

THE UNIVERSITY OF NORTH CAROLINA

FEASIBILITY STUDY:
NORTH CAROLINA WESLEYAN COLLEGE
BECOMING A
UNC CONSTITUENT INSTITUTION

EXECUTIVE SUMMARY
REPORT OF THE
REVIEW COMMITTEE

Review Committee:

Dr.. James R. Leutze, Chancellor Emeritus, UNC Wilmington, Chair
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SUMMARY OF FINDINGS AND CONCLUSION

Our assessment of the feasibility of making NC Wesleyan College a constituent institution of the University of North Carolina has been extensive. Given the time and data available, we have seriously considered the costs to the State that would be associated with such a transition, the potential benefit to people of the State, and the many practical problems (e.g., academic, legal, governance, personnel, etc.) that would have to be addressed and overcome. We have studied and considered these issues in the context of the demonstrated educational and economic needs of the eight-county region surrounding Rocky Mount, encompassing Nash, Edgecombe, Wilson, Hyde, Warren, Franklin, Lenoir, and Pitt counties. Acknowledging that the State's financial resources are limited, we have sought to gauge whether bringing NCWC into the UNC system would help meet the entire state's—as well as the region's—higher education needs in the most efficient and effective manner possible.

Governance and Legal Issues

Were NCWC to become a public institution, significant changes in its governance structure would certainly be required. In addition, long-standing connections to the United Methodist Church would have to be severed. While these actions might be disruptive to those personally impacted, these and other governance changes could be accomplished rather easily and quickly. Similarly, while some complex restructuring would be required, there are no legal barriers that would prevent the transfer of real property and other physical assets of NCWC to the State of North Carolina. With respect to personnel issues, a broad range of contracts and business relationships would need to be analyzed and, in some cases, renegotiated to provide for the transfer or elimination of various obligations at a newly public institution. In short, the potential governance and legal barriers do not appear to be insurmountable.

Financial and Demographic Issues

The financial considerations are more problematic. To achieve reasonable economies of scale and support an academic program mix consistent with other UNC baccalaureate-granting institutions, we have concluded that the NCWC would need to grow its student body on the Rocky Mount campus (currently around 800) to at least 2,500. Under the most optimistic scenario (assuming this growth could be realized over a seven-year period), the new State operating and capital expenditures that would be required to accommodate 2,500 students on the campus and to bring the college up to UNC and State standards would total approximately \$207 million — \$92 million in capital costs and \$115 million in operating costs.

We must question whether this is the most cost-effective way to serve this number of additional students in the Rocky Mount area—particularly given that there are six existing UNC institutions (ECU, ECSU, FSU, NCCU, NCSU, UNC-CH) within 40-100 miles of the NCWC campus. The vast majority of these campuses have demonstrated the desire and the capacity to grow in the years ahead. And all are expanding high-

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quality distance education opportunities. Furthermore, there are a number of other areas of the State that could be described as underserved, and in making a decision of such far-reaching importance, the Board of Governors should not consider the educational needs of any single community or region in a vacuum. Appendix VIII suggests, for example, that there is far more demonstrated need for a new UNC campus in Onslow County than there is in Rocky Mount.

Academic Issues

The academic issues are also daunting. If a UNC-Rocky Mount were established and grew dramatically to 2,500 students, it would still be among the smallest UNC baccalaureate institutions. Under the best of circumstances, this transformation would take between seven and 14 years.

Several factors suggest that it would be very difficult to attract at least 2,500 students from the area to a new UNC-Rocky Mount, particularly students who would prefer to leave home for college or those who would prefer to commute to a community college, private college, or existing UNC campus with an established reputation for quality. In truth, the area's high schools are not producing a large pool of graduates who are not already attending other established colleges and universities, yet are adequately prepared to enter the University and perform at high levels without significant remediation. Over the past five years, the number of high school graduates from the area attending UNC institutions has actually dropped by 8 percent. Therefore, in order to attract a large cohort of students from the surrounding counties, the admissions standards at a new UNC-Rocky Mount would need to be set quite low.

If academic standards were set low, this fact alone would make it very difficult to convince well-prepared students from outside the region to choose UNC-Rocky Mount over better-known alternatives—whether they were other UNC institutions or private colleges. In addition, given the volume of highly regarded science and technology programs already available through nearby ECU and NC State (either on these campuses or via distance education classes—with the potential for face-to-face classes—provided through the Gateway Technology Center), we do not believe positioning NCWC as a niche institution in those disciplines is a viable strategy for growing enrollment.

