



Raising Teacher Pay to Reach the National Average

Invests an additional \$112 million in teacher and school-based administrator (SBA) compensation to reach the national average within four years and to move principal pay salary to a schedule based on experience and size of a school. These funds are in addition to the \$276 million already appropriated for teacher and SBA salary schedule adjustments in FY 2018-19 for total spending of over \$388 million on compensation increases for teachers and SBAs.

Safer Schools, Healthier Kids

Provides \$40 million in flexible funding to districts to hire more nurses, counselors, psychologists, and social workers to support student mental health. Improves student safety by investing \$10 million in additional funds to hire and train more School Resource Officers in elementary, middle and high schools. This is part of a \$130 million plan to address school safety and youth mental health.

Helping Teachers with School Supplies

Gives every state-funded teacher a stipend of \$150 to offset what teachers pay out of pocket on classroom and instructional supplies.

Prioritizing Classroom Instruction

Helps school districts build more classrooms to meet the K-3 class size reductions mandated by the General Assembly using \$75 million of lottery funds and other education receipts. Provides \$25 million to increase the funding for textbooks, digital resources and enhanced digital learning opportunities that support personalized instruction for all North Carolina public school students. Invests over \$5 million for professional development for teachers and school leadership to improve student outcomes, including funds to increase the number of computer science teachers statewide.

Opportunities for Our Brightest Students

Expands opportunities for academically gifted students from under-represented populations, including low-income students, minority students, and English Language Learners.

Training North Carolinians for the Jobs of Today and Tomorrow

Creates the NC GROW Scholarship to cover community college tuition and selected fees for students enrolled in high-demand curriculum programs or non-credit, short-term workforce training programs that lead to industry credentials. Increases opportunities for high school students to receive career and technical education and earn college credit by providing new funds to North Carolina's Cooperative Innovative High Schools.

Creates Finish Line Grants

Assists university and community college students who are close to graduating with degree completion grants of up to \$1,000 to cover unforeseen financial emergencies that arise through no fault of the student. Funds can be used for purposes such as course materials, housing, medical needs, or dependent care.

Improving Student Performance

Invests \$7.5 million for the UNC system to improve graduation rates and reduce time-to-degree through innovative solutions including financial support for summer courses; digital resources to identify and assist struggling students; and scaling best practices across the system.

Department of Public Instruction (13510)

	2017 Session Law-Enacted			2018 Legislative Session Recommended - FY 2018-19				% Δ from 2017-18 Certified	% Δ from 2018-19 Certified
	2016-17 Actual	2017-18 Certified	2018-19 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2018-19 Revised		
Requirements	10,888,669,294	10,865,988,554	11,306,319,974	362,333,600	21,700,606	384,034,206	11,690,354,180	7.59%	3.40%
Receipts	2,265,385,992	1,819,584,932	1,819,851,323	10,516,062	35,000,000	45,516,062	1,865,367,385	2.52%	2.50%
Net Appropriation	8,623,283,302	9,046,403,622	9,486,468,651	351,817,538	(13,299,394)	338,518,144	9,824,986,795	8.61%	3.57%
Positions (FTE)	1,143.500	1,130.847	1,130.847			6.000	1,136.847	0.53%	0.53%

FY 2018-19 Recommended

	Recurring Changes	Nonrecurring Changes	Total Adjustment
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1 - Compensation Reserve - Teacher Schedule Changes

Restores a 30-year annual step salary schedule for teachers, eliminating salary plateaus for experienced teachers, and provides funds for a salary increase for individuals paid in accordance with the statewide teacher salary schedule as well as an experience-based step increase for educators earning a year of creditable service. Together, these increases provide an average increase of over 8.0% for educators, and no educator receives less than a 5.0% salary increase in FY 2018-19. The \$98.7 million provided here is in addition to \$270.9 million already appropriated for teacher salary increases in FY 2018-19, resulting in total spending on teacher salary increases of nearly \$370 million in FY 2018-19. This increase is part of the plan to increase North Carolina's average teacher salary to the national average within four years, by FY 2021-22. A corresponding special provision provides additional details on the changes to the teacher salary schedule. The revised net appropriation for state-funded teacher salaries exceeds \$4.57 billion in FY 2018-19.

Requirements	\$ 98,739,543	\$ -	\$ 98,739,543
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 98,739,543	\$ -	\$ 98,739,543
Positions			0.000

2 - Compensation Reserve - Principal Schedule Changes

Implements a new principal salary schedule comprised of two components: (1) a base salary schedule, which provides annual experience-based step increases based on years of experience as a principal, and (2) a complementary schedule, which provides an annual supplement based on school size as measured by average daily membership (ADM). Nonrecurring funds are provided to extend the hold harmless. A corresponding special provision provides additional details on the changes to the principal salary schedule.

