

**FISCAL RESEARCH DIVISION**  
A Staff Agency of the North Carolina General Assembly

## **NC Community College System:** **Overview**

Christen Holly  
Fiscal Research Division

*February 24, 2021*

1

## **Agenda**

1. Background
2. Enrollment Trends
3. Funding Overview
4. Budget Allocations
5. COVID-19 Funds
6. Questions



**FISCAL RESEARCH DIVISION**  
A Non-Partisan Staff Agency of the North Carolina General Assembly

2

February 24, 2021

2

## Background



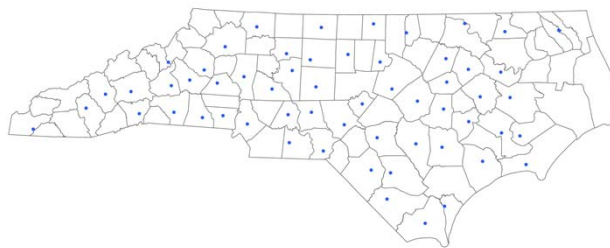
FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

3

February 24, 2021

3

## North Carolina Community College System (NCCCS)



58 colleges

40 multi-campus centers

~640,000 students enrolled in 1 or more courses

~234,000 full-time equivalent (FTE) students



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

4

February 24, 2021

4

## Governance

### State Board of Community Colleges



- Serves as the governing authority for NCCCS
- 21 members
  - 18 appointed
  - 3 ex-officio
- Elects system president
- Sets system policies and regulations

### Local Boards of Trustees



- Serve as the governing authority for each college
- 13 members (minimum)
  - 12 appointed
  - 1 ex-officio
- Elect college presidents



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

5

February 24, 2021

5

## Students

### *Whom do NC Community Colleges serve?*

- Approximately 640,000 students take one or more courses
- Open door enrollment
- Typically, enrollment increases during recessions and decreases during economic expansions

