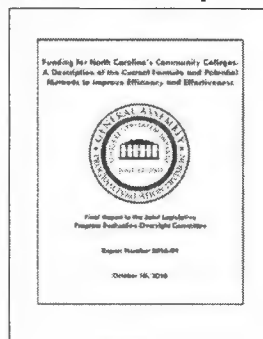
PROGRAM EVALUATION DIVISION



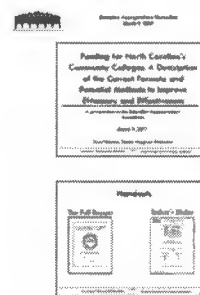
NORTH CAROLINA GENERAL ASSEMBLY

Handouts

The Full Report



Today's Slides

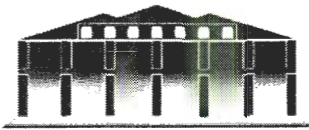


PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

2



Our Charge

- Examine the funding formula and timing for allocating state appropriations to community colleges
- Team: Sara Nienow, Kiernan McGorty, Janice Hillanbrand

Report p. 2

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

3

Overview

- North Carolina's community college funding formula is functional and generally acceptable to State Board and colleges
- Leaders expressed concerns about funding adequacy
- There may be cost-effective ways to improve effectiveness and efficiency

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

4



Overview: Ideas for Consideration

- Increase equitable distribution of institutional and academic support
- Provide greater funding stability with stop-loss provision and funding for the Enrollment Growth Reserve
- Align tier funding with course costs
- Refine performance-based funding
- Consider needs-based student funding

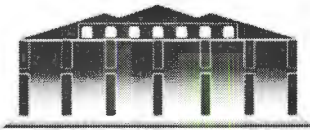


Background



Isothermal Community College Surgical Technician Graduates





North Carolina Community College System

- NCCCS is the lead state agency for delivering workforce development training, adult literacy training, and adult education
- 58 colleges \approx 160 locations
- 7% of state's population attended at least one class in FY 2014–15

Report p. 3

PROGRAM EVALUATION DIVISION



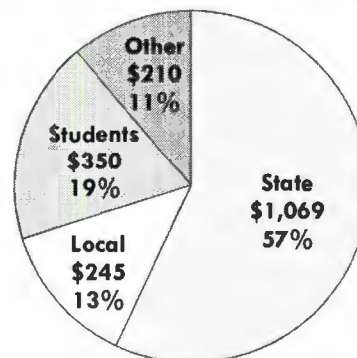
NORTH CAROLINA GENERAL ASSEMBLY

7

Funding Composition

- In FY 2015-16, NCCCS generated \$1.9 billion in revenue from state, local, student, and other sources
- Community colleges receive 8.6% of NC's total appropriations for education

FY 2015–16 in Millions of Dollars



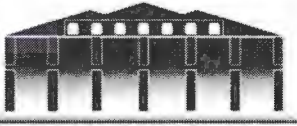
Report p. 4

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

8



State Investment in Community Colleges

- During the recession (2008–2011), funding for community colleges fell; stabilized and increased from 2012–2016
 - Still below pre-recession levels (-16%)
- Tuition has increased 60% since FY 2007–08
 - Still one of the lowest tuition levels in the country
- Taxpayer return on investment in community colleges \approx \$2.50-\$4.10 per \$1 invested

Report p. 5

How Funding Works



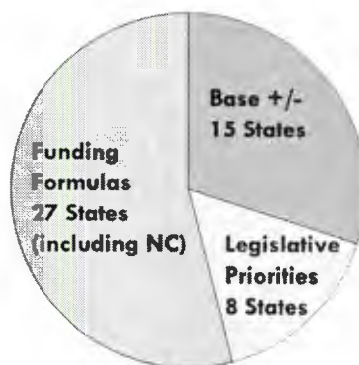
Halifax Community College



How Do States Fund Community Colleges?

Three Major Funding Methods:

1. Base +/-
2. Legislative Priorities
3. Funding Formulas



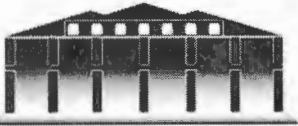
Report p. 7



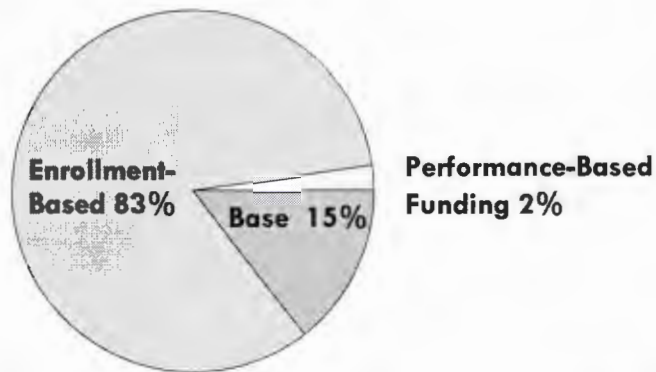
Method for Determining Allotments (Handout)

- Step 1: Calculate each college's budget FTE
- Step 2: Calculate base allocation for each college
- Step 3: Calculate enrollment allocation for each college
- Step 4: Calculate performance-based funding for each college



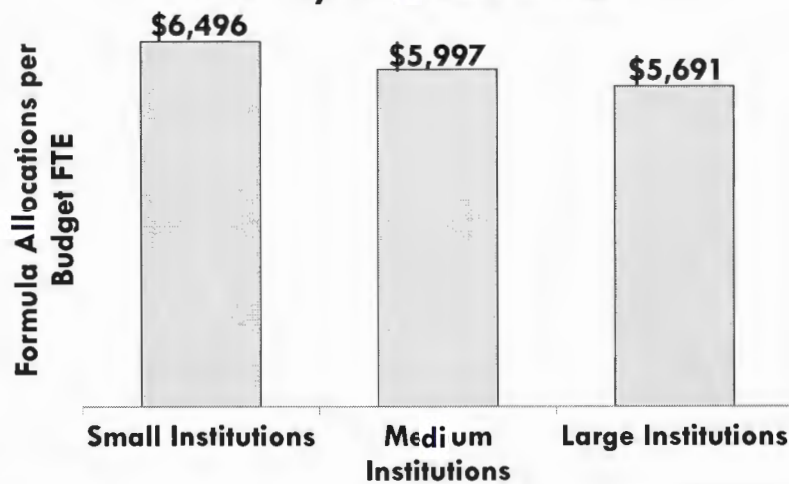


Formula Funding is Distributed According to Three Allocations

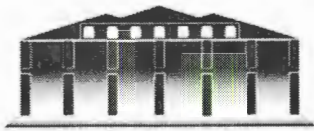


Report p. 9

Average Formula Allocation Per Budget FTE by School Size



Report pp. 10



Enrollment Drives Community College Funding

1. Prospective Funding: 1967–1988
2. Funding in Arrears with Stabilization:
1989 to Present
 - Growth and Decline Rule: 1994–1998
 - Rolling Average Rule: 1989–1993 and
1999–present

Report pp. 10-12

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

15

Funding Stability as a Policy Objective



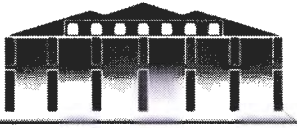
Report p. 13

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

16



2013 Change from 3-Year to 2-Year Rolling Average

- Resulted in \$21.1 million less funding for community colleges
 - General Assembly provided \$4 million in adjustment funds
 - NC's new two-year average is in line with other southeastern states

Report pp. 14-15

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

17

Enrollment Projections

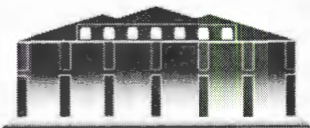
- 86% of community college presidents were against change from three-year to two-year rolling average; 1/3 suggested return to using enrollment projections
- Just two states, Montana and Pennsylvania, use enrollment projections
- Projection is difficult due to open enrollment policy

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

18



Tiered Funding Model

- Since 2011, NCCCS has used tiers to fund specific courses at different levels
- Tier 1A added in 2013 to encourage colleges to offer programs leading to direct employment

Report p. 18

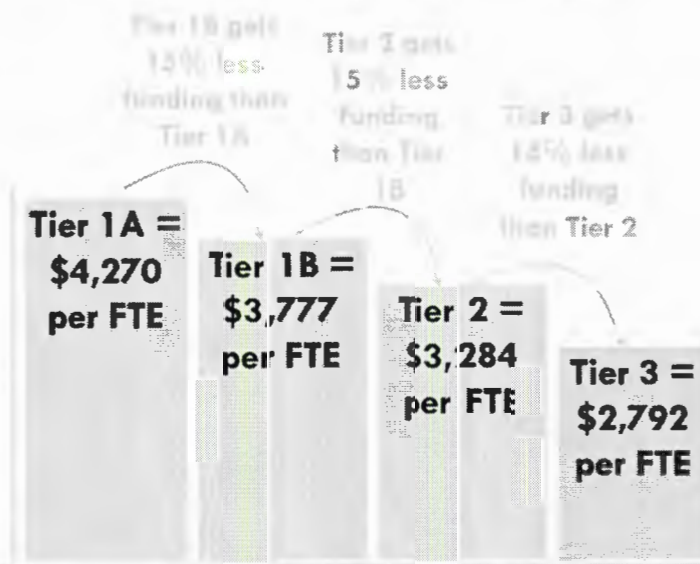
PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

19

Current Tier Structure

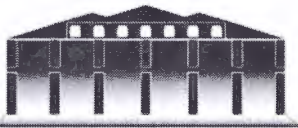


PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

20



Actions in Response to Tier 1A

Actions Colleges Have Taken Since Implementation of Tier 1A	Percentage of Colleges
Increased number of Tier 1A classes offered	49%
Taken steps to establish a priority instructional program in order to offer Tier 1A classes	35%
No action has been taken	29%

- 80% support change to tiered funding
- 82% think Tier 1A correctly identifies regional workforce needs

Performance-Based Funding

- As of 2015, 26 states used performance-based funding to allocate a portion or all of their community college funding
- States distribute appropriations based on outcomes such as course completion, graduation, or passing licensure exams
- Performance-based funding can supplement or entirely replace other community college funding methods

Report pp. 23-24



North Carolina's Current Performance-Based Funding Measures

- Success of students in college-level English and math courses
- First year progression
- Licensure and certification passing rate
- College transfer performance
- Curriculum completion
- Basic skills student progress
- High school equivalency attainment

Report p. 25

PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

23

Performance-Based Funding Allocations

- Quality component
 - College's performance as compared to a baseline and a goal for each measure
- Impact component
 - Based on the number of students succeeding on each measure

Report p 27

PROGRAM EVALUATION DIVISION

NORTH CAROLINA GENERAL ASSEMBLY

24



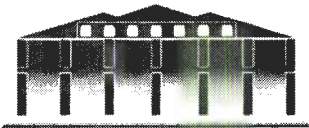
Performance-Based Funding

- College presidents think the system has made colleges more accountable
- Little evidence to suggest states using performance-based funding achieve better outcomes
 - May be too early to know outcomes of more recent programs
- Proponents believe past problems can be avoided with good program design, better student data systems, and policy refinements

Report pp. 30-31

What options could the General Assembly pursue if it wishes to make changes to the current funding formula to improve efficiency and effectiveness?

Report p. 31



1. Institutional and Academic Support

- Currently based on FTE
- Marked increase in part-time students
 - Part-time students utilize student services
 - Fewer resources per student allocated to colleges with more part-time students
- Could use average of unduplicated headcount and FTE as the basis for institutional and academic support

Report p. 32

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

27

2. Provide Greater Funding Stability

- Stability allows colleges to develop long-term plans, keep and attract faculty, and provide student continuity
- Stop-Loss Provision
 - A stop-loss of 5% would provide limited stability
- Enrollment Growth Reserve
 - Exists but has no funds

Report p. 33

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

28



3. Align Course Tiers with Cost

- Current tier formula is based on cost of a Tier 2 course and then scaled up or down 15%
- Smaller classes, higher faculty salaries, and specialized equipment make technical classes more expensive
- Direct NCCCS to align tier levels with actual costs

Report p. 34

PROGRAM EVALUATION DIVISION

 NORTH CAROLINA GENERAL ASSEMBLY

NORTH CAROLINA GENERAL ASSEMBLY

29

4. Refine Performance-Based Funding

1. Have colleges compete against historic performance **and** other colleges
2. Incent the achievement of state goals
 - Currently no measure for priority instructional areas
3. Improve institutional capacity
 - One additional statistician position

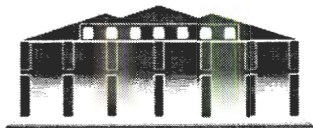
Report pp. 34-36

PROGRAM EVALUATION DIVISION

 NORTH CAROLINA GENERAL ASSEMBLY

NORTH CAROLINA GENERAL ASSEMBLY

30



5. Adding Needs-Based Funding to Formula

- Provides weighted funding for students with higher needs (at-risk students)
 - Older students, Pell Grant-eligible, other criteria
- Used in public K-12 system to improve outcomes
- Not currently used by any community college systems across country

Report p. 37

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

31

Summary

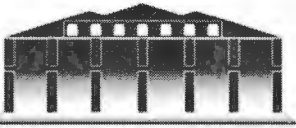
- North Carolina's community college funding formula is functional and generally acceptable to State Board and colleges
- Leaders expressed concerns about funding adequacy
- There may be cost-effective ways to improve effectiveness and efficiency

PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

32



Summary: Ideas for Consideration

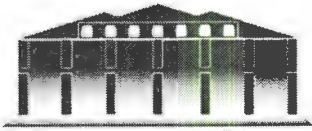
- Increase equitable distribution of institutional and academic support
- Provide greater funding stability through stop-loss provision and funding for the Enrollment Growth Reserve
- Align tier funding with course costs
- Refine performance-based funding
- Add needs-based student funding



Summary: Response

- The North Carolina Community College System Office reported general agreement with the report





Education Appropriations Committee
March 9, 2017

Report available online at
www.ncleg.net/PED/Reports/reports.html



PROGRAM EVALUATION DIVISION



NORTH CAROLINA GENERAL ASSEMBLY

35

BUDGET PRIORITIES CROSSWALK TO PED REPORT

Budget Priority	PED Option	Page(s)
Invest in Workforce Training		
Increase Funding for Short-Term Workforce Training Programs Leading to Industry Credentials	Not directly addressed in PED Report. However, the Report noted that the current tiered funding structure encourages colleges to offer priority programs/courses. Aligning workforce con-ed funding with curriculum funding further "compensate(s) colleges for offering priority instructional programs."	33-34
Fund Study of Workforce Training Costs	<i>"If the General Assembly wishes to compensate colleges for offering priority instructional programs, it could verify that the tiered amounts that colleges are reimburses for classes fully cover the cost."</i>	33-34
Start-Up Fund for High Cost Workforce Programs	Not addressed in PED Report. However, the Community College System recommended a start-up fund in its response to the Report. Such a fund would further enable colleges to offer priority instructional programs and courses absent a forward funding mechanism.	CC System Response, p. 3
Fund Additional Career Coaches		
Promote workforce training options for students by placing additional Career Coaches in high schools	Not addressed in PED Report.	N/A
Increase Student Completion		
Improve student completion rates by investing in student support services at a rate of \$30/student	<i>"If the General Assembly wishes to address equity in funding for institutional and academic services, it could use a weighted average of unduplicated headcount and budget FTE as the basis for institutional and academic support."</i> NOTE: \$30/student was not suggested in Report.	31-32
Reward Colleges for Outcomes		
Reward colleges for preparing students for better-paying jobs resulting in earnings gains	The PED report recommended "incent(ing) the achievement of state goals." While the report did not specifically recommend adopting our proposed "earnings gains" measure, this measure is intended to align with the State's goal of training students for better-paying jobs.	35
Stabilize Budgets		
Stop-Loss Provision for colleges experiencing significant enrollment declines	<i>"If the General Assembly wishes to stabilize year-to-year funding for the community college system, it could do so by offering a limited stop-loss provision for colleges that experience significant declines in enrollment and fund the Enrollment Growth Reserve in order to assist colleges with spikes in enrollment." NOTE: A 5% decline and growth was discussed in the Report</i>	33
Enrollment Growth Reserve for colleges experiencing significant enrollment increases		
Raise Faculty & Staff Salaries		
Provide add'l salary increases in same amt. as given to State employees.	Not addressed in PED Report.	N/A



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-9-17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

John Bakken	Wake Tech CC. Raleigh
Annal Proctor	NC Community College System
Dr. Timmuel Williamson	NC Community College System
Mary Shuping	NCCCS
Elizabeth Drouin	NCCCS
Jennifer Haggard	NCCCS
Gary Green	Forryth Tech Comm College
Teri Riddle	NC Education Lottery
Laura	V-1000
Bryan Conrad	OSBM
Josh Larie	SML
Carrie Hanley	MVA



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-9-17

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Jessica Englett	Governor Cooper
Julie Sme	NCFAC
LAURA PURYEAR	MWC
W. Garding Ely	PPAB
David Powers	UNC BOG
Drew Metz	UNC GA
Jonathan Kappler	UNC GA
Mark Larimer	UNCW



VISITOR REGISTRATION SHEET

JT Comm on Appropriations, Education

3-9-17

Name of Committee

Date _____

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME _____

FIRM OR AGENCY AND ADDRESS

Adam Pridemore

WCAFA

Richard Bostic

$$NC \leq B_n$$

Anna Howard

NCS GA

AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Tuesday, March 14, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Representative Craig Horn,
Presiding Co-chair

2. Higher Education Financial Aid

Elizabeth McDuffie, Executive Director
NC State Education Assistance Authority

3. Adjourn

NEXT MEETING:

March 15, 2017





**Joint Education Appropriations
Wednesday, March 14, 2017 at 8:30 AM**

MINUTES

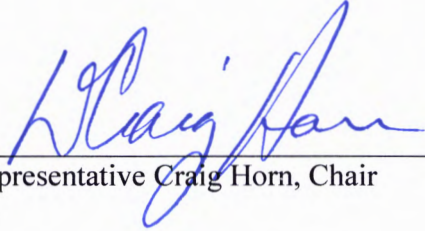
The Joint Meeting of Education Appropriations met at 8:30 AM on March 14, 2017 in Committee Room 423 of the Legislative Office Building. Representative Chairs Blackwell, Elmore, Fraley, Horn, and Hurley were present from the House. Senate Chairs Barefoot, Curtis and Lee were present from the Senate. Representatives Ball, Bell, Brockman, Corbin, Fisher, Gill, Grange, Lucas, and Zachary and Senators Ballard, Krawiee, Tillman, and Waddell were present. Fiscal Research Department staff in attendance was Jennifer Hoffmann, Bret Altman, Lauren Metayer and Leslie Karkanawi. Visitor registration sheets are provided. (Attachment 1)

Representative Craig Horn, Chair, presided. He called the meeting to order at 8:33 AM and introduced the Sergeant-at-Arms and Pages.

Chairman Craig Horn introduced Elizabeth McDuffie, Executive Director North Carolina State Education Assistance Authority. The State Agency that promotes access to higher education by administering financial aid and savings programs, informing students and families about paying for college, training new aid administrators and school counselors about financial aid administration, and advocating for resources to support students.

Ms. McDuffie updated the members about the program with informative slides and handouts. (Attachment 2) She fielded questions and comments from committee members.

Chairman Horn thanked Ms. McDuffie for her informative presentation and with no further business he adjourned the meeting at 9:45 AM.


Representative Craig Horn, Chair


Pattie Fleming, Committee Clerk



ATTACHMENTS

1. Visitor Registration Sheet
2. Elizabeth McDuffie, Executive Director
NC State Education Assistance Authority



VISITOR REGISTRATION SHEET

Jt. House Committee on Appropriations, Education

3/14/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Elizabeth Grout	NCCCS
Anne Bacon	NCCCS
James Robinson	OSBM
Julia Hoke	SEAA
Kathryn Marker	SEAA
Jessica Engle	Governor
Tom West	NCJCH
DAVID POWERS	UNC Board of Governors
Jonathan Kappler	UNC GA
Andrew Cagle	UNC G
LAURA PURYEAR	MWC



VISITOR REGISTRATION SHEET

Jt. House Committee on Appropriations, Education

3/14/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kris Nordstrom	NC Justice Center
Reyna Walters Morgan	Crowder Consulting
Frank Ayers	Ed Consultant
Adam P. Demore	NCARS
Marghan Lewis	NC chambers
Deke Sipe	NCFPC
Richard Bostic	NC SBA
Vicki Oyster	seef
Matthew Herr	DR NC
Robb Jansen	SBE
Wendy Kelly	Focus Carolina



VISITOR REGISTRATION SHEET

Jt. House Committee on Appropriations, Education

3/14/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Johanna Reese

NCACC



VISITOR REGISTRATION SHEET

Jt. House Committee on Appropriations, Education

3/14/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

W. Gordon Cupper

PPAB



Committee Sergeants at Arms

NAME OF COMMITTEE Jt. House Committee Appropriations Education

DATE: 3/14/2017

Room: 423

House Sgt-At Arms:

1. Name: Jonas Cherry

2. Name: Rey Cooke

3. Name: Dean Marshbourne

4. Name: _____

5. Name: _____

Senate Sgt-At Arms:

1. Name: Jim Hamilton

2. Name: Frances Patterson

3. Name: _____

4. Name: _____

5. Name: _____



State Education Assistance Authority

March 14, 2017



Mission: We help North Carolina pay for college

We are the State agency that promotes access to higher education by:

- Administering financial aid and savings programs
- Informing students and families about paying for college
- Training new aid administrators and school counselors about financial aid administration
- Advocating for resources to support students



Operational Funding

- Most State programs have allocation for administration
- Need funding in advance of new programs to develop and implement programs
- Program funds, including K12 program and independent college funding, are in the UNC budget

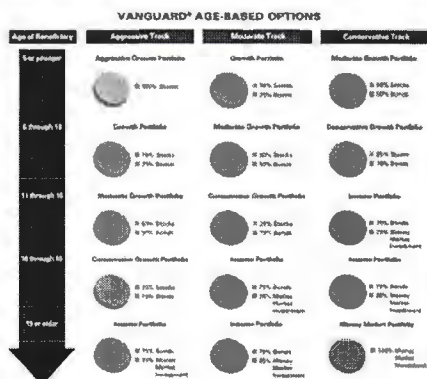
NC529 National College Savings Program

VANGUARD® AGE-BASED OPTIONS

- Aggressive Track
- Moderate Track
- Conservative Track

INDIVIDUAL OPTIONS

- Federally-Insured Deposit Account (Provided by State Employees' Credit Union)
- Vanguard Aggressive Growth Portfolio
- Vanguard Growth Portfolio
- Vanguard Moderate Growth Portfolio
- Vanguard Conservative Growth Portfolio
- Vanguard Income Portfolio
- Vanguard Interest Accumulation Portfolio
- Vanguard Total Stock Market Index Portfolio
- Vanguard Total International Stock Index Portfolio
- Vanguard Total Bond Market Index Portfolio



- Over \$1.97 Billion on deposit (3/6/2017) in 134,400 accounts
- No broker fees
- Low cost fee structure

Average Debt at Graduation

	<u>2010</u>	<u>2015</u>	<u>Change</u>
North Carolina	20,959	25,645	22%
% With Debt	53%	61%	
United States	25,250	30,100	19%
% With Debt	66%	68%	
NC Average Debt	-17%	-15%	
Below US Average			

Source: Project on Student Debt



9

Methods of Paying for College

- Save
 - NC National College Savings Program (529)
- Borrow
 - Federal loan programs
 - State forgivable loan programs
- Pay from current income
 - Payment plans offered by colleges

Role of financial aid—help students pay for college when family resources are insufficient



10

Income and Estimated EFC

Example: Family with two dependent children

Adjusted Gross Income	Estimated EFC
\$40,000	1,891
\$60,000	4,958
\$80,000	10,466
\$100,000	17,168

Forbes, Troy Onink, 2017 Guide to College Financial Aid



13

State Aid Programs for North Carolinians

- North Carolina Community College Grant
- North Carolina Education Lottery Scholarship
- North Carolina Need-Based Scholarship (NBS)
- University of North Carolina Need-Based Grant

- Forgivable Education Loans for Service (FELS)



14

Grant Program Design

- Payment schedule using federal EFC
 - Works with the Federal Pell Grant to provide a foundation of grants to neediest students
 - NC Community College Grant
 - NC Education Lottery Scholarship
 - NC Need-based Scholarship
- Formula
 - Calculates need for grant after Pell, Lottery Scholarship, self-help expectation, Federal tax credit
 - UNC Need-based Grant



17

Centralized Grants Program

- Student files FAFSA
- College Foundation, Inc.(CFI) and colleges listed by student get the data
- CFI calculates grant for student depending on types of institutions listed
- Grant funds reserved for student first-come first-served
- Colleges retrieve grant information-confirm eligibility (ex. satisfactory academic progress)
- College notifies student of aid package
- College certifies grant (locks it); funds disbursed



18

Financial Aid Calendar

- October 1 FAFSA available for the following academic year (July/August)
- January 15 State Grants processing begins
- December—fall Campus aid offices verify applications and notify students of aid amounts
- May 1 *Acceptance notification date (students notify colleges if they will attend)*
- July 1-Sept Campus begins to certify state grants
- August 15-Sept Fall terms begin
- August 1→ State grant funds sent to campuses as certified by financial aid office each term



21

Forgivable Loans for Service

- North Carolina Forgivable Education Loan for Service
 - Loans made to students who commit to work in careers experiencing shortages
 - Teaching, Nursing, Medicine, Allied Health fields
- Program initiated for 2012-13 academic year
- Consolidated and replaced numerous existing loan programs created by the General Assembly
- Service cancellation/cash repayment administration continues for prior programs.



