

PART I	BUDGET	1
	• SBCC & NC Association of Community Colleges Presidents (NCACCP) Budget Priorities	1
	• Approved by SBCC/Not Part of System-Wide Priorities	3
	• Special Appropriations to Individual Colleges	4
	• Budget Reductions	4
	• Other Items Included in Budget	4
	• Hurricane Matthew Relief	6
PART II	OTHER LEGISLATION	6
PART III	NEW REPORTS TO THE GENERAL ASSEMBLY FROM SBCC	10

I. BUDGET

BUDGET ITEM	REQUESTED APPROPRIATION		FINAL BUDGET	
	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19
SBCC & NC Association of Community College Presidents (NCACCP) Priorities				
Restore \$10 Million. Restore \$10M in salary funds cut in 2016 budget.	\$10,000,000 R ¹	\$10,000,000 R	\$10,000,000 R	\$10,000,000 R
Enrollment Growth. Funds for enrollment growth.	\$4,922,445 R	\$4,922,445 R	\$4,922,445 R	\$4,922,445 R
Short Term Workforce Training Programs. Align continuing education (con-ed) funding with curriculum funding.	\$15,301,375 R	\$15,301,375 R	\$2,000,000 NR ²	\$0
Study Workforce Training Costs. Study actual costs of workforce training programs to determine if the amount funded covers the cost of the programs.	\$98,500 NR	Based on study	\$98,000 NR	

¹ Recurring appropriation.

² Non-Recurring appropriation, i.e., one-time funds.

BUDGET ITEM	REQUESTED APPROPRIATION		FINAL BUDGET	
	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19
Start-Up Funds for High Cost Workforce Programs. Gives colleges access to funds for up-front costs to start high cost workforce programs.	\$3,000,000 R	\$4,500,000 R	\$0	\$2,500,000 NR
Additional Career Coaches. Funds for additional community college employees who are imbedded in high schools to inform students about community college programs that help them meet their career goals.	\$1,100,000 R	\$1,840,000 R	\$1,100,000 R	\$1,800,000 R
Increase Student Completion. Improve student completion rates by investing in student support services.	\$22,634,940 R	\$22,634,940 R	\$0	\$0
Performance Based Funding: Reward Colleges for Outcomes. Reward colleges for preparing students for better-paying jobs resulting in earnings gains.	\$3,000,000 R	\$3,000,000 R	\$0	\$0
Performance Based Funding: Bonuses. Allow colleges to use carryforward of performance based funds for one-time bonuses for faculty and staff.	No appropriation required		Not included	
Stop Loss Funding: Funds for colleges experiencing significant (greater than 5%) enrollment declines.	\$5,160,677 R	\$5,160,677 R	\$0	\$0
Enrollment Growth Reserve: Funds for colleges experiencing significant (greater than 5%) enrollment increases.	\$5,000,000 R	\$5,000,000 R	\$0	\$0
Salary Increases: Salary increases for community college faculty and staff.	Same as for State employees		\$22,095,840 R <i>(\$1,000/employee; same as for State employees)</i>	\$22,095,840 R
Allow HS Students to Enroll in CTE: Allow high school students to enroll in career technical education (CTE) programs leading to a State or industry-recognized credentials.	No appropriation required		Included	
Clarification of Youth Apprenticeship Program. Clarifying language requested by Community College System Office.	No appropriation required		Included.	
CIS Funds Carryforward. Allow System Office to carry-forward \$1,250,000 to purchase periodic IT upgrades and to modernize the System's enterprise resource planning (ERP) system.	No appropriation required; needed authority to carryforward funds		Included. Also requires System President to work with the NCSU Friday Institute for Educational Innovation the Government Data	