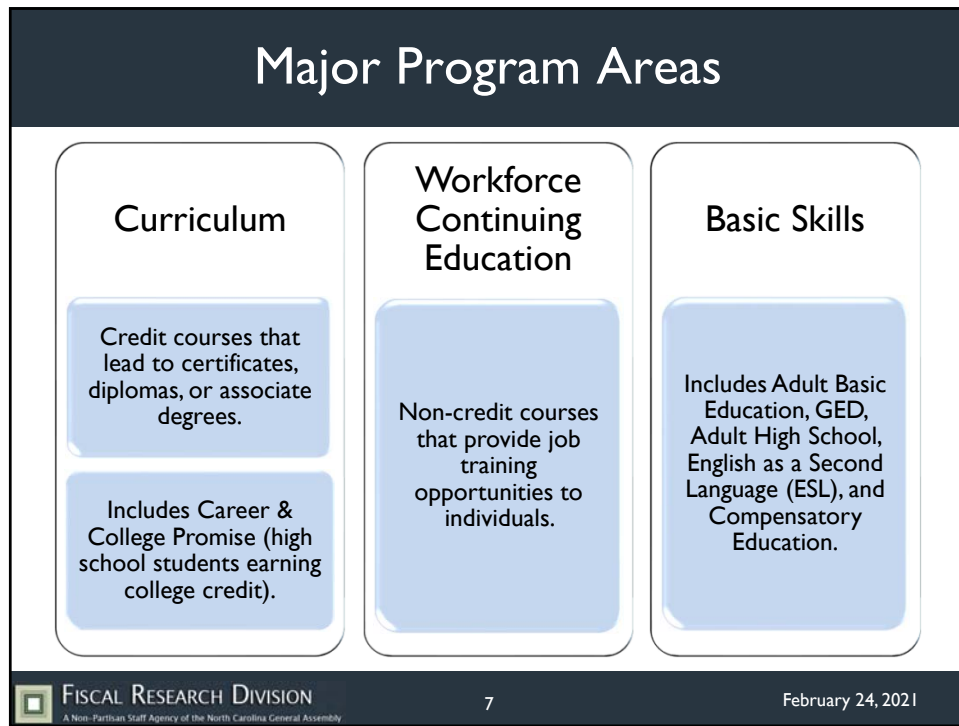


FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

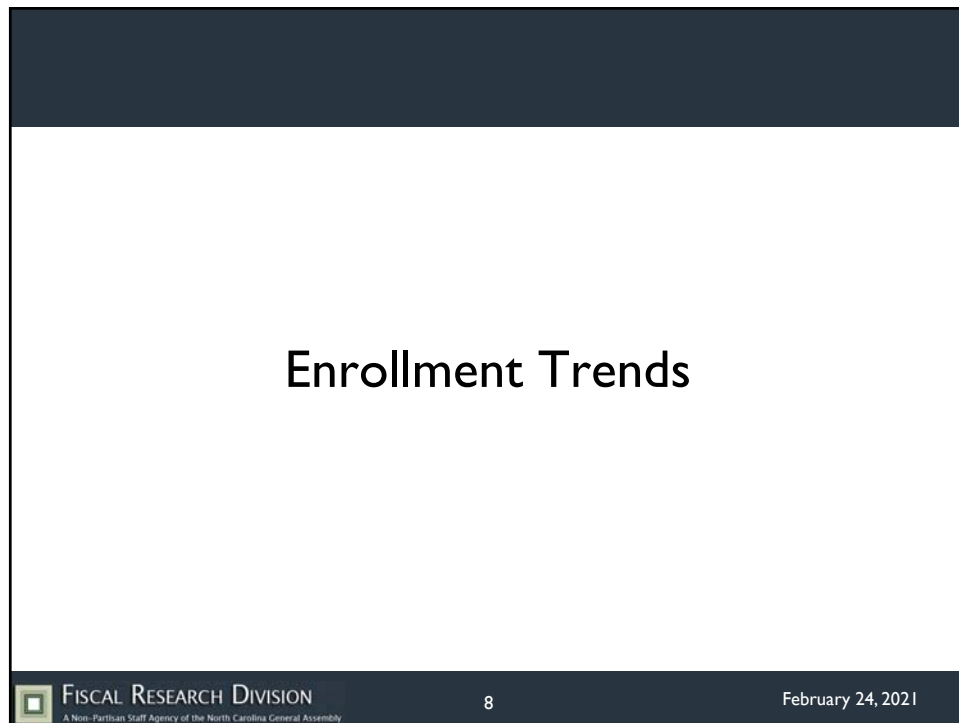
6

February 24, 2021

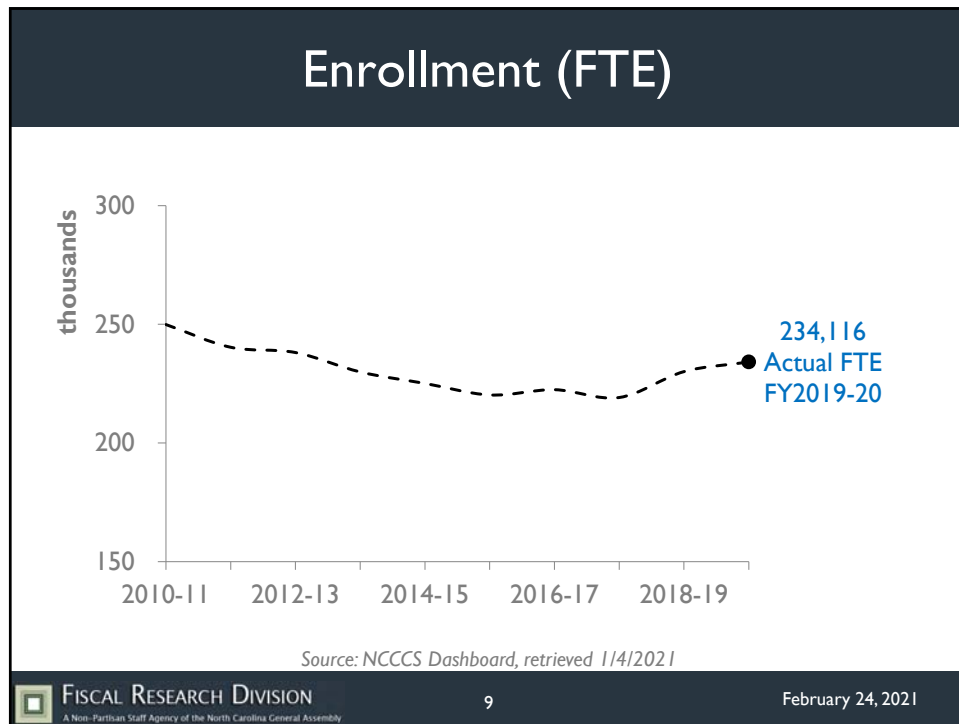
6



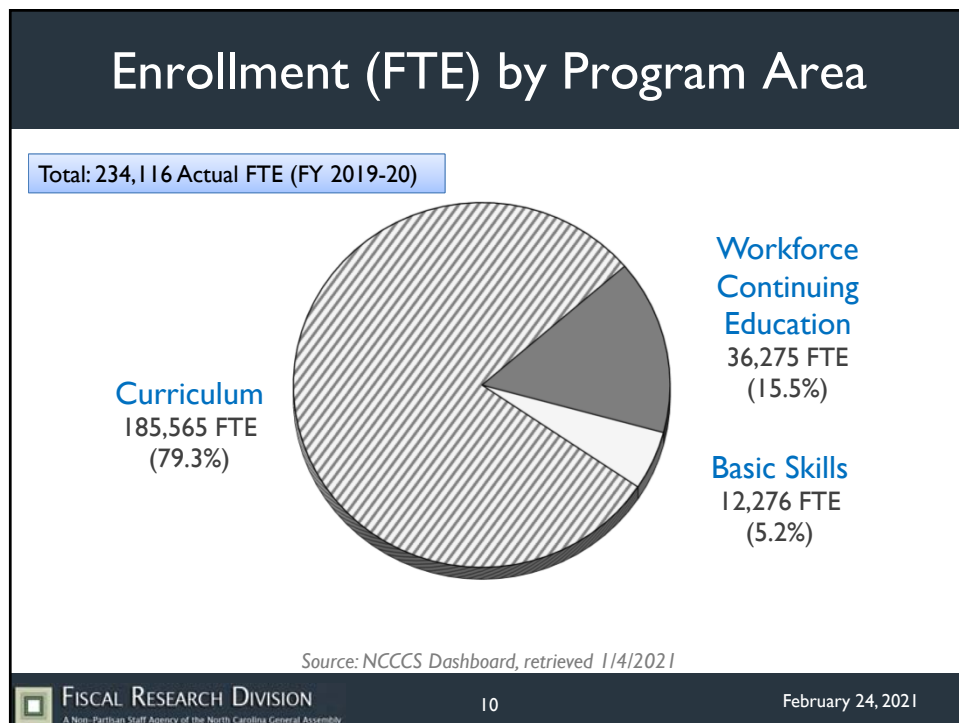
7



8

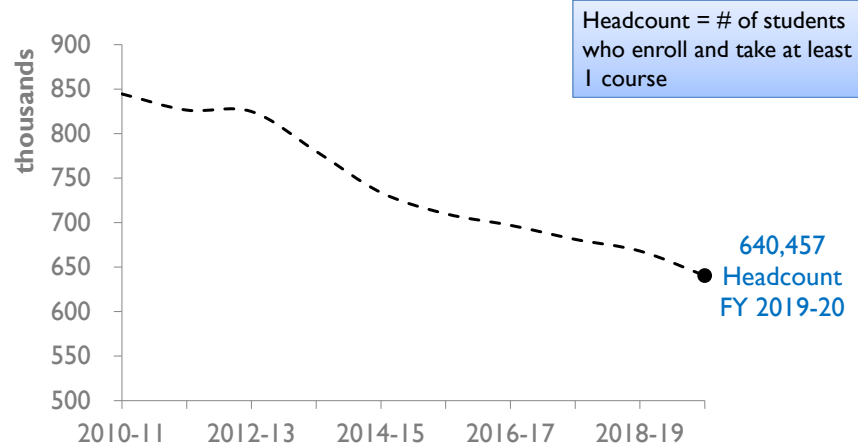


9

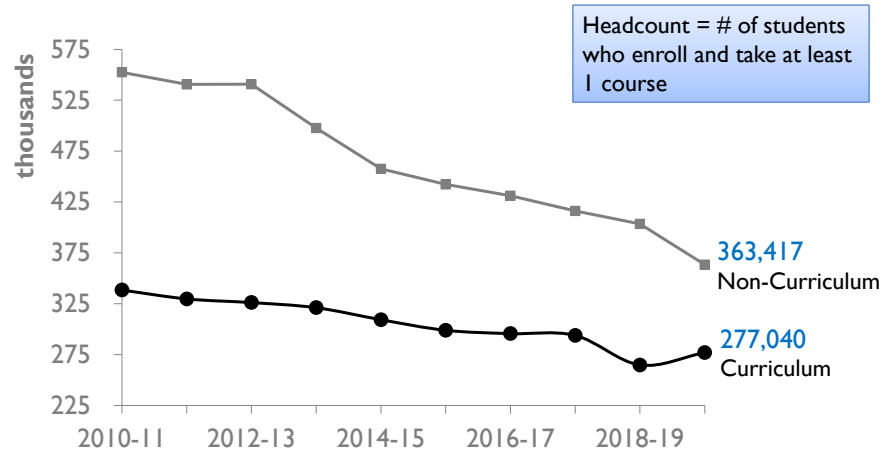


10

## Enrollment (Headcount)



## Enrollment (Headcount) Curriculum & Non-Curriculum



## Funding Overview



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

13

February 24, 2021

13

## Financial Support of Institutions

### State

G.S. 115D-31

- Operating costs for instruction, administration, and support services

### Local

G.S. 115D-32

- Operation and maintenance of plant