Requirements	\$ 11,326,584	\$ 1,700,606	\$ 13,027,190
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 11,326,584	\$ 1,700,606	\$ 13,027,190
Positions			0.000

3 - Compensation Reserve - Assistant Principal Schedule Changes

Provides funds for assistant principal salaries to reflect increases to the teacher salary schedule. Starting in FY 2018-19, assistant principal salaries are based on the salary schedule for teachers who are classified as "A" teachers plus 19%. A corresponding special provision provides additional details on the changes to the assistant principal salary schedule.

Requirements	\$ 962,223	\$ -	\$ 962,223
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 962,223	\$ -	\$ 962,223
Positions			0.000

4 - Cost of Living Adjustment Reserve - Other LEA Employees

Provides funds for the greater of a \$1,250 or 2% cost of living adjustment for state-funded central office and non-certified personnel within North Carolina's public schools. Corresponding special provisions provide additional details on these compensation adjustments. The net appropriation for salaries of all state-funded positions, across all sections of the Committee Report, is \$12.26 billion, an increase of over \$321 million for FY 2018-19.

Requirements	\$ 72,568,468	\$ -	\$ 72,568,468
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 72,568,468	\$ -	\$ 72,568,468
Positions			0.000

5 - Cost of Living Adjustment Reserve - State Employees

Provides funds for the greater of a \$1,250 or 2% cost of living adjustment for state employees. Funds are also provided for salary increases for state agency teachers who are paid in accordance with the statewide teacher salary schedule. Corresponding special provisions provide additional details on these compensation adjustments. The net appropriation for salaries of all state-funded positions, across all sections of the Committee Report, is \$12.26 billion, an increase of over \$321 million for FY 2018-19.

Requirements	\$ 1,288,687	\$ -	\$ 1,288,687
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 1,288,687	\$ -	\$ 1,288,687
Positions			0.000

		FY 2018-19 Recommended			
		Recurring Changes	Nonrecurring Changes	Total Adjustment	
6 - TSERS Retirement Contribution - LEA					
Increases the state's contribution for members of the Teachers' and state Employees' Retirement System (TSERS) supported by the General Fund for FY 2018-19 to fund the actuarially determined contribution and provide a 1.0% cost-of-living adjustment to retirees. Corresponding special provisions provide additional details on these adjustments. The revised net General Fund appropriation for TSERS statewide exceeds \$2.0 billion in FY 2018-19, an increase of \$57.5 million for FY 2018-19		Requirements	\$ 34,185,160	\$ -	\$ 34,185,160
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 34,185,160	\$ -	\$ 34,185,160
		Positions			0.000
7 - TSERS Retirement Contribution - DPI					
Increases the state's contribution for members of the Teachers' and state Employees' Retirement System (TSERS) supported by the General Fund for FY 2018-19 to fund the actuarially determined contribution and provide a 1.0% cost-of-living adjustment to retirees. Corresponding special provisions provide additional details on these adjustments. The revised net General Fund appropriation for TSERS statewide exceeds \$2.0 billion in FY 2018-19, an increase of \$57.5 million for FY 2018-19		Requirements	\$ 243,045	\$ -	\$ 243,045
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 243,045	\$ -	\$ 243,045
		Positions			0.000
8 - School Safety and Youth Mental Health - Additional Student Support Services					
Provides an additional \$40 million to the Certified Instructional Support Personnel allotment for school districts to hire more school-based personnel for student support services including: nurses, counselors, psychologists, and social workers. Each district will receive at least one FTE from these new funds.		Requirements	\$ 40,000,000	\$ -	\$ 40,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 40,000,000	\$ -	\$ 40,000,000
		Positions			0.000
9 - School Safety and Youth Mental Health - Additional Funding for School Resource Officers (At Risk Allotment)					
Provides additional state funding to school districts and charter schools to hire School Resource Officers (SROs) or to implement other evidence-based school safety protocols. Increases funding provided through the At-Risk Student Services allotment for high school safety officers to \$50,000 per high school.		Requirements	\$ 7,000,000	\$ -	\$ 7,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 7,000,000	\$ -	\$ 7,000,000
		Positions			0.000
10 - School Safety and Youth Mental Health - Additional Funding for School Resource Officers (Grant)					
Increases funding for School Resource Officers in the elementary and middle school grant program. This grant provides funds to school districts, charter schools, and regional schools to hire and train SROs in elementary and middle schools. The revised net appropriation for this program is \$10 million.		Requirements	\$ 3,000,000	\$ -	\$ 3,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 3,000,000	\$ -	\$ 3,000,000
		Positions			0.000
11 - Instructional Supplies Stipend					
Establishes an annual \$150 stipend payable at the start of the school year directly to state-funded teachers to purchase classroom and instructional supplies to offset the amount teachers pay out of pocket for supplies. This item includes funding for all state agency teachers. DPI shall transfer to other state agencies the amount required for payment of the stipend to eligible state agency teachers.		Requirements	\$ 15,000,000	\$ -	\$ 15,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 15,000,000	\$ -	\$ 15,000,000
		Positions			0.000
12 - Textbooks and Digital Materials					
Provides \$15 million in funds school districts and charter schools may use for textbooks and digital instructional resources.		Requirements	\$ -	\$ 15,000,000	\$ 15,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ -	\$ 15,000,000	\$ 15,000,000
		Positions			0.000
13 - Cooperative Innovative High Schools					
Provides additional funding for Cooperative Innovative High Schools and funds for five new Cooperative Innovative High Schools: 1) Marine Science & Technologies (MaST) Early College in Carteret, 2) Center for Industry, Technology, and Innovation (CITI) High School in Nash-Rocky Mount, 3) Southeast Area Technical (SEA-TECH) High School in New Hanover, 4) Innovation Early College High School in Pitt, and 5) Roanoke Early College High School in Roanoke Rapids Graded Schools.		Requirements	\$ 3,315,000	\$ -	\$ 3,315,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 3,315,000	\$ -	\$ 3,315,000
		Positions			0.000
14 - Opportunities for Academically Gifted Students					
Provides \$3 million to DPI to establish a grant program to expand identification of and opportunities for academically/intellectually gifted (AIG) students. Funds shall be for grants to up to 10 districts to expand opportunities for identifying high-achieving students from under-represented populations, such as low-income students, minority students, and English Language Learners, to be placed in AIG/advanced classes.		Requirements	\$ 3,000,000	\$ -	\$ 3,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 3,000,000	\$ -	\$ 3,000,000
		Positions			0.000