BUDGET ITEM	REQUESTED APPROPRIATION		FINAL BUDGET	
	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19
			Analytics Center, and other State agencies to ensure that updated computer systems are able to share data with DPI, State agencies, and UNC institutions.	
Exempt System Office Staff from Transfer to DIT. Exempt the System Office IT staff from transferring to the Department of Information Technology (DIT). <i>(Current law requires the System Office & the State CIO to report on the transition plan by October 2018.)</i>	No appropriation required		Not Included	
Instruction in Jails. Allow colleges to earn budget FTE for instruction provided in local jails.	No appropriation required; just authority to earn FTE		Not Included	
ERP Design and Implementation. Directs System Office to initiate a competitive selection process for replacement ERP system and removes \$1 million cap for funds to support planning and RFP development	No appropriation required		Included	
Community College Transfer Incentive. Provide students who are NC residents, attend community college and earn an associate degree \$2,500/year for up to 2 academic years upon transfer to a UNC constituent institution or a private college located in NC.	Appropriation would have been part of UNC budget		Not Included	
Approved by SBCC/Not Part of System-Wide Priorities				
Forsyth Tech Multi-Campus Funds. Funds to operate the Automotive and Transportation Technical Center at Forsyth Technical Community College as a multi-campus center.	\$526,119 R	\$526,119 R	\$526,119 NR <i>(Included in Budget Technical Corrections bill, HB 528, Ratified)</i>	\$0
Wake Tech Multi-Campus Funds. Funds to operate the RTP campus of Wake Tech as a multi-campus center.	N/A	Will request for short session	\$0	Not Included

BUDGET ITEM	REQUESTED APPROPRIATION		FINAL BUDGET	
	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19
Special Appropriations to Individual Colleges				
Brunswick CC: Gym Renovations. As title indicates. <i>Included in Capital Budget.</i>	N/A	N/A	\$60,000 NR	\$0
Cleveland CC: Center for Advanced Manufacturing. Funds for capital needs at the center. <i>Included in Capital Budget.</i>	N/A	N/A	\$5,000,000 NR	\$0
Mayland CC: Anspach Advanced Manufacturing School. Funds to support equipment and operating needs at the School. <i>Included in Education Budget.</i>	N/A	N/A	\$512,706 NR	\$0
Pamlico CC: Recidivism Pilot Project. Funds joint pilot project between Pamlico CC and Pamlico Correctional Institution to reduce recidivism. <i>Included in the Justice & Public Safety Budget.</i>	N/A	N/A	\$650,000 R	\$650,000 R
Stanly CC: Culinary Program. Prohibits Stanly CC from having a culinary program at a location other than the main campus and appropriates capital funds for the program. <i>Included in Capital Budget.</i>	N/A	N/A	\$500,000 NR	\$0
Surry CC: NC Center for Viticulture and Enology. Funds to Surry CC to support consultation, training, and research and development activities related to the wine industry. <i>Included in Education Budget.</i>	N/A	N/A	\$250,000 NR	\$0
Budget Reductions				
Bionetwork Grants. Reduces funds to projected expenditures for Bionetwork Grants.	N/A	N/A	(\$260,000) R	(\$260,000) R
IT Position Elimination. Eliminates vacant IT Project Program Manager.	N/A	N/A	(\$82,623) R -1.00 Position	(\$82,623) R -1.00 Position
Other Items Included in Budget				
Transfer Apprenticeship Program: Transfers ApprenticeshipNC from the Department of Commerce to the NC Community College System Office.	N/A	N/A	\$815,315 R 12.00 positions	\$815,315 R 12.00 positions