*Per G.S. 115D-32, capital construction is the legal responsibility of the county. However, G.S. 115D-31 authorizes the State to provide capital funding to local institutions, provided that it is matched on a dollar-for-dollar basis.*



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

14

February 24, 2021

14

## NCCCS Sources of Operational Funding

### Tuition & Fees

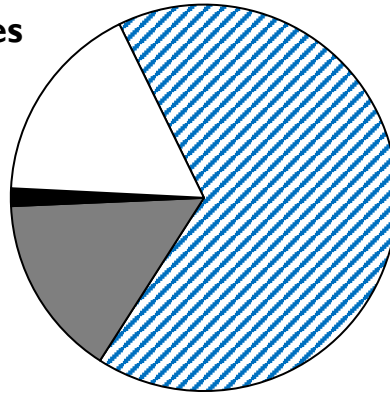
\$315.1 million  
(17.0%)

### Federal

\$27.4 million  
(1.3%)

### Local

\$283.1 million  
(15.3%)



### State

\$1,229.6 million  
(66.3%)

Source: FY 2020-21 Authorized Budget (Jan) &, NCCCS College Budget Summary (2-1)



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

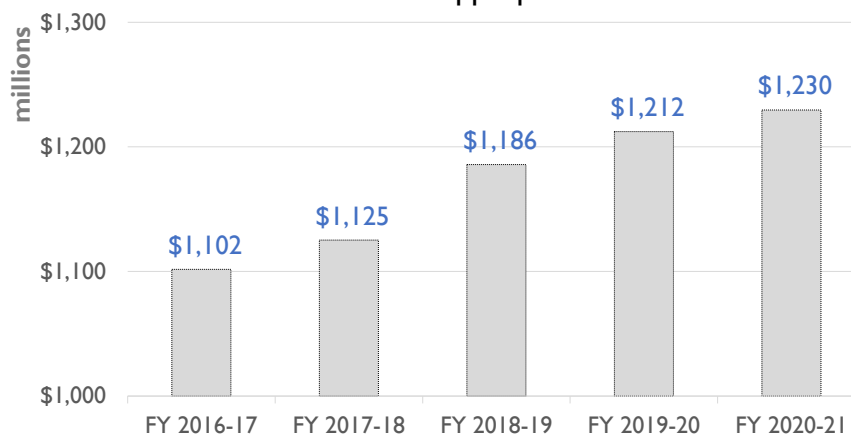
15

February 24, 2021

15

## NCCCS General Fund Appropriations

### State Net Appropriations



Source: FYs 2017-20 Authorized Budget; FY 2020-21 Authorized Budget (Jan)



