

# UNC System: Overview



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# Presentation Agenda

1. System Overview
2. Enrollment
3. Budget
4. Tuition and Fees/NC Promise
5. State Education Assistance Authority (SEAA)  
K-12 Scholarships and Grants

# History

- 1795 – First public university opens in Chapel Hill
- 1931 – Legislation creates three-campus UNC System
- 1971 – 16-campus system formed
- 1972 – Board of Governors established
- 2007 – NC School of Science and Math joins system

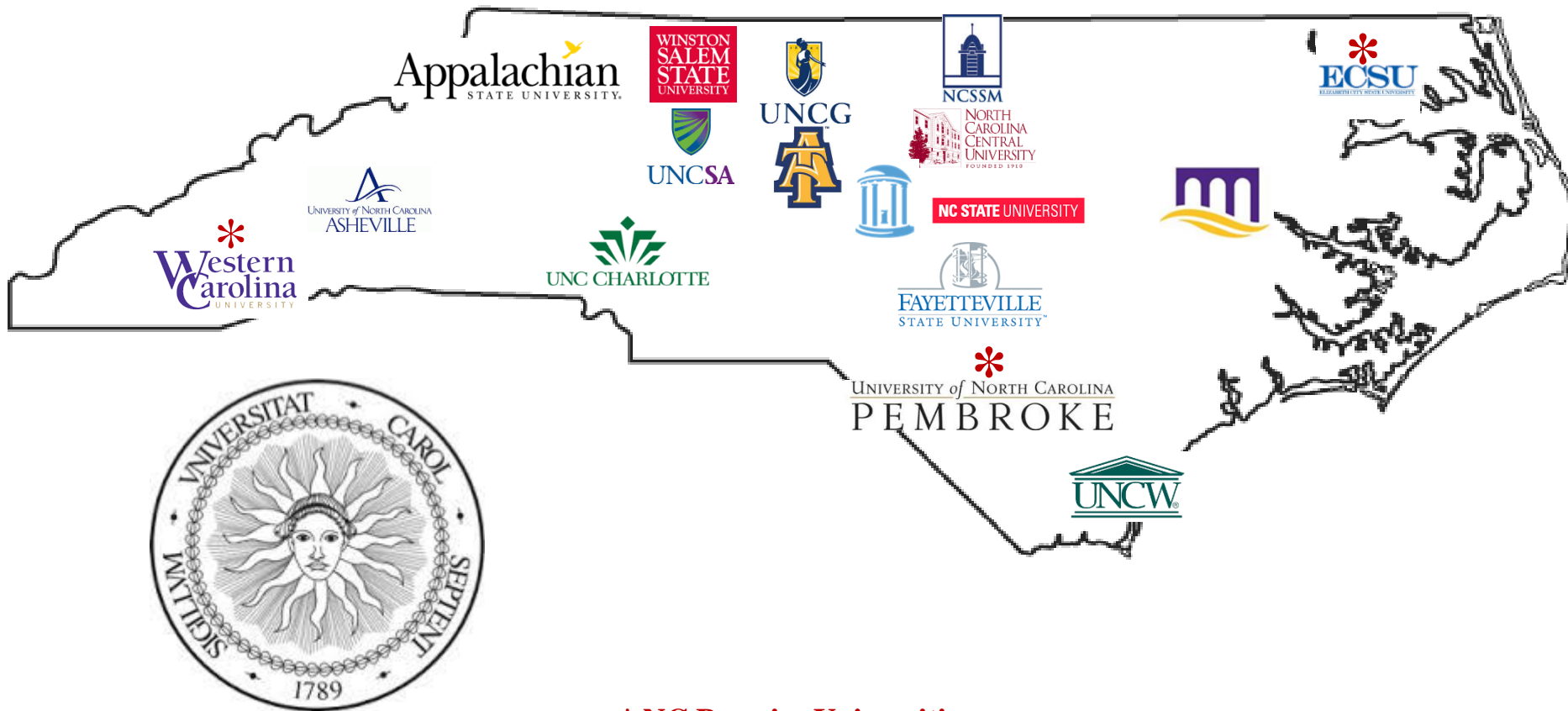
# System Governance

- General Assembly elects the UNC Board of Governors (BOG).
- 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

# System Composition

- 16 universities
- 2 Residential High Schools
  - UNC School of the Arts
  - NC School of Science and Mathematics
- 237,000 students are enrolled
- Each year, UNC institutions graduate more than 54,000 students from over 200 academic degree programs

