

# Division of Business and Finance

Budget and Planning Update

September 11, 2015



**North Carolina Agricultural and Technical State University**



## State Fund Budget vs. Actual Analysis

Year ended June 30, 2015 (000's omitted)

|                              | Budget         | Actual         | \$ Better(Worse) | % variance | Prior Year Actual<br>6-30-2014 |
|------------------------------|----------------|----------------|------------------|------------|--------------------------------|
| <b>Revenues</b>              |                |                |                  |            |                                |
| State Appropriation          | 92,437         | 91,756         | (680)            | -1%        | 92,665                         |
| Resident Tuition             | 28,614         | 28,106         | (508)            | -2%        | 28,547                         |
| Nonresident Tuition          | 31,868         | 32,293         | 425              | 1%         | 27,829                         |
| All Other                    | 4,868          | 3,196          | (1,672)          | -34%       | 5,677                          |
| <b>Total Revenue</b>         | <b>157,786</b> | <b>155,351</b> | <b>(2,436)</b>   | <b>-2%</b> | <b>154,719</b>                 |
| <b>Expenditures</b>          |                |                |                  |            |                                |
| Personnel Compensation       | 120,480        | 119,328        | 1,153            | 1%         | 119,718                        |
| Purchased Services           | 19,957         | 18,802         | 1,156            | 6%         | 17,931                         |
| Supplies                     | 2,313          | 2,185          | 129              | 6%         | 1,977                          |
| Property Plant & Equipment   | 5,316          | 5,214          | 103              | 2%         | 5,094                          |
| Aid and Grants               | 8,924          | 8,513          | 411              | 5%         | 9,146                          |
| Transfers and Other          | 795            | 1,310          | (515)            | -65%       | 852                            |
| <b>Total Expenditures</b>    | <b>157,786</b> | <b>155,351</b> | <b>2,436</b>     | <b>2%</b>  | <b>154,719</b>                 |
| <b>Net Surplus (Deficit)</b> | <b>-</b>       | <b>-</b>       | <b>(0)</b>       | <b>n/a</b> |                                |



## FY 15-17 Budget Status Update

- The North Carolina General Assembly is in final negotiations for the budget biennium from July 1, 2015 through June 30, 2017.
- In the interim, the North Carolina General Assembly ratified, and Governor McCrory signed Senate Bill 354 authorizing continuing budget authority for state government operations
  - Allows all state entities to expend state appropriated funds at the same level for which operations were funded on a continuing basis for FY 2014-15.
- Implemented spending restrictions for salary actions.
- Communications sent to campus to keep them up to date.



# North Carolina Agricultural and Technical State University

## State Budget Potential Impact For Fiscal Years Ending June 30, 2016 and 2017

|  | Governor's Budget |                   | House Budget      |                   | Senate Budget     |                   |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|  | FY16              | FY17              | FY16              | FY17              | FY16              | FY17              |
| <b>Beginning Appropriation</b>             | <b>90,898,021</b> | <b>87,207,406</b> | <b>90,898,021</b> | <b>90,355,379</b> | <b>90,898,021</b> | <b>89,585,892</b> |
| <b>Reductions</b>                          |                   |                   |                   |                   |                   |                   |
| Enrollment Growth Funding                  | -296,202          | -                 | -296,202          | -                 | -296,202          | -                 |
| Budget Reduction                           | -2,830,677        | -                 | -458,825          | -566,298          | -1,015,927        | -                 |
| Advancement Program Cap                    | -563,736          | -                 | -                 | -563,736          | -                 | -                 |
| <b>Total Reductions</b>                    | <b>-3,690,615</b> | <b>-</b>          | <b>-755,027</b>   | <b>-1,130,034</b> | <b>-1,312,129</b> | <b>-</b>          |
| <b>Additions</b>                           |                   |                   |                   |                   |                   |                   |
| Provision Resident Tuition for Veterans*   | 742,334           | -                 | 742,334           | -                 | 742,334           | -                 |
| Non Resident Tuition Revenue*              | -742,334          | -                 | -742,334          | -                 | -742,334          | -                 |
| NCRC- Kannapolis                           | -                 | -                 | 212,385           | -                 | -                 | -                 |
| Union Square                               | 1,000,000         | -                 | 1,000,000         | -                 | 1,000,000         | -                 |
| <b>Total Additions</b>                     | <b>1,000,000</b>  | <b>-</b>          | <b>1,212,385</b>  | <b>-</b>          | <b>1,000,000</b>  | <b>-</b>          |
| <b>Net Change</b>                          | <b>-2,690,615</b> | <b>-</b>          | <b>457,358</b>    | <b>-1,130,034</b> | <b>-312,129</b>   | <b>-</b>          |
| <b>Ending Appropriation</b>                | <b>88,207,406</b> | <b>87,207,406</b> | <b>91,355,379</b> | <b>89,225,345</b> | <b>90,585,892</b> | <b>89,585,892</b> |
| <b>Appropriation decrease for Biennium</b> |                   | -2,690,615        |                   | -672,676          |                   | -312,129          |
| <b>% Decrease</b>                          |                   | -4%               |                   | -1%               |                   | -1%               |



## FY 15-17 Potential Budget Impact

- Budget Spending in total will be \$21.7 billion for the State
- All budget proposals from the General Assembly include some level of reduction to the UNC System.
  - Reductions range from \$18 million to \$65 million
- Potential reduction to the University could range from \$1.5 million to \$3.7 million
- State Employees will receive \$750 Bonus



# QUESTIONS?