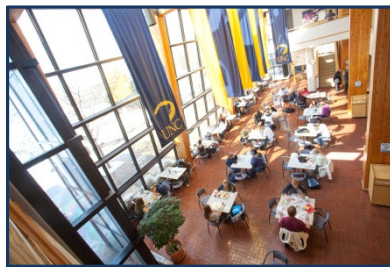
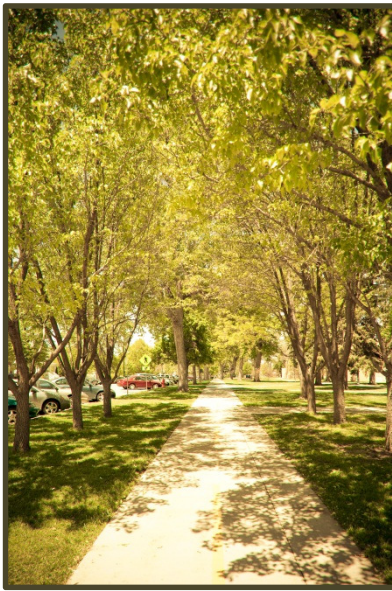


Recommended Budget Fiscal Year 2013-14



UNIVERSITY of
NORTHERN COLORADO

Bringing
education
to life

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I. Overview

The recommended budget for fiscal year 2013-14 was developed in the context of UNC's ongoing efforts to adopt a sustainable model for fulfilling our transformative education promise to students. We often talk about this as taking control of our own future or balancing mission and money. To facilitate systems-based thinking in our planning for this, in early 2012, we identified eight "key system elements"—interdependent variables that are key control points for balancing mission and money. The "planning map" that shows how the system elements relate to our nine core plans, five support plans, and annual action plans and budgets is in Appendix A. Considerations of the system elements in developing the fiscal year 2013-14 budget include:

System Element	Planning Issues
UNC's Mission & Identity	In addition to serving high-achieving students, UNC seeks out students with potential who might not find opportunities at other research universities and is committed to helping them succeed at rates greater than predicted by traditional demographic "inputs." Academic and support services to help these students succeed can require more resources than serving highly prepared students.
Cost of Attendance	UNC's resident undergraduate tuition rate is currently the lowest of the research universities with whom we compete for students. Over the last five years UNC's tuition increased \$1,522 while the average increase at CU-Boulder, UCCS, CU-Denver, CSU and Mines was \$2,466.
Cost-savings Innovations	In fiscal years 2011-12 and 2012-13 we have identified over \$6.5 million in sustainable cost savings.
Other Operating Costs	Non-personnel costs such as utilities, library materials, instructional technology, and chemical supplies vary from year to year, sometimes increasing at a rate greater than inflation.
External Funding	Overall, state support represents 16.6% of our budget. UNC expects to receive a \$1.3 million increase in state funding.
Capital	In fiscal year 2012-13, UNC began allocating \$4 million of tuition annually toward capital and deferred maintenance needs since the state is unable to sufficiently fund deferred maintenance. We have a calculated deferred maintenance of \$151 million and have specifically identified deferred maintenance projects of \$54 million.
Compensation	To fulfill the promise of transformative education to students, UNC must be competitive in the local and national markets for talented faculty and staff. In support of the UNC "compensation identity" identified in 2012, we are taking a multiyear approach to move salaries to 90% of the average of our peer institutions (i.e., slightly below the mean). Including consideration of PERA and health insurance cost increases, we projected compensation increases of \$5.0 million per year for three years beginning in fiscal year 2012-13.
Reserves Strategy	As a result of cost-cutting measures, UNC has set aside reserves to address contingencies and make strategic investments in access, success and graduation. Flexibility from reserves also allows us to make tuition increases that are not overly reactive to single year changes in any of our system elements.

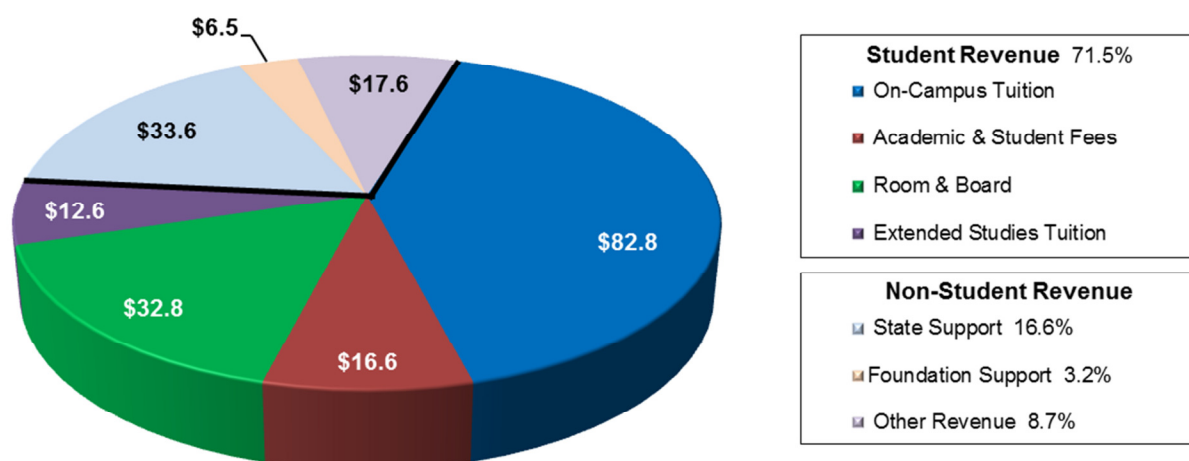
Total estimated fiscal year 2013-14 revenue for the University of Northern Colorado is \$211.5 million. This includes operating revenue of \$202.5 million, \$8.1 million in grants and contracts revenue and \$936,000 in state capital deferred maintenance funding. This revenue, along with reserves, will fund the University's fiscal year 2013-14 budgets:

- Operating-\$207.7 million (estimated annual expenses and transfers)
- Grants and Contracts-\$8.1 million (estimated annual expenses)
- Capital-\$14.3 million (project expenditures will span multiple years)
- Multiyear Strategic Investments-\$11.6 million (expenditures will span multiple years)

Tuition, fees, and room and board charges to students will account for 71.5% of UNC's operating revenue in fiscal year 2013-14, and state support will be 16.6% (Figure 1). Undergraduate tuition is the single largest source of revenue at \$70.7 million, while graduate tuition is \$24.7 million.

Figure 1. Fiscal Year 2013-14 Operating Revenue \$202.5 Million

(Details of UNC's operating revenue; does not include grants, contracts, or capital revenue.)



The recommended budget includes investments to enhance the quality of students' educational experiences and to build UNC's capacity to support student success. We believe that the market position, reputation and, ultimately, the revenue driven by these investments are vital to UNC's long-term fiscal sustainability.

The recommended budget includes the following key changes from the fiscal year 2012-13 budget:

- Increase of \$1.3 million in state funding (\$10.5 million loss since fiscal year 2008-09)
- Undergraduate base tuition rate increase of 5.2%, or \$284, for the year for full-time residents (does not include differential tuition charged for some programs, which will not increase)
- Graduate on-campus tuition rate increase of 1.4% to 4.1% (varies by program considering market, competitive landscape, and UNC mission)
- Extended campus and online tuition rate increase of 0.0% to 8.0% (varies by program considering market, competitive landscape, and UNC mission)
- Room and board rate increase averaging 3%
- Additional institutional investment of \$1.9 million in financial aid
- Staffing plan changes totaling \$2.7 million
- Faculty, exempt, and classified salary increases of \$4.8 million, plus benefits of \$1.1 million
- Capital investments of \$14.3 million including a donor gift for capital of \$888,600
- Multiyear strategic investments of \$11.6 million

II. Operating Budget

Tuition, Fees, and Room and Board Rates

Our pricing recommendations are based upon a systemic approach to planning for delivering our promise to students – the promise of a transformative education. Cost of attendance, which includes tuition, fees, and room and board, is one of the eight system elements of planning. We look at pricing – both sticker price and discounting – from the perspective of:

- Our competition
- Our cost to deliver the education and support to help a student be successful
- Our students' willingness and ability to pay

Given the reality of the state's withdrawal from both operational and capital funding, the burden has shifted to the students. While increasing our price is not undertaken lightly, our cost of attendance proposal is rooted in promoting student success, while improving retention and graduation rates.

For fiscal year 2013-14 our recommendation is to:

- Increase tuition across all categories of students to move UNC tuition rates gradually over several years to the level that will be necessary to provide transformative educational experiences with significantly reduced state funding, while covering annual operating costs as well as deferred capital facility and equipment needs. Details, which include a \$284 annual (5.2%) increase in resident undergraduate tuition, are in Appendix B.
- Increase student fees by 3.69% (calendar year 2012 consumer price index).
- Increase library fees by \$10 annually (12.8%) to cover increasing costs of online resources.
- Hold the technology fee constant.
- Continue the students' LEAF initiative with a \$20 annual fee that will sunset in fiscal year 2015-16. This fund will finance environmental improvements in campus infrastructure and educational initiatives. Student LEAF is managed by a committee led by students, with staff and faculty representation.

Table 1 summarizes the effect of the recommendations on the cost of attendance for undergraduate students. The cost of attendance for graduate students varies by program.

Table 1. Annual Undergraduate Resident Cost of Attendance

Tuition and Fees	FY13	FY14	\$ Increase	% Increase
Tuition (student share)	\$5,464	\$5,748	\$284	5.2%
Student Activity Fees	990	1,027	37	3.7%
LEAF	20	20	0	0.0%
Technology Fee	285	285	0	0.0%
Library Fee	78	88	10	12.8%
Subtotal Tuition and Fees	\$6,837	\$7,168	\$331	4.8%
Room and Board (Low Tier)	\$10,044	\$10,120	\$76	0.8%
Total Cost of Attendance	\$16,881	\$17,288	\$407	2.4%

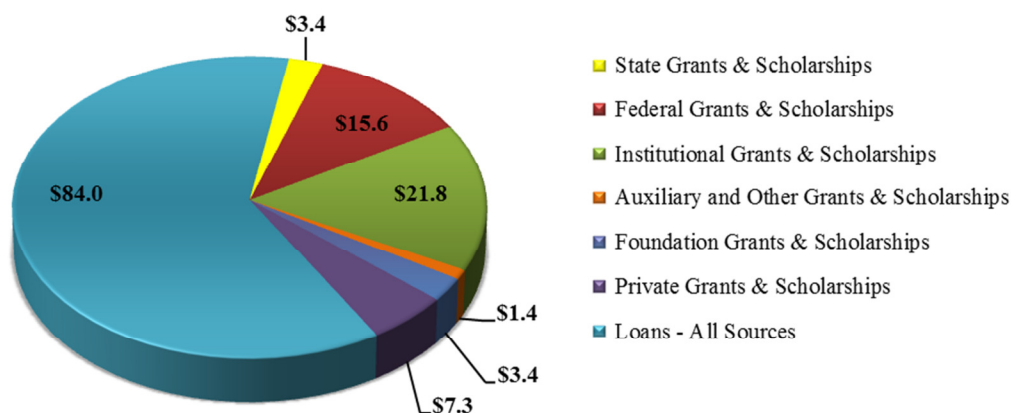
Financial Aid and Institutional Discounting

Table 2 and Figure 2 show the total financial aid available to students from all funding sources including state, federal, institutional, and private funds and loans. The total financial aid available to UNC students in fiscal year 2013-14 is estimated at \$136.9 million. UNC continues to invest in institutionally-funded scholarships, graduate tuition waivers, room and board waivers, and graduate assistantship stipends as part of our overall pricing strategy.

Table 2. FY14 Financial Aid by Funding Source

Aid Type and Source	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY14 Budget Change
Grants & Scholarships				
State	\$ 3,343,592	\$ 3,343,592	\$ 3,414,890	\$ 71,298
Federal	13,643,000	15,628,586	15,630,000	1,414
Institutional	22,605,957	19,785,836	21,763,226	1,977,390
Auxiliary and Other	1,264,755	1,231,562	1,384,212	152,650
Foundation	3,940,500	2,751,904	3,400,000	648,096
Private	6,138,000	6,858,508	7,300,000	441,492
Subtotal Grants & Scholarships	\$ 50,935,804	\$ 49,599,988	\$ 52,892,328	\$ 3,292,340
Loans-All Sources	\$ 79,525,500	\$ 80,946,165	\$ 84,000,000	\$ 3,053,835
Total Financial Aid	\$ 130,461,304	\$ 130,546,153	\$ 136,892,328	\$ 6,346,175

Figure 2. Fiscal Year 2013-14 Total Financial Aid Budget-\$136.9 Million



Discussion of financial aid (merit-based, need-based, institution-funded, and externally funded) is often in the context of enrollment management, which focuses on the student perspective, and data is presented with that in mind. For example, a common metric used in enrollment management is a “discount rate” depicting the average freshman financial aid package (including institutional, state, and federal aid) as compared to the average freshman bill (including tuition, fees, and room and board). While this metric is useful to convey the extent to which our student body receives financial assistance, it is not as helpful for institutional budgeting.

