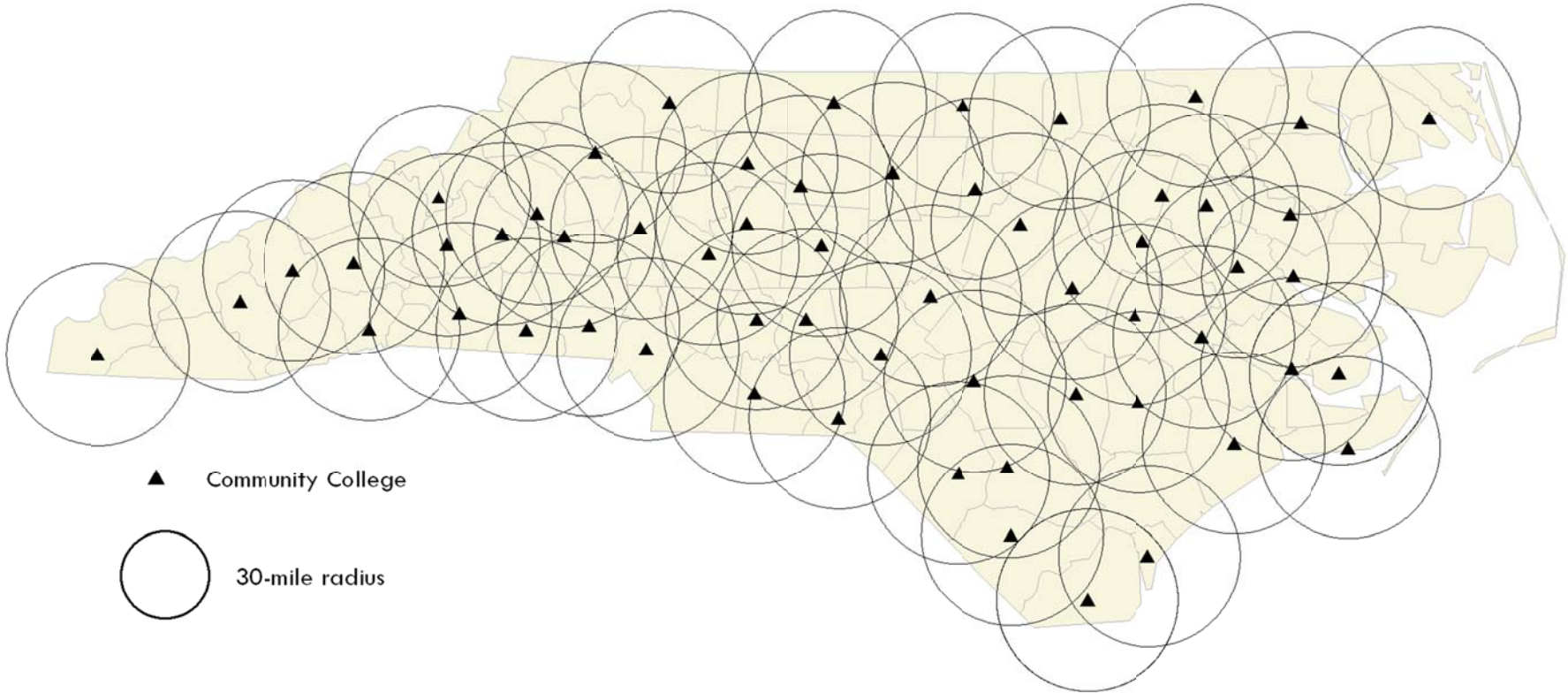


30-Mile Radius around North Carolina Community Colleges



Source: Program Evaluation Division based on location of main campuses of community colleges.

Estimated State General Fund Savings from Community College Mergers and Purchasing Consortium

	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	Cumulative
Savings								
Administrative Savings from Mergers	\$ 0	\$ 0	\$ 681,239	\$ 2,043,716	\$ 3,406,193	\$ 5,109,289	\$ 5,109,289	\$ 16,349,726
Potential Additional Savings from Mergers	0	0	470,508	1,411,524	2,352,540	3,528,810	3,528,810	11,292,192
Savings from Purchasing Consortium	0	270,000	283,500	297,675	312,559	328,187	328,187	1,820,108
Subtotal Savings	0	270,000	1,435,247	3,752,915	6,071,292	8,966,286	8,966,286	29,462,026
Investments								
Consultants for Merger (non-recurring)	(350,000)	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)	0	(1,850,000)
Staff for Purchasing Unit	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(1,400,000)
Subtotal Investments	(550,000)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)	(200,000)	(3,250,000)
Net Savings	\$ (550,000)	\$ (230,000)	\$ 935,247	\$ 3,252,915	\$ 5,571,292	\$ 8,466,286	\$ 8,766,286	\$ 26,212,026
<i>Cumulative Savings</i>	<i>\$ (550,000)</i>	<i>\$ (780,000)</i>	<i>\$ 155,247</i>	<i>\$ 3,408,162</i>	<i>\$ 8,979,454</i>	<i>\$ 17,445,740</i>	<i>\$ 26,212,026</i>	

Notes: Consultants for community college mergers will help develop a plan for college mergers that will increase the cost of the contract the first year. Savings from purchasing consortiums are estimated based on 5% growth in savings from newly identified sources in years two through six, then leveling off at an estimated \$328,187 per year.

Source: Program Evaluation Division based on current funding formula.