President's Advisory Committee on Efficiency and Effectiveness (PACE) Recommendations

The following are the PACE’s legislative recommendations to find efficiencies within the University. Reflected below are the potential cost savings and cost avoidance factors for these items, which by year five could collectively total $20 million annually. For the savings in recurring state appropriations that are identified below, the University will reallocate dollars in lieu of other state funding to its core missions: teaching, research and public service.

Facilities Management

- Building systems efficiency improvements by modifying G.S. 133-3 and allow campuses to establish standards for building components. Estimated Cost Savings / Avoidance
  - Estimated savings of $300,000 in year two, increasing to $500,000 in year five. Cost avoidance of $100,000 in year three and $560,000 in years three five.
  - Estimated annual savings of $320,000

- Increase informal limit for small construction from $300K to $500K. Estimated annual savings of $157,500

- Raise force account limit to a single total limit of $200K, allowing organizations to perform work in-house when more cost-effective. Estimated annual savings of $300,000.

Other Barriers

- Elimination of duplicative or unnecessary reports including the Management Flexibility report and the Home-based Employees report and modify the Personal Services Contract report to streamline reporting procedures. Estimated annual savings of $300,000.

Auxiliary Services

- Provide vending regulatory relief by repealing G.S. 143-64 which requires water and juice proposals be solicited separately. Failure to address this issue could reduce contract revenue by $1.8 million annually.

Construction / Leasing

- Streamline construction document review processes by requiring one review by the State Construction Office and the Department of Insurance. (tentative—follow work of study committee) Estimated average annual savings of 5% per project. Applied to system wide capital expenditures of $350 million, future cost avoidance is $17.5 million.

- Modify G.S. 120-76.1(b) to allow for notification to Governmental Operations thirty (30) days prior to onset of a capital project. Inflationary savings obtained from reduced approval time at a monthly rate of 0.6% per project.

- Extend leasing authority to qualified campuses, as determined by the Board of Governors. Savings would come by reducing lengthy lease times from about 9 to 4 months.
2 Governance Clarification
Nursing: S.L. 2007-323
Dual: S.L. 2007-278
- Clarify the governance structure of the NC Center for Nursing. Requested by UNC GA.
- Eliminate the prohibition against spouses of members of the Board of Governors and members of the Boards of Trustees being employees or officers of the State, so long as the spouse is not a member of the General Assembly, and is not an officer or employee of UNC (if married to a BOG member) or relevant UNC campus (if married to a BOT member). Requested by BOG.

3 Update Teacher Assistant Scholarship Fund
S.L. 2007-457
Modify G.S. 116-209.35 to serve all teacher assistants pursuing teaching certification, whether through community colleges or four-year colleges. Requested by NC SEAA.

4 Grievance Procedures
S.L. 2007-195
Codify employee grievance procedures for Cooperative Extension Service to align with the State Personnel Office. Requested by NCSU and NC A&T.

5 Campus Police
S.L. 2007-285
Designate campus police status for officers at the NC Arboretum. Requested by NC Arboretum.

6 Medical Campuses
Tobacco Free
S.L. 2007-114
Clarify G.S. 143-599 to allow tobacco free areas around the Medical Campus and properties of UNC Health Care as well as the Health Sciences campus at ECU. Requested by UNC Health Care and ECU.

7 UNC Campus Facilities
Tobacco Free
S.L. 2007-114
Allow all UNC institutions to designate non-smoking campus facilities and entryways. Requested by ASU, ECU and FSU.

8 UNC Hospitals and Statewide Accounts Receivable Program
S.L. 2007-306
Amend G.S. 147-86.20 to allow UNC Hospitals and UNC Physicians & Associates to waive the obligation to charge interest on delinquent patient accounts. Requested by UNC Health Care.

9 Public Records
S.L. 2007-372
- Modify G.S. 132-1.1 to protect personally-identifiable information made or received in connection with an application for admission to a public North Carolina institution of higher education. Requested by UNC-CH
- Modify G.S. 116-40.7 to make certain internal audit working papers public records. Requested by UNC-GA