

STATE BOARD OF COMMUNITY COLLEGES

Report on the Adequacy of Multi-Campus College Funds

Background: Multi-Campus Colleges (MCCs) and Off-Campus Centers (OCCs) are convenient community college locations that provide access for community outreach, testing, faculty/staff offices, as well as literacy, continuing education, and curriculum instruction. Students may obtain certificates, diplomas, and associate degrees at multi-campus locations. A multi-campus college must provide students the opportunity to complete at least one associate degree at each campus. Students may complete certificates or diplomas at off-campus centers, but due to the level of support services, would not normally be able to complete the associate degree.

Rationale: Since 1998, the General Assembly has appropriated supplemental funds to support the duplicative administrative and student support services costs (both personnel and related operating expenses) required to operate MCC sites. The General Assembly also began appropriating supplemental funds for OCCs in 2004, but these funds were eliminated entirely in FY 2009-10 and are not likely to recur in future years.

MCC funds are allocated among colleges based on a formula that consists of the FTE level of size, the budgeted FTE at that location, and a duplication adjustment based upon the current year's formula budget enrollment allotment value. A maximum amount of funding per FTE level is established biennially, based upon inflation factors and funding availability. Attachment A lists each college's MCC allotment for FY 2010-11. In FY 2010-11, only those MCCs for which the General Assembly had appropriated funding received an MCC allocation; consequently, six State Board-approved MCC locations did not receive any supplemental MCC funding. The six who did not receive funding were Blue Ridge CC Transylvania Campus, Rowan-Cabarrus CC Cloverleaf Plaza Campus, Rowan-Cabarrus CC Hwy 29 Campus, Southwestern CC Macon County Campus, Stanly CC Western Stanly Campus, and Wake TCC Public Safety Training Campus.

Expenditure Analysis - Fiscal Year 2010-11: G.S. 115D-5(o) states that "The General Assembly finds that additional data are needed to determine the adequacy of multi-campus and off-campus center funds...[t]he Community Colleges System Office shall report on these expenditures to the Education Appropriation Subcommittees of the House of Representatives and the Senate, the Office of State Budget and Management, and the Fiscal Research Division by December 1 of each year." To address the reporting requirement, the Division of Business and Finance distributed to all community colleges that receive supplemental MCC allotments an expenditure instrument on July 19, 2011. The instrument was designed to capture all expenditure data, regardless of fund source, for the fiscal year that ended June 30, 2011. This includes expenditures supported by the state allocation for MCC, other state formula allocations, county, and college institutional funds.¹

As depicted in Attachment A, the state allotment was \$14,056,785 for MCCs in FY 2010-11. Colleges expended \$13,969,785, or 99.4 percent, of this allotment as shown in Attachment B. Of the \$14 million expended for MCCs, \$4 million (28.9%) was expended for institutional support

¹ G.S. 115D-32 requires that all maintenance of plant expenditures (utilities, custodial care, repairs to facilities, etc) be made from local funds. G.S. 115D-54 defines Institutional Funds to include auxiliary enterprises, and certain items of operating expense (student expenses, capital outlay, subscriptions, etc).

services, \$6.7 million (47.7%) on academic support services, and the remaining \$3.3 million (23.4%) on student support services.

In addition to costs supported by MCC allotments, colleges expended an additional \$15,089,568 from other state funds, including state formula allocations, to support MCC operations. In addition to the \$29.1 million of state expenditures, colleges expended another \$19.1 million from local funds and approximately \$427,000 from institutional funds on MCCs. These funds were used to cover institutional, academic, and student support services; operation and maintenance of plant; and capital costs. The total amount of funds expended from all sources at all MCCs was approximately \$48.6 million.

Summary: MCC funding does not fully fund the duplicative administrative and student services costs of operating MCC sites. In FY 2010-11, expenses supported by MCC funding represented only 48% of State and 29% of total non-instructional expenditures at MCC sites included in this analysis. This analysis does not include the six MCC sites that did not receive MCC funding in FY 2010-11. As of FY 2011-12, the General Assembly directed the State Board to allocate MCC funds among all State Board approved MCC sites, but did not appropriate additional MCC funding. As this finite amount of funding is allocated among a larger number of MCC sites, the proportion of MCC expenditures that will be supported by MCC funding will decrease accordingly in FY 2011-12.

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**NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
MULTI-CAMPUS FUNDING
FY 2010-11**

| COMMUNITY COLLEGE | CAMPUS | TAB NAME | FUNDING PER CAMPUS |
|--------------------------|-----------------------|---------------------|-----------------------------------|
| Caldwell CC | Watauga Cty. Campus | Watauga | \$ 577,120 |
| Cape Fear CC | North Campus | CFCC_North | 577,120 |
| Central Carolina CC | Chatham Cty. Campus | Chatham | 484,781 |
| | Harnett Cty. Campus | Harnett | 577,120 |
| Central Piedmont CC | North Campus | CPCC_North | 577,120 |
| | Levine Campus | Levine | 577,120 |
| | Harper Campus | Harper | 577,120 |
| | Harris Campus | Harris | 530,951 |
| | Cato Campus | Cato | 577,120 |
| College of The Albemarle | Dare Cty. Campus | Dare | 413,663 |
| Craven CC | Havelock Campus | Havelock | 484,781 |
| Davidson Co. CC | Davie Campus | Davie | 577,120 |
| Edgecombe CC | Rocky Mount Campus | RMT | 530,951 |
| Fayetteville Tech. CC | Spring Lake Campus | Spring_Lake | 530,951 |
| Gaston College | Lincoln Cty. Campus | Lincoln | 530,951 |
| Guilford TCC | Greensboro Campus | Greensboro | 577,120 |
| | High Point Campus | High_Point | 530,951 |
| Piedmont CC | Caswell Campus | Caswell | 530,951 |
| Rowan-Cabarrus CC | Cabarrus Cty. Campus | Cabarrus | 577,120 |
| South Piedmont CC | Union Campus | Union | 577,120 |
| Vance-Granville CC | Franklin Cty. Campus | Franklin | 530,951 |
| | Granville Cty. Campus | Granville | 484,781 |
| Wake TCC | AHEC | AHEC | 577,120 |
| | Northeast Campus | Northeast | 577,120 |
| | West Campus | West_WTCC | 484,781 |
| Wilkes CC | Ashe Cty. Campus | Ashe | 484,781 |
| TOTAL ALLOTMENT | | | \$ 14,056,785 |

