

# UNC System:

## Overview



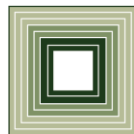
**Presentation to Joint Appropriations Subcommittee on Education**

**Brett Altman**

**Mark Bondo**

**Fiscal Research Division**

**March 5, 2015**



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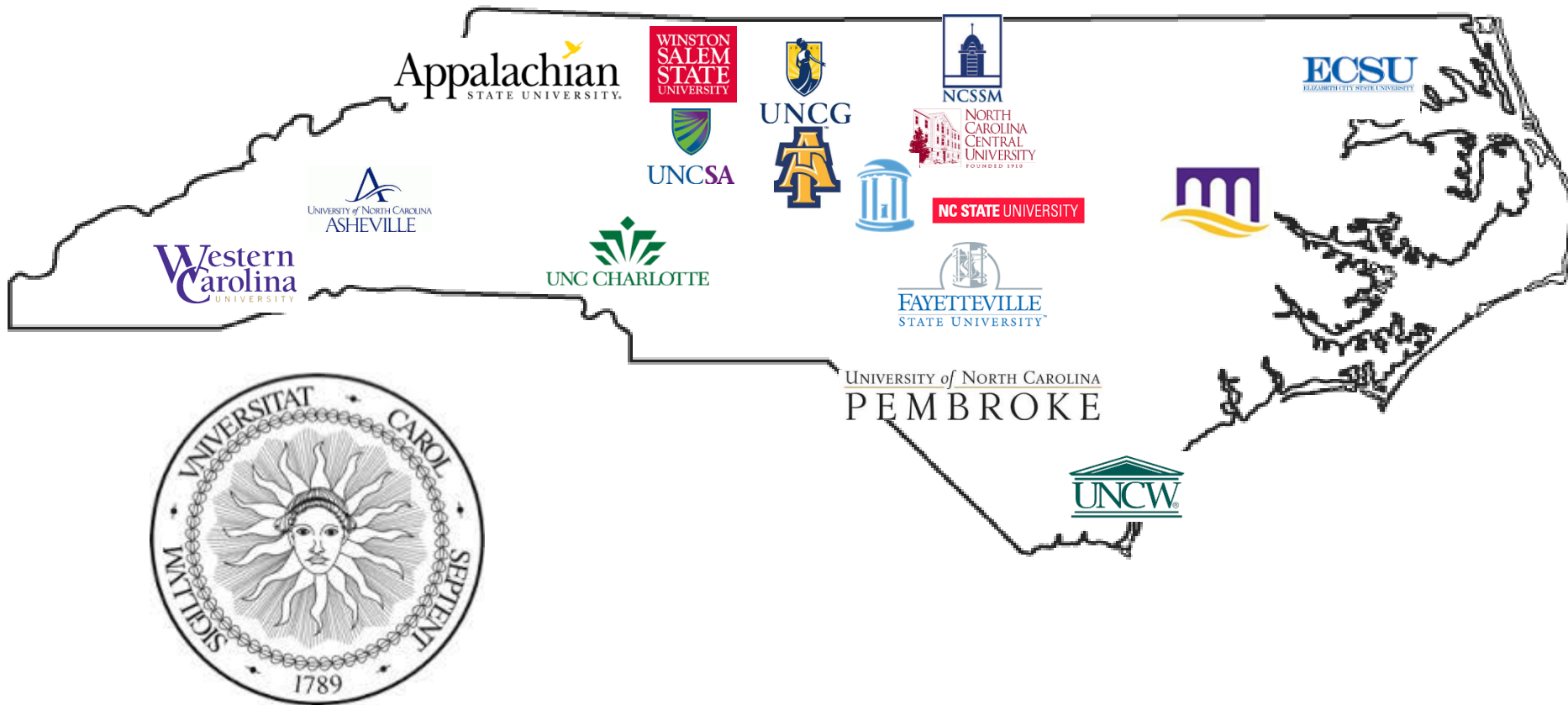
# Presentation Agenda

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



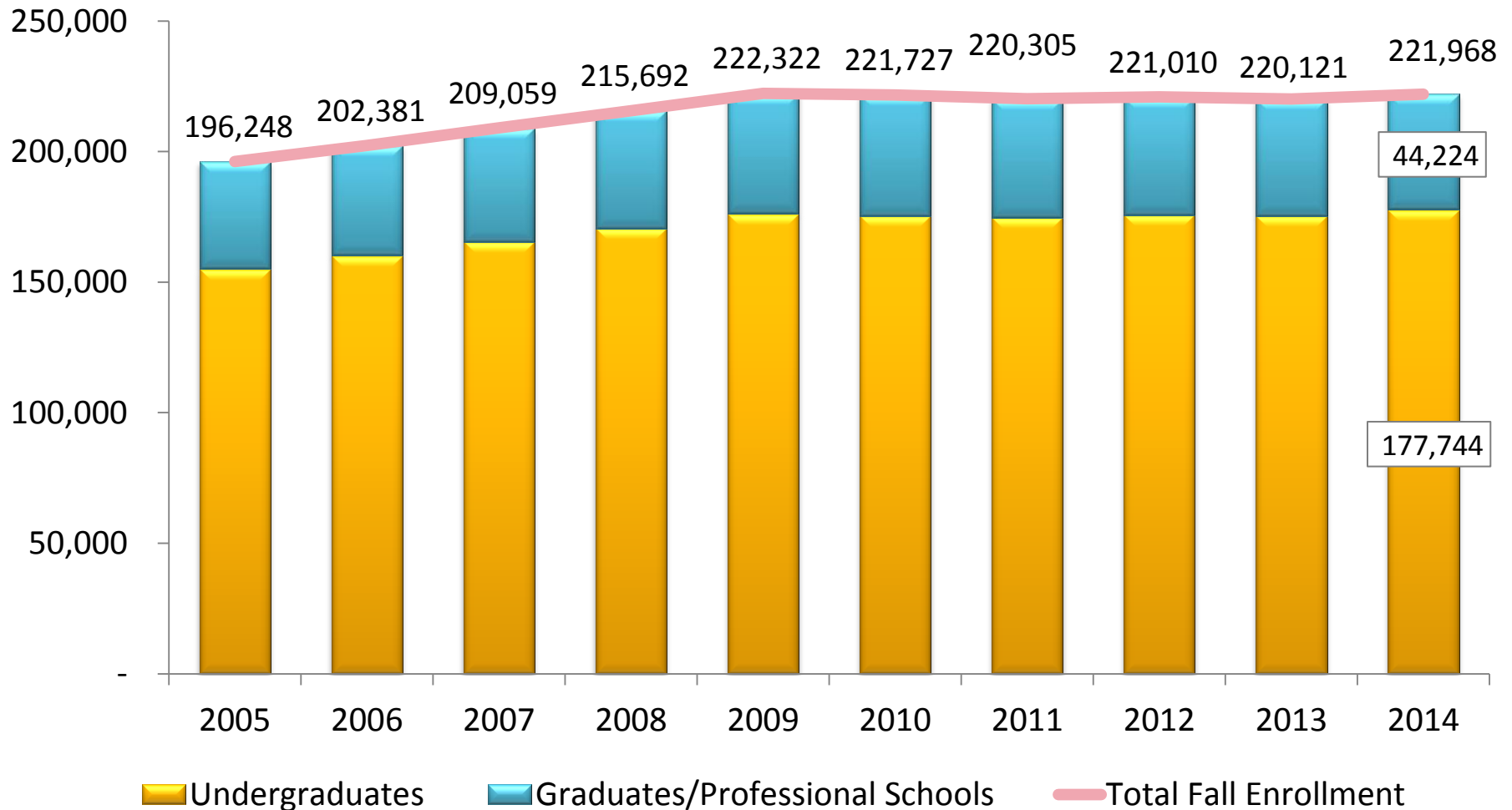
# System Governance

- 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



Source: UNC General Administration

Note: Does not include high school students.

