

**Education Agencies'**  
**Budget Requests**  
**for FY 2012-13**

March 1, 2012

The Honorable Beverly Perdue  
Governor, State of North Carolina  
Office of the Governor  
116 West Jones Street  
Raleigh, North Carolina 27603-8001

Dear Governor Perdue:

The State Board of Education would like to thank you for your efforts to support our public schools and initiate solutions that will bring needed resources to all of our public education institutions. The State Board will work closely with you as you work tirelessly to institute a sales tax to support education. Thank you for your leadership.

Attached are the Supplemental Budget needs for our public schools that have been reviewed and approved by the State Board. At your request, we have capped the list of expansion items to 2%. Before reviewing the key initiatives outlined in the attachment, we would like to emphasize several items that are of extreme importance but not included in the document.

### **LEA Adjustment**

The LEA Adjustment (negative reserve) is scheduled to increase \$74,076,032 in FY 2012-13 to a total of \$503,067,940. The level of this negative reserve requires the LEAs and charter schools to identify and return 6.8% of the funds appropriated to them before they can establish an operating budget. As you know, last year's LEA Adjustment of \$428,991,908 removed 4,200 teachers from our schools, over 4,300 teacher assistants from our K-3 classrooms, and millions of dollars from support programs. These reductions removed needed adults from our classrooms and necessary support for our teachers. Until we eliminate this hole in the Budget, our public schools will not be able to provide the level of services required to ensure that our students obtain the proficiencies to be successful. Please work to eliminate the LEA Adjustment.

### **Salary Increases**

We know you are aware of the need for our teachers and school employees to receive a pay increase. They have taken on expanded roles and more students as they have had to manage the major budget reductions placed on our public schools. We look forward to supporting your efforts to obtain a pay increase for these valuable employees. A 3% pay increase for all public school employees is approximately \$210 million (a 1% for teachers is \$54 million).

The Honorable Beverly Perdue  
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The attached document outlines the Expansion items the State Board would like to include in the Supplemental Budget. They represent funds for assessments to align with current statutes and policies, important funding to fully support currently underfunded initiatives, restoring important funding necessary to support our teachers, and additional funding to establish innovative schools. While the information is not listed in priority order and the list is limited to next year's supplemental funding needs only, we believe that it is important to include each item in any Expansion Budget. We would like to emphasize a few of the items.

- The multiple years of cuts to textbooks have made it difficult for our public schools to transition to digital material and obtain instructional support materials in our classrooms. To successfully implement the classroom applications and prepare students to be successful with our new standards, we must have funding for these materials.
- Funding for K-3 diagnostic assessments and the ACT, Plan, Explore, and WorkKeys that are in place this year but are not currently funded for FY 2012-13.

We would also request that you look at repealing the Liability Insurance for Public School Personnel (\$3.7 million) that was placed in our Budget in the last session. We believe that this service is best delivered by organizations or agencies where such a program is more in line with their core missions.

Thank you for considering our supplemental budget items. If you need any additional information, please let us know.

Sincerely,

William C. Harrison

June St. Clair Atkinson

WCH/JSA/pwp

Attachment

## Supplemental Budget Requests to Consider for 2012-2013

2012-13	Description
1 \$ 7,500,000	<p><u>ACT (Ready, Set, Go!)</u> - Funding for all 8th graders to take EXPLORE, all 10th graders to take PLAN, and all 11th graders to take the ACT. <b>ACT (\$4.67 m):</b> All public and charter school students who are enrolled in grade 11 (according to NCWISE) are required to take the ACT. Students who have a significant cognitive disability and receive instruction in the Extended Content Standards, students deemed medically fragile because of a significant medical emergency and/or condition and unable to participate in testing and, students who took the SAT or ACT prior to March 6, 2011 with scores that meet the ACT benchmark are not required to take the ACT. <b>PLAN (\$918 k):</b> All public and charter school students in grade 10 (according to NC WISE) will participate in PLAN. The same exceptions for ACT apply to PLAN. <b>EXPLORE (\$1 m):</b> All public and charter school students in grade 8 (according to NC WISE) will participate in EXPLORE. The same exceptions for ACT apply to EXPLORE. <b>WORKKEYS (900k):</b> All public school students who are enrolled in Grade 12 (according to NC WISE) and are identified in NC WISE as Career and Technical Education (CTE) concentrators are required to complete WorkKeys assessments. The same exceptions apply; but, with the addition of</p>
2 \$ 1,130,000	<p><u>Governor's School</u> - Restore to 100% State funded for 800 participants on two campuses. If we discontinue the \$500 tuition, the Budget would need to be \$1,530,000.</p>
3 \$ 2,650,000	<p><u>Additional Testing Needs:</u> <b>\$1.5 million</b> for scoring of student's constructed responses on the new English II End-of-Course Test which is aligned with the Common Core State Standards. The English II assessment is required by No Child Left Behind. <b>\$900k</b> for Development of cut scores and achievement level descriptors for accountability reporting and to meet federal requirements for assessments. <b>\$175k</b> to develop a vertical scale for score reporting for mathematics and English language arts in grades 3-8. <b>\$75k</b> for replacement of computers to be used by LEA and staff.</p>
4 \$ 1,005,993	<p><u>NCVPS:</u> Currently all NCVPS administration costs, \$2.9 million and are covered via a dollar reduction to LEAs and charter schools (based on grades 7-12 ADM). Rather than continue to increase the impact on schools, it is recommended that we obtain additional State funding to appropriately cover the needed instructional support and quality assurance created by an increased NCVPS student population. This request would cover 7 additional staff members and the supporting costs associated with them (1 admin, 1 personnel analyst, and 5 ed consultants).</p>
5 \$ 1,600,000	<p><u>Reserve for Children with Disabilities:</u> Currently \$3.4 million is budgeted to cover the costs for increased identified students moving into a LEA or to help cover high cost services for identified students. We request that the reserve also be utilized to cover the costs of the successful blended learning module that allows NCVPS teachers to team with face to face professionals to enhance the education delivery and success of students with disabilities. The amount of participation varies from year to year which makes it difficult to fund outside of an established reserve or direct funding stream.</p>

