



2019-21 BUDGET PRIORITIES

January 24, 2019

The University of North Carolina System 2019-21 Budget Priorities

	FY 2019-20	FY 2020-21
1. Summer Scholarships for Student Success*	10,000,000	12,000,000
2. Faculty Recruitment and Retention	10,000,000	15,000,000
3. Stronger Transfer Pathways with NCCCS*	4,450,000	4,450,000
	200,000 NR	
4. Data Modernization Initiative	1,000,000	2,000,000
	4,000,000 NR	5,000,000 NR
*Joint request with the North Carolina Community College System		

Other Targeted Priorities

<i>Faculty and Staff Salary Adjustments</i>	<i>equity with state agencies</i>	
<i>NCSSM Western Campus Operations</i>	1,408,632	3,389,820
	25,928 NR	795,376 NR
<i>Doctoral Research Funding for N.C. A&T</i>	1,000,000	1,000,000
<i>Rural Residency Program at ECU</i>	1,447,000	2,592,000
<i>Innovation in Manufacturing Biopharmaceuticals at NC State</i>	2,000,000 NR	2,000,000 NR
<i>College of Health Sciences at UNCP</i>	1,100,000	2,100,000
<i>Lab School Operations (six institutions)</i>	500,000	500,000

Total Requested Operating Budget Increase	\$37,131,560	\$50,827,196
	1.28%	1.76%

Enrollment Changes

<i>Enrollment Growth - Regular (move from projected to actual)</i>	\$51,078,223	\$103,578,223
	0	45,000,000
<i>Enrollment Growth - Summer (based on actual 2018 enrollment)</i>	43,578,223	43,578,223
<i>NC Promise Buy Down</i>	7,500,000	15,000,000

Building Reserves

	\$5,716,728	\$23,781,389
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Total Requested Operating Budget Increase

	\$93,926,511	\$178,186,808
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Including Enrollment and Building Reserves

	3.24%	6.16%
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Other Legislative (Non-Operating Budget) Agenda Items:

- Significant increase to Repair & Renovations (R&R, dedicated to deferred maintenance)
- Targeted Renewal Projects (Capital Projects - WCU Steam Plant, others)
- Redirect unallocated enrollment growth appropriations (FY18-19 only) toward NC Promise growth reserve fund

Deregulation Agenda Items:

- Carryforward (increase 2.5% threshold to 7.5% with increased portion dedicated to deferred maintenance)
- Restore institutional flexibility on salaries/positions

The University of North Carolina System 2019-21 Budget Priorities

Thanks to continued support of the General Assembly and the commitment of university leaders, faculty, and staff, the University of North Carolina System has made significant progress on each facet of its core mission over the past two years.

Education: The UNC System is helping more North Carolinians than ever get *to* and *through* college at an affordable price.

- Thanks in part to the success of the NC Promise and guaranteed tuition programs, more students are attending UNC System institutions than ever before, including record numbers of students from low-income families and from Tier 1 or Tier 2 counties.
- UNC System institutions are also graduating more students in a timely fashion than at any point in the University's history. Five-year graduation rates have climbed 5.5 percentage points since 2013, far outpacing the national average and setting a new standard for student success.
- More graduates are equipped to work in the state's fastest growing industries, producing more than 21,512 credentials in science, technology, engineering, and healthcare, up from 17,004 just five years earlier.

Research: Breakthroughs from UNC System institutions are helping to power North Carolina's innovation economy and improve lives in North Carolina and across the globe.

- Collectively, the University of North Carolina System brought in nearly \$1.5 billion in research funding last year, a 21 percent increase over 2013 levels.
- UNC System institutions earned 148 patents, up 75 percent since 2013, and launched 31 start-up firms, generating more than \$12 million in licensing revenue.

Public service: The University's work touches North Carolinians in all 100 counties.

- Through the Lab Schools initiative, UNC Greensboro, UNC Wilmington, Appalachian State University, East Carolina University and Western Carolina University are providing educational opportunities to more than 1,000 public school students in every corner of the state. In the fall, UNC Charlotte will open a sixth lab school.
- The University is establishing and expanding resources for military affiliated students. Since 2016, the UNC and Community College systems have evaluated over 100 military occupations and courses, recommending the award of 4,000 semester credit hours for military training and experience. New veteran resource centers opened at Elizabeth City State University, Western Carolina, and Winston-Salem State, bringing the total to 13 veteran centers at UNC institutions.

Good governance: Under the leadership of the Board of Governors and President, the UNC System has made several policy reforms designed to maximize student success, transparency, and accountability:

- In an effort to reduce time to degree, the Board of Governors passed a policy that caps most bachelor's degree programs at 120 credits, ensuring that students who take a full course load can finish in four years.
- The Board passed a uniform credit acceptance policy for Advanced Placement (AP) exams, which will harness the General Assembly's \$12 million investment in AP exams to reduce time to degree.

- The UNC System has taken steps to make its funding model more transparent and predictable, using this biennium to transition from a projection model to one that funds actual credit hours completed.
- Thanks to public dashboards that chart system and institutional performance on Strategic Plan goals, the UNC System has embraced a new level of public accountability for results.

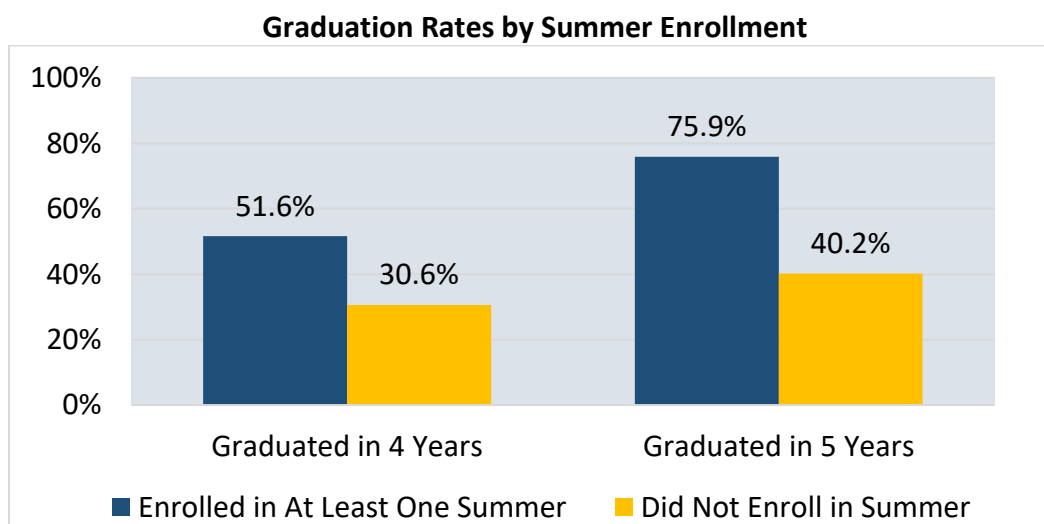
The UNC System has identified four opportunities to build on this momentum:

1. **Summer School for Student Success** – The University will take on-time graduation rates to new heights, increasing the productivity of state investments and keeping student debt low.
2. **Faculty Recruitment and Retention** – The University will redouble efforts to attract and retain the individuals that power this “mighty engine.”
3. **Stronger Transfer Pathways with NCCCS** – The University will work closely with community college partners to build stronger and more affordable pathways to degree completion.
4. **Data Modernization Initiative** – The University will ensure the highest and best use of state resources.