22

College Foundation of North Carolina

- Officially an "information dissemination program" of SEAA: purpose is to help North Carolinians "Plan, Apply, and Pay" for college
- Comprehensive Web Site at <http://www.CFNC.org>
- Toll-free telephone advice at [866.866.CFNC](tel:866.866.CFNC)
- Field representatives in each area code
- Six-way strong relationship:
 - SEAA
 - College Foundation, Inc.
 - DPI
 - UNC
 - Community Colleges
 - Independent Colleges

Pathways of
North Carolina



25

CFNC Statistics 6/30/16 (fiscal year)



- More than 6.2m user accounts
- Average 11,842 visits/day
- Call center responded to 114,600 phone calls about paying for college and 14,758 regarding careers and admissions
- 2,578 presentations to nearly 100,000 people
- College applications submitted: 438,094
- Transcripts processed: 439,427 for 559 high schools



26

Eric Naisbitt (Sen. Chad Barefoot)

From: Eric Naisbitt (Sen. Chad Barefoot)
Sent: Tuesday, March 14, 2017 11:04 AM
To: Eric Naisbitt (Sen. Chad Barefoot)
Cc: Dixie Riehm (Rep. Hugh Blackwell)
Subject: <NCGA> Senate Appropriations on Education/Higher Education Committee Meeting Notice for Wednesday, March 15, 2017 at 8:30 AM (Joint)
Attachments: Add Meeting to Calendar_LINC_ics

Principal Clerk _____
Reading Clerk _____

SENATE
NOTICE OF JOINT COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The **Senate Committee on Appropriations on Education/Higher Education** will meet at the following time:

DAY	DATE	TIME	ROOM
Wednesday	March 15, 2017	8:30 AM	423 LOB

Sen. Barefoot will preside.

Senator Chad Barefoot, Co-Chair
Senator David L. Curtis, Co-Chair
Senator Michael V. Lee, Co-Chair



**Senate Committee on Appropriations on Education/Higher Education
Wednesday, March 15, 2017 at 8:30 AM
Room 423 of the Legislative Office Building**

MINUTES

The Senate Committee on Appropriations on Education/Higher Education met jointly at 8:30 AM on March 15, 2017 in Room 423 of the Legislative Office Building. 5 Senators and Representatives Blackwell, Elmore, Fraley, Horn, Hurley, Conrad, Ball, Bell, Corbin, Fisher, Gill, and Lucas were present.

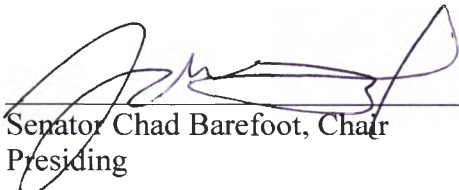
Senator Chad Barefoot, Chair, presided.

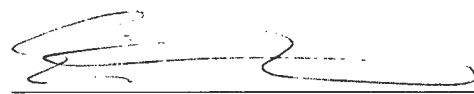
Senator Barefoot opened the meeting by welcoming the House and Senate Sergeant at Arms and the House and Senate Pages.

Mr. Jonathan Pruitt, CFO/Senior Vice President for Budget and Finance with UNC General Administration, presented on UNC Enrollment and the Enrollment Growth Adjustment Model. His presentation is attached. Following his presentation, members of the committee were given the opportunity to ask questions.

Mr. Charles Maimone, Vice Chancellor for Business Affairs with the University of North Carolina-Greensboro, presented on a campus level perspective. His presentation is attached. Following his presentation, members of the committee were given the opportunity to ask questions.

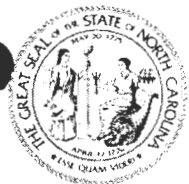
The meeting adjourned at 9:55 AM.



Senator Chad Barefoot, Chair
Presiding

Eric Naisbitt, Committee Clerk





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Wednesday, March 15, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Senator Chad Barefoot,
Presiding Co-chair

2. UNC Enrollment and Enrollment Growth Adjustment Model

Jonathan Pruitt
CFO/Senior Vice President for
Budget and Finance
UNC General Administration

3. Campus Level Perspective

Charles Maimone
Vice Chancellor for Business Affairs
University of North Carolina Greensboro

4. Adjourn

NEXT MEETING:

March 16, 2017



SCH Enrollment-Change Funding Request Example

Campus: **UNC-ABC**

Program Category	Student Credit Hours			SCH per Instructional Position			Instructional Positions Required		
	UG	Masters	Doctoral	UG	Masters	Doctoral	UG	Masters	Doctoral
Category I	3,700	729	0	708.64	169.52	115.56	5.221	4.300	0.000
Category II	6,030	484	8	535.74	303.93	110.16	11.255	1.592	0.073
Category III	2,118	288	0	406.24	186.23	109.86	5.214	1.546	0.000
Category IV	0	0	0	232.25	90.17	80.91	0.000	0.000	0.000
Total	11,848	1,501	8				21.690	7.438	0.073
	Total All SCHs 13,357						Subtotal Positions		29.201

% of Total 88.7% 11.2% 0.1%

Total Positions Required	29.201
Instructional Salary Rate of Campus	\$75,500
Instructional Salary Amount	\$2,204,676
Other Academic Costs	44.89% \$989,679
Total Academic Requirements	\$3,194,354
Library Rate	11.48%
Library Amount	\$366,712

Gen'l Instit. Support Rate	54.05%
Gen'l Instit. Support Amount	\$1,726,549

Calculation of Appropriation Request

Requirements Generated by SCH Model **\$5,287,615**

Tuition Revenue:	FTE	Rate	FTE x Rate
In-State U/G FTEs	300	3,000	900,000
Out-of-State U/G FTEs	91	14,300	1,301,300
Res per G.S. 116-143.6	9	3,000	27,000
In-State Grad FTEs	56	3,400	190,400
Out-of-State Grad FTEs	18	14,500	261,000
Total FTEs	474		
Total Expected Revenue			2,679,700

Request Amount	\$2,607,915
-----------------------	--------------------







UNC ENROLLMENT FUNDING

Introduction to the Funding Model

Events Leading to a Student Credit Hour Model

Prior to the student credit hour (SCH) model

- Enrollment funding based on percentage change in full-time equivalent (FTE) enrollment.

1995 Session

- Consider alternative approaches to funding University Enrollment, including SCH funding.
- Review opportunities for off-campus degree programs and summer school.

1997 Session

- Examine funding required for increasing enrollment in distance education instruction.



Events Leading to a Student Credit Hour Model

Following 1997 Session

- UNC developed and implemented an SCH enrollment-change funding model.

New model recognizes program costs and degree level difference to request funding for enrollment changes.



12 Cell Matrix – First 12 Cells

- Enrollment change is based on campus SCH projections.
- Input the incremental number of future SCHs of instruction that are above or below the number of hours of instruction budgeted for the prior fiscal year.
- SCHs are projected separately for:
 - Undergraduate, masters, and doctoral instruction (horizontally across)
 - Within four levels of program costs, from low to high (vertically down)



12 Cell Matrix – Middle 12 Cells

- Number of SCHs delivered by a faculty member in each category and level
- Same numbers are used for all campuses
- Based on two data sets:
 - National Study of Instructional Cost and Productivity (developed and maintained by the University of Delaware, Office of Institutional Research)
 - UNC-specific data on average class sizes



12 Cell Matrix – Categories of Instruction

Based on National Study of Instructional Cost and Productivity
(Delaware Data)

Middle 12 Cells

	708.64	169.52	115.56
	535.74	303.93	110.16
	406.24	186.23	109.86
	232.25	90.17	80.91

Category I

Communications & Journalism
Psychology
Social Sciences
Mathematics & Statistics
English Language & Literature
Philosophy & Related Studies
Security & Protective Services
History
Other

Category II

Education (not Student Teaching)
Area, Ethnic, Cultural & Gender Studies
Multi/Interdisciplinary Studies
Business Management & Marketing
Liberal Arts & Sciences, Gen. Studies, & Humanities
Parks, Rec., Leisure & Fitness
Family & Consumer & Human Sciences
Foreign Languages & Literature

Category III

Agricultural Business & Production
Agricultural Science
Natural Resources & Conservation
Architecture and Related Programs
Public Admin. & Social Service
Physical Sciences
Biological & Biomedical Sciences
Visual & Performing Arts
Allied Health
Computer & Information Sciences
Library Science
Engineering – Related Technologies
Science Technologies
Student Teaching courses

Category IV

Engineering
Nursing



Calculating Costs

Instructional Salary Rate of Campus

- Campus-specific rate, calculated by dividing General Fund teaching salaries by number of budgeted FTE teaching positions

Instructional Salary Amount

- Total Positions Required x Instructional Salary Rate

Other Academic Costs

- Covers the faculty personnel benefits, academic supplies, equipment and other instructional costs
- Based on the relationship of these costs to faculty salaries

Total Academic Requirements

- Instructional Salary Amount + Other Academic Costs



Calculating Costs

Library Rate

- Covers library costs
- Based on the relationship of Library Costs to Total Academic Requirements

General Institutional Support Rate

- Covers costs such as:
 - Student Services, Academic Advising, & Registrars
 - Student Counseling
 - Financial Aid Personnel
 - Campus Management/Maintenance, Facilities Management, & Physical Plant
 - Accounting, Internal Controls, Financial Compliance, & Legal
 - Institutional Research
 - Human Resources
- Based on the relationship of General Institutional Support costs to Total Academic Requirements



Calculating Funding Request

Total Requirements = Total Cost

- Funds needed for delivery of new SCHs
- Total Requirements = Instructional Salary + Other Academic Costs
+ Library Costs + General Institutional Support

Calculation of Appropriation Request

- New students will cover some of the costs through paying tuition
- Tuition Revenue = New FTEs x Tuition Rates
- Appropriation Request =
Total Requirements (cost) – Total Tuition Revenue



SCH Enrollment-Change Funding Request Example

Campus: **UNC-ABC**

Program Category	Student Credit Hours			SCH per Instructional Position			Instructional Positions Required		
	UG	Master's	Doctoral	UG	Master's	Doctoral	UG	Master's	Doctoral
Category 1	1,200	700	0	750.00	100.00	0.00	1.60	7.00	0.00
Category 2	6,000	400	0	575.74	302.93	0.00	10.42	1.33	0.00
Category 3	2,400	200	0	400.00	100.00	0.00	6.00	2.00	0.00
Category 4	0	0	0	212.25	90.17	0.00	0.00	0.00	0.00
Total	9,600	1,300	0				27.02	10.33	0.00
% of Total	38.7%	11.2%	0.0%						

Total Positions Required	37.35
Instructional Salary Based on Current	\$70,500
Instructional Salary Request	\$2,604,678
Other Academic Costs	\$4,914
Total Academic Requirements	\$2,609,592
Library Fund	\$15,400
Library Request	\$15,400
Total Requested Amount	\$2,624,992

Requirements for Appropriation Package			
Requirements Generated by SCH Model			
Position	FTE	Rate	FTE x Rate
In-State UG FTEs	200	\$3,500	\$700,000
Out-of-State UG FTEs	9	\$14,500	\$130,500
Resident M. FTEs	9	\$3,000	\$27,000
In-State Grad FTEs	24	\$3,490	\$83,760
Out-of-State Grad FTEs	10	\$4,500	\$45,000
Total FTEs	252		
Total Expected Revenue			\$1,086,260

Request Amount	\$2,607,910
-----------------------	--------------------



FTE Enrollment-Change Funding Model

- Enrollment growth for two campuses and five professional schools are funded on the FTE funding model:
 - UNC School of the Arts
 - NC School of Science and Mathematics
 - Medicine – ECU, UNC-CH
 - Law – NCCU, UNC-CH
 - Veterinary Medicine – NCSU
 - Dentistry – ECU, UNC-CH
 - Pharmacy – UNC-CH
- Campuses/programs with enrollment growth funded on the FTE model are unique and very specialized.



Timeline for Enrollment Projections

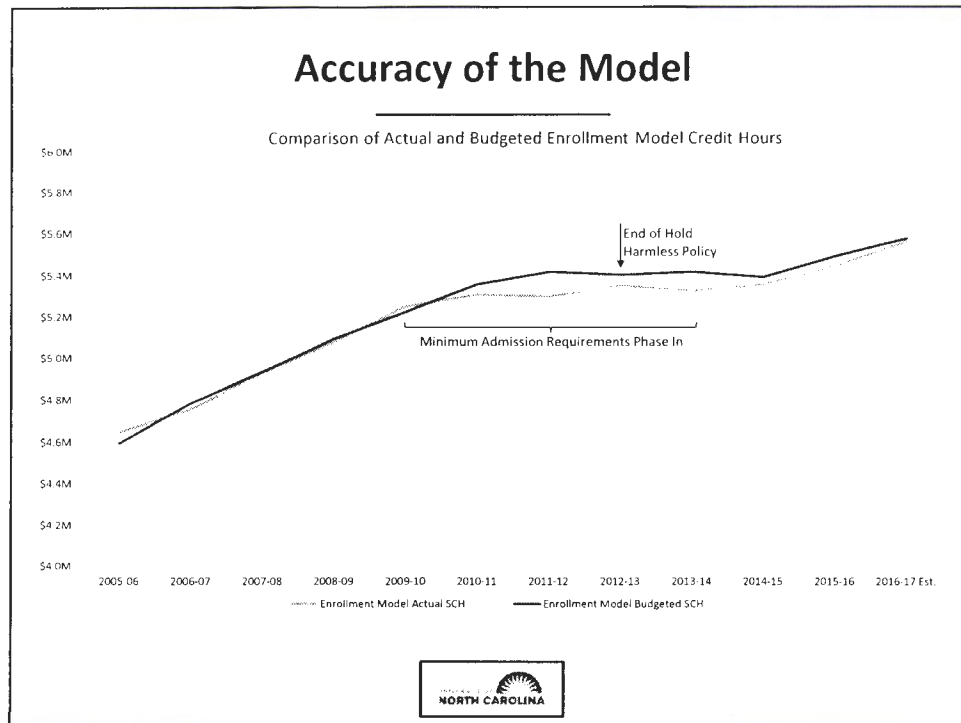
- **YEAR ONE**
 - Enrollment Memo with instructions sent (early fall)
 - Campus projects enrollment for next two years
 - Initial campus submission (mid-October)
 - Analysis and Review by internal GA team
 - Iterative process evaluating total SCHs with GA personnel to arrive at BOG recommendations
 - Final submission to OSBM and FRD
- **YEAR TWO**
 - Year One process repeated to arrive at adjusted projections for second year of the biennium



Changes To The Funding Model Over Time

- **Summer School Funding** – Eliminated in FY 2005-06
- **Hold Harmless** – Eliminated in FY 2012-13
 - Policy that kept campuses with declining enrollment at the current budgeted level to lessen the impact of the loss of tuition dollars.
- **Negative Adjustment Factor** – Eliminated in FY 2014-15
 - Factor that lowered a reduction in the General Institutional Support amount by half if enrollment was declining to account for fixed costs.
- **Undergraduate Cost Factor**- Eliminated in FY 2015-16
 - Weight factors identified by the BOG to recognize performance and special circumstances that applied to undergraduate growth.
 - Included service to disadvantaged students, diseconomies of scale, degree efficiency, and retention rates.





THANK YOU

CONNECT

www.northcarolina.edu
[f UNC_System](#)
[@UNC_system](#)

QUESTIONS?

CONNECT



www.northcarolina.edu



UNC_System



@UNC_system





THE UNIVERSITY *of* NORTH CAROLINA
GREENSBORO

Enrollment Funding Model A Campus Perspective

Joint Appropriations Committee on Education
March 15, 2017

Agenda

- Few Words about UNC-Greensboro in 2017
- Thank you
- Enrollment Growth and Enrollment Growth Funding
 - Optimizing Existing Resources Through Enrollment Growth - “progress toward degree”
 - Enrollment Growth Funding relative to other General Fund sources – Requirements
 - Strategic Planning and Timing of the Enrollment Growth Funding

UNC-Greensboro in 2017

We are UNC-Greensboro - 2017

One of the “**Original 3**”
institutions in UNC system

In our **125th** Year

Nearly **20,000 students** strong



UNCG

125

CELEBRATING
125 YEARS OF
OPPORTUNITY
& EXCELLENCE



THE UNIVERSITY of NORTH CAROLINA
GREENSBORO

We are UNC-Greensboro - 2017

Transforming Students

Transforming Knowledge

Transforming our Region

THE CHRONICLE of HIGHER EDUCATION

Fighting to Keep Students' Demographics From Becoming Destiny
By Ashley L. Chalmers
As the University of North Carolina at Greensboro's numbers and demographics change, a new generation of students is emerging.



RESEARCH & ENGAGEMENT



Fascinating #nanotech. Vote for @UNCG entry: Portable Devices for Disease Diagnostics youtu.be/qdBKjFVqLuM via @YouTube #UNCG @jsnn2907



Portable Devices for Disease Diagnostics
Visit www.nano.gov/NanoFilmPublicVoting to view other movies from the Nano Film (www.nano.gov/VideoContest) contest and vote for your...
youtube.com



Happy, healthy, safe: New UNCG, Phillips Foundation effort to strengthen relationships



Most diverse campus in the UNC system?

GREENSBORO - At UNC Greensboro, it's a challenge to define the "typical" student.

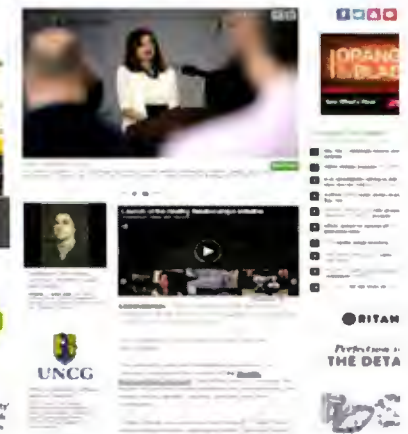
"We have perhaps the most diverse student body in the system," Chancellor Frank O'Neil, Jr. says in the accompanying video.

"It's a fascinating campus in that way," O'Neil says. "Being non-traditional and having students from all over the world and from all over the state is a great asset to our campus."

"We're at the heart of the region and the beauty of the place," he says. "In many ways there is no typical student here, because we are so diverse."



ABOUT THE VIDEO
"What Makes a Great University?" is a look at what makes North Carolina's public universities great and what it will take to



THE UNIVERSITY of NORTH CAROLINA
GREENSBORO

Thank You

How do UNCG's tuition and fee rates compare nationally?

Most recent national report from College Board:
“Average in-state published tuition and fees at public
four-year institutions is \$9,650 in 2016-17.”

UNCG's in-state undergraduate rates:

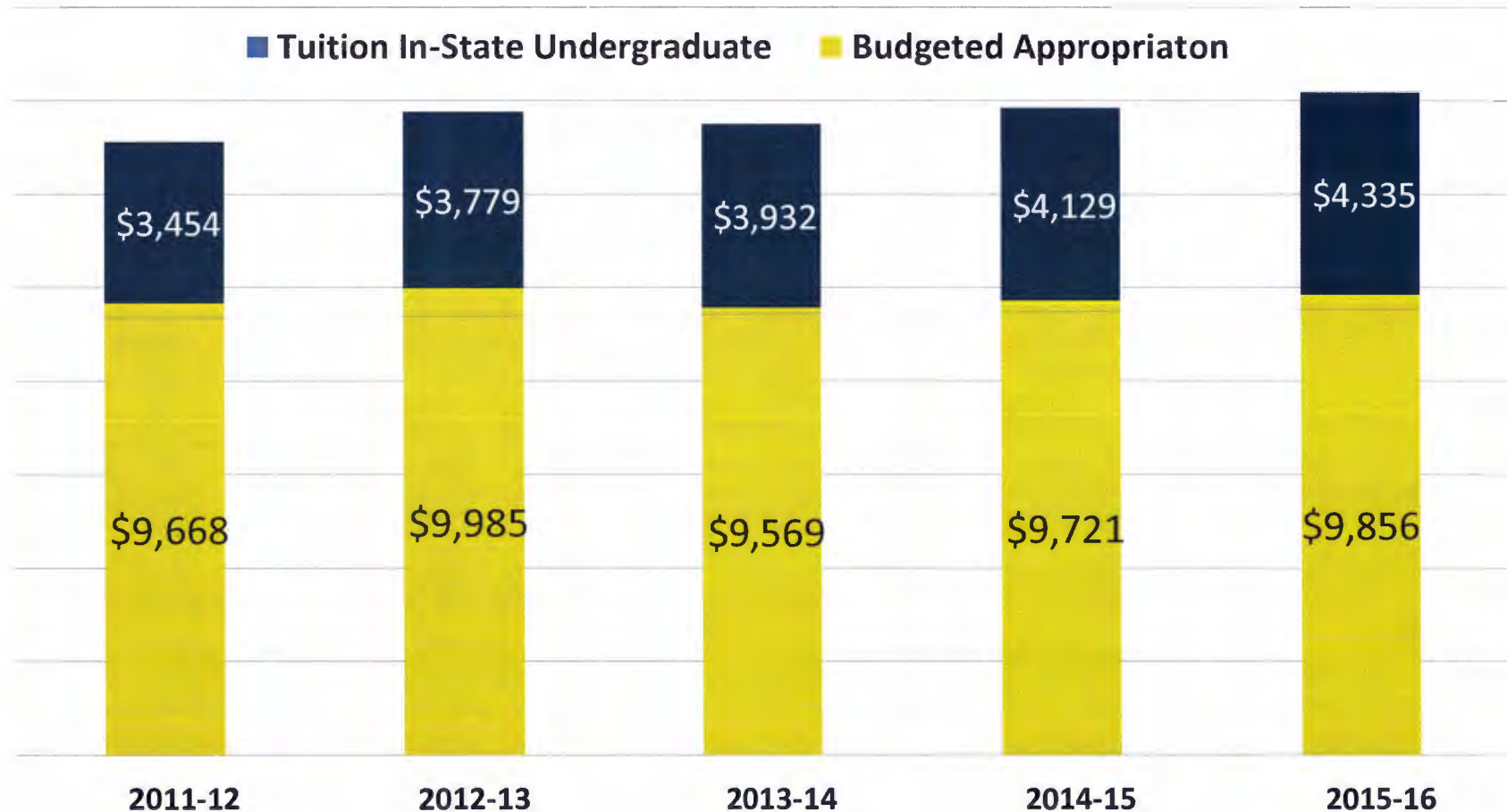
\$ 6,386 2014-15

\$ 6,675 2015-16

\$ 6,971 2016-17



UNCG's Budgeted Recurring State Appropriation per Budgeted In-State Full Time Equivalent Students