For budget discussions, we approach financial aid from the perspective of discounted revenue in order to focus on the financial impact to UNC of offering institutional scholarships and waivers. From this perspective, our institutional discount rate is a percentage of tuition revenue used for scholarships and waivers.

Undergraduate Discounting

The recommended fiscal year 2013-14 budget includes a \$17.0 million investment in undergraduate financial aid, Table 3. This is being targeted at low and middle-income students, particularly our continuing students.

Table 3. Undergraduate Institutional Aid Allocation

Aid Type	FY14 Budget
Resident Need-Based	\$ 6,142,785
Non-Resident Need-Based	750,000
Athletics	3,795,543
Resident Merit	2,417,998
Non-Resident Merit	1,919,500
Membership-Based and Other	1,978,626
Total Financial Aid	\$ 17,004,452

The total undergraduate institutional financial aid of \$17.0 million is equivalent to 25.4% of our undergraduate tuition. This is our **institutional discount rate**, Table 4.

Table 4. Undergraduate Institutional Tuition Discounting FY11-FY14

	FY11 Actual	FY12 Actual	FY13 Forecast	FY14 Budget
Undergraduate Tuition	\$ 57,417,023	\$ 62,960,647	\$ 64,133,014	\$ 66,996,843
Institutional Scholarships	(12,712,312)	(13,501,737)	(15,441,749)	(17,004,452)
Discounted Revenue	\$ 44,704,711	\$ 49,458,910	\$ 48,691,265	\$ 49,992,391
Discount Percent	22.1%	21.4%	24.1%	25.4%

Table 5 shows the net new revenue available after institutional discounting is applied to undergraduate students.

Table 5. Undergraduate Pricing and Discounting Net New Revenue (in millions)

	FY14 Budget
Rate Increase	\$ 2.9
Enrollment (FY14 growth from FY13 forecast)	0.0
Total Gross Tuition New Revenue	\$ 2.9
Less Institutional Aid	(1.6)
Net New Revenue Available	\$ 1.3

Graduate Discounting

Graduate discounting includes tuition waivers and stipends for graduate students who are awarded teaching, research, or administrative assistantships as well as a limited number of scholarships for graduate students. Having students who are awarded assistantships take on instructional and administrative responsibilities also helps the University. Because the stipends associated with assistantships represent pay for teaching, conducting research, or doing administrative tasks, they are not included in discounting calculations.

For several years, we have been increasing graduate tuition while simultaneously investing more in graduate discounting, as shown in Table 6, in order to make our programs more competitive. Graduate assistantships are designed to be an integral part of the students' educational experience. Unlike undergraduate awards, the number and amount of graduate awards vary by area of study. For example, relatively few students in Tier 1 Master's programs, which enroll primarily K-12 teachers, expect to

receive waivers or scholarships; however, significant discounting is necessary to compete for students in Tier 3 Doctoral programs.

The on-campus graduate tuition rates in the proposed budget will increase tuition revenue by \$259,412. The extended campus tuition rates in the proposed budget will increase tuition revenue by \$124,547. Institutional scholarships and waivers will increase \$900,633 over the fiscal year 2012-13 forecast. About 30.2% of the graduate tuition revenue is to be used for discounting. Table 7 shows the financial impact of the graduate tuition rates and discounting in the recommended budget.

Table 6. Graduate Institutional Tuition Discounting FY11-FY14

	FY11 Actual	FY12 Actual	FY13 Forecast	FY14 Budget
Graduate Tuition	\$ 11,710,019	\$ 13,706,521	\$ 15,508,782	\$ 15,768,194
Institutional Scholarships and Waivers	(2,764,057)	(3,530,751)	(3,858,141)	(4,758,774)
Total Revenue	\$ 8,945,962	\$ 10,175,770	\$ 11,650,641	\$ 11,009,420
Discount Percent	23.6%	25.8%	24.9%	30.2%

Table 7. Graduate Pricing and Discounting Net New Revenue (in millions)

	FY14 Budget
Rate Increase	\$ 0.7
Enrollment (FY14 growth from FY13 forecast)	-0.3
Total Gross Tuition New Revenue	\$ 0.4
Less Institutional Scholarships & Waivers	(0.9)
Net New Revenue Available	\$ (0.5)

Tuition, Fees, and Room and Board Revenue Assumptions

Tuition revenue assumptions reflect rate changes as well as anticipated credit hour enrollment. Rate details are in Appendix B and enrollment details are in Appendix C. Assumptions in the recommended budget include:

- The fiscal year 2013-14 main campus undergraduate credit hour enrollment is expected to be 0.1% less than the fiscal year 2012-13 forecast (Table 8). A 5.2% resident, 1.8% nonresident, and 8.3% WUE tuition increase will result in a \$2.9 million dollar increase over the fiscal year 2012-13 forecast (Table 9).
- The fiscal year 2013-14 main campus graduate credit hour enrollment is expected to be 1.1% less than the fiscal year 2012-13 forecast (Table 10). Tuition increases ranging from 1.4% to 4.1% (varies by program) will result in a \$260,000 increase over the fiscal year 2012-13 forecast (Table 11).
- The fiscal year 2013-14 extended campus undergraduate credit hour enrollment is expected to equal the fiscal year 2012-13 forecast (Table 8). Tuition increases ranging from 1.6% to 8.0% will result in a \$108,000 increase over the fiscal year 2012-13 forecast (Table 9).
- The fiscal year 2013-14 extended campus graduate credit hour enrollment is expected to be 1.2% less than the fiscal year 2012-13 forecast (Table 10). Tuition increases ranging from 0.0% to 3.1% will result in a \$125,000 revenue increase over the fiscal year 2012-13 forecast (Table 11).

Table 8. Undergraduate Enrollment (Credit Hours)

	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY14 Budget Change	
				SCH	%
Main Campus					
Resident	249,575	241,965	240,962	(1,003)	(0.4%)
Non-Resident	18,105	17,480	17,458	(22)	(0.1%)
WUE	12,582	13,914	14,708	794	5.7%
Subtotal Main Campus	280,262	273,359	273,128	(231)	(0.1%)
Extended Campus	11,381	12,016	12,016	0	0.0%
Total Enrollment	291,643	285,375	285,144	(231)	(0.1%)

Table 9. Undergraduate Revenue

	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY14 Budget Change	
				\$	%
Main Campus					
Resident	\$ 49,705,277	\$ 49,120,947	\$ 51,099,854	\$ 1,978,907	4.0%
Non-resident	10,088,927	9,870,565	10,085,158	214,593	2.2%
WUE	4,539,736	5,141,502	5,811,831	670,329	13.0%
Subtotal Main Campus	\$ 64,333,940	\$ 64,133,014	\$ 66,996,843	\$ 2,863,829	4.5%
Extended Campus	3,527,408	3,600,388	3,708,400	108,012	3.0%
Total Enrollment	\$ 67,861,348	\$ 67,733,402	\$ 70,705,243	\$ 2,971,841	4.4%

Table 10. Graduate Enrollment (Credit Hours)

	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY14 Budget Change	
				SCH	%
Main Campus					
Resident Master's	13,455	13,057	13,081	24	0.2%
Resident Doctoral	6,520	6,234	5,933	(301)	(4.8%)
Non-Resident Master's	3,554	3,620	3,616	(4)	(0.1%)
Non-Resident Doctoral	2,095	1,985	1,982	(3)	(0.2%)
Subtotal Main Campus	25,624	24,896	24,612	(284)	(1.1%)
Extended Campus	20,733	19,869	19,634	(235)	(1.2%)
Total Enrollment	46,357	44,765	44,246	(519)	(1.2%)

Table 11. Graduate Revenue

	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY14 Budget Change	
				\$	%
Main Campus					
Resident Master's	\$ 6,193,549	\$ 6,016,735	\$ 6,277,551	\$ 260,816	4.3%
Resident Doctoral	3,495,006	3,338,808	3,257,266	(81,542)	(2.4%)
Non-Resident Master's	3,555,753	3,629,148	3,674,064	44,916	1.2%
Non-Resident Doctoral	2,404,101	2,277,941	2,313,163	35,222	1.5%
Colo Schl of Public Health	246,150	246,150	246,150	0	0.0%
Subtotal Main Campus	\$ 15,894,559	\$ 15,508,782	\$ 15,768,194	\$ 259,412	1.7%
Extended Campus	8,994,983	8,791,684	8,916,231	124,547	1.4%
Total Enrollment	\$ 24,889,542	\$ 24,300,466	\$ 24,684,425	\$ 383,959	1.6%

Table 12. Tuition Revenue Change Summary

FY13 Forecasted Tuition	\$ 92,033,868
Undergraduate Increase-student share (note 1)	
Due to rate increase	2,971,841
Credit hours are flat-no enrollment impact	-
Subtotal Undergraduate Increase-student share	\$ 2,971,841
Graduate Increase	
Due to rate increase	671,226
Due to enrollment (note 2)	(287,267)
Subtotal Graduate Increase	\$ 383,959
FY14 Budgeted Tuition	\$ 95,389,668

(1) Student share does not include tuition funded by College Opportunity Fund.

(2) Tuition changes related to enrollment also include the effect of shifts from higher priced to lower priced programs.

Personnel

As part of UNC's multiyear planning, we are working to establish sustainable practices for providing competitive compensation to recruit and retain faculty and staff to deliver on our promise of transformative education to students. Establishing a "compensation identity" for UNC is intended to provide continuity in principles from year to year as we incorporate compensation targets into the budget. The Compensation Identity states that UNC will base its compensation decisions on three principles:

- To fulfill the promise of transformative education to students, UNC must be competitive in the local and national markets for talented faculty and staff.
- UNC will be forthright with current and prospective employees about where we fit in the market so informed career decisions can be made.
- Compensation considerations will be addressed as a central component of the budget process rather than as an afterthought.

To realize this compensation identity, we are working to move UNC's average salaries, over the span of five years, to 90% of the average salaries at institutions in our identified peer group. We took the first step toward achieving this with a 5% salary pool in fiscal year 2012-13.

In fiscal year 2013-14, we will keep working to realize UNC's compensation identity and continue our discussions about what is an appropriate long-term approach to salary distribution. As in fiscal year 2012-13, the recommended budget includes an across-the-board maintenance-of-effort component to address the effect of having held salaries constant for three years. The budget includes:

- A 3% pool to address faculty parity
- A 3% pool to address exempt staff parity and merit
- A 2% maintenance-of-effort increase for faculty and exempt staff (date of hire may affect eligibility for this increase)
- Classified staff increases set by the state, which will likely range from 2.6% to 4.4% for employees who meet or exceed performance expectations
- Faculty promotions
- Minimum wage increases

The recommended budget also includes staffing investments identified in the university-wide staffing plans for 2013-14, which are rooted in the goals of the nine core plans completed to date. The staffing plans eliminate some positions, combine and/or rethink the functions of some positions, and create some new positions. As part of our ongoing budget clean-up, we also eliminated the practice of budgeting for positions that are being held open. We had greater than normal flexibility for developing the plans because we had a large number of vacant positions from the hiring freeze we implemented in February 2011. These plans include investments in:

- Student academic success (faculty in targeted areas, academic advising, instructional design, career counseling, targeted support services)
- Student recruitment and marketing
- Safety and well-being of our campus community (campus police, environmental health and safety, counseling center)
- Information technology and data analysis staff to increase our capacity to implement instructional and student support technology and analyze data related to student enrollment and success

Personnel expenses in the recommended budget total \$125.2 million, including \$24.1 million in fringe benefits detailed in Table 13. Table 14 summarizes the changes in personnel expenses in the recommended budget.