## Supplemental Budget Requests to Consider for 2012-2013

2012-13	Description
6 \$ 20,000,000	<u>Healthy Students Initiative</u> - Provide support to individual schools' lunch programs which are partially funded from meal charges to students, federal funds for eligible students and local supplements. Meal programs insure that students perform better in school, have fewer absences, and are healthier overall thus contributing to higher graduation rates and reduced healthcare costs for NC. Current burden on local budgets and meal prices is excessive due to a lack of State funding support.
7 \$ 105,000	<u>EVAAS</u> - The current EVVAS contract is in two parts. The Teacher Level Evaluation modules (\$750,000) and the analyses of student achievement data (\$1,095,000). The agreed to funding level for the analyses of student achievement data is \$1.2 million. Current appropriations are short \$105,000 .
8 \$ 430,000	<u>EVAAS - Enhanced Reporting Capabilities.</u> EVAAS has developed two enhancements to facilitate exporting of data and web-enabled teacher reports. The <b>export function</b> (\$180k) will allow LEAs and charters to download data files with value-added information from EVAAS. They can then merge the dataset with other pieces of information (for example, teacher evaluation results) in order to conduct analysis on the growth of students in the districts. Currently, the data can only be printed in a series of set reports. The <b>teacher reports</b> (\$250k) will provide every teacher with EOG/EOC data with an EVAAS user name and password. Each educator can then access the information to view value-added data, select various visual ways of presenting the information, and run a series of reports on their data. Currently, teachers receive a PDF file from a site administrator with their value-added data. They don't have access to the actual online system.
9 \$ 3,564,956	<u>Diagnostic Assessment (Math and Reading) in Grades K-3 - Continue Reading 3D</u> , which is a complete formative assessment system for elementary students. Teachers assess students using quick universal screening indicators of early skill development and use deeper observations with authentic text to diagnose student concerns. The handheld devices create a paperless and efficient way to assess students and help teachers analyze data to guide daily instruction. Teachers and administrators have immediate access to student, class, school, and district level data and reports. The assessments will be in 480 schools (all K-3 students in those schools and 20% of 4th and 5th grade students in those schools). The service will touch approximately 156,561 students and 6,662 teachers. The costs are for three requirements. Subscription services @ \$18 per student (\$2.8 million); Training for teachers (\$391k); an DIBELS next assessment kits @ \$53.35 per teacher (\$355k).
10 \$ 14,619,149	<u>Additional funding for the 5 instructional days-</u> Legislation required 5 additional instructional days, however did not provide any additional funds for the school districts for these days. Additional costs include transportation, substitute and teacher assistant costs. Transportation costs are estimated at \$10.1m. Substitute costs at \$1.2m. An estimated 30% of the LEAs currently employ the TAs for instructional days only, so the 5 additional days is estimated to increase the costs for these employees by \$3.3m.

## Supplemental Budget Requests to Consider for 2012-2013

2012-13	Description
11 \$ 2,561,326	<p><u>Funding for cooperative innovative high schools (CIH)</u>- Legislation states that cooperative innovative high schools may not be approved without legislated funding. Wake County has requested to open 2 CIH Early Colleges at William Peace University in August 2012, and Guilford requested 1 CIH Early College at NC A&amp;T. Funding request is for 3 principals and \$307,650 in recurring funds for each school for professional development and other support costs. Wake County Schools and Guilford County Schools included a schedule for college estimated tuition reimbursement at the three requested schools. Students will begin taking college courses in 2013-14, therefore, programs costs will increase each year. Costs for the three schools in the first year are approximately \$1.2m increasing to an estimated \$7.2m in year 5. Guilford County Schools also submitted a request for tuition reimbursement for 5 existing CIH schools of \$1,362,698.</p>
12 \$ 158,750	<p><u>MS Information Technology Academy Certiport Testing Site Licenses</u> - NCDPI is the first state educational agency in the country to pilot a statewide implementation of MS Information Technology Academy (ITA), which provides students with real-world technology skills needed to be successful in college and a career and to earn industry certifications. North Carolina is the largest ITA in the world with our high school students and faculty earning 8,944 certifications during the 2010-2011 SY and 19,934 certifications through 1/25/2012. Much of the MS ITA courseware has been integrated into the Career &amp; Technical Education Course of Study and consists of web-based modules and instruction, which allows students to learn Microsoft computer programs, such as MS Word, Excel, PowerPoint, Access, SharePoint and other Network applications at their own pace within the classroom and at home. To facilitate testing and earning MS Certifications, NCDPI contracted with <b>Certiport</b> to provide 100 testing centers across the state the first two years of the MS IT Academy. Funding these Certiport sites will allow students to continue to gain valuable MS certifications and save the LEAs' funds through economies of scale. The statewide <b>Certiport</b> agreement is</p>
13 \$ 76,500,000	<p><u>Textbooks</u> - Reinstate the \$76.5 million non-recurring cut to textbooks, which will make the total appropriation \$103.7 million. Per G.S. 115C-85, "... "textbook" means systematically organized material comprehensive enough to cover the primary objectives outlined in the standard course of study for a grade or course. Formats for textbooks may be print or nonprint, including hardbound books, softbound books, activity-oriented programs, classroom kits, and technology-based programs that require the use of electronic equipment in order to be used in the learning process."</p>

## Supplemental Budget Requests to Consider for 2012-2013

2012-13	Description
14 \$ 200,000	<p><u>Charter Schools</u> - Senate Bill 8 short titled " No Cap on Number of Charter Schools" provides an opportunity for an indefinite number of additional charter schools to be established in an academic year. To ensure that the Department of Public Instruction can continue to effectively provide guidance and technical assistance to the existing <b>Charter Schools</b> as well as newly established charter schools (G.S. 115C-238.29J), <b>two</b> additional staff positions will be needed. Additional staff needs are based upon the anticipated number of schools established each year. Nine (9) new schools have been approved with a possible 30 to be reviewed and evaluated.</p>
15 \$ 19,101,995	<p><u>Professional Development and Support of Public School Teachers</u> - Restore \$3 million recurring cut to the <b>North Carolina Center for the Advancement of Teaching (NCCAT)</b>, which would bring the total budget to \$6 million. NCCAT provides professional development services for teachers. Reinstate full \$3.5 million funding for the <b>Teaching Fellows Fund</b>, which provides scholarships to 500 NC high school seniors in an effort to recruit them into the teaching profession. Reinstate full \$12.6 million funding for the <b>Staff Development</b> allotment, which supports local school districts' efforts in providing professional development.</p>
<hr/> \$ 151,127,169	Total
Base Funding \$	7,444,122,100
Total Request	2.0%

### **Special Provision Request:**

The item related to minimizing the impact of a large student population transferring from a local education agency to a charter does not need to be included in the Expansion Budget request to OSBM. The Department of Public Instruction will present multiple options along with the impact of those options at the April State Board meeting.