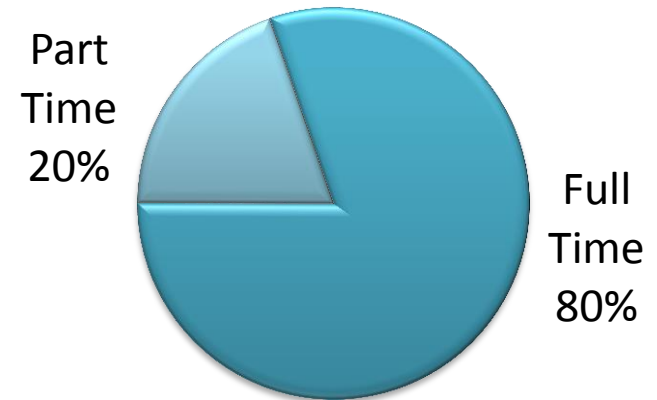


# Student Characteristics

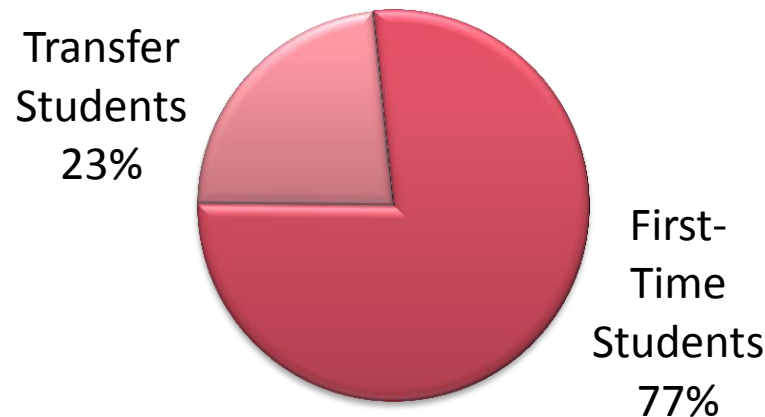
## All Students by Residency



## All Students by Course Load



## New Students by Entry Type



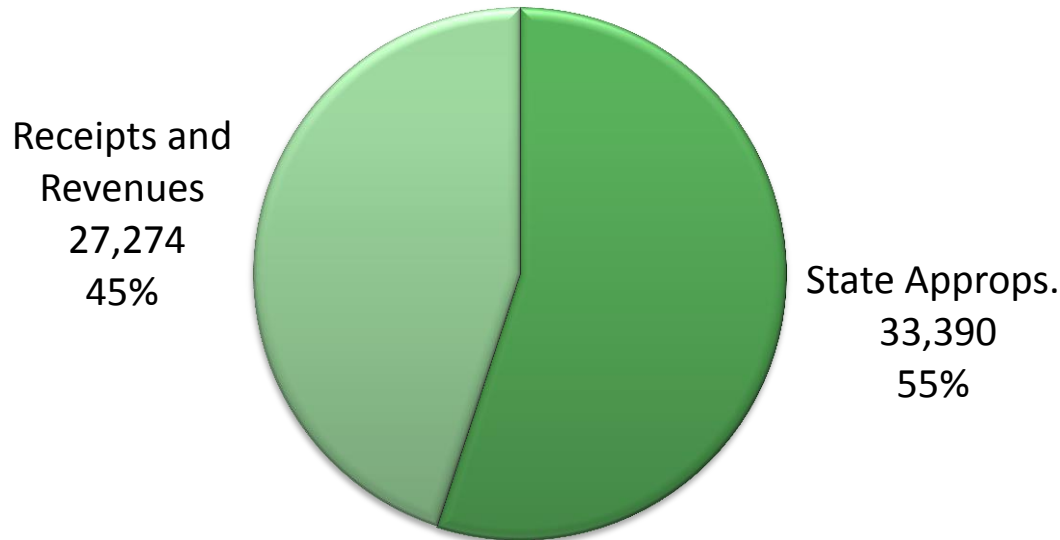
Source: UNC General Administration

Note: Does not include high school students.

