

DRAFT Joint Appropriations Subcommittee on Education Budget Proposal 4/11/05

UNC System

	FY 05-06	FY 06-07
Recommended Budget	\$ 2,024,322,442	\$ 2,052,608,147

Reductions:

SREB Contractual Spaces	(\$169,600) R	(\$169,600) R
Eliminates funding for 16 vacant contracted spaces in optometry, dentistry and medical schools negotiated through the Southern Regional Educational Board. (7 dental, 7 medicine, and 68 optometry slots are currently filled with NC residents.)		

Need-Based Financial Aid	(\$23,975,714) R	(\$23,975,714) R
Continues funding the Need Based Financial Aid program from the Escheats Fund.		

Private Medical School Aid	(\$636,000) R	(\$636,000) R
Eliminates \$305,788 from the base budget and a \$330,212 projected increase for 05-06 based on data from the State Education Assistance Authority. The \$1.7 million remaining in the base budget will handle the growth in the number of NC residents attending Wake Forest University and Duke University medical schools.		

Medical Scholarships	(\$768,299) R	(\$768,299) R
Reduces the base budget by \$154,664 and eliminates a \$613,635 projected increase because recent data from the State Education Assistance Authority shows that \$1.56 million is sufficient to handle growth in the number of NC residents attending medical schools at ECU, UNC, WFU and Duke.		

State Contractual Scholarship Program	(\$545,800) R	(\$545,800) R
Adjusts the program budget to actual needs. Allows for 2.43% growth in enrollment of NC residents in the state's private colleges and universities and funds the enrollment of 575 NC residents at Johnson and Wales University. Continues the \$1,100 per student grant to the colleges.		

Model Teaching Education Consortium	(\$1,000,000) R	(\$1,000,000) R
Reduces funding for this program.		

Strategic Initiatives Reserve	(\$1,000,000) R	(\$1,000,000) R
Reduces this reserve fund from \$4 million to \$3 million.		

Distinguished Professors Endowment Fund	(\$2,000,000) R	(\$2,000,000) R
Reduces the state matching funds for the Distinguished Professor Endowment Fund from \$8 million to \$6 million per year.		

Building Reserves – Minimum Hiring Rate	(\$1,428,331) R	(\$3,005,393) R
Reduces the starting salary from the midpoint to the minimum of the pay range for positions related to the operation of new buildings opening during the fiscal year.		
Building Reserves – Completion Dates	(\$2,189,924) NR	
Adjusts the estimated completion dates for construction projects for information made available in March 2005. A delay in project completion results in a reduction in the number of months needed to staff and operate the new or renovated buildings.		
Center for Alcohol Studies	(\$250,000) R	(\$250,000) R
Reduces funding from the Center for Alcohol Studies from \$500,000 to \$250,000.		
Juvenile Justice Institute	(\$250,000) R	(\$250,000) R
Reduces the appropriation to this institute at NCCU from \$500,000 to \$250,000.		
Legislators' Schools for Youth Leadership Development	(\$498,975) R	(\$498,975) R
Abolishes the summer youth programs based at ECU and WCU.		
Non-credit and Receipt Supported Instruction	(\$684,532) R	(\$684,532) R
Eliminate General Fund subsidy of non-credit and receipt supported instruction on all campuses.		
Inflationary Adjustments and Equipment Replacement	(\$13,561,121) R	(\$15,978,363) R
Eliminates the inflationary adjustments and equipment replacement allowed by OSBM in the base budget. Remaining in the budget are adjustments to personal services, aid/grants, reserves and receipts.		
Vacant Positions	(\$25,570,894) R	(\$25,570,894) R
Eliminates 407.2 vacant positions (102.6 SPA, 37 EPA non-faculty, and 267.6 EPA faculty). This was submitted by the University as part of their 4% reduction target.		
Filled Positions	(\$19,205,203) R	(\$19,205,203) R
Eliminates 348.5 filled positions (184.5 SPA, 47.5 EPA non-faculty, and 116.5 EPA faculty). This was submitted by the University as part of their 3% reduction target.		
Temporary/Contracted Wages	(\$1,276,302) R	(\$1,276,302) R
Reduce temporary and contracted personnel on all campuses. This was submitted by the University as part of their 4% reduction target.		
Instructional Support Services	(\$6,536,099) R	(\$6,536,099) R
Reduces the non-personnel budgets in instruction, libraries, and instructional support services. This was submitted by the University as part of their 4% reduction target.		
Community Service/Outreach	(\$1,850,450) R	(\$1,850,450) R
Reduces the non-personnel budgets in community service and outreach. This was submitted by the University as part of their 4% reduction target.		
Student Support Services	(\$2,172,686) R	(\$2,172,686) R
Reduces the non-personnel budgets in student support services. A cut was not made in aid to private colleges and other related educational programs. This was submitted by the University as part of their 4% reduction target.		

Administrative Support Services (\$8,418,747) R (\$8,418,747) R

Reduces the non-personnel budgets in Administrative Support Services. This was submitted by the University as part of their 4% reduction target.

Summer School (\$3,658,515) R (\$3,658,515) R

Eliminate General Fund subsidy of Summer School.

Expansion Items:

Enrollment Growth for UNC Campuses \$72,753,678 R \$72,753,678 R

Funds the following enrollment growth in student FTE: 3,703.2 undergraduate and 283.5 graduate regular term students and 1,518.2 undergraduate and 1,416.9 graduate distance education students. The 6,921.8 added students is a 3.65% increase over Fall 2004 enrollment of 189,615.