Table 13. Estimated FY14 Fringe Benefit Budget (in millions)

Retirement	\$ 12.0
Medical, Dental, Life and Disability Insurance	10.0
Workers Compensation, Unemployment and FICA	1.8
Leave, Tuition Waivers, EAP and Other	2.0
Estimated Fringe Benefit Expenses	\$ 25.8
Vacancy Savings	(0.8)
Total Fringe Benefit Budget	\$ 25.0
Less Portion Funded by Restricted and Multiyear funds	(0.9)
Total Operating Budget Fringe Benefits	\$ 24.1

Table 14. Changes in FY14 Personnel Expenses (in millions)

Staffing Plan Changes including Fringe Benefits	\$ 2.7
Compensation Pool	4.8
Fringe Benefits on Increases	1.1
Graduate Stipends, Student Wages and Other	(0.1)
Subtotal Changes in Personnel	\$ 8.5
Graduate Tuition Waivers (Discounting)	0.7
Total Changes	\$ 9.2

Operating Budget Summary

Table 15. FY14 Operating Budget (Details in Appendix D)

	FY13 Forecast	FY14 Budget	Forecast to Budget Change
REVENUE			
Resident Tuition	\$ 58,722,640	\$ 60,880,821	\$ 2,158,181
Non-Resident Tuition	15,777,654	16,072,385	294,731
Other Tuition-WUE/WICHE	5,141,502	5,811,831	670,329
Extended Studies Tuition	12,392,072	12,624,631	232,559
COF Stipend	14,356,162	14,819,264	463,102
Fee For Service	17,958,668	18,799,680	841,012
Academic Fees	5,226,800	5,592,820	366,020
Student Fees	10,690,900	10,921,070	230,170
Other Fees	85,100	83,900	(1,200)
Gifts, Grants and Contracts	5,138,000	6,470,330	1,332,330
Room and Board	31,741,500	32,815,708	1,074,208
Other Auxiliary Services Revenue	7,204,000	7,579,646	375,646
Restricted Grant F&A Recovery	792,200	781,000	(11,200)
Other Revenue	7,853,200	7,329,733	(523,467)
Net Non-Operating Revenue	1,401,500	1,938,029	536,529
TOTAL REVENUE	\$ 194,481,898	\$ 202,520,848	\$ 8,038,950
EXPENSES AND TRANSFERS			
Personnel Expenses			
Faculty Salaries	\$ 38,512,000	\$ 42,619,570	\$ 4,107,570
Exempt Salaries	21,378,000	23,500,756	2,122,756
Grad Assistants TA/GA/GRA Salaries	4,431,200	4,227,609	(203,591)
TA/GA/GRA/RA Tuition, Room & Board Waivers	4,484,100	5,195,638	711,538
Classified Salaries	18,849,900	19,732,972	883,072
Other Wages/Compensation	5,643,500	5,850,255	206,755
Fringe Benefits	22,710,300	24,100,000	1,389,700
Subtotal Personnel Expenses	\$ 116,009,000	\$ 125,226,800	\$ 9,217,800
Non-Personnel Expenses			
Cost of Sales	\$ 5,560,300	\$ 6,329,786	\$ 769,486
Other Current Expenses	9,584,704	9,632,823	48,119
Purchased Services	9,940,396	9,774,643	(165,753)
Supplies	5,225,200	5,302,410	77,210
Scholarships	16,047,400	17,954,800	1,907,400
Utilities	5,654,800	5,750,817	96,017
Travel	3,336,000	4,018,326	682,326
Capital	1,933,000	2,044,601	111,601
Subtotal Non-Personnel Expenses	\$ 57,281,800	\$ 60,808,206	\$ 3,526,406
Transfers			
Mandatory Transfer Out-Bond Debt	\$ 9,595,342	\$ 9,606,126	\$ 10,784
Mandatory Transfer Out-Cap Lease Pmt	1,424,032	1,412,256	(11,776)
NonMandatory Transfer Out-Projects	277,711	918,600	640,889
NonMandatory Transfer Out-Strategic Investments	2,042,000	2,600,388	558,388
NonMandatory Transfer Out-Capital Reserves	7,326,000	7,089,315	(236,685)
Subtotal Transfers	\$ 20,665,085	\$ 21,626,685	\$ 961,600
TOTAL EXPENSES/TRANSFERS	\$ 193,955,885	\$ 207,661,691	\$ 13,705,806
REVENUE LESS EXPENSES/TRANSFERS	\$ 526,013	\$ (5,140,843)	

Summary of Changes

Table 16. FY14 Summary of Changes

Operating Budget	Comments	FY14 Proposed Budget ¹
FY13 Third Quarter Revenue Forecast		\$ 194,481,898
<u>FY14 Changes in Revenue</u>		
State Funding		1,304,114
Main Campus/WUE Undergraduate Tuition	resident 5.2% rate increase/-0.4% change ² non-resident 1.8% rate increase/-0.1% change ² WUE 8.3% rate increase/5.7% change ²	2,863,829
Main Campus Graduate Tuition	1.4% to 4.1% rate increases/-1.1% change ²	259,412
Room and Board	3% rate increase (average)	1,074,208
Extended Campus Tuition	0-8% rate increase/0% change UG ² -1.2% change grad ²	232,559
Academic/Library Fees		364,820
Student Fees/Other Fees	CPI increase 3.69%	230,170
Foundation Support for Program, Scholarship and Capital		1,332,330
Other Revenue		377,508
Estimated FY14 Revenue Budget¹		\$ 202,520,848
FY13 Third Quarter Expenditure and Transfer Forecast		\$ 193,955,885
<u>FY14 Changes in Expenditures</u>		
Staffing Plan Changes		2,700,000
Compensation Increase	faculty promotions, parity/equity, maintenance-of-effort increases	4,855,400
Fringe Benefits	fringe increase	1,127,000
Student Wages		472,600
Other Wages and Compensation, PSA, Shift Differentials, Graduate Stipends		(649,100)
Graduate and Room and Board Waivers		711,900
Scholarships		1,907,400
Cost of Sales		769,486
Purchased Services, Supplies, Other Current Expenditures		(256,256)
Utilities		96,017
Library Materials		80,769
Academic Fee Allocations	library, classroom	373,820
Student Fee Allocations	3.69% CPI increase and LEAF initiative	230,170
Student Athlete Travel		325,000
Capital-Gift Funded (Financial Education Center & Langworthy Theatre)		918,600
Operating Funds used for Strategic Investments		43,000
Estimated FY14 Expenditure and Transfer Budget¹		\$ 207,661,691
FY14 Estimated Surplus (Deficit)		\$ (5,140,843)

¹Totals exclude \$5.7 million in internal sales.

²Percentages are changes in credit hours and represent FY13 Forecast to FY14 Budget change.

III. Grants and Contracts Budget

Table 17. FY14 Grants and Contracts Budget

	FY14 Budget
REVENUE	
Federal Grants	\$ 7,390,000
State and Local Grants	120,000
UNC Foundation Grants	450,000
Other Private Grants	155,000
TOTAL REVENUE	\$ 8,115,000
EXPENSES/TRANSFERS	
Personnel Expenses	
Faculty Salaries	\$ 895,000
Administrative Exempt Salaries	1,430,000
Graduate Teaching Assistants	265,000
GA/TA/GRA Tuition Scholarships	75,000
Classified Salaries	3,000
Student Wages	135,000
Other Wages/Compensations	55,000
Fringe Benefits	630,000
Subtotal Personnel Expenses	\$ 3,488,000
Non-Personnel Expenses	
Other Current Expenses	240,000
Purchased Services	1,555,000
Supplies	307,000
Grant Facility and Administrative Recovery	610,000
Scholarships	1,540,000
Travel	270,000
Capital	70,000
Subtotal Non-Personnel Expenses	\$ 4,592,000
Transfers	
Non-Mandatory Transfers In	\$ -
Non-Mandatory Transfers Out-Capital Projects	35,000
Subtotal Transfers	\$ 35,000
TOTAL EXPENSES/TRANSFERS	\$ 8,115,000
REVENUE LESS EXPENSES/TRANSFERS	\$ -

IV. Capital Budget

UNC's facilities and capital equipment are our most significant asset and a critical consideration regarding our long-term financial health. For financial statement purposes, we report a capital assets book value of \$256 million, or 71% of our \$360 million in total assets. The book value, however, understates the economic value of our facilities and equipment. The following numbers give a better sense of the importance of our capital investment in our planning work:

- Facilities building and infrastructure current replacement value (CRV) is \$716 million
- Furniture and Equipment is insured at a value of \$82 million

In UNC's planning map, we have identified the need for an updated multiyear Facilities Master Plan as one of the five support plans that function in service to our nine core plans. The Facilities Master Plan will be rooted in our evolving Academic Portfolio and Enrollment Plan. We are addressing the short term 2013-14 capital project and equipment needs while the multiyear plans are under development.

Approximately half of the facilities now on our campus were built using state funding, and UNC has historically relied on the state to fund deferred maintenance associated with the infrastructure of these facilities. When state capital funding began to falter in the early 2000s, while UNC continued to vie for limited state dollars, we also began annually budgeting \$886,000 for the most urgent deferred maintenance projects on these facilities. As state capital funding further diminished, we continued to defer more projects and we recognized that the annual budget was insufficient to meet even the most urgent needs.

The other half of UNC's facilities and their deferred maintenance have been funded primarily by students through fees, room and board, and other auxiliary revenue. When a facility is fee-funded, a portion of the fee is directed to deferred maintenance and renewal. In addition, over the past several years we have established a practice of setting aside some of the revenue associated with these facilities for their maintenance and renewal.

We do not believe that the state will restore its investment in capital in the foreseeable future, so we have been examining how to fund the maintenance and renewal of facilities that were previously state funded as well as how we build new facilities in the future. Given what we know about prospective UNC donors and national philanthropic trends, we do not expect to address a significant portion of our facilities costs through fundraising. This means the cost will be shifting to students.

In fiscal year 2012-13 we increased our budget for deferred maintenance, renewal, and small capital project to a total of \$4.0 million. With the current replacement value of our facilities at \$716 million and an Association of Higher Education Facilities Officers audit calculating our deferred maintenance on these facilities to be \$151 million, the Association recommends that 1.5% - 2.5% of the CRV of our facilities be invested annually in capital projects. That would be a range of \$10.5 - \$18 million for UNC.

An analysis of our campus capital needs identified \$14.3 million dollars in new projects to begin in fiscal year 2013-14 in addition to the completion of \$3.1 million in projects that began in fiscal 2012-13. The capital budget in Table 18 reflects the total capital projects. We estimate that these projects will be completed over a two-year time frame. While we are budgeting for the total cost of the new projects, we are recognizing in our planning that we will not expend the entire amount in 2013-14 because many projects are completed over the summer and cross fiscal years.

Table 18. FY14 Capital Budget

	Total Capital Projects	To Be Expended FY14	To Be Expended FY15
<u>Fiscal Year 2013-14 New Projects</u>			
General Fund			
FY14 projects with budgets less than \$200,000	\$ 1,345,250	\$ 1,231,158	\$ 114,092
Central campus chiller	1,500,000	1,500,000	-
Bursars office renovation	248,883	248,883	-
Ross '65 wing roofing	231,000	231,000	-
Campus concrete replacement	250,000	250,000	-
Gray Hall mechanical system	200,000	180,000	20,000
Fraiser Hall practice rooms	950,000	300,000	650,000
Carter Hall windows	1,233,574	924,000	309,574
BH gym air conditioning and acoustics	3,010,000	500,000	2,510,000
Subtotal General Funded Projects	\$ 8,968,707	\$ 5,365,041	\$ 3,603,666
Housing, Dining, Extended Studies, Student Fees			
FY14 projects with budgets less than \$200,000	\$ 982,805	\$ 934,011	\$ 48,794
Wilson, Wiebking & Snyder card locks	378,000	378,000	-
Lawresen apartments restroom renovations	1,000,000	1,000,000	-
Campus recreation center roof	826,000	826,000	-
University center fire alarm	300,000	40,000	260,000
Subtotal Auxiliary and Other Funded Projects	\$ 3,486,805	\$ 3,178,011	\$ 308,794
Restricted Capital Grants/Gifts			
Kepner financial education center	\$ 888,600	\$ 888,600	\$ -
State Capital Appropriations			
Central campus chiller	\$ 935,700	\$ 935,700	\$ -
Total Fiscal Year 2013-14 New Projects	\$ 14,279,812	\$ 10,367,352	\$ 3,912,460
<u>Fiscal Year 2012-13 Projects in Progress</u>			
General Fund			
FY13 projects with budgets less than \$200,000	\$ 613,656	\$ 444,240	\$ 169,416
West campus medium voltage switch	109,614	14,000	95,614
Fiber optic backbone upgrades	153,268	35,000	118,268
Fraiser-Langworthy seating	20,790	-	20,790
Nottingham track replacement	324,191	324,191	-
Subtotal General Funded Projects	\$ 1,221,519	\$ 817,431	\$ 404,088
Housing, Dining, Extended Studies, Student Fees			
FY13 projects with budgets less than \$200,000	\$ 55,614	\$ 55,614	\$ -
Harrison student rooms bathroom renovation	697,806	665,000	32,806
UC main entry repair	102,278	102,278	-
UC lower level flooring replacement	249,197	249,197	-
Parking lot "M" reconstruction	436,015	436,015	-
Subtotal Auxiliary and Other Funded Projects	\$ 1,540,910	\$ 1,508,104	\$ 32,806
Restricted Capital Grants/Gifts			
Fraiser theatre remodeling	\$ 30,000	\$ 30,000	\$ -
Debt Funded Capital Projects			
West campus generator-capital lease	\$ 335,349	\$ 335,349	\$ -
Total Fiscal Year 2012-13 Projects in Progress	\$ 3,127,778	\$ 2,690,884	\$ 436,894
Total Capital Projects	\$ 17,407,590	\$ 13,058,236	\$ 4,349,354

V. Multiyear Strategic Investments Budget

In fiscal year 2011-12, as part of our work to be more intentional and transparent about reserves and cash balances, we identified a strategic investments budget outside of the annual operating budget. This is conceptually similar to our capital budget. Projects and initiatives funded by the strategic investment budget typically cross fiscal years and are distinguished from ongoing operations in one of two ways. They are either (1) exploratory in nature and to be reconsidered in light of the return on the investment after two to three years, or (2) to be completed by an individual faculty member or department within a set time period for a specific purpose (e.g., funds for a faculty member to set up a science lab).