# Employees: UNC System

## UNC Employees by Source of Funds

Total: 60,664 FTE



Source: Annual Salary Survey, December 2014

# Budget Overview



# UNC Budgeting 101

## State General Fund Budget

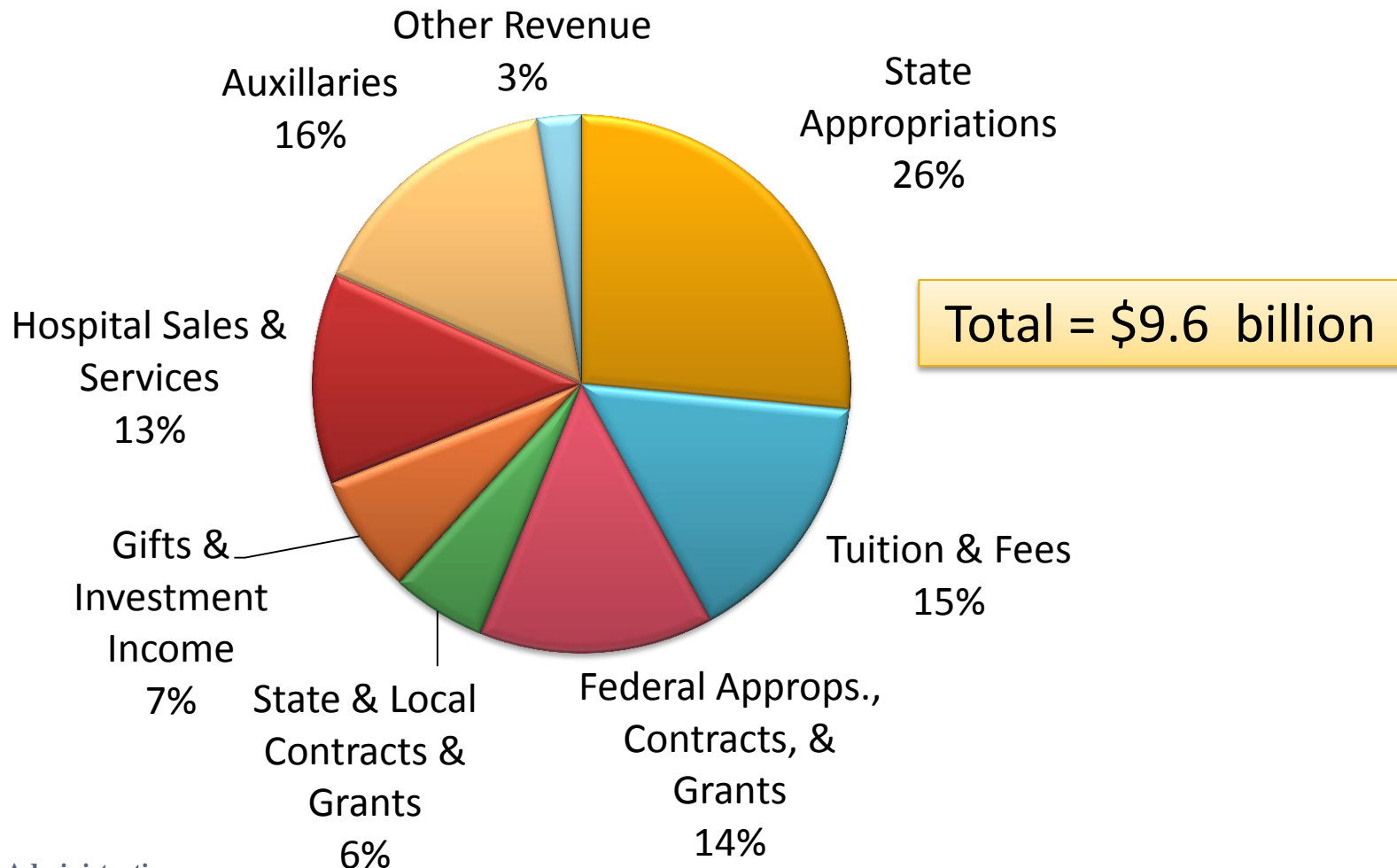
- Education and related spending
- Any State appropriations for other items.

## Campus Budgets

- Hospitals
- Auxiliary services
- Research
- Endowments

# UNC Total Operating Revenues

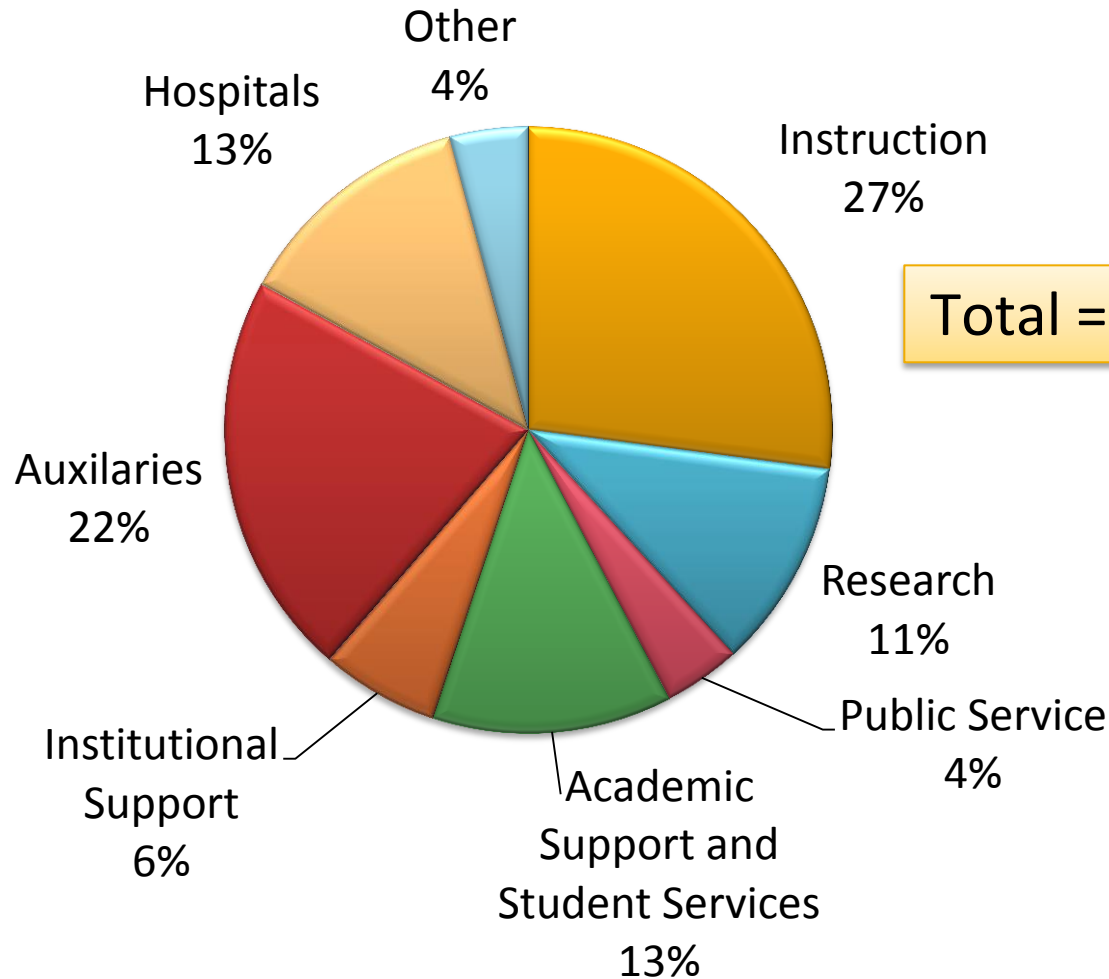
## FY 2013-14 Total Operating Revenues (Unaudited)



Source: UNC General Administration

# UNC Total Expenditures

## FY 2013-14 Total Expenditures (Unaudited)\*



Source: UNC General Administration

\*Totals include distributed interest, depreciation, and operation and maintenance