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

16

February 24, 2021

16

## NCCCS Funding

*Community colleges are funded based on actual enrollment:*

- The number of “Full-Time Equivalent” (FTE) students enrolled, the higher of:
  - the previous year’s enrollment, or
  - the average of the two previous years
- The distribution of enrollment over a tiered system of courses



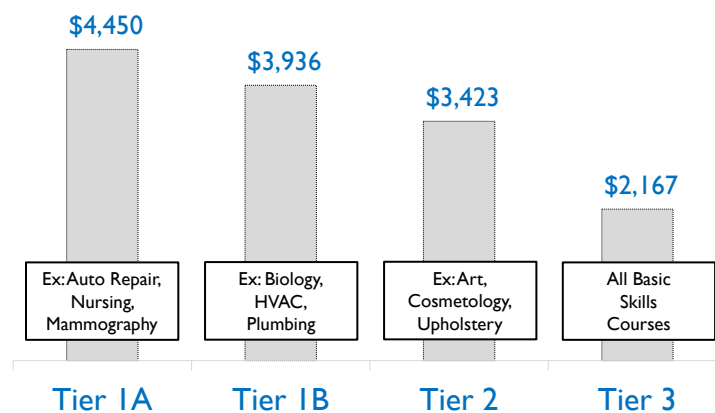
FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

17

February 24, 2021

17

## Funding per FTE



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

18

February 24, 2021

18

## Tuition & Fees: FY 2019-20

Curriculum (Tuition)	Workforce Continuing Education (Fees)	Basic Skills
<u>In-State</u> \$76 per credit hour \$2,432 per year  <u>Out-of-State</u> \$268 per credit hour \$8,576 per year	\$70 for 0-24 hours \$125 for 25-50 hours \$180 for 51+ hours	\$0



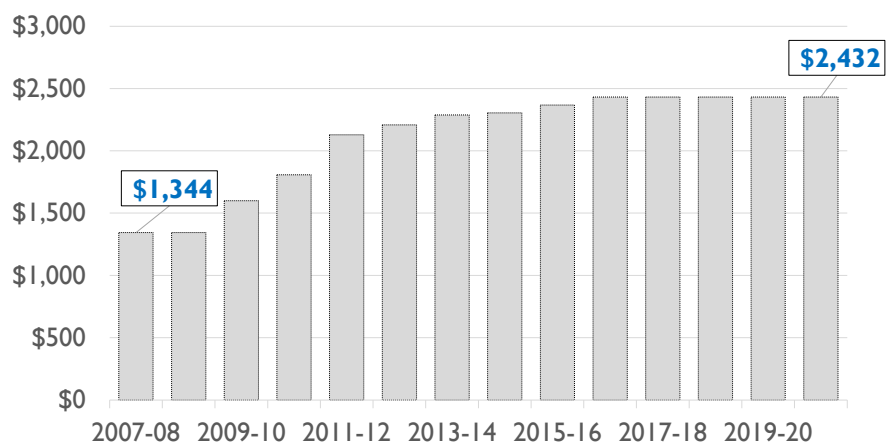
FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

