

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE DRS55234-LE-134 (03/30)

Short Title: Community College Efficiency Initiatives.

(Public)

Sponsors: Senator Rucho.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT COMMUNITY COLLEGE EFFICIENCY INITIATIVES.  
3 The General Assembly of North Carolina enacts:

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5 **USE OF OVERREALIZED RECEIPTS TO SUPPORT ENROLLMENT GROWTH**  
6 **RESERVE RATHER THAN EQUIPMENT RESERVE**

7 **SECTION 1.** G.S. 115D-31(e) reads as rewritten:

8 "(e) If receipts for community college tuition and fees exceed the amount certified in  
9 General Fund Codes at the end of a fiscal year, the State Board of Community Colleges shall  
10 transfer the amount of receipts and fees above those budgeted to the ~~Equipment Reserve~~  
11 Fund-Enrollment Growth Reserve. Funds in the Enrollment Growth Reserve shall not revert to  
12 the General Fund and shall remain available to the State Board until expended. The State Board  
13 may allocate funds in this reserve to colleges experiencing an enrollment increase greater than  
14 five percent (5%) of budgeted enrollment levels."

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16 **TWO PERCENT (2%) OF BUDGET MAY BE CARRIED FORWARD**

17 **SECTION 2.(a)** Each college may retain and carry forward into the next fiscal year  
18 up to two percent (2%) of its final fiscal year General Fund appropriations. Funds retained by  
19 the colleges shall be used for the purchase of equipment, initial program start-up costs  
20 including faculty salaries for the first year of a program, and one-time faculty and staff  
21 bonuses. These funds shall not be used for continuing salary increases or for other obligations  
22 beyond the fiscal year into which they were carried forward. These funds shall be encumbered  
23 within 12 months of the fiscal year into which they were carried forward.

24 **SECTION 2.(b)** G.S. 115D-31.3(i) does not apply to the provisions of this section.

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26 **EFFECTIVE DATE**

27 **SECTION 3.** This act becomes effective July 1, 2011.