# System Composition

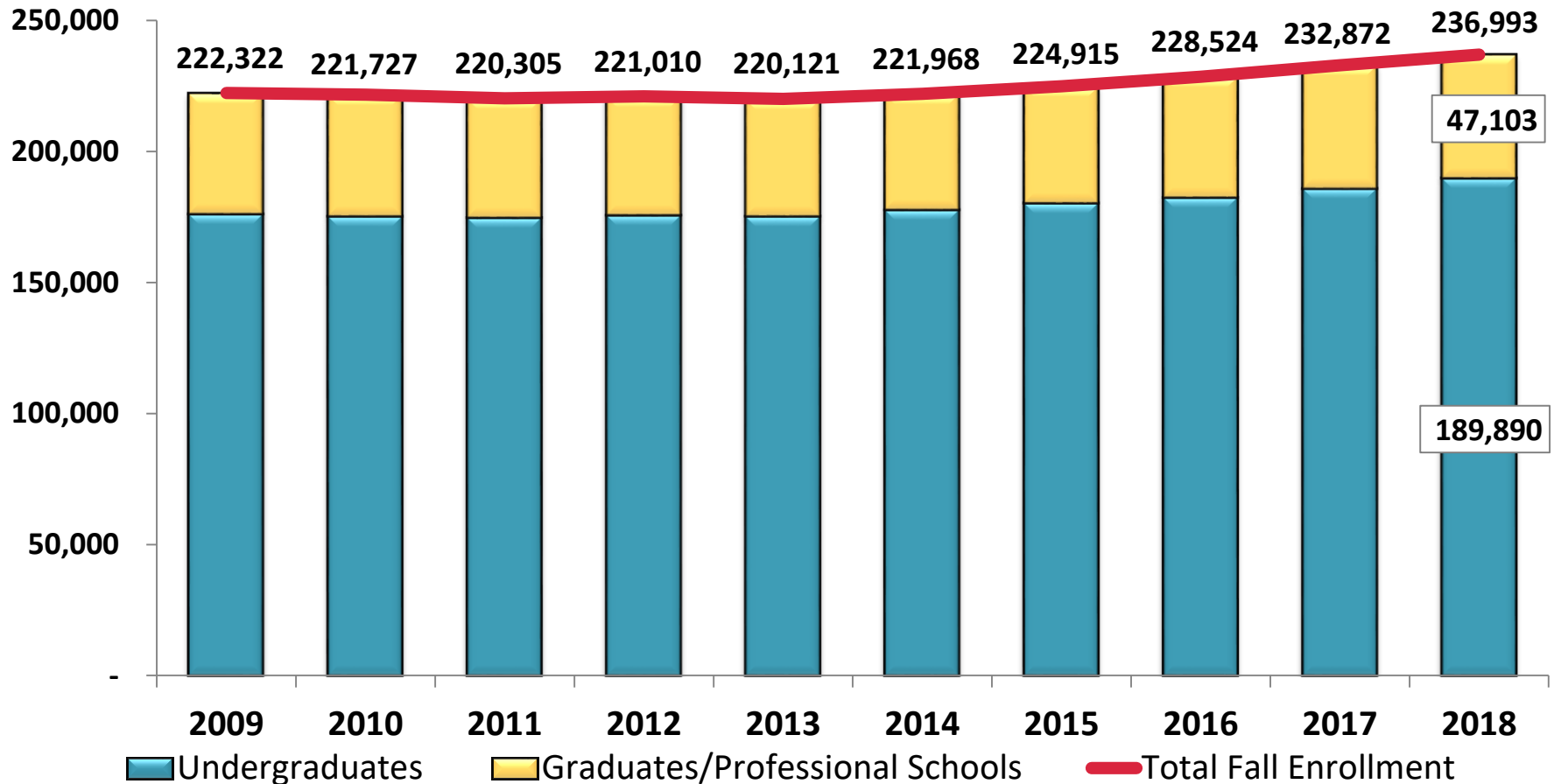


\* NC Promise Universities

# Enrollment

# Student Headcount

Fall Student Headcount: 2009-2018

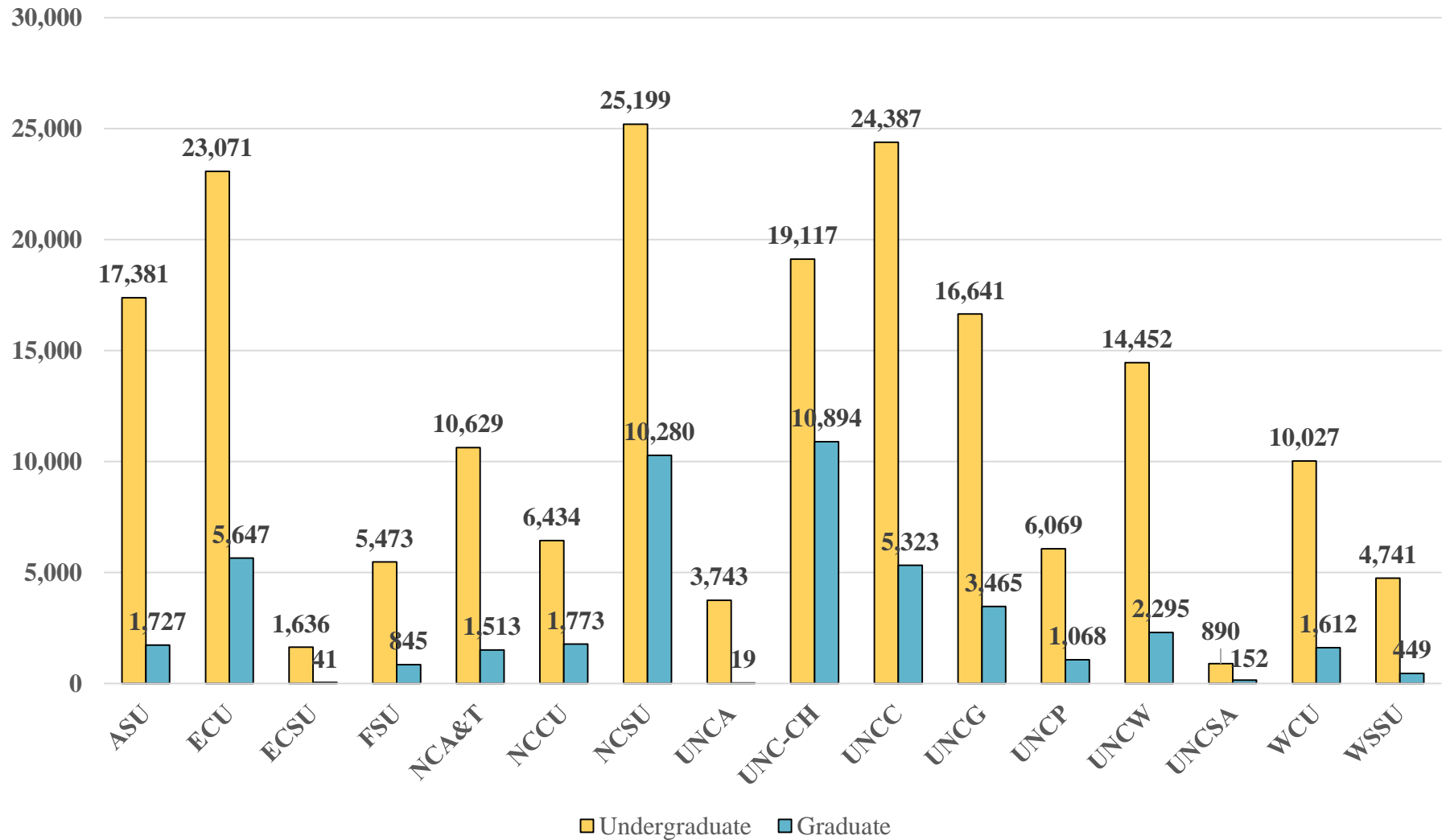


Source: UNC General Administration

Note: Does not include high school students.