19

February 24, 2021

19

## Curriculum Tuition

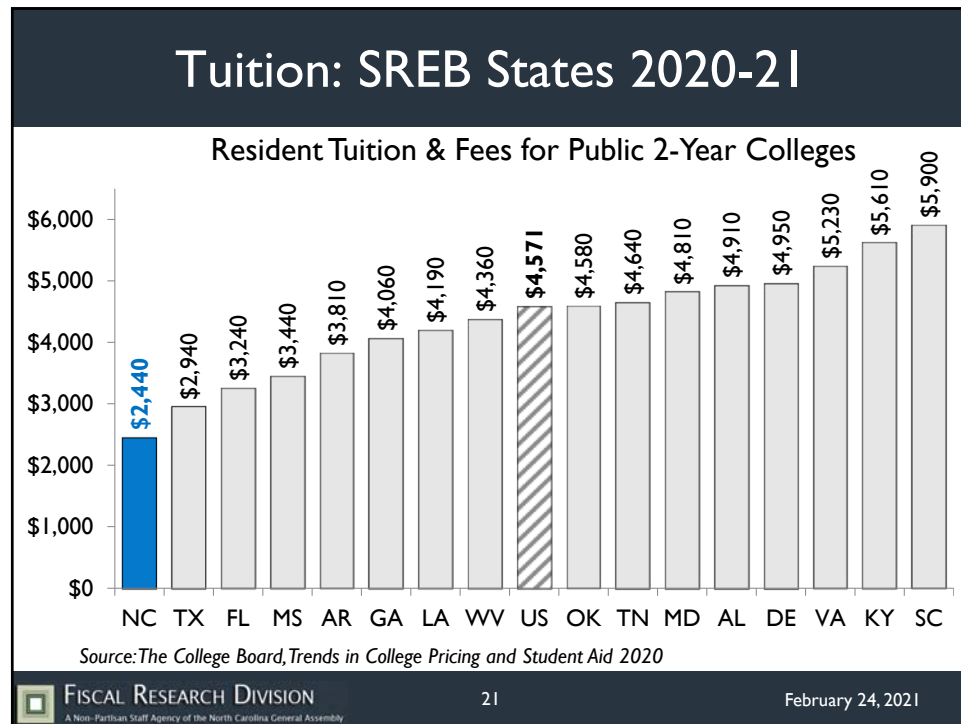


FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

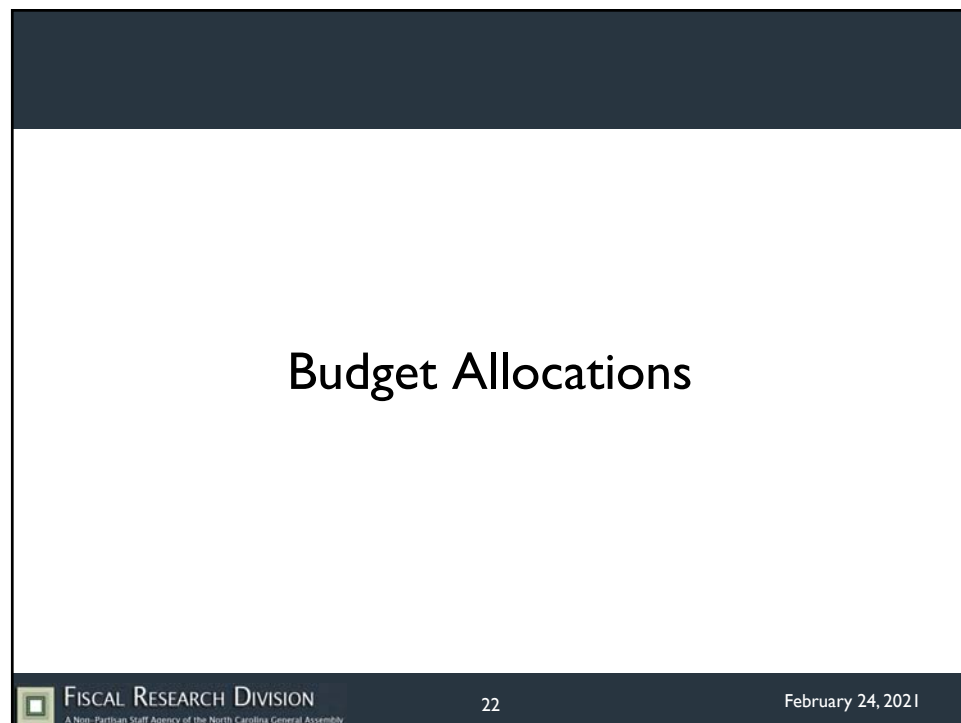
20

February 24, 2021

20



21



22

## Budget Allocations

### Formula Budget

- **Base allocation** to provide a standard amount of support regardless of size
- **Enrollment allocation** driven by tier classification of a college's budget FTE
- **Performance-based allocation** determined by student success on performance measures

### Categorical & Specific Program Allocations



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

23

February 24, 2021

23

## Funding Flexibility

- The General Assembly has allowed colleges to have flexibility in order to meet individual college needs
- The formula budget is for allocation purposes only
- Colleges can spend the allocations however they choose, except:
  - Basic Skills funds
  - Customized Training funds



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

24

February 24, 2021

24

## NCCCS Base Budget

### Base Budget

The part of the Governor's Recommended Budget that provides the baseline for the next biennium. The starting point is current year authorized budget plus allowable adjustments.

	<b>FY 2021-22 Base Budget</b>
Requirements	\$1,604,773,074
Receipts	\$385,085,099
Net Appropriation	\$1,219,687,975

*FY 2021-22 Base Budget*



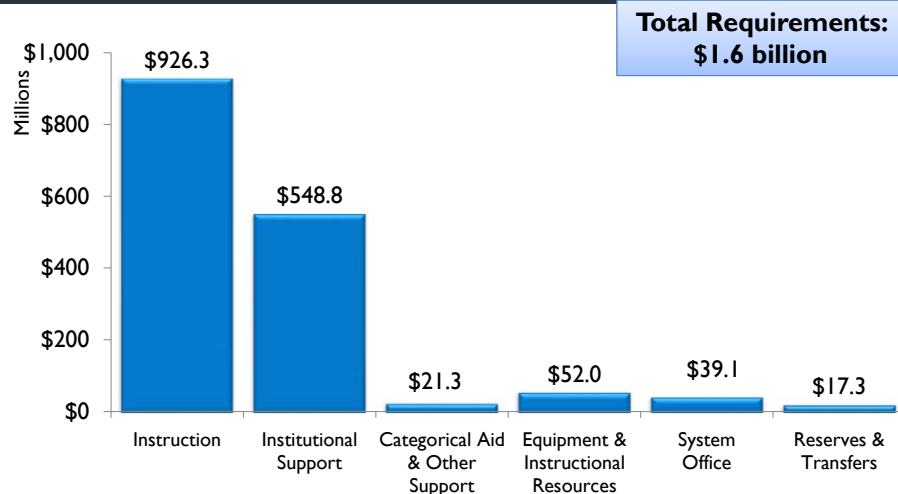
FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