1. Summer School for Student Success (NC 365)

The UNC System continues to set a national standard when it comes to increasing student success. In its Strategic Plan, the UNC Board of Governors called for raising five-year graduation rates from 65% to 70% by 2022. Thanks to each institution’s hard work and the General Assembly’s continued support of the UNC System, *we reached a five-year graduation rate of 70.2 percent in 2017-18, four years ahead of schedule and 8 percentage points ahead of the national average.*

Four-year graduation rates have also increased significantly over this period, but still hover around 50 percent. When it comes to transfer students who enter as juniors, about 30 percent finish their undergraduate degree within two years of transferring. To increase on-time graduation, the UNC System requests funding to expand enrollment in summer courses in order for students to use the entire calendar year to make progress toward a degree.



Graduation rates shown for first-time students who started in Fall 2011. “Summer enrollment” represents students that earned 3 or more credits in a summer session during their UNC career.

UNC System data indicates that students who earn credit in the summer are much more likely to graduate and to graduate on time. This pattern holds for first-time and transfer students, for low-income students, and those at historically minority-serving institutions. Today's students, many of whom are working adults, active duty military, and returning veterans, need the flexibility to earn credits year-round so that they can complete a degree in a timely fashion.

Most state funding – both appropriations and financial aid – operates on the traditional academic calendar. The UNC System enrollment funding model currently excludes courses delivered on campus in the summer, and state grants and scholarships have traditionally not been available. The lack of funding has left summer sessions under-utilized and the physical plant under-leveraged.

Graduates who finish on-time take on less debt, enter the workforce more quickly, and free up capacity for the next generation of students. With strategic investment in summer sessions, the UNC System has a chance to become the national leader in graduation rates among public university systems.

Enrollment Funding for On-Campus Undergraduate Summer Courses

Request for 2019-20: \$43,578,223 (R)

In place of the typical enrollment growth request based on projected credit hours, the UNC System requests recurring enrollment funding for on-campus, undergraduate credit hours delivered in the summer. This investment will expand the availability of courses and academic services in the summer and bring summer tuition costs in-line with current in-state tuition rates, starting in summer 2020.

**Summer Enrollment Funding for
Undergraduate Students**

	Appropriation	Credit Hours
ASU	\$ 7,283,066	37,322
ECU	3,324,771	13,217
ECSU	58,594	311
FSU	1,790,688	6,364
N.C. A&T	1,373,832	6,947
NCCU	1,698,878	8,902
NC State	5,429,682	26,505
UNCA	613,979	3,788
UNC-CH	4,416,468	23,878
UNCC	7,075,595	25,851
UNCG	2,279,956	6,910
UNCP	957,989	3,520
UNCW	2,506,523	11,561
WCU	2,644,890	12,436
WSSU	2,123,312	5,847
TOTALS	\$43,578,223	193,359

Funding is calculated using the existing enrollment model and is based on actual student credit hours enrolled in the summer of 2018.

Currently, summer enrollment is entirely receipt supported, which restricts the type and number of courses that can be offered. Bringing summer funding in line with fall and spring allows institutions greater flexibility to eliminate bottle neck courses and add additional sections that juniors and seniors need to graduate.

In subsequent fiscal years, the UNC System will base enrollment growth requests on actual credit hours completed in arrears (including summer). Additional information about the enrollment funding request is detailed on page 9.

Summer Scholarships for UNC System and NCCCS Students

Request for 2019-20: \$10 million (R) (UNC: \$7 million/NCCCS: \$3 million)

Request for 2020-21: \$12 million (R) (UNC: \$8 million/NCCCS: \$4 million)

The North Carolina Student Aid Study Group, a joint project of the UNC and North Carolina Community College systems, has identified summer scholarships as a key strategy to increase student success and reduce time to degree in both systems. Traditionally, state financial aid programs have not been available in the summer, which limits students' ability to afford summer courses. Research and experience show that providing scholarship money in the summer can encourage more students to earn the credits necessary to graduate on time (or accelerate their path to a degree).

In summer 2018, the State Education Assistance Authority (NCSEAA) made \$2.8 million in UNC Need-Based Grant funding available which helped nearly 4,000 UNC System students pay for summer school. Financial aid officers targeted funds to students who were within a course or two of earning the 30 credits necessary to stay on track to graduate in four years. The results were promising: by the end of the summer, more than 77% of grantees had met or exceeded the 30-credit benchmark.

The UNC and North Carolina Community College systems request dedicated funding for summer scholarships to help more students complete a degree in a timely fashion. Funds will be targeted to students who can use summer courses to stay on track or accelerate their path to timely completion. NCSEAA will disburse the summer scholarships to UNC and NCCCS institutions based upon guidance from the governing boards and presidents of each system.

2. Faculty Recruitment and Retention

Request for 2019-20: \$10 million (R)

Request for 2020-21: \$15 million (R)

Academic quality is dependent on excellent faculty, and competitive salaries remain the single most important factor in recruiting and retaining top talent. At a time when other states have mounted highly funded and targeted raids and regularly undercut recruitments, it is critical that we invest in a strong push to retain our best and an equally strong recruitment strategy.

The Faculty Recruitment and Retention Fund enables UNC system institutions to proactively address issues that make the most in-demand faculty vulnerable to external universities. Ensuring competitive recruitment is also increasingly important, especially as many of the most distinguished professors near retirement. Effective retention and recruitment efforts also extend to building strong salary structures

that reward high performance – something that current faculty will recognize as commitment to value and that potential recruits will see as attractive long-term benefits to a position.

The requested appropriations will be used to fund data-driven proposals from the universities for specific salary adjustments, of both recruits and current faculty, designed to build and retain talent in areas of critical importance to the varied missions, regions, and the needs of the State of North Carolina overall.

3. Stronger Transfer Pathways with NCCCS

Over the past decade, the number of students transferring from a North Carolina community college to the UNC System has increased sharply, due in large part to efforts by individual institutions and the two systems to improve alignment of courses and degree pathways. The UNC and North Carolina Community College Systems have worked closely to develop a Comprehensive Articulation Agreement (CAA) which is a national exemplar. The two systems are now poised to build on these successes to strengthen and streamline the paths from community college to UNC and onto graduation. To do so, the NCCCS and UNC propose the following:

Transfer Student Scholarships

Request for 2019-20: \$4 million (R)

The North Carolina Student Aid Study Group identified reforms to increase transfer student success. Research indicates that students who complete their associate degree before transferring to a four-year university are significantly more likely to complete a bachelor's degree. In North Carolina, completion of particular types of associate's degrees activates the terms of the CAA, which assures admission to a UNC System institution and enables transfer students to enter with junior standing. However, less than one third of NCCCS transfers arrived at UNC having completed an AA or AS degree.

In order to encourage students to complete an associate degree before transferring, the UNC and North Carolina Community College Systems request funding to provide students with a one-time scholarship upon transfer to a UNC institution after earning an eligible associate degree covered by the CAA.

