

**STATE BOARD OF COMMUNITY COLLEGES
2021 Budget Provision Request**

Requests: (1) Allow Budget Stabilization Funds to remain available through June 30, 2023. (2) Exclude the FY 2020-21 budget FTE count in calculating the FY 2022-23 enrollment adjustments for the colleges that experienced enrollment declines.

Background: Since college budgets for FY 2022-23 will largely be based upon enrollment that begins in Summer 2021, and the effects of the pandemic continue to impact enrollment, State budget stabilization funds are needed to stabilize college budgets through June 30, 2023. In addition, since the 2020-21 FTE would be used to calculate the 2-year average for determining budget FTE for FY 2022-23, and the 2020-21 FTE declined due to the pandemic, the System requests an alternative method for calculating 2022-23 budget FTE.

Rationale: Like community colleges across the country, almost all NC community colleges have suffered significant enrollment declines in 2020-21 related to the Covid-19 pandemic, making it difficult for colleges to stabilize budgets and prepare the workforce needed for North Carolina to recover from the pandemic. When calculating the enrollment growth budget request for the 2022-23 fiscal year, for any colleges whose 2020-21 FTE is a decline from 2019-20 FTE, the System Office shall use the 2019-20 FTE instead of the 2020-21 FTE in the calculation of the 2-year average used for determining budget FTE. In addition, allowing colleges to utilize the Budget Stabilization funds over the biennium will allow colleges to maximize these funds to address stabilization needs during these unprecedented times.

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