Resident Undergraduates: National Comparison

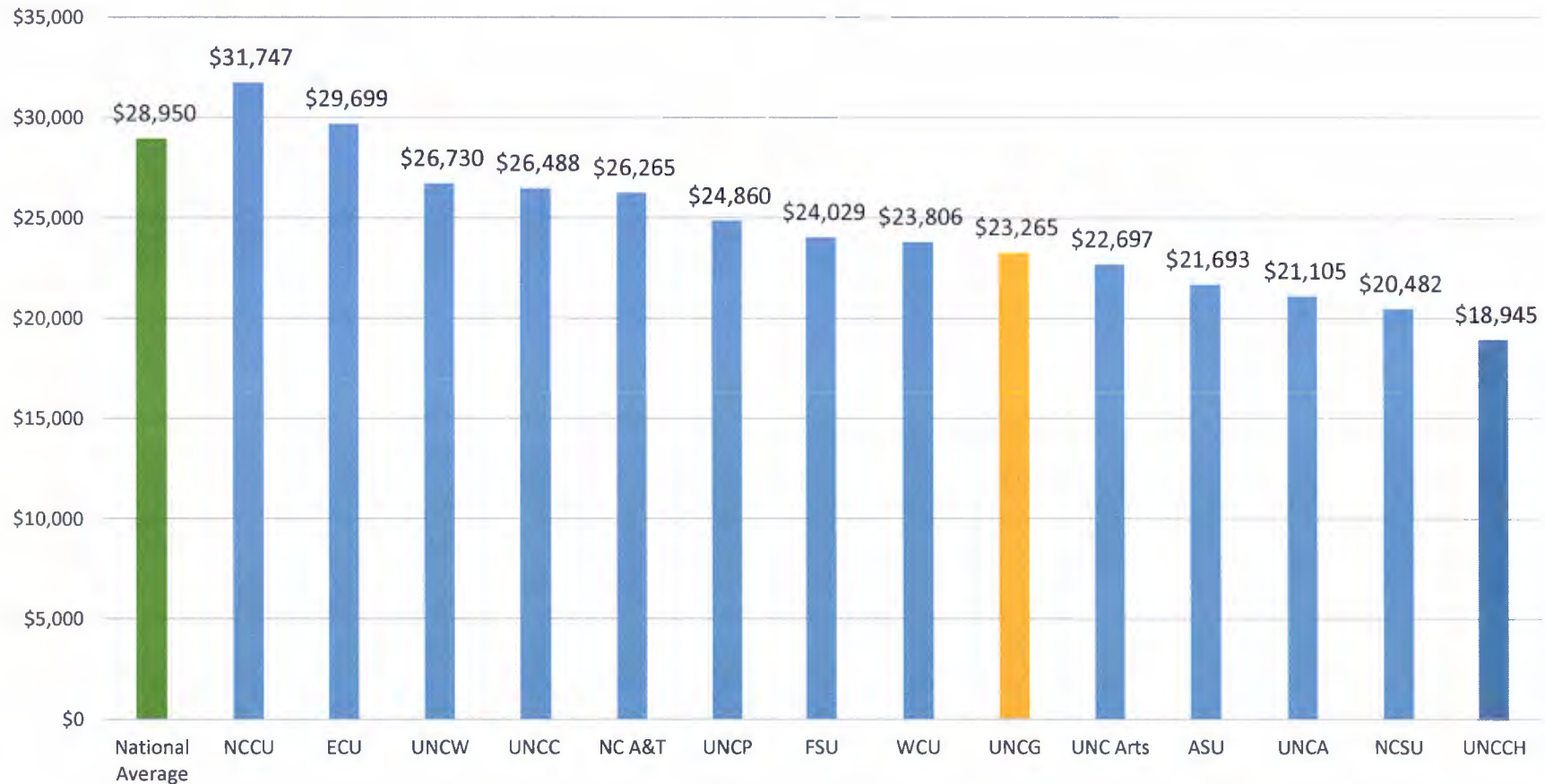
2016-17 Annual Rates

Institution	In-State Undergraduate Tuition and Fees
Northern Illinois	12,224
Western Michigan	11,493
University of Louisville	11,419
Virginia Commonwealth	11,260
Bowling Green State University	10,590
Kent State University	10,012
Indiana University-Purdue University-Indianapolis	9,869
The University of Texas at Arlington	9,201
University of Memphis	9,125
Indiana State University	8,746
Georgia State University	8,368
Oregon State University	8,322
Middle Tennessee State University	8,280
Old Dominion University	7,948
University of Southern Mississippi	7,659
UNC Greensboro	6,971
University of Central Florida	6,317
Florida International University	5,141
Portland State University	4,622



Average Debt of Graduates

2014



Source: http://ticas.org/posd/state-state-data-2015#overlay=posd/state_data/2015/nc

Not reporting: ECSU and WSSU



100 NC Counties Fall of 2016

- 9,855 Applicants
- 5,770 Admitted Students
- 2,815 Confirmed Students



County Name	Applicants	Admits	Confirmed students
GUILFORD	1471	809	539
WAKE	1314	765	387
MECKLENBURG	1139	572	302
FORSYTH	493	356	183
DURHAM	401	189	105
CUMBERLAND	259	163	53
DAVIDSON	245	161	89
ALAMANCE	239	155	76
ORANGE	205	158	62
UNION	188	100	35
CABARRUS	183	85	48
RANDOLPH	159	95	62



Enrollment Growth and Enrollment Growth Funding

- optimizing existing resources through enrollment growth - progress toward degrees

Old Approach

- Use a Markov Chain to determine future enrollment prediction at the university-level
 - SCH was distributed based on history
 - Allowances were made for new programs
 - Information was communicated to Deans

Doesn't allow to follow
up on the program
- SCH is not a
one-time thing



UNCG SCH Regular Term Enrollment Model

SCH Enrollment - Change Funding Model
Impact of 100 FTE to Authorized Level of Expenditures (Requirements)

	Change to SCHs			SCH per Instructional Position			Instructional Positions Required		
	U/G	Masters	Doctoral	U/G	Masters	Doctoral	U/G	Masters	Doctoral
Cat 1	882	64	17	708.64	169.52	115.56	1.244	0.377	0.143
Cat 2	801	119	21	535.74	303.93	110.16	1.494	0.392	0.188
Cat 3	663	114	8	406.24	186.23	109.86	1.631	0.612	0.073
Cat 4	43	28	2	232.25	90.17	80.91	0.187	0.306	0.024
Totals	2,388	325	47						6.673
Total SCH Change			2,760						

SCH Distribution

U/G	Masters	Doctoral	
133,895	9,716	2,517	
121,598	18,117	3,153	
100,652	17,303	1,222	
6,593	4,187	298	
362,738	49,323	7,190	419,251

Total Positions Required	6.901
Average Teaching Salary	\$87,228
Instructional Salary Amount	\$601,978

Other Academic Costs (44.89%)	\$270,256
Total Academic Requirements	\$872,234

% of Total

U/G	Masters	Doctoral	
31.94%	2.32%	0.60%	
29.00%	4.32%	0.75%	
24.01%	4.13%	0.29%	
1.57%	1.00%	0.07%	
86.52%	11.77%	1.71%	100.00%

Library Rate	11.48%	\$100,173
--------------	--------	-----------

Gen Inst Spt	54.05%	\$471,441
--------------	--------	-----------

Total Requirements	\$1,443,848
---------------------------	--------------------



New Approach

- Campus wide analysis of current credit hour production and space utilization
- Identify bottlenecks and opportunities to improve student progress toward degree
- Focus enrollment growth funding to address needs of our state, demand from our students and improve efficient through put
- Involve Deans early in the enrollment planning process
 - Better accountability
 - More transparency
 - Better understanding of the complexities of projections
- Example – School of Business

Interdependency Matrix

What Students Did We Teach?

Attempted Undergraduate SCH Taught by College, 2014

		College of Arts & Sciences	School of Business & Economics	School of Education	School of Health & Human Sciences	School of Music, Theatre & Dance	School of Nursing	University	
Where Did Our Majors Take Courses?	College of Arts & Sciences	151, 127	2,502	3,709	5,888	3,937	34	1,338	
	School of Business & Economics	25, 381	48,903	183	1,126	1,725	0	164	SCH taken by Business majors
	School of Education	7,135	47	10,017	1,251	671	4	154	
	School of Health & Human Sciences	33,012	1,994	2,928	36,811	2,488	244	485	
	School of Music, Theatre & Dance	5,707	291	434	326	13,559	0	161	
	School of Nursing	7,228	21	45	1,154	431	7,065	129	
	University	2,368	204	36	483	78	3	12	
		SCH taught by Business faculty							



Departments within each Funding Category

Business and Economics

Category 1	Economics Management Dept
Category 2	Accounting and Finance Cons, Apparel, and Ret Studies Deans Office Economics Info Sys and Supply Chn Mng Management Dept Marketing, ENT, HTM
Category 3	Cons, Apparel, and Ret Studies Info Sys and Supply Chn Mng Marketing, ENT, HTM

Departments within each Funding Category

College of Arts and Sciences

Category 1

Anthropology
Biology
Communication Studies
English
Geography
History
Interior Architecture
Math and Statistics
Media Studies
Philosophy
Political Sciences
Psychology
Religious Studies
Sociology
Special Programs

Category 2

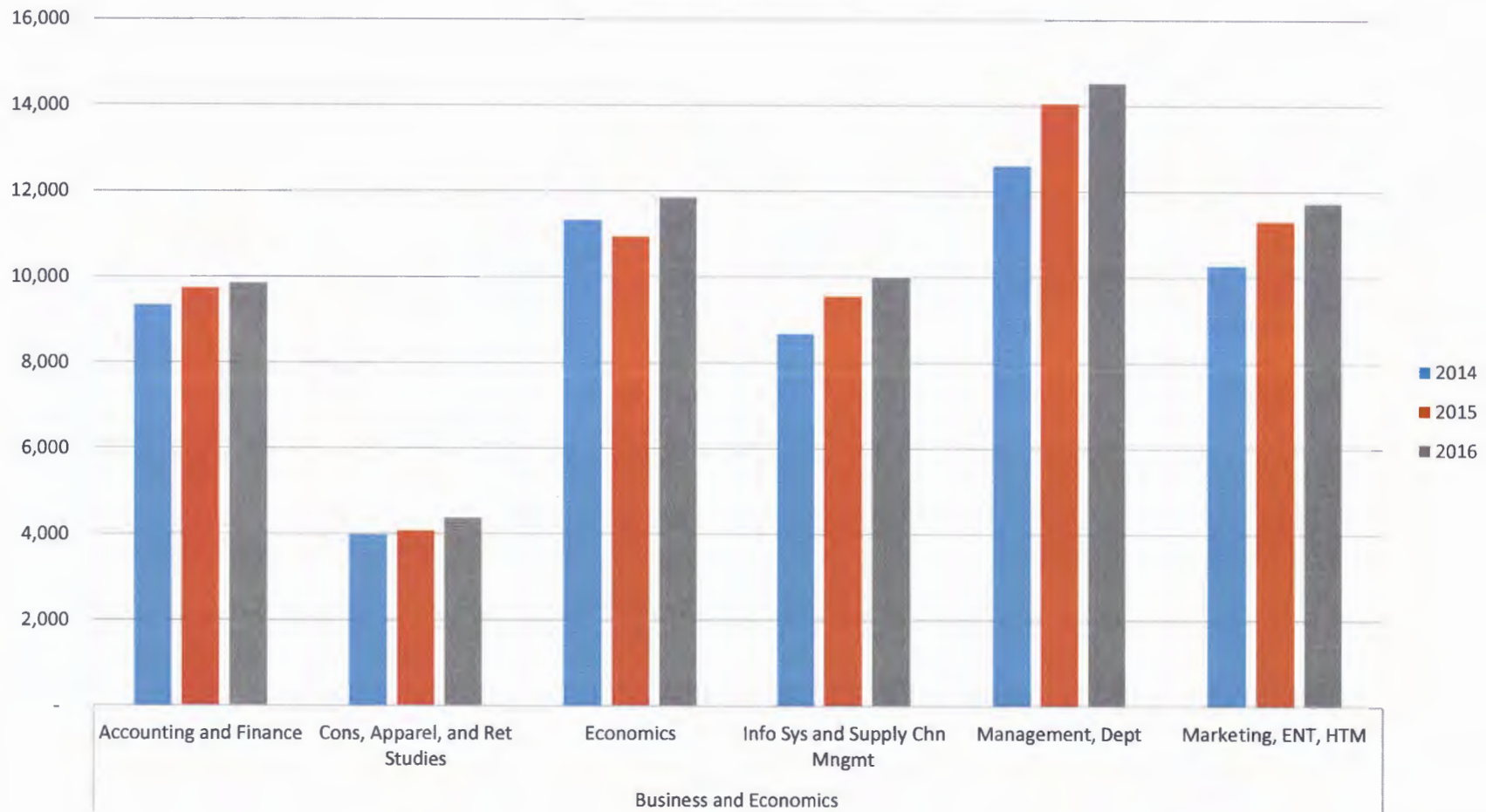
Classical Studies
Deans Office
English
History
International & Global Studies
Languages, Lit and Cultures
Math and Statistics
Special Programs

Category 3

Biology
Chemistry and Biochemistry
Communication Studies
Computer Science
Interior Architecture
Languages, Lit and Cultures
Media Studies
Physics and Astronomy
Political Sciences
Special Programs



Undergraduate Enrollment (SCH) for the School of Business and Economics Regular Term and Distance by Cost Category



Enrollment Planning Timeline for 2017-19 Biennium

Activities	2016	Deadlines	Data
	September		
	2	Census Date - Fall	
Academic Council Meeting	7		
	9		2016-17 Enrollment Data to Deans
Instructions from UNC - GA	9		
Meetings with Deans offices & Enrollment Work Team:			
Education	12		
Health & Human Sciences	14		
Bryan	15		
Nursing	19		
Arts & Sciences	19		
Visual & Performing Arts	20		
	16		Fall 2016 Enrollment Data to Deans
Submit Fall Census Data to GA	21		
	30		Projections - Historical Model
	October		
Projections Due from Deans' Offices	6		
Individual Dean Meetings with Provost	10 - 14		
Historical Process meld with Dean Estimates	18		
Fiscal Impact of Projections & Options	19-21		
Adjustments to Estimates - Review with Deans	24-26		
Submit 2017-19 Request to UNC - GA	28		
	November		
UNC - GA Finalize Enrollment Request for System	22		
	2017		
	January		
	30	Census Date - Spring	
	February		
Submit Spring Census Data to GA	20		

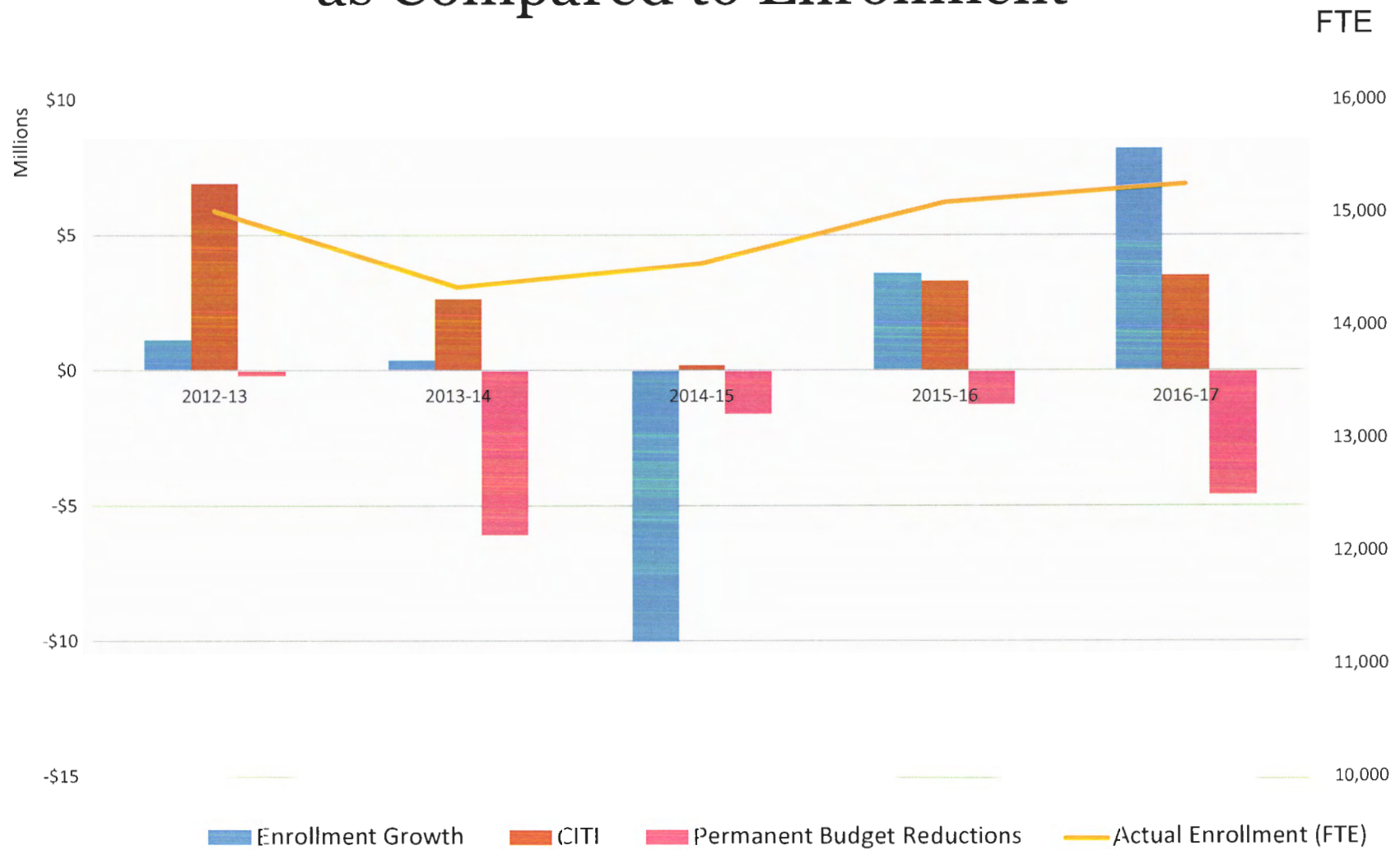


Enrollment Growth and Enrollment Growth Funding

- Enrollment Growth Funding relative to other General Fund sources –

Tuition + Appropriations = Requirements

UNCG Major General Fund Sources as Compared to Enrollment



Strategic Planning and Timing of the Enrollment Growth Funding



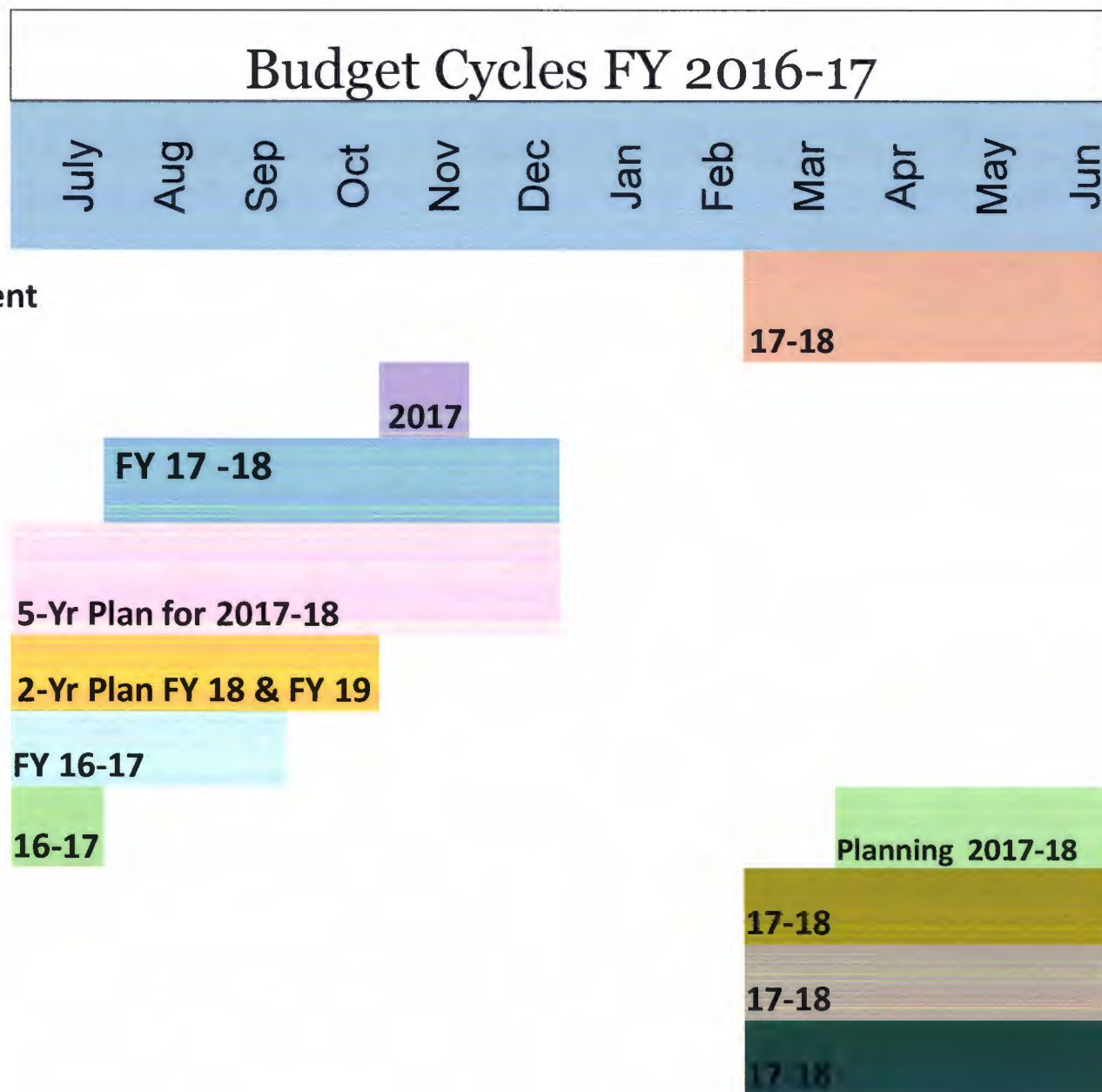
Planning

- It takes 12-18 months to permanently fill a faculty position
- Schedules for regular term are set 6 months before the beginning of the semester
- Budget approved in late June or early July means adjustments can only be made in the Spring

Timeline for Budget Processes
2017-18

July	<ul style="list-style-type: none"> • Begin work on identifying populations for any salary increases • Begin work on enrollment adjustments for 2018-19 by gathering historical information
August	<ul style="list-style-type: none"> • Begin working with the student committee on changes to tuition and fees ¹ • Institutional and departmental carry forward from 2016-17 is allocated • Enrollment Budget for 2017-18 is distributed based on final approvals from the General Assembly • The Campus Initiated Tuition Increase (CITI) is allocated to specific departments based on the original plan
September	<ul style="list-style-type: none"> • The Reversion Plan is developed based on Fall 2017 census data
October	<ul style="list-style-type: none"> • Enrollment adjustments for 2018-19 due to General Administration • Determine Housing, Dining, and Parking rates for 2018-19 • If funds are available from the Reversion Plan requests are solicited from the divisions
November	<ul style="list-style-type: none"> • Tuition and Fees changes presented to the campus ¹
December	<ul style="list-style-type: none"> • Tuition and Fees to Board of Trustees ¹ • Tuition and Fees to UNC General Administration, including Housing and Dining rates ¹
February	<ul style="list-style-type: none"> • Tuition and Fee rates for 2018-19 approved by the Board of Governors ¹ • Reversion Plan is revised based on Spring census information, if funds are available requests are solicited from the divisions • The Student Health Services budget is submitted to Financial Planning and Budgets for the new year • Budgets for other auxiliary services are requested from the divisions
March	<ul style="list-style-type: none"> • Enrollment budget for 2018-19 estimates are available for preliminary decisions • Budgets for other auxiliary services are received in Financial Planning and Budgets, these budgets are summarized and communicated to the Vice Chancellor for Business Affairs for approval • Unrestricted Gifts and Investment Income (UGII) requests for the new year are solicited from the divisions
April	<ul style="list-style-type: none"> • Departmental carry forward requests are solicited from divisions • Preliminary estimates for student fee budgets are developed by Financial Planning and Budgets and communicated to the divisions • Budgets for institutional trust funds are solicited from the divisions
May	<ul style="list-style-type: none"> • F&A estimates for the new year are provided to the Provost • Student Fee budgets are submitted to Financial Planning and Budgets, a summary of the information is communicated to the Vice Chancellor for Business Affairs for approvals • Detail institutional trust fund budgets are submitted to Financial Planning and Budgets • Unrestricted Gifts and Investment Income (UGII) requests are received in Financial Planning and Budgets and estimates of availability are shared with the Vice Chancellor for Business Affairs
June	<ul style="list-style-type: none"> • F&A Departmental budgets are submitted to Financial Planning and Budgets for entry in Banner for the new year • Recurring State budgets are loaded for the new year and a report of the transactions is submitted to the divisions • Allocations of Unrestricted Gifts and Investment Income are made and communicated to the divisions

¹ Assumes that the tuition and fee submission in Fall 2016 was for the 2017-18 year only.