Improve Credit Transfer for Community College and Military-affiliated Students

Request for 2019-20: \$150,000 (R), \$200,000 (NR)

Together, the UNC and North Carolina Community College systems have worked to streamline credit transfer across institutions and to grant veterans credit for their military experience. A comprehensive statewide agreement for alignment and articulation of general education courses, as well as a governing body — Transfer Advisory Committee (TAC) — was created to oversee transfer practices across all 4-year UNC System institutions. In response to a 2014 law (S.L. 2014-67), the systems created a Military Credit Advisory Council (MCAC) and convened panels of faculty experts to develop shared standards for the uniform granting and transferring of course credits for military training and occupational experience.

These two committees require funding to maximize reach, expand scope, and tackle other issues that may stand in the way of seamless pathways for students. TAC has identified the need for site reviews, convening of key NCCCS and UNC faculty and staff around new initiatives, and support for the creation of several new pathways programs. In 2019-20, MCAC's goals are to complete the initial phase of military credit evaluation and create a searchable database of military credit equivalencies.

Expand the Availability of Open Educational Resources (OER)

Request for 2019-20: \$300,000 (R)

According to national data, the price of college textbooks has significantly outstripped the rate of inflation, and college students now spend an average of \$500 to \$600 per year on books.

In response, a national movement has emerged to create Open Educational Resources (OER)—digital textbooks and other course materials that are available to all at little or no cost. Groups of expert faculty identify materials that align with commonly taught courses, curate those books and articles, and make them available to other faculty that teach the same course. Assigning OER materials across a number of introductory courses has the potential to save students millions of dollars in textbook costs.

The requested funding would help curate and catalyze adoption of high-quality OER materials for the most commonly taught courses across the UNC and community college systems, with priority given to those courses that universally transfer under the Comprehensive Articulation Agreement.

4. Data Modernization Initiative

Request for 2019-20: \$1 million (R), \$4 million (NR)

Request for 2020-21: \$2 million (R), \$5 million (NR)

The Data Modernization Initiative is intended to provide the Board of Governors, the UNC System, and the UNC institutions with clear, timely, and consistent financial data. This project has a four-year implementation window. The General Assembly has invested \$9 million beginning in FY17-18 with \$1.5 million recurring.

To date, these dollars have been put toward initiatives such as development of financial metrics to be used as performance indicators, the addition of student accounts to the existing data mart, and the development of a system-wide chart of accounts. Investment has also been made in deliverables for the upcoming phases of the project. These include a semi-public reporting environment within the existing analytics platform and first steps on the creation of the new financial data warehouse. Additional investment will enable the UNC System to continue to make progress on the project, which will ultimately allow for more detailed unit-cost analyses that can inform decision-making.

The requested funding will also be used to implement the primary request of the Board of Governors Committee on Historically Minority-Serving Institutions: a strategic investment in a shared Constituent Relationship Management (CRM) service and associated data mart to aid smaller institutions in their alumni engagement efforts.

Other Targeted Priorities

NCSSM Western Campus

Request for 2019-20: \$1,408,632 (R), \$25,928 (NR)

Request for 2020-21: \$3,389,820 (R), \$795,376 (NR)

The North Carolina School of Science and Mathematics was awarded \$58 million by approval of the 2016 Connect NC statewide bond referendum and an additional \$15 million in the 2018 short session to

construct a second campus in Morganton. NCSSM-Morganton will open in August 2021, with a goal of extending world-class programs to more of North Carolina's most promising students, while also serving as a catalyst for increased educational and economic development opportunities for communities in western NC.

NCSSM engaged in comprehensive advance planning under the guidance of the Friday Institute and a core planning team representing the institution, the UNC System, and the K-12, higher education, business, and local government communities throughout western North Carolina. These efforts yielded a report articulating the blueprint for development of the program in Morganton, including personnel and operating costs required to deliver a comparable experience to the NCSSM program in Durham.

In order to open in 2021 and be fully operational with 300 resident students by fall of 2022, funding is requested to support the personnel, supplies, and equipment needed to ensure a world-class academic experience in the foothills of western North Carolina for our state's most talented high school students.

N.C. A&T Doctoral Education

Request for 2019-20: \$1 million (R)

Funding to support research faculty and graduate students yields tremendous economic returns in the form of much-needed doctoral degrees in STEM fields and externally funded research grants. N.C. A&T has already been a leader in bringing additional investment to North Carolina. They have continually been ranked third in sponsored research in the UNC System, above the four other doctoral universities in the same Carnegie classification. In 2017, the General Assembly provided \$2.5 million to support established doctoral programs at North Carolina Agricultural and Technical State University. The UNC System seeks additional recurring funding for N.C. A&T's transition to doctoral research university status.

Rural Residency Program Expansion at ECU

Request for 2019-20: \$1,447,000 (R)

Request for 2020-21: \$2,592,000 (R)

In the 2017-19 biennium, the North Carolina General Assembly appropriated funds for the establishment of new rural physician residency programs in Eastern North Carolina. These residency programs will be in rural hospitals that do not currently have any physician residency programs. The successful development and implementation of these residency programs requires an expansion of the existing residency program at Vidant Medical Center and the creation of new residency programs in hospitals in Duplin, Halifax, and Hertford counties. At least seven years are required to build these new residency programs into full maturity. The UNC System requests increased budget for the third and fourth years of this initiative.

These residency programs will improve and expand the scope of medical services in rural and medically underserved communities in Eastern North Carolina. Experience in similar programs demonstrates that physicians who complete a residency program in a rural community are much more likely to practice medicine in rural communities. In addition to improving the delivery of health care in rural communities, there is an economic benefit to every community in which a physician provides care. This request will fund salaries and benefits for rural residency site directors, primary care and specialty physicians, and support staff plus provide funding for the operating budgets at each site.

NC State Biopharmaceuticals

Request for 2019-20 and 2020-21: \$2 million (NR) in each year

Provides funds for North Carolina State University's participation in a collaborative effort to accelerate the development of innovative manufacturing processes for biopharmaceutical products. Funds will support the Biomanufacturing Training and Education Center (BTEC) at NCSU and serve as matching funds for a federal grant from the National Institute of Standards and Technology. The \$4 million of funding appropriated in 2017-19 represents the first two years of a five year commitment by the state. The UNC System requests funding for years three and four of this commitment.

UNCP College of Health Sciences

Request for 2019-20: 1,100,000 (R)

Request for 2020-21: 2,100,000 (R)

In 2017, the North Carolina General Assembly appropriated \$100,000 to the UNC Board of Governors for a study on the workforce needs in healthcare in Southeastern NC in the coming decade, and how UNC Pembroke could address these needs and improve regional health outcomes. The study was performed by the Sheps Center and unanimously approved by the UNC Board of Governors, and returned to the NC Legislature for their action.

In response to the study, UNCP formed a College of Health Sciences on August 1, 2018. The College was created from the existing departments of Nursing, Counseling, Kinesiology, and Social Work. The vision of the College of Health Sciences is to:

- Enroll an increasing number of students from underrepresented populations;
- Train the next generation of healthcare professionals for the region;
- Create new programs and expand training options and clinical partnerships; and
- Develop community-oriented interventions for the education of and provision of services to the public.