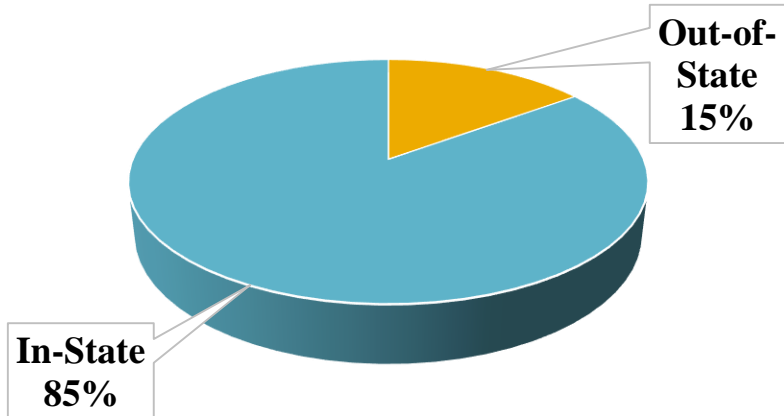


# Fall 2018 Enrollment by Campus

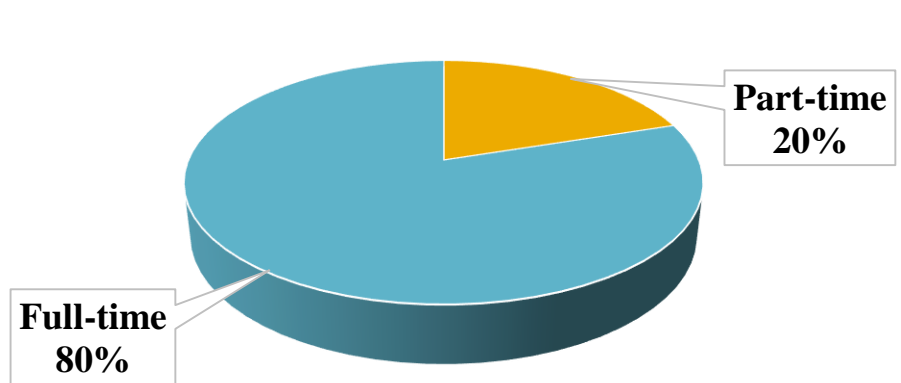


# Student Characteristics

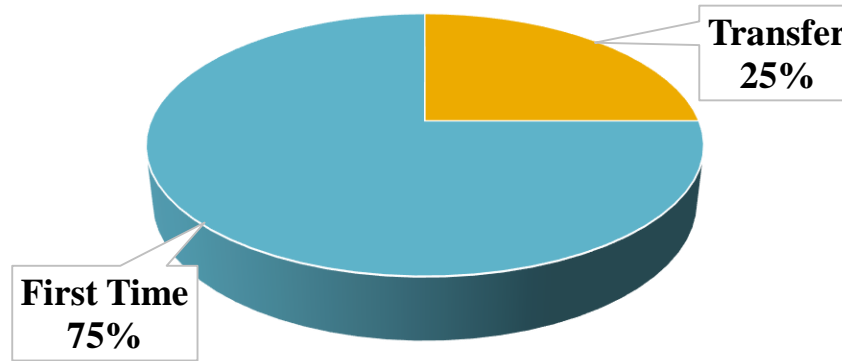
All Students by Residency



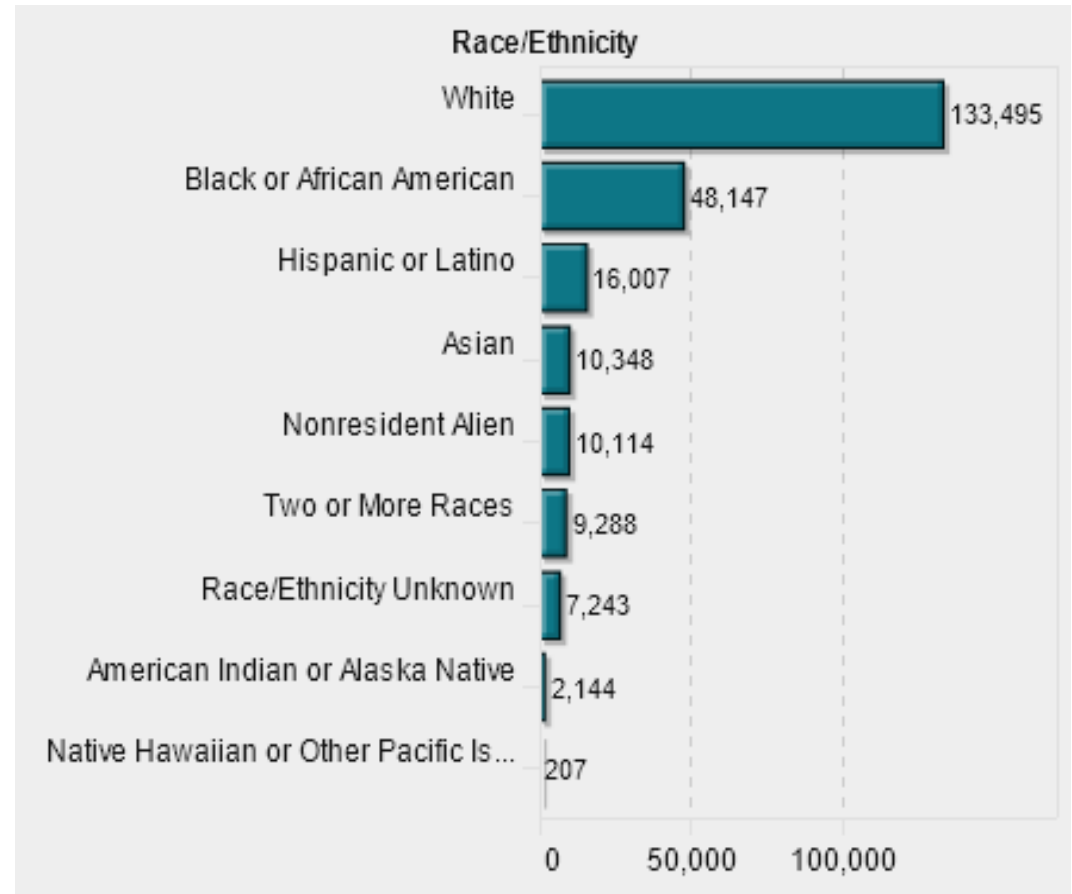
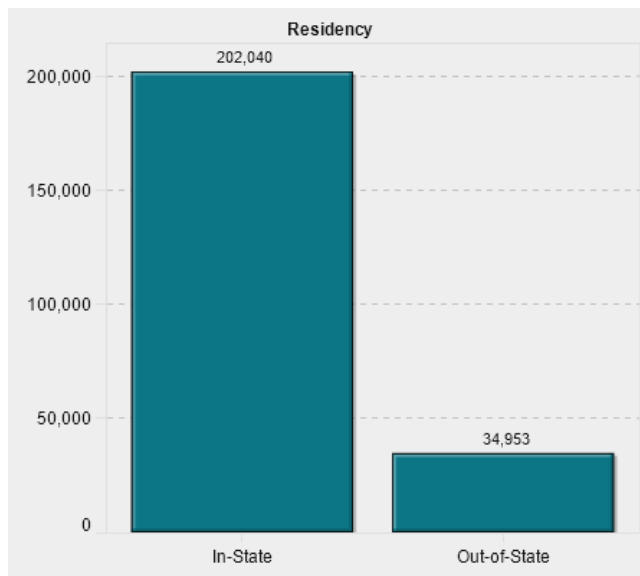
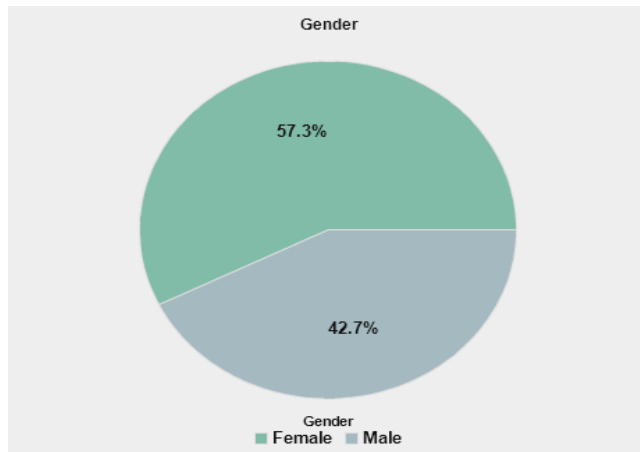
All Students by Course Load