25

February 24, 2021

25

## FY 2021-22 Base Budget



*Source: FY 2021-22 Base Budget*

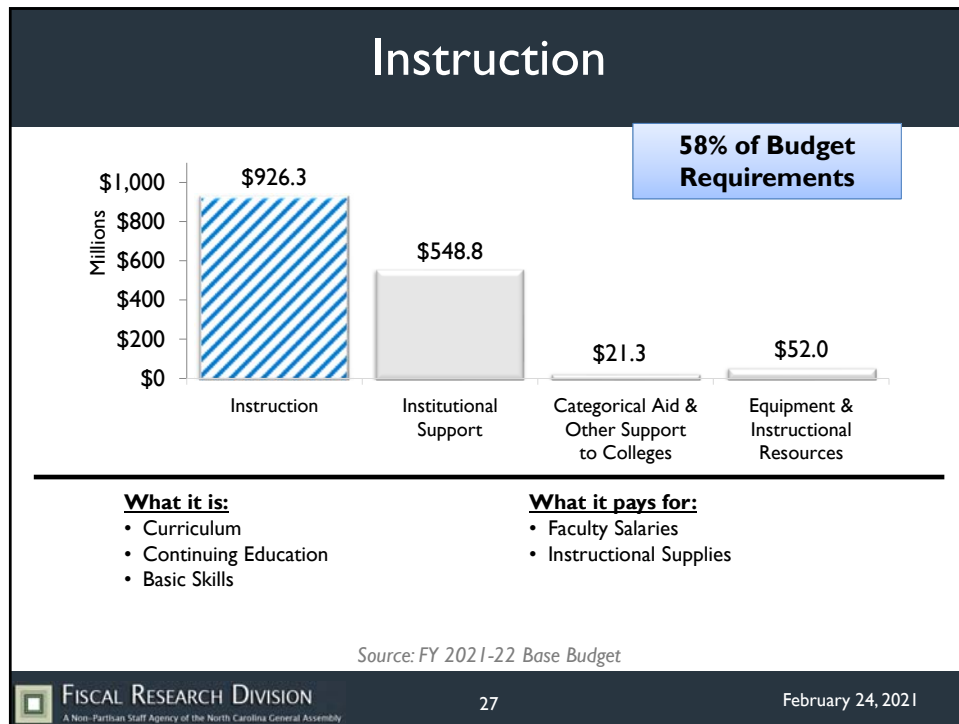


FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

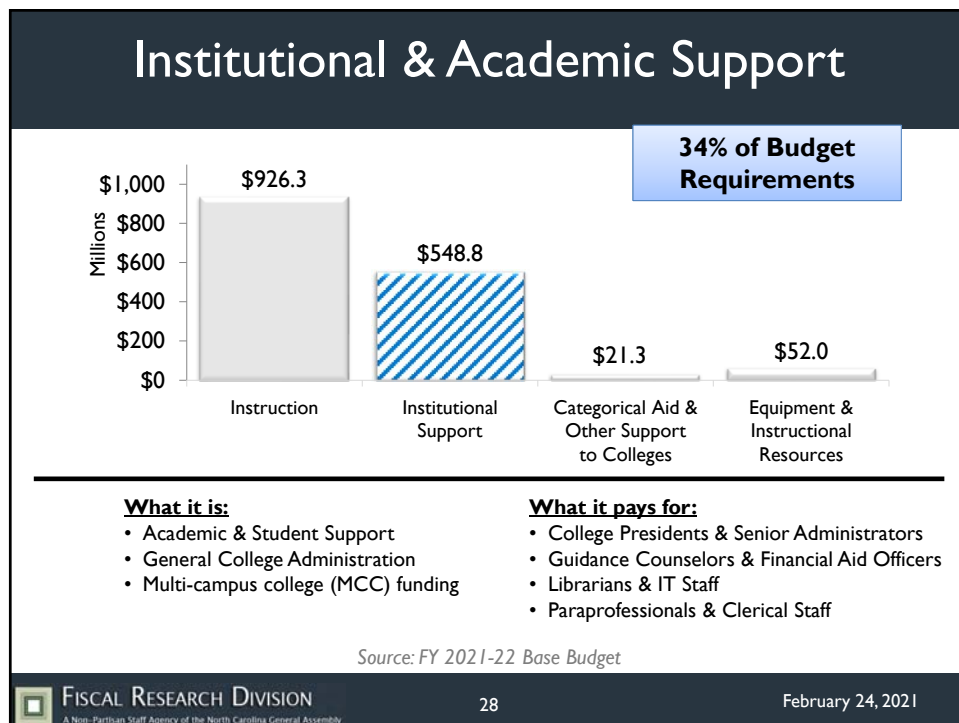
26

February 24, 2021

26

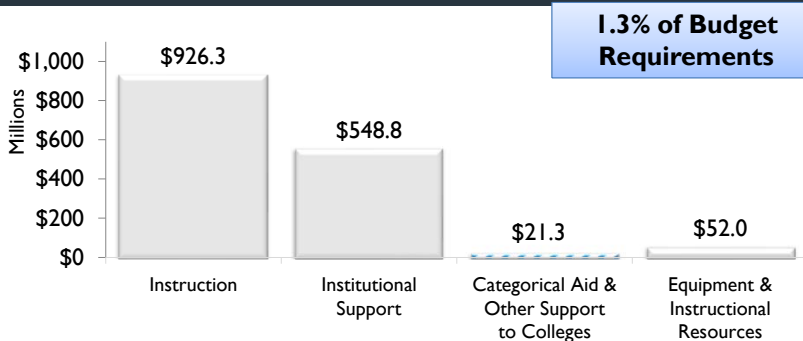


27



28

## Categorical Aid & Other Support



### What it is:

- Funding provided to colleges outside the regular allotments

### What it pays for:

- Specific campus initiatives
- Specific programs

Source: FY 2021-22 Base Budget



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

29

February 24, 2021

29

## Categorical Aid & Other Support

### Examples of Programs in this Category:

NC Career Coaches:	\$5.4 million
NC Research Campus:	\$3.4 million
NC Military Business Center:	\$2.1 million
Child Care Grants:	\$1.8 million
Manufacturing Solutions Center:	\$951,975
Food & Nutrition Employment & Training:	\$902,000
Minority Male Success Initiative:	\$810,000
Center for Applied Textile Technology:	\$694,889