		FY 2018-19 Recommended		
		Recurring Changes	Nonrecurring Changes	Total Adjustment
15 - Governor's School of North Carolina				
Provides \$200,000 to increase access for students to attend the Governor's School and \$100,000 to increase the overall number of students attending the program as a way to increase participation by under-represented students.				
Requirements	\$	300,000	\$ -	\$ 300,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	300,000	\$ -	\$ 300,000
Positions				0.000
16 - Whole School, Whole Child, Whole Community				
Provides funds to support two positions for the Whole School, Whole Child, Whole Community (WSCC) pilot program. These positions will provide training and technical assistance to the current 11 WSCC NC pilot districts and School Health Advisory Councils across the state. The WSCC model focuses on integrating education and health by bringing schools, health agencies, parents and communities together to improve each child's cognitive, physical, social and emotional development, and support health and academic achievement outcomes.				
Requirements	\$	200,000	\$ -	\$ 200,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	200,000	\$ -	\$ 200,000
Positions				2.000
17 - Digital Learning Plan				
Provides additional flexible funds for the Digital Learning Plan (DLP). School districts and charter schools may use funds to pay for Home Base instructional content and learning management system to ensure all students have access to high quality resources and tools for personalized learning. Funds may also be used for technical support, devices, and professional development. Funding includes up to \$500,000 for cybersecurity training.				
Requirements	\$	10,000,000	\$ -	\$ 10,000,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	10,000,000	\$ -	\$ 10,000,000
Positions				0.000
18 - Professional Development for Teachers				
Creates a new allotment to provide LEAs and charter schools with professional development funds to help teachers continuously increase their instructional skills and knowledge in areas such as digital literacy and personalized learning. Funds will enable districts and schools to provide targeted training for their educators to improve student achievement.				
Requirements	\$	-	\$ 5,000,000	\$ 5,000,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	-	\$ 5,000,000	\$ 5,000,000
Positions				0.000
19 - School Leadership Professional Development				
Provides funds to DPI to contract with the North Carolina Principals and Assistant Principals Association (NCPAPA) to support the Distinguished Leadership in Practice (DLP) principal professional development program and the Future-Ready Leadership (FRL) program for assistant principals.				
Requirements	\$	325,000	\$ -	\$ 325,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	325,000	\$ -	\$ 325,000
Positions				0.000
20 - Professional Development in Computer Science				
Provides funds to the Friday Institute to prepare at least 120 middle and high school teachers to teach computer science. Funding will allow at least one teacher from each school district to attend.				
Requirements	\$	300,000	\$ -	\$ 300,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	300,000	\$ -	\$ 300,000
Positions				0.000
21 - North Carolina Center for the Advancement of Teaching				
Provides additional funds to DPI to expand professional development offerings through the North Carolina Center for the Advancement of Teaching (NCCAT), serving up to 1,200 additional teachers throughout the state.				
Requirements	\$	475,029	\$ -	\$ 475,029
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	475,029	\$ -	\$ 475,029
Positions				4.000
22 - DPI Flexibility Reduction				
Reverses the management flexibility reduction scheduled to go into effect for FY 2018-19.				
Requirements	\$	4,100,000	\$ -	\$ 4,100,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	4,100,000	\$ -	\$ 4,100,000
Positions				0.000
23 - Licensure Support				
Provides funds to DPI to improve processes and efficiencies in the Licensure Section, consistent with the recommendations of an external review.				
Requirements	\$	140,000	\$ -	\$ 140,000
Less Receipts	\$	-	\$ -	-
Net Appropriation	\$	140,000	\$ -	\$ 140,000
Positions				0.000