New Students



# UNC Demographics Fall 2018



# Budget Overview



# UNC Budgeting 101

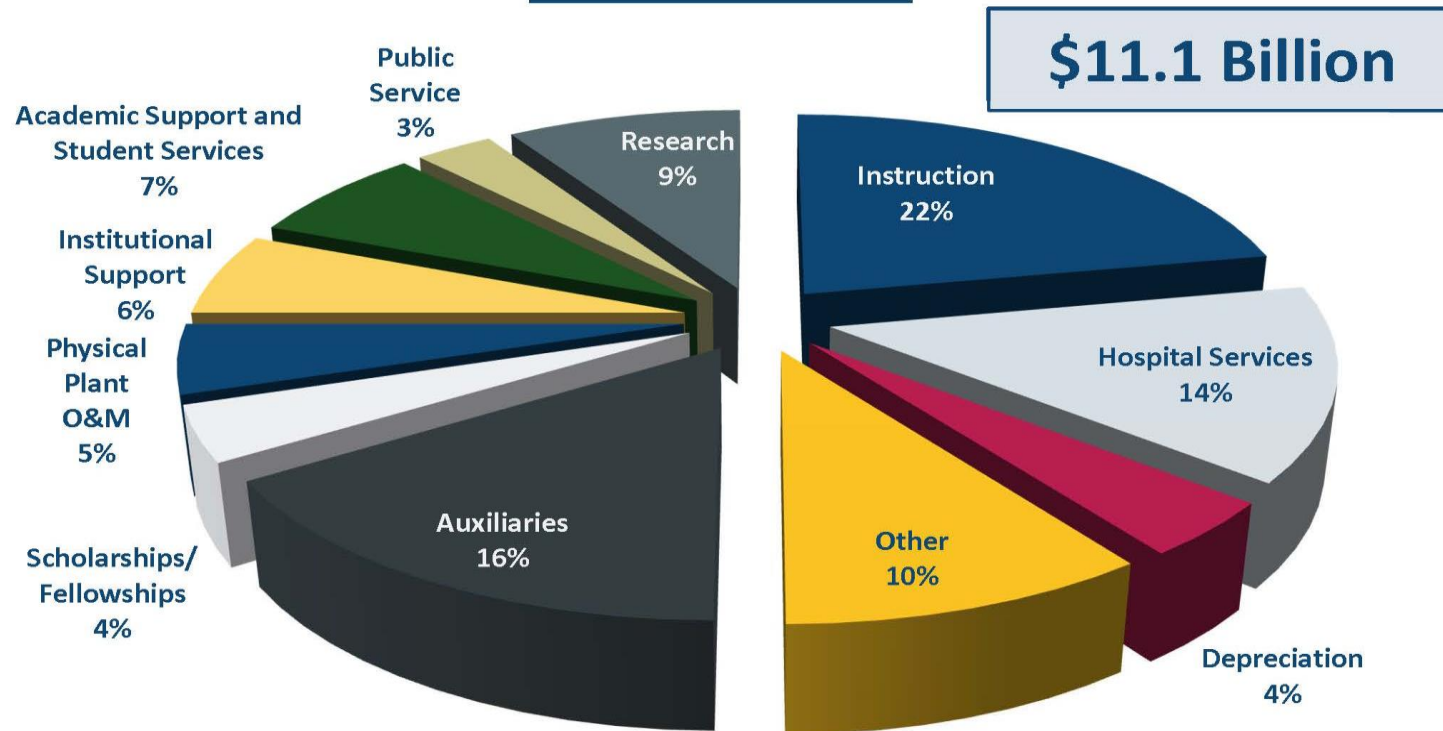
## State General Fund Budget

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

## Campus Budgets

- Hospitals
- Auxiliary services
- Research
- Endowments

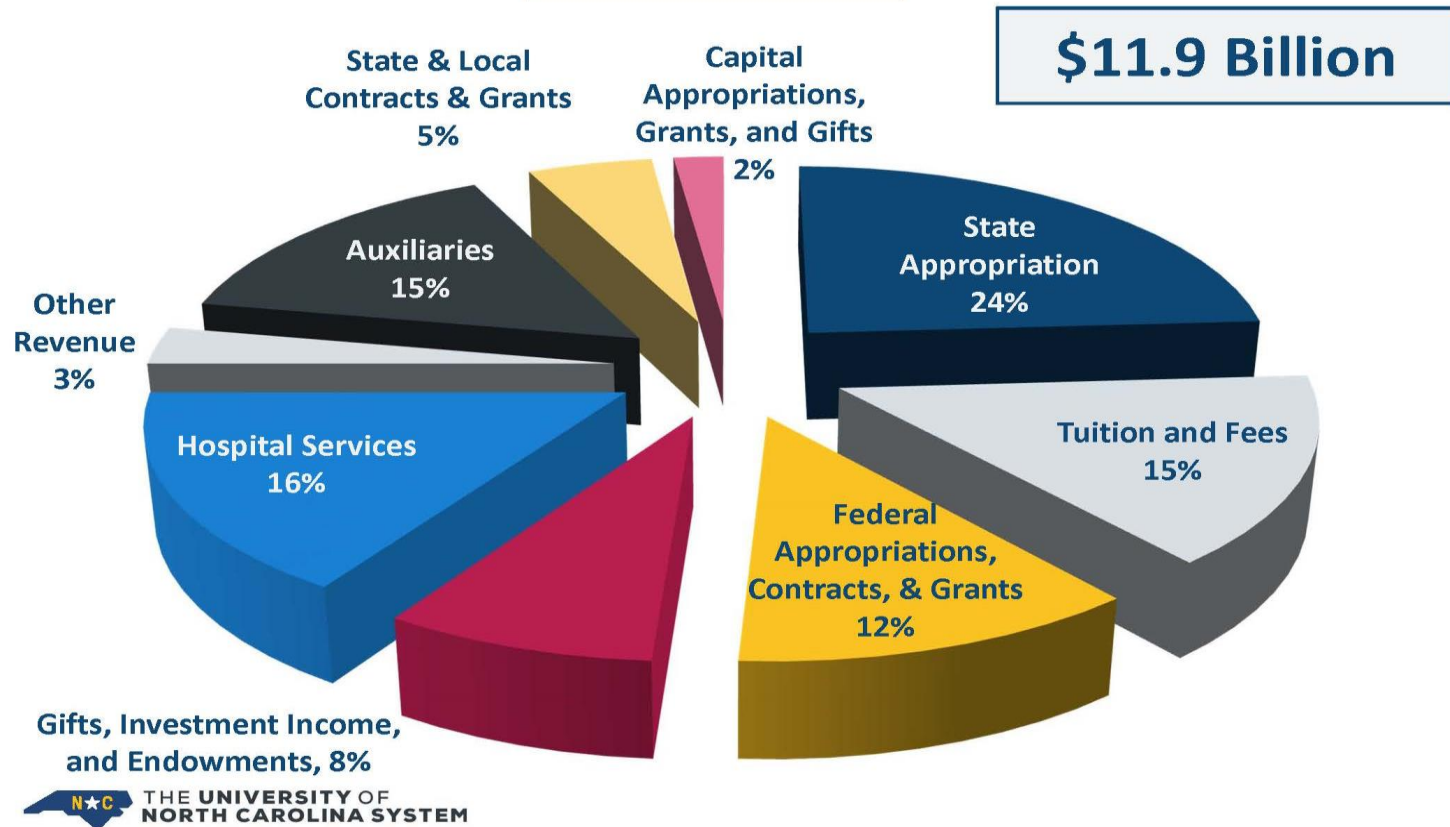
# ***FY 2018 UNC System Expenditures*** ***(includes UNC Hospitals/excludes NCSSM)***



*Note: Some research and private/endowment revenues are not available for immediate expenditure.*

