Budget and Financial Overview

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Chancellor

Board of Visitors
October 2, 2015
Budget Priorities

– Fully fund enrollment growth
  • Consistent in both budgets and conference report
  • FY 15-16 $49M and FY 16-17 $80M

– Fully fund building reserves
  • Consistent in both budgets and conference report
  • FY 15-16 $470,000 R and $170,000 NR
  • FY 16-17 $700,000 R and $91,000 NR

– Retain/reward talent
  • House: 2% salary increase for all state employees
  • Senate: No state employees raise
  • Conference: $750 one-time bonus for all state employees

Source: UNC General Administration, September 16, 2015.
Budget Priorities

- Repairs & Renovations (R&R)
  - $150M, UNC receives 1/3

- Expand carry forward
  - Carry forward is increased to 5% for the biennium— the new 2.5% authority is restricted to R&R and planning funds

- In-state tuition for veterans
  - $9.3M R
  - Funds the expected costs of compliance with the Veterans Access, Choice, and Accountability Act of 2014 for the UNC System

Source: UNC General Administration, September 16, 2015.
Budget Priorities

- **Planning money for capital projects**
  - House: $11.9M for Engineering Oval & $5M for Plant Sciences
  - Senate: no funding
  - Conference: $2M over the biennium for Engineering Oval Building

- **Minimize new cuts in FY15-16**
  - House: $8.1M management flexibility reduction
  - Senate: $17.9M management flexibility reduction
  - Conference: $17.9M management flexibility reduction
FY 16-17 Items to Watch

- Management flexibility reduction
  - $43M R and $3M NR reduction

- Advancement programs
  - $16M R reduction
  - Caps the use of general fund appropriations at $1 million per campus

- NC Guaranteed Admissions Program
  - BOG partner with NCCCS Board to create a deferred admissions program
  - Potential to reduce the number of new freshmen and state funding

Source: UNC General Administration, September 16, 2015.
Other Legislation
Statewide Bond Proposal (H943)

- **UNC System**
  - Over $1 billion in requested new and R&R projects
  - Referendum date is set for the Presidential Primary: March 15, 2016

- **NC State Projects**
  - $75M for Engineering Oval Building
  - $85M for Plant Sciences Building
UNC Self-Liquidating (H679)

- **UNC System**
  - Authorizes the financing and construction of capital improvement projects by UNC campuses using funds not appropriated from the General Fund

- **NC State Projects**
  - Engineering Oval and Campus Infrastructure: $77M from gifts and energy savings
  - Plant Sciences Building: $14M from carry forward ($5M) and gifts ($9M)

Source: NC Fiscal Research Division, September 2015.
Engineering Building Oval

- Split Funding: $77M state/ $77M non-state
- 226,750 GSF
- More than 100 classrooms and state-of-the-art laboratories to further our research excellence in diverse areas of great societal impact

Source: Facilities Division, April 2015.
Plant Sciences Initiative (PSI)

- Split Funding: $85M state/$85M non-state
- 199,000 GSF
- Faculty labs and offices
- 19,000 sq. ft. rooftop greenhouse
- Plant processing laboratory
- Seminar/classroom space
- Leasable corporate lab suites

Source: Facilities Division, April 2015.
Questions