Source: FY 2021-22 Base Budget

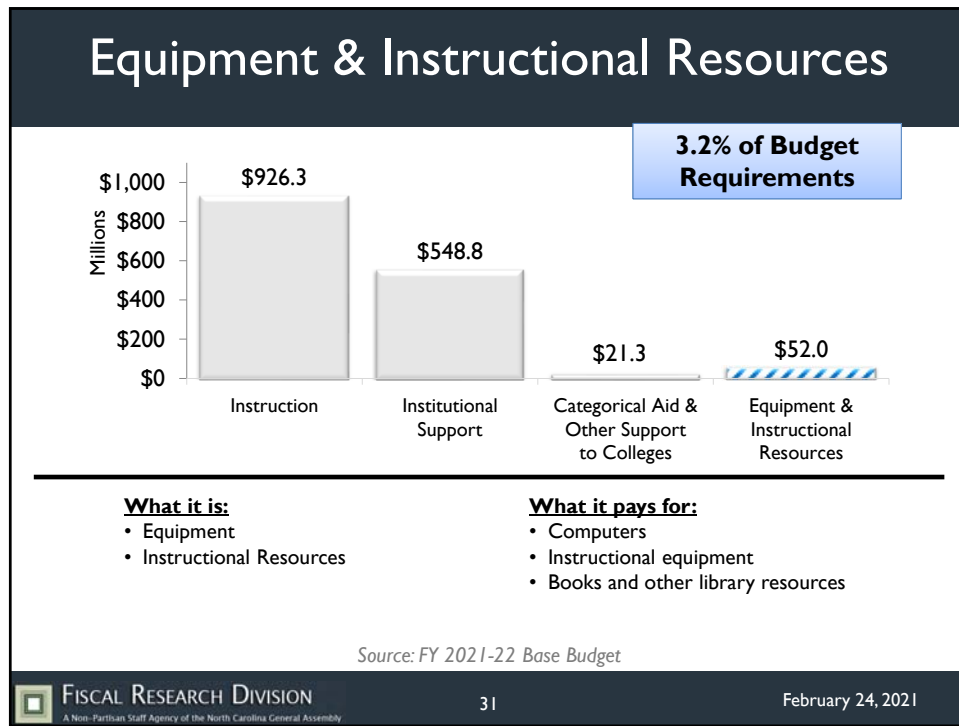


FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

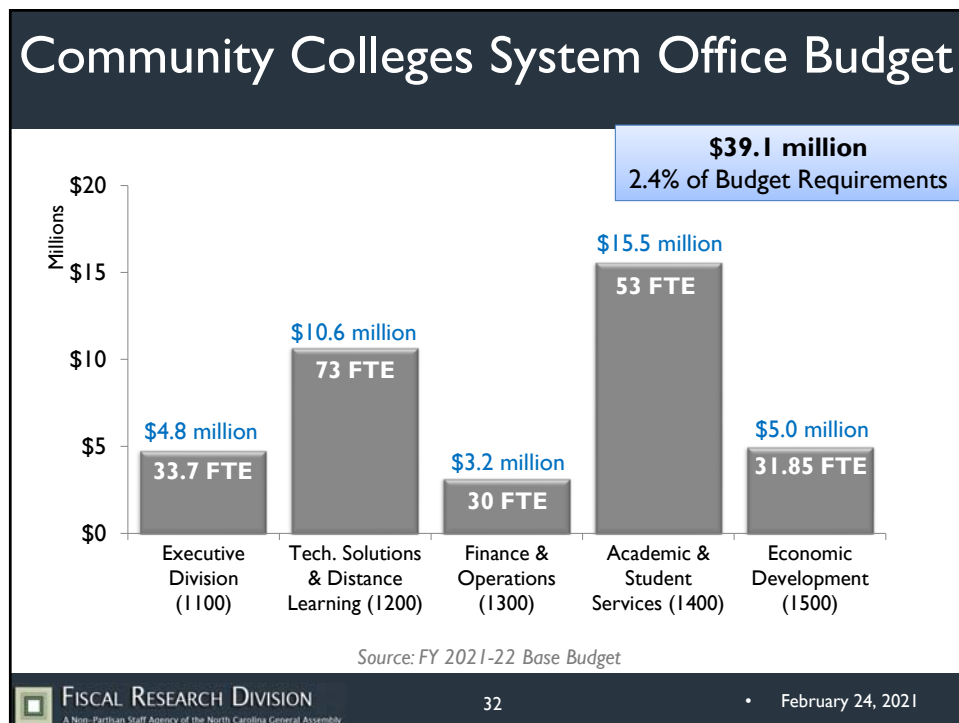
30

February 24, 2021

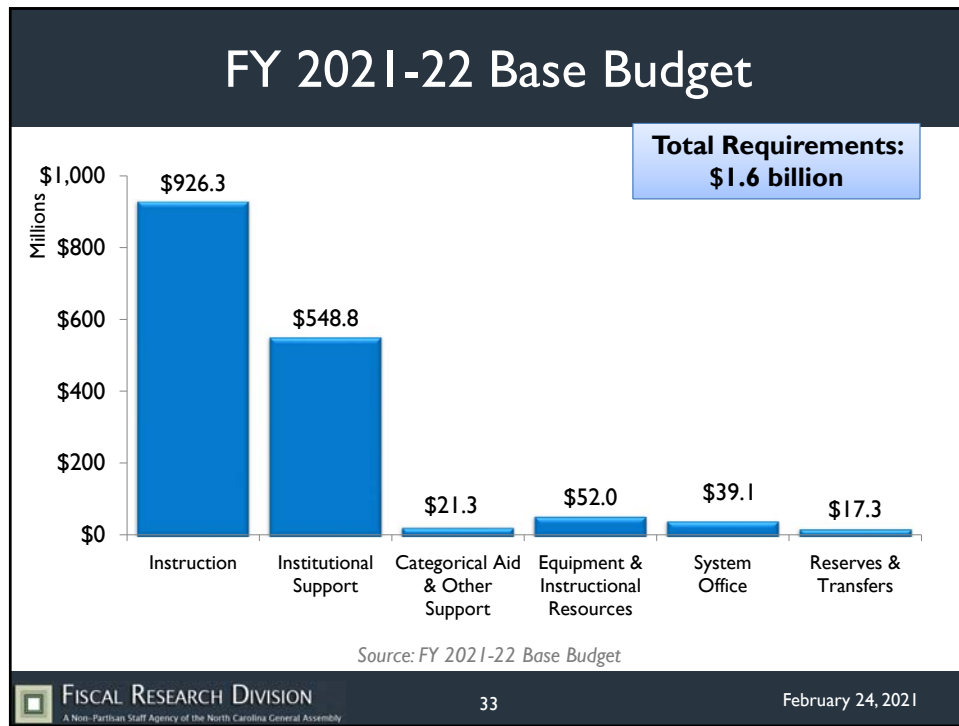
30



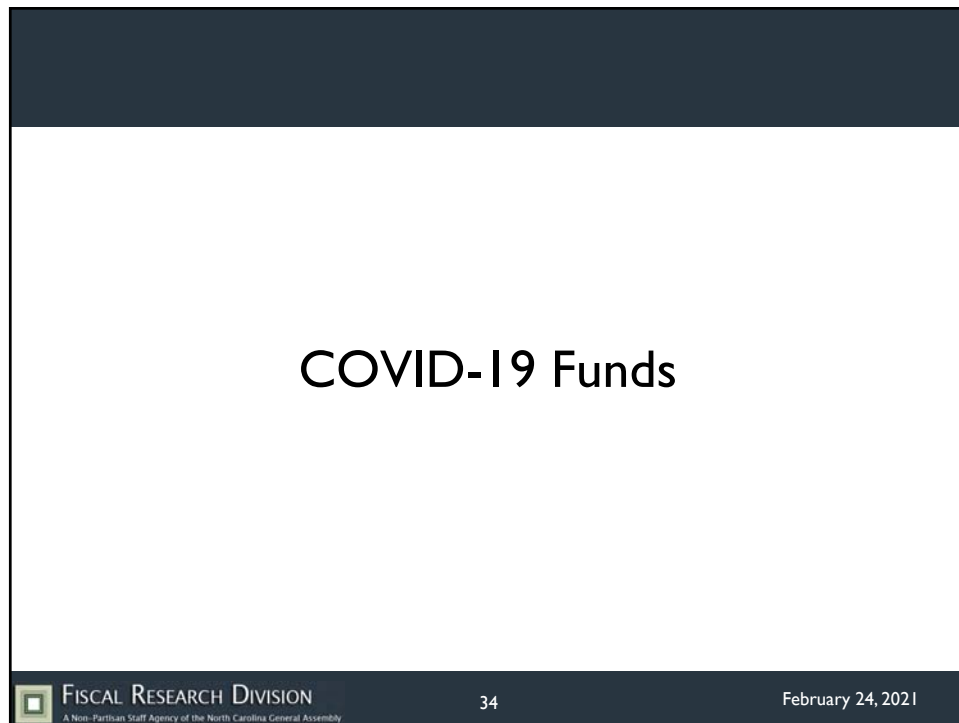
31



32



33



34

## Coronavirus Relief Funds (CRF)

Item	Appropriated
FTE Enrollment Growth	\$41.5M
NCCCS Flexible Funds	\$25.0M
PPE-NC Initiative (Catawba & Gaston)	\$14.3M
PPE for campuses	\$5.0M
Equipment for healthcare workforce & first responder programs	\$5.0M
PPE, equipment & training at Cleveland CC	\$1.0M
COVID-19 impacts at Sampson CC	\$0.25M
<b>TOTAL</b>	<b>\$92.05M</b>

## Other COVID-19 Funds

- **CARES Act (March 2020)**
  - \$15.0 million (Governor's Emergency Education Relief Fund)
  - \$126.6 million (Higher Education Emergency Relief Fund)
- **CRRSA Act (December 2020)**
  - \$246.4 million (Higher Education Emergency Relief Fund)  
(estimate)

## Questions?

Christen Holly  
christen.holly@ncleg.gov  
Room 619 LOB  
(919) 733-4910



FISCAL RESEARCH DIVISION  
A Non-Partisan Staff Agency of the North Carolina General Assembly

37