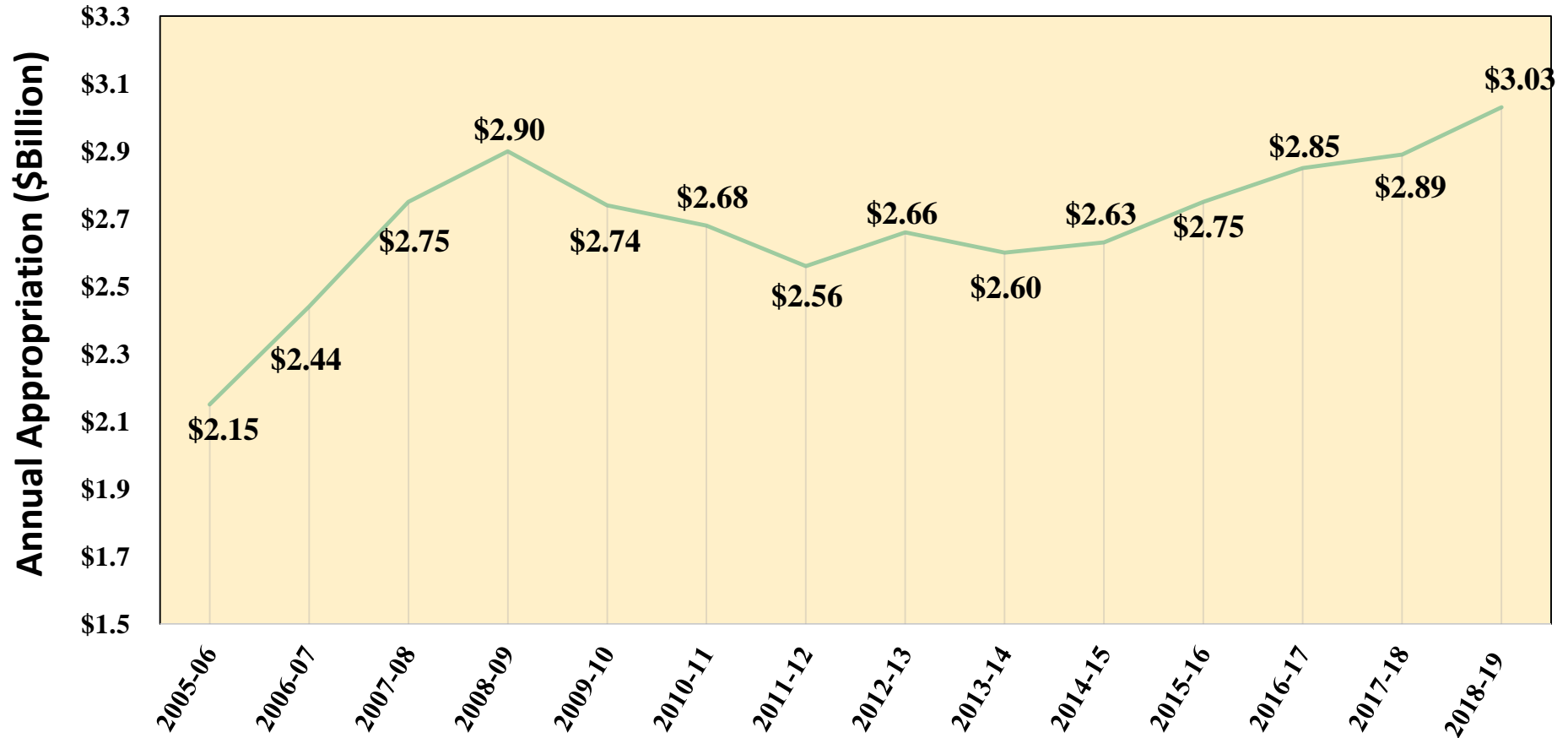


# ***FY 2018 UNC System Revenues*** ***(includes UNC Hospitals/excludes NCSSM)***



# State General Fund Budget

## Net State General Fund Appropriations FY 2005-06 to FY 2018-19



Source: June 30 BD 701 reports FY 2005-06 – 2016-17; Conference Reports 2017-19



# State General Fund Budget

FY 2016-17 to FY 2018-19

	FY 2016-17	FY 2017-18	FY 2018-19
Requirements	\$4,588,647,636	\$4,747,345,691	\$4,887,018,277
Receipts	\$1,736,359,515	\$1,853,570,342	\$1,859,402,211
<b>Net Appropriation</b>	<b>\$2,852,288,121</b>	<b>\$2,893,775,349</b>	<b>\$3,027,616,066</b>

## Requirements:

- Personnel, Operating Expenses, Educational Awards

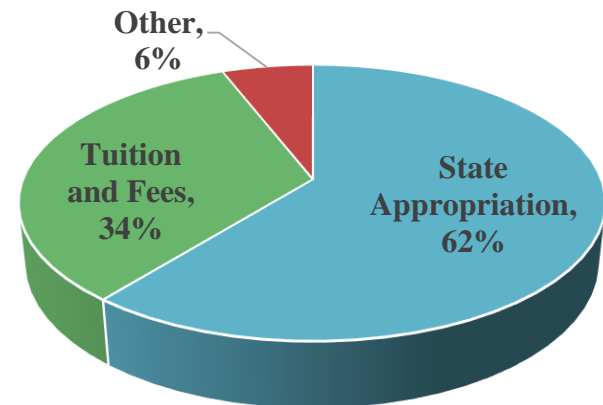
## Receipts:

- Tuition and Fees, Grants, Sales of Service

## Net Appropriation:

- State's responsibility

General Fund: \$4.9 Billion



# State General Fund Budget

- 82% of net State General Fund appropriations flows directly to the campuses.
- Of the remaining 18%:
  - Aid to private institutions
  - Financial aid
  - UNC General Administration
  - Other non-campus-specific programs

# Enrollment Growth

- G.S. 116-11(8) gives the Board of Governors authority to set enrollment levels.
- UNC uses a complex enrollment growth funding model to develop its budget request based on projections
- The formula calculates how much it costs to instruct and support the current and the estimated growth in students (enrollment growth) based on projected student credit hours
- S.L. 2017-57, Sec. 10.10 directs funds for enrollment growth be held in reserve
- Proposed Changes in Enrollment Growth Model
  - Enrollment growth to be based on arrears starting in FY 2019-20
  - Board of Governors Task Force established to review current model

# 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

# Tuition and Fees

# Recent Legislative Actions

- Access to Affordable College Education (S.L. 2016-94, Sec. 11.4)
  - Fixed Tuition Payment Program:
    - A guarantee that the rate of tuition approved by the Board of Governors or the Board of Trustees of the constituent institution will remain constant or decrease during the tuition period, defined as eight or ten academic semesters.
  - Cap on Student Fees: Student fees may increase by no more than three percent each academic year.
  - NC Promise Tuition Plan and “Buy Down”

# NC Promise

Created by the General Assembly in 2016; Program began Fall of 2018

- Sets undergraduate tuition at \$500 per semester for residents and \$2,500 per semester for nonresidents at three UNC institutions
  - Western Carolina University
  - Elizabeth City State University
  - UNC Pembroke
- Student fees, room and board are not included
- \$51 million R in FY 2018-19 for “buy down”
  - \$40 million initial funding
  - Additional \$11 million in Statewide Reserves for FY 2018-19
- What is the “buy down”?
  - Represents the difference between the actual tuition rate and the fixed tuition NC Promise tuition rate.

# NC Promise

- Combined Fall 2018 enrollment growth – 1,477 students, 8.1% increase
  - ECSU up 19.6%, 1368 to 1,636
  - UNC Pembroke up 10.7%, 5,481 to 6,069
  - Western Carolina up 6.6%, 9,406 to 10,027