## Restore North Carolina's workforce by reinvesting in North Carolina's community colleges

*Enrollment in North Carolina's community colleges grew 28.5 percent from 2007-08 to 2010-11, while per student funding from state appropriations dropped 21 percent. As our economy begins to turnaround, community colleges need your support to restore North Carolina's workforce.*

**Restore** community colleges' ability to focus on business and industry demands and student success **by restoring over \$80 million in "management flexibility" reductions.** To keep North Carolina competitive, community colleges need the resources to respond to community demands. Recent "management flexibility" cuts have greatly reduced that capacity and are decreasing the nimbleness that our colleges' business partners depend on for quality workforce education and training. Each college can readily identify the impact these restored funds would have on their local programs, communities and students.

**Reinvest:** No one expected the unprecedented enrollment growth of the last three years to continue long term. Since community colleges are funded for the previous year's enrollment and, in 2011-12, our colleges, overall, are seeing a modest decline in enrollment numbers, an estimated \$12.1 million in enrollment growth funds may be available for 2012-13, dollars that could be reinvested in other community college education and training priorities. **Reinvesting \$12.1 million budgeted enrollment growth dollars in our state's 58 colleges would:**

- **Strengthen STEM emphasis** – Fund math courses at same level as science, engineering and technology, giving colleges much-needed dollars to enhance math instruction: **\$4.2 million**
- **Keep cost of training opportunities in check** – Forego scheduled increase in workforce continuing education fees and open the door for more North Carolinians to learn new skills: **\$664,509**
- **Increase student access and success** – Adjust multi-campus funding formula to provide support to help students succeed at every community college campus: **\$2.9 million**
- **Enhance colleges' capability to meet community workforce needs** – Reduce additional scheduled budget cuts, lessening the need to cut deeper into classrooms: **\$4.3 million**





# The University of North Carolina

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THOMAS W. ROSS, President

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The University of North Carolina

March 9, 2012

## MEMORANDUM

TO: Governor Beverly Perdue  
President Pro Tempore Phil Berger  
Speaker Thom Tillis  
Co-Chairs of Senate and House Appropriations  
Co-Chairs of Senate and House Appropriations. Subcommittee on Education

FROM: President Thomas W. Ross

RE: University of North Carolina Budget Priorities, 2012-13

Attached for your consideration are the budget priorities of the University of North Carolina for the 2012-13 fiscal year, as approved by the UNC Board of Governors this week.

This budget is lean, focused, and prioritized. It reflects a commitment to operate more efficiently with a heightened emphasis on performance metrics to ensure student success. These budget priorities balance the Board's statutory responsibility to make the University's needs known to the General Assembly with the realities of the State's current economic circumstances. We understand the fiscal constraints of the State and stand ready to partner with you to focus funding on the highest priorities.

Our most critical operating priorities for the coming session include funding for enrollment growth linked with performance-based funds to encourage and reward student success and operating efficiency. We also seek adequate funding for State Grants for North Carolinians.

Other critical needs include funding to help our campuses recruit the very best faculty to maintain our competitive edge and to retain our existing talented faculty who are being aggressively recruited by other institutions. Faculty members recruited away often take significant research funds with them when leaving the University. State funding needed to match private gifts that create distinguished professorships is also essential to our faculty recruitment and retention efforts.

In addition, the University respectfully requests operating support for previously approved facilities and the elimination of the \$9 million management flexibility budget reduction currently in the budget for the 2012-13 year.

We are grateful for the ongoing support provided to the University and would be happy to provide additional information.



# The University of North Carolina

## 2012-13 Budget Priorities

The University of North Carolina's budget priorities reflect a continued commitment to focus on student success, retain our best faculty and staff, and efficiently operate our campuses. Strong legislative support is crucial to the University's ability to educate North Carolinians and serve as an economic engine for the state.

### **Enrollment/Performance and Need-Based Financial Aid**

- \$28.9 million is requested for enrollment growth and to encourage and reward performance.

These funds will help secure North Carolina's economic future by providing state residents affordable access to quality higher education and will incentivize a heightened focus on student success. By 2018, nearly 60% of jobs in North Carolina will require a college education. As of 2010, only 28% of North Carolinians age 25 or older hold a bachelor degree or higher, and another 10% hold an associate degree. The University is committed to helping close this skills gap and responding to present and future workforce needs.

- \$88.6 million recurring for State Grants for North Carolinians

Reductions in this program primarily impact the middle class (families earning between \$40,000 and \$90,000). In 2011-12, 8,000 fewer students received grants compared to 2010-11. Roughly 60% of in-state undergraduates depend on some form of need-based financial aid. State funding provides critical aid for students not eligible for federal Pell grants or for whom Pell does not adequately cover costs.

### **Operating Support for Facilities**

- \$8.8 million R and \$2.26 million NR is requested for operating and programmatic support for facilities coming online in FY 2012-13.

### **Restoration of the Additional Management Flexibility Reduction**

- UNC has absorbed cuts and reversions totaling \$1.2B in the last 4 years and requests that the funding targeted for an additional flexibility cut of \$9.1M in the FY 2012-13 budget be restored.

### **Faculty and Staff Recruitment and Retention**

- Current restrictions on salary increases limit our campuses' ability to retain faculty and staff in an increasingly competitive economic environment. Modification of Section 29.8 of SL 2011-145 would allow us to fairly and competitively compensate our faculty and staff with existing resources.
- \$10 million is requested for the Faculty Recruitment and Retention Fund to support campus efforts to retain key faculty. Additionally, these funds assist in the recruitment of new top faculty who contribute to a cutting edge education and often bring in external research dollars.
- \$8 million is requested for the Distinguished Professors Endowment Trust Fund to match private gifts that are contingent on the provision of state matching funds. The current backlog of professorships already eligible for state match is \$32 million.

