



# The University of North Carolina

## 2016 Policy Agenda

### University of North Carolina Board of Governors Policy Priorities

**1) Postpone Implementation of NC Guaranteed Admissions Program (NC GAP) until at least 2018 or modify to ensure program meets stated goals of the legislature**

The joint North Carolina Community College System and University of North Carolina report highlighted the potential impacts of various implementation strategies; however, the identified strategies likely would not meet all of the goals laid out by the legislature. While reforms have been undertaken at both the community college and university level to improve student outcomes, no data exists that can show how much those changes will improve outcomes for students.

**2) Eliminate Private Fundraising Cap**

The conference report for the FY2015-16 budget, H. 97, included a provision to cap each individual UNC institution spending on private fundraising at \$1 million in state funds. Since the recession, the legislature has been encouraging UNC institutions to seek private funds as state funds were drying up. This provision is a major shift and we seek the elimination of the recently enacted provision.

**3) Extend 5% Carry Forward authority for next biennium**

The legislature increased UNC carry forward authority to 5% for the biennium with the increase being used for R&R (up from 2.5%) in H. 97. We ask the legislature to extend the increase in carry forward authority in order to provide time for UNC institutions to show the positive impacts of this added flexibility.

**4) Eliminate requirement for institutions to use non-General Funds for Advanced Planning for new capital projects**

The FY15-16 budget included a provision requiring UNC institutions to use non-General Fund dollars for advanced planning before the legislature would be given a chance to approve projects. Unlike last year's bond package request which included a "Skin in the Game" requirement if the legislature acted, this requirement goes further and requires campuses to front funds for projects the legislature may never approve. Because of the uncertainty of spending money for advanced planning before the legislature signs off on the project, there is a significant unintended negative impact on a number of our campuses.

**5) Permanent fix for qualified excess benefit arrangement (QEBA) issue**

Last session, UNC collaborated with the NC Treasurers Office to agree on a permanent fix for a pension issue that significantly impacts key leaders at UNC Hospital and several institutions. We were able to get a temporary reprieve on the issue through August 1, 2016, but we need to secure a permanent solution for those impacted.

**6) Allow UNC/NCSU to issue Century Bonds**

A century bond program for UNC Chapel Hill and North Carolina State University would enable both highly rated institutions to make significant, very long-term borrowings at historically low rates to make game-changing impacts to their significant deferred maintenance backlogs without requesting additional appropriations from the State. Addressing these backlogs in the near term will result in significant long-term capital savings by improving space utilization and reducing the need for new facilities.