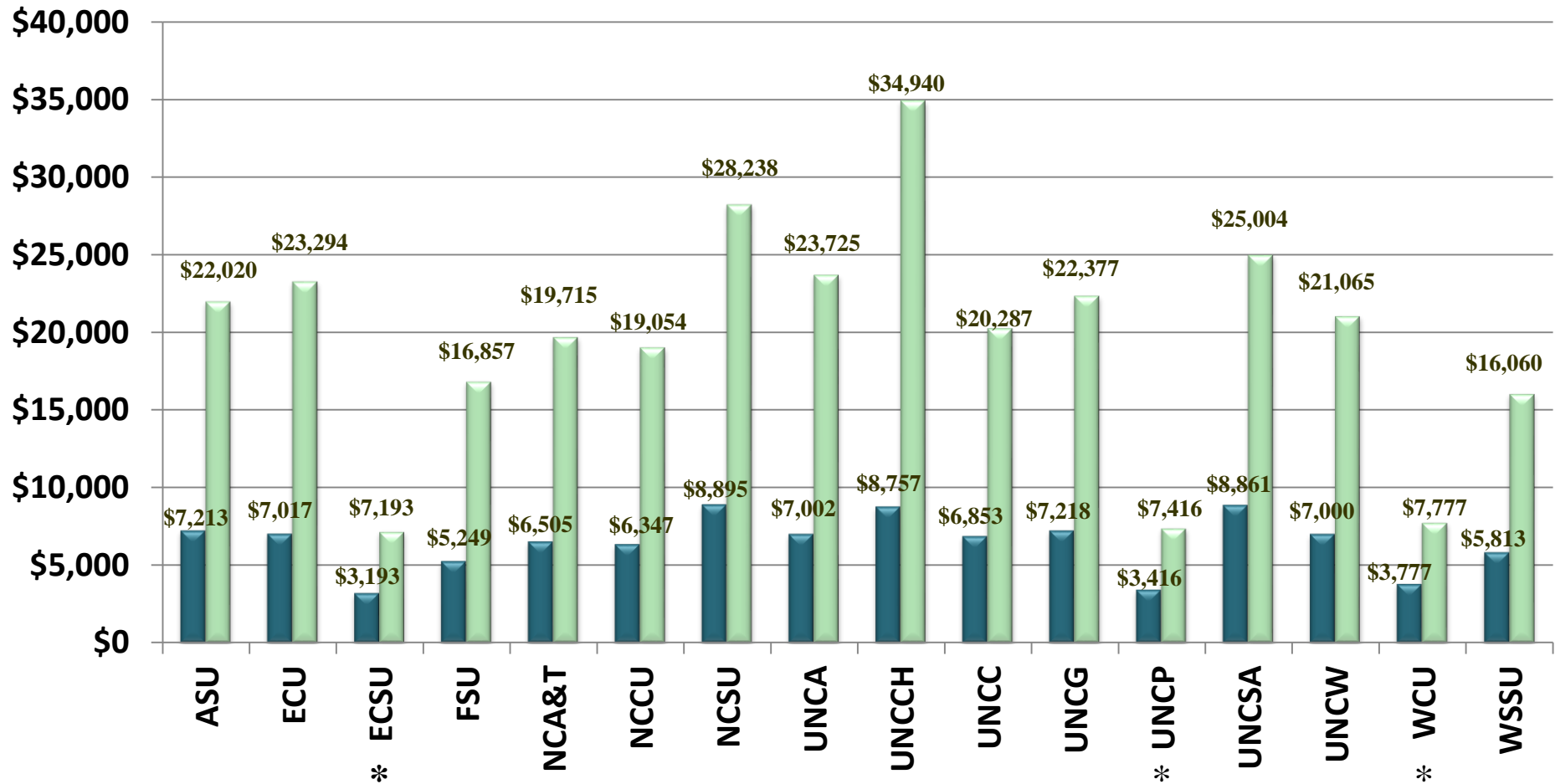


# Tuition and Fee Revenues

- In the UNC System, tuition is collected and maintained on campus.
- Tuition and fees vary significantly by campus
  - FY 2018-19 (Resident Undergraduate)
    - Low: ECSU: \$3,193 (NC Promise university)
    - Low: FSU: \$5,249 (non-NC Promise university)
    - High: NCSU: \$8,895
  - FY 2018-19 (Non-Resident Undergraduate)