The multiyear strategic investments budget is primarily one-time funding. In fiscal year 2012-13, we began identifying cash balances that could be redirected to this budget to fund activities identified in our nine core plans. As those plans have been further developed through the 2012-13 academic year, we have refined the strategic investments budget. There are also some recurring transfers from the operating budget to the strategic investments budget, which vary in amount from year to year. For example, the annual operating budget allocates funds to the Faculty Research and Publications Board, which makes awards to individual faculty members. The funds reside in the strategic investments budget until the faculty member spends them.

The fiscal year 2013-14 strategic investments budget includes:

- \$9.0 million in accumulated balances
- \$2.6 million in transfers from the operating budget
- \$7.4 million in estimated project and initiative expenditures

The total funding committed for fiscal year 2013-14 is \$11.6 million, but as with the capital budget, funds may be expended over multiple years. We estimate spending \$7.4 million in fiscal year 2013-14 (Table 19). A more detailed schedule is in Appendix E. Fiscal year 2013-14 initiatives include:

- Academic Portfolio—business incubator, adult learners online program development, development and pilot implementation of innovative course delivery methods
- Research, Scholarship and Creative Works Plan—tech transfer; faculty support; development of fiscal sustainability for the Math and Science Teaching Institute and Rocky Mountain Cancer Rehabilitation Institute
- Community and Civic Engagement Plan—initial implementation steps
- Integrated Student Support Plan—Student Success Collaborative work
- Academic marketing
- Equipment

Table 19. Multiyear Strategic Investments Budget

	FY14 Funds Available	FY14 Projected Expenses	FY15 Funds Available	FY15 Projected Expenses	FY16 Funds Available
Beginning Balance	\$ 9,042,044	\$ 7,420,191	\$ 4,222,241	\$ 6,472,874	\$ 349,755
Annual Transfer of Operating Revenue	2,600,388	-	2,600,388	-	2,600,388
Total	\$11,642,432	\$ 7,420,191	\$ 6,822,629	\$ 6,472,874	\$ 2,950,143

VI. Reserves

We have made significant changes in how we think about reserves over the past three years. When state funding was relatively stable, our only centrally identified reserve was a required bond reserve of \$750,000. However, many units created their own reserves to cover contingencies, invest in unanticipated opportunities, and/or accumulate funds over several years to make large purchases. This practice kept budgets from accurately reflecting what we intended to spend and created significant decentralized cash balances (i.e., roll-forward). In an effort to be more intentional and transparent about reserves and cash balances, we now:

- Use reserves both to manage the risk of financial uncertainty and to make strategic investments
- Centralize reserved funds except those already committed to specific projects
- Clearly identify reserved funds so budgets reflect what we actually plan to spend in the coming year.

Table 20 summarizes our current reserves. The bond reserve, capital reserves, variable rate debt service reserve, and the risk management reserve have narrowly defined purposes. The student fee reserve is for student fee balances, not including revenue from academic fees. The university reserve is intended to allow us to smooth out tuition increases over time if there is a sudden decline in state funding, to make incremental strategic investments in academic quality and student success, and to invest in game-changing innovations.

The recommended budget includes the use of reserves to make investments in quality and student success with an eye toward long-term fiscal sustainability. We are approaching many of these investments as “pilot” projects with a three-year assessment point to monitor the outcomes from the investment.

Table 20. Cash Reserves Summary at 3/31/2013

Mandatory	
Bonded R&R	\$ 750,000
Capital	
Auxiliary Building	7,138,264
State Building & Rebate	4,802,143
Smart Classroom	456,766
Student Fees	2,181,325
Other	
Variable Rate Debt Service	370,000
Risk Management and Insurance	2,650,000
Student Fees	325,000
University Reserve	23,190,283
Total Reserves	<u>\$41,863,781</u>

VII. Debt Service

Table 21. Fixed Rate Debt Service Schedule (2005, 2008, and 2011A Bond Issues)

Year	Aggregate Debt Service	Auxiliary Services Debt Service (Aux)	Parking Services Debt Service (Prk)	Student Fee Debt Service (Std Fee)
6/30/2013	\$ 8,834,675.05	\$ 6,667,545.02	\$ 508,193.76	\$ 1,658,936.27
6/30/2014	8,825,425.05	6,677,120.02	502,818.76	1,645,486.27
6/30/2015	8,912,225.05	6,682,020.02	503,768.76	1,726,436.27
6/30/2016	8,915,487.55	6,676,920.02	502,668.76	1,735,898.77
6/30/2017	8,919,212.55	6,677,770.02	507,618.76	1,733,823.77
6/30/2018	8,915,575.05	6,673,070.02	505,868.76	1,736,636.27
6/30/2019	8,920,625.05	6,677,520.02	507,468.76	1,735,636.27
6/30/2020	8,915,175.05	6,668,670.02	507,618.76	1,738,886.27
6/30/2021	8,913,825.05	6,676,320.02	502,368.76	1,735,136.27
6/30/2022	8,917,225.05	6,673,820.02	508,868.76	1,734,536.27
6/30/2023	8,909,918.79	6,669,320.02	504,368.76	1,736,230.01
6/30/2024	8,921,843.79	6,677,570.02	509,368.76	1,734,905.01
6/30/2025	8,922,168.78	7,428,570.02	508,368.76	985,230.00
6/30/2026	8,911,168.78	7,423,320.02	501,618.76	986,230.00
6/30/2027	8,920,318.78	7,429,900.02	505,418.76	985,000.00
6/30/2028	8,914,718.78	7,427,250.02	504,218.76	983,250.00
6/30/2029	8,916,218.78	7,426,000.02	505,218.76	985,000.00
6/30/2030	8,918,218.78	7,428,000.02	505,218.76	985,000.00
6/30/2031	8,909,968.78	7,422,500.02	504,218.76	983,250.00
6/30/2032	5,188,500.00	3,960,000.00	243,750.00	984,750.00
6/30/2033	6,160,250.00	4,927,250.00	248,750.00	984,250.00
6/30/2034	6,160,250.00	4,925,500.00	248,000.00	986,750.00
6/30/2035	6,159,250.00	4,925,500.00	246,750.00	987,000.00
6/30/2036	4,926,750.00	4,926,750.00	-	-
6/30/2037	4,928,750.00	4,928,750.00	-	-
6/30/2038	4,926,000.00	4,926,000.00	-	-
6/30/2039	4,928,250.00	4,928,250.00	-	-
6/30/2040	4,929,750.00	4,929,750.00	-	-

Table 22. Variable Rate Debt Service Schedule 2011B Bonds

Year	Principal	Interest	Debt Service
6/30/2013	\$ 575,000	\$ 190,895	\$ 765,894.76
6/30/2014	595,000	185,700	780,700.04
6/30/2015	615,000	180,325	795,324.63
6/30/2016	640,000	174,769	814,768.53
6/30/2017	660,000	168,987	828,986.58
6/30/2018	685,000	163,024	848,023.94
6/30/2019	710,000	156,835	866,835.45
6/30/2020	735,000	150,421	885,421.10
6/30/2021	760,000	143,781	903,780.88
6/30/2022	785,000	136,915	921,914.82
6/30/2023	815,000	129,823	944,822.89
6/30/2024	840,000	122,460	962,459.94
6/30/2025	870,000	114,871	984,871.12
6/30/2026	900,000	107,011	1,007,011.28
6/30/2027	935,000	98,880	1,033,880.41
6/30/2028	965,000	90,433	1,055,433.34
6/30/2029	1,000,000	81,715	1,081,715.24
6/30/2030	1,035,000	72,681	1,107,680.94
6/30/2031	1,070,000	63,330	1,133,330.44
6/30/2032	1,110,000	53,664	1,163,663.74
6/30/2033	1,145,000	43,636	1,188,635.67
6/30/2034	1,185,000	33,291	1,218,291.40
6/30/2035	1,230,000	22,586	1,252,585.75
6/30/2036	1,270,000	11,474	1,281,473.56

The variable rate bond schedule is calculated using a 0.903% estimated interest rate.

Appendices

Appendix A: Planning Map



University-wide Planning

The **Strategic Framework** is the foundation for all of UNC's planning work. As illustrated by the Venn diagram (on right), our vision is to provide students with opportunities for transformative education by focusing on the intersections among academics, research and community.

UNC's approach to planning is **entrepreneurial**, **multiyear**, and based in **systems thinking**. Our planning process includes multiyear direction setting and priority setting; annual identification and implementation of action steps; and evaluation of both the planning process and its outcomes.

Entrepreneurial

At UNC, we have defined planning as an ongoing, iterative process of taking control of our own future in order to fulfill UNC's mission and our shared vision for the University.

Multiyear

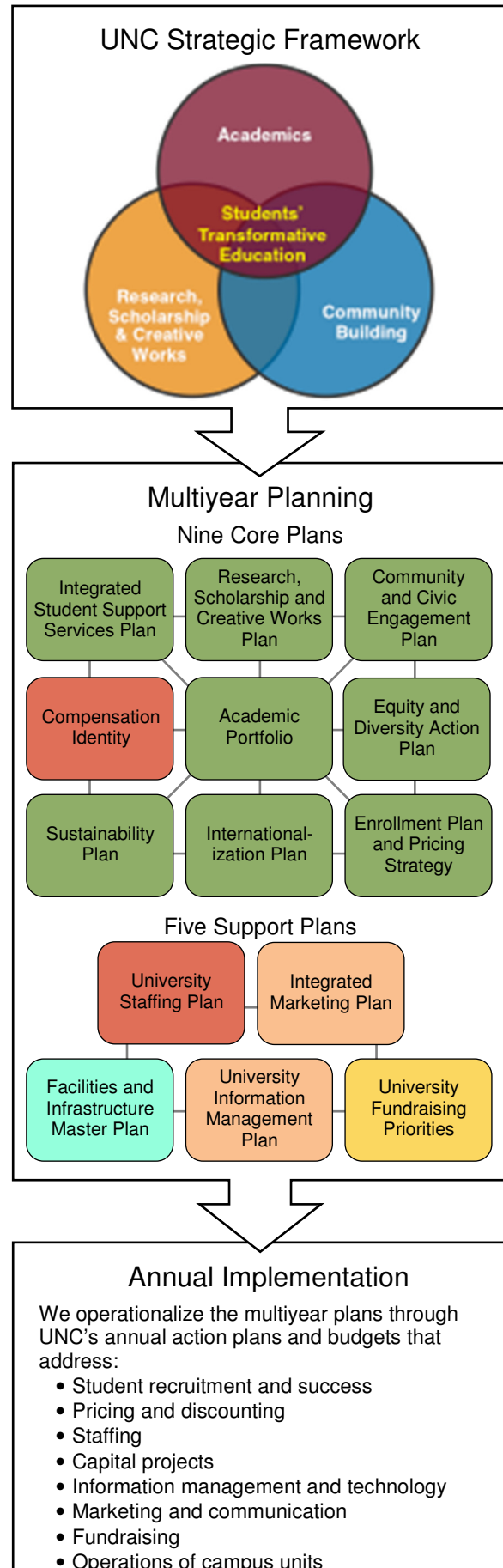
We have two types of multiyear plans: **core plans** and **support plans**. Core plans articulate aspirations and action steps for the nine areas that comprise the core mission and function of the University. Building on the directions and priorities in the core plans, support plans articulate aspirations and action steps for major University-wide support efforts.

Systems-based

To facilitate a systems approach, all of our planning work considers the following eight key system elements:

UNC Mission & Identity	External Funding
Cost of Attendance	Capital
Cost-saving Innovations	Compensation
Other Operating Costs	Reserves Strategy

While these eight elements are not of equal importance, each has a bearing on our ability to fulfill the vision articulated by the Strategic Framework. In the diagram on the right, a plan's color indicates only the Key System Element with which the plan is primarily associated; there is significant overlap among the plans and elements.



