

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017**

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**SENATE BILL 379**

Short Title:   UNC Funding Model Study. (Public)

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Sponsors:    Senators Curtis, McInnis, and Tillman (Primary Sponsors).

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Referred to:  Rules and Operations of the Senate

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March 27, 2017

A BILL TO BE ENTITLED  
AN ACT TO DIRECT THE UNIVERSITY OF NORTH CAROLINA BOARD OF  
GOVERNORS TO DEVELOP A PERFORMANCE-BASED FUNDING MODEL.

The General Assembly of North Carolina enacts:

**SECTION 1.** Legislative Findings. – The General Assembly finds:

- (1) Graduation rates within The University of North Carolina System (UNC System) are lower than what should be an acceptable standard.
- (2) Professors are disproportionately relying on teaching assistants, some with inadequate teaching or communication skills, to instruct their classes when the primary focus of the UNC System should be teaching with research and public service being secondary.
- (3) The 20-year-old, 12-cell matrix funding model currently being used is outdated and flawed. It funds the UNC System based only on projected number of enrolled students, academically prepared or not, with no incentive to reduce drop outs, produce graduates, or mold students with marketable degrees.

**SECTION 2.** Directive. – The University of North Carolina Board of Governors (BOG) is instructed to do a comprehensive study of other performance funding models and campus-level spending flexibility. No later than January 1, 2018, the BOG shall report its findings and recommendations to the chairs of the Senate Appropriations Committee on Education/Higher Education and the chairs of the House Education/Higher Education Appropriations Committee. The report shall include specific, detailed recommendations for a new funding model which addresses the Legislative Findings set out in Section 1 of this act.

**SECTION 3.** Effective Date. – This act is effective when it becomes law.