BUDGET ITEM	REQUESTED APPROPRIATION		FINAL BUDGET	
	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19
CIHS Funding Changes/CCP Study. Revised funding formula for Cooperative Innovate High Schools (CIHS) based on economic tiers of counties and requires study and report on success of high school students participating in Career and College Promise (CCP).	N/A	N/A	<i>Funding goes through DPI to the LEA. Does not impact CC FTE funding.</i>	
Reorganization of CC System Office. Authority for System President to reorganize System Office with plans approved by SBCC. Requested by Community College System Office.	No appropriation required		Included. Added reporting requirement.	
Selection of Local Community College Presidents/Consultant Contracts. Requires search consultants for community college presidents to be selected via a competitive RFP process. Prohibits search consultants from being employees of State agencies, or State board or commission members, or elected officials with oversight of the NC Community College System; lobbyist or lobbyist principal; or, State-level community college board of trustees association or organization.	N/A	N/A	No appropriation required	
CVCC Manufacturing Solutions Center. Codifies language governing Catawba Valley CC Manufacturing Solutions Center.	Supported legislation. No appropriation required.		Included	
Board of Postsecondary Education Credentials. Establishes independent Board located in the CC System Office to recommend State goals for adult citizens to hold degrees, certificates, or other high-quality postsecondary credentials.	N/A	N/A	\$350,000 NR	\$350,000 NR
Construction Industry Workforce Training. Funds to support collaboration between the NCCCS and construction industry trade associations to develop communications and outreach plan to increase interest in construction jobs.	N/A	N/A	\$200,000 NR	\$0
Eastern Triad Workforce Development. Funds to Community Foundation of Greater Greensboro, Inc. for Triangle Workforce Solutions Collaborative to develop and implement pilot apprenticeship program in Eastern Triad.	N/A	N/A	\$0	\$3,200,000 NR

BUDGET ITEM	REQUESTED APPROPRIATION		FINAL BUDGET	
	FY 2017-18	FY 2018-19	FY 2017-18	FY 2018-19
Senior Citizens/Audit Courses. Permits senior citizens (age 65 & older) to audit curriculum and continuing education classes at community colleges provided space is available. Colleges will not earn FTE.	N/A		Included. No appropriation required.	
Cash-Out Bonus Leave. Permits State agencies and community college employees to cash out bonus leave as long as it is voluntary and funds are available. (Same as 2016-17)	N/A		Included. No appropriation required	
Bonus Days. Provides 3 days of bonus leave for permanent employees in leave-earning status. Leave has no cash value and cannot be paid out if not used.	N/A		Included. No appropriation required	
Hurricane Matthew Relief				
Funding for FTE Losses. Beaufort County CC; Bladen CC; Craven CC; Edgecombe CC; Fayetteville Tech CC; Lenoir CC; Nash CC; Robeson CC; Sandhills CC; Southeastern CC; Wayne CC	\$4,218,909 NR	\$0	\$2,700,000 NR <i>(Included in SB 338, Disaster Recovery Act of 2017, Ratified)</i>	\$0

II. OTHER LEGISLATION

Bill #	Short Title	Description	Status
HB 656	College of Albemarle/ Construction Funds	Provides flexibility to COA to enter into construction contracts, and expend State funds including Connect NC Bond funds, for the construction of a public safety facility located in Currituck County in order to relocate COA emergency services programs.	Ratified
HB 486	National Guard Educational Assistance Changes	<ul style="list-style-type: none"> Extends eligibility for NCNG tuition assistance to Nat'l Guard members enrolled in professional certification programs. 	Ratified

Bill #	Short Title	Description	Status
		<ul style="list-style-type: none"> • Directs SBCC to develop policies for NCNG members who are called to active duty, including: <ul style="list-style-type: none"> ○ Excused absence for time they are on State active duty. ○ Opportunities to make up tests/coursework. ○ Options to continue coursework when feasible. ○ Options to receive temporary grade of “incomplete” or absence from final exam”. Coursework must be completed by a time specified by the college. ○ Ability to drop the class without penalty. <p>Effective: Fall 2017 academic semester</p>	
HB 176	Pensions Integrity Act of 2017	<p>Extends timeframe for interest-free payment plans from 12 months to 15 months for funds owed to the Retirement System under the anti-pension spiking law. Also adds an option of up to 27 months with interest.</p> <p>Effective: When it becomes law.</p>	Ratified
SB 315	Make Various Changes Regarding Higher Ed.	<p>Directs SBCC and UNC BOG to develop an Early Childhood Education Program articulation agreement. Effective: Articulation agreement must be developed by March 1, 2018.</p>	Enacted SL 2017-68
HB 449	Henderson Cty/Law Enforcement Training Center	<p>Allows Henderson County to construct law enforcement training center buildings on the Blue Ridge CC campus.</p>	Enacted SL 2017-21
SB 68	Bipartisan Bd. of Elections & Ethics Enforcement	<p>Combines State Board of Elections and State Ethics Commission into Board of Elections & Ethics Enforcement. Does <u>not</u> change any ethics law requirements, including mandatory ethics education and SEI filing.</p>	Enacted SL 2017-6
HB 315	Make Various Changes Regarding Higher Ed.	<p>Directs the UNC System President to implement the Undergraduate Degree Completion Improvement Plan. Any UNC constituent institution that does not implement the Plan would have to implement NC GAP.</p>	Enacted SL 2017-68
HB 327	NC Proprietary Schools Board	<p>Supported by the SBCC. Makes the Proprietary Schools Board an independent licensing board and no longer subject to the jurisdiction of the SBCC. The SBCC supported the bill so long as 1) the Proprietary Schools Board reported all license actions to the SBCC; and, 2) the President of the Community College System or the</p>	Eligible for Short Session Senate Rules.