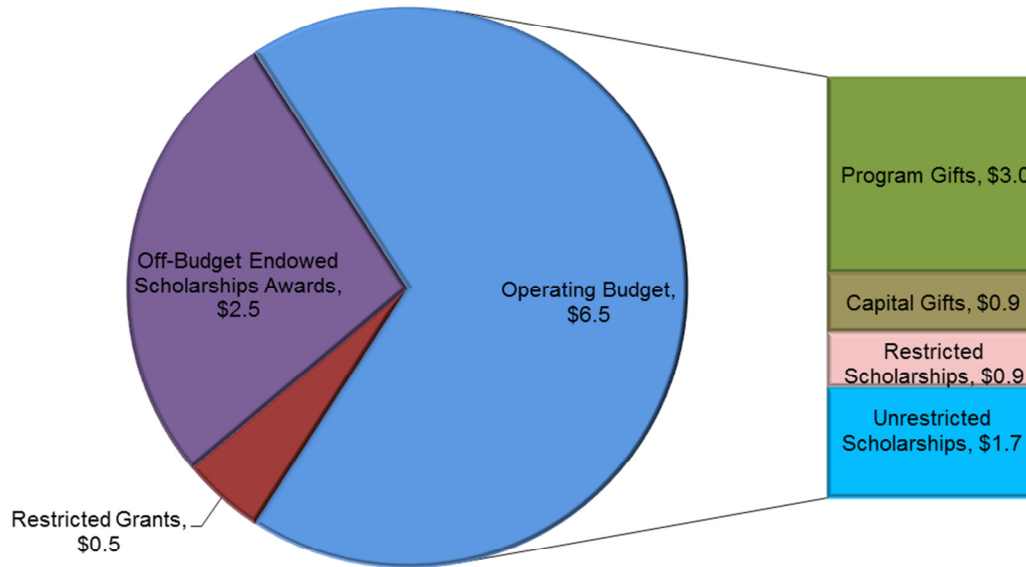
Appendix B: Operating Budget Details

Budget by Activity Fiscal Year 2013-14

	On-Campus Education and General	Housing, Dining and UC	Parking	Extended Campus	Student Fees	Athletics	All Other	Restricted Foundation Support	Eliminations	Vacancy Savings	Total
REVENUE											
Tuition-Resident	\$ 60,880,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,880,821
Tuition-NonResident	16,072,385	-	-	-	-	-	-	-	-	-	16,072,385
Tuition-COF Resident	14,819,264	-	-	-	-	-	-	-	-	-	14,819,264
Tuition-Extended Studies	-	-	-	12,624,631	-	-	-	-	-	-	12,624,631
Tuition-Extended Studies NonCredit	-	-	-	-	-	-	-	-	-	-	-
Tuition-WUE	5,811,831	-	-	-	-	-	-	-	-	-	5,811,831
Fee For Service	18,799,680	-	-	-	-	-	-	-	-	-	18,799,680
Academic Fees	5,592,820	-	-	-	-	-	-	-	-	-	5,592,820
Student Fees	-	-	-	-	10,921,070	-	-	-	-	-	10,921,070
Academic Fees-Extended Studies	5,000	-	-	78,900	-	-	-	-	-	-	83,900
Gifts, Grants and Contracts	1,700,000	-	-	-	-	-	-	4,770,330	-	-	6,470,330
Room and Board	-	32,815,708	-	-	-	-	-	-	-	-	32,815,708
Other Auxiliary Services Revenue	-	4,297,874	2,024,115	-	-	1,500	1,256,157	-	-	-	7,579,646
Internal Revenues	13,000	2,025,656	45,000	-	-	-	3,664,001	-	(5,747,657)	-	-
Restricted Grant F&A Recovery	781,000	-	-	-	-	-	-	-	-	-	781,000
Other Revenue	1,814,306	159,352	-	118,042	-	2,243,844	2,994,189	-	-	-	7,329,733
Net Non-Operating Revenue	1,182,150	150,000	-	-	-	-	605,879	-	-	-	1,938,029
TOTAL REVENUE	\$ 127,472,257	\$ 39,448,590	\$ 2,069,115	\$ 12,821,573	\$ 10,921,070	\$ 2,245,344	\$ 8,520,226	\$ 4,770,330	\$ (5,747,657)	\$ -	\$ 202,520,848
EXPENSES AND TRANSFERS											
Personnel Expenses											
Faculty Salaries	\$ 38,413,061	\$ -	\$ -	\$ 3,835,717	\$ 5,000	\$ 11,872	\$ 212,154	\$ 721,766	\$ -	\$ (580,000)	\$ 42,619,570
Exempt Salaries	16,743,750	1,836,536	111,879	1,089,027	1,343,960	2,577,278	323,193	375,134	-	(900,000)	23,500,756
Grad Assistants TA/GA/GRA Salaries	3,867,151	117,347	-	17,500	124,580	15,450	27,923	57,658	-	-	4,227,609
TA/GA/GRA/RA Tuition and R&B Waivers	3,856,393	1,227,960	-	-	77,278	-	16,817	17,190	-	-	5,195,638
Classified Salaries	16,053,545	3,220,485	108,831	275,855	440,867	33,327	567,485	52,576	-	(1,020,000)	19,732,971
Other Wages/Compensation	3,959,755	2,147,709	78,103	51,000	991,390	(2,094,304)	654,814	61,788	-	-	5,850,255
Fringe Benefits	20,301,635	1,538,650	67,920	1,426,071	663,832	299,169	308,793	333,606	(89,676)	(750,000)	24,100,000
Subtotal Personnel Expenses	\$ 103,195,290	\$ 10,088,686	\$ 366,733	\$ 6,695,170	\$ 3,646,907	\$ 842,792	\$ 2,111,179	\$ 1,619,718	\$ (89,676)	\$ (3,250,000)	\$ 125,226,800
Non-Personnel Expenses											
Cost of Sales	\$ 150,200	\$ 6,003,438	\$ -	\$ -	\$ -	\$ 237,808	\$ 4,433,974	\$ -	\$ (4,495,634)	\$ -	\$ 6,329,786
Other Current Expenses	1,365,244	8,110,946	674,115	2,184,913	3,606,147	(1,454,940)	(4,170,972)	225,000	(907,630)	-	9,632,823
Purchased Services	1,819,552	891,992	36,950	500,285	663,505	187,578	5,424,216	505,282	(254,717)	-	9,774,643
Supplies	2,916,147	823,586	78,085	91,314	260,265	468,490	364,522	300,000	-	-	5,302,410
Scholarships	17,333,103	-	-	28,000	-	-	16,967	576,730	-	-	17,954,800
Utilities	3,354,027	2,619,399	84,556	-	294,042	-	(601,207)	-	-	-	5,750,817
Travel	1,315,202	69,371	3,200	367,241	126,916	1,796,239	90,156	250,000	-	-	4,018,326
Capital	1,842,624	66,000	-	-	-	11,200	24,777	100,000	-	-	2,044,601
Subtotal Non-Personnel Expenses	\$ 30,096,099	\$ 18,584,732	\$ 876,906	\$ 3,171,754	\$ 4,950,875	\$ 1,246,375	\$ 5,582,433	\$ 1,957,012	\$ (5,657,981)	\$ -	\$ 60,808,205
Transfers											
Mandatory Transfer Out-Bond Debt	\$ -	\$ 7,457,821	\$ 502,819	\$ -	\$ 1,645,486	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,606,126
Mandatory Transfer Out-Cap Lease Pmt	938,498	-	-	3,725	-	5,000	465,033	-	-	-	1,412,256
NonMandatory Transfer Out-Projects	-	-	-	-	-	-	-	918,600	-	-	918,600
NonMandatory Transfer Out-Strategic Investments	2,120,053	-	-	480,335	-	-	-	-	-	-	2,600,388
NonMandatory Transfer (In)/Out-Foundation Support	(275,000)	-	-	-	-	-	-	275,000	-	-	-
NonMandatory Transfer (In)/Out-Budgeted	(4,072,112)	1,517,350	39,608	2,470,589	-	151,177	(106,613)	-	-	-	-
NonMandatory Transfer Out-Capital Reserves	4,060,000	1,800,000	283,049	-	832,088	-	114,179	-	-	-	7,089,316
Subtotal Transfers	\$ 2,771,439	\$ 10,775,171	\$ 825,476	\$ 2,954,649	\$ 2,477,574	\$ 156,177	\$ 472,599	\$ 1,193,600	\$ -	\$ -	\$ 21,626,686
TOTAL EXPENSES AND TRANSFERS	\$ 136,062,828	\$ 39,448,590	\$ 2,069,115	\$ 12,821,573	\$ 11,075,356	\$ 2,245,344	\$ 8,166,211	\$ 4,770,330	\$ (5,747,657)	\$ (3,250,000)	\$ 207,661,691
REVENUE LESS EXPENSES AND TRANSFERS	\$ (8,590,571)	\$ -	\$ -	\$ -	\$ (154,286)	\$ -	\$ 354,015	\$ -	\$ -	\$ 3,250,000	\$ (5,140,843)

University Foundation Gifts to University Operations

FY14 Foundation Support-\$9.5 Million



Restricted Program Gifts	FY13 Budget	FY14 Budget	FY14 Changes
Athletics	\$ 462,571	\$ 315,000	\$ (147,571)
Library	343,768	421,000	77,232
EBS	124,641	152,000	27,359
HSS	186,950	80,000	(106,950)
MCB	1,010,361	1,133,000	122,639
NHS	193,933	102,000	(91,933)
PVA	151,925	93,000	(58,925)
Stryker Institute	197,862	250,000	52,138
Tointon Institute	262,085	153,000	(109,085)
Other	271,645	301,000	29,355
Total Restricted Programs Gifts	\$ 3,205,741	\$ 3,000,000	\$ (205,741)

Restricted Grants and Contracts Detail by Award

	FY14 Budget
Federal Grants	
Math Teacher Leadership NSF	\$ 810,000
TACE Grant DOED	700,000
Math Teacher Participants NSF	360,000
Noyce Participant NSF	297,000
Student Support Services DOED	260,000
CCAS Advance NSF	100,000
Upward Bound DOED	262,000
Professional Education Interpreter DOED	182,000
Long Term Training Rehab Counsel DOED	175,000
Teaching with Primary Sources DOED	227,000
Math & Science Teaching Participant DOED	290,000
Promote & Support Chemistry Student NSF	160,000
Mid America Region Interpreter Ed Center DOED	273,000
Professional Interpreter Project DOED	131,000
Teachers Visual Impairment DOED	125,000
NLCSD Scholarships Salus	120,000
Women in Geosciences Prim NSF	150,000
Doxorubicin Treatment American Cancer Society	135,000
Neeco SBDC	135,000
McNair	253,000
Project ACESS DOED	232,000
Careers NSF	120,000
Scholarships for Education & Economics	183,000
Under \$100,000	1,710,000
Subtotal Federal Grants	\$ 7,390,000
State Grants	
Under \$100,000	\$ 120,000
Subtotal State Grants	\$ 120,000
Non-Governmental Grants	
Doxorubicin Treatment ACS 6/30/13	\$ 123,929
Under \$100,000 Other Nongovernmental	31,071
Subtotal Non-Governmental Grants	\$ 155,000
Non-Governmental Grants-UNC Foundation	
Daniels Fund	\$ 250,000
Frontiers of Science	100,000
Under \$100,000 UNC Foundation	100,000
Subtotal UNC Foundation Grants	\$ 450,000
Total Restricted Grants and Contracts	\$ 8,115,000

Appendix C: Rate Schedule Detail

Main Campus Undergraduate Tuition and Fees

Main Campus Tuition Academic Year	FY13 Actual	FY14 Budget	Increase \$	Increase %
Resident Tuition				
Undergraduate (15 credit hours per semester)				
Tuition	7,324	7,668	344	
College Opportunity Fund (COF) Stipend ¹	(1,860)	(1,920)	(60)	
Student Share of Tuition Net of Stipend	5,464	5,748	284	5.2%
Non-Resident Tuition				
Undergraduate (15 credit hours per semester)	16,988	17,292	304	1.8%
WUE Tuition				
Undergraduate (15 credit hours per semester) ²	10,614	11,496	882	8.3%
Program Fees (per credit hour charge)				
College of NHS-Nursing Majors	510	510	0	0.0%
College of PVA-Music/Theatre Arts Majors	360	360	0	0.0%

¹COF is applied to resident undergraduate credit hours, and is \$64 per credit hour.

²WUE Tuition is set according to the formula: 150% x (Resident Student Share Tuition + COF).

Differential Tuition ¹ (per credit hour charge)	FY13 Actual	FY14 Budget	Increase \$	Increase %
Program				
Science/SES/Art	18	18	0	0.0%
Business	40	40	0	0.0%
Music/Theatre/Dance	36	36	0	0.0%
Nursing	64	64	0	0.0%

¹Differential tuition does not apply to Liberal Arts Core courses or individual music lessons.

