

Finance and Operations Update

**Instructional Administrators and Student Development
Administrators**

Joint Spring Conference 2014

March 6, 2014

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Agenda

- **FY 2013-14 Budget Update**
- **2014 Budget Priorities**
 - Closing the Skills Gap (4th Tier)
 - Increasing Quality (Raising all tiers)
 - Salary Increases
- **Summer Term Funding**
- **Performance-Based Funding**
- **Accountability Listening Sessions**

FY 2013-14 Budget Update

- **Tuition and registration fee receipts lagging budgeted level by approximately 5-6%**
 - Decline in enrollment
 - Increase in proportion of students eligible for tuition waivers
 - Increase in ratio of student hours : credit hours
 - As a result, college budgets were revised downward by 0.4% in January

Estimated 2014-15 BFTE

	2013-14 BFTE	2014-15 Est. BFTE	BFTE Change	General Fund Change
Curriculum	192,190	186,978	- 5,212 (- 2.7%)	- \$14.1 m
Con Ed (OE)	29,424	29,027	- 397 (-1.3%)	- \$1.3 m
Basic Skills	20,162	19,615	- 547 (-2.7%)	- \$2.7 m
TOTAL	241,776	235,620	- 6,156 (-2.5%)	- \$18.1 m

Developmental Dividend



2014 Budget Priorities

- **Retain and reinvest \$36.9 million**
 - Enrollment adjustment (\$18.1 m)
 - Existing non-recurring funds (\$18.8 m)
- **Reinvestment priorities**
 - Closing the Skills Gap - \$16.8 million
 - Increasing Quality - \$20.1 million
 - Raise all tiers by 1.7%
 - Colleges could use funds flexibly

Closing the Skills Gap

Labor Market Data



Priority Occupations



CIP* Codes (*Classification of Instructional Programs)



Curriculum Programs



“Major” CU Course Prefixes
Related Con Ed Courses

Closing the Skills Gap

Priority Occupations

Health Sciences

- Nurses
- Dental Hygienists
- Dental Assistants
- Dental Laboratory Technicians
- Occupational Therapy Assistant
- Physical Therapy Technician/Assistant
- Radiation Therapists
- Respiratory Care Therapy/Therapist
- Cardiovascular Technologists and Technicians
- Diagnostic Medical Sonographers
- Magnetic Resonance Imaging (MRI) Technology/Technician
- Nuclear Medicine Technologists
- Radiologic Technologists
- Surgical Technologists

Architecture, Engineering, and Construction

- Aerospace Engineering and Operations Technicians
- Civil Engineering Technicians
- Electrical and Electronic Engineering Technicians
- Electro-Mechanical Technicians
- Industrial Engineering Technicians
- Mechanical Engineering Technicians
- Nuclear and Industrial Radiologic Technicians
- Architectural and Civil Drafters
- Electrical and Electronics Drafters
- Mechanical Drafters
- Building/Construction Finishing, Management, and Inspection.
- Plumbers, Pipefitters, and Steamfitters
- Electricians
- Heating, Air Conditioning, Ventilation and Refrigeration Maintenance Technicians (HAC, HACR, HVAC, HVACR)
- Operating Engineers and Construction Equipment Operators

Closing the Skills Gap

Priority Occupations (continued)

Manufacturing, Production, and Installation

- Machinists and Precision Metal Workers
- Heavy/Industrial Equipment Maintenance Technician
- Medical Equipment Repairers
- Industrial Machine Mechanics
- Machine Maintenance Workers
- Electrical Power-Line Transmission Installers.
- Telecommunications Line Installers and Repairers

Biological, Chemical, and Biotechnology

- Biological Technicians
- Chemical Technicians
- Chemical Plant and System Operators
- Chemical Equipment Operators and Tenders

Transportation

- Heavy and Tractor-Trailer Truck Drivers
- Air Transportation
- Aircraft Mechanics and Service Technicians
- Automotive Body and Related Repairers
- Automotive Service Technicians and Mechanics
- Avionics Technicians
- Bus and Truck Mechanics and Diesel Engine Specialists
- Boat Mechanics and Service Technicians
- Mobile Heavy Equipment Mechanics

You can access the report submitted to the General Assembly here:

[State Board Agenda – February 20, 2014: Finance Committee – Agenda Item FC 6](#)

Salary Increases

- **North Carolina's average faculty salary**
 - Ranks **11th** in the **16-state Southeast Regional Education Board (SREB)** area
 - Ranks **41st** nationally
- **The average faculty salary for the nation and the SREB region are 30 percent and 10 percent greater, respectively, than the North Carolina average.**
- **NC community college faculty make, on average, only \$1,330 more than the average NC public school teacher.**
- **While comparative data on faculty salaries is readily available, staff salaries are also of concern.**

Summer Term

- **Starting Summer 2014, student hours in the following courses will count toward budget FTE:**
 - “technical education, health care...and STEM-related courses” = TIER 1
 - [See Curriculum Procedures Reference Manual, Section 21](#)
 - “developmental education” = DMA, DMS, MAT 050, DRE, ENG <100, RED <100
- **Summer 2014 FTE will count toward 2015-16 BFTE**

Performance-Based Funding

- **FY 2013-14: \$9 million allocated based on performance of six performance measures**
 - \$1.5 million per measure
- **FY 2014-15: \$24 million allocated based on performance on eight measures**
 - \$3.0 million per measure
 - The \$6 million associated with the Basic Skills measures will be part of the Basic Skills Block Grant allocation.

Future of PBF?

- **Original performance-based funding plan submitted to General Assembly:**
 - Established a goal of allocating \$5 million per measure
 - Committed to revisiting baseline and goals every three years
- **Employment measure?**
- **New model?**

Accountability Listening Sessions

- **Objectives:**
 - Gather feedback from colleges on policies that are unclear, obsolete, or otherwise problematic
 - Collect ideas about how a new and improved accountability system could work
- **Six regional sessions:**
 - System Office: February 28th - completed
 - AB Tech: March 5th - completed
 - Mitchell CC: March 6th - completed
 - Pitt CC: March 12th
 - James Sprunt: March 25th
 - Central Carolina: March 27th