		FY 2018-19 Recommended		
		Recurring Changes	Nonrecurring Changes	Total Adjustment
24 - Residential Schools				
Provides funds for equipment, maintenance, utilities, position reclassification, and hard-to-staff positions at the three state Residential Schools: the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf. Funds and positions shall be allocated by the State Board of Education.	Requirements	\$ 2,000,000	\$ -	\$ 2,000,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 2,000,000	\$ -	\$ 2,000,000
	Positions			0.000
25 - State Public School Fund				
Adjusts the budget to reflect additional receipts from the Civil Penalties and Forfeiture Fund to the State Public School Fund (SPSF) and reduces the net General Fund appropriation by the same amount. Total requirements for the SPSF are not affected by this shift.	Requirements	\$ -	\$ -	-
	Less Receipts	\$ -	\$ 35,000,000	\$ 35,000,000
	Net Appropriation	\$ -	\$ (35,000,000)	\$ (35,000,000)
	Positions			0.000
26 - Transportation Adjustment				
Budgets additional recurring lottery receipts for the transportation allotment to address unanticipated increases in fuel and other transportation-related costs.	Requirements	\$ 10,516,062	\$ -	\$ 10,516,062
	Less Receipts	\$ 10,516,062	\$ -	\$ 10,516,062
	Net Appropriation	\$ -	\$ -	-
	Positions			0.000
27 - Average Daily Membership Adjustment				
Adjusts funding for multiple public school allotments that are allocated to schools based on average daily membership (ADM) to reflect change in projected growth in student population.	Requirements	\$ 39,192,435	\$ -	\$ 39,192,435
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 39,192,435	\$ -	\$ 39,192,435
	Positions			0.000
28 - Technical Adjustment for Teachers and Instructional Support Personnel				
Adjusts budgeted average salaries using actual 2017-18 sixth pay period as the revised projection base. This adjustment is made annually after reviewing the budgeted salary projection for all certified personnel.	Requirements	\$ (5,560,162)	\$ -	\$ (5,560,162)
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ (5,560,162)	\$ -	\$ (5,560,162)
	Positions			0.000
29 - Technical Adjustment for School-Based Administrators				
Adjusts budgeted average salaries for school-based administrators using actual 2017-18 sixth pay period as the revised projection base. These funds address underfunding in the FY 2017-18 Principal Pay Plan.	Requirements	\$ 9,716,526	\$ -	\$ 9,716,526
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 9,716,526	\$ -	\$ 9,716,526
	Positions			0.000
Net Adjustments				
	Requirements	\$ 362,333,600	\$ 21,700,606	\$ 384,034,206
	Less Receipts	\$ 10,516,062	\$ 35,000,000	\$ 45,516,062
	Net Appropriation	\$ 351,817,538	\$ (13,299,394)	\$ 338,518,144
	Positions			6.000

NC Community Colleges System (16800)

	2017 Session Law-Enacted			2018 Legislative Session Recommended - FY 2018-19				% Δ from 2017-18 Certified	% Δ from 2018-19 Certified
	2016-17 Actual	2017-18 Certified	2018-19 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2018-19 Revised		
Requirements	1,514,917,699	1,520,000,971	1,538,226,226	79,137,349	24,570,000	103,707,349	1,641,933,575	8.02%	6.74%
Receipts	417,215,369	397,659,851	396,468,381	22,376,243	-	22,376,243	418,844,624	5.33%	5.64%
Net Appropriation	1,097,702,331	1,122,341,120	1,141,757,845	56,761,106	24,570,000	81,331,106	1,223,088,951	8.98%	7.12%
Positions (FTE)	197.450	214.450	213.450			0.000	213.450	(0.47%)	-

FY 2018-19 Recommended

	Recurring Changes	Nonrecurring Changes	Total Adjustment
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1 - Cost of Living Adjustment Reserve - Community Colleges

Provides funds for the greater of a \$1,250 or 2% cost of living adjustment for state-funded local employees of North Carolina's community colleges. Corresponding special provisions provide additional details on these compensation adjustments. The net appropriation for salaries of all state-funded positions, across all sections of the Committee Report, is \$12.26 billion, an increase of over \$321 million for FY 2018-19.

Requirements	\$ 30,159,966	\$ -	\$ 30,159,966
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 30,159,966	\$ -	\$ 30,159,966
Positions			0.000

2 - Cost of Living Adjustment Reserve - State Employees - System Office

Provides funds for the greater of a \$1,250 or 2% cost of living adjustment for state employees. Corresponding special provisions provide additional details on these compensation adjustments. The net appropriation for salaries of all state-funded positions, across all sections of the Committee Report, is \$12.26 billion, an increase of over \$321 million for FY 2018-19.