Per the study timeline and budget, the College of Health Sciences will follow a ten year, three-phase plan. Funding would support program development and operating budgets for expanded and additional programs. In the first phase, goals include doubling the size of the current nursing program, adding a Doctor of Nursing Practice degree program, establishing an Occupational Therapy program, and initial steps to establish a Physical Therapy program. The College will require necessary faculty, staff, and equipment.

Lab School Operations

Request for 2019-20: 500,000 (R)

In 2016, the General Assembly called on schools of education at UNC System institutions to create and operate Laboratory Schools. Five institutions have opened lab schools to date (Western Carolina University, East Carolina University, UNC Wilmington, UNC Greensboro, and Appalachian State University), with a sixth opening this fall at UNC Charlotte. In light of their unique mission to serve students and districts that face academic challenges, the Lab Schools must offer services above and beyond those of a traditional public school. The requested increase in funding will enable Lab Schools to enhance academic staff, provide augmented counseling and support services, and ensure that students have access to a school nurse.

Enrollment Funding

Enrollment Growth - Regular

Request for 2019-20: \$0

Request for 2020-21: \$45 million (R)

Based on feedback from members of the Board of Governors, the General Assembly, leadership at the UNC System Institutions, and members of the Funding Model Task Force, the UNC System is planning to transition the existing enrollment funding model from projected credit hours to a model that funds actual credit hours completed in arrears (including summer). Since the current model is forward funded, a move to a model that funds hours in arrears necessitates a transition year. In the transition year, the UNC System is not requesting any funding for fall and spring enrollment (see summer funding request on page 2).

In the second year of the biennium, a high level estimate of the enrollment needs, based on a three-year average of prior enrollment growth, is requested. Once a revised funding model based on actual credit hours completed has been adopted by the Board of Governors, a more detailed funding request will be included in the UNC System's short session budget priorities.

NC Promise

Request for 2019-20: \$7.5 million (R)

Request for 2020-21: \$15 million (R)

The newly implemented NC Promise program has been incredibly successful, far exceeding enrollment expectations in the first year and demonstrating North Carolina's unparalleled commitment to affordability. Elizabeth City State University experienced an increase in total undergraduate enrollment of 21% this fall, while undergraduate enrollment increased by 11% at UNC Pembroke, and 7.4% at Western Carolina University. Estimates based on fall enrollment suggest that the program exceeded the available buy down funding by over \$2.5 million.

The participating institutions are planning for continued growth in the coming biennium. In order to support this successful program, increased state support to fund the tuition buy down is requested.

As the UNC System transitions from a forward-funded enrollment model to a model that funds actual enrollments completed, NC Promise institutions have expressed a need for transition funding. The demand for additional faculty to support the dramatic growth exceeds the existing funds at these relatively small institutions. The UNC System is requesting one-time carry forward authority of the FY 2018-19 enrollment funding reserve in order to provide nonrecurring support for these three universities. Any funds remaining in the reserve after 2019-20 would revert.

Building Reserves

The Connect NC bond significantly increased the number of new appropriated capital projects in the UNC System. As these buildings begin to reach completion, there are substantial needs for maintenance and operation funding to support these facilities. Operating costs for authorized capital projects that will be completed during the 2019-21 biennium are included below.

2019-21 Maintenance and Operating Budget Request

Institution	Building	FY 2019-20	FY 2020-21
ECSU**	GR Little Library/Moore Hall*	\$(134,082)	\$365,432
FSU	Lyons Science Renovation*	337,730	455,472
N.C. A&T	Agricultural Pavilion		258,926
NC State	Utility Infrastructure (Fitts-Woolard and Plant Sciences)*	434,085	585,615
NC State	Fitts-Woolard Hall*		4,802,945
UNCA	Carmichael Hall Renovation*		325,718
UNCA	Owen Hall Renovation*		464,267
UNCC	Science Building*		1,758,799
UNCG	Nursing & Instructional Building*	1,061,499	981,693
UNCG	South Chiller Plant*	692,789	725,973
UNCP	School of Business*		616,479
UNCP	West Hall Renovation	279,633	306,995
UNCW	Allied Health (Veteran's Hall)*	1,457,674	2,883,488
UNCSA	Performance Place Renovation*	99,993	171,603
UNCSA	Old Library Renovation*	339,313	377,078
WCU	STEM Building*		3,490,619
WSSU	Science and General Office Building*	1,148,094	1,195,247
WSSU	1602 Lowery Street Renovations		2,178,333
NCSSM	NCSSM Morganton*		1,836,707
TOTAL		\$5,716,728	\$23,781,389

**Connect NC Bond Projects*

***Operating funding was provided beginning in 2018-19, based on the 2017-19 M&O submission. However, the project was not completed on the schedule included in that submission. For ECSU, a budget adjustment will be necessary to reconcile the current operating request with the recurring funding of \$288,615 granted in the 2017-19 cycle. For WSSU, a budget adjustment will be necessary to reconcile the current operating request with the recurring funding of \$429,191 granted in the 2017-19 cycle. The amounts listed above reflect that subtraction. For both campuses, one further adjustment will be needed for fiscal year 2018-19 to return the budgeted amount for the year.*

Deregulation

In order to continue our efforts to promote good governance and maintain our commitment to the highest and best use of state resources, the UNC System needs flexibility to pursue innovative solutions to the growing backlog of repair and renovation needs and the authority to focus efforts on strategic decision making rather than transactional work. Amendments to key pieces of legislation would allow the Board of Governors and the institutions more authority to focus resources on the highest priorities.

Allow additional flexibility for more efficient use of state funds for repairs and renovations.

The University currently has over \$3.8 billion in repair and renovation (R&R) needs in appropriated areas alone, as identified by the Facilities Condition and Assessment Program (FCAP). While the UNC System has benefited from an average R&R appropriation of about \$30 million per year over the last 10 years, the University needs more flexibility to ensure regular maintenance. Timely investment in facilities can reduce long-term costs for the University and the State while addressing issues that need immediate attention.

Instituting temporary carryforward authority of 5% for the next two years, an increase from 2.5%, would allow chancellors and the Board of Governors more flexibility to use operating funds for repair projects to facilitate strategic investment in institutional facilities. The General Assembly previously authorized a temporary one-time increase of 2.5% in carryforward authority in 2015. This increase allowed ten campuses to invest \$31.4 million in 35 different repair and renovation projects across the UNC System.

Increasing the carryforward authority for the coming biennium would empower chancellors to find cost savings and reinvest those savings in state assets. Greater flexibility would provide campuses more control over repair and renovation funding, allowing for a more robust capital planning process.

Remove Barriers to Certain Classification/Compensation Actions

The statutory requirement in G.S. 116-17.3, implemented in July 2017, required that the Board of Governors review raises of greater than 5% for employees earning \$100,000 or more and the creation of new positions with salaries of \$70,000 or more. This statutory change created significant delays in the hiring and promotion process.

Depending on the schedule of the Board, this requirement can delay salary and position actions between two and four weeks. Processing these actions involves the efforts of multiple HR professionals from the constituent institution, senior leadership at each campus, multiple UNC System Office HR professionals, and finally the leadership of the Board of Governors Personnel and Tenure Committee. Retention offers and promotional job offers, which constitute 50% of the actions reviewed in this process, are often time sensitive, and the mandated Board consultation has created additional hurdles for promoting internal hires.