**NORTH CAROLINA COMMUNITY COLLEGE SYSTEM
SUMMARY OF MULTI-CAMPUS COLLEGE EXPENDITURES
2010-2011**

| | MULTI CAMPUS ALLOCATION EXPENDITURES * | ALL OTHER DCC2-112 STATE FUNDS ALLOCATED EXPENDITURES | TOTAL STATE EXPENDITURES | COUNTY EXPENDITURES | INSTITUTIONAL EXPENDITURES | TOTAL EXPENDITURES FY: 2010-11 |
|---|---|--|---|--------------------------------|---------------------------------------|---|
| <u>1 Institutional Support</u> | | | | | | |
| 110 Executive Management | 171,845.32 | 45,692.82 | 217,538.14 | 161,567.90 | - | 379,106.04 |
| 120 Financial Services | 1,267,081.73 | 896,506.85 | 2,163,588.58 | 126,099.61 | 5,492.70 | 2,295,180.89 |
| 130 General Administration | 2,002,741.72 | 890,992.01 | 2,893,733.73 | 1,091,630.28 | 112,992.32 | 4,098,356.33 |
| 140 Information Systems (Administrative) | 591,247.50 | 112,045.21 | 703,292.71 | 90,650.53 | 5,428.79 | 799,372.03 |
| 150 Staff Development | - | - | - | 193.75 | - | 193.75 |
| TOTAL 1 Institutional Support | 4,032,916.27 | 1,945,236.89 | 5,978,153.16 | 1,470,142.07 | 123,913.81 | 7,572,209.04 |
| <u>4 Academic Support & Administration</u> | | | | | | |
| 410 Library/Learning Center | 1,587,129.44 | 859,244.06 | 2,446,373.50 | 41,386.45 | 5,320.53 | 2,493,080.48 |
| 421 Curriculum | 3,095,776.75 | 1,855,245.67 | 4,951,022.42 | 42,981.04 | 110,854.99 | 5,104,858.45 |
| 422 Continuing Education | 1,672,848.22 | 1,937,852.86 | 3,610,701.08 | 647.66 | 3,570.48 | 3,614,919.22 |
| 423 CED Special Allotment | - | - | - | - | - | - |
| 430 Information Systems (Academic) | 310,052.01 | 304,629.50 | 614,681.51 | - | - | 614,681.51 |
| 440 Tech Prep | - | 13,553.11 | 13,553.11 | - | - | 13,553.11 |
| 450 Technology - HB275 | - | - | - | - | - | - |
| TOTAL 4 Academic Support | 6,665,806.42 | 4,970,525.20 | 11,636,331.62 | 85,015.15 | 119,746.00 | 11,841,092.77 |
| <u>5 Student Support</u> | | | | | | |
| 510 Student Services | 3,244,306.83 | 2,760,751.49 | 6,005,058.32 | 326,798.44 | 41,198.68 | 6,373,055.44 |
| 530 Childcare | 26,755.48 | 8,379.71 | 35,135.19 | - | - | 35,135.19 |
| TOTAL 5 Student Support | 3,271,062.31 | 2,769,131.20 | 6,040,193.51 | 326,798.44 | 41,198.68 | 6,408,190.63 |
| <u>6 Operation & Maintenance of Plant</u> | | | | | | |
| 610 Plant Operation | | | - | 12,131,098.03 | 9,539.47 | 12,140,637.50 |
| 620 Plant Maintenance | | | - | 4,471,974.10 | 10,000.00 | 4,481,974.10 |
| TOTAL 6 Operation & Maintenance of Plant | - | - | - | 16,603,072.13 | 19,539.47 | 16,622,611.60 |
| TOTAL CURRENT EXPENSES | 13,969,785.00 | 9,684,893.29 | 23,654,678.29 | 18,485,027.79 | 304,397.96 | 42,444,104.04 |
| <u>9 Capital</u> | | | | | | |
| 910 Buildings and Grounds | | - | - | 578,098.79 | 122,350.72 | 700,449.51 |
| 920 Equipment | | 3,359,688.69 | 3,359,688.69 | 53,607.14 | - | 3,413,295.83 |
| 921 Equipment Acquisition Reserve Fund | | 1,828,795.91 | 1,828,795.91 | - | - | 1,828,795.91 |
| 922 Equipment - HB275 | | - | - | - | - | - |
| 923 Equipment - Literacy | | 81,010.30 | 81,010.30 | - | - | 81,010.30 |
| 930 Books | | 135,179.52 | 135,179.52 | - | - | 135,179.52 |
| TOTAL 9 Capital | - | 5,404,674.42 | 5,404,674.42 | 631,705.93 | 122,350.72 | 6,158,731.07 |
| TOTAL EXPENDITURES | 13,969,785.00 | 15,089,567.71 | 29,059,352.71 | 19,116,733.72 | 426,748.68 | 48,602,835.11 |

* Includes special appropriations