# State General Fund Budget

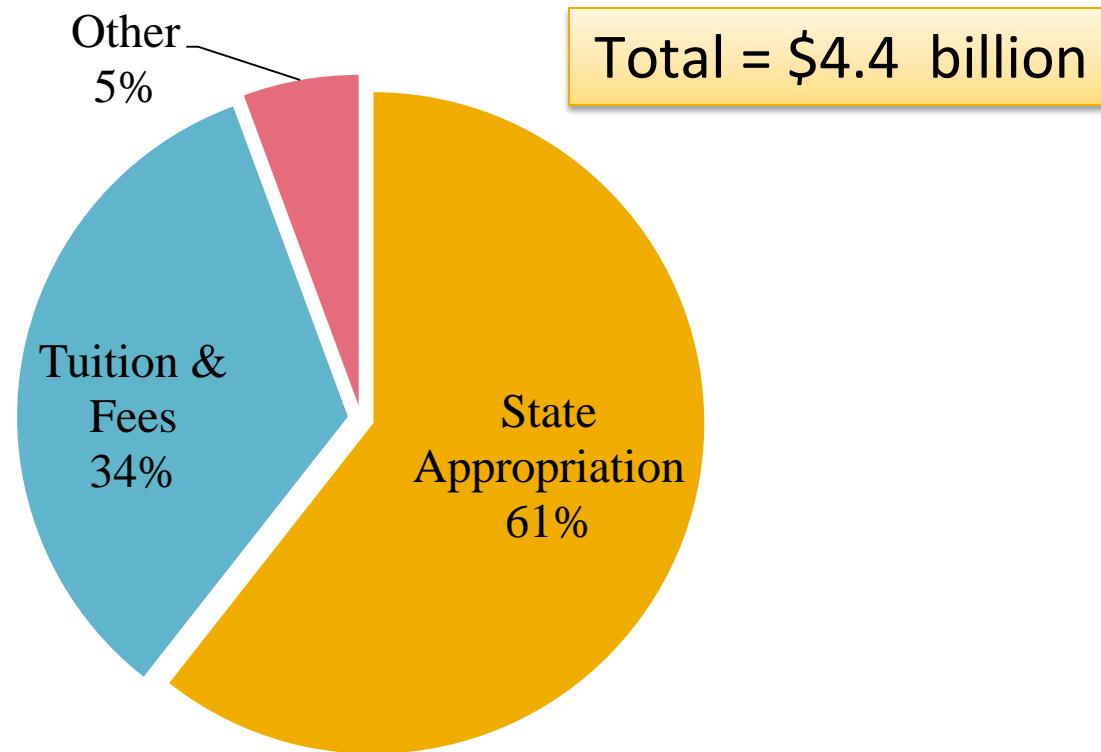
## Net State General Fund Appropriations FY 2005-06 to FY 2014-15



Source: June 30 BD 701 reports FY 2005-06 – 2013-14; FY 2014-15 Certified Budget as of December 2014.

# State General Fund Budget

## FY 2014-15 General Fund budget



Source: FY 2014-15 Certified Budget as of December 2014.



# 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

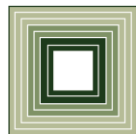
- G.S. 116-11(8) gives the Board of Governors (BOG) authority to set enrollment levels.
- UNC has used an enrollment growth funding model since 1998 to develop its budget request.
  - The General Assembly appropriates enrollment funding in advance based on UNC's own projections of the next year's enrollment.
  - 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



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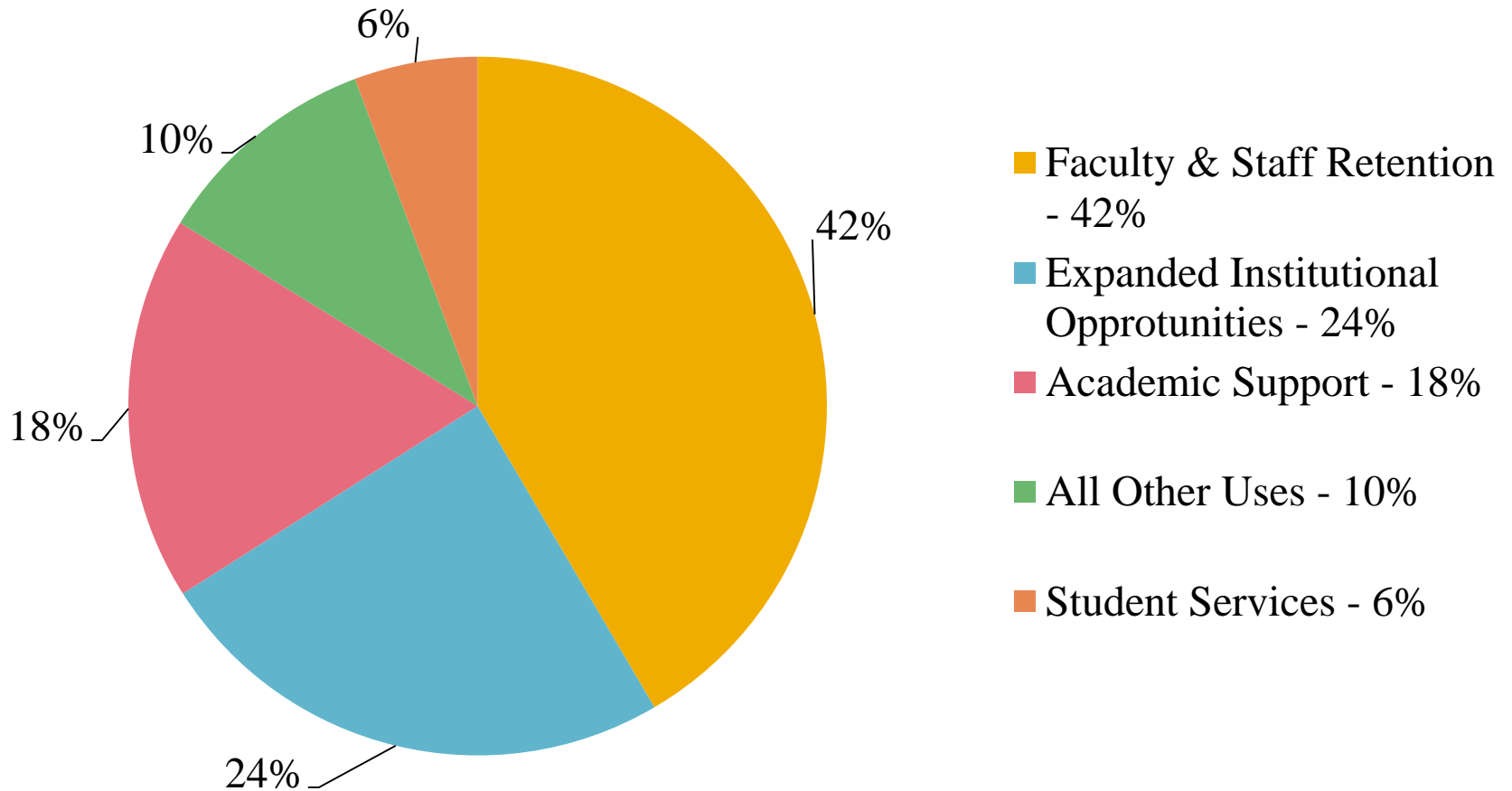
# Setting Tuition

- 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



# Setting Tuition: Undergraduate Peer Comparisons

Institution	Resident Rank	Nonresident Rank
ASU	19 of 19	7 of 19
ECU	19 of 19	12 of 19
ECSU	15 of 16	11 of 16
FSU	17 of 17	10 of 17
NCA&T	16 of 18	10 of 18
NCCU	17 of 17	10 of 18
NCSU	15 of 17	15 of 17
UNCA	15 of 15	3 of 15
UNC-CH	11 of 11	7 of 11
UNCC	17 of 18	11 of 18
UNCG	17 of 19	12 of 19
UNCP	17 of 19	11 of 19
UNCW	18 of 18	9 of 18
UNCSA	13 of 14	12 of 14
WCU	15 of 18	10 of 18
WSSU	16 of 17	14 of 17

- **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.