**2012-13 BUDGET PRIORITIES  
OF  
THE BOARD OF GOVERNORS  
THE UNIVERSITY OF NORTH CAROLINA**



**March 2012**  
*Approved by the Board of Governors  
on March 6, 2012*

## THE UNIVERSITY OF NORTH CAROLINA 2012-13 Budget Priorities

*The Board of Governors has a statutory responsibility to make the needs of the University known to the Governor and the General Assembly. For 2011-13, the Board submitted its budget request with the understanding that the State continues to experience extraordinary financial difficulties and that identified needs will far exceed available State resources. While the University has demonstrated its willingness to carry its appropriate share of reductions required to balance the State budget, the Board urges the Governor and General Assembly to provide the funds needed to sustain the University's ability to produce the highly educated workforce essential to the state's long-term economic competitiveness. The University is grateful to the Governor and the General Assembly for their consideration and pledges to work in partnership with them.*

*The 2011-13 Budget Priorities were aligned with the major findings and recommendations of the UNC Tomorrow Commission's Final Report issued in December 2007. The President and Chancellors have revisited those biennial budget priorities and recommend several adjustments to the Board's existing biennial budget priorities. In the following document, those changes are noted with an outline around the number and an explanation of each item. In most cases, due to the state's fiscal situation, the President recommends the amount that was previously requested for 2011-12 rather than the higher amount that may have originally been shown for 2012-13. In addition, items have been reprioritized where needed to more clearly signal the current highest priorities for the University. If funded, these priorities would help address the significant challenges facing the State of North Carolina, its communities, regions, and the University of North Carolina campuses.*

# THE UNIVERSITY OF NORTH CAROLINA

## 2012-13 Operating Budget Priorities

	<u>2012-13</u>
<b>1. Continuing Core Operations</b>	
<i>a. Restore Management Flexibility Reduction</i>	9,184,767
<i>b. Operating Funds for Facilities</i>	6,802,285 R
	2,263,358 NR
<i>c. NCSU Centennial Campus Hunt Library Operational/Program Funds</i>	2,011,328
<b>2. Our Citizens &amp; Their Future: Access to and Completion of Quality Higher Education</b>	
<i>a. Better Preparing Students for North Carolina's Future Economy</i>	28,934,805
<i>b. State Grants for North Carolinians</i>	88,600,000
<i>c. Faculty Recruitment and Retention Fund</i>	10,000,000
<i>d. Distinguished Professorships</i>	8,000,000 NR
<b>3. Campuses Specializing in the Arts &amp; Sciences</b>	5,677,907
<i>UNCA, UNCSA &amp; NCSSM</i>	
<b>4. Our Communities &amp; Their Economic Transformation</b>	
<i>a. NC Research Campus at Kannapolis</i>	3,000,000
<i>b. NCA&amp;T and UNCG Joint School of Nanoscience and Nanoengineering</i>	2,000,000
<i>c. UNC Partnership for National Security (Military Initiative)</i>	1,000,000
<b>5. Campus Safety &amp; Security</b>	1,647,416 R
	988,694 NR
<b>6. Academic Common Market – Restore Funding</b>	970,747

<b>7. Continuation Change Budget (Lower Priority Continuation Items)</b>		
a. Utilities	14,000,000	
b. Replacement of Vehicles and Equipment	10,347,277	
c. Accreditation Expenses	500,000	
d. Inflationary Increase - Library Books and Materials	5,000,000	
<b>8. Our Citizens &amp; Their Future: Access to and Completion of Quality Higher Education (Additional Items)</b>		
Improving Retention & Graduation Rates	4,654,854	R
(Initiatives at ECSU, FSU, NCCU, UNCA, UNCC, UNCG, UNCP, WSSU)	290,050	NR
<b>9. Our Communities &amp; Their Economic Transformation (Additional Items)</b>		
a. NCSU College of Engineering	2,500,000	
b. ECSU School of Aviation	203,591	R
	360,000	NR
c. WCU Rapid Product Realization	300,000	
d. FSU Geospatial Analysis, Instructional, & Networking Lab	131,500	R
	239,000	NR
e. Charlotte Informatics Partnership (UNCC)	1,500,000	
f. Southeastern American Indian Studies Program (UNCP)	229,150	
<b>10. Our Health</b>		
a. Nursing Program Expansion		
UNC Wilmington Accelerated Program (Onslow)	415,206	
b. Health & Wellness/Allied Professions		
ASU College of Health Sciences	500,000	
UNC Asheville NC Center for Health & Wellness	267,644	
c. Medical Schools		
ECU Brody School of Medicine	1,000,000	
UNC-CH Medical School	1,000,000	
<b>11. Our Children &amp; Their Future: Improving Public Education</b>		
a. WSSU Teacher Education Advisement & Partnership	282,978	
b. UNC-CH "Fast Track to Teaching Science" Licensure	542,253	

**2012-13****12. Our University's Outreach & Engagement**

a. NC Arboretum – Bent Creek Institute – Natural Products	359,260
b. UNC Press Expand Access to Books & Journals	131,370 R 19,134 NR
c. UNC-TV Statewide Public Affairs & Informational Program Services	200,000

**13. Competitive Salaries**

*The UNC Tomorrow Commission recommended that UNC increase its efforts to recruit and retain high-quality faculty and staff at all levels of the University. Due to the economic downturn, the last statewide salary increase for employees was in fiscal year 2008-09. The Board of Governors reiterates its support for a meaningful salary increase for all employees.*

*Note: All requests are for recurring funding unless noted as NR (nonrecurring).*

<b>Total Budget Priorities – recurring</b>	<b>203,894,338</b>
<b>Total Budget Priorities – nonrecurring</b>	<b>12,160,236</b>

<b>Total 2012-13 Budget Priorities Recommended</b>	<b>216,054,574</b>
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# THE UNIVERSITY OF NORTH CAROLINA

## 2012-13 Operating Budget Priorities

*Listed below are detailed narratives regarding the budget priorities approved by the Board of Governors.*

**2012-13**

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### 1. Continuing Core Operations

#### *a. Restore Management Flexibility Reduction*

9,184,767

The 2011 Session of the NC General Assembly reduced the University's budget by \$413,987,494 on a permanent basis beginning in 2011-12 and scheduled an additional permanent reduction of \$9,184,767 beginning in the 2012-13 fiscal year. The University respectfully requests the restoration of that appropriation during the 2012 legislative session.

#### *b. Operating Funds for Facilities*

6,802,285 R  
2,263,358 NR

The State of North Carolina generally considers operating funds for new facilities ("building reserves") during the long session and continuation budget process. However, during the recent continuation process, funds for facilities coming online during the second year of the biennium were not scheduled for funding. The University has eight new or renovated facilities that have been previously authorized for capital construction scheduled to come online during 2012-13 and requests consideration of those operating funding needs during the short session. The requested funds follow the accepted model of requesting operating funds for new facilities and include the funding needed for additional utilities, security, housekeeping, maintenance, and supply costs.

