

Budget Framework

Set Mission Parameters

Mission Differentiation



Create a Cohesive Financing Plan

State Appropriations
(Allocation Methodology)

Align Policies

Tuition

(principles, policy, model)

Financial Aid



Operate Efficiency



Collaboration
(Shared Services)

State/System Level Planning

Excerpt from September 2009 BOR meeting --- NCHEMS, Dennis Jones

Presentation. Link to full presentation: [Strategic Finance and Outcomes-Based Allocation Possibilities](#)

Short-Term Actions

- Create a Coherent Financing Plan
 - Align policies regarding appropriations to institutions, tuition, & student aid policies
 - Treat different sectors differentially



NCHEMS

slide 50

Align Policies and Principles Regarding Tuition, Appropriations, and Financial Aid

Tuition

- Consider affordability for resident students when setting tuition rates
 - Utilize comparisons to WICHE average by mission type, as well comparisons to median household income
 - Understand the pressure on tuition revenue to fully fund the Pay Plan and Present Law Adjustments, and the contribution requirements from both resident and non-resident tuition revenue
 - Differentiate tuition rates by institutional mission type and level
- Set non-resident tuition rates based on comparable market rates in western states

State Allocation

- Provide consistency and stability by holding campus base budgets constant when possible
- Allocate Present Law Adjustments based on the distribution of three-year average of each campus portion of resident student FTE
- Allocate Pay Plan funding based on employee FTE and approved pay adjustment criteria
- Utilize key metrics to determine when equity adjustments to resident student support are necessary
 - Funding per resident student
 - Total Expenditures per student
 - State % Share
- Allocate a portion of state funding based on demonstrated progress in approved performance metrics; utilize Performance Funding residual to fuel System Initiatives

Financial Aid

- Uphold regents' priorities through Mandatory Waivers
- Utilize tuition discounts to attract students
- Ensure non-resident tuition revenue (per student) continues to subsidize resident students

Revenue per Student FTE

FY24 Budget