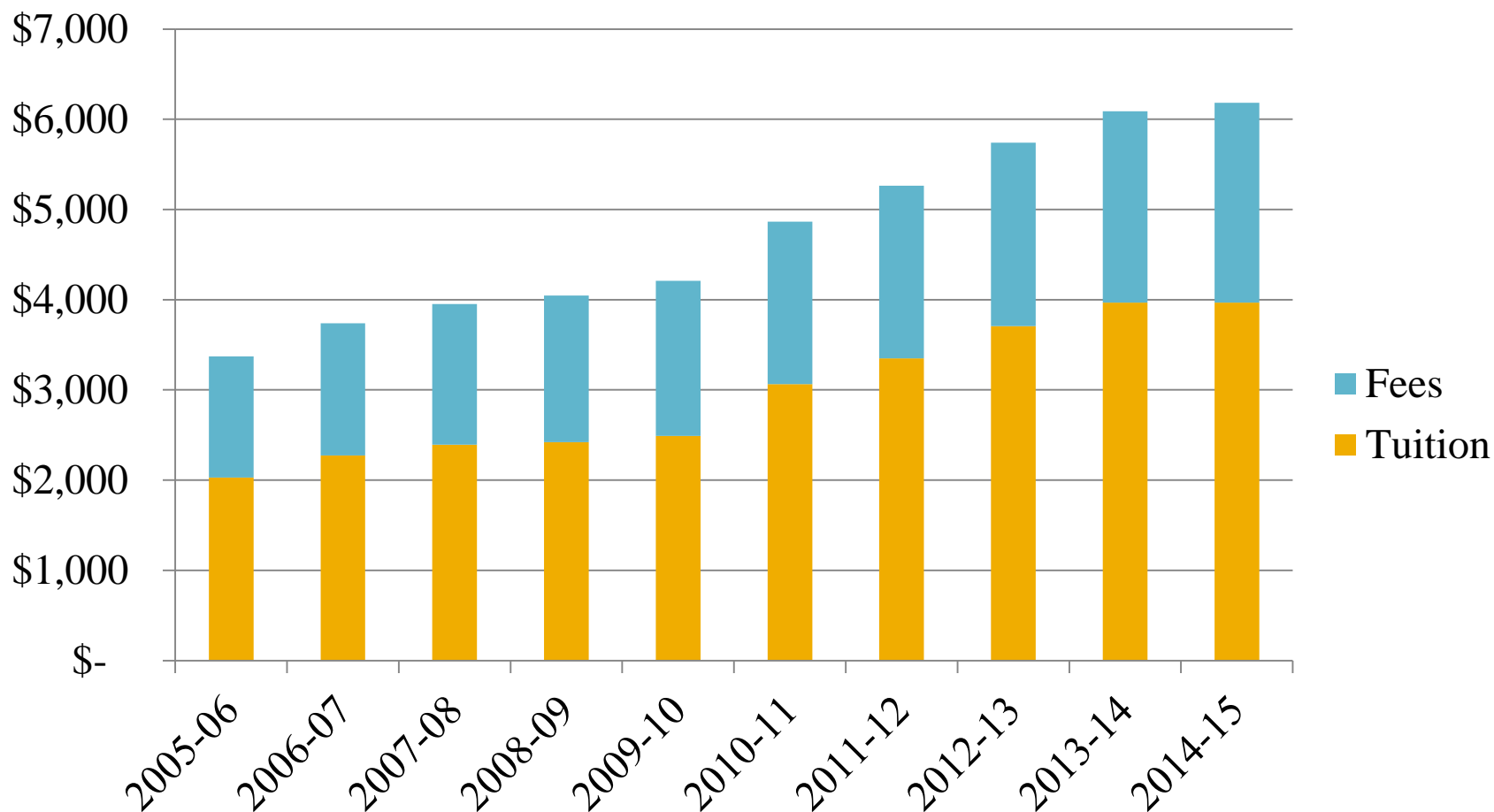


# Tuition and Fee Revenues

- 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

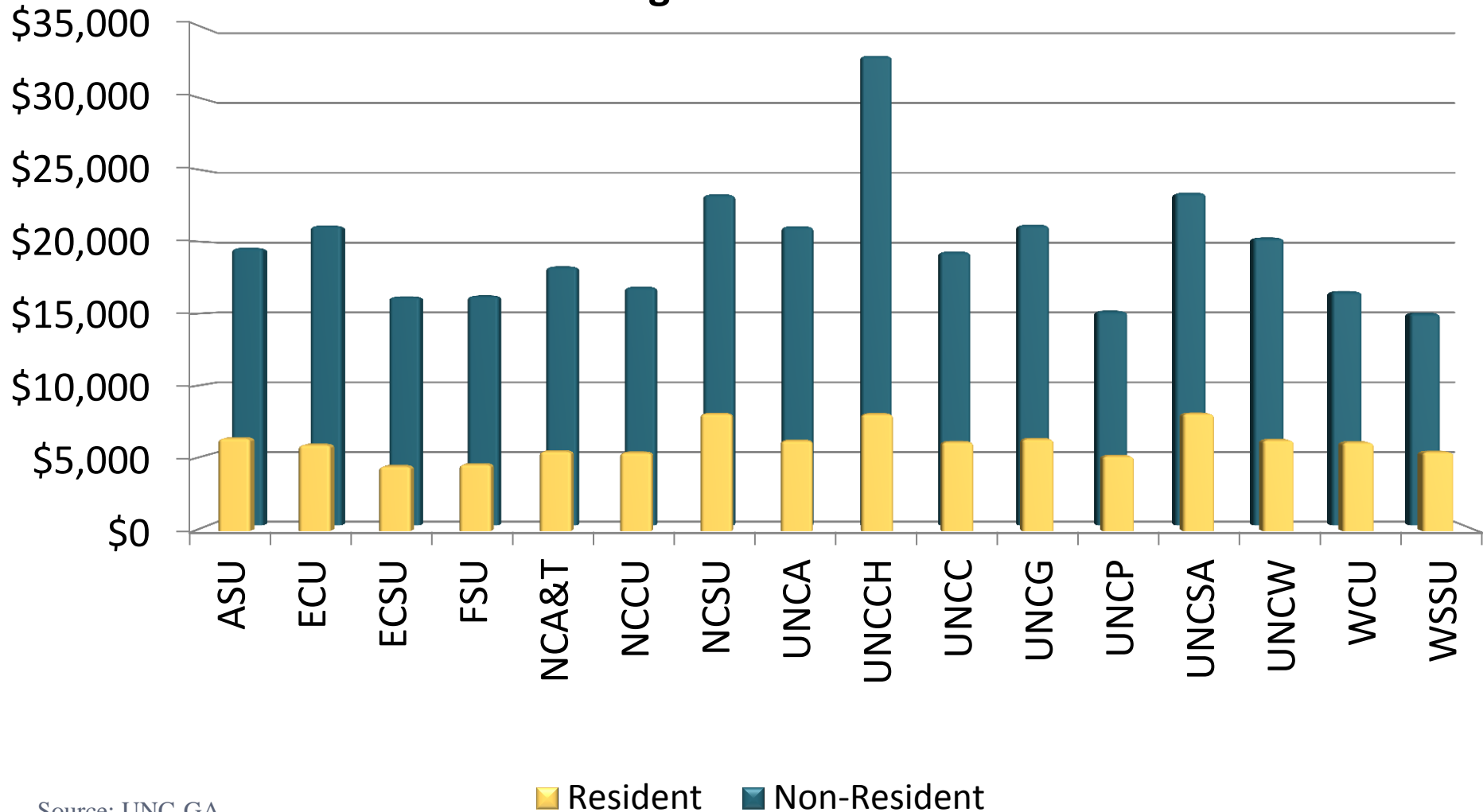
Source: UNC-GA presentation to Board of Governors, January 16, 2015.