Bill #	Short Title	Description	Status
		President's designee continue to be a member of the Board. Both of these provisions are in the current edition (3 rd ed.) of the bill.	
SB 420	CC Bd. of Trustees/Governance	<p>Recommended by the SBCC.</p> <ul style="list-style-type: none"> • Would allow the SBCC to appoint an interim board of trustees to assume the powers and duties of a local board if a local board willfully or as a result of gross negligence failed or refused to comply with State laws and rules and sound fiscal management practices. Before replacing a local board, the SBCC must provide notice and direct the local board to take immediate remedial action. If the local board fails to do so, the SBCC may, after consulting with the NC Association of Community College Presidents and the NC Association of Community College Trustees, by a 2/3 resolution, vacate the terms of the local board and appoint an interim board not to exceed 12 months. • Require that local boards meet at least every 2 months. • Allow the SBCC to require that a college be audited annually after 2 consecutive financial audit findings. 	<p>Eligible for Short Session</p> <p>House Rules</p> <p>SBCC requested that the bill be held in House Rules and not referred to the House Education-Community Colleges Committee until the SBCC's Governance Task Force meets and works to come up with recommendations.</p>
HB 12	Community College Board of Trustees	Changes appointing authorities for the following boards of trustees: Brunswick, Cleveland, Craven, Davidson County, Gaston College, James Sprunt, Lenoir, Rowan-Cabarrus, & Stanly	<p>Eligible for Short Session</p> <p>Senate Rules on 03/06/17</p>
HB 14	Community College Board of Trustees	Changes appointing authorities for the following boards of trustees: Cape Fear, Isothermal, Montgomery, Nash, Piedmont, Rockingham, & Wayne	<p>Eligible for Short Session</p> <p>Senate Rules on 03/06/17</p>
HB 375	School Calendar Flexibility/CC	Allows a local board of education to schedule school opening date to coincide with the opening date of a community college so long as the opening date is no earlier than August 15 th .	<p>Eligible for Short Session</p> <p>Senate Rules on 04/11/17</p>
HB 389	School Calendar Flexibility Pilot Program	Establishes pilot allowing certain LEAs to schedule opening no earlier than the Monday closest to August 10 th . Counties that may participate include: Anson, Bladen, Cabarrus, Caldwell, Cherokee, Cleveland, Davidson, Duplin, Graham,	<p>Eligible for Short Session</p>