Thank you



VISITOR REGISTRATION SHEET

JT. COMMITTEE APPROPRIATIONS, EDUCATION

(Committee Name)

3-15-2017

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY</u>
Teri Riddle	NCEL
Jake Sipe	NCFPC
Elizabeth Drennon	NCCCC5
John Ayre	Ed Consultant
Adam Bruggemann	OSBM
Adam Pruden	Nelson
Richard Bostri	NC SBA
Dustin Harrison	NC DTSEA
Matthew Herr	DRNC
Dan Collins	SEANC



VISITOR REGISTRATION SHEET

JT. COMMITTEE APPROPRIATIONS, EDUCATION

(Committee Name)

3-15-2017

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	<u>FIRM OR AGENCY</u>
LAURA PURYEAR	MVC
Betty Dasker	UNC Charlotte
Andrew Cagle	UNC Greensboro
Charles Maimonis	UNC-GREENSBORO
Drew Moretz	UNC
Dario Powers	UNC Board of Governors
Nathan Kuttman	UNC
Lindsay McCollum	UNC
Jonathan Kappler	UNC GA
Salah Stone	NC SU
Bahana Moses	NCSU
W. Graham Culligan	PP/AD
Joim West	NCICU
Ker Harnett	UNC - Sys
Rebel Beattie	RTI
Michelle Brooks	ECU



Committee Sergeants at Arms

NAME OF COMMITTEE Jt. Committee on Appropriations, Education

DATE: 3/15/2017

Room: 423

House Sgt-At Arms:

1. Name: Jonas Cherry
2. Name: Rey Cooke
3. Name: Rex Foster
4. Name: Dean Marshbourne
5. Name:

Senate Sgt-At Arms:

1. Name: Billy Fritscher
2. Name: Becky Myrick
3. Name:
4. Name:
5. Name:



Senate Pages Attending

COMMITTEE: Jt. App. Education / Higher Ed. ROOM: 423
DATE: 3-15 TIME: 8:30

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!!!!

Page Name	Hometown	Sponsoring Senator
1. Diana J. Jany	MOORESVILLE	Curtis
2. Emily Willis	Raleigh	Blue
3. Katie Grush	Holly Springs	Sn. Barringer
4. Avery Perkinson	Durham	Woodard
5.		
6.		
7.		
8.		

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



**House Pages
Assignments
Wednesday, March 15, 2017
Session: 2:00 PM**

Committee	Room	Time	Staff	Comments	Member
Appropriations on Department of Transportation	1027/1128	8:30 AM	Savannah Barnes		Rep. Speaker Tim Moore
			Mariah Pride		Rep. Speaker Tim Moore
Appropriations on Education / Higher Education	Other 423	8:30 AM	Kelley Hamilton		Rep. Darren Jackson
			Makenzie Waites		Rep. Sarah Stevens
Appropriations on General Government and Information Technology	425	8:30 AM	Marissa Huggins		Rep. Mike Clampitt
			Hannah Lewis		Rep. Speaker Tim Moore
Appropriations on Health and Human Services	643	8:30 AM	Emilie Norwood		Rep. Speaker Tim Moore
			Sophia Sload		Rep. Speaker Tim Moore
Appropriations on Justice and Public Safety	415	8:30 AM	Yara Mahmoud		Rep. Speaker Tim Moore
			Eleanor McNamee		Rep. Speaker Tim Moore





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Tuesday, March 21, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Representative Pat Hurley,
Presiding Co-chair

2. NC School of Science and Mathematics

Base Budget Dashboard

Lisa Fox, Fiscal Research

Overview of NCSSM

Dr. Todd Roberts, Chancellor

3. UNC

Undergraduate Degree Completion
Improvement Plan

Dr. Junius Gonzales
Senior Vice President for Academic
Affairs

4. Adjourn

NEXT MEETING:

March 22, 2017



House Committee on Appropriations, Education
Tuesday, March 21, 2017 at 8:30 AM
Room 423 of the Legislative Office Building

MINUTES

The House Committee on Appropriations, Education met at 8:30 AM on March 21, 2017 in Room 423 of the Legislative Office Building. Representatives Blackwell, Elmore, Fraley, Horn, Hurley, Conrad, Ball, Bell, Brockman, Corbin, Fisher, Bill, Grange, Lucas, and Michaux attended.

Representative Pat B. Hurley, Chair, presided and called the meeting to order at 8:35 AM.

Chair Hurley introduced the Pages and Sergeants and Arm.

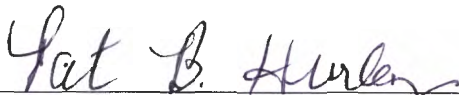
Lisa Fox, Fiscal Research, was introduced for an overview of the NC School of Science and Mathematics. (See Attachment A)

Dr. Todd Roberts, Chancellor was introduced for a powerpoint presentation of the North Carolina School of Science and Mathematics. He indicated there are 1,030 students, of which 680 are residential and 350 are on-line students. There are over 300 high schools represented. The main needs for 2017-19 are capital for repairs and renovations at a cost of \$20 million. There was a time for questions and answers from the members. (See Attachment B)

Dr. Junius Gonzales, Senior Vice President for Academic Affairs was introduced for a powerpoint presentation on the UNC Undergraduate Degree Completion Improvement Plan. There was a time for questions and answers from the members. (See Attachment C)

Chair Hurley announced a joint meeting with NER on Wednesday, March 22nd at 8:30 AM.

The meeting was adjourned at 9:55 AM



Representative Pat B. Hurley, Chair
Presiding



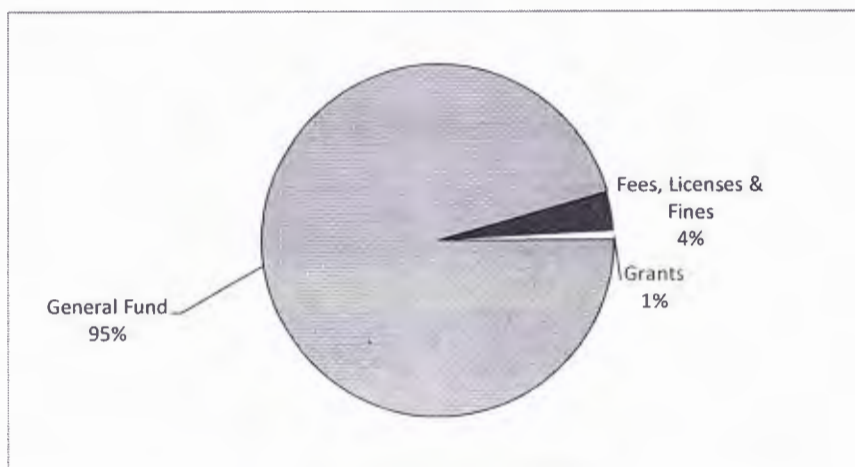
Deborah Holder, Committee Clerk



The North Carolina School of Science and Mathematics is a two-year public residential high school focused on science, available only to residents of North Carolina; students are not charged tuition. There

	2015-16	2016-17	2017-18
	Actual	Authorized	Adjusted
Expenditures	\$ 21,838,178	\$ 22,558,943	\$ 22,558,943
Less Receipts	\$ 1,566,408	\$ 1,158,586	\$ 1,158,586
Appropriations	\$ 20,271,770	\$ 21,400,357	\$ 21,400,357
NCSSM Employees	235.51	224.35	224.35

Source of Funds

[illegible]

	\$	26,955
-	\$	-
-	\$	-
-	\$	-
-	\$	-
-	\$	-
-	\$	-
2,227,414	\$	26,955
4,116,962	\$	-
369,231	\$	-
128,009	\$	-
11,240,256	\$	-
4,034,726	\$	-
Total		transfer
		X

Expenditures: Summary by Account


	531-XXX	532-XXX	533-XXX to 535-XXX	536-XXX	537-XXX	538-XXX
Fund Code	Personal Services	Purchased Services	Supplies, Eqpt, & Other	Aid & Public Assistance	Reserves	Intragovt
1111 - General Administration	\$ 3,475,110	\$ 275,575	\$ 284,041	\$ -	\$ -	\$ -
1211 - General Instruction	\$ 10,221,747	\$ 137,924	\$ 880,585	\$ -	\$ -	\$ -
1270 - Non-Credit and Receipt Instruction	\$ 52,715	\$ 60,294	\$ 15,000	\$ -	\$ -	\$ -
1311 - Library Services	\$ 210,107	\$ 49,892	\$ 109,232	\$ -	\$ -	\$ -
1411 - Student Services	\$ 2,627,164	\$ 1,338,854	\$ 150,944	\$ -	\$ -	\$ -
1511 - Plant Facilities	\$ 883,861	\$ 1,240,438	\$ 76,160	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	\$ 17,470,704	\$ 3,102,977	\$ 1,515,962	\$ -	\$ -	\$ -

Revenues: Summary by Account

[illegible]


Authorized Adjustments to Establish Base Budget

Removes reserve for the Western Campus	\$	(500.000)
Increase in retirement up to 16.33%	\$	14.088



NCSSM

Igniting innovation,
cultivating community



5'0" 5'1" 5'2" 5'3" 5'4" 5'5" 5'6" 5'7" 5'8" 5'9" 5'10" 5'11" 6'0" 6'1" 6'2" 6'3" 6'4"

North Carolina School of Science and Mathematics

Joint Education Appropriations Committee
North Carolina General Assembly
March 21, 2017



NCSSM

Agenda

- Current institutional profile
- History & mission
- Opportunities & challenges
- Q&A





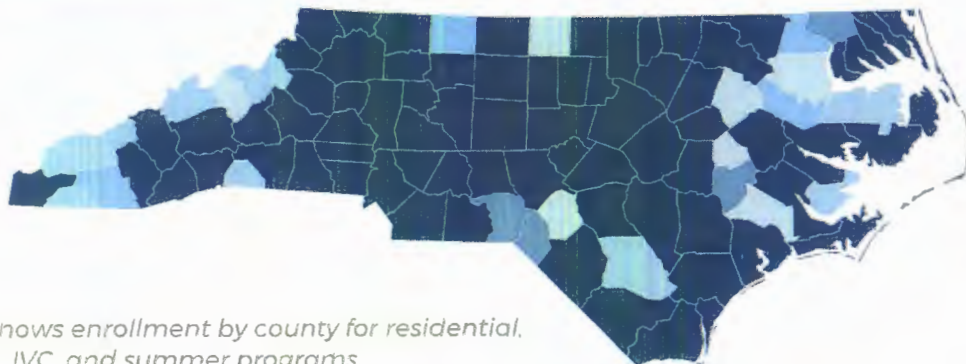
NCSSM

NCSSM =
Opportunity



North Carolina
School of Science
and Mathematics

Serving Students Across NC



*Map shows enrollment by county for residential,
online, IVC, and summer programs.
The darker the blue, the higher the number of students.*

**In 2016-17, residential and online students hail from
91 of North Carolina's 100 counties.**

Discovery Day 2 - 2017

96 of North Carolina's
100 counties had
students applied for the
residential and online
Class of 2019 - 1,472
applicants.



2016-17 Enrollment

1030 students:

- 680 residential
- 350 online students

Over 300 high schools
represented



- NCSSM partners with 91 NC school districts and charter schools, providing instruction and working with local schools to ensure students get the opportunities they need.
- NCSSM provided more than 450 videoconferencing and 817 online course enrollments in 2016-17.

Rich Library of Digital Assets

NCSSM digital assets:

5.8 million views over past 4 years

YouTube channel

- 960 videos
- 1.4 million views in 2015-16

NCSSM Canvas courses

- 9,000 views since last year
- Includes 16 courses developed for NC STEM Anchor and Affinity schools through RtT.

Flickr

- 1,000 educational photos
- 450,000 views in 2015-16



NCSSM

Opportunities to Grow and Thrive

Belton Moore '16 came to us from rural Red Springs, NC, a member of the Lumbee tribe. At NCSSM he conducted research on food science, led student groups, and earned a trip to India for research. He is now a Park Scholar at NC State University.



NCSSM

When 2 Schools are Better than 1

"I wouldn't have known what to do in high school without NCSSM Online. And it definitely paid off."

— Carley Parker, Online '15
Lexington, NC, earned full scholarship to Wake Forest, where she is studying pre-medicine.





From High Point to Harvard

"When I walked in my house, I immediately hit the 'accept' box on the screen."

— Christian Bailey-Burke '15
High Point, NC, earned full scholarship to Harvard, and is now studying neurobiology and economics.



NCSSM

Locally Grown, Internationally Known

7 Regeneron Science Talent Search Competition semifinalists in 2016

8 Siemens semifinalists and 3 regional finalists in 2016

Singapore International Mathematics Competition, 1st place in 2012

6 Conrad Spirit of Innovation winners in 2016

National Science Bowl, top 3 in 2016

Moody's Mega Math Challenge, 4th place in 2016, 3rd and 2nd place in 2015, 1st place in 2014

Biology, Physics, and Mathematics Olympiad Team semifinalists and gold medalists





NCSSM

History & Mission



NCSSM

Innovation is in our DNA.

Visionary leaders
in the late 1970s designed our
school to focus on science and
math and to engage talented
students from across the state to
help grow NC's changing
economy.

Opened in 1980 as the first
school of its kind and 18 schools
around the globe have since
been modeled after NCSSM





NCSSM

Approximately 60% of nearly 10,000 alumni remain in North Carolina and contribute more than \$500 million in economic impact to the state each year.



Carl Ryden '89
CEO and Co-founder
Precision Lender, Cary



Jonathan Hayes '03
CEO & Founder
RewardStock, Raleigh



Jud Bowman '99
CEO & Founder
Sift, Durham



Laura Gerald '86
President
Kate B. Reynolds Charitable Trust



NASA Astronaut Christina
Hammock Koch '97



NCSSM

New Generation of STEM Leaders

60% of NCSSM alumni earn college degrees in STEM fields, a rate 3 times greater than the national average for college graduates.



NCSSM

**50% of NCSSM
Alumni Hold at Least
a Master's Degree**

**25% Hold a
Doctorate**

25% teach



NCSSM

Engaging and Unique Curriculum

Robust course offerings in science, math, engineering, and computer science including more than 30 different math courses and courses in biology, chemistry, physics, engineering, and computer science ranging from molecular genetics to organic chemistry to astrophysics to advanced programming to electrical engineering.



Real-world Learning

- Research Experience in Biology, Chemistry, Physics, Humanities
- Research in Biology
- Research in Chemistry
- Research in Physics
- Research in Mathematics
- Research in Computational Science
- Research in Engineering
- Research in Humanities
- Mentorship
- Entrepreneurship



Well-rounded Education

Although not in our name, NCSSM has a rich program in the humanities including an award-winning fine arts program.

Here, Phillip Riggs, named Grammy Music Educator of the Year for 2016, conducts one of our ensembles.

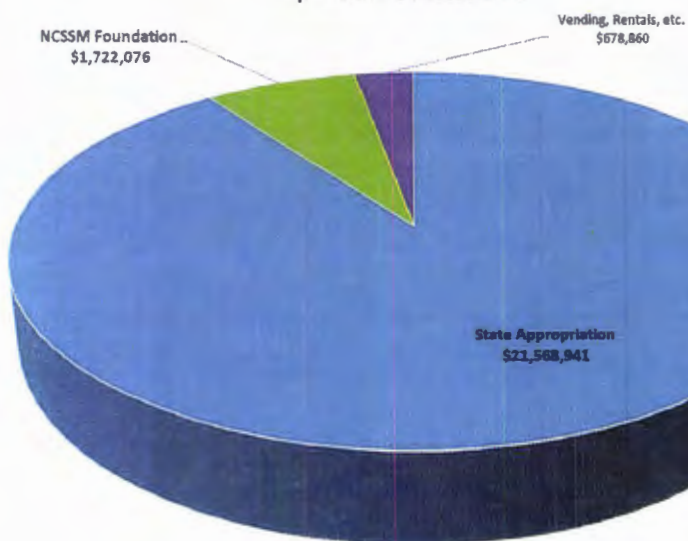


Current Institutional Profile



North Carolina
School of Science
and Mathematics

2016-2017 Revenue Budget \$23.2 million





Private Giving in 2016-2017

- \$650,000 to date from families and alumni
 - 55% of families
 - 10% of alumni
- \$1.32 million overall to date
- \$2.3 million overall goal



Summer @ NCSSM

More than 900 students attended 8 summer programs

- **Summer Accelerator**
- Summer Research and Internship
- Summer Leadership and Research
- Summer Bridge
- Online Orientation
- Step Up to STEM
- Eastern NC STEM
- STEM Camp for Visually Impaired and Blind Students
- Summer Ventures



NCSSM

Opportunities and Challenges



NCSSM

2017-19 Budget Priorities:

- More than \$43 million in documented repair & renovation needs
 - \$20 million currently requested
- Enrollment growth (\$403,968)
 - Provide support in engineering and computer science through distance education for more students across NC
- Tuition grant
- Increased operational funding to support
 - expanded real-world learning and computer science opportunities
 - Health and wellness
 - Development of digital textbooks and PD for NC students



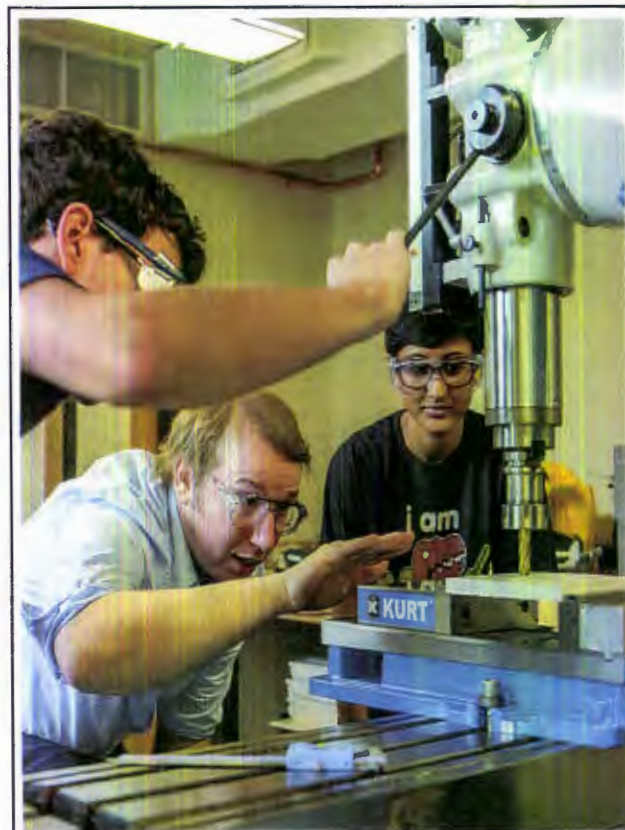


NCSSM

Enrollment Growth Request 2017-2019

Focus on growing IVC enrollments:

- Earlier access to mathematics for engineering
- Earlier access to computer science applications
- Increased access to fully integrated STEM courses
- Increased access to world class faculty
- STEM enrichment lessons and accompanying curriculum
- Advising for distance education students and partner schools



NCSSM

Real-world Learning Experiences

Each year, through the academic year or during the summer, hundreds of NCSSM students experience hands-on research and work in a wide range of disciplines including research and entrepreneurship with mentors on and off campus.



Western Campus Planning Begins

With voters' passage of the 2016 Connect NC bond, NCSSM begins a new chapter as we plan for a second campus in Morganton, NC. We are working with stakeholders and education leaders across the state to plan this new campus, allowing NCSSM to reach still more talented students.



Phase I (2016)

- Duda Paine Architects is selected as the architectural team for the new campus (September 2016).
- Kevin Baxter is hired as the NCSSM Director of Western Campus Planning and Project Management (November 2016).
- The Friday Institute is hired to support the educational program design (November 2016).



NCSSM

Future Steps (2017-2021)

- Facility design and development process (2017 - 2018)
- Bid process and construction/renovation (2018 - 2021)
- Hiring of faculty and staff (2020 - 2021)
- Deliver summer programs (2021)
- Opening of the Morganton campus to its first class (2021)





Listen Live [WUNC 91.5] - WUNC
1A

UNC Leaders Want To Keep More Top Science And Math Students In-State

By JASON DEBRUYN • JAN 19, 2017

[Tweet](#) [Share](#) [Google+](#) [Email](#)



North Carolina School of Science and Mathematics in Durham is part of the University of North Carolina System.

CREDIT: HICKAM

University leaders say too many of North Carolina's top high school students choose out-of-state colleges, and they want to do something about it.



NCSSM

Tuition Grant for NCSSM Graduates

- UNC proposal
- beginning for class of 2018
- financial benefit for students but not institution



NCSSM

NCSSM Facilities:

- 27 acre campus
- 472,977 sq ft
 - 89,995 sq ft built prior to 1927
 - 180,353 sq ft built between 1928-1955
 - 143,759 sq ft built between 1956-1990
 - 58,870 sq ft built since 1990 (last new construction in 1999)
- 126,000 sq ft has been renovated since 1990



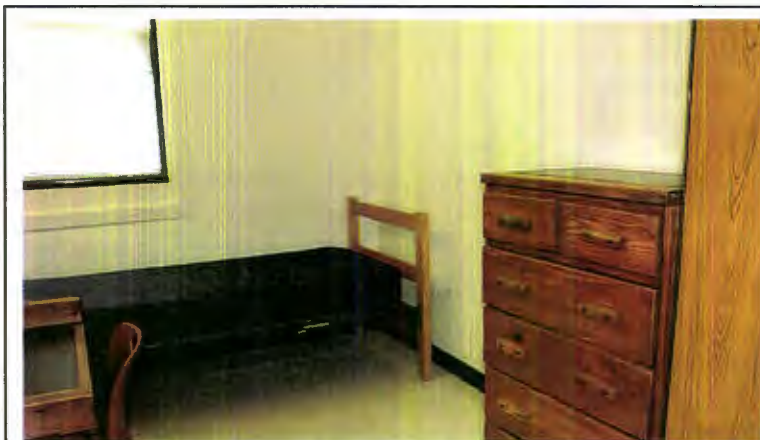
Aerial photo taken by Sawyer Wofford '18



NCSSM

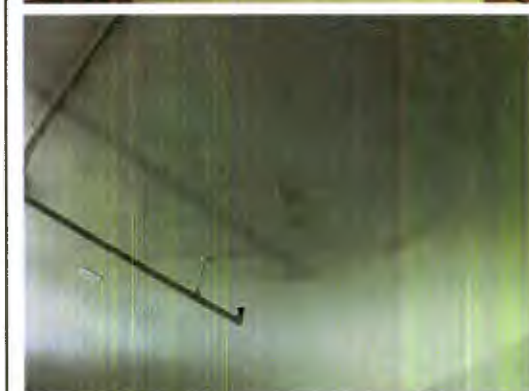
Facilities Improvements 2017-2019

- 2017-19 state budget request:
 - Capital Improvements = \$13,965,000
 - Repair and Renovations = \$5,494,000
- Capital and R&R Priorities:
 - Living space renovations
 - Infrastructure repairs
 - Window replacement
 - Renovations to lab spaces
 - Replace classroom furniture
 - Safety and security upgrades
 - Renovations to auditorium and music suite