# Resident Undergraduate Tuition and Fees



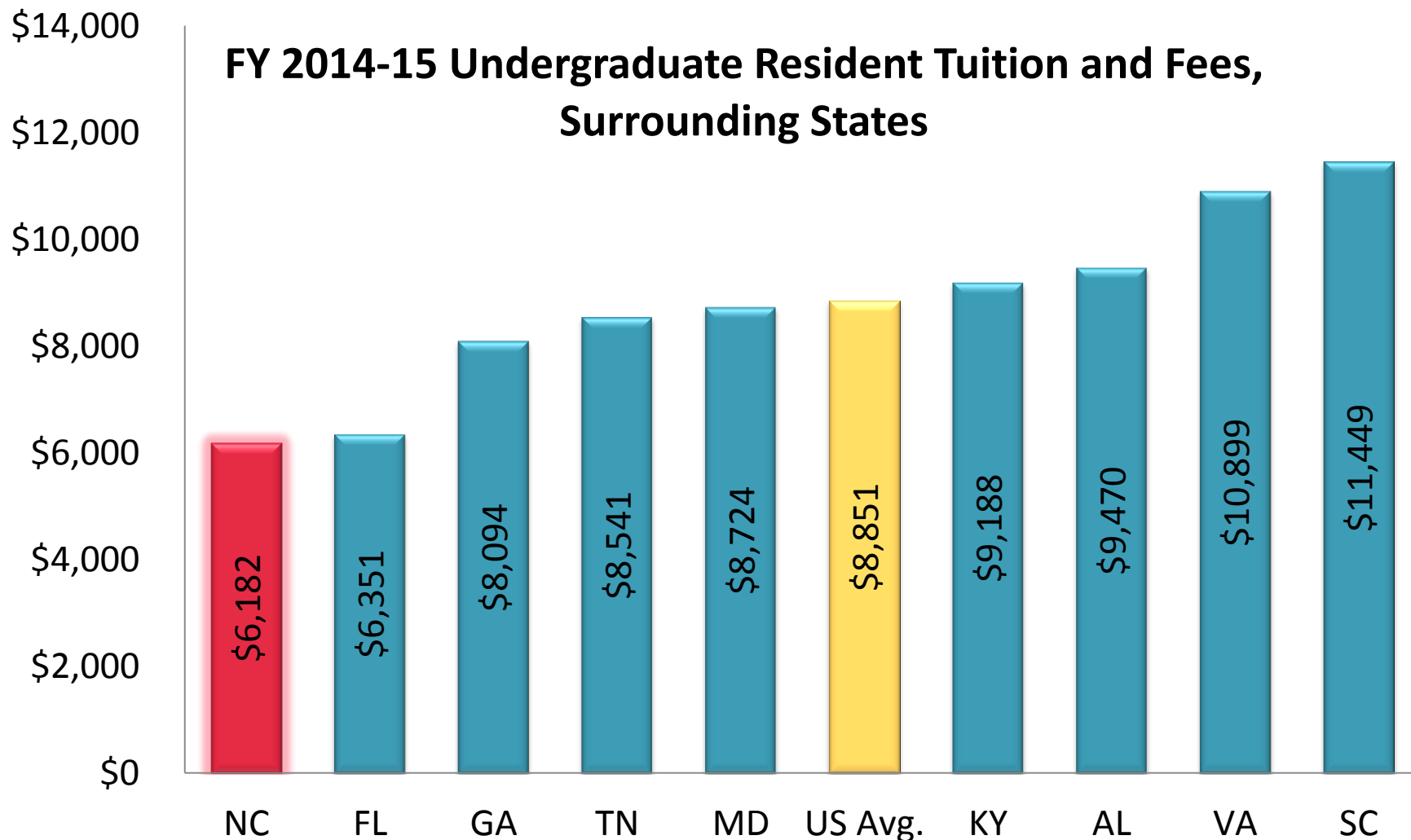
# Tuition and Fees by Campus

## 2014-15 Undergraduate Tuition and Fees



Source: UNC-GA

# Tuition Comparisons



Source: College Board, Trends in Higher Education Pricing, <http://trends.collegeboard.org/college-pricing>.

