## Certified Base Budget (excludes Aid to Private Institutions)

<table>
<thead>
<tr>
<th>Description</th>
<th>BOG Budget</th>
<th>Governor’s Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014-15</td>
<td>2,496,550,121</td>
<td>2,496,550,121</td>
</tr>
</tbody>
</table>

## Expansion Items:

### Technical Adjustment – Reinvest Enrollment Funding

- Enrollment Funding Adjustment – Technical *(BOG figure was an estimate)*
  - BOG: $(2,000,000)$
  - Governor’s: $(1,773,018)$
- Support UNC Early and Middle College High School Programs
  - BOG: $2,000,000$
  - Governor’s: $–$

## Key Strategic Plan Investments

### Increase Degree Attainment:
- Charge Military and Veterans Resident Tuition Rate
  - BOG: $8,000,000$
  - Governor’s: $NR$
- Support Year-Round Instruction
  - BOG: $5,000,000$
  - Governor’s: $–$
- Performance Fund
  - BOG: $5,000,000$
  - Governor’s: $–$
- Early Warning System
  - BOG: $800,000$
  - Governor’s: $–$

### Strengthen Academic Quality
- Career Counseling and Academic Advising Support
  - BOG: $2,500,000$
  - Governor’s: $–$
- E-Learning Strategies
  - BOG: $3,000,000$
  - Governor’s: $–$
- Competency-Based Assessment
  - BOG: $1,000,000$
  - Governor’s: $–$

### Economic Development and Knowledge Creation
- Game Changing Research – Consortia of Excellence
  - BOG: $3,400,000$
  - Governor’s: $–$
- Convert More Discovery into Innovation
  - BOG: $3,000,000$
  - Governor’s: $3,000,000$
- Faculty Recruitment and Retention Fund
  - BOG: $5,000,000$
  - Governor’s: $–$
- Prepare Job-Ready Students through Experiential Internships
  - BOG: $500,000$
  - Governor’s: $–$

### Community Health Care Needs
- Rural Health Collaborative
  - BOG: $500,000$
  - Governor’s: $–$
- ECU Dental Clinics Student Housing
  - BOG: $300,000$
  - Governor’s: $–$

### Retain Talented Workforce
- Optional Retirement Plan Contribution
  - BOG: $5,000,000$
  - Governor’s: $–$
- Distinguished Professors
  - BOG: $8,000,000$
  - Governor’s: $NR$

### Restore Reductions and Repeal Nonresident Tuition Increase
- Eliminate Additional Management Flexibility Reduction
  - BOG: $7,805,302$
  - Governor’s: $–$
- Repeal Nonresident Tuition Increase
  - BOG: $27,243,157$
  - Governor’s: $–$

### Other Critical Campus Needs
- ECU Medical School Emergency Appropriation
  - BOG: $3,000,000$
  - Governor’s: $–$
- Campus Security
  - BOG: $3,100,000$
  - Governor’s: $–$
- CFNC Support
  - BOG: $1,000,000$
  - Governor’s: $1,000,000$
  - Governor’s: $NR$
- Strengthen Audit Functions
  - BOG: $500,000$
  - Governor’s: $–$

### Other Critical UNC System Needs
- UNC Medical School Appropriation Restoration
  - BOG: $15,000,000$
  - Governor’s: $–$

### Other UNC Items (not requested in BOG Priorities)
- Next Generation Power Electronics Innovation Institute (NCSU)
  - BOG: $2,000,000$
- Internships and Career-Based Opportunities for HBCU Students *(ECSU and three HBCUs – two must be private HBCUs in NC – selected through a competitive application process will participate in the pilot.)*
  - BOG: $317,500$
  - Governor’s: $NR$
- NC Scholarship for the Education for Returning Veterans (NC SERV) – Governor recommends using lottery funds to establish a pilot scholarship program for nonresident veterans who are working towards their first baccalaureate degree and plan to establish residency in NC.
  - BOG: $–$
  - Governor’s: $$5M in Lottery Funds
### The University of North Carolina

**Budget Comparison**

**2014-15 Operating Budget**

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<td>Building Reserve for NCCAT Facilities <em>(provides funds for the maintenance of facilities transferred to WCU from the NC Center for the Advancement of Teaching upon discontinuation of the program)</em></td>
<td>–</td>
<td>259,124 NR</td>
</tr>
</tbody>
</table>

### Reductions/Adjustments:

- **Management Flexibility Reduction** *(excludes ECSU, FSU, UNCA, UNCSA, WSSU, & NCSSM)*
  - (44,037,290)

- **Repeal Resident Tuition for Full Academic Scholarship Nonresident Recipients**
  - (9,325,958)

- **Optimize University Administrators** *(EPA Nonfaculty Reduction – determined by BOG)*
  - (1,999,312)

- **Centers & Institutes** *(Governor recommends BOG allocate reductions to Centers & Institutes that are redundant, not involved in degree production, or not central to the educational mission of the campus)*
  - (13,125,000)

- **Reflect Full General Institutional Enrollment Decrease**
  - Historically, the UNC enrollment growth formula includes a negative adjustment factor that buffers a campus from reductions to general institutional support. When enrollment declines, the UNC enrollment formula only reduces general institutional support by half. The Governor recommends a new change to the model, eliminating this factor so that the full reduction to general institutional support is implemented.
  - (5,326,425)

- **Utility Budgets to Reflect Actual Expenditures**
  - (9,128,060)

- **End Duplication of Funding for Teacher Prep Distance Education Programs** *(Governor recommends that the Teacher Prep DE Reserve no longer be funded since the enrollment growth formula provides campuses with funding for DE programs)*
  - (1,801,861)

- **Coastal Wave Energy Research** *(Governor recommends eliminating General Fund support)*
  - (1,900,000)

- **Building Reserve Technical Adjustment**
  - (922,599 NR)

### Total Operating Increases

- 110,648,459

### Total Operating Decreases

- (2,000,000)

### Total Recurring Operating Changes

- 92,648,459

### Total Nonrecurring Operating Changes

- 16,000,000

### Competitive Salaries *(Governor recommends $1,000 per employee; $809 is salary)*

- BOG supports a meaningful salary increase for all employees
  - 33,443,940

### Total Recommended UNC Budget Changes

- 108,648,459

### Total Recommended UNC Budget

- 2,605,198,580

### Aid to Private Institutions

- Authorized Continuation Budget
  - 103,351,588

- NC Need-Based Scholarship for Private College Students
  - (4,500,000 NR)

*(Governor recommends that scholarships be funded on a recurring basis)*

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**Note:** All items are recurring funding unless noted as NR (nonrecurring).