Requirements	\$ 352,100	\$ -	\$ 352,100
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 352,100	\$ -	\$ 352,100
Positions			0.000

3 - Faculty Bonus Reserve

Provides funds for bonuses for faculty. A corresponding special provision provides additional details on these bonuses.

Requirements	\$ -	\$ 9,350,000	\$ 9,350,000
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ -	\$ 9,350,000	\$ 9,350,000
Positions			0.000

4 - TSERS Retirement Contribution - Community Colleges

Increases the state's contribution for members of the Teachers' and state Employees' Retirement System (TSERS) supported by the General Fund for FY 2018-19 to fund the actuarially determined contribution and provide a 1.0% cost-of-living adjustment to retirees. Corresponding special provisions provide additional details on these adjustments. The revised net General Fund appropriation for TSERS statewide exceeds \$2.0 billion in FY 2018-19, an increase of \$57.5 million for FY 2018-19

Requirements	\$ 5,166,638	\$ -	\$ 5,166,638
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 5,166,638	\$ -	\$ 5,166,638
Positions			0.000

5 - TSERS Retirement Contribution - System Office

Increases the state's contribution for members of the Teachers' and state Employees' Retirement System (TSERS) supported by the General Fund for FY 2018-19 to fund the actuarially determined contribution and provide a 1.0% cost-of-living adjustment to retirees. Corresponding special provisions provide additional details on these adjustments. The revised net General Fund appropriation for TSERS statewide exceeds \$2.0 billion in FY 2018-19, an increase of \$57.5 million for FY 2018-19

Requirements	\$ 75,289	\$ -	\$ 75,289
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 75,289	\$ -	\$ 75,289
Positions			0.000

6 - NC Job Ready (Workforce) - NC Getting Ready for Opportunities in the Workforce (NCGROW) Scholarships

Establishes a new financial aid program covering tuition and selected fees for students enrolled in curriculum programs or non-credit short-term workforce training programs, leading to industry credentials. Eligible programs will be determined by the State Board of Community Colleges in collaboration with the Department of Commerce and will include courses in Architecture and Construction, Health Sciences, Information Technology, Electrical Line Worker and Manufacturing. Of these funds, \$27 million shall establish a forward-funding reserve to be used for students in curriculum programs, beginning in Fall 2019. Three million shall be awarded to students in short-term workforce programs, with the first awards made for the Spring 2019 semester.

Requirements	\$ 30,000,000	\$ -	\$ 30,000,000
Less Receipts	\$ 30,000,000	\$ -	\$ 30,000,000
Net Appropriation	\$ -	\$ -	\$ -
Positions			0.000

		FY 2018-19 Recommended			
		Recurring Changes	Nonrecurring Changes	Total Adjustment	
7 - NC Job Ready (Workforce) - Finish Line Grants - Community College					
Funds a new grant program to assist resident students with degree completion by providing up to \$1,000 per semester for financial emergencies that threaten the student's ability to graduate. Eligible students must be within 15 credit hours of completing a two-year degree. Financial emergencies must arise through no fault of the student and may include inability to pay for course materials, housing, subsistence, medical needs, transportation, and dependent care. Funding provided allows for at least 5,000 students to remain in school and complete their degrees.		Requirements	\$ 5,000,000	\$ -	\$ 5,000,000
		Less Receipts	\$ 5,000,000	\$ -	\$ 5,000,000
		Net Appropriation	\$ -	\$ -	\$ -
		Positions			0.000
8 - Additional Funds for Workforce Continuing Education Programs					
Increases funding for workforce training programs offered through non-credit instruction. Funds shall be allocated to community colleges based on enrollment and may be used to enhance or expand workforce continuing education programs needed to meet local industry needs.		Requirements	\$ 16,525,254	\$ -	\$ 16,525,254
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 16,525,254	\$ -	\$ 16,525,254
		Positions			0.000
9 - New Multi-Campus Center (MCC) Locations					
Provides equal funding for three new multicampus sites approved in FY 2017-18 (Wake Tech RTP, Forsyth Tech Transportation Campus, and Richmond Community College's Scotland County Campus). Multi-Campus Centers are branch campuses that must have at least 300 FTE enrollment and offer one degree entirely on-site. These funds allow community colleges to provide the same range of student support and library services at the branch campus as are offered on the main campus.		Requirements	\$ 1,644,876	\$ -	\$ 1,644,876
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 1,644,876	\$ -	\$ 1,644,876
		Positions			0.000
10 - Invest in Up-to-date Equipment for Job Training					
Provides additional funds for community colleges to purchase up-to-date equipment to train students for current and future jobs. Colleges may use these funds to purchase equipment for the programs most in demand in the college's service area.		Requirements	\$ -	\$ 15,000,000	\$ 15,000,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ -	\$ 15,000,000	\$ 15,000,000
		Positions			0.000
11 - Enrollment Adjustment					
Funds an enrollment adjustment to reflect current total enrollment of 222,797 full-time equivalents (FTE). Enrollment has declined by 0.9% since 2016-17. However, high school students enrolling in community colleges have continued to increase, resulting in larger amounts of tuition being waived. This item funds the net tuition receipts lost by waiving tuition for additional high school students.		Requirements	\$ (9,921,774)	\$ -	\$ (9,921,774)
		Less Receipts	\$ (12,623,757)	\$ -	\$ (12,623,757)
		Net Appropriation	\$ 2,701,983	\$ -	\$ 2,701,983
		Positions			0.000
12 - Implement Career and College Ready Graduates Program					
Allows the North Carolina Community College System to continue supporting Career and College Ready Graduates pilot programs, by offering instructor professional development and one-time technology upgrades needed to deliver these courses. The General Assembly mandated that all high schools offer community college-aligned remedial classes to high school seniors in 2018-19. A corresponding special provision proposes to delay statewide implementation until 2020-21.		Requirements	\$ 135,000	\$ 220,000	\$ 355,000
		Less Receipts	\$ -	\$ -	\$ -
		Net Appropriation	\$ 135,000	\$ 220,000	\$ 355,000
		Positions			0.000
Net Adjustments					
Requirements		\$	79,137,349	\$ 24,570,000	\$ 103,707,349
Less Receipts		\$	22,376,243	\$ -	\$ 22,376,243
Net Appropriation		\$	56,761,106	\$ 24,570,000	\$ 81,331,106
Positions					0.000