    - Low: ECSU: \$7,193 (NC Promise university)
    - Low: FSU: \$16,857 (non-NC Promise university)
    - High: UNC-CH: \$34,940

# Tuition and Fees by Campus

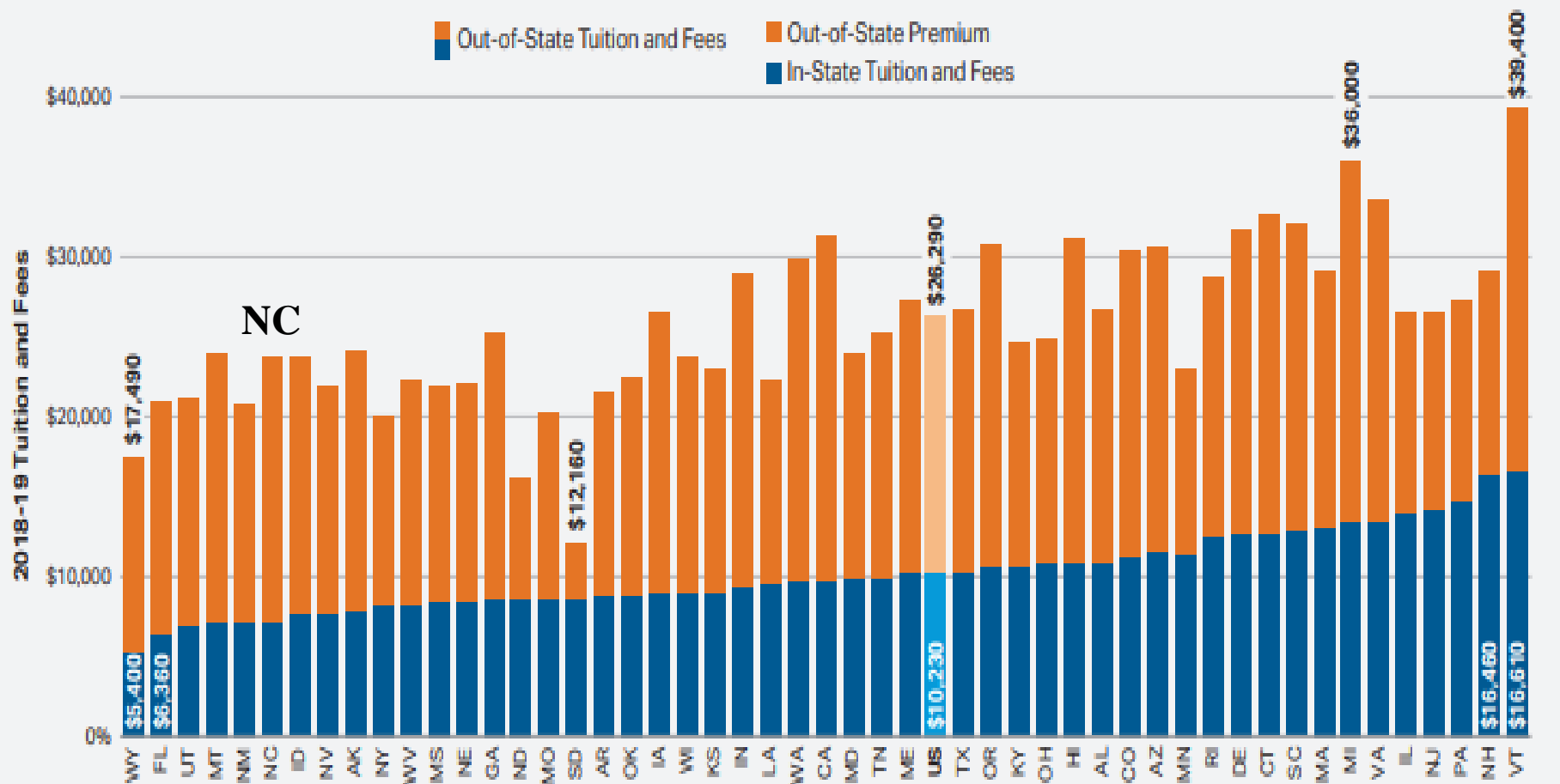
## 2018-19 Undergraduate Tuition and Fees



Source: UNC-GA

■ Resident ■ Non-Resident

# Average Tuition and Fees, by State



Source: College Board, *Trends in College Pricing 2018*.