Legislative Tuition Grants for Private College Students \$1,395,488 R \$1,395,488 R

Funds a 2.43% increase in enrollment growth in NC residents attending private colleges and universities in the state (to 32,570). Accommodates the enrollment at Johnson & Wales University and students no longer funded by Fort Bragg. Continues the LTG rate at \$1,800 per student.

Need-Based Financial Aid

Funds the expansion in the Need-based scholarship program from the Escheats Fund. \$8,674,000 is needed due to enrollment growth and \$3,200,000 is needed due to the student loss of Pell Grant funds from a formula change. The Escheats Fund will also continue to pay \$1.1 million for the Health Science and Math Loan Program.

Millennium Teacher Scholarship Loan Program

Funds \$390,000 for the second class of 60 teaching scholars at ECSU, FSU, and WSSU. This was inadvertently left out of the base budget. This program is funded from the Escheats Fund.

UNC-NCCS 2+2 E-Learning Initiative \$1,000,000 NR

Provides funding for developing 2+2 distance education programs, for professional development for 2+2 faculty, for technology development and purchases, and for tracking students' progress between NCCS and UNC. The Community College budget includes an additional \$1 million to support the community college side of this initiative.

UNC-NCCS Joint Initiative for Teacher Education and Recruitment \$640,000 R \$640,000 R

Creates 8 UNC positions to be based in the Regional Alternative Licensure Centers to support expansion of the 2+2 Partnership Programs between UNC and NCCS constituent institutions, to offer admissions advice to community college students seeking to transfer to a four year teacher education program, to work with prospective teachers to resolve curriculum issues between UNC and community colleges, and to recruit prospective teachers on community college campuses.

CFNC Teacher Recruitment and Marketing Online Module \$25,000 R \$25,000 R

Funds a teacher recruitment module on the College Foundation of North Carolina (CFNC) website. The module would provide future teachers with a single source for information concerning

education and licensing requirements; grants, scholarships, and loans; and on-line applications for admissions and financial aid.

Biotechnology Initiatives \$4,000,000 R \$4,000,000 R

Appropriates \$2 million to the Biomanufacturing Research Institute and Technology Enterprise (BRITE) at North Carolina Central University and \$2 million to the Biomanufacturing Training and Education Center (BTEC) at North Carolina State University. Part of the funds are for scientific equipment and supplies needed for startup that were not funded by the construction grant from Golden LEAF Foundation. Funds will also be used to begin hiring administration and research personnel.

UNC TV Closed Captioning \$483,978 R \$483,978 R

Enables the UNC Center for Public Television to meet a Federal Communication Commission mandate to provide closed captioning on 100% of its content by January 1, 2006. UNC TV must comply with FCC requirements in order to retain its broadcast license.

William and Ida Friday Institute for Educational Innovation \$1,000,000 R \$1,000,000 R

Provides a reserve for staff, operations, and maintenance costs of the new facility constructed on North Carolina State's Centennial Campus adjacent to Wake County's Centennial Campus Middle School.

Teacher Scholarship for Math and Science \$650,000 R \$1,300,000 R

Create the Future Teachers of North Carolina Scholarship Fund. This fund will award 100 scholarship loans each year to juniors and seniors in North Carolina public and private colleges that agree to become certified to teach math, science, special education, or English as a Second Language in North Carolina public schools. The loan is \$6,500 per year and is not repaid if the recipient teaches for three years in the state.

NC School of Science and Math University Tuition \$585,565 R \$1,523,183 R

Funds the continued costs of the UNC tuition grant to graduates of the School of Science and Math that began in FY 2004-05. The base budget inadvertently left out funding for future graduates.

North Carolina in the World Project \$200,000 NR

Makes a grant to the Center for International Understanding for the project "North Carolina in the World: A Plan to Increase Student Knowledge and Skills about the World."

Manufacturing Extension Partnership \$150,000 NR

Increases state funding to this program within the Industrial Extension Service that assists small manufacturers to become more globally competitive.

NCA&T State University Matching Funds \$1,089,000 R \$1,089,000 R

Increases the campus match of federal funds from 80% to 90% for agricultural research and extension programs as mandated by the Agricultural Research, Extension, and Education Reform Act of 1998. The funds are appropriated to the School of Agriculture and Environmental Science.

North Carolina Space Grant Consortium \$200,000 R \$200,000 R

Provides funds to expand the program beyond the current participating universities (NCSU, NCA&T, NCCU, UNC-CH, UNCC, UNCP, WSSU, and Duke). The program attempts to attract students to science and engineering degrees by providing undergraduate scholarships, graduate fellowships, research seed grants, and community outreach.

Focused Growth Campus Funds \$2,500,000 R \$2,500,000 R
Provides additional funds to be evenly divided among the seven focused growth institutions.

Initiatives to Close the Achievement Gap \$300,000 R \$300,000 R
Appropriates funds to the Board of Governors to continue to support the operations and work of the North Carolina Historically Minority Colleges and Universities consortium. The Consortium will determine the best practices and methodologies for closing the achievement gap among children of various demographic groups who are performing below grade level.

Center for Craft, Creativity and Design \$200,000 R \$200,000 R
Provides operating funds for this center located on UNC-A's Kellogg Center property in Henderson County. The Wingate Foundation has made a proposal to establish a \$5 million permanent endowment to fund graduate scholarships contingent upon the Center obtaining state operating funds.

Total Legislative Changes (\$29,634,559) R (\$32,041,245) R
(\$839,924) NR

Revised Budget \$1,993,847,959 \$2,020,566,902