This delay restricts the authority of the president and chancellors, who routinely and independently make decisions with far greater financial and operational consequences. If the statute were repealed, the Board would retain its authority and flexibility to determine the level of human resources authority it delegates to the president, to the boards of trustees, and to the chancellors. The Committee on Personnel and Tenure believes that the value received from this legislatively-mandated process is negligible in contrast to the time and effort that it causes. Repealing the statute would alleviate these delays without compromising the Board's oversight role.

2019-21 Capital Budget Priorities

Request for 2019-20: 50% of capital funding available

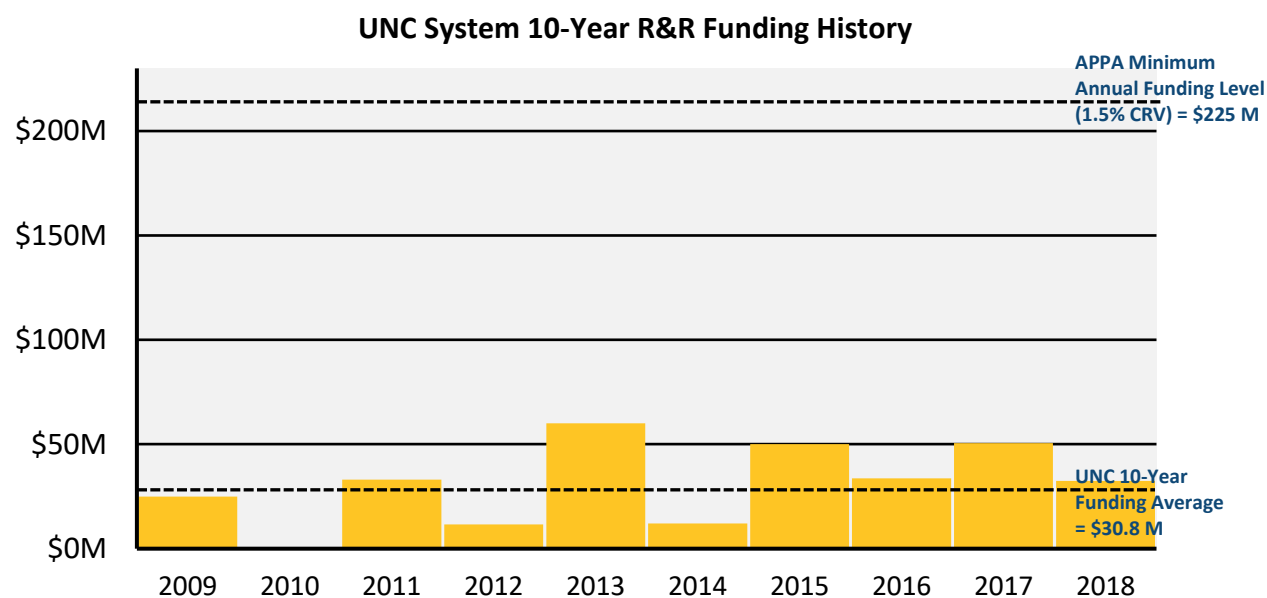
Request for 2020-21: 50% of capital funding available

In recognition of the significant investment in new facilities represented by the Connect NC bond program's \$1 billion allocation to UNC System institutions, the University's capital budget priorities will continue to focus on maintaining our existing facilities with funding priority on repairs and renovations.

The quantity and scope of repair and renovation needs is regularly assessed and documented by the Facility Condition Assessment Program (FCAP) under the direction of the State Construction Office. In addition, information on these needs was solicited directly from the institutions in the biennial budget development process, as part of the effort of the R&R working group under the Budget and Finance Committee. For appropriated facilities, which are the areas eligible for state repairs and renovations funding, the needs currently total on-the-order of \$4 billion over 46 million gross square feet of space. Funding levels to address these needs have averaged \$30.8 million annually, over the last 10 years (2009 through 2018).

The Association of Physical Plant Administrators (APPA) has historically recommended a minimum of 1.5% of the total plant replacement value as an appropriate annual budget guideline to support "routine maintenance and capital renewal" in order to "extend the life and retain usable condition of facilities and systems." At the current estimated replacement value of about \$15 billion for the 46 million in appropriated gross square feet (GSF), funding should be approximately \$225 million annually to keep campus facilities in good working order. This funding level assumes facilities begin in good operating condition and are simply maintained in that condition, while addressing a backlog of deferred needs requires greater funding levels. With annual needs of \$225 million and average annual funding at \$30.8 million, UNC System facilities have been losing ground.

Annual need and historical funding levels are shown in the following graph.



Two types of repairs and renovations (R&R) projects need to be addressed in the UNC System's current budget priorities: traditional R&R projects directed toward single-component building systems and targeted R&R renewal projects to address comprehensive building renovations, which combine multiple single-component priorities into one larger renovation project. Targeted R&R projects provide opportunities for more efficient and cost-effective repairs, with administrative efficiencies in design, bidding, and construction oversight, cost advantages through economies of scale, and improved experience for campus faculty, staff, and students by reducing the number of disruptions to building users and occupants. Predictable funding supports more effective strategic planning regarding the sequence and timing of projects and the most efficient execution strategies.

Traditional R&R will be allocated to institutions by the Board, based on a distribution methodology including variables for campus size, condition, and availability of additional resources that could be directed to R&R needs. Specific projects will be identified by each institution in response to identification of the final annual allocations. Targeted R&R will be allocated based on identified, prioritized projects submitted by institutions through the biennial budget planning process and further prioritized in response to available funding levels.



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

2019 LEGISLATIVE PROPOSALS

SUMMARY OF PRIORITY PROPOSALS

Financial and Capital Efficiencies

1. Expand Carryforward Authority to 7.5% (from 2.5%)

Carryforward authority allows UNC institutions to assist the state in addressing the significant repairs and renovation (R&R) backlog using existing appropriations. The University currently has over \$1 billion in R&R needs on state-supported buildings and has very little flexibility to address this backlog on our own. This increased flexibility will allow institutions to share responsibility with the state to address the backlog without obligating the state to future expenditures.

2. Reinstate Institutional Authority for Certain Compensation/Classification Actions

In 2017, the legislature created a requirement that the UNC Board of Governors monitor salary actions of 5% or greater for University employees (SHRA/EHRA) with salaries of at least \$100,000 and monitor the establishment of new positions (SHRA/EHRA) budgeted at \$70,000 or greater. After two years, the Board of Governors requests a return to the prior policies governing these compensation actions, which allowed additional institutional oversight to the president, to the boards of trustees, and to the UNC constituent institutions, as deemed appropriate.

3. Reinstate Institutional Authority for Small Capital Projects

UNC leaders are asked to manage not just the operations of institutions, but to protect the significant state investments in the grounds of each university. Currently, these leaders do not have the tools to do so. If there is a need to address a minor facility deficiency, campus leaders no longer have the flexibility to use available resources for small capital projects (up to \$1 million) and must hope for sizeable repair and renovation appropriation.