The University of North Carolina (160xx)

	2017 Session Law-Enacted			2018 Legislative Session Recommended - FY 2018-19				% Δ from 2017-18 Certified	% Δ from 2018-19 Certified
	2016-17 Actual	2017-18 Certified	2018-19 Certified	Net Recurring	Net Nonrecurring	Recommended Adjustment	2018-19 Revised		
Requirements	4,785,848,675	4,747,345,691	4,826,895,374	110,797,079	14,400,000	125,197,079	4,952,092,453	4.31%	2.59%
Receipts	1,926,615,984	1,853,570,342	1,859,120,342	15,000,000	-	15,000,000	1,874,120,342	1.11%	0.81%
Net Appropriation	2,859,232,691	2,893,775,349	2,967,775,032	95,797,079	14,400,000	110,197,079	3,077,972,111	6.37%	3.71%
Positions (FTE)		35,141.073	35,141.073			0.000	35,141.073	-	-

FY 2018-19 Recommended

	Recurring Changes	Nonrecurring Changes	Total Adjustment
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1 - Cost of Living Adjustment Reserve - State Employees

Provides funds for the greater of a \$1,250 or 2% cost of living adjustment for state employees. Of these funds, \$118,422 is provided for North Carolina School of Science and Math teacher salary increase; these teachers are paid in accordance with the salary schedule developed by the school's Board of Trustees. Corresponding special provisions provide additional details on these compensation adjustments. The net appropriation for salaries of all state-funded positions, across all sections of the Committee Report, is \$12.3 billion, an increase of over \$321 million for FY 2018-19.

Requirements	\$ 66,671,024	\$ -	\$ 66,671,024
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 66,671,024	\$ -	\$ 66,671,024
Positions			0.000

2 - Compensation Increase Reserve - Public Safety & Mental Health

Provides funds for an additional \$1,000 annual recurring salary increase for certified law enforcement officers.

Requirements	\$ 602,484	\$ -	\$ 602,484
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 602,484	\$ -	\$ 602,484
Positions			0.000

3 - Faculty Bonus Reserve

Provides funds for bonuses for faculty. A corresponding special provision provides additional details on these bonuses.

Requirements	\$ -	\$ 13,900,000	\$ 13,900,000
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ -	\$ 13,900,000	\$ 13,900,000
Positions			0.000

4 - TSERS Retirement Contribution

Increases the state's contribution for members of the Teachers' and state Employees' Retirement System (TSERS) supported by the General Fund for FY 2018-19 to fund the actuarially determined contribution and provide a 1.0% cost-of-living adjustment to retirees. Corresponding special provisions provide additional details on these adjustments. The revised net General Fund appropriation for TSERS statewide exceeds \$2.0 billion in FY 2018-19, an increase of \$57.5 million for FY 2018-19

Requirements	\$ 6,423,038	\$ -	\$ 6,423,038
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 6,423,038	\$ -	\$ 6,423,038
Positions			0.000

**5 - NC Job Ready (Workforce) - UNC System and Independent Colleges
 Finish Line Grants**

Funds a new grant program to assist resident students at UNC System schools and NC Independent Colleges and Universities (NCICU) member institutions with degree completion by providing up to \$1,000 per semester for financial emergencies that threaten students' ability to graduate. Eligible students must be within 30 credit hours of completing a degree and have a minimum GPA of 2.0. Financial emergencies must arise through no fault of the student and may include inability to pay for course materials, housing, medical needs, subsistence, transportation, and dependent care. Appropriations of \$10 million for UNC and \$5 million for NCICU institutions will allow for at least 15,000 students to remain in school and complete their degree.