Main Campus Graduate Tuition Rates

		FY13 Actual	FY14 Rate Per Credit Hour	FY14 Academic Year ¹	Increase \$	Increase %
Resident Graduate Programs						
Master's Tier 1	Administrators' License, Bilingual/Bicultural Ed Endorse, Child & Adolescent Cert, Early Childhood SPED Endorse, Ed Psych, Education, Educational Media, Educational Psychology, Educational Technology, Elementary Education, Family Nurse Practitioner Cert, Geography Education Cert, Gerontology Cert, K-12 Education, Ling Diverse ED-K12 Endorse, Orientation/Mobility Endorse, Principals' License, Reading Teacher/Specialist Endorse, Reading, School Library Education, School Psychologist Endorse, School Psychology, Secondary Education, Special Education, Tchg Students with Autism Cert, Teaching ESL Endorsement	\$7,668	\$443	\$7,974	\$306	4.0%
Master's Tier 2	Biomedical Science	\$8,442	\$483	\$8,694	\$252	3.0%
Master's Tier 3	App Statistics/Research Methods, Art & Design, Clinical Counseling, Comm:Human, Comm Couns, Criminal Justice, Earth Sciences, Ed Leadership & Special Ed, Educational Leadership, English, Foreign Lang: Spanish Teaching, Gerontology, Graduate Interdisciplinary, Higher Ed & Student Affairs Leadership, History, Mathematics, Non-degree Seeking, Nursing, Physical Education, Psychology, Public Health, Rehabilitation Counseling, School Counseling, Sports & Exercise Science, Social Science, Sociology, Speech-Language Pathology, Sports Coaching, Theatre Ed, Visual Arts	\$8,442	\$488	\$8,784	\$342	4.1%
Master's Tier 4	Accounting, BioScience, Chemistry, Music	\$9,216	\$527	\$9,486	\$270	2.9%
Doctoral Tier 1	Audiology	\$8,190	\$473	\$8,514	\$324	4.0%
Doctoral Tier 2	Higher Ed and Student Affairs Leadership	\$9,234	\$534	\$9,612	\$378	4.1%
Doctoral Tier 3	App Statistics/Research Methods, Counseling Psychology, Counselor Ed & Supervision, Educational Leadership, Educational Mathematics, Educational Psychology, Educational Studies, Educational Technology, Graduate Interdisciplinary, Human Rehabilitation, School Psychology, Sports & Exercise Science, Special Education	\$9,666	\$558	\$10,044	\$378	3.9%
Doctoral Tier 4	Biological Education, Chemical Education, Music, Nursing	\$10,044	\$580	\$10,440	\$396	3.9%
Non-Resident Graduate Programs						
	Master's Tier 1	\$17,604	\$995	\$17,910	\$306	1.7%
	Master's Tier 2	\$13,860	\$784	\$14,112	\$252	1.8%
	Master's Tier 3	\$18,072	\$1,023	\$18,414	\$342	1.9%
	Master's Tier 4	\$18,810	\$1,060	\$19,080	\$270	1.4%
	Doctoral Tier 1	\$19,278	\$1,089	\$19,602	\$324	1.7%
	Doctoral Tier 2	\$20,322	\$1,150	\$20,700	\$378	1.9%
	Doctoral Tier 3	\$20,754	\$1,174	\$21,132	\$378	1.8%
	Doctoral Tier 4	\$20,718	\$1,173	\$21,114	\$396	1.9%

¹Tuition is based upon 9 credit hours per semester

Extended Campus Tuition Rates

		FY13 Rate Per Credit Hour	FY14 Rate Per Credit Hour	Increase %
Graduate Programs				
Master's Tier 1	Non-degree Seeking	\$165	\$165	0.0%
Master's Tier 4	Natural Sciences	\$440	\$451	2.5%
Master's Tier 5	Education, K-12 Ed: Physical Education, Reading, Secondary Ed Licensure (various disciplines), Secondary Education, Special Education, Teaching Students with Autism Cert., Elem Ed Licensure	\$445	\$456	2.5%
Master's Tier 6	Art & Design, Ed Psych, Geography, Education Cert, Theatre Education	\$450	\$461	2.4%
Master's Tier 9	Clinical Counseling, Educational Leadership, Gerontology Cert, Graduate Interdisciplinary, Physical Education, School Counseling	\$495	\$507	2.4%
Master's Tier 10	Criminal Justice, Family Nurse Practitioner Cert, Nursing Education Cert, School Psychology, Sports & Exercise Science: Sports Administration, Sports Coaching	\$500	\$513	2.6%
Master's Tier 11	Speech-Language Pathology	\$530	\$546	3.0%
Master's Tier 12	Nursing: Family Nurse Practitioner & Clinic Nurse Leader	\$545	\$561	2.9%
Master's Tuition Promise Cohorts	Ed Psych: Teaching Applications Su13 Cohort, Educational Leadership MA/EdS F13 Cohort, Spec Ed: Generalist MA F13 Cohort, Linguistically Diverse MAT F13 Cohort		\$465	
Master's Tuition Promise Cohorts	Criminal Justice MA F13		\$530	
Doctoral Tier 1	Educational Studies, School Psychology	\$495	\$510	3.0%
Doctoral Tier 2	Nursing	\$545	\$561	2.9%
Doctoral Tier 3	Educational Leadership	\$550	\$567	3.1%
Doctoral Tier 4	Higher Ed & Student Affairs Leadership	\$560	\$577	3.0%
Extended Studies Undergraduate Programs				
	Sociology BA Degree Completion	\$325	\$335	3.1%
	American Sign Language: English Interpretation, BS Degree Completion	\$360	\$370	2.8%
	Dietetic Internship Program	\$7,500/program	\$8,100/program	8.0%
	Dietetics BS or Didactic Program	\$360	\$370	2.8%
	Nursing, 2nd Degree	\$325	\$335	3.1%
	Nursing, RN-BSN	\$405	\$415	2.5%
Off Campus State Funded Undergraduate Programs (COF Eligible)				
	IDLA Elementary Education-Teaching	\$279.25	\$291	4.2%
	Early Childhood Education-PTEP	\$279.25	\$291	4.2%
	Special Education w/Licensure BA	\$279.25	\$291	4.2%
	American Sign Language: English Interpretation, BS Degree Completion Denver Center at Lowry Cohort		\$291	
	UE/Off Campus State Funded Program Fee	\$40	\$40	0.0%
Extended Studies Professional Development, Independent Study, Dual Credit, Non-Credit, Contract				
	Independent Study Tuition: Undergraduate	\$210	\$220	4.8%
	Independent Study Tuition: Graduate	\$335	\$350	4.5%
	Intensive English Program-Remedial	\$320	\$325	1.6%
	Professional Development Credit, Contract Credit, Non-Credit or Continuing Education Unit, Dual Credit (High School)	Varies ¹	Varies ¹	Varies ¹

¹Rates vary depending on individual budgets

Mandatory Fees

Mandatory Fees	FY13	FY14 Budget		Increase	
	Academic Year	Per Credit Hour	Academic Year	\$	%
Student Activity Fee (CPI increase)	990.00	51.35	1,027.00	37.00	3.7%
LEAF-Leadership for Environmental Action	20.00	1.00	20.00	0.00	0.0%
Technology Undergraduate Fee ¹	285.30	9.51	285.30	0.00	0.0%
Technology Graduate Fee ¹	171.18	9.51	171.18	0.00	0.0%
Library Undergraduate Fee ¹	77.60	2.92	87.60	10.00	12.9%
Library Graduate Fee ¹	58.20	3.65	65.70	7.50	12.9%

¹ Undergraduate Technology and Library fees are based upon 15 credit hours per semester, Graduate Technology and Library fees are based upon 9 credit hours per semester. For FY13 these amounts were differentiated by program, the amount currently listed is an average.

User Fees

	FY13 Actual	FY14 Budget	Change \$
Parking Fees			
Student (annual)	255	255	0
Student (semester)	170	170	0
Student K-Lot (premium lot limited spaces-annual)	275	275	0
Student K-Lot (premium lot limited spaces-semester)	180	180	0
Faculty/Staff (annual)	290	290	0
Faculty/Staff (semester)	180	180	0
Faculty/Staff K-Lot (premium lot limited spaces-annual)	310	310	0
Graduate Assistant (annual)	290	290	0
Student Health Insurance Premium Plan (annual)	2,040	1,980	(60)
Study Abroad Application Fee	300	300	0
Admission Fees			
Freshman Application	45	45	0
Four-Year Transfer	45	45	0
UNC Bound (Junior College transfer)	20	20	0
Graduate (U.S.)	50	50	0
International (Graduate and Undergraduate)	60	60	0
Student Success Fee	225	225	0
Career Services Fees			
Teacher Employment Days	25	25	0

Room and Board Rates

	Fiscal 2013 Actual	Fiscal 2014 Budget		
		Rate Change	Annual	% Change
Room Rates				
Tier 1 Freshman	\$4,914	(\$114)	\$4,800	-2.3%
Tier 1 Returner	\$4,708	(\$114)	\$4,594	-2.4%
Tier 2 Freshman	\$4,914	\$86	\$5,000	1.8%
Tier 2 Returner	\$4,708	\$206	\$4,914	4.4%
Tier 3 Freshman	\$5,358	\$108	\$5,466	2.0%
Tier 3 Returner	\$5,152	\$206	\$5,358	4.0%
Tier 4.1 Freshman	\$5,358	\$458	\$5,816	8.6%
Tier 4.1 Returner	\$5,152	\$206	\$5,358	4.0%
Tier 4.2 Freshman	\$5,630	\$176	\$5,806	3.1%
Tier 4.2 Returner	\$5,424	\$206	\$5,630	3.8%
Tier 5 Freshman	\$5,630	\$510	\$6,140	9.1%
Tier 5 Returner	\$5,424	\$206	\$5,630	3.8%
Tier 6 Freshman	\$5,944	\$578	\$6,522	9.7%
Tier 6 Returner	\$5,738	\$206	\$5,944	3.6%
Board Rates-Freshman Options				
200 Meal Plan + 75 Dining Dollars per semester ¹	\$5,150	\$170	\$5,320	3.3%
19 Meal Plan + 75 Dining Dollars per semester ¹	\$5,130	\$210	\$5,340	4.1%
250 Meal Plan + 100 Dining Dollars per semester	\$6,150	\$180	\$6,330	2.9%
Room and Board (Low Tier)	\$10,044	\$76	\$10,120	0.8%
Arlington Park Apartments²				
4 bedroom/2 bath New	\$5,748	\$180	\$5,928	3.1%
4 bedroom/2 bath Returner	\$5,576	\$172	\$5,748	3.1%
2 bedroom/2 bathroom New	\$5,988	\$180	\$6,168	3.0%
2 bedroom/2 bathroom Returner	\$5,808	\$180	\$5,988	3.1%
2 bedroom/1 bathroom New	\$5,628	\$180	\$5,808	3.2%
2 bedroom/1 bathroom Returner	\$5,458	\$170	\$5,628	3.1%

Residence Hall Tiers:

- Tier 1 Belford, Decker, Gordon, Sabin, Snyder, Wiebking, and Wilson
- Tier 2 Harrison
- Tier 3 Brown, Luján, Dickeson, Bond, Hansen-Willis, and Lawrenson Efficiencies
- Tier 4.1 Turner Efficiencies
- Tier 4.2 Lawrenson Suites
- Tier 5 Turner Suites
- Tier 6 North and South

¹ For FY13 these plans only including 50 dining dollars per semester.

² Arlington Park rates were determined one year in advance and prior to the decision to allow the contract to expire. Marketing to the students with the above rate increase occurred beginning in August.