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

2019 LEGISLATIVE PROPOSALS

Technical Corrections

1. Technical Corrections for Teaching Fellows Program

In only its second year of implementation, the North Carolina Teaching Fellows program is showing great promise in recruiting highly-qualified candidates into the teaching profession. To ensure successful program growth while maintaining a high bar on program quality, the Teaching Fellows program should be expanded to three additional institutions. Additionally, a clarifying change is needed to extend eligibility to students who are already in an educator preparation program, but willing to transition to a STEM or Special Education area of licensure.

2. Technical Corrections for UNC Laboratory School legislation, including food/transportation services, number of lab schools, and civil immunity

Because existing legislation does not specify which entity administers food and transportation services for Laboratory Schools, UNC seeks an addition establishing that local school administrative unit will provide these programs for students attending these schools. UNC also seeks a change to the total number of lab schools set by the legislation. Finally, UNC would like Laboratory Schools to be granted civil immunity in situations where existing boards of education and local school administrative units maintain such immunity.

3. Technical Corrections for Future Teachers NC

The University is proposing changes to the current structure of the Future Teachers of North Carolina (FTNC) program. FTNC is currently structured as a college-level high school course at three UNC institutions. Structural changes will allow for a larger program network, more targeted recruitment efforts, and a better alignment with legislative intent. The proposed changes will also enable the UNC System Office to be more directly accountable for program outcomes.

Area:	Institutional Request - Efficiency
Topic:	Expand Carry Forward to 7.5% (from 2.5%) for Repair & Renovations
Governance:	North Carolina General Statutes - G.S. 116-30.3 - Reversions
Current Status:	<ul style="list-style-type: none"> G.S. 116-30.3 addresses state appropriation reversions and provides an exemption to UNC institutions of up to 2.5% of state appropriations. This allows UNC institutions to carry forward unexpended state funds to be used for one-time expenses that don't obligate the state to provide additional expenditures. Typically, agency funds not expended in a given fiscal year are returned to the Office of State Budget & Management and General Fund. In the FY15-16 budget, UNC was provided authority to carry forward up to 5% of state appropriation with the additional increment to be used for building Repair & Renovation (R&R). <ul style="list-style-type: none"> UNC institutions used this authority to address 35 projects totaling \$30 million. This authority sunset three years ago. UNC seeks to regain expanded carry forward authority of up to 7.5% of state appropriations. In the last five years, UNC's largest reversion was just over \$3 million, so expanding the current authority will not cost the state any money. Expanding carry forward authority does not limit the budget director's ability to force a reversion in the case of a fiscal emergency. This request was included in the UNC Board of Governors 2017-19 Policy Agenda.
Current Challenges:	<ul style="list-style-type: none"> UNC institutions have significant capital R&R needs, but few ways to address those needs. Carry forward authority remains a primary source of funds to address capital shortcomings on state-supported buildings in years the University does not receive significant R&R appropriations from the state. UNC has identified major capital deficiencies through NC's Facilities Condition Assessment Program (FCAP). Institutions are seeking authority to spend appropriated dollars on areas that are the state's obligations, but they are limited to do so in the current fiscal year due to administrative limitations. This allows institutions to spend state dollars more strategically and will not limit the amount of reverted funds, as the University will spend on other lower priority needs without this authority.
Proposed Action:	<p>Amend G.S. 116-30.3. – Replace 2.5% with 7.5%.</p> <p>G.S. 116-30.3. Reversions.</p> <p>a) Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each of the budget codes listed in this subsection, any amount of the General Fund appropriation for that budget code for that fiscal year (i) may be carried forward to the next fiscal year in that budget code, (ii) is appropriated in that budget code, and (iii) may be used for any of the purposes set out in subsection (f) of this section. However, the amount carried forward in each budget code under this subsection shall not exceed <u>seven and one-half percent (7.5%)</u> two and one-half percent (2.5%) of the General Fund appropriation in that budget code.</p> <p>Amend G.S. 116-30.3(f)</p> <p>f) Funds carried forward pursuant to subsection (a) of this section <u>above two and one-half percent (2.5%) may be used to support one-time expenditures for building repairs and renovations;</u> may be used for one-time expenditures; provided, however, that the expenditures shall not impose additional financial obligations on the State and shall not be used to support positions.</p>

Area:	University Human Resources Policy
Topic:	Repeal UNC BOG Monitoring Requirements for Certain Classification/Compensation Actions
Governance:	North Carolina General Statutes - Chapter 116 – Part 2 (G.S. 116-17.3)
Current Status:	<ul style="list-style-type: none"> The Appropriations Act of 2017 (SL 2017-57) added a new section to Chapter 116 of the North Carolina General Statutes: G.S. 116-17.3, which reads: "G.S. 116-17.3. Board of Governors monitors certain human resources actions. <ul style="list-style-type: none"> (a) The Board of Governors of The University of North Carolina shall monitor nonlegislative annual employee salary increases in the amount of five percent (5%) or more granted at constituent institutions or within the General Administration (i) to employees having annual salaries of one hundred thousand dollars (\$100,000) or greater or (ii) that would result in an annual employee salary of one hundred thousand dollars (\$100,000) or greater. No such salary increase shall become effective unless or until it is reported to the Board by a consultation that includes the justification for the increase or otherwise complies with consultation requirements adopted by the Board. (b) The Board of Governors of The University of North Carolina shall monitor new personnel positions created at constituent institutions or within the General Administration having annual salaries of seventy thousand dollars (\$70,000) or greater. No such new position may be filled unless or until its creation is reported to the Board by a consultation that includes the justification for the new position or otherwise complies with consultation requirements adopted by the Board." This action was effective July 1, 2017.
Current Challenges:	<ul style="list-style-type: none"> Since its implementation, this process has required Board member review (originally the Board chair and chair of the Committee on Personnel and Tenure, and now by the chair and vice chair of the Committee on Personnel and Tenure) of a combined total of over 1,444 salary and position actions. To document and review each human resources action subject to this process necessarily involves the efforts of multiple constituent institution HR professionals at the Department, School/Division, and Central HR Office levels; constituent institution senior officers; multiple UNC System Office HR professional staff; and finally the leadership of the Board of Governors' Committee on Personnel and Tenure. This process can unnecessarily delay decision-making on both salary and position actions for between two to four weeks and unduly restricts the authority of the president and our chancellors, who routinely and independently make decisions with far greater financial and operational consequences. Retention offers and promotional job offers, which constitute 50% of the actions reviewed in this process, are also often time sensitive, and the mandated Board consultation has created additional hurdles for promoting internal hires as opposed to making salary offers to external candidates. This is not conducive to the University encouraging the development and promotion of internal talent and its efforts at promoting succession planning.
Proposed Action:	<p>Repeal G.S. 116-17.3.</p> <ul style="list-style-type: none"> The Committee on Personnel and Tenure believes that the value received from this legislatively-mandated process is negligible in contrast to the time and effort that it requires. Additionally, reviewing such granular transactional matters is truly not an appropriate use of the time or expertise of the Board, nor are Board members equipped to evaluate whether individual salary increases or new positions are justified within the context of institutional institutions' programs, operational needs, and budgets.