Hiring and retaining large numbers of new faculty—many in academic disciplines not currently offered at NCWC—would pose equally complex and daunting challenges. The need to renovate nearly every existing building to bring them into code compliance and to add a number of new buildings and residence halls—all while carrying out day-to-day operations—would exacerbate these problems and be disruptive for students and faculty alike.

Higher Education Needs of All North Carolina

Based on demographic patterns and enrollment trend data, UNC campuses anticipate the need to serve an additional 80,000 students by the end of the next decade. Against that backdrop, the Board of Governors has recently launched an 18-month initiative called “University of North Carolina Tomorrow” to determine how best to serve these students and—in keeping with its mission of teaching, research, and service—meet other State needs over the next 20 years. Without having the benefit of that needs assessment’s findings, we must ask ourselves whether a UNC-Rocky Mount would significantly mitigate UNC’s growth challenge, or whether the University system is capable of absorbing the additional students anticipated for UNC-Rocky Mount in other ways.

As shown in Chart 1, UNC has plans to significantly expand its existing campuses. Long-range plans for ECU, for example, call for adding more than 4,000 additional students on that campus by 2012. The Board of Governors is also pursuing a number of other initiatives aimed at expanding access. Those initiatives would include:

The creation of Centers for Higher Learning in collaboration with community colleges, where multiple UNC campuses and community college provide classes targeted to the needs of the region through face-to-face models and through distance education (e.g., Hickory);

The expanded use of distance learning and on-line degree programs; and

Better utilization of existing campus facilities by more fully using existing space and by offering more courses at night, on weekends, and in the summer. Through this combination of strategies, we believe that existing UNC institutions could readily absorb these 2,500 projected students without the creation of a new UNC campus in Rocky Mount. (It is also possible that existing UNC institutions will expand into other areas using branch campuses that would require lower overhead commitments than a stand-alone institution.)

Conclusion

After very careful and thorough analysis, we recommend that NC Wesleyan College NOT be made a constituent institution of the University of North Carolina at this time. We believe the operating and capital costs required to accommodate 2,500 students at NCWC and to bring that campus up to UNC and State standards are prohibitive. We also have concluded that the UNC system can provide high-quality education to this number of additional students in a far more efficient and cost-effective manner. We are confident that the pool of college-seeking students in the Rocky Mount region who are not already being served by community colleges, private colleges, or existing UNC institutions in the area can best be served in the future in the following ways:

Through enrollment at existing UNC campuses—particularly ECU, ECSU, FSU, NC State, NCCU, and UNC-Chapel Hill—all of which are within 100 miles of the current Wesleyan campus;

Through the expansion of degree programs and classes already being offered by

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ECU and NC State at the Gateway Technology Center;

Through the introduction of face-to-face courses at the Gateway Technology Center;

Through the expansion of other high-quality distance education opportunities;

Through the growth of private colleges and community colleges in the region; and

Through the expansion of services and opportunities offered by existing UNC campuses in the region—including additional night, weekend, and/or summer programs—whether on existing UNC campuses or through a *de novo* branch campus.

Furthermore, we strongly recommend that the important educational and economic needs of the Rocky Mount area be considered within the context of the University of North Carolina Tomorrow initiative. In particular, we urge the University of North Carolina Commission to host a listening forum in the Rocky Mount area to provide an opportunity for business leaders, elected officials, and other stakeholders in the region to provide input and suggestions. The appropriate role of NCWC should certainly be a factor in those discussions. We are confident that additional strategies for meeting the long-term educational and economic development needs of the state—as well as the region—will emerge from that important initiative.

Chart 1. Projected Enrollment Per UNC Campus in Year 2017

Institution	Enrollment		Institution	Enrollment
ASU	18,498		UNCA	4,558
ECU	33,195		UNC-CH	35,311
ECSU	3,978		UNCC	29,524
FSU	9,833		UNCG	24,165
NCA&T	14,641		UNCP	9,485
NCCU	13,513		UNCW	15,744
NCSA	1,091		WCU	17,228
NCSU	40,517		WSSU	10,014

Note: Projected UNC Enrollment in 2017: 281,295