# 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

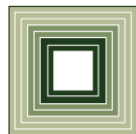
Student  
Activities Fees

Educational  
and Technology  
Fees

Debt Service  
Fee

Security Fee

# Performance Metrics



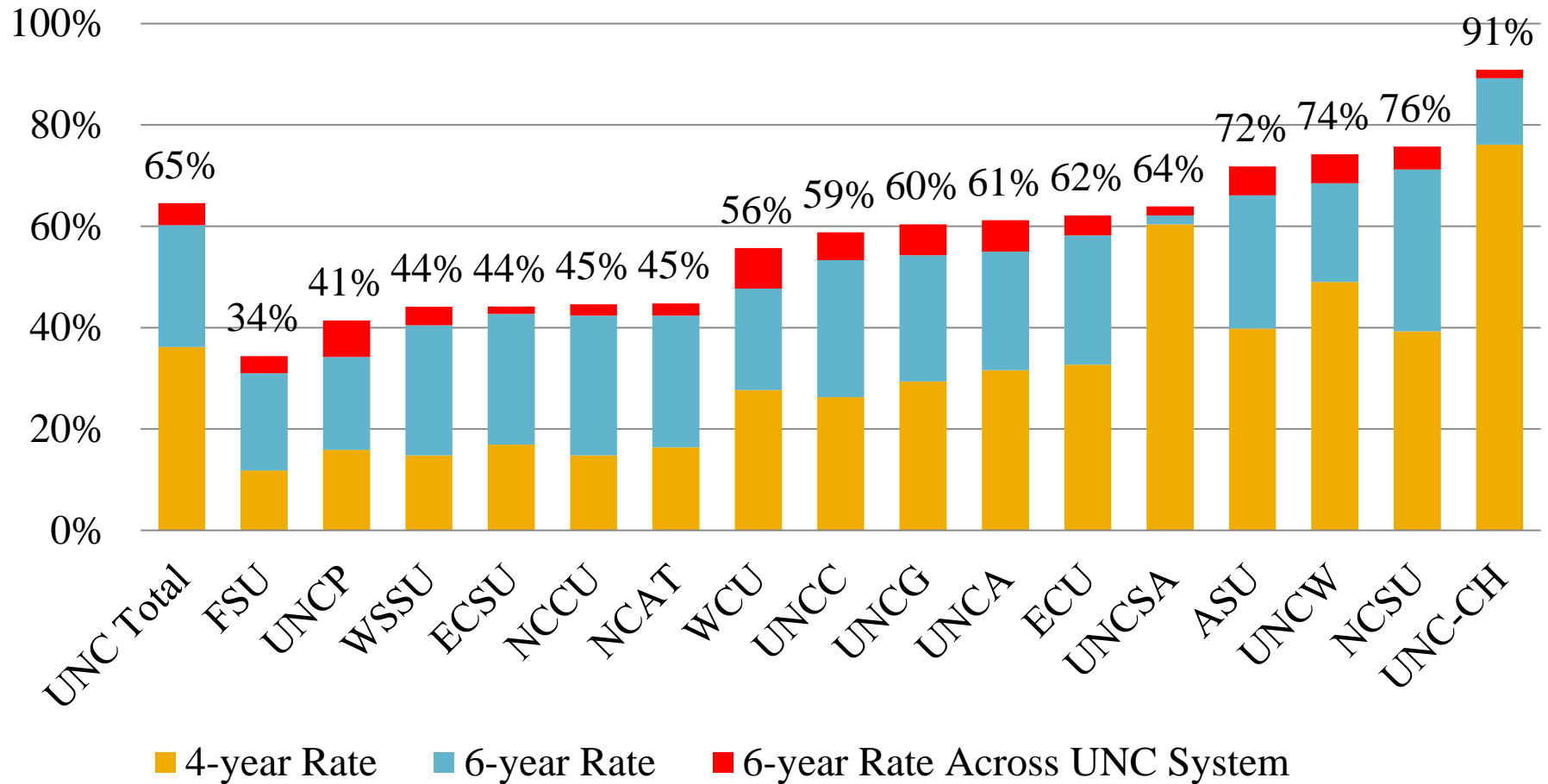
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# Performance Measures

- 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)