Proposed Action (cont'd):	<ul style="list-style-type: none"> • The Board already has pre-existing guidelines for review and approval of various human resources actions. We trust that our constituent institution and System Office staff are equipped to make such evaluations and consult the Board when called for within the framework of existing policies. • Even in the absence of this statutory requirement, the Board will retain its authority and flexibility to determine the level of human resources authority it delegates to the president, to the boards of trustees, and to the chancellors. • The Board will also retain its authority and flexibility, as it deems appropriate and necessary, to set consultation and pre-approval thresholds through policy, rather than statute, for its oversight of all human resources matters. • The Board retains its authority and flexibility, as it deems appropriate and necessary, to set thresholds such as these through policy, rather than statute, for its oversight of compensation and classification actions.
Legacy Exceptions:	<ul style="list-style-type: none"> • Not Applicable.

Area:	Capital - Request from Institutions
Topic:	Reinstate Authority for Certain Capital Projects up to \$1 million
Governance:	Reinstate into North Carolina General Statutes
Current Status:	<ul style="list-style-type: none"> In 2012, G.S. 116-13.1 (c) provided UNC institution leaders with the ability to address small capital improvement projects on their campus from funds available to the institution. In FY14, this authorization was removed and limited UNC to the state-authorized level of \$300,000 in Session Law. In FY17, the legislature did not include this authority in Session Law, nor create a new statute addressing the issue. At this time, neither state agencies nor University leaders can use operating dollars to address capital repairs/improvements. This request was included in the UNC Board of Governors 2017-19 Policy Agenda and was included in H.B. 775 (Section 7), sponsored by Rep. Dean Arp.
Current Challenges:	<ul style="list-style-type: none"> Many University buildings are deficient and need repairs. Failing an emergency repair declaration, institutions are prevented from repairing the facilities unless R&R or carry forward funds are available. Over the past decade, UNC has received approximately \$35 million a year for R&R, which has to be distributed amongst 17 institutions.
Proposed Action:	<p><u>AUTHORIZE STATE AGENCIES TO UNDERTAKE CERTAIN SMALL REPAIRS AND RENOVATIONS PROJECTS WITH FUNDS AVAILABLE</u></p> <p><u>(a) Notwithstanding G.S. 143C-8-7, a State agency may undertake repairs and renovations projects so long as each project satisfies the following requirements:</u></p> <ol style="list-style-type: none"> <u>(1) Total project costs do not exceed one million dollars (\$1,000,000).</u> <u>(2) The project is one of the types set forth in G.S. 143C-4-3(b)(1) through (12), regardless of whether the relevant State facilities and related infrastructure are supported from the General Fund.</u> <u>(3) The project is paid for with funds available to the agency.</u> <p><u>(b) Projects undertaken pursuant to this section shall be reported to the Fiscal Research Division on a quarterly basis. A report under this subsection shall include information about all of the following for each project:</u></p> <ol style="list-style-type: none"> <u>(1) The facility at which the project is being undertaken.</u> <u>(2) The nature and scope of the project.</u> <u>(3) The source of funds for the project.</u> <u>(4) The category of projects set forth in G.S. 143C-4-3(b) that the project falls within.</u> <p><u>(c) General Funds contractually obligated for a project shall not revert at the end of the fiscal year but shall remain available to fund the completion of the project.</u></p>

Area:	North Carolina Teaching Fellows Program
Topic:	Program Modifications
Governance:	North Carolina General Statutes - Chapter 116 - Article 23
Current Status:	<ul style="list-style-type: none"> G.S. 116-209.62(f) currently allows for <u>five</u> Teaching Fellows partner institutions. G.S. 116-209.62(g)(4) currently extends eligibility to “students matriculating at institutions of higher education who are changing to enrollment in a selected educator preparation program...”
Current Challenges:	<ul style="list-style-type: none"> Following the North Carolina Teaching Fellows Commission’s selection of five partner institutions, made in line with the requirements of G.S. 116-209.62(f), there has been considerable support for program expansion. The statute should be modified to increase the number of partner institutions from five to eight institutions and to grant the North Carolina Teaching Fellows Commission with additional discretion to ensure institutional diversity. As currently written, the statute does not allow a Teaching Fellows award to be extended to a student who is already enrolled in an educator preparation program at one of the Teaching Fellows partner institutions -- even if that student is willing to transition to STEM or Special Education. The statute should be modified to ensure that the program can effectively recruit the most qualified candidates into high-needs subject areas.
Proposed Action:	<p>GOAL #1: <i>Expand the number of Teaching Fellows partner institutions from five to eight and grant the Commission discretion to ensure institutional diversity.</i></p> <ul style="list-style-type: none"> Amend G.S. 116-209.62(f) – Add New Language (in blue) (f) Program Selection Criteria-The Authority shall administer the Program in cooperation with <u>eight</u> institutions of higher education with approved educator preparation programs selected by the Commission that represent <u>a diverse selection of</u> both postsecondary constituent institutions of The University of North Carolina and private postsecondary institutions operating in the State. <p>GOAL #2: <i>Provide that students who are already enrolled within a school of education at one of the Teaching Fellows partner institutions can still be eligible for Teaching Fellows if they matriculate into an eligible program of study (STEM or Special Education).</i></p> <ul style="list-style-type: none"> Amend G.S. 116.209.62(g)(4) – Add New Language (in blue) “(4) Students matriculating at institutions of higher education who are changing to <u>an approved program of study at</u> a selected educator preparation program...”
Legacy Exceptions:	<ul style="list-style-type: none"> Not Applicable.

Area:	Laboratory Schools Legislation
Topic:	Modify Laboratory Schools Legislation: Food and Transportation Services
Governance:	North Carolina General Statutes – G.S. 116-239.8(b)(4)
Current Status:	This section establishes that local school administrative units will provide food services and transportation services to students attending laboratory schools.
Current Challenges:	<ul style="list-style-type: none"> The current law does not explicitly state which entity administers the school nutrition program for laboratory schools. Current law also does not specify that students are to be transported to the laboratory school regardless of local transportation policies and practices and the location of students' residences within the local school administrative unit.
Proposed Action:	<ul style="list-style-type: none"> Amend: 116-239.8(b)(4) – Clarifies that laboratory school nutrition programs will be administered by the local school administrative unit and clarifies that students who are enrolled into the laboratory school will be transported to the laboratory school regardless of local transportation policies and practices and students' residence within the local school administrative unit. <p>Food and transportation services. – The local school administrative unit in which the laboratory school is located shall provide food services and transportation to students attending who reside in the local school administrative unit and attend the laboratory school <u>including any students that are homeless and require assistance pursuant to the McKinney-Vento Homeless Assistance Act of 1987 (Pub. L. 100-77, July 22, 1987, 101 Stat. 482, 42 U.S.C. § 11301 et seq.). This requirement shall apply regardless of local transportation policies and practices and regardless of where laboratory school students reside within the local school administrative unit. This requirement shall include providing transportation of students and personnel for laboratory school extracurricular activities and educational trips in the same manner as provided for other schools in the local school administrative unit in that school year.</u> The local school administrative unit in which the laboratory school is located shall administer, <u>at its cost</u>, the National School Lunch Program for the laboratory school in accordance with G.S. 115C-264. The chancellor shall arrange for the provision of these services from the local administrative unit.</p>