Bill #	Short Title	Description	Status
		Greene, Guilford, Martin, McDowell, Mitchell, Northampton, Robeson, Rowan, Warren, Washington and Wilson Counties	Senate Rules on 04/10/17
HB 490	Caldwell CC Board of Trustees	Changes the appointing authority for the Caldwell CC&TI Board of Trustees	Eligible for Short Session Senate Rules on 04/06/17
HB 519	Tri-County CC/Neighbor State In-State Tuition	Provides in-state tuition at Tri-County CC for residents of a state bordering NC that lives in a county contiguous to Cherokee, Clay, or Graham counties.	Eligible for Short Session House Appropriations on 04/19/17
HB 746	Omnibus Gun Changes	Removes requirement for a concealed carry permit and changes age to possess a firearm from 21 to 18. Does NOT change the current law concerning handguns on campus at community colleges.	Eligible for Short Session Senate Rules on 06/12/17
SB 138	Accountability for Taxpayer Investment Board	Effective July 1, 2019, requires State agencies, including the Community College System, to maintain web-accessible uniform information including O-charts, financial statements, measurable performance indicators & contact information for all programs.	Eligible for Short Session House Appropriations on 06/20/17
HB 90	NC Truth in Education	<i>Applies ONLY to UNC, but monitoring for amendments.</i> Requires UNC institutions to provide information to students, including loan default rates, graduation rates, employment/unemployment rates, starting salaries, etc., of prior graduating classes.	Eligible for August 3rd Session In Conference
HB 482	County Commissioners Role in School Bldg. Acquisition	Bill was amended by Senate to provide that a presidential search consultant who is collecting a fee for services cannot be an individual employed by a State-level community college board of trustees' association or organization.	Eligible for August 3rd Session In Conference
HB 568	UNC/Use of Institutional Trust Funds	Prohibits institutional funds from being used for any purpose under Ch. 163 of the General Statutes, Election Laws, which includes bond referenda. NOTE: Was offered as amendment to HB 315, but not taken up.	Bill Not Eligible for Short Session; May be included

Bill #	Short Title	Description	Status
			in another bill during Short Session House Rules on 04/06/17

III. NEW REPORTS TO GENERAL ASSEMBLY FROM SBCC

January 2018³

- **Success of Students in Career & College Promise.** The SBCC, in conjunction with the State Board of Education and the UNC-BOG, shall evaluate the success of students participating in the Career and College Promise Program, including the College Transfer pathway and the Career and Technical Education pathway. Success shall be measured by high school retention rates, high school completion rates, high school dropout rates, certification and associate degree completion, admission to four-year institutions, post-graduation employment in career or study-related fields, and employer satisfaction of employees who participated in the programs.

February 2018

- **High-School Student Waivers for Non-Credit CTE Courses.** Report on the number and type of waivers.
- **Career & College Promise Program Costs.** The SBCC, the UNC-BOG, and the State Board of Education shall study the costs associated with the Career and College Promise Program, including operation of cooperative innovative high schools and the cost of concurrent enrollment in the high school and the institution of higher education, student outcomes related to the Program, and any legislative recommendations on modifications to the administration and funding for the Program. Legislative recommendations shall also specifically address the use of the funds for the cooperative innovative high school allotment, whether the allotment is necessary for the operation of the schools, and how modification or discontinuation of the allotment would impact the programs.

³ SBCC will receive the report for approval the month prior to the due date.

March 2018

- **Community College Salary Increases.** Report on use of salary increase funds for (i) merit pay, (ii) across-the-board increases, (iii) recruitment bonuses, (iv) retention increases, and (v) any other compensation increase pursuant to policies adopted by the State Board of Community Colleges.

April 2018

- **Short Term Workforce Training Funding.** Report on the implementation of the program.
- **Early Childhood Articulation Agreement.** SBCC and UNC-BOG report on the development of the articulation agreement and the plan for implementation at all community college campuses and constituent institutions with early childhood education programs.

September 2018

- **Workforce Costs Study.** SBCC shall the costs of workforce training and academic instruction delivered by the community colleges. The study shall assess, at minimum, the various factors that affect instructional costs in these courses, including specialized equipment requirements, faculty salaries, and space requirements.

March 2019

- **Start-Up Funds for High-Cost Workforce Programs.** Report on the implementation of the new high-cost workforce Tier 1A and Tier 1B courses, including at least the following information:
 - (1) The use of funds by community colleges participating in the grant program, including:
 - a. Start-up costs to establish new courses.
 - b. Costs associated with student instruction, including faculty salaries, instructional supplies, and related instructional equipment.
 - (2) Evaluation of the success of the community college courses, including:
 - a. Student enrollment numbers.
 - b. Student outcomes, including job attainment and placement data and completion of any certification, diploma, or associate degree programs.