NCSSM

Dormitory Furniture and Renovation

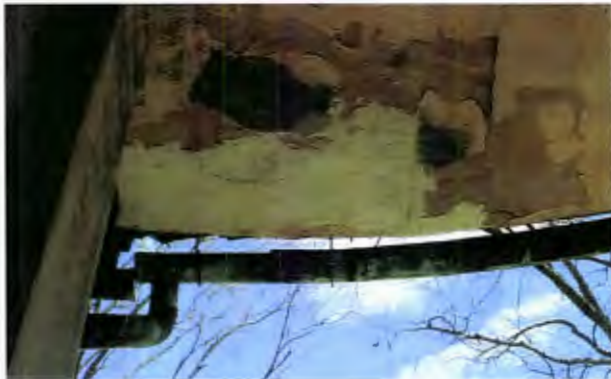




Exterior Renovation



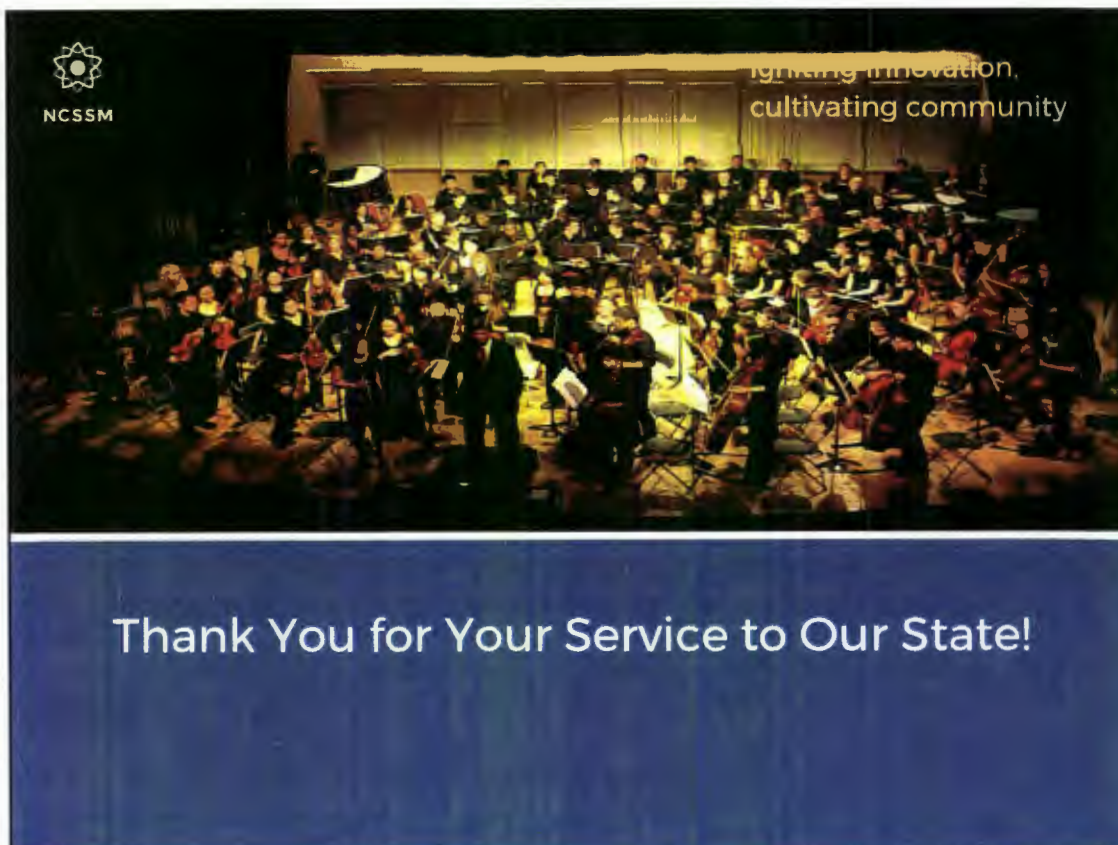
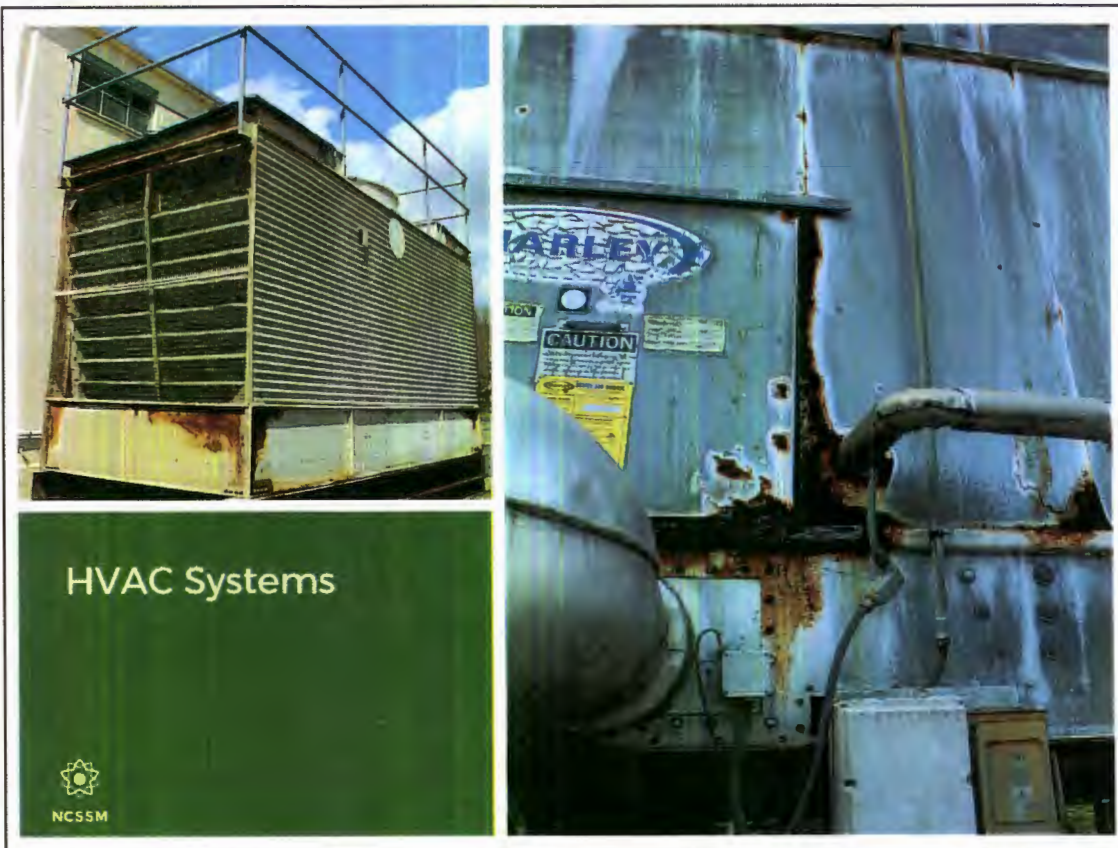
NCSSM



Gutters and Roofing Exterior Renovation



NCSSM





UNC UNDERGRADUATE DEGREE COMPLETION IMPROVEMENT PLAN

Report to the Joint Education Appropriations Committee

Junius J. Gonzales, M.D., M.B.A.

March 21, 2017

Presentation Outline

- Components Impacting Student Success
- Completion Rates Nationally and at UNC
- Improving Completion: Factors to Consider
- Continuing UNC's Positive Trajectory
- The Degree Completion Improvement Plans
- New Recent Effort in Predictive Analytics
- Summary

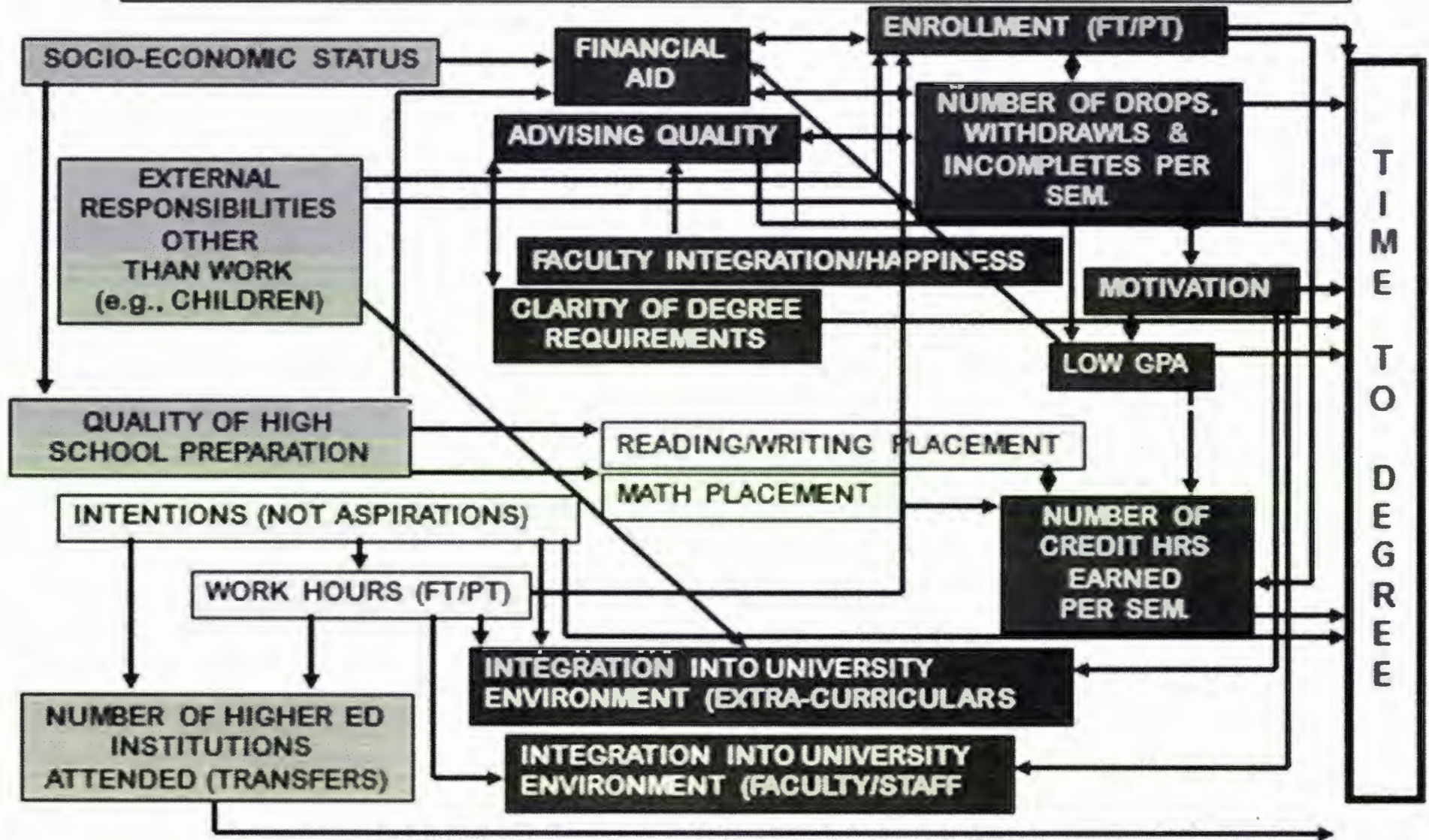




STUDENT SUCCESS

A SIMPLIFIED MODEL

Factors that Affect Student Success



External Factors Shared External/Institutional Factors Institutional Factors Student-Based Factors

Background

- Legislation required UNC to “adopt a plan to improve student completion of baccalaureate degrees that includes specific targets for each constituent institution’s completion rates and that is effective for the 2017-2018 academic year. . . The plan shall allow for a variety of strategies designed to best meet the individual constituent institutions’ needs.”
- Complete report submitted in December 2016 to meet requirements of S.L. 2016-94, section 11.2
- Linked to the new Strategic Plan and its goals (e.g., increased completion and reduced time to degree)



Graduation Rates: UNC and National Comparisons

- UNC System student graduation (from any university) rates have improved:
 - Four year graduation rates rose nearly 7.4 percentage points from the 2005 to 2011 entering freshmen cohorts.
 - Six year graduation rates rose from 66.6% for the fall 2005 freshmen to 70% for the fall 2009 freshmen.
 - Over 70% of freshmen completed a bachelor's degree in six years or less
 - On average, students who start as freshmen complete degrees in 4.5 years
- These rates are significantly better than other public higher education systems across the country – nearly 10 percentage points higher.
- Example: 67.5% UNC vs. 58.5% U.S. Publics (2008 cohort)

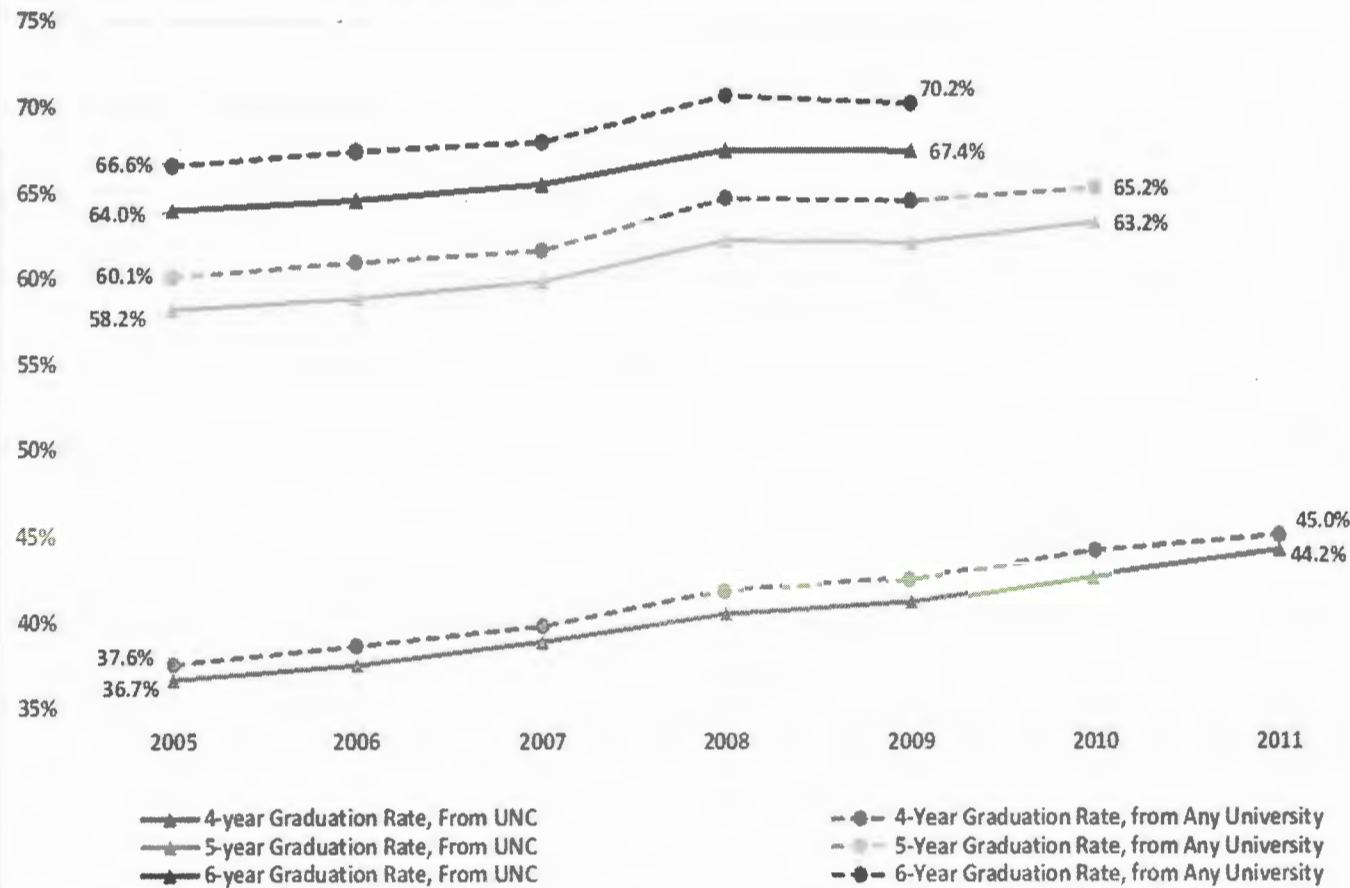




UNC GRADUATION RATES

From a UNC Institution and from Any Other U.S. University

Graduation Rates from within UNC and from Any U.S. University:
Over 70% of New Freshmen Completed a Bachelor's in Six Years or Less



On average, students who start as freshmen complete the degree in 4.5 years.

- Average fall/spring terms taken to complete the degree is 8.6, plus an average of two summer terms.

Graduation rates have improved.

- Four-year graduation rates have risen about 7.5 percentage points in six years.
- Six-year graduation rates have risen about 3.5 percentage points in four years.

Note: Average time to degree metrics are based on research with a 2013-14 cohort of graduates.

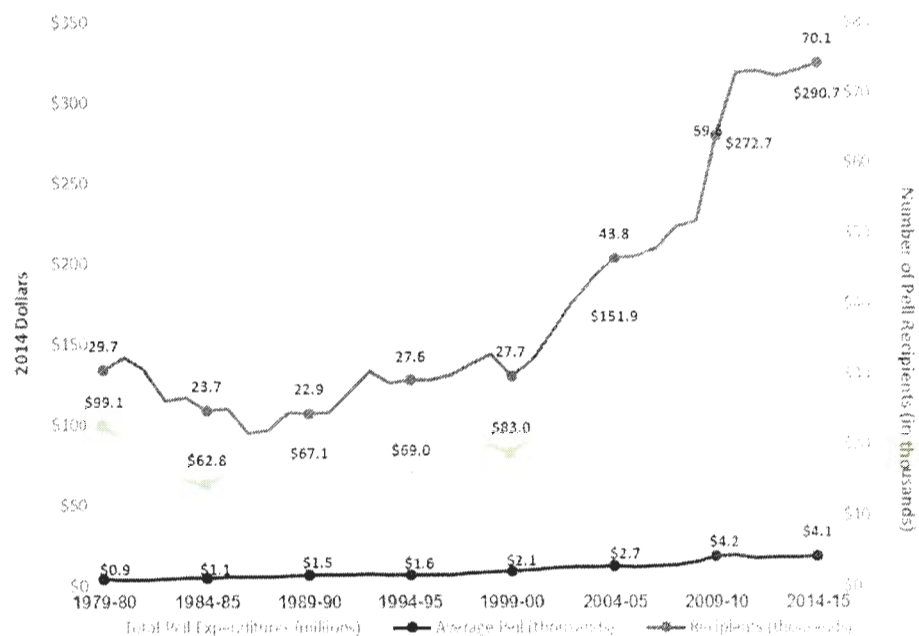
Importance of Transfer, Age and Income

- More than one-third (36%) of students graduating from UNC are NOT counted in graduation rates
- Transfer students account for almost 28% of the System's undergraduate students; 56% of students who transfer into UNC do so from the NCCCS
- In US (2009) only 39% of students enrolled full-time, and the number has risen. UNC new student average starting age is now 21
- National data show the strong correlation of family income to graduation rates, regardless of academic performance
- 44% of all UNC students received Pell Grant assistance sometime during their path (data from Fall 2014), up to 81.4% at some institutions.

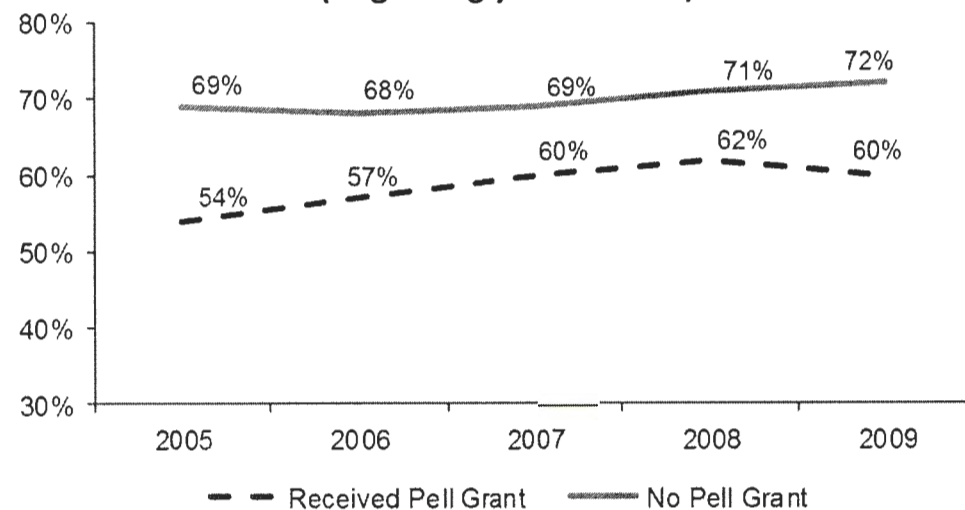


Pell Grants & Completion

Pell Grant Trends in the UNC System



Six-Year Graduation Rates, Pell Grant Students First-Time, Full-Time Freshmen at UNC Institutions (beginning year cohorts)



Past and Ongoing Improvement Efforts

- Recent In-Place State and BOG policy changes:
 - Minimum Admissions Requirements (2009-2013 phase-in)
 - Revised Comprehensive Articulation Agreement (2014)
 - Fostering Undergraduate Student Success (2014)
 - Reverse Transfer (2015)



UNC Gains in Retention and Persistence

- Important to look year by year
- 2005-2009: positive gains
 - First year retention increased 1.2 points; subsequent year persistence increased 1.4 points
- 2009-2013 cohorts *with increased admissions standards phased in has even more positive gain*
 - **First year retention increased 2.3 points** (from 85-87.3%)
 - **Persistence to third year rose 5.2 points** (from 77.5 to 82.7%)
- These early results with changes in admissions standards indicate that UNC's performance is improving faster over the 4 year phase in period than it did in the previous 4 years
- Expect to see full results on six year graduation rates in the 2019-20 academic year



A Deeper Dive into Stop Outs and Debt

- Difficult to track; some return, others become part-way home (≥ 90 credits): Nationally, more than 37% of students stop out at some point
- 71% of UNC students who stop-out do so in the first or second year
 - 43% of students who stop out do so after 1st year
- Many leave in good academic standing
 - 27% who departed a UNC school earned a GPA of 2.5 or higher
 - At Minority Serving Institutions, 35% of stop outs earned a 2.8 GPA or higher
- ***70% stop outs (2009 cohort) had 3.0 or higher GPA in high school***
- Average debt for stop-outs
 - Stop out during the first year: \$4,277; Average debt for all stop out: \$11,028
- Stop out students leave for many different reasons not connected to their HS and often college GPA – family, health, finances



Current and Future Improvement Efforts

- System-level enhancements:
 - Expanded & new work with NCCCS—new position at UNC: Director of CC Partnerships
 - Tests of financial aid and other innovations (Actualizing Innovations Meant to Scale)
 - Enhancement of financial literacy programming at all institutions
 - Data and Predictive Analytics and example of PAR Framework
 - New UNC Strategic Plan Goals and related institutional performance plans
- Every constituent university developed its own degree completion improvement plans based upon data on national best practices and evidence-based methods





DEGREE COMPLETION IMPROVEMENT PLANS

Complete Plans Available at:

<https://sites.google.com/a/northcarolina.edu/udcip/>

Unique Plans with Similarities

- Each institution based their Improvement Plan upon their unique missions and different student populations
- All Institutions:
 - 1) Identified student populations that are most likely to leave their particular institution without earning a degree and set goals for improving graduation rates and degree attainment among these groups over the next five years.
 - 2) Re-allocated resources in student success policies and programs that are most relevant to the identified student populations.
 - 3) Agreed to use and report specific performance data to measure the progress of the specified student groups and to refine student success programs as appropriate.



