

**Joint Legislative Committee Presentation
Mr. George Little, Dr. Bob Shackleford
NCACCT Conference
April 11, 2013**

Comments by Sandhills Community College Trustee George Little:

The following proposed cut in the Governor's budget will reduce the budget at 52 of our 58 colleges, meaning fewer classes, fewer community college employees, fewer educational opportunities, fewer well-trained workers and more costs to our students.

- **Moving from a three-year to a two-year enrollment average funding model will dramatically decrease colleges' expected budgets without any lead time to make sound fiscal decisions and at the same time registration for the 2013-14 academic year is underway.**
 - Using the traditional **three-year rolling average gives our colleges a chance to acclimate to fluctuations in enrollment that occur when the economy fluxes.**
 - Colleges will **hit a fiscal wall** and will be forced to **lay off employees, reduce program offerings and decrease class options.**

We have 50 new legislators and we need to be educating them about the importance of the community colleges to the economic well-being of North Carolina.

Comments by Randolph Community College President Bob Shackleford:

- **The \$15 million cut, "Fund Retirement and Medical Benefits for Full-Time Faculty," is a direct hit to the spending flexibility colleges need to maintain instructional levels and will mean less instruction.**
 - We use these dollars, found through efficient budget management and the flexibility awarded by the General Assembly, to **hire adjunct faculty** so more students can be served and the taxpayer dollar can be stretched farther. Our colleges can't survive using only full-time faculty with only one-third of the per-student funding level of the UNC System.

- Example of our efficiency:
 - Let's say your college gets funding for 100 faculty positions.
 - The way the formula is written funds both the salary and benefits for those faculty members. Salaries and benefits are not separate budget lines.
 - Recognizing that we need more than 100 faculty positions to fill all the sections of classes we need offer our students, we improvise in a very efficient way:
 - We hire only 70 full-time faculty members, for which we are required to pay both their salary and benefits.
 - Then, instead of hiring the other 30 full-time faculty members we are funded to hire, we take the salary and benefits portion of those hypothetical 30 full-time faculty members and, instead, we hire 60 adjunct faculty, who teach classes for us but for whom we do not pay benefits.
 - Now, instead of having 100 faculty members with our funding allocation, we have efficiently hired 130 faculty – 70 full-time with benefits and 60 adjunct without benefits.
 - With the new budget proposal, they will strip away the benefit portion of the formula for all but the original 70 full-time faculty we hire, reducing our ability to hire more adjunct faculty to fill our teaching needs, although the money for benefits are a part of the funding formula and not a separate budget line item.
 - In other words, we are being punished for being frugal, resourceful, and efficient!

- Taking this cut will **penalize our colleges for being fiscally prudent** with the budget flexibility provided and ultimately **penalize our students with fewer available courses**.
- **Increasing tuition for in-state residents by \$1 per credit hour and continuing education fees by \$5 per course will hurt our students.**
 - Another \$1 may not seem like much, but to put it in context, our **tuition has increased 64 percent since 2008-09**.
 - Our System is the **primary higher education choice for low-income and working-class families**.
- **The Governor's suggested reductions will cut into our classrooms, cost our students financially, and impede their ability to reach their educational goals and join North Carolina's workforce.** We hope the Legislature will find a way to fund our priorities without imposing additional cuts to our community colleges or additional costs to our students.

Some Bottom-Line Considerations

- **The situation in a nutshell:**
 - **Since 2007-2008, community college tuition in NC has increased 64%**
 - **During that same time period, state expenditures per community college student has decreased 20%, adjusted for inflation!**
 - **Educational Enrollment in NC:**
 - **K-12: 1.5 million**
 - **Community Colleges: 840,000**
 - **UNC System: 221,000**
 - **2011-2012 PER STUDENT expenditure:**
 - **UNC: \$13,496**
 - **K-12: \$5,361**
 - **CC: \$4,151**
 - **CCs get 77% of per student funding for K-12**
 - **CCs get 30% of per student funding for UNC**

- **Bottom Line: We have 33% of the educational headcount in NC, but get 9% of the educational budget in NC!!**
- **We must speak out about these things:**
 - **Find out who your local legislators are and visit them, call them, and write them a personal, preferably hand-written letter!**
 - **Thank them for their support.**
 - **Be respectful, not demanding.**
 - **Express your concern that at the very time when community colleges are being asked to do the heavy lifting in putting our state back to work, our tuition is going up and per-student funding is going down!**
 - **Tell them that you know the economy is difficult and they have to make difficult decisions, but if they balance the budget at the expense of education, they are undercutting our state's economic recovery, impeding our state's workforce development, and placing our state's future in jeopardy.**
 - **Remind them that the very best educational investment they are making also happens to be the least educational investment they are making. Nowhere will they get the return in economic and workforce development than the investment they make in the state's community colleges!**

Summary

- **The community college is one of the best things going in the state of NC. The tuition is relatively low, there is a college relatively near every community, our faculty and staff are focused on student success, and when our students graduate, they either get a job or go on to out-perform the native students of the state's universities. WHAT A DEAL!!**

- What do we do that is worth supporting?
 - We work with students who are struggling and give them their very best chance to succeed.
 - We work with students who are scholars, enroll them in Phi Theta Kappa and send them forward to prestigious universities.
 - We work with people who are out of work and give them hope for a better tomorrow.
 - We work with the mentally disabled and teach them life skills.
 - We work with the elderly and give them classes and skills to enhance their later years.
 - We work with industry and train their workers to be more skilled and proficient on high-tech equipment.
 - We work with high school dropouts and give them another chance to get their lives on track.
 - We work with people in our prisons to give them an education to improve their chances of getting jobs and lower their chances of returning to prison.
- No one in this state is using the tax-payers money more wisely or doing more with less.
- Please make the NC Community College System the priority funding it deserves so we can continue to effectively further serve the good people in the great state of North Carolina!