Presentation Agenda

1. Overview and Enrollment
2. Budget Overview and Trends
3. Tuition and Fees
4. Performance Metrics
UNC System Overview
System Composition

Source: UNC Presentation to Joint Education Appropriations Subcommittee on February 19, 2015.
### Classification of UNC Institutions in the Carnegie Classification System

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March 5, 2015
System Governance

- General Assembly elects the UNC Board of Governors.

- BOG is charged by statute with governing the UNC System
  - Sets system-wide policy
  - Elects the system president and chancellors
  - Appoints a portion of Board of Trustee members
Enrollment
Student Headcount

Fall Student Headcount: 2005-2014

- Undergraduates
- Graduates/Professional Schools
- Total Fall Enrollment

Source: UNC General Administration

Note: Does not include high school students.
**Student Characteristics**

**All Students by Residency**
- Out-of-State Resident: 15%
- In-State Resident: 85%

**All Students by Course Load**
- Part Time: 20%
- Full Time: 80%

**New Students by Entry Type**
- Transfer Students: 23%
- First-Time Students: 77%

Source: UNC General Administration

Note: Does not include high school students.
Employees: UNC System

UNC Employees by Source of Funds

Total: 60,664 FTE

Receipts and Revenues
27,274
45%

State Approps.
33,390
55%

Source: Annual Salary Survey, December 2014
Budget Overview
UNC Budgeting 101

State General Fund Budget
- Education and related spending
- Any State appropriations for other items.

Campus Budgets
- Hospitals
- Auxiliary services
- Research
- Endowments
UNC Total Operating Revenues

FY 2013-14 Total Operating Revenues (Unaudited)

- State Appropriations: 26%
- Federal Approps., Contracts, & Grants: 14%
- Tuition & Fees: 15%
- Federal Approps., Contracts, & Grants: 14%
- Gifts & Investment Income: 7%
- State & Local Contracts & Grants: 6%
- Hospital Sales & Services: 13%
- Auxillaries: 16%
- Other Revenue: 3%

Total = $9.6 billion

Source: UNC General Administration
UNC Total Expenditures
FY 2013-14 Total Expenditures (Unaudited)*

- Instruction: 27%
- Other: 4%
- Hospitals: 13%
- Research: 11%
- Public Service: 4%
- Academic Support and Student Services: 13%
- Institutional Support: 6%
- Auxiliaries: 22%
- Other: 4%

Total = $9.3 billion

Source: UNC General Administration

*Totals include distributed interest, depreciation, and operation and maintenance.
State General Fund Budget

Net State General Fund Appropriations
FY 2005-06 to FY 2014-15

Annual Appropriation (Billion)

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<th>Year</th>
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<tr>
<td>2014-15</td>
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State General Fund Budget

FY 2014-15 General Fund budget

Total = $4.4 billion

State General Fund Budget

• 89% of net State General Fund appropriations flows directly to the campuses.

• Of the remaining 11%:
  – Aid to private institutions (4.1%)
  – Financial aid (4.1%)
  – UNC General Administration (1.5%)
  – Other non-campus-specific programs (1.3%)
Enrollment Growth

- G.S. 116-11(8) gives the Board of Governors (BOG) authority to set enrollment levels.

- UNC has used an enrollment growth funding model since 1998 to develop its budget request.
  - The General Assembly appropriates enrollment funding in advance based on UNC’s own projections of the next year’s enrollment.
  - Factors that protected schools in years of declining enrollments have been removed in recent years.
Budget Flexibility

Special Responsibility Constituent Institutions

• Enacted in 1991 as part of the Budget Act
• General Assembly appropriates a lump sum to the institution.
• Institution may:
  – Carry forward 2.5% of appropriations for one-time expenditures
  – Spend overhead receipts
  – Establish and abolish positions
  – Other areas of Flexibility
Tuition and Fees
Setting Tuition

- G.S. 116-11(7) directs the Board of Governors to set tuition and fees rates “not inconsistent with actions of the General Assembly.”
- In 2014, the Board of Governors adopted a four-year tuition and fee plan to guide it through 2018.
  - Resident undergraduate tuition and fees must remain in the bottom 25% of each campus’s public “peer institution”
  - Non-resident undergraduate tuition and fees must fully cover the cost of education.
- The Board of Governors annually considers campus requests to increase tuition and fees.
Tuition Increases

• Board of Governors approved biennial increase for 2015-17 to generate and increase of:
  – $43.8 million in FY 2015-16
  – $47.0 million in FY 2016-17

• A 3.8 and 3.9% undergraduate NC resident increase for each year, respectively
Tuition Increases: Purposes

- Faculty & Staff Retention - 42%
- Expanded Institutional Opportunities - 24%
- Academic Support - 18%
- All Other Uses - 10%
- Student Services - 6%
Setting Tuition: Undergraduate Peer Comparisons

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<th>Nonresident Rank</th>
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• Compares UNC campuses to public peer institutions

• Rank determined by value of FY 2015-16 proposed tuition and fees of UNC campuses compared to FY 2014-15 total tuition and fees for public peer institutions.

Source: UNC-GA presentation to Board of Governors, January 16, 2015.
Tuition and Fee Revenues

- In the UNC System, tuition is collected and maintained on campus.
  - Tuition and fees vary significantly by campus
    - FY 2015-16 (Resident)
      - Low: ECSU: $4,657
      - High: UNC-SA: $8,499
    - FY 2015-16 (Non-Resident)
      - Low: UNC-P: $15,931
      - High: UNC-CH: $33,416

Source: UNC-GA presentation to Board of Governors, January 16, 2015.
Resident Undergraduate Tuition and Fees

Fiscal Research Division
A Staff Agency of the North Carolina General Assembly

March 5, 2015

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Tuition and Fees by Campus

2014-15 Undergraduate Tuition and Fees

Source: UNC-GA

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Tuition Comparisons

FY 2014-15 Undergraduate Resident Tuition and Fees, Surrounding States

Fees

• Fees vary by campus
• FY 2014-15 total fees range from:
  • Lowest: $1,721 at Elizabeth City State
  ▪ Highest: $2,666 at Appalachian State

• The six standard fees are:

  Athletics Fee
  Health Services Fee
  Student Activities Fees
  Educational and Technology Fees
  Debt Service Fee
  Security Fee
Performance Metrics
Performance Measures

• Adopted in August of 2014
• Utilized in FY 2014-15 to apportion the Management Flexibility Reduction
• Compares UNC Campuses to Peer Institutions based on a set of Performance Measures
• Performance Measures do not apply to all campuses
• Other measures are available
Graduation Rates

Four and Six Year Graduation Rates (2006 Cohort)

Source: UNC General Administration
Freshman-to-Sophomore Retention

UNC System Freshman-to-Sophomore Retention Rates 2007-2011

Source: UNC General Administration

*2011 Public Peers Average Not Available
Degree Efficiency

Source: UNC General Administration and IPEDS Estimate
Education & Related Spending per Degree

FY 2013-14 E&R Spending per Degree by Campus

Source: UNC General Administration
Questions?

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