



THE UNIVERSITY OF NORTH CAROLINA SYSTEM

CLINTON P. CARTER

SENIOR VICE PRESIDENT FOR FINANCE & ADMINISTRATION AND CHIEF FINANCIAL OFFICER

Post Office Box 2688, Chapel Hill, NC 27515

910 Raleigh Road, Chapel Hill, NC 27514

(919) 962-4600 | (205) 335-5468

cpcarter@northcarolina.edu

September 26, 2018

2019-21 Budget Memorandum – Number 2

TO: The Chancellors

FROM: Clinton Carter 

SUBJECT: Instructions for Preparation of the 2019-21 Operating Budget Priorities

This budget memorandum provides instructions for the preparation of institutional requests required for the development of the 2019-21 Budget Priorities for expansions and improvements. These requests should focus on a maximum of three well-defined priority items that are linked directly to the Board's 2017-22 strategic plan, *Higher Expectations*. The key areas from the strategic plan are: Access, Student Success, Affordability and Efficiency, Economic Impact and Community Engagement, and Excellent and Diverse Institutions.

The preliminary revenue forecast indicates that recurring revenue availability will be limited—please keep this in mind when developing your requests. Each institution's submission should be in priority order and total no more than 2% of your estimated 2018-19 base budget (Attachment 1). Your Chief Financial Officer should ensure that requests have been reviewed and approved by you and other appropriate individuals prior to being transmitted to the System Office. In addition, please include a letter of transmittal with your submission. If there are campus concerns or questions about the advisability of sending forward a particular request, these items should be discussed with Lindsay McCollum Farling at 919-962-4601.

Each priority should include a narrative (Attachment 2) describing the need and how the proposal will improve performance in at least one key area of the strategic plan. Within this narrative should be a brief explanation on how the institution arrived at the dollar amount of the request. Please identify any funds already reallocated to start the initiative. Completed priority requests are due to Karen Russell (ktr@northcarolina.edu) by Friday, October 5. We recognize the short turnaround time but in order to prepare draft budget priorities for the November Board meeting (final approval will take place at the December meeting), we need to allow time for review by the System Office.

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System-wide expansion requests will be handled centrally by the UNC System Office and may include requests for enrollment, salary increase funds, and need-based financial aid. Change budget instructions have been issued from the Office of State Budget and Management and are also attached. As in the past, the System Office will coordinate a unified response to OSBM.

We understand that institutions still dealing with the aftermath of the hurricane may not be able to comply with this request. If we can be of assistance in any way, please let us know.

Thank you for your assistance.

Attachments

cc: President Margaret Spellings
Nathan Knuffman
Lindsay McCollum Farling
Chief Academic Officers
Chief Financial Officers
Legislative Liaisons

**UNC Estimated Recurring Appropriation
FY 2018-19**

	2018-19 Enacted Budget	Less Nonrecurring Appropriation	Allocated in 2017					Allocated in 2018	Estimated 2018-19 Recurring Appropriation	2% of 2018-19 Recurring Appropriation
			EHRA Salary	SHRA Salary	Benefits	Enrollment	Building Reserves	Salary 2018		
ASU	\$ 134,672,993	\$ -	\$ 1,763,444	\$ 877,347	\$ 1,885,457	\$ 783,682	\$ 4,207,983	\$ 1,061,909	\$ 145,252,815	\$ 2,905,056
ECU	\$ 288,513,554	\$ -	\$ 2,739,815	\$ 1,886,052	\$ 4,650,699	\$ 7,637,971	\$ -	\$ 2,239,868	\$ 307,667,959	\$ 6,153,359
ECSU	\$ 31,154,712	\$ (2,000,000)	\$ 209,811	\$ 154,705	\$ 449,063	\$ 148,479	\$ 288,615	\$ 143,009	\$ 30,548,394	\$ 610,968
FSU	\$ 52,116,162	\$ -	\$ 525,147	\$ 362,969	\$ 979,990	\$ (1,366,698)		\$ 371,253	\$ 52,988,823	\$ 1,059,776
N.C. A&T	\$ 92,553,482	\$ -	\$ 1,062,845	\$ 679,069	\$ 2,074,088	\$ (4,510,174)		\$ 824,635	\$ 92,683,945	\$ 1,853,679
NCCU	\$ 83,243,559	\$ -	\$ 858,214	\$ 519,284	\$ 1,583,260	\$ (1,699,976)		\$ 549,199	\$ 85,053,540	\$ 1,701,071
NC State*	\$ 502,046,186	\$ (2,266,000)	\$ 4,860,619	\$ 2,908,036	\$ 7,164,814	\$ (4,689,331)	\$ -	\$ 4,175,483	\$ 514,199,807	\$ 10,283,996
UNCA	\$ 38,750,625	\$ -	\$ 403,701	\$ 314,462	\$ 670,274	\$ (614,553)		\$ 307,210	\$ 39,831,719	\$ 796,634
UNC-CH	\$ 512,054,285	\$ (15,190,500)	\$ 4,409,415	\$ 2,828,168	\$ 4,425,787	\$ 7,302,242	\$ 838,974	\$ 4,239,862	\$ 520,908,233	\$ 10,418,165
UNCC	\$ 225,576,692	\$ -	\$ 2,254,148	\$ 1,541,494	\$ 3,638,099	\$ 16,617,548		\$ 1,881,509	\$ 251,509,490	\$ 5,030,190
UNCG	\$ 149,931,774	\$ -	\$ 1,607,078	\$ 1,003,010	\$ 2,515,582	\$ 14,126,496		\$ 1,177,374	\$ 170,361,314	\$ 3,407,226
UNCP	\$ 53,715,428	\$ -	\$ 572,699	\$ 390,414	\$ 975,037	\$ (597,738)	\$ 145,599	\$ 373,300	\$ 55,574,739	\$ 1,111,495
UNCW	\$ 120,327,946	\$ -	\$ 1,450,937	\$ 894,777	\$ 2,193,016	\$ 10,987,266		\$ 1,017,304	\$ 136,871,246	\$ 2,737,425
UNCSA	\$ 30,424,499	\$ -	\$ 285,656	\$ 235,193	\$ 479,461	\$ 463,915		\$ 237,114	\$ 32,125,838	\$ 642,517
WCU	\$ 89,730,641	\$ -	\$ 920,225	\$ 591,283	\$ 1,393,647	\$ 4,983,962		\$ 607,266	\$ 98,227,024	\$ 1,964,540
WSSU	\$ 64,717,512	\$ -	\$ 630,914	\$ 373,911	\$ 1,203,915	\$ (3,235,876)	\$ 429,191	\$ 431,453	\$ 64,551,020	\$ 1,291,020
NCSSM	\$ 21,468,048	\$ (366,200)	\$ 225,556	\$ 100,118	\$ 355,909	\$ 233,897		\$ 122,277	\$ 22,139,605	\$ 442,792
Total	\$ 2,490,998,098	\$ (19,822,700)	\$ 24,780,224	\$ 15,660,292	\$ 36,638,098	\$ 46,571,112	\$ 5,910,362	\$ 19,760,025	\$ 2,620,495,511	\$ 52,409,910

*Includes \$700,000 for Food Processing Innovation Center

2019-21 Budget Priorities

Institution Name (*overtyp*)

Budget Code:

Priority Number and Name (*overtyp*)

2019-20 – insert amount requested/2020-21 – insert amount requested (*indicate R or NR*)

Related UNC Strategic Plan Key Area:

Description (*concise as possible*):