Area:	Laboratory Schools Legislation
Topic:	Modify Laboratory Schools Legislation: Civil Immunity
Governance:	North Carolina General Statutes – G.S. 116-239.5
Current Status:	This section establishes the UNC laboratory schools, provides the mission of the laboratory schools, and exempts the laboratory schools from statutes and rules applicable to local school administrative units, except as otherwise provided.
Current Challenges:	Laboratory schools and their employees are charged with many of the same tasks as local school administrative units and their employees but are not protected by the same explicit immunities. <i>E.g.</i> G.S. 115C-333(e), G.S. 115C-375.1.
Proposed Action:	<ul style="list-style-type: none"> • Amend: 116-239.5 – Adds a new subsection (e) that explicitly grants civil immunity to laboratory schools in the same manner and in the same situations that boards of education and local school administrative units have such civil immunity. <p><u>(e) Laboratory schools, including but not limited to their governing boards, advisory boards, employees, and other agents, shall have the same limitations on liability that are granted in Chapter 115C to the equivalent entity of a board of education or local school administrative unit.</u></p>

Area:	Laboratory Schools Legislation
Topic:	Modify Laboratory Schools Legislation: Number of Laboratory Schools
Governance:	North Carolina Session Law – Section 11.6 of S.L. 2016-94
Current Status:	This section establishes the timeline to begin operating the UNC Laboratory Schools. Two laboratory schools opened in the 2017-2018 school year. Three additional laboratory schools opened in the 2018-2019 school year. One laboratory school has been approved to open in the 2019-2020 school year.
Current Challenges:	<ul style="list-style-type: none"> In the fall of 2019, the University of North Carolina at Charlotte will open the sixth laboratory school. At this time, UNC believes six is the optimal number of laboratory schools.
Proposed Action:	<ul style="list-style-type: none"> Amend G.S. 116-239.7(a1) – Changes the number of laboratory schools from nine to six. <p>(a1) Approval of Laboratory Schools. – The Board of Governors, upon the recommendation of the President, shall designate at least nine six constituent institutions to establish and operate laboratory schools. The chancellor of each constituent institution shall adopt and submit to the Subcommittee a proposal to operate a laboratory school in a local school administrative unit that meets the minimum threshold for the number of low-performing schools located in the unit under G.S. 116-239.6(4).</p> <p>The proposal shall include the governance structure of the laboratory school. The Subcommittee shall evaluate the proposals for approval or disapproval by considering the design components and the strategic focus of the laboratory school and any other standards developed by the Subcommittee to be applicable to all laboratory schools. The Subcommittee shall also consider the location of each laboratory school so that, to the extent possible, there is a geographically diverse distribution of the laboratory schools throughout the State and a maximum of one laboratory school located in a qualifying local school administrative unit. From the proposals submitted to the Subcommittee, the Subcommittee shall approve the establishment of at least nine six laboratory schools.</p>

Area:	Future Teachers of North Carolina (FTNC)
Topic:	Program Modifications
Governance:	North Carolina General Statutes - Chapter 116 - Article 1
Current Status:	<ul style="list-style-type: none"> G.S. 116-41.30(a) currently defines FTNC as a “program providing professional development and curricula for courses that provide a challenging introduction to teaching as a profession for high school students through courses offered by participating high schools in conjunction with college partners.” G.S. 116-41.31(c) mandates that partnering constituent institutions offer dual credit for successful completion of FTNC courses.
Current Challenges:	<ul style="list-style-type: none"> To ensure that the program fully aligns to legislative intent, the structure of the course needs to be modified for four primary reasons: <ol style="list-style-type: none"> Allow for a larger program network (currently limited to three UNC institutions). Foster more targeted recruitment efforts (currently only offered at high schools with necessary capacity for additional courses and teacher availability). Enable direct accountability from the UNC System Office (current program structure does not provide for clear oversight). Streamline program design to eliminate needless bureaucracy (current program implementation is made complicated by course articulation matters).
Proposed Action:	<p>GOAL #1: Streamline the program structure to provide for more targeted recruitment efforts.</p> <ul style="list-style-type: none"> Amend G.S. 116-41.30(b) – Replace Current Language (revisions in blue). <p>“(b) Program. – FTNC shall be a <u>selective, application-based symposium for high school juniors and seniors, offering</u> a challenging introduction to teaching as a profession. FTNC courses shall <u>provide instruction on pedagogy, ethics and professionalism, child development, successful teaching strategies and classroom management practices, effective lesson planning, assessment and intervention, and requirements of teacher licensure. The symposium should provide practical benefit to participating students, which may include interaction with current educators, administrators, and educator preparation faculty members, a simulated student teaching experience, and information about financial aid and scholarship opportunities.</u>”</p> <p>GOAL #2: Revise program oversight to enable the System Office to be more directly accountable for program outcomes.</p> <ul style="list-style-type: none"> Amend G.S. 116-41.31(a) – Replace current language (revisions in blue). <p>“(a) FTNC System Office. – FTNC shall be administratively housed in the University of North Carolina System Office. <u>The President shall establish a Future Teachers Advisory Council to oversee the FTNC program. At the President’s discretion, the council shall coordinate with UNC constituent institutions to utilize expertise from IHE administrators, faculty, and staff members in designing the agenda and instructional content for the FTNC Symposium. The Future Teachers Advisory Council shall ensure diverse representation of the educator preparation programs represented at the Symposium. The Council shall also be responsible for creating an application process for interested high school students, reviewing submitted applications, selecting students to attend, and recruitment and outreach efforts.</u></p>

<p>Proposed Action (cont'd):</p>	<p>GOAL #3: <i>Repeal language linked to old program design.</i></p> <ul style="list-style-type: none"> • Repeal G.S. 116-41.31(b) and (c) <ul style="list-style-type: none"> “(b) FTNC Site Applications. -- ... (c) FTNC Institution of Higher Education Partners. --” <p>GOAL #4: <i>Make conforming changes to program reporting requirements.</i></p> <ul style="list-style-type: none"> • Amend G.S. 116-41.32(d) – Replace current language (revisions in blue). <p>“The University of North Carolina System Office shall report annually, beginning October 15, 2020, on the following:</p> <ul style="list-style-type: none"> <u>(1) Number of students who submitted an application to attend the symposium.</u> <u>(2) Number of students attending symposium, including distribution by region.</u> <u>(3) List of high schools and LEAs represented by participating students.</u> <u>(4) Demographic information of student attending symposium.</u> <u>(5) Description of event agenda and content.</u> <u>(6) Percentage of students who, after attending the FTNC symposium, report the following:</u> <ul style="list-style-type: none"> <u>a. The student plans to choose teaching as a profession.</u> <u>b. The student plans to enroll in a community college, a UNC institution, an in-state private institution, or an out-of-state institution.</u> <u>c. The symposium increased the student’s knowledge of the teaching profession and other careers in education.</u> <u>d. The symposium was very or somewhat effective in helping the student formulate a positive perception of the education profession.</u>
<p>Legacy Exceptions:</p>	<ul style="list-style-type: none"> • Not Applicable.