Requirements	\$ 15,000,000	\$ -	\$ 15,000,000
Less Receipts	\$ 15,000,000	\$ -	\$ 15,000,000
Net Appropriation	\$ -	\$ -	\$ -
Positions			0.000

6 - Data Modernization

Converts a portion of funding for data modernization initiatives from nonrecurring to recurring. Funds will support personnel and other recurring costs associated with a system-wide data collection, modernization, and integration effort. The revised net appropriation for this initiative is \$3 million recurring and \$6 million nonrecurring in FY 2018-19.

Requirements	\$ 2,000,000	\$ (2,000,000)	\$ -
Less Receipts	\$ -	\$ -	\$ -
Net Appropriation	\$ 2,000,000	\$ (2,000,000)	\$ -
Positions			0.000

		FY 2018-19 Recommended		
		Recurring Changes	Nonrecurring Changes	Total Adjustment
7 - Student Success Innovation Lab				
Provides funds for a competitive grant program to support student success initiatives at UNC institutions, including projects designed to improve student retention, graduation rates, and time-to-degree. Funds will also support independent evaluations of funded strategies and dissemination of best practices.	Requirements	\$ 1,000,000	\$ -	\$ 1,000,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 1,000,000	\$ -	\$ 1,000,000
	Positions			0.000
8 - Accelerate through Summer Grants				
Provides funds for a pilot grant program to defray costs for students enrolled in summer courses, which are not currently subsidized with State funds. Priority will be given to juniors and seniors whose odds of graduating on time could improve by earning additional credits over the summer.	Requirements	\$ 3,500,000	\$ -	\$ 3,500,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 3,500,000	\$ -	\$ 3,500,000
	Positions			0.000
9 - Adaptive Digital Learning Courseware				
Funds the application and evaluation of software that customizes academic content, assessment, and support to individual student needs in order to improve student outcomes. The UNC System Office will collaborate with campuses to pilot the use of this type of software and evaluate the results.	Requirements	\$ 500,000	\$ -	\$ 500,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 500,000	\$ -	\$ 500,000
	Positions			0.000
10 - Research Opportunities Initiative				
Increases funding for a competitive grant program that supports innovative research programs in six priority areas: advanced manufacturing; data sciences; defense, military, and security; marine and coastal sciences; and pharmacoengineering. The revised net appropriation for this research initiative is \$6 million.	Requirements	\$ 3,000,000	\$ -	\$ 3,000,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 3,000,000	\$ -	\$ 3,000,000
	Positions			0.000
11 - Faculty Recruitment and Retention				
Increases funding for faculty recruitment and retention efforts at UNC institutions. Additional recurring funding for this reserve was last provided in FY 2012-13 (the FY 2017-18 budget includes \$1 million nonrecurring). The recurring unallocated reserve balance is now less than \$500,000.	Requirements	\$ 3,000,000	\$ -	\$ 3,000,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 3,000,000	\$ -	\$ 3,000,000
	Positions			0.000
12 - Medical Education Expansion				
Provides funding to increase the number of available medical student slots at the Brody School of Medicine at East Carolina University and the UNC School of Medicine at UNC-Chapel Hill. This funding will address projected healthcare workforce needs.	Requirements	\$ 2,000,000	\$ -	\$ 2,000,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 2,000,000	\$ -	\$ 2,000,000
	Positions			0.000
13 - NC A&T Research and Doctoral Programs				
Increases funding to support established doctoral programs at NC Agricultural and Technical State University. These funds will support faculty and graduate student services for the doctoral programs, including computer science, various engineering fields, energy and environmental systems, education, and rehabilitation counseling. The revised net appropriation for doctoral program support is \$5 million.	Requirements	\$ 2,500,000	\$ -	\$ 2,500,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 2,500,000	\$ -	\$ 2,500,000
	Positions			0.000
14 - NCSU Innovation in Manufacturing Biopharmaceuticals				
Provides additional funds for North Carolina State University's (NCSU) 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 at NCSU and serve as matching funds for a federal grant from the National Institute of Standards and Technology. This funding supports year two of a planned five-year, \$10 million matching grant commitment.	Requirements	\$ -	\$ 2,000,000	\$ 2,000,000
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ -	\$ 2,000,000	\$ 2,000,000
	Positions			0.000
15 - Reinstate NC School of Science and Mathematics Tuition Grant				
Restores recurring funding for a tuition grant program for students graduating from the North Carolina School of Science and Mathematics (NCSSM). The FY 2017-18 budget provided funding to restore the grant on a nonrecurring basis. Beginning in FY 2018-19, NCSSM graduates who enroll full-time in a UNC constituent institution and meet other eligibility criteria will receive a full tuition grant for up to four years.	Requirements	\$ 1,500,000	\$ (1,500,000)	\$ -
	Less Receipts	\$ -	\$ -	-
	Net Appropriation	\$ 1,500,000	\$ (1,500,000)	\$ -
	Positions			0.000