#### *c. NCSU Centennial Campus Hunt Library Operational/Program Funds*

2,011,328

The James B. Hunt Jr. Library on Centennial Campus is scheduled to open in 2012-13. This major new facility will house approximately two million print volumes, serve as the primary library for the Colleges of Engineering and Textiles, and serve as a second "main library" to help ease the overcrowding in the D.H. Hill Library on the North Campus. Completion of the Hunt Library will nearly double the footprint of library space on the NC State campus. A total of 32 FTE positions are needed to sufficiently staff the facility with librarians, instructional technology, and other personnel. Five of these positions will be transferred from the existing library, however no more than that can be transferred and keep that facility staffed sufficiently. Additional funds are requested to hire 27 FTE positions to staff program operations at the new library.



## 2. Our Citizens & Their Future: Access to and Completion of Quality Higher Education

### a. *Better Preparing Students for North Carolina's Future Economy*

28,934,805

Nationally, multiple studies and data points show that public colleges and universities play important roles in enhancing states' economic competitiveness through producing more students with degrees. The latest federal and state data show that in North Carolina, the unemployment rate is 17.5% among workers with less than a high school education, 12% among high school graduates, 9.4% among workers with some college, and only 4.2% among workers with a four-year degree. Those with baccalaureate degrees are far less likely to be unemployed than those without degrees. With the goal of enhancing North Carolina's long term economic competitiveness, both access to and success in college are critically important.

Acknowledging that this two-fold strategy of student access and success will ultimately lead to a more economically competitive North Carolina, the UNC Board of Governors has adjusted its focus from solely ensuring student access to the University to also ensuring that students can be successful in attaining degrees. This policy shift has included increasing the minimum requirements for admission to the University and incorporating an increased focus on campus performance through the establishment of targets for student retention and graduation.

The University's enrollment change funding process and model have also been updated to incorporate an evaluation of performance. Before an institution can increase the size of its freshman class, it must show success in meeting retention rate targets. As a result, two UNC institutions were not allowed to grow their freshman classes and three other institutions were only allowed restricted growth in their freshman cohorts. The enrollment funding model itself was also altered to include measures that recognize good performance in retaining students and having efficient operations. A third factor that recognizes success in graduating students will be implemented in 2013.

The resulting request for 2012-13 enrollment change funding is \$17,434,805, which will provide for almost 700 new FTE students or 0.3% growth. Enrollment funding is critically important in the current difficult economic environment as more students look to the University and seek the skills needed to compete successfully in today's and tomorrow's workplace.

Within the analysis, six campuses (ECSU, FSU, NCCU, UNC-CH, UNCP, and WSSU) are projected to be below currently budgeted enrollment levels in 2012-13. As in prior years, it is recommended that these campuses be held harmless and that their state budgets not be reduced since each of these campuses has deliberately planned reductions in enrollment as they work to meet the Board's requirements and their own goals to admit more qualified students and make improvements in retention and graduation rates. Although campuses are requested to be held harmless in 2012-13, the Board of Governors has stated that this is the last year it will request that any campus be held harmless.

The Board of Governors requests an additional \$11,500,000 to be used for performance-based funding. The President has charged a group of campus leaders with developing strategies to further enhance the focus on performance. These funds would be used to incentivize, reward, and enable UNC campuses to meet the established performance goals. Performance goals would include retention, graduation, efficiency and financial measures.

**b. State Grants for North Carolinians**

88,600,000

Beginning in 1999-2000, the General Assembly began a statewide program of providing financial aid to North Carolinians attending the University. This state program is also a cornerstone in the University's two-fold strategy of student access and success, which will ultimately lead to a more economically competitive North Carolina.

The program is administered by the State Education Assistance Authority (SEAA), and by design, makes careful use of state funds by specifying an expectation of "self-help" from each student and leveraging federal Pell Grants and tax credits to first meet students' needs. 2012-13 grants will also take into account the Education Lottery Scholarships received by UNC students.

Unfortunately, due to funding constraints, there were about 8,000 fewer students who received grants in 2011-12 than in 2010-11. While federal grant programs are geared towards assisting the most needy students, this program also aims to help students in the UNC system whose families are of more middle/moderate income ranges. These students have been most impacted by increasing costs in a time of declining aid and therefore the Board requests funds to increase grants for those families (in the \$40,000 – \$90,000 income ranges) as well. An additional \$88.6 million is requested in 2012-13 to cover costs and the increased number of students who are eligible for the program.

**c. Faculty Recruitment and Retention Fund**

10,000,000

In the 2006-07 fiscal year, the General Assembly appropriated funds to establish a Faculty Recruiting and Retention Fund and additional funds were added in 2009-10 and 2010-11. Allocations from the fund have been used at the discretion of the President of the University, only for the purpose of recruiting and retaining faculty members at constituent institutions.

The fund has had a significant impact on the recruitment and retention of outstanding faculty at each of the constituent institutions. Since 2006-07, more than 300 faculty have been retained or recruited. Due to the success of the program, the monies in the fund have been exhausted. The Board of Governors requests \$10,000,000 to replenish the fund so that additional faculty can be retained or recruited to enhance and strengthen the capacity of campuses to educate students and conduct research and public service activities.

**d. Distinguished Professorships**

8,000,000 NR

The Distinguished Professors Endowment Trust Fund (DPETF) was established in 1985. Under the parameters of the program, private donors can give funding that is then matched with state funds to complete the funding of the professorships.

The demand for distinguished professorships and private funding for them have outpaced the availability of state matching funds, resulting in an accumulated backlog of professorships awaiting state matching funds. As of the end of February 2012, there were 119 professorships remaining in the queue, 102 of these already have private funding fully received and the professorships are eligible for the transfer of funds upon receipt of the state matching funds. There are an additional 17 professorships for which the full private contribution has been pledged and will ultimately be eligible for transfer. The current backlog of professorships already eligible for transfer would require over \$32 million in state matching funds. As a result of the backlog, the Board requests an additional \$8 million to match the existing base funds of \$8 million and to therefore transfer private and state matching funds for approximately half of the backlog amount.

