Goal: Sixty-seven percent (67%) of working-aged North Carolinians will have education and training beyond high school by 2025.

- **Budget Strategy 1: Improve student completion rates by investing in student supports (tutoring labs, supplemental instruction, etc.).**
  - Recommendation: No new appropriation required
    - Retain in the community college budget funds that would otherwise be cut because FTE enrollment is below budgeted levels;
    - Use those funds to restore approximately $25 million of the $59 million management flexibility cut; and
    - Direct that colleges use these monies to fund locally-determined student supports that promote student completion.
  - Research shows that students who successfully complete college-level “gateway” English and math courses are more likely to complete a credential, as these courses provide the foundation for success.
  - Pilot projects have shown that providing students with additional supports outside the classroom leads to improved student outcomes in these courses.
  - Measures:
    - Student success rates in gateway English and math courses
    - Curriculum student retention and graduation rates

- **Budget Strategy 2: Support recruitment and retention of quality faculty and staff**
  - Recommendation:
    - Provide a 3% increase to community college employees. In combination with funds already budgeted, $24 million would help NC possibly surpass the average faculty salary in South Carolina and catch up with Tennessee.
    - Provide community colleges statutory flexibility to use performance-based carryforward funds to provide employee bonuses.
  - Average faculty salaries in North Carolina, rank 11th out of 16 southeastern states. Our average salary of $47,400 equals only 90% and 81% of the SREB and national averages, respectively, per the 2015 SREB Fact Book.

- **Budget Strategy 3: “Close the Interest Gap” – Increase enrollment in key community college programs by promoting student and family awareness of North Carolina workforce needs and career paths.**
• Recommendation:
  o Appropriate $2 million to promote public awareness through various forms of media and by providing colleges user-friendly tools that puts labor market data at the fingertips of faculty, staff, and students.
  o Appropriate $15 million NR to ensure students are trained on up-to-date equipment and in modern facilities.
• Too often students and families are unaware of “middle-skill” job opportunities and career paths.
• Misconceptions are prevalent about the working conditions provided in key industries, such as manufacturing.
• Private foundation funds may match State support for an awareness campaign.
• Measures: Program enrollment data; Career and Technical Education (CTE) students’ earning gains (implementation planned for FY 2017-18)

➢ **Budget Strategy 4: Support development of competency-based education (CBE) programs and a uniform system for granting credit for prior learning.**
  • Recommendation: Appropriate $500,000 NR
  • The greatest inefficiency in education is requiring students to repeat material that they have already learned.
  • The Competency-Based Education Incubator – a collaborative effort of partner colleges, the System Office, and national subject matter experts – is developing models that for scaling CBE programs system-wide.
  • NCCCS and UNC-GA are partnering to develop an easily accessible, student-focused portal that includes information about the credit that a service member or veteran may receive in certificate, diploma, or degree programs at NCCCS and UNC institutions.
  • Measures: Future CBE enrollments and credentials awarded; credits awarded based on prior learning

**Structural Budget Issues**

• System Office staffing to support ConnectNC bond administration: $134,364 (2.0 positions)
• Funds to support new multi-campus college locations: $1,035,822
  o Durham Tech CC (Orange County Campus)
  o Mitchell CC (Mooresville Campus)
  o Wake Tech CC (RTP Campus) – opening Fall 2017
• Unbudgeted, recurring IT maintenance and service costs: $470,528
• Give colleges the flexibility within their existing budget availability to compensate employees who voluntarily request to liquidate all or a portion of their unused bonus leave balance prior to separation from the college.