	FY 2018-19 Recommended			
	Recurring Changes	Nonrecurring Changes		Total Adjustment
16 - NCSU Next Generation Power Electronics Innovation Institute Matching Funds				
Converts State matching funds from recurring to nonrecurring to fulfill a legislative requirement. Funding for this initiative was initially appropriated on a recurring basis in FY 2014-15 to meet a \$10 million State matching fund pledge. This pledge will be fulfilled in FY 2018-19. Shifting funding from recurring to nonrecurring will ensure this funding is removed from the FY 2019-20 base budget as required by the 2014 Appropriations Act.	Requirements	\$ (2,000,000)	\$ 2,000,000	\$ -
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ (2,000,000)	\$ 2,000,000	\$ -
	Positions			0.000
17 - Targeted Funding for Small-Scale and Special Purpose Institutions				
Provides additional support to institutions with relatively small enrollments or special missions. Institutions meeting this criteria will receive funding on the following basis: \$1 million each to Elizabeth City State University and UNC School of the Arts; \$750,000 each to UNC-Asheville and Winston Salem State University; \$500,000 each to Fayetteville State University, North Carolina Central University, NC School of Science and Mathematics, and UNC-Pembroke.	Requirements	\$ 5,500,000	\$ -	\$ 5,500,000
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ 5,500,000	\$ -	\$ 5,500,000
	Positions			0.000
18 - HBCU Student Success Initiatives				
Funds initiatives designed to focus on student outcomes at Historically Black Colleges and Universities (HBCU). Funding may be utilized for academic advising, mentoring, supplemental instruction, cohort-based student supports, and other student success strategies. HBCUs will receive approximately \$100 per undergraduate FTE through the following allocation: Elizabeth City State University: \$124,000; Fayetteville State University: \$432,000; NC Agricultural and Technical State University: \$966,000; NC Central University: \$567,000; Winston Salem State University: \$432,000.	Requirements	\$ 2,521,000	\$ -	\$ 2,521,000
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ 2,521,000	\$ -	\$ 2,521,000
	Positions			0.000
19 - UNC-Chapel Hill Carolina College Advising Corps				
Provides funding to expand the Carolina College Advising Corps, which places recent university graduates as college advisers in public high schools across North Carolina. These advisers assist low-income, first-generation, and under-represented students with college admission, financial aid, and scholarship applications in order to increase their odds of attending college. Expansion funds will support training and employment of 50 new advisers, at least half of whom will be from UNC System institutions other than UNC-Chapel Hill.	Requirements	\$ 2,500,000	\$ -	\$ 2,500,000
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ 2,500,000	\$ -	\$ 2,500,000
	Positions			0.000
20 - NC Japan Center				
Provides funding to the North Carolina Japan Center at NC State University to support its mission of increasing educational, cultural, and economic interactions between the State and Japan.	Requirements	\$ 250,000	\$ -	\$ 250,000
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ 250,000	\$ -	\$ 250,000
	Positions			0.000
21 - UNC Building Reserves				
Eliminates funding for building operating reserves at East Carolina University and Winston Salem State University. The associated buildings are not expected to be operational in FY 2018-19.	Requirements	\$ (670,467)	\$ -	\$ (670,467)
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ (670,467)	\$ -	\$ (670,467)
	Positions			0.000
22 - Opportunity Scholarship Reserve				
Reduces funding for the Opportunity Scholarship Grant Fund Reserve to reflect the repeal of the statutory appropriations to the reserve in a corresponding special provision. The reserve is used to fund scholarships for the subsequent fiscal year. Total funding for scholarships utilized in FY 2018-19 remains unchanged and existing commitments to students with scholarships will be honored. No scholarships will be awarded to new applicants beginning in FY 2018-19. The revised net appropriation for the reserve is \$44.8 million in FY 2018-19.	Requirements	\$ (10,000,000)	\$ -	\$ (10,000,000)
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ (10,000,000)	\$ -	\$ (10,000,000)
	Positions			0.000
23 - NC Need-Based Scholarships				
Increases funding for the NC Need-Based Scholarship program for residents attending NC Independent Colleges and Universities member institutions. Based on current average award amounts, an increase of \$5 million provides scholarships to at least 1,300 students to attend NC independent colleges or universities. The revised net appropriation for these scholarships is \$93.4 million.	Requirements	\$ 5,000,000	\$ -	\$ 5,000,000
	Less Receipts	\$ -	\$ -	\$ -
	Net Appropriation	\$ 5,000,000	\$ -	\$ 5,000,000
	Positions			0.000

Net Adjustments			
Requirements	\$ 110,797,079	\$ 14,400,000	\$ 125,197,079
Less Receipts	\$ 15,000,000	\$ -	\$ 15,000,000
Net Appropriation	\$ 95,797,079	\$ 14,400,000	\$ 110,197,079
Positions			0.000