Student Fee Allocation Detail

	FY13 Approved Budget	Student Senate Recommended Change	President's Adjustment	FY13 to FY14 Change	FY14 Recommended Budget
STUDENT ACTIVITIES PROGRAMS					
Asian/Pacific American Student Services	\$ 25,222	\$ 3,000	\$ 2,000	\$ 5,000	\$ 30,222
Cesar Chavez Cultural Center	28,168	520	4,000	4,520	32,687
Club Sports	67,430	20,000		20,000	87,430
DATE/CPE	77,808				77,808
GLBTA Resource Office	43,374	798		798	44,172
Graduate Student Association	82,323	9,798		9,798	92,120
Greek Life	32,786	582		582	33,368
International Ed Center	20,000	368		368	20,368
National Student Exchange	10,789	1,298		1,298	12,087
International Film Series	10,269	(451)		(451)	9,818
Marcus Garvey Cultural Center	23,563	2,500	2,000	4,500	28,063
Native American Student Services	26,310	5,508	2,000	7,508	33,818
Student Activities	331,007	4,363		4,363	335,370
Student Senate	225,055				225,055
University Program Council	220,575	3,989		3,989	224,564
UNC Radio Station	17,500	2,686		2,686	20,186
Women's Resource Center	113,324	1,942		1,942	115,265
Student Leadership for Environmental Action Fund	216,000				216,000
TOTAL STUDENT ACTIVITIES PROGRAMS	\$ 1,571,500	\$ 56,900	\$ 10,000	\$ 66,900	\$ 1,638,400
STUDENT FACILITIES & SERVICES FEES					
Student Services					
Intercollegiate Athletics	\$ 1,948,424			\$ 71,897	\$ 2,020,321
Student Media Corp.	73,790			2,723	76,512
Counseling Center	1,153,163			42,147	1,195,310
Bear Bus	280,143			(80,143)	200,000
PVA	122,244			4,511	126,755
Campus Recreation Center - Wellness	127,338			4,699	132,036
Student Health Center	137,110			4,975	142,085
Subtotal Student Services	3,842,209			50,808	3,893,018
Administrative Services					
Student Fee Admin Overhead	581,325			30,393	611,718
Subtotal Administrative Services	581,325			30,393	611,718
Compensation/Contingency Pool					
Compensation/Contingency Pool			(10,000)	275,282	275,282
Subtotal Compensation/Contingency Pool			(10,000)	275,282	275,282
Bonded Facility Operating Costs					
University Center	574,981			21,217	596,198
UC Student Business Office	109,857			4,054	113,911
Student Recreation Center / Intramurals	1,146,817			41,832	1,188,649
Cassidy Hall (Counseling Center)	69,267			2,556	71,822
Cassidy Hall (Student Health Center)	103,899			3,834	107,733
Scott-Willcoxon Hall (WRC)	40,533			1,496	42,029
Butler Field House Building	9,161			338	9,499
Jackson Field House Building	96,186			3,549	99,735
Subtotal Bonded Facility Operating Costs	2,150,701			78,875	2,229,576
Bonded Facility Repair & Replacement					
University Center	388,961			14,352	403,313
Student Recreation Center	168,329			6,211	174,540
Cassidy Hall (Counseling Center)	9,005			332	9,338
Cassidy Hall (Student Health Center)	11,714			432	12,146
Scott-Willcoxon Hall (WRC)	4,584			169	4,753
Butler Field House	2,628			97	2,725
Jackson Field House Building	20,035			739	20,774
Subtotal Bonded Facility Repair & Replacement	605,256			22,333	627,590
TOTAL STUDENT FACILITIES & SERVICES FEES	\$ 7,179,492		\$ (10,000)	\$ 182,410	\$ 7,361,901
BOND REQUIREMENTS					
Campus Rec Center Bond Requirements	\$ 559,656			\$ (11,550)	\$ 548,106
Cassidy Hall Bond Requirements	111,000				111,000
Recreation and Athletic Facilities	988,280			(1,900)	986,380
TOTAL BOND REQUIREMENTS	\$ 1,658,936			\$ (13,450)	\$ 1,645,486
TOTAL STUDENT FEES	\$ 10,409,928	\$ 56,900	\$ -	\$ 511,142	\$ 10,921,070

*This detail contains a technical correction to the document provided to the Board, University Center repair and replacement was missing.

Appendix D: Enrollment Information

Enrollment Detail

The reporting cycle for Academic Year 2013-14 began in Spring 2013 when we set enrollment targets for Fall. The information in this section gives point-in-time comparisons for the period 14 weeks before Fall 2013 classes start along with two years of historical data. Table 1 shows where we are in our enrollment and revenue reporting cycle.

Table 1

Key 2013-14 Enrollment and Revenue Dates			
Dates	Enrollment	Revenue	Notes on Headcount
February 6, 2013	• Enrollment targets set		
May 15, 2013	• Report to Finance & Audit Committee on early indicators for FY14 enrollment		
June 7, 2013	• Report to Board on early indicators for FY14 enrollment	• FY14 Budget approved by the Board	
August 26, 2013	• Opening Day enrollment statistics reported publicly		Opening Day Headcount
September 9, 2013	• Fall Census Date-Official measurement day for most external enrollment reporting, including national databases and consumer publications (e.g., IPEDS, Peterson's, US News)		Fall Census Headcount
November 2013	• Report to the Board on Fall Census enrollment	• FY14 revenue forecast updated based on Fall Census and reported to the Board	
January 27, 2014	• Spring Census Date-Enrollment statistics from this point are much less widely used than those from Fall Census, but are still reported to DHE and used internally for enrollment management and updated revenue forecasts		Spring Census Headcount
March 2014	• Report to the Board on Fall Final enrollment • Report to the Board on Spring Census enrollment	• FY14 revenue forecast updated based on Spring Census and reported to the Board	Fall Final Headcount
August 2014	• Consolidated Fall, Interim, Spring and Summer enrollment	• Final revenue report to the Board (quarterly Finance & Audit Committee meeting)	Total Year Unduplicated Headcount

Table 2 provides current and historical enrollment data beginning with opening day.

Table 2

	FY11 (Fall 2010, Spring 2011, Summer 2011)	FY12 (Fall 2011, Spring 2012, Summer 2012)	FY13 (Fall 2012, Spring 2013, Summer 2013)
Opening Day	12,162	12,389	12,321
Fall Census (Targets/External Reports)	12,358	12,599	12,497
Fall Final	13,030	13,038	13,070
Spring Census	11,583	11,645	11,551
Spring Final	11,847	12,190	12,252
Summer Final	5,324	5,326	
Full Year Unduplicated	15,307	15,614	

FY14 Budgeted Student Credit Hour Enrollment

While we typically think of enrollment in terms of number of students, we translate headcount into credit hours to develop our revenue budget. For FY14 our budget is based upon a **0.2% university-wide decline in student credit hour enrollment**. We deliver most of our credit hours to main campus undergraduate students and expect a 0.2% decline to 297,740 credit hours. Table 3 shows the undergraduate, graduate, main campus, and extended campus details of our FY14 budget.

Table 3

Fiscal Year 2013-14 Budgeted Enrollment by Student Credit Hours (SCH)									
	FY13 Forecast (Fall 12, Spring 13, Summer 13)			FY14 Budget (Fall 13, Spring 14, Summer 14)			FY14 Budget Change from FY13 Forecast		
	Undergrad	Grad	Total	Undergrad	Grad	Total	Undergrad	Grad	Total
Main Campus SCH	273,359	24,896	298,255	273,128	24,612	297,740	-0.1%	-1.1%	-0.2%
Extended Campus SCH	12,016	19,869	31,885	12,016	19,634	31,650	0.0%	-1.2%	-0.7%
Total SCH	285,375	44,765	330,140	285,144	44,246	329,390	-0.1%	-1.2%	-0.2%

Note: Extended Campus SCH excludes non-credit, includes CSPH.

Fall 2013 (FY14) Enrollment Headcount Targets

Our enrollment target for Fall Census 2013 is 12,461 students (10,140 undergraduates and 2,321 graduates), which is a 0.3% decrease in headcount from 2012. Table 4 shows our fall enrollment targets, including new freshmen (2,287), new undergraduate transfers (875), and new graduate students (824).

Table 4

Fall 2013 (FY14) Enrollment Targets									
	Fall Census 2012			Fall Census 2013 Targets			Fall 2013 Budget Change from Fall 2012 Actual		
	Undergrad	Grad	Total	Undergrad	Grad	Total	Undergrad	Grad	Total
Headcount	10,102	2,395	12,497	10,140	2,321	12,461	0.4%	-3.1%	-0.3%
Continuing Students	6,926	1,549		6,978	1,497		0.8%	-3.4%	
New Freshmen	2,314			2,287			-1.2%		
New UG Transfers	862			875			1.5%		
New Grad Students		846			824			-2.6%	

For the following sections it is important to note that for undergraduate and graduate enrollment, we discuss registration and admissions data as of May 20 as an indication of our progress toward Fall 2013 enrollment targets. Comparable point-in-time data is included for Fall 2012 and Fall 2011, but because enrollment cycles can vary from year-to-year, prior year comparisons are only a rough indication of our progress, keeping in mind that May 20 is still 14 weeks before the start of Fall classes.

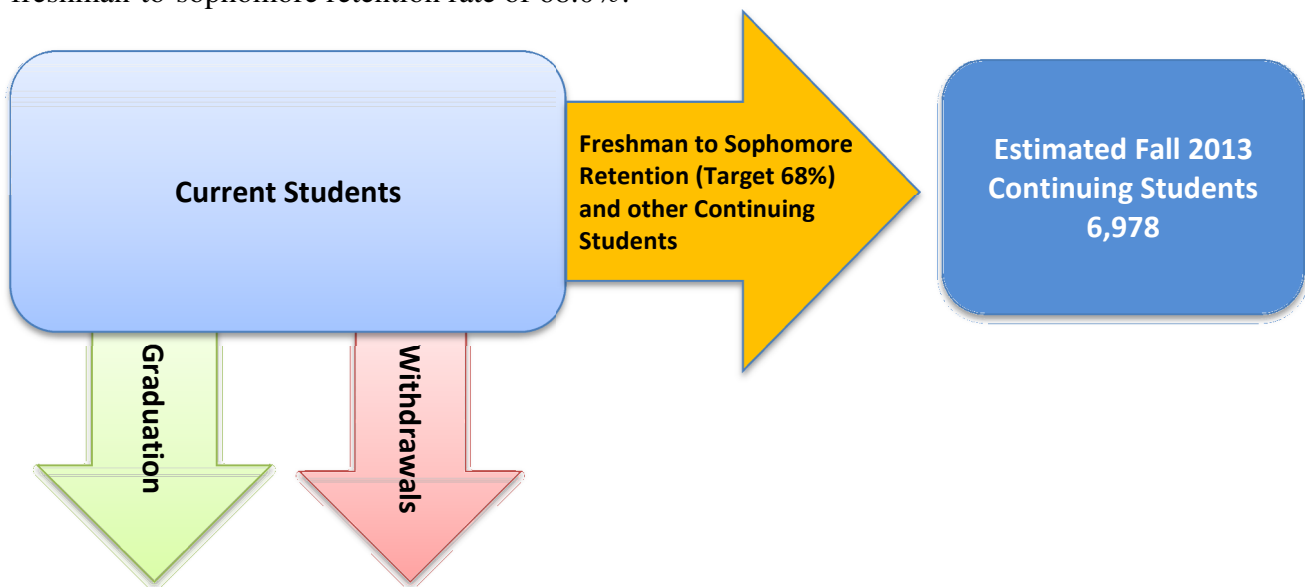
Undergraduate Enrollment

Table 5 shows that we had 6,319 undergraduate students registered 14 weeks before the start of Fall 2013. This is **62% of our target of 10,140 undergraduate students**. At the same point in time in 2012 we had reached 66% of our Fall Census undergraduate enrollment and in 2011 had reached 63%, suggesting that 62% of our undergraduate enrollment target is within a reasonable range.

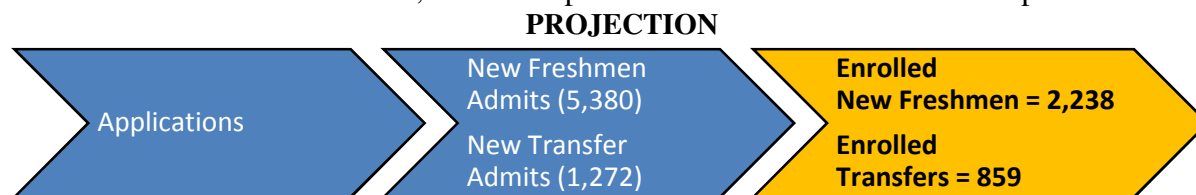
Table 5

Undergraduate Point-in-Time Enrollment Comparison Registered			
14 Weeks before Classes Start (5/20/13)	Fall 2013	Fall 2012	Fall 2011
Freshman	690	1,057	832
Sophomore	1,710	1,648	1,731
Junior	1,628	1,735	1,784
Senior	2,204	2,216	2,028
Other	87	51	36
Total 14 Weeks before Classes Start	6,319	6,707	6,411
Historical Fall Census		10,102	10,231
Fall 2013 Target	10,140		
14 Weeks before Classes Start % of Target/Final	62%	66%	63%

Our Fall 2013 enrollment target of 10,140 undergraduates includes an estimated 6,978 continuing students. The number of Fall 2013 continuing students is a function of both the graduation and the retention of current students. As part of managing the number of continuing students, we set a targeted freshman-to-sophomore retention rate of 68.0%.