### 3. Campuses Specializing in the Arts & Sciences (UNCA, UNCSA, and NCSSM)

5,677,907

The University of North Carolina School of the Arts is a small campus that includes a high school, an undergraduate program, and two master's degree programs. The University of North Carolina at Asheville is a public liberal arts institution that emulates the best in the liberal arts traditions associated with small to medium-sized private colleges. The North Carolina School of Science and Mathematics is a residential high school that focuses on preparing students for college careers in science and mathematics. The missions and limited sizes of these institutions make it difficult for them to maintain sufficient resources to provide all of the academic programs and academic support services that students need. Therefore, the Board of Governors recommends additional funding to support these specialized campuses.

University of North Carolina School of the Arts – \$2,485,144

University of North Carolina at Asheville – \$1,556,495

North Carolina School of Science and Mathematics – \$1,636,268

### 4. Our Communities & Their Economic Transformation

#### a. NC Research Campus at Kannapolis

3,000,000

The NC Research Campus (NCRC) in Kannapolis has combined the research power of the UNC System and the workforce training capacity of the NC Community College System with the knowledge of private businesses within the biotechnology industry. This public-private partnership is projected to not only be the source of many breakthrough discoveries in health and science, but also to attract new companies and thousands of jobs to the region. By the fall of 2010, David H. Murdock, through Castle & Cooke, had invested more than \$550 million in buildings and equipment for the NCRC. Ultimately, his investment will total more than \$1 billion. Located on the former site of the Cannon and Fieldcrest textile mills, the campus officially opened in October 2008.

NCA&T, NCCU, NCSU, UNC-CH, UNCC, and UNCG are participating in the collaborative research activities at the Campus, and additional funding is requested to support their continued involvement. Prior to 2010-11, funds allocated by the State for this effort were largely used to support the cost of lease payments and ongoing facility operations and maintenance. Funds provided in 2010-11 were able to be more focused on hiring additional faculty and researchers for the programs. The additional funds requested for 2012-13 will primarily be used to hire researchers and provide equipment and supplies for University personnel working there. Furthermore, the 2012-13 requested funds include funds for the cost of ASU's rental space in the facility, which has not been funded previously. Minor additional adjustments for inflation may be required, and it is requested that those amounts be allowable continuation budget increases.

**b. NCA&T and UNCG Joint School of Nanoscience and Nanoengineering**

2,000,000

NCA&T and UNCG request operating funds to continue establishing the Joint School of Nanoscience and Nanoengineering (JSNN) at the Gateway University Research Park. The JSNN builds on the existing strengths of the two universities in order to offer innovative cross-disciplinary graduate programs. When fully operational, the JSNN will train scientists in nanotechnology areas including nanobioengineering and nanobiosciences, drug design and delivery, genetic screening, biosensors, biotechnology, surface engineering, energy, environmental improvement, agricultural enhancement, and toxicology. A Graduate School in Nanoscience & Nanoengineering will supply the personnel needed by existing companies and help attract new companies to the Piedmont Triad. The global market for nanotechnology products and services is predicted to increase by 18%-28% annually for the next several years (BCC Research, Inc.) and is expected to reach \$2.6 trillion by 2014 (Lux Research).

The requested funds would provide for staff (including technicians, post doctoral students and graduate students) to support the program. To build public understanding of and support for nanoscience, the JSNN will also devote resources to outreach and public education and to collaborations with social scientists on both campuses to study the social and economic impacts of nanoscience and nanoengineering. Funds are requested in the amount of \$2 million to complete the State funding needed for this important initiative.

**c. UNC Partnership for National Security (Military Initiative)**

1,000,000

The University has expanded its work with the military in North Carolina. The UNC Partnership for National Security works to connect the resources of the University of North Carolina system to the needs of our military, its service members, veterans, their families and the defense industry in North Carolina. Partnership activities include degree program development for service members and the defense industry, short courses, training, and subject matter expertise exchange, science and technology product development for the battle space, and scholar support (internships for UNC system students, faculty research, senior service college fellows). The Partnership's work has included the expansion of a UNC at Fort Bragg program that was previously in place for the Army. The University would like to have a similar presence to benefit the Marines at Camp Lejeune. Funds are requested for that purpose and also to further build faculty and student capabilities in developing technologies for the special operations community.

**5. Campus Safety & Security**

1,647,416 R

In its November 2007 final report, the UNC Campus Safety Task Force focused on the University's safety practices and its capacity to prevent crime, improve responsiveness to students' mental health needs, make campus infrastructure more crime resistant, and build campus capacity to respond appropriately to emergencies. The Task Force also acknowledged that UNC institutions are very different geographically and demographically and that each campus must address its needs individually and uniquely. The 2008 General Assembly partnered with the University to improve campus safety by appropriating \$6 million of the Board's \$11.7 million request for recurring needs and \$9 million of the Board's \$17.5 million request for nonrecurring appropriations.

988,694 NR

The funds provided by the 2008 General Assembly have enabled the campuses to add 40 mental health counselors and 33 police officers and other security personnel. Nonrecurring funds were used to provide emergency notification systems, sirens, surveillance cameras, emergency communications systems, interoperable radios, and training in threat assessment and incidence command.

Recurring funds are requested for increases in mental health services, emergency management and campus police. Nonrecurring funds would be devoted to equipment and supplies for police departments, emergency notification and communications systems and testing materials for campus counseling centers. Although residence hall improvements have generally been supported only by student rent payments, appropriations are sought to supplement and augment campus initiatives to make residence halls safer by installing cameras, monitors, and improved access control systems.

## 6. Academic Common Market – Restore Funding

970,747

The 2011 session of the General Assembly instituted a phasing out of the University's participation in the Academic Common Market program (phase-out to begin in 2012-13 academic year). The program is scheduled for a reduction of this amount in 2012-13 and it is requested that reduction not take place. The Academic Common Market program is an arrangement within the Southern Regional Education Board states that allows residents of those states to participate, at the in-state tuition rate, in degree programs in another state if it is a program that is not offered in their home state. North Carolina and two other states (Florida and Texas) participate at the graduate level only. If North Carolina pulls out of the program, it would be the only SREB state to not participate at all. It is requested that the phase-out of the program be rescinded and the funds remain available.

## 7. Continuation Change Budget (Lower Priority Continuation Items)

In previous biennia, the continuation budget has included all items needed to maintain current operational levels. Those items were forwarded to the Office of State Budget and Management (OSBM) directly from each campus. For this biennium, many items which previously were included in this process are now required to be shown separately as "continuation change" and those items must be prioritized by the President and Board of Governors alongside all requests for expansion budget increases.