Strategies & Tools for Achieving Goals

- Institutions identified more than 70 different student success programs
- Using current or restructured resources to refine or expand
- Most common types/categories:
 - Early Alert tools (e.g., Starfish, Grades First)
 - Curriculum and Schedule Planning tools (e.g., Degree Works, Schedule Planner)
 - Enriched Educational Experiences
 - Learning Communities
 - Summer Programs
 - Financial Literacy and or Aid Programs:
 - SALT
 - Money Matters
 - Carolina Covenant



Major Student Sub-Groups in the Plans

- *Transfer students:* ASU, ECSU, FSU, NCA&T, NCCU, NCSU, UNCC, UNC-CH, UNCP, and WSSU
- *Low income students as determined by Pell Grant eligibility:* ECU, FSU, NCSU, UNC-CH, and UNCW
- *Male students:* ECSU, FSU, NCA&T, NCCU, and WSSU
- *First-generation university students:* ASU, ECU, UNCA, and UNC-CH
- *All first-time students:* ECU, NCA&T, UNC-CH, UNCC (certain majors), UNCG (certain entry categories), WCU, and WSSU



Intervention Examples: New/Updated Initiatives

- **Appalachian State University: MapWorks early alert program**
 - Targeting 1st year and transfer students
 - Program refined and expanded
 - Currently used only for first-generation students and transfers from CCs
- **Elizabeth City State University: Track Transfer initiative**
 - Targeting male transfer students
 - New advising and engagement initiative
 - Seeks to increase number of male transfer degree completions and shorten time-to-degree
- **East Carolina University: Student Schedule Planner**
 - Targeting First-time, full-time freshman
 - New pilot initiative to determine if using this planner will encourage students to register for 15 semester hours per year, and remain (retention) and stay on-track for degree in 4 years
 - Will use data compared to non-users in other categories to determine success



Selected Examples and Goals

Appalachian State: Increase first-generation graduates from 8.9% of class to 20% by 2022

Elizabeth City State: Improve first-time, full-time male graduation rate from 37.5% to 50% by 2022

Fayetteville State: Increase degrees awarded to Pell Grant recipients by 24% (to 750 per class; current 3-year average is 605) by 2022

NC A&T: Increase number of degrees awarded to transfer students by 132%

NC State: Increase 6-year graduation rates of low SES students from current 67% (5-year average) to 73% by 2022

UNC Charlotte: Increase 4-year graduation rate for transfer students from 61% to 68% by 2022

UNC Pembroke: Increase first-time, full-time American Indian student 4-year graduation rate by 43%, from 13.8% to 19.8%

Winston-Salem State: Increase 4-year graduation rate for transfer students with Associate's degrees from 61% to 71%



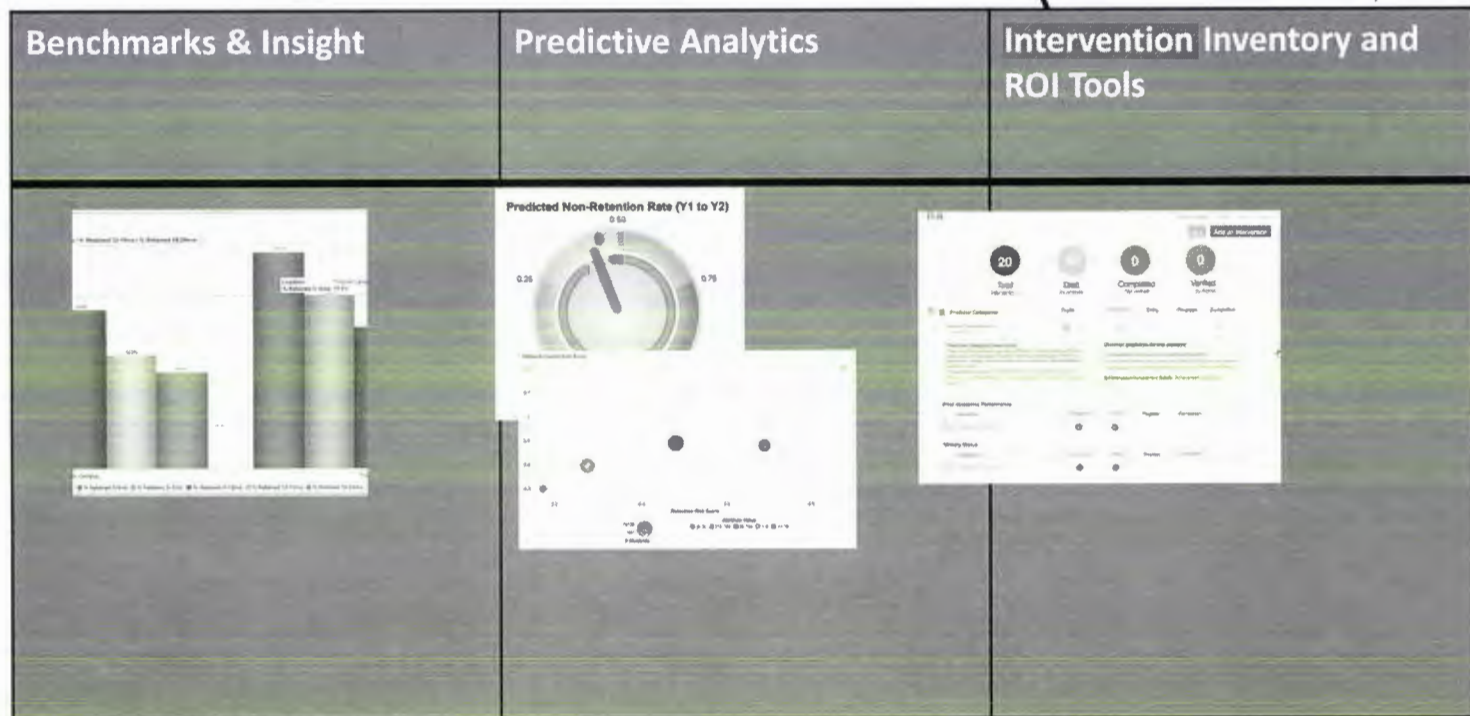


PREDICTIVE ANALYTICS REPORTING PARTNERSHIP

A NEW UNC SYSTEM EFFORT with 8 UNIVERSITIES

PAR Analytic Toolset

Diagnostics



What has Predictive Analytics Reporting (PAR) Shown to Date?

- Identified recurring retention issue with first year and transfer students who withdraw from 2 or more courses
- Integrates multiple “watch/warning” factors for early alerts to students/advisors/staff
- Using the data, School can intervene with students

SSMx Predictor	# of Students	Retention Score
2 or More Course Withdrawals	305	41%
Low ongoing GPA (<2)	342	42%
Low credit ratio	623	53%
Low velocity	931	62%
Medium HS GPA (2 to 3)	457	64%
DevEd attempted, 0% pass	48	66%
DevEd, <= 50% of courses taken	48	66%
Fully Online Students	94	66%
1 Course Withdrawal	304	67%
Male Students	550	68%

Overview SSMx Predictors Watchlist Quick Sort Help

1st Year Student (34%)

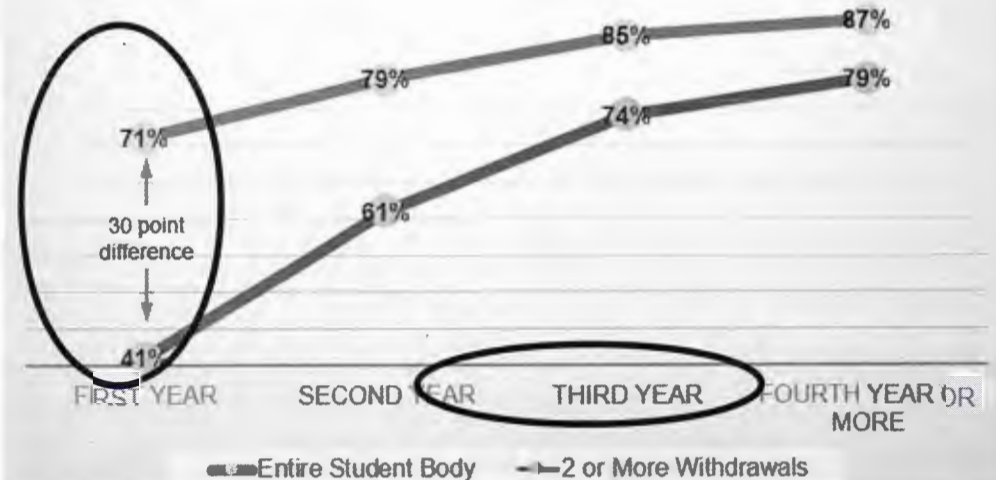
Student Watchlist

Full Student ID	Retention Score	SSMx Predictors
730205004	34%	
716491020	34%	
344934864	34%	
847533083	34%	
868019092	34%	
436457470	34%	
b3ce7b345e3e9c	34%	
985614242	34%	

SSMx Predictors

- Low credit ratio*
- Course withdrawals - 1 (more)
- First year student*
- Low velocity*
- Not Pell eligible*
- Race-Two or more*
- Fully onground student (Online r.
- No DevEd taken*

Average Retention Score by Student Year





ONE UNIVERSITY'S EXPERIENCE

Examples of new findings

Top Risk Factors for Retention — in First Year Students

SSMx Predictor	# of Students	Retention Score
▲ Low ongoing GPA (<2)	276	29%
▲ Course withdrawals>1	176	44%
▲ Q1 Start Date (Jan-Mar)	380	63%
▲ Course withdrawals=1	225	65%
● Race African American	895	66%
● Male	529	67%
● Enter with no prior credits	491	68%
● Fully Online Students	362	68%
● Pell eligible/Low family income	980	69%

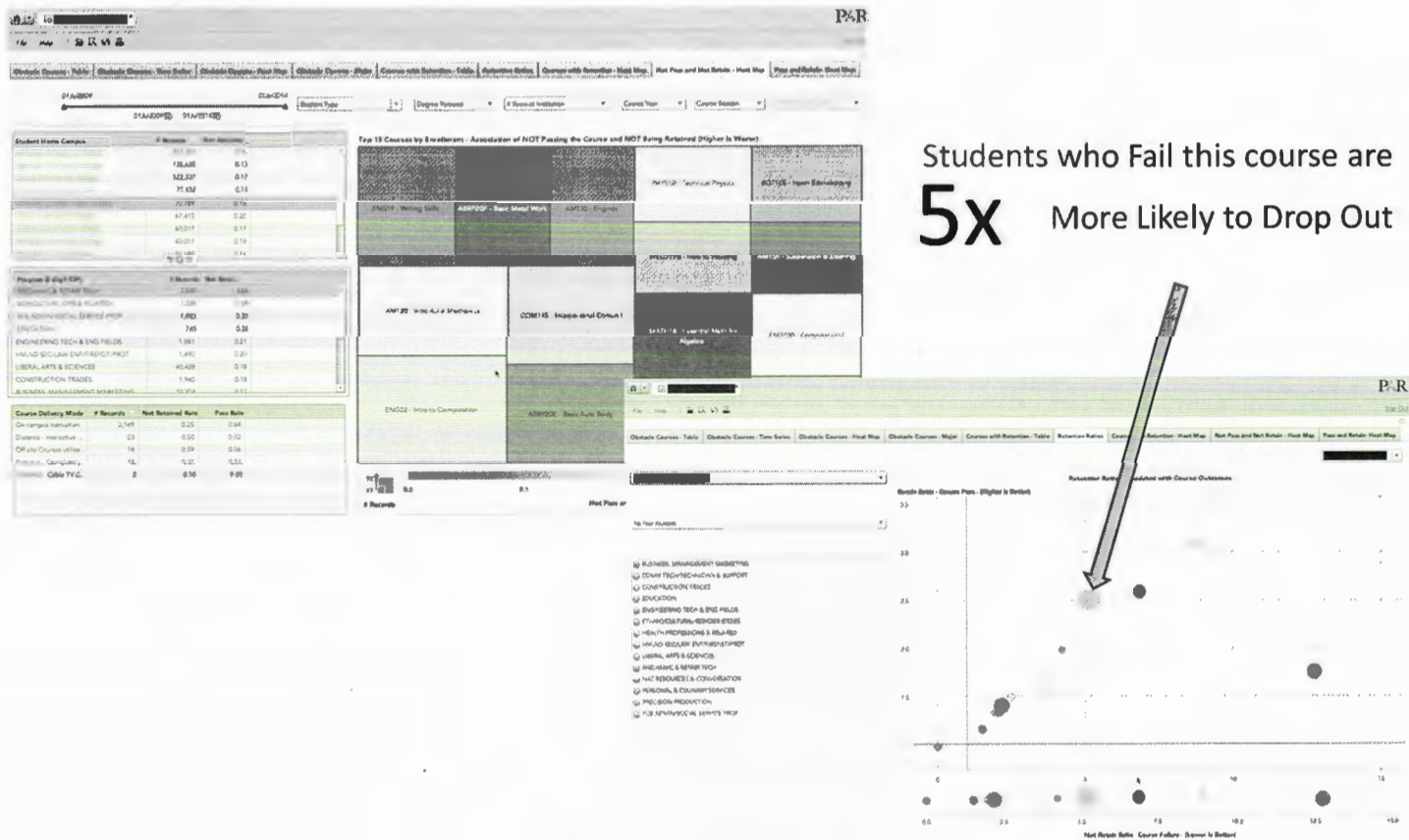
● Characteristics

▲ Behaviors

- The highlighted items are ones about which we previously had hunches, but no solid data. This will enable us to target existing interventions to these students.
- *Note: “First year students” refer to students in first year, regardless of whether they are transfer or first time.*

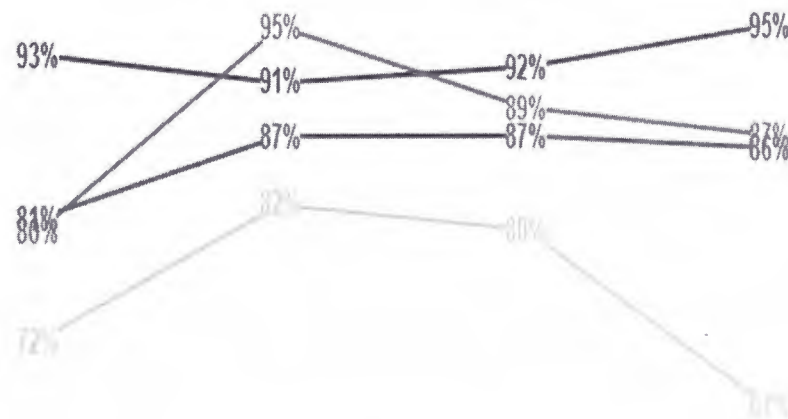


Actionable information COURSE level



Example of NEW insight

AVERAGE VELOCITY SCORES BY STUDENT YEAR



First Year Students Second Year Students Third Year Students Fourth Year or More

— All Current Students — Non-Transfer/Traditional Age
 — Transfer/Traditional Age — Transfer/Adult

- “Velocity score,” which compares median credits earned of current students with past graduates at same time interval, is a useful metric that we have not been using previously. (We have used “credit accumulation,” but not quite as refined as this metric.)
- These data help us recognize the challenges our adult students face. With nearly half of our students adult learners these are important data for us.
- Some of these challenges are no doubt inherent in being an adult student (work and family obligations), but we must also find ways to support and assist these students.



SUMMARY

- Student success has been continuously improving as a result of several changes such as phased-in higher admissions standards.
- Though impact on graduation rates won't be fully clear yet, interim changes are extremely positive on retention and persistence.
- The institutions' degree completion improvement plans (DCIP) are very focused, map specific programs to specific groups of students, and have concrete goals for those student groups. Progress will be monitored.



SUMMARY

- New efforts such as the PAR Framework Predictive Analytics project for 8 of our universities allow them to
 - See their data in the form of actionable information about risks and barriers at the course level and student level
 - Combine this quantitative work with a cataloging of their related student success programs to evaluate where resources are being invested in relation to where the biggest needs are
 - Share their results, data and successes with one another in a community of practice model on common issues



Summary

- Implementation of the new UNC Strategic Plan: institutions will be held accountable for concrete, measurable contributions to system-level goals on student success.
- Targets for each institution will be based on the goals spelled out in their Degree Completion Improvement Plans.



QUESTIONS?

CONNECT



www.northcarolina.edu



UNCSystem



@UNC_system



VISITOR REGISTRATION SHEET

Joint Committee on Appropriations, Education

3/21/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Elizabeth Howate

NCCCS

Kendall Hogeman

NCSM

Jina Ayre

Ed Consultant

Rhacgan Jackson

Focus Carolina

Karsin Willard

Intern Rep. Gill

Reyna Walters-Hogan

Chouder Consulting

Adam Pridemore

NCBA

Jennifer Neisner

OSBM

James Robinson

OSBM

Teri Riddle

NCEL

Richard Bostic

NC SBA

Meghan Lewis

NC chamber



VISITOR REGISTRATION SHEET

Joint Committee on Appropriations, Education

3/21/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Michelle Frazer	SML
Joe S.R.	NCFPC
Robb Jansen	NCSBE
Laura Khan	Vista Strategy
Brock W. Beck	ORCA
Lee T. Miller	
Wesley Fountain	UNC System
Joel Maynard	ARM; ASRC / RETAINERS



VISITOR REGISTRATION SHEET

Joint Committee on Appropriations, Education

3/21/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dan Cohen-Vogel	UNC - GA
JUNIAS GONZALES	UNC - GA
Paul Y. [unclear]	[unclear]
Michael Flower	THCG
Tom West	NCILU
Frank Winkler	NLSA
Todd Roberts Frank Winkler	NLSA
Mark Lamer	UNCW
W. Gardner Culp	PPAB
Ronnie R. Rice	UNC - GA
Libell	Education NC



VISITOR REGISTRATION SHEET

Joint Committee on Appropriations, Education

3/21/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Drew Moretz	UNC GA
Jonathan Kappler	UNC GA
Sarah Stone	NCSU
Matt Ellinwood	NCJC
Betty DOSTER	UNC C
LAURA PURYEAR	MWC
Chloe Gossage	State Superintendents JC
CORNELIUS GRAVES	WSSU
Philip Byers	UNC BOG



House Pages
Assignments
Tuesday, March 21, 2017
Session: 1:00 PM

Committee	Room	Time	Staff	Comments	Member
Appropriations on General Government and Information Technology	425	8:30 AM	Joshua Babson		Rep. William Brisson
			Akirah Graves		Rep. Rodney Moore
Appropriations on Health and Human Services	643	8:30 AM	Autumn Brisson		Rep. William Brisson
			Kailey Gause		Rep. William Brisson
Appropriations on Justice and Public Safety	415	8:30 AM	Colin Konieczka		Rep. Linda Hunt- Williams
			Garrett Penley		Rep. Julia Howard
Appropriations, Education	Other 423	8:30 AM	Connor Scanlon		Rep. Joe John
			Kayla Yarborough		Rep. Dean Arp
Appropriations, Transportation	1027/1128	8:30 AM	Lily Ahlin		Rep. George Cleveland
			Blake Bellanger		Rep. Larry Bell
Education - K-12	643	10:00 AM	Autumn Brisson		Rep. William Brisson
			Kailey Gause		Rep. William Brisson
Appropriations, Capital	415	11:00 AM	Colin Konieczka		Rep. Linda Hunt- Williams

Committee Sergeants at Arms

NAME OF COMMITTEE Jt. House Committee on Appropriations, Education

DATE: 3/21/2017

Room: 423 /424

House Sgt-At Arms:

1. Name: Jonas Cherry
2. Name: Rey Cooke
3. Name: Dean Marshbourne
4. Name: _____
5. Name: _____

Senate Sgt-At Arms:

1. Name: Giles Jeffreys
2. Name: Becky Myrick
3. Name: _____
4. Name: _____
5. Name: _____



Eric Naisbitt (Sen. Chad Barefoot)

From: Eric Naisbitt (Sen. Chad Barefoot)
Sent: Tuesday, March 21, 2017 01:44 PM
To: Eric Naisbitt (Sen. Chad Barefoot)
Cc: Dixie Riehm (Rep. Hugh Blackwell); Robert Mays (Sen. Trudy Wade); Jordan Hennessy (Sen. Bill Cook)
Subject: <NCGA> Senate Appropriations on Education/Higher Education Committee Meeting Notice for Wednesday, March 22, 2017 at 8:30 AM (Joint)
Attachments: Add Meeting to Calendar_LINC_.ics

Principal Clerk _____
Reading Clerk _____

SENATE
NOTICE OF JOINT COMMITTEE MEETING
AND
BILL SPONSOR NOTICE

The Senate Committee on Appropriations on Education/Higher Education will meet at the following time:

DAY	DATE	TIME	ROOM
Wednesday	March 22, 2017	8:30 AM	423 LOB

Note: This is a joint meeting with the Appropriations Committee on Agriculture, Natural, and Economic Resources. Sen. Cook and Sen. Lee will preside.
Topic: Workforce

Senator Chad Barefoot, Co-Chair
Senator David L. Curtis, Co-Chair
Senator Michael V. Lee, Co-Chair



Senate Committee on Appropriations on Education/Higher Education
Wednesday, March 22, 2017 at 8:30 AM
Room 423 of the Legislative Office Building

MINUTES

The Senate Committee on Appropriations on Education/Higher Education met jointly with the House and Senate Agriculture, Natural and Economic Resources Appropriations Committee at 8:30 AM on March 22, 2017 in Room 423 of the Legislative Office Building. 10 Senators and Representatives Dixon, Hall, McElraft, Ross, Ager, Dulin, B. Richardson, Blackwell, Elmore, Fraley, Horn, Hurley, Ball, Bell, Corbin, Fisher, Grange, Lucas, and Michaux were present.

Senator Michael V. Lee, Chair, and Sen. Bill Cook, Chair, presided.

Catherine Moga Bryant, Deputy Assistant Secretary with the Division of Workforce Solutions in the Department of Commerce presented on Connecting Talent to Jobs and Jobs to Talent. Her presentation is attached. Following her presentation, members of the committees were given the opportunity to ask questions.

Dr. Lisa Chapman, Senior VP/Chief Academic Officer of the North Carolina Community College System, and Maureen Little, Vice President for Economic Development of the North Carolina Community College System, presented on Workforce Development Role and Programs of the North Carolina Community College System. Their presentation is attached. Following their presentation, members of the committees were given the opportunity to ask questions.

The meeting adjourned at 9:25 AM.



Senator Michael V. Lee, Chair
Presiding



Eric Naisbitt, Committee Clerk



**Joint Appropriations Meeting of
House and Senate Committees on Agriculture and Natural
and Economic Resources
and
House Appropriations Committee on Education
Senate Appropriations Committee on Education/Higher Education**

Agenda
Wednesday, March 22, 2017, 8:30 A.M.
Room 423, Legislative Office Building

Sen. Cook and Sen. Lee, Presiding

1. Welcome and Opening Comments

2. Workforce Development in North Carolina

Catherine Moga Bryant, Deputy Assistant Secretary
Division of Workforce Solutions, Department of Commerce

Lisa Chapman, Senior Vice President and Chief Academic Officer
Maureen Little, Vice President for Economic Development
North Carolina Community College System

3. Adjourn

Notes:

Follow-up materials provided for:

- ANER March 7: DEQ and Labor
- ANER March 8: Marine Fisheries and DNCR
- ANER March 16: Commerce State-Aid





Workforce Development Role and Programs of the North Carolina Community College System

Lisa Chapman
Senior Vice President/Chief
Academic Officer
NCCCS

Maureen Little
Vice President, Economic
Development
NCCCS

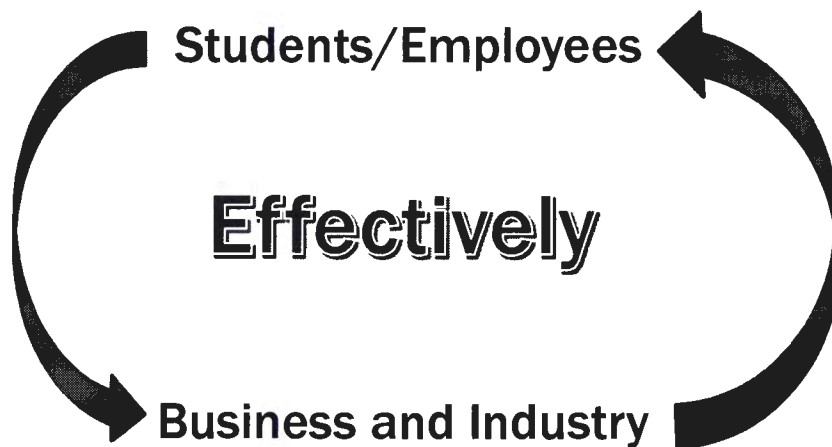
March 22, 2017
Presentation to Joint Appropriations Sub-Committees on Education
and
Agriculture, Natural and Economic Resources





Who are We?

G.S. 115D-1 "...The Community Colleges System Office is designated as the primary lead agency for delivering workforce development training, adult literacy training, and adult education programs in the State."





Major Program Areas

Curriculum

Credit Courses that lead to certificates, diplomas, or associate degrees

Includes Career and College Promise (college classes for high school students)

Workforce Continuing Education

Short-term programs and courses for individuals seeking to gain new and/or upgrade current job-related skills

College and Career Readiness

Literacy education programs that include Adult Basic Education (ABE), English as a Second Language (ESL), and Adult Secondary Education (ASE)

Economic Development

Education, training and support services for new, expanding and existing business and industry And Small Business Support





Curriculum Career and Technical Education (CTE)

CTE Career Cluster Pathways

- Agricultural and Natural Resources Technologies
- Biological and Chemical Technologies
- Business Technologies
- Commercial and Artistic Production Technologies
- Construction Technologies
- Engineering Technologies
- Health Sciences
- Industrial Technologies
- Public Service Technologies
- Transport Systems Technologies





CTE

(2015-2016)

144,184 Students

State Curriculum Standards with College-Specific Programs of Study to address local/regional industry and employment training needs

Colleges offer more than 275 different certificate, diploma and associate curriculum program titles utilizing criteria set forth in statewide curriculum standards.

-Many include industry certification or prepare for state licensing and also align with other education partners



Workforce Continuing Education (WCE)

2016 Impact through Short Term Training

- **Occupational Pathways**

- *HRD – Employability Skills*
- Agricultural/Natural Resources
- **Business/Computers**
- **Construction**
- Education/Language
- **Health Occupations**
- Industrial/Manufacturing
- Public Safety
- Service Occupations
- Transport Systems

State structure with local flexibility to address local/regional industry and employment training needs

Short-term training –
Intensive study of a particular field/topic providing professional knowledge, emphasizing hands-on experience and frequently leading to a credential.