# Fees

- Fees vary by campus
- FY 2018-18 total fees range from:
  - Lowest: \$1,738 at UNC-Chapel Hill
  - Highest: \$3,041 at UNC-Charlotte
- The six standard fees are:

Athletics Fee

Health Services  
Fee

Student  
Activities Fees

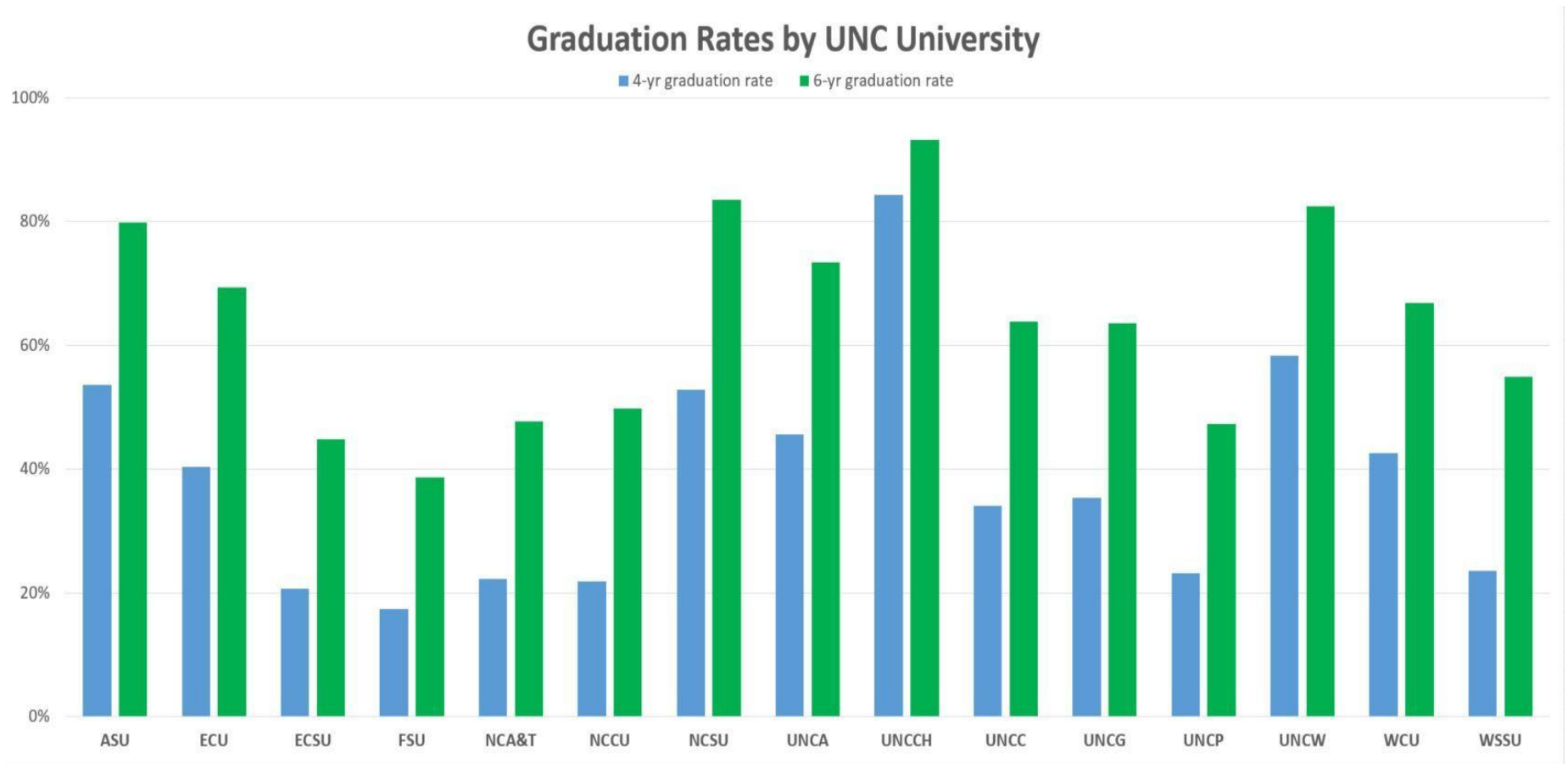
Educational and  
Technology Fees

Debt Service  
Fee

Security Fee

# Graduation Rates

## Four and Six Year Graduation Rates



Average four-year graduation rates are based on freshmen who started school between 2009 and 2013.

Average six-year rates are based on freshman who started between 2009 and 2011.

# **NC State Education Authority (SEAA)**



# NC State Education Assistance Authority (SEAA)

SEAA provides a number of services to the State of North Carolina, including administering the following:

- State scholarship grants for parents sending children to private K-12 institutions
- UNC Need Based Grants
- Need Based Grants to North Carolina Independent Colleges and Universities
- FELS (Forgivable Loans)
- Teaching Fellows Program
- North Carolina's "529" National College Savings Program

# K-12 Scholarship Grants

- Opportunity Scholarships
- Disabilities Grant Program
- Education Savings Account



# Opportunity Scholarships

- Enacted in 2013 to expand school choice for eligible students in Kindergarten through 12th grade
- Awards up to \$4,200 per student per school year
- Covers tuition and required fees at a private school and participating nonpublic school
- SEAA manages the application and award process.
  - Ensures the school meets program requirements
  - Verifies each student's eligibility
  - Disburses Opportunity Scholarship funds.
- Statutory Increases

# Disabilities Grant Program

- Expands school choice for eligible students with disabilities in Kindergarten through 12th grade
- Awards up to \$8,000 per student per year for tuition and required fees at a participating nonpublic school, and certain other expenses related to educating a child with a disability
  - Tuition A. Direct disbursement to nonpublic schools on behalf of students Schools are registered with North Carolina's Division of Nonpublic Education (DNPE) and with SEAA
  - B. Reimbursement to parents on behalf of students Schools are registered with DNPE but not SEAA
- Families may also be reimbursed for the following expenses:
  - Tutoring and Teaching Services
  - Curricula materials
  - Educational Therapies
  - Educational Technology

# Education Savings Account

- Expands school choice for eligible students with disabilities in kindergarten through 12th grade.
- Awards \$9,000 per school year
  - For students attending a registered nonpublic school or home school
  - For tuition and required fees and certain other expenses related to educating a child with a disability
  - Allows parents quarterly access to funds in an electronic account (subject to program requirements)
- Families may also use ESA funds for the following expenses:
  - Tutoring and teaching services
  - Educational therapies
  - Educational Technology
  - Other expenses

# Questions?

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