Included below are items for which the campuses and OSBM revisit existing budgets to determine the adequacy of base funding as compared to what known increases in inflation and other rate changes are expected. As a result, increases needed to cover utilities cost increases, funds to replace vehicles and equipment, funds for expected accreditation expenses, and funds to support inflationary increases for library materials are requested.

<i>a. Utilities</i>	14,000,000
<i>b. Replacement of Vehicles and Equipment</i>	10,347,277
<i>c. Accreditation Expenses</i>	500,000
<i>d. Inflationary Increase - Library Books and Materials</i>	5,000,000

## 8. Our Citizens & Their Future: Access to and Completion of Quality Higher Education (Additional Items)

### *Improving Retention & Graduation Rates*

4,654,854 R

(Initiatives at ECSU, FSU, NCCU, UNCA, UNCC, UNCG, UNCP, WSSU)

290,050 NR

While access to the University of North Carolina is critically important, the University is increasingly focused on ensuring that students entering UNC graduate with a meaningful degree. Several steps have already been taken towards that goal - the University has increased minimum admissions standards and has moved towards a direct linkage to performance measures in its enrollment change funding model. As this move continues, it is critically important to provide enhanced academic support programs on many campuses. The programs requested for expansion funding by the eight campuses below would be focused on 1st year students, underrepresented students and transfer students. Funds would provide additional staff and related support in advising, retention, summer bridge, supplemental instruction and similar programs.

## 9. Our Communities & Their Economic Transformation (Additional Items)

The UNC Tomorrow Commission urged UNC to be more actively engaged in enhancing the economic transformation and community development of North Carolina's regions and the state as a whole [Rec. 4.4].

### *a. NCSU College of Engineering*

2,500,000

If North Carolina is to remain competitive in today's global economy, it must have an ample supply of highly trained engineers and a continuing flow of engineering research discoveries that fuel economic growth. While NCSU's College of Engineering (COE) has made significant progress in many areas of engineering education and research, it has been surpassed by former peers—both in and outside the U.S.—that have made substantial investments in the future.

Funding received in the last biennium has allowed the COE to take the initial step of increasing its faculty size and graduate enrollment. The net result has been positive, and its current standing as the 18-highest-ranked College of Engineering in the country indicates this legislative support is already helping to reverse the decline experienced during the previous decade.

As a part of a multi-year plan, funds are sought to focus on research-active faculty and doctoral education. The college proposes to add faculty across interdisciplinary areas that respond to state and national needs, as well as to worldwide challenges in energy and environmental systems, bioengineering, nanotechnology, critical infrastructure and security, communication and information technologies, advanced materials and manufacturing and the application of engineering to challenges in healthcare, transportation, and financial systems.

### *b. ECSU School of Aviation*

203,591 R

ECSU's academic aviation program is being expanded to include a flight school. The funding requested will support the ongoing operation and development of the program, contributing to economic development in the region and associated partnerships with the community colleges. This request would provide the needed faculty and equipment for the Aviation program. More specifically, this request would provide the resources needed for ECSU's Aviation program to train students for approximately 100 avionics jobs that are available in Northeastern North Carolina.

360,000 NR

**c. WCU Rapid Product Realization**

300,000

At Western Carolina University, engineering and technology students increasingly dive into "real world" projects as a core part of their education. Over 250 companies and entrepreneurs across the Carolinas and the Southern United States have already partnered with the campus through its Center for Rapid Product Realization, taking advantage of its state-of-the-art product development capability. The Rapid Product Realization Center has a diverse and unique suite of facilities and equipment to work with industries to develop projects requiring three-dimensional imaging, reverse engineering, product design, rapid prototyping in plastics and metals, component integration, and product testing. For companies, the benefits are many: new products, access to globally competitive technologies, and access to well trained, highly skilled, industry-ready graduates who are productive immediately upon starting work. Requested funding would enable WCU to create applied research and engagement faculty and staff positions focused on linking the academic programs of the School of Construction Management and Technology to regional businesses, as well as provide for the necessary equipment enhancements for the program.

**d. FSU Geospatial Analysis, Instructional, & Networking Lab**

131,500 R

239,000 NR

Funds are requested to establish a state-of-the-art Geographic Information Systems (GIS) teaching and research program at FSU. The geospatial field is so important that the U.S. Dept. of Labor included geospatial technology as one of 14 high growth sectors in its High Growth Job Training Initiative. The Geospatial Analysis, Instructional, and Networking (GAIN) Laboratory would serve as the nucleus of geospatial know-how used to disseminate training, nurture research, and provide technical support to students, staff, and faculty. The three main components of GIS are hardware, software, and data and currently the missing link at FSU is GIS hardware. FSU has hired two geospatial sciences faculty members to lead the research and learning initiatives. Funding is requested for needed technology and equipment, as well as for hiring a post-doctoral research associate.

**e. Charlotte Informatics Partnership (UNCC)**

1,500,000

Charlotte Informatics Partnership (CIP) is a strategic university-industry partnership at UNCC which is jointly led by senior leaders from the banking, energy and healthcare industries. The CIP is designed to establish the greater Charlotte region as a leading national destination for applied informatics that supports knowledge-driven business innovation.

Informatics organizes large and complex data and turns them into business insights. Executives use it to make decisions, systems use it to automate processes, the front line uses it when dealing with clients, and CEOs use it to help plan investments. The application of informatics can be used to cut costs, increase revenues, and create new business paradigms; however, it requires a new mix of knowledge and skills. Informatics employees must understand technology, but also need specific knowledge in the industries where their technology skills can be applied--such as implementing and maintaining electronic medical records, changing an aging power grid to an information-driven Smart Grid, and transforming the banking and financial services industry. Funding from this request would be used to support the partnership operations and hire key faculty members in the emerging areas of financial, health, and energy informatics, which will significantly expand the capacity of the College of Computing & Informatics in these key areas.

**f. Southeastern American Indian Studies Program (UNCP)**

229,150

UNC Pembroke carries the designation as North Carolina's historically American Indian University and was originally established by the State of North Carolina for the purpose of American Indian education. UNC Pembroke is committed to preserving its history within the historical, cultural, political, and economic context of Southeastern American Indians. Funds are requested to help position UNCP to continue its historical mission of service to American Indian communities and enhance existing programs through targeted research and collaboration. The requested funds would be used to combine existing resources on UNCP's campus and further enhance them to be more focused on both research and outreach. The goal would be for the program to become the national resource on social, political, economic and cultural attributes of southeastern American Indians.