Occupational Courses (2016)

- **49,820 Course Sections**
- **759,303 Registrations**

Occupational Pathway	Course Sections	Registrations
Agricultural/Natural Resources	293	2,323
Business/Computers	4,998	26,336
Construction	753	8,238
Education/Language	1,713	7,098
Health Occupations	12,672	205,375
HRD (Employability Skills)	5,098	87,719
Industrial/Manufacturing	955	8,542
Public Safety	20,956	387,556
Service Occupations	1,079	9,238
Transport Systems	1,303	16,878
Grand Total	49,820	759,303



WCE Credentials

- **Over 200 Agency/Credential options available through Workforce CE training programs**
 - **Credentials are aligned with industry, state and national standards**
 - **Colleges build credential programs that respond to local and regional employer demand**
 - **Labor need identified through advisory boards**
 - **Provides opportunities for 'stackable' credential pathways**
- 
- 

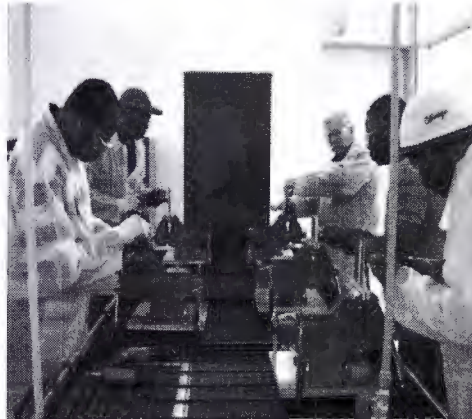


Customized Training: Focus on Economic Development

JOB GROWTH



TECHNOLOGY ENHANCEMENT



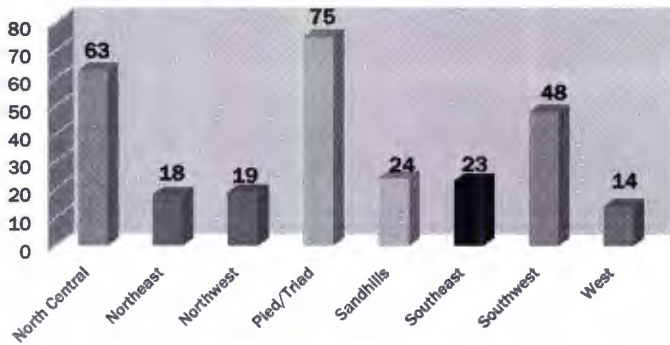
PRODUCTIVITY ENHANCEMENT



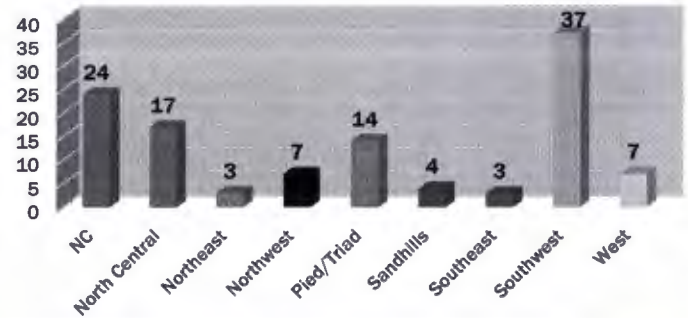


Customized Training Active Projects and Prospects

Total Active Projects by Prosperity Zone = 284



Total Prospects by Prosperity Zone = 116



Active Projects Top Five Industries

Plastics/Rubber/Glass/Cement

Transportation

Metals/Iron/Steel

Textiles/Apparel

Food/Beverage/Tobacco Processing

Prospects Top Five Industries

Manufacturing

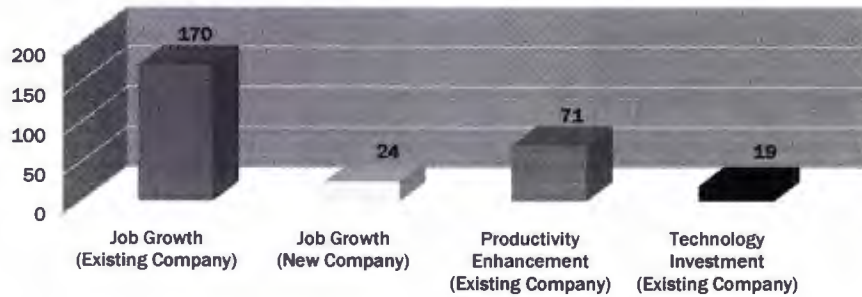
Headquarters

Business Support Services

Information Technology

Warehousing/Distribution

Total Active Projects by Company Status in North Carolina = 284







Training Focus: Specific to the Company

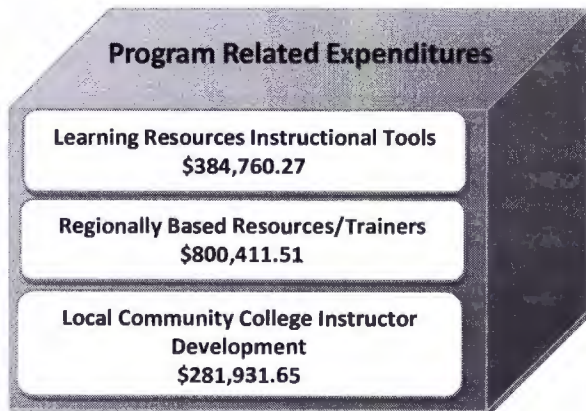
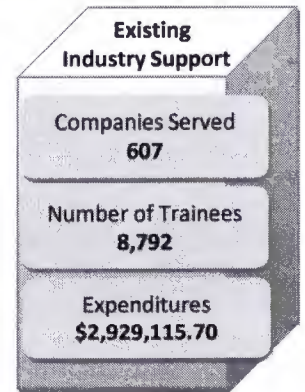
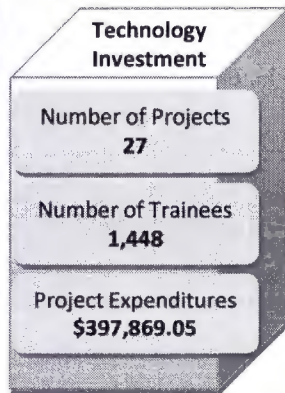
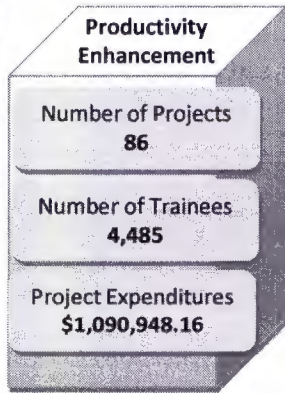
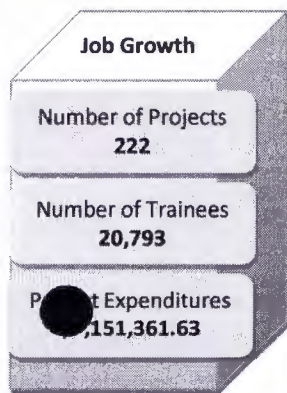
- Tied to National and Industry Certifications
- Safety
- Continuous Improvement
- Leadership Development
- Interpersonal Skills
- Technical Skills
- Transfer of Technology
- OEM Training





NCWorks Customized Training for New, Expanding and Existing North Carolina Companies: FY 2015-2016

Recognizing that a well-trained workforce is critical to a company's decision to locate, expand or remain in North Carolina, the NC Community College System was the first in the nation, more than 50 years ago, to provide company-specific training as an economic development tool. Whether a business adds jobs, identifies the need to expand by acquiring new equipment and machinery, or revamps itself by internally training its workforce, NCWorks Customized Training is equipped to ensure on-going success.





**Effectively...
Through
Education
And
Training**

Employees

- Engage and inform students
 - High School graduates
 - Non-traditional college students
 - Displaced workers
 - K-12 pipeline
 - Incumbent workers

Career
Centers,
Career
Fairs,
Career
Coaches

Employers

- Seek and respond to input regarding needs
 - Engage industry associations
 - Local/regional economic development leadership
 - Advisory Boards
- Work-based learning
 - Job-shadowing to Apprenticeships





Thank You



Division of Workforce Solutions
Connecting Talent to Jobs
And Jobs to Talent

*Catherine Moga Bryant
Deputy Assistant Secretary
Division of Workforce Solutions*

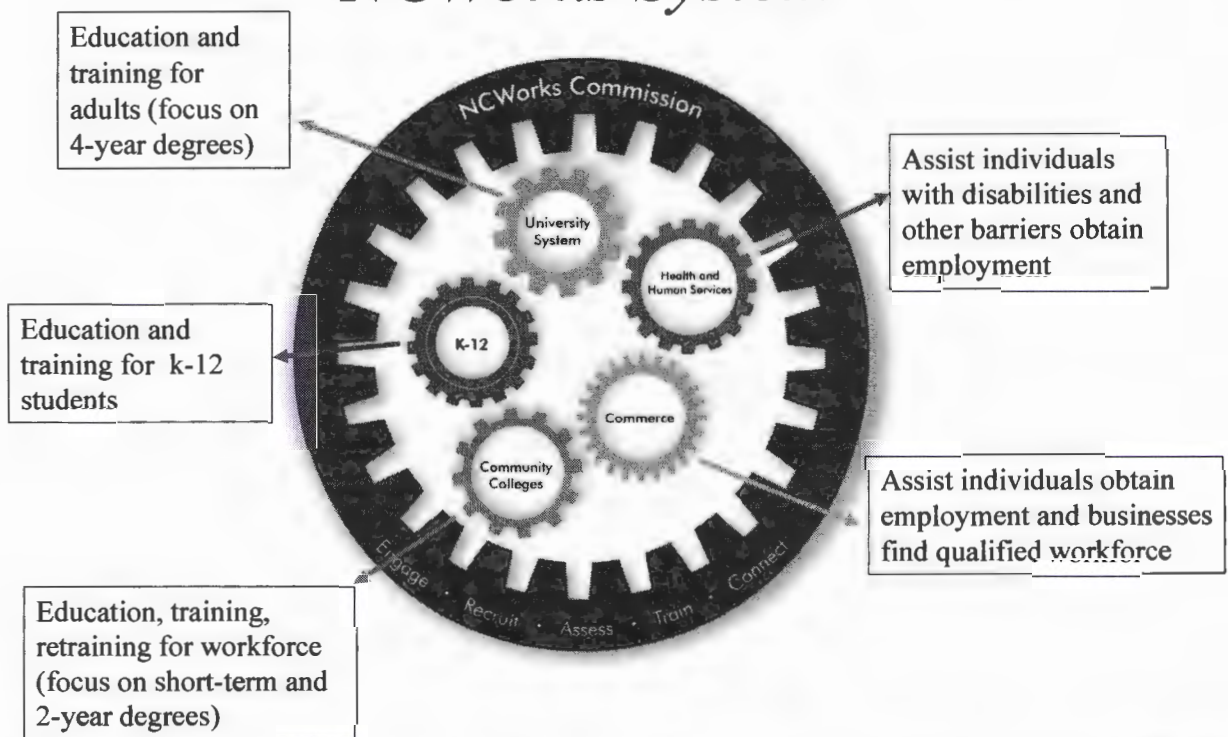


Presentation Overview

- NCWorks System
- Division of Workforce Solutions Programs and Funding
- NCWorks Apprenticeship



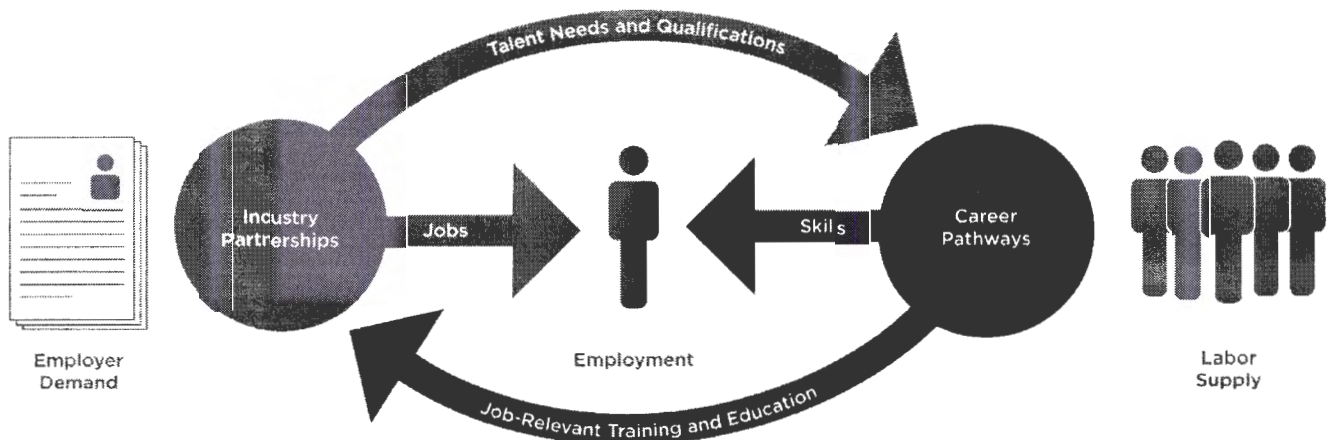
NCWorks System





NCWorks Certified Career Pathways

Provide a clear sequence of education courses, credentials, and training that meets the skill needs of high-demand occupations.





Division of Workforce Solutions

Mission:

*To develop North Carolina's workforce talent, help individuals advance their career opportunities, and meet business workforce needs by **connecting talent to jobs.***



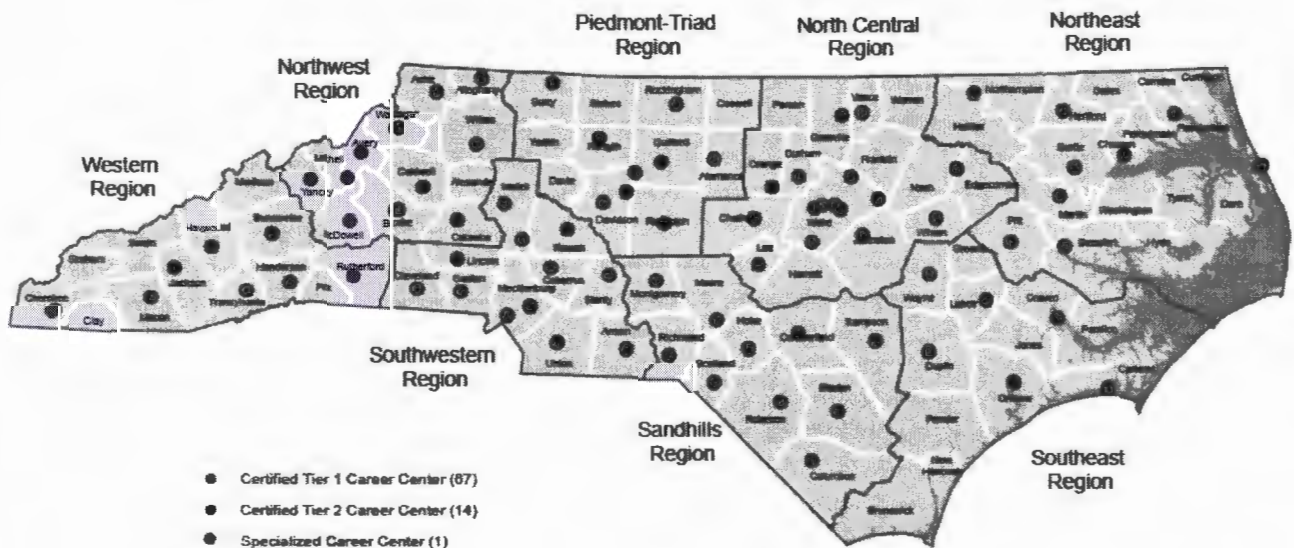
Division Priorities

- Closing the skills gap – helping more people gain education and skills to prepare for in-demand occupations
- Supporting businesses – developing talent pipelines to meet the needs of employers
- Improving NCWorks Career Center operations – strategic focus on operations to improve services to individuals and businesses





Certified NCWorks Career Centers

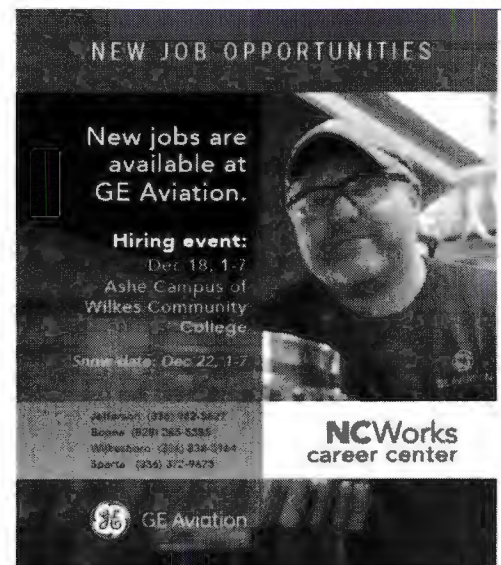




Division of Workforce Solutions – Business Services

Employer Engagement

- Understand current and future workforce needs
- Provide labor market information
- Post jobs to NCWorks Online
- Identify quality candidates – applicant screening and referrals
- Space to conduct interviews
- Assistance with job fairs
- Information on tax credits and federal bonding programs
- Develop pipeline of talent (work-based learning, apprenticeships)
- Layoff prevention services and transition planning

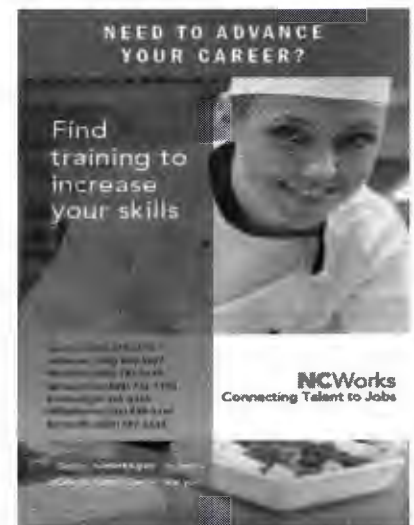




Division of Workforce Solutions – Job Seeker Services

Talent Identification and Development

- Meet with job seekers
- Career assessment and guidance
- Provide information on high demand jobs
- Assistance searching for jobs
- Resume and cover letter preparation
- Practice interviewing for jobs
- Access to job fairs and workshops
- Plan a career
- Connect to education and training programs to develop skills (classroom and on-the-job)



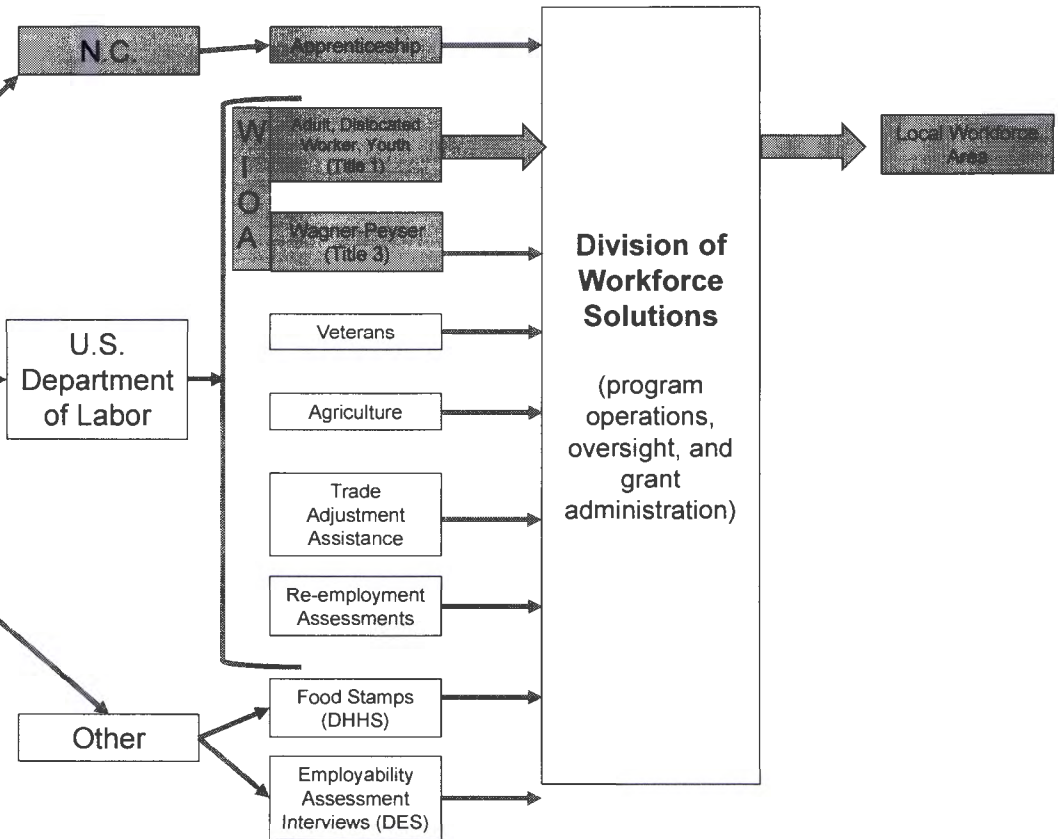
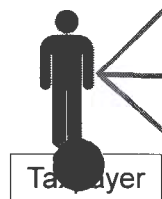


Division of Workforce Solutions – Specialized Job Seeker Services

- Unemployed
- Veterans
- Former offenders
- Individuals affected by trade
- Agricultural workers
- Young adults



Division of Workforce Solutions NCWorks Funding Overview





WIOA Title 1 Funding

Year (July 1 – June 30)	Allocated	Expended	Funds Remaining	Grant Expiration Date
2011-2014	\$82,508,000	\$82,508,000	\$0	Expired
2012-2015	\$79,693,525	\$79,693,525	\$0	Expired
2013-2016	\$88,563,084	\$88,563,084	\$0	Expired
2014-2017	\$95,115,772	\$93,480,895	\$1,634,877	June 30, 2017
2015-2018	\$83,206,678	\$66,654,866	\$16,551,812	June 30, 2018
2016-2019	\$78,581,499	\$17,298,643	\$61,282,856	June 30, 2019

Funding provided by U.S. Department of Labor to implement federal Workforce Innovation and Opportunity Act Title 1 activities.



NCWorks Apprenticeship



NCWorks Apprenticeship – Program Overview

Purpose: to help employers build a talent pipeline to meet their workforce needs

- Staff work with each employer, helping them determine the curriculum, length of program, and wages
- Apprentices learn the skills of an industry through a combination of classroom instruction and on-the-job training
- Apprentices are paid employees and earn money while learning



Program Overview

Funding:

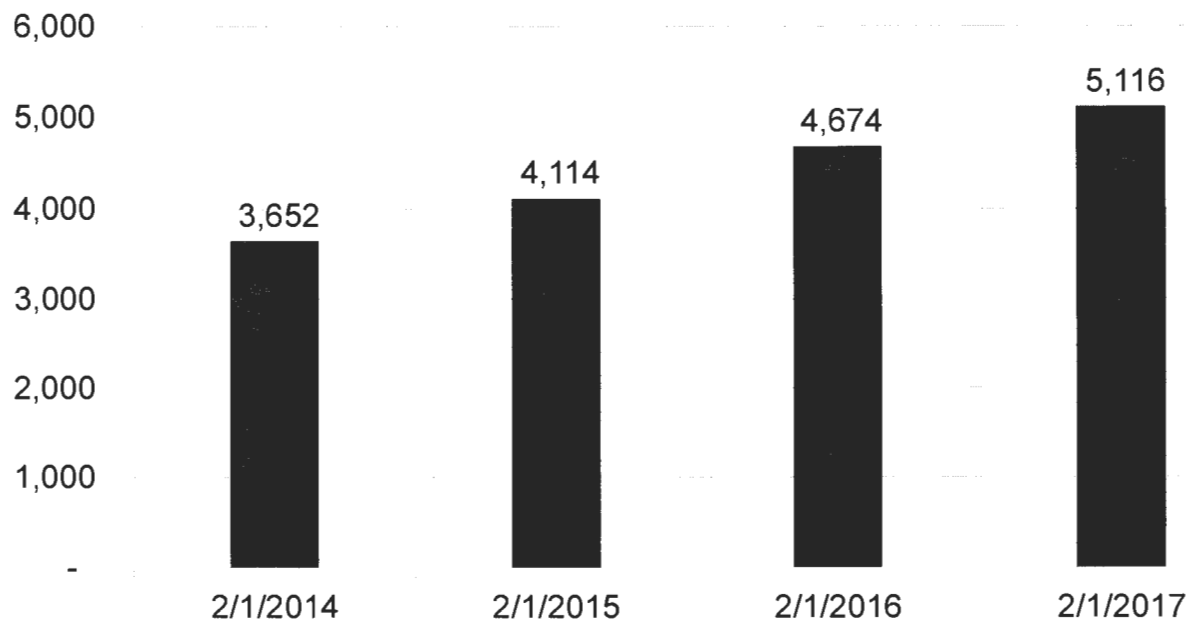
- \$1,350,000 – N.C. General Fund
 - \$850,000 recurring
 - \$500,000 non-recurring
- \$350,000 – Workforce Innovation and Opportunity Act

Apprenticeship USA Grants:

- \$200,000 accelerator grant
- \$1,050,000 expansion grant



Registered Apprenticeships





Questions?