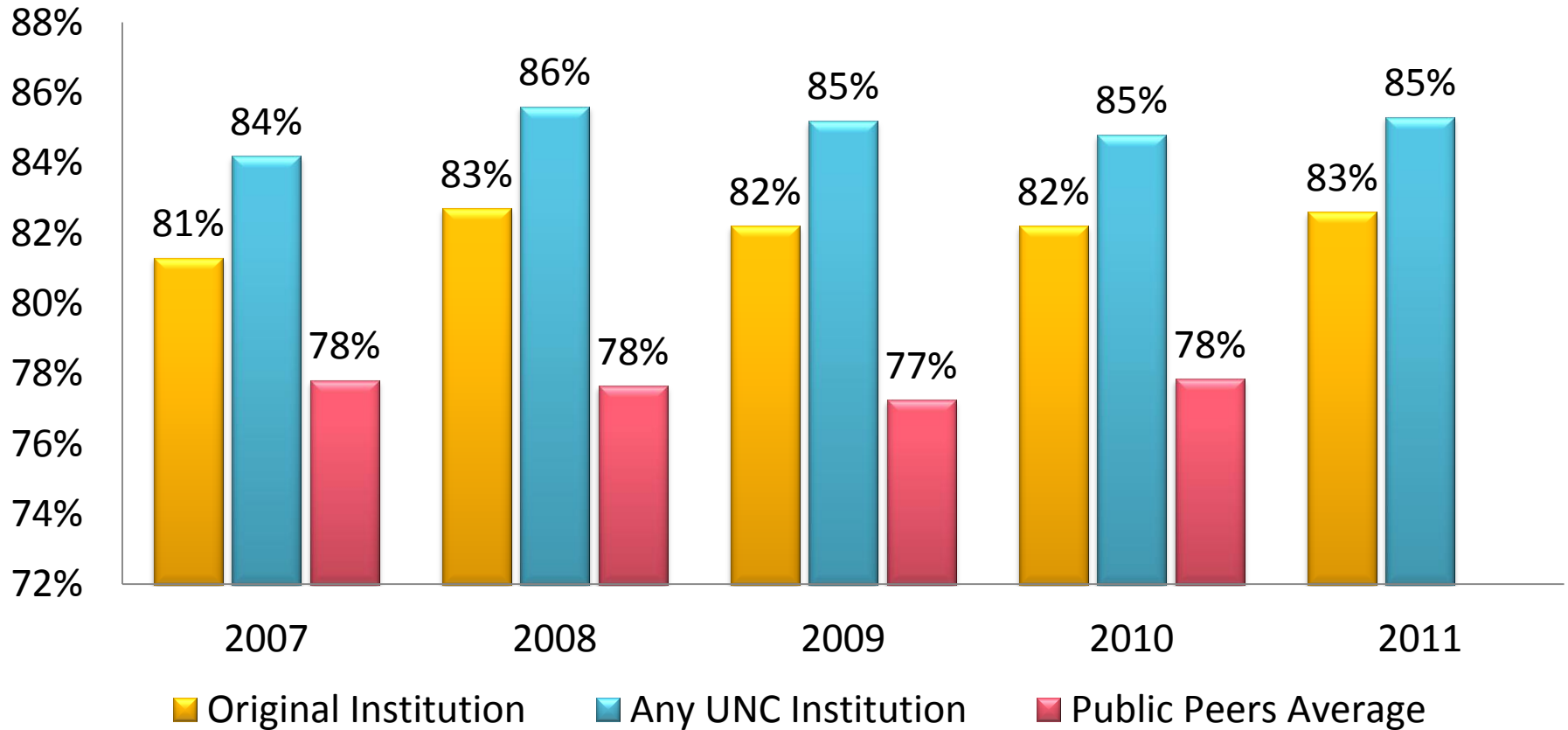


Source: UNC General Administration



# Freshman-to-Sophomore Retention

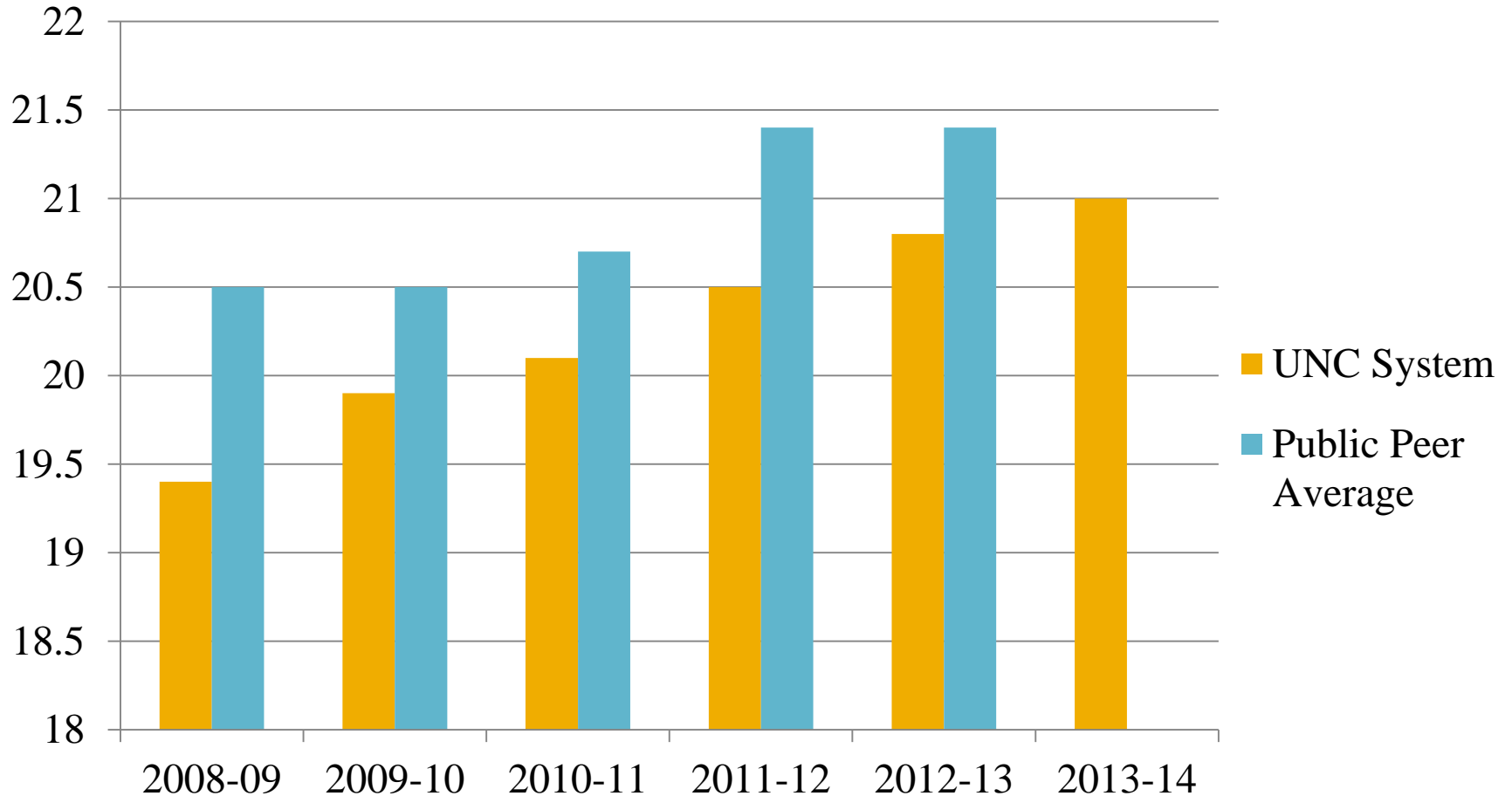
## UNC System Freshman-to-Sophomore Retention Rates 2007-2011



Source: UNC General Administration

\*2011 Public Peers Average Not Available

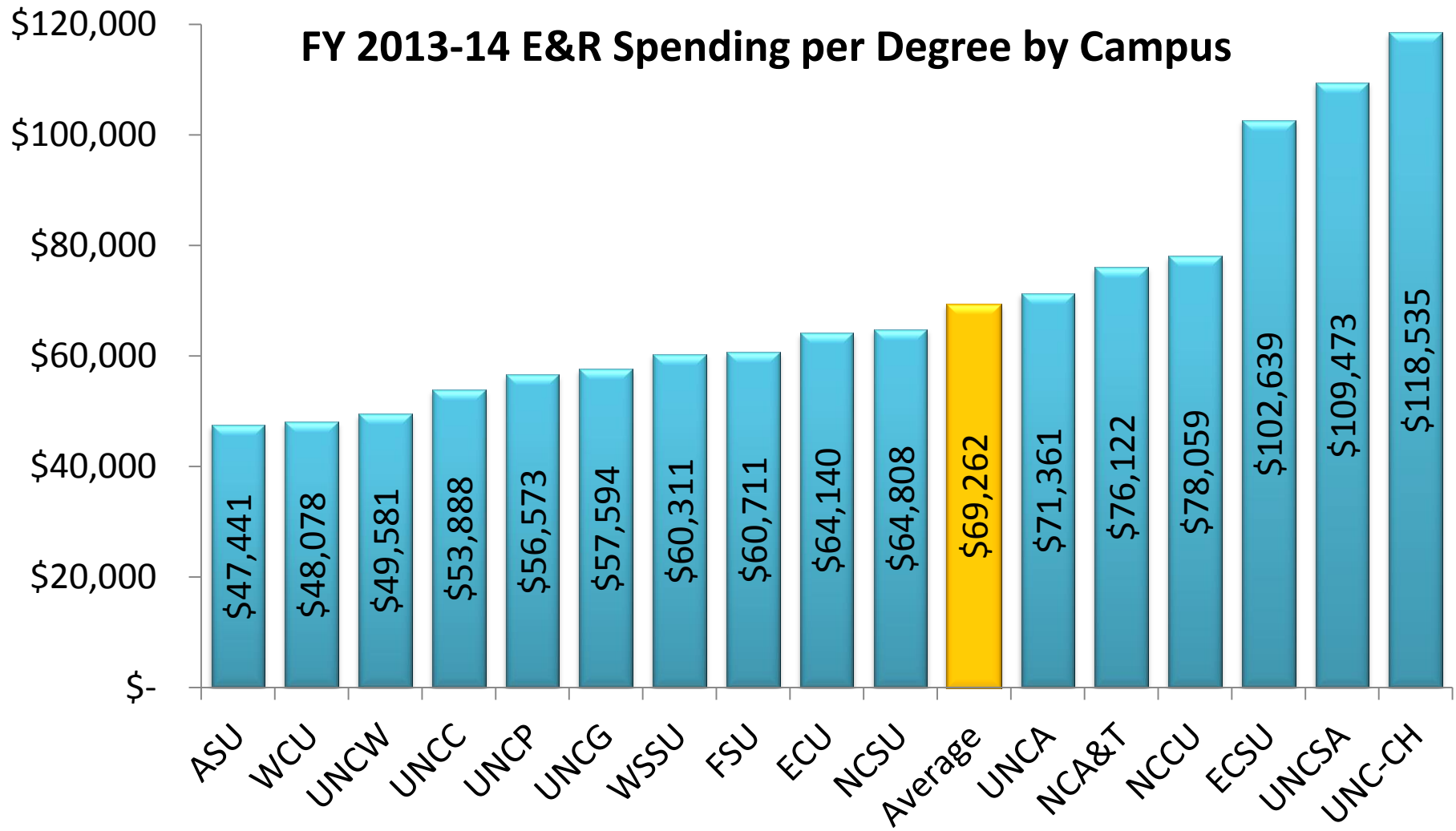
# Degree Efficiency



Source: UNC General Administration and IPEDS Estimate

# Education & Related Spending per Degree

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

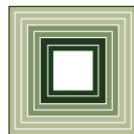


Source: UNC General Administration

# Questions?

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