**10. Our Health**

The UNC Tomorrow Commission recommended that the University lead in improving the health and wellness of all people and communities in our state [Rec 4.5]. Budget priorities under this section include items to provide additional health education and information, increase access to health care through providing more health care professionals and regional sites, and other initiatives to improve the health and wellness of North Carolinians.

**a. Nursing Program Expansion****UNC Wilmington Accelerated Program (Onslow)**

415,206

Funding to hire additional faculty and staff for UNCW's Accelerated Nursing Bachelor of Science Program in Onslow County is requested. This 16-month program is intended for non-nursing baccalaureate degree holders and is targeted towards military personnel, including active duty, reservists, veterans and dependent spouses in the Jacksonville area.

**b. Health & Wellness/Allied Professions****ASU College of Health Sciences**

500,000

North Carolina is facing a significant shortage of qualified health care professionals and this deficit is expected to increase in the future. To respond directly to UNC Tomorrow's "charge," UNC must educate more health professionals. In an effort to address those needs, ASU established a College of Health Sciences and Allied Professions to consolidate five health-related programs in a single unit: Health, Leisure, and Exercise Science; Social Work; Nutrition and Health Care Management; Communication Sciences and Disorders; and Nursing. Additional operating funds are requested to provide for program support and equipment for the College.

**UNC Asheville NC Center for Health & Wellness**

267,644

In 2004, the General Assembly provided funds to build the NC Center for Health and Wellness at UNC Asheville. The vision of this Center is to help NC families develop healthy lifestyles and provide options for healthy choices through extensive research, collaborations with multiple community partners, and the establishment of best practices for the 21st century. Funding would be used to provide appropriate leadership for the programs and purchase equipment.



**c. Medical Schools**

**ECU Brody School of Medicine**

1,000,000

Funds are requested to more adequately compensate the School for providing primary and subspecialty medical care to some of society's most underprivileged - those who have no health insurance. Additional funds are requested to enhance the school's ability to conduct cardiovascular disease basic and translational research and to develop educational initiatives for the prevention of cardiovascular disease.

**UNC-CH Medical School**

1,000,000

North Carolina is facing a shortage of physicians due to several factors, including aging of the population, general increases in population, and increases in chronic disease. UNC-Chapel Hill is in detailed planning with its partners to move forward in expanding the size of its medical school classes. The goal will be to train physicians who will practice in North Carolina's rural and under-served communities in needed specialties and in areas of need. These students would do their first two basic science years in Chapel Hill, and then the second two years in Charlotte or Asheville. Funds are requested to support the costs of hiring faculty and staff to support this expansion.

**11. Our Children & Their Future: Improving Public Education**

**a. WSSU Teacher Education Advisement & Partnership**

282,978

Funding is requested for WSSU's Teacher Education Advisement and Partnership (TEAP) Center to increase its capacity to successfully guide students through their plans of study, pre-professional examinations, second admission to specific teacher education programs, and state licensure. This increased capacity of the School of Education and Human Performance (SEHP) would enable it to raise the number of students recruited, retained, and who compete undergraduate and graduate education programs as well as meeting all requirements for state teacher and administrator licenses and certifications at highly qualified levels.

In the first year of TEAP's operations, retention and admission to teacher education programs grew ten times the previous year's rate. This success is due to effective academic advisement, targeted retention, and supplemental instruction programs and methods. The goals of the 2012-13 request will be to continue progress on program retention and graduation rates, improve advising methods and procedures, enhance the advisor/student ratio, make online offerings more successful, and develop higher levels of professional dispositions to make WSSU graduates more competitive and comfortable in the global and diverse workforce. The funds would help hire additional staff such as an advising coordinator, a licensure officer, and an online advisor.

**b. UNC-CH "Fast Track to Teaching Science" Licensure**

542,253

The UNC Baccalaureate in Science and Teaching was created with temporary three-year funding for collaboration between the School of Education and the Departments of Biology, Physics, and Astronomy. Additional partial funding for Geological Sciences and Mathematics was obtained through a grant from the Dept. of Education and temporary internal funding was identified for Chemistry. The program currently allows undergraduate students with biology, physics, chemistry, mathematics, and geology majors to earn both a science degree and a NC high school science teaching license in four years. The first cohort of 14 students was enrolled for fall 2008 and the first graduates of the program received degrees in the spring of 2010. The initial success has encouraged UNC-CH to seek permanent resources to support the program.

**12. Our University's Outreach & Engagement****a. NC Arboretum – Bent Creek Institute – Natural Products**

359,260

The Bent Creek Institute (BCI) serves as the natural biotechnology research and development unit of the North Carolina Arboretum. Focusing on western North Carolina's extraordinary biodiversity, the Institute fosters and promotes sustainable economic growth and global awareness of the region's natural product and integrative medicine industry clusters. The Institute is organized around four research programs--agricultural and botanical research, molecular research, translational research, and health and wellness--with common goals of new commercialization, product development, and service outcomes. Requested funds would provide for a Director of the Germplasm Research Lab, a Director of Research, and an Analytical Chemist.

**b. UNC Press Expand Access to Books & Journals**

131,370 R

19,134 NR

UNC Press continues its critical role in the dissemination of research and the transfer of knowledge, even as books evolve from print-only to a combined print-and-electronic or electronic-only presentation of peer-reviewed scholarly work. UNC Press has invested significant resources in creating a Digital Asset Management System (DAMS), populating it with electronic files, converting or creating those files for new and previously published books, and contracting with different vendor partners to sell the publications in a variety of digital and alternate formats. Funds are requested across the UNC Press functional areas of productions, contracts, rights & marketing to expand access to new and previously published books and journals.

200,000

**c. UNC-TV Statewide Public Affairs & Informational Program Services**

Funding is requested to expand programming in statewide public affairs programs such as North Carolina Now and Legislative Week in Review, to help provide N.C. citizens with important educational information and help them better understand the issues and events affecting the state.

**13. Competitive Salaries**

The UNC Tomorrow Commission recommended that UNC increase its efforts to recruit and retain high-quality faculty and staff at all levels of the University. Due to the economic downturn, the last statewide salary increase for employees was in fiscal year 2008-09. The Board of Governors reiterates its support for a meaningful salary increase for all employees.

**Total Budget Priorities – recurring****203,894,338****Total Budget Priorities – nonrecurring****12,160,236****Total 2011-12 Budget Priorities****216,054,574**

*Note: All requests are for recurring funding unless noted NR (nonrecurring).*