**House Pages
Assignments**
Wednesday, March 22, 2017
Session: 2:00 PM

Committee	Room	Time	Staff	Comments	Member
Appropriations on General Government and Information Technology	425	8:30 AM	Colin Konieczka		Rep. Linda Hunt- Williams
			Garrett Penley		Rep. Julia Howard
Appropriations, Agriculture and Natural and Economic Resources	Other 423	8:30 AM	Joshua Babson		Rep. William Brisson
			Connor Scanlon		Rep. Joe John
Appropriations, Transportation	1027/1128	8:30 AM	Lily Ahlin		Rep. George Cleveland
			Blake Bellanger		Rep. Larry Bell



Senate Pages Attending

COMMITTEE: Jr. App. Education / Higher Ed. ROOM: 423 ?

DATE: 3-22 TIME: 8:30

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!!!!!!

Page Name	Hometown	Sponsoring Senator
1. Emily Dergaldsen	Chapel Hill	Senator Foushee
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



Committee Sergeants at Arms

NAME OF COMMITTEE Jt. Appropriations AGNER and Education

DATE: 3/22/17 Room: 424

House Sgt-At Arms:

1. Name: Bill Bass
2. Name: Jonas Cherry
3. Name: Mark Cone
4. Name: Rey Cooke
5. Name: Dean Marshbourne

Senate Sgt-At Arms:

1. Name: Terry Barnhardt
2. Name: Linda Matthews
3. Name:
4. Name:
5. Name:



Senate Pages Attending

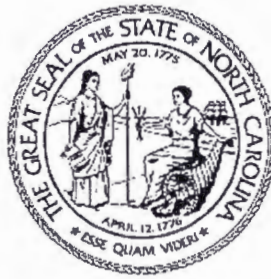
COMMITTEE: Jt. Apps. Agriculture Nat'l & Eco. Res. ROOM: 423?
DATE: 3-22 TIME: 8:30

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!!!!

Page Name	Hometown	Sponsoring Senator
① Darauna Davis	Norlina	A. Bryant
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.





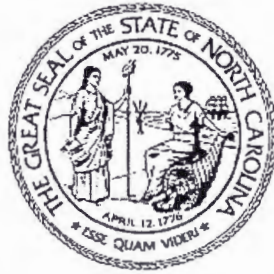
**Joint Committee on Appropriations, Agriculture and Natural
and Economic Resources and Education**

March 22, 2016 AM Room 423

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Will Collis	NC DEPT. of Commerce Div. of Workforce Solutions
Mark Edwards	NC DEPT. of Commerce; Workforce Solutions
William Moss Bryant	Commerce
Heather Horton	Commerce
Dave Efrid	"
Kevin Butterfield	"
Jill Cox	Communities IN Schools
Tracy Kimbrell	Parker Poe
W. Gardner Cefar	PPAP
Angele Maynard	NC Commission of Banks
Jenna Robinson	Martin Center
Kim Siawkes	NCKLA
Dana Guss	SA
Jon Lanier	NCDHHS
Andy Seibert	Rep Steve Gurt
Kathryn Joyce	"
Jenny Schill	NC Fisheries Assoc.
Drew Moretz	UNC GA





**Joint Committee on Appropriations, Agriculture and Natural
and Economic Resources and Education**

March 22, 2016 AM Room 423

PLEASE SIGN IN BELOW

NAME	FIRM OR AGENCY
Richard Boston	NC SBA
John Ann	Ed Consultant
Jennifer Haygood	NCCCS
Lisa Chapman	NCCCS
Maureen Little	NCCCS
Elizabeth H. H. H. H.	NCCCS
Sarah Korce	NC DOL
Jennifer Hargreaves	NC DOL
Laura K. Hargreaves	Vista Strategies
Sarah Hardin	NC EL
Bryan Conrad	OSBM
Betsy Bailey	CALC
Lexi Hargreaves	NC EMA
Anni Bacon	NCCCS
Chris Hargreaves	MHC
John Sme	NC FPL
Maghan Lewis	NC Chamber
Brian Hildreth	NC SPA

Tom West

NC ICH



VISITOR REGISTRATION SHEET

Jt.Appropriations AGNER, and Education

3/22/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Matthew Kerr	DRNC
Chloe Bossage	Ofc of State Superintendent
SUSAN HARRISON	XCDTSEA
JoAnne Honecutt	NCDPI
Scott Cooper	Committee
JASON JENSEN	JASON JENSEN
Robb Jansen	NCSTBE





AGENDA

JOINT MEETING: SENATE APPROPRIATIONS COMMITTEE ON EDUCATION/HIGHER EDUCATION AND HOUSE APPROPRIATIONS COMMITTEE ON EDUCATION

Thursday, March 23, 2017 8:30 a.m.
Legislative Office Building - Room 423

Senate Committee Co-Chairs

Sen. Chad Barefoot
Sen. David L. Curtis
Sen. Michael V. Lee

House Committee Co-Chairs

Rep. Hugh Blackwell
Rep. Jeffrey Elmore
Rep. John A. Fraley
Rep. D. Craig Horn
Rep. Pat B. Hurley

House Committee Vice-Chairs

Rep. Debra Conrad

Senate Committee Members

Sen. Deanna Ballard
Sen. Erica Smith-Ingram
Sen. Jerry W. Tillman
Sen. Joyce Waddell

House Committee Members

Rep. Cynthia Ball
Rep. Larry M. Bell
Rep. Cecil Brockman
Rep. Kevin Corbin
Rep. Susan C. Fisher
Rep. Rosa U. Gill
Rep. Holly Grange
Rep. Marvin W. Lucas
Rep. Henry M. Michaux, Jr.
Rep. John Sauls
Rep. Lee Zachary

1. Welcome and Opening Remarks

Representative Hugh Blackwell
Presiding Co-chair

2. Overview of Office of Early Learning

John Pruette, Executive Director
Office of Early Learning

3. Adjourn



House Committee on Appropriations, Education
Thursday, March 23, at 8:30 AM
Room 423

MINUTES

The House Committee on Appropriations, Education met at 8:30 AM on March 23 in Room 423. Representatives Ball, Bell, Blackwell, Conrad, Corbin, Fraley, Horn, Hurley, Lucas, and Michaux attended. Senators in attendance were Curtis, Lee, Tillman and Waddell.

Presiding Chair, Rep. Blackwell called the committee to order at 8:40 AM.

John Pruett, Executive Director, Office of Early Learning, NCDPI presented information from his division of DPI which addresses early learning. He provided a brief history of pre-K in North Carolina, the different programs that are included in early learning such as sensory support for the visually and/or hearing impaired, exceptional preschool children in the 3-5 year old age group and Title 1 preschoolers who are 4 years of age. He also discussed the qualifications of teachers in public early learning programs as opposed to the teacher qualifications in private institutions of early learning. A number of questions followed from committee members with particular interest on the success of these early learning programs and the incidence of fade out as the student moves into later grades. There were also discussions about teacher qualifications, the number of programs involved, the duplication and interfacing of programs and budgetary impacts.

Following questions, answers and discussion, Rep. Blackwell informed the committee that this would be the last Joint Education Appropriations meeting for a period of time. The committee chairs for each body will continue to meet to develop an education budget specific to their body. The Senate will then present its budget to the House for consideration and response.

There being no further business, the meeting adjourned at 9:55 AM.

Rep. Hugh Blackwell, Presiding



Dixie Riehm, Committee Clerk



ATTACHMENTS

John Pruitt, Executive Director, Office of Early Learning, NC Department of Public Instruction

1. NC Department of Public Instruction Office of Early Learning, Presentation fo the Joint Education Appropriations Committee



NC Department of Public Instruction Office of Early Learning

Presentation to the Joint Education Appropriations Committee

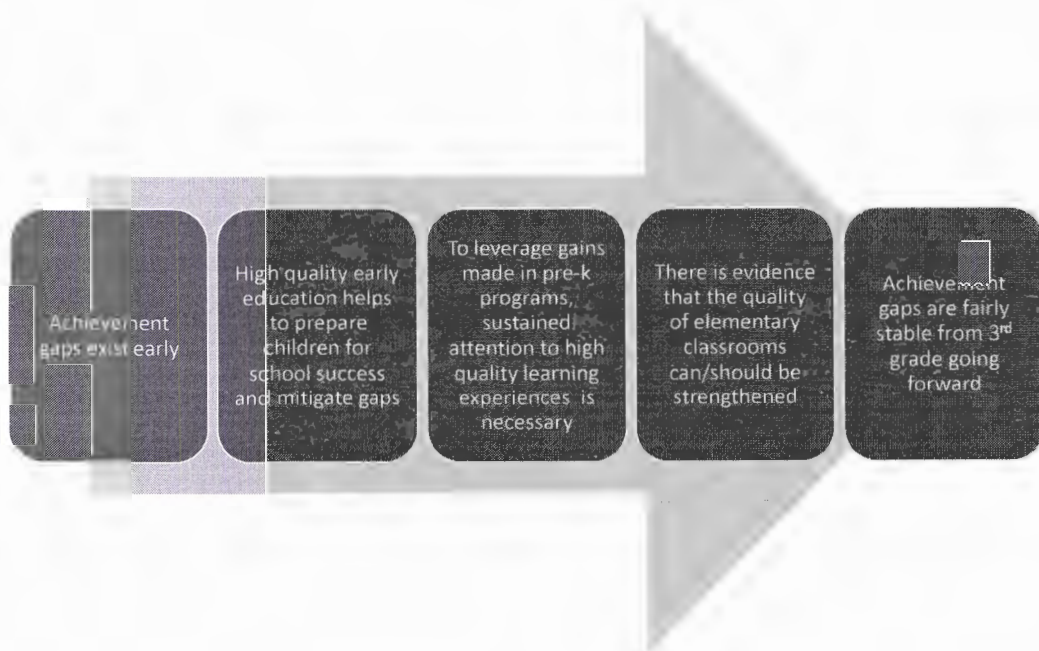
John Pruetto, Executive Director

3/23/2017

Agenda

- The role/component parts of the office
- History of state-funded pre-k in NC
- Other publicly funded early learning programs
- System collaboration







Agenda

- The role/component parts of the office
 - History of state-funded pre-k in NC
 - Other publicly funded early learning programs
 - System collaboration

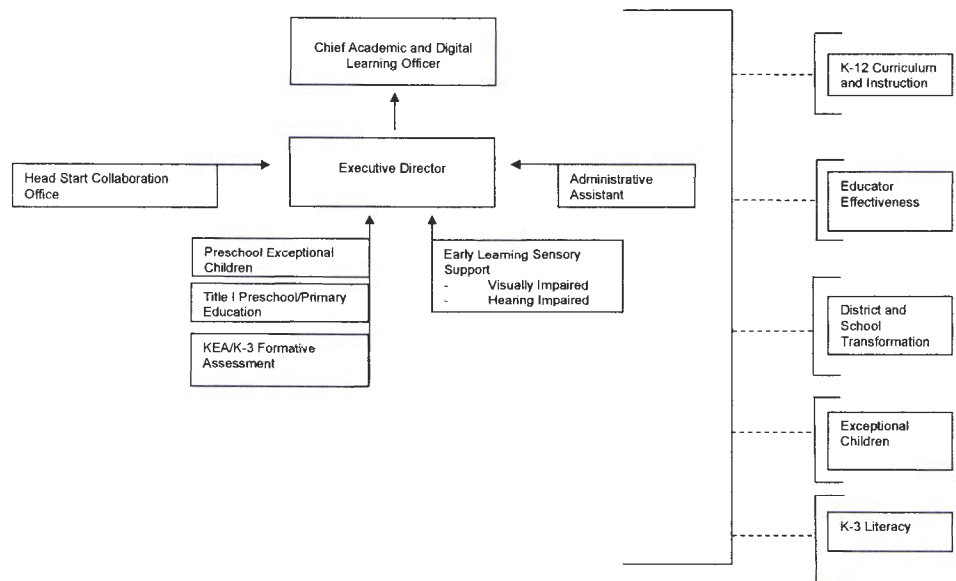


OEL Purpose Statement

- A strongly aligned, high-quality early learning experience increases success for all children in school and in life. Therefore, the OEL works to collaboratively reform and support a more coherent and aligned approach to teaching and learning from early care and education through the primary grades.



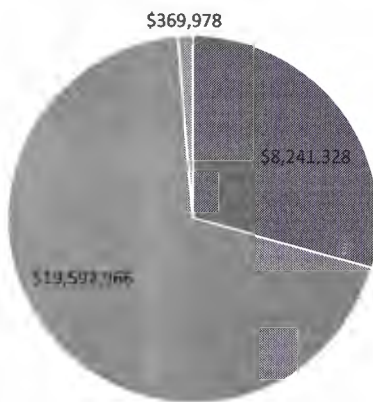
Office of Early Learning





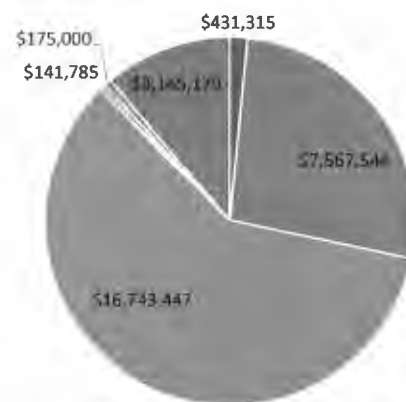
OEL 2016-2017

OEL Budget



■ STATE FUNDS ■ FEDERAL FUNDS ■ RECEIPTS ■

OEL Budget



■ Admin ■ ELSS ■ Part B ■ Title I ■ HS Collab ■ KEA/K3



Early Learning Sensory Support

- **Visually Impaired**

- Serves children 0-3
- Itinerant program
- ADM 390

- **Hearing Impaired**

- Serves Children 0-3
- Itinerant program
- ADM 361



Pre-kindergarten

Preschool Exceptional Children

- Serves children 3-5 with identified disabilities
- Itinerant/classroom based
- 12/1/16 headcount = 12,663

Title I Preschool

- Serves children aged four on/before August 31 of program year
- Classroom based
- 10,338 served (5,237 unduplicated)



HEAD START State Collaboration Office

- To strengthen collaboration between local Head Start grantees and the state/local education agencies and programs



KEA/K-3 Formative Assessment Process

- In response to legislation
- Formative (defined)
- Embedded in instruction/ authentic
- Across multiple domain of development
- Helps teachers understand where children are to inform instruction
- Leverages the best of what teachers do on a daily basis



Agenda

- The role/component parts of the office
- **History of state-funded pre-k in NC**
- * Other publicly funded early learning programs
- * System collaboration



State-funded Pre-kindergarten

- Initial Implementation and incubation (2001-2005)
 - Pilot phase
 - Rapid expansion
- Office of School Readiness envisioned (2005)
 - Set one common standard for pre-k in the state
 - Increase collaboration and coordination
- Office of School Readiness (2006)
 - Established in DPI
 - State-funded pre-k transferred to DPI to live with other pre-k efforts
 - Done in response to inter-agency recommendation
- Office of Early Learning (2010)
 - Evolution of the Office of School Readiness
 - Greater focus on the early education continuum
- State-funded pre-kindergarten moved to DHHS (2011)



Agenda

- The role/component parts of the office
- History of state-funded pre-k in NC
- **Other publicly funded early learning programs**
- System collaboration



Other Major programs

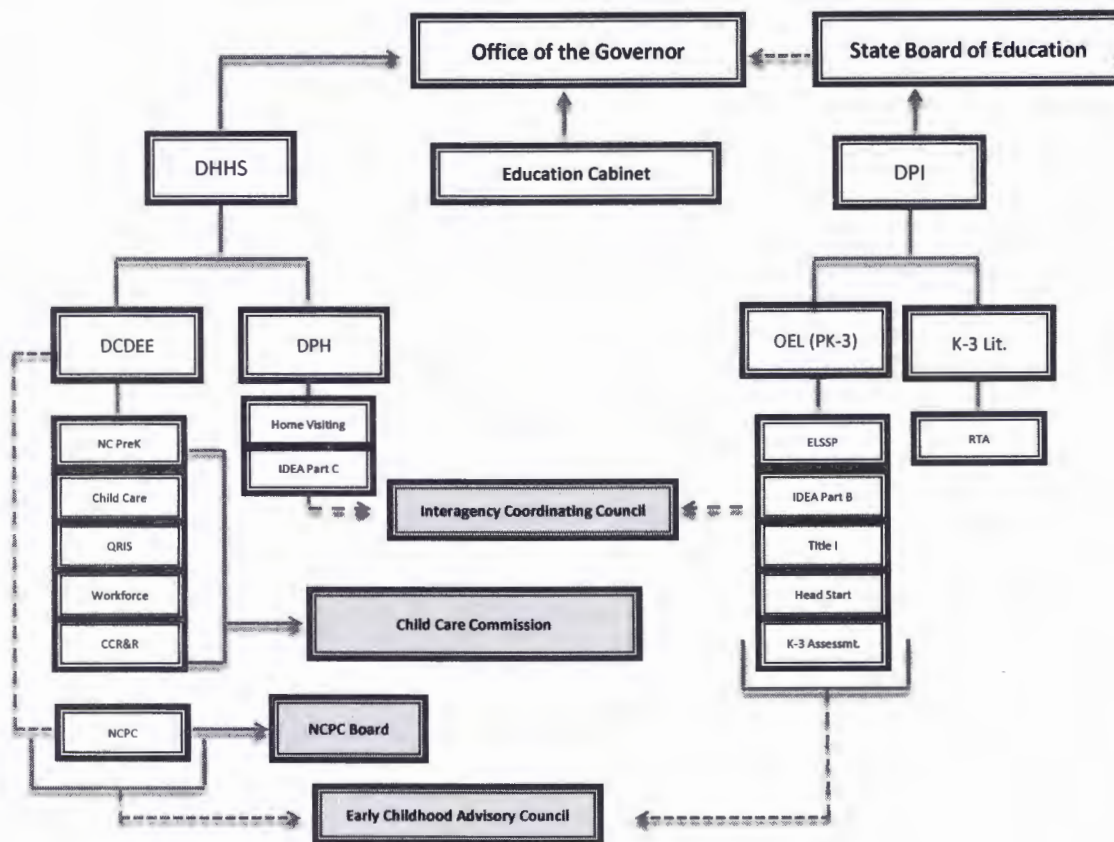
- NC Infant Toddler Program
 - provides supports and services for families and their children, birth to three who have special needs
 - Housed in DHHS/Division of Public Health
- Child Care Subsidy
 - provides financial assistance to eligible families to support parents' employment or education, child developmental needs, child protective services and child welfare services.
 - Housed in DHHS/Division of Child Development and Early Education
- Smart Start
 - provides planning, funding and services to improve the quality of and access to child care, access to health services for young children and family support services
 - Nonprofit organization, public/private partnership, state-funds pass through DHHS/DCDEE



Agenda

- The role/component parts of the office
- History of state-funded pre-k in NC
- Other publicly funded early learning programs
- **System collaboration**







Building a system...

2016 legislative session, NCGA included special provision language in budget bill requiring DHHS to work in consultation with DPI to:

- Collaborate on an on-going basis to develop and implement a statewide vision for early childhood education (defined as birth – grade 3)
- Develop and implement a standardized program to transition children from preschool to kindergarten

Reporting to the GA regarding both topics, including any findings, recommendations, and legislative proposals occurred Jan.1, 2017 and Dec. 15, 2016 respectively.



Early Childhood Education: A Statewide Vision

The submitted report capitalized upon the emphasis the legislature has placed upon the earliest years of children and the recognition these years play in building the foundation for future learning, growth and development.

- Unique opportunity to rethink our current system of early learning
- Build upon the latest science, leverage NC's strengths and move toward an aligned system of early care and education that is capable of producing the best outcomes for children



Why Birth through Grade 3 (B-8)

A strong continuum can help to answer three major policy challenges specific to education:

1. Maximize the gains from early childhood programs
2. Close the achievement gap in third grade and beyond
3. Reduce retention and dropout rates



Recommendation of the report was to define governance

Coordination through governance is necessary to build an effective and efficient system of early care and education.

- One authority for early learning standards, instructional practices and assessments, creating opportunity for strengthened alignment and support for children B-8.
- Coordinated and stream-line budgeting and operational decision-making that is driven by common goals and outcomes for children's success in school and in life.
- Ensured teacher/program quality through process of standards, oversight, and support.
- Increased accountability, both programmatic and fiscal.



Transition from Preschool to Kindergarten

Features of transition process:

- Leverages information (formative assessment) already collected in many preschool programs across NC.
- Aligns with domains of development measured by NC KEA.
- Creates a standardized process for transferring information from preschool programs to receiving kindergartens.
- Leverages existing county level transition committees.
- Provides opt-out for families.

Informed by a usability pilot consisting of a select group of counties, the process will be refined.

Per legislation, full reporting on the development of the standardized transition program will occur Jan. 2018





John Pruette, Executive Director

Office of Early Learning, NC Department of Public Instruction

301 N. Wilmington Street

Raleigh, NC 27601

[p] 919/807-3424

[E] john.pruette@dpi.nc.gov



Senate Pages Attending

COMMITTEE: Jr. App. Education/Higher Ed. ROOM: 423

DATE: 3-23 TIME: 8:30

PLEASE PRINT LEGIBLY!!!!!!!!!!!!!!....or else!!!!

Page Name	Hometown	Sponsoring Senator
1. ERIC WYIE	Garner	berger
2. Isabelle Merrifield	Asheville	Van Dugh
3.		
4.		
5.		
6.		
7.		
8.		

Pages: Present this form to either the Committee Clerk at the meeting or to the Sgt-at-Arms.



**House Pages
Assignments
Thursday, March 23, 2017
Session: 12:00 PM**

Committee	Room	Time	Staff	Comments	Member
Agriculture / Environment / Natural Resources	421	8:30 AM	Lily Ahlin		Rep. George Cleveland
			Colin Konieczka		Rep. Linda Hunt- Williams
Appropriations, Education	Other 423	8:30 AM	Autumn Brisson		Rep. William Brisson
			Kailey Gause		Rep. William Brisson
Appropriations, Transportation	1027/1128	8:30 AM	Blake Bellanger		Rep. Larry Bell
			Connor Scanlon		Rep. Joe John
Appropriations on Justice and Public Safety	415	9:00 AM	Joshua Babson		Rep. William Brisson
			Garrett Penley		Rep. Julia Howard
Homeless, Foster Care, and Dependency	1228/1327	9:00 AM	Akirah Graves		Rep. Rodney Moore
			Kayla Yarborough		Rep. Dean Arp



Committee Sergeants at Arms

NAME OF COMMITTEE Jt. Committee Appropriations on Education

DATE: 3/23/2017

Room: 423/424

House Sgt-At Arms:

1. Name: Jonas Cherry

2. Name: Rey Cooke

3. Name: Dean Marshbourne

4. Name: _____

5. Name: _____

Senate Sgt-At Arms:

1. Name: Terry Barnhardt

2. Name: Charles Marsalis

3. Name: _____

4. Name: _____

5. Name: _____



VISITOR REGISTRATION SHEET

Jt. Committee on Appropriations, Education

3/23/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Adam Prudence	NCABA
Robb Jansen	NCSBE
Rhaegan Jackson	Focus Carolina
Chris Broughton	MWC
Justin Jager	Ed Consultant
Terri Riddle	NCEL
Richard Bostic	NCSBA
Matthew Herr	DRNC
Mary Shuping	NCCS
Michael Leighs	NCPC

2

3

4

5

VISITOR REGISTRATION SHEET

Jt. Committee on Appropriations, Education

3/23/2017

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jonathan Kappler	UNC GA
DAVID POWERS	UNC BOG
Dr. Moretz	UNC GA
Mark Larnes	UNCW
Tom West	NCJCU
W. Gardner Culp	PPAB
Chloe Gossard	gc State Superintendent
Maia Fike-Martin	NC DPI/SBE
ADAM LEVINSON	NC DPI/SBE
Paula Beach	PPBA

100

100

100

100

100