The remainder of our 10,140 undergraduate enrollment target is new students. We have enrollment targets and projections for both new freshmen and new transfers. The process of enrolling new students starts with applications, which yield admitted students, which yield registered and enrolled students. We refer to this as the enrollment funnel, where the pool of students narrows at each step.



As shown in Table 6, as of May 20 we had 5,133 new freshmen admits, 95% of our projected total 5,380 admits. The projected total enrolled new first time students for Fall 2013 is 2,238, which is 49 students short our target of 2,287. We are anticipating a 39% yield, higher than in recent years because our recruitment and admissions strategies have been improved to admit students who truly have potential to succeed at UNC.

Table 6

Undergraduate New First Time Enrollment Target Admits-to-Enrollment Yield with Point-in-Time Comparison			
	Fall 2013	Fall 2012 Actual	Fall 2011 Actual
Admits 14 Weeks before Classes Start	5,133	5,908	5,471
Projected Total New First Time Admits	5,380	6,066	5,949
14-Week Admits % of Projected Total	95%	97%	92%
Additional Admits to Meet Projection	247		
Projected Yield	39%	36%	38%
Projected New First Time Students	2,098	2,178	2,274
Projected Additional Students ⁽¹⁾	140	136	145
Projected Total New First Time Students	2,238	2,314	2,419
Target New First Time Students	2,287		
Projected Difference from Target	(49)		

⁽¹⁾ includes, summer admits, non-degree seeking students, extended campus, etc.

As shown in Table 7, as of May 20 we had 711 new transfer admits, 56% of our projected total 1,272 admits. The projected total for enrolled transfer students for Fall 2013 is 859, which is 16 students short of our target of 875.

Table 7

Undergraduate Transfer Enrollment Target Admits-to-Enrollment Yield with Point-in-Time Comparison			
	Fall 2013	Fall 2012 Actual	Fall 2011 Actual
Admits 14 Weeks before Classes Start	711	853	752
Projected Total New Transfer Admits	1,272	1,272	1,330
14-Week Admits % of Projected Total	56%	67%	57%
Additional Admits to Meet Projection	561		
Projected Yield	59%	59%	61%
Projected New Transfer Students	750	753	817
Projected Additional Students ⁽¹⁾	109	109	112
Projected Total New Transfer Students	859	862	929
Target New Transfer Students	875		
Projected Difference from Target	(16)		

⁽¹⁾ includes, summer admits, non-degree seeking students, extended campus, etc.

Graduate Enrollment

Table 8 shows that 1,088 graduate students are registered for Fall 2013 as of May 20. This is **47% of our 2,321 graduate student target**. Graduate students tend to delay their registration longer than undergraduate students. There is less pressure to register since graduate course sections do not close as undergraduate courses do. In addition, 40% of our graduate enrollment is in extended campus and online programs, which use a cohort model and often have start dates later than our main campus start of classes. At comparable points in time in 2011 and 2012, we had 45% and 37%, respectively, of our fall graduate enrollment, suggesting that 47% of our target is within a reasonable range.

Table 8

Graduate Point-in-Time Enrollment Comparison Registered			
14 Weeks before Classes Start (5/20/13)	Fall 2013	Fall 2012	Fall 2011
Licensure	26	27	27
Masters'	689	707	541
Specialist	23	24	21
Doctoral	285	276	245
Other	65	52	43
Total 14 Weeks before Classes Start	1,088	1,086	877
Historical Fall Census		2,395	2,368
Fall 2013 Target	2,321		
14 Weeks before Classes Start % of Target/Final	47%	45%	37%

Like undergraduate enrollment, our total Fall 2013 target of 2,321 graduate students includes continuing students (1,497) and new students (824). Also like undergraduate enrollment, new graduate students flow through an enrollment funnel (applications, admissions, and enrolled) that narrows at each step.

As shown in Table 9, as of May 20 we had 649 new graduate admits, 73% of our projected 895 admits. The projected total for enrolled new graduate students for Fall 2013 is 861, which exceeds our target of 824 by 37 students.

Table 9

Graduate Enrollment Target Admits-to-Enrollment Yield with Point-in-Time Comparison			
	Fall 2013	Fall 2012 Actual	Fall 2011 Actual
Admits 14 Weeks before Classes Start	649	643	570
Projected Total New Graduate Admits	895	895	885
14-Week Admits % of Projected Total	73%	72%	64%
Additional Admits to Meet Projection	246		
Projected Yield	56%	56%	63%
Projected New Graduate Students	501	502	554
Projected Additional Students ⁽¹⁾	360	360	375
Projected Total New Graduate Students	861	862	929
Target New Graduate Students	824		
Projected Difference from Target	37		

⁽¹⁾ includes, summer admits, non-degree seeking students, extended campus, etc.

Undergraduate Credit Hours and Tuition Revenue

	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY13 Budget	FY14 Budget to FY13 Forecast	FY14 Budget to FY13 Budget	FY14 Budget
Fall							
Resident Main Campus	123,564	118,459	118,354	(4.1%)	(0.1%)	(4.2%)	\$24,839,139
Non-Resident Main Campus	9,069	8,308	8,490	(8.4%)	2.2%	(6.4%)	4,861,032
WUE Main Campus	6,166	6,865	7,240	11.3%	5.5%	17.4%	2,828,918
Extended Campus	3,985	4,148	4,148	4.1%	0.0%	4.1%	1,274,880
Subtotal Fall	142,784	137,780	138,232	(3.5%)	0.3%	(3.2%)	\$33,803,969
Interim							
Resident Main Campus	1,377	1,358	1,358	(1.4%)	0.0%	(1.4%)	\$313,278
Non-Resident Main Campus	73	91	91	24.7%	0.0%	24.7%	53,952
WUE Main Campus	43	49	49	14.0%	0.0%	14.0%	21,175
Extended Campus	0	0	0	0.0%	0.0%	0.0%	0
Subtotal Interim	1,493	1,498	1,498	0.3%	0.0%	0.3%	\$388,405
Spring							
Resident Main Campus	111,103	107,048	106,519	(3.6%)	(0.5%)	(4.1%)	\$22,517,793
Non-Resident Main Campus	8,169	7,881	7,641	(3.5%)	(3.0%)	(6.5%)	4,396,348
WUE Main Campus	5,818	6,300	6,540	8.3%	3.8%	12.4%	2,598,308
Extended Campus	3,660	3,957	3,957	8.1%	0.0%	8.1%	1,006,856
Subtotal Spring	128,750	125,186	124,657	(2.8%)	(0.4%)	(3.2%)	\$30,519,305
Summer							
Resident Main Campus	13,531	15,100	14,731	11.6%	(2.4%)	8.9%	\$3,429,644
Non-Resident Main Campus	794	1,200	1,236	51.1%	3.0%	55.7%	773,826
WUE Main Campus	555	700	879	26.1%	25.6%	58.4%	363,430
Extended Campus	3,736	3,911	3,911	4.7%	0.0%	4.7%	1,426,664
Subtotal Summer	18,616	20,911	20,757	12.3%	(0.7%)	11.5%	\$5,993,564
Year							
Resident Main Campus	249,575	241,965	240,962	(3.0%)	(0.4%)	(3.5%)	\$51,099,854
Non-Resident Main Campus	18,105	17,480	17,458	(3.5%)	(0.1%)	(3.6%)	10,085,158
WUE Main Campus	12,582	13,914	14,708	10.6%	5.7%	16.9%	5,811,831
Extended Campus	11,381	12,016	12,016	5.6%	0.0%	5.6%	3,708,400
Total Year	291,643	285,375	285,144	(2.1%)	(0.1%)	(2.2%)	\$70,705,243

Graduate Credit Hours and Tuition Revenue

	FY13 Budget	FY13 Forecast	FY14 Budget	FY13 Forecast to FY13 Budget	FY14 Budget to FY13 Forecast	FY14 Budget to FY13 Budget	FY14 Budget
Fall							
Master's							
Resident Main Campus	5,508	5,246	5,422	(4.8%)	3.4%	(1.6%)	\$2,611,163
Non-Resident Main Campus	1,788	1,780	1,614	(0.4%)	(9.3%)	(9.7%)	1,649,625
Doctoral							
Resident Main Campus	2,939	2,864	2,531	(2.6%)	(11.6%)	(13.9%)	1,392,797
Non-Resident Main Campus	871	832	939	(4.5%)	12.9%	7.8%	1,097,652
Extended Campus	7,197	6,691	6,691	(7.0%)	0.0%	(7.0%)	3,053,184
Subtotal Fall	18,303	17,413	17,197	(4.9%)	(1.2%)	(6.0%)	\$9,804,421
Interim/Spring							
Master's							
Resident Main Campus	5,059	5,064	4,930	0.1%	(2.6%)	(2.5%)	\$2,366,613
Non-Resident Main Campus	1,282	1,371	1,432	6.9%	4.4%	11.7%	1,444,848
Doctoral							
Resident Main Campus	2,553	2,380	2,515	(6.8%)	5.7%	(1.5%)	1,385,403
Non-Resident Main Campus	908	844	773	(7.0%)	(8.4%)	(14.9%)	901,489
Extended Campus	6,392	5,977	5,760	(6.5%)	(3.6%)	(9.9%)	2,690,816
Subtotal Interim/Spring	16,194	15,636	15,410	(3.4%)	(1.4%)	(4.8%)	\$8,789,169
Summer							
Master's							
Resident Main Campus	2,888	2,747	2,729	(4.9%)	(0.7%)	(5.5%)	\$1,299,775
Non-Resident Main Campus	484	469	570	(3.1%)	21.5%	17.8%	579,591
Doctoral							
Resident Main Campus	1,028	990	887	(3.7%)	(10.4%)	(13.7%)	479,066
Non-Resident Main Campus	316	309	270	(2.2%)	(12.6%)	(14.6%)	314,022
Extended Campus	7,144	7,201	7,183	0.8%	(0.2%)	0.5%	3,172,231
Subtotal Summer	11,860	11,716	11,639	(1.2%)	(0.7%)	(1.9%)	\$5,844,685
Year							
Master's							
Resident Main Campus	13,455	13,057	13,081	(3.0%)	0.2%	(2.8%)	\$6,277,551
Non-Resident Main Campus	3,554	3,620	3,616	1.9%	(0.1%)	1.7%	3,674,064
Doctoral							
Resident Main Campus	6,520	6,234	5,933	(4.4%)	(4.8%)	(9.0%)	3,257,266
Non-Resident Main Campus	2,095	1,985	1,982	(5.3%)	(0.2%)	(5.4%)	2,313,163
Extended Campus	20,733	19,869	19,634	(4.2%)	(1.2%)	(5.3%)	8,916,231
Subtotal Year	46,357	44,765	44,246	(3.4%)	(1.2%)	(4.6%)	\$24,438,275
Colorado School of Public Health	0	0	0	0.0%	0.0%	0.0%	246,150
Total Year	46,357	44,765	44,246	(3.4%)	(1.2%)	(4.6%)	\$24,684,425

Appendix E: Multiyear Strategic Investments Budget

Multiyear Strategic Investments Budget

	FY14 Funds Available	FY14 Projected Expenses	FY15 Funds Available	FY15 Projected Expenses	FY16 Funds Available
Projects with Annual Investments¹					
Information & Technology Management	\$ 1,358,677	\$ (1,350,000)		\$ (585,000)	
University Strategic Priorities	435,000	(309,800)		(260,000)	
Grant Indirect Cost Recovery Initiatives	1,938,975	(738,500)		(740,000)	
College Incentives and Innovation	911,447	(255,000)		(301,300)	
Faculty Research and Professional Development	556,642	(345,000)		(345,000)	
Online Course Development	879,698	(350,000)		(400,000)	
Grant Match Funds	763,636	(452,373)		(452,787)	
Total	\$ 6,844,075	\$ (3,800,673)		\$ (3,084,087)	
Emerging Strategic Initiatives					
Academic Portfolio Development	\$ 524,199	\$ (524,199)		\$ (68,925)	
New Faculty Start-up	360,000	(400,000)		(400,000)	
Program Review & Assessment	245,688	(97,200)		(97,200)	
University Equipment Needs	950,000	(850,209)		(750,000)	
Education Innovation Institute	786,139	(350,000)		(365,000)	
Program Accreditation	544,221	(265,000)		(265,000)	
Community and Civic Engagement	46,010	(46,010)		-	
Community and	200,000	(240,000)		(240,000)	
International Plan	-	-		(200,000)	
Research and Creative Works	1,027,100	(731,900)		(882,662)	
Integrated Student Support Services	115,000	(115,000)		(120,000)	
Total	\$ 4,798,357	\$ (3,619,518)		\$ (3,388,787)	
Grand Total	\$ 11,642,432	\$ (7,420,191)	\$ 6,822,629	\$ (6,472,874)	\$ 2,950,143

¹The available funds include annual transfers of operating revenue.