

Academic Common Market Pilot Program
FINAL REPORT
FOR
SENATE BILL 1055, SESSION 2001
GENERAL ASSEMBLY OF NORTH CAROLINA

Submitted to
Joint Legislative Education Oversight Committee

By
Board of Governors
The University of North Carolina

January 2005

Executive Summary

The 2001 General Assembly ratified the establishment of the UNC Academic Common Market pilot program for participation, at the graduate level only, in the Academic Common Market (ACM) of the Southern Regional Education Board (SREB). The General Assembly and the Board of Governors of the University of North Carolina believed that such a pilot program would test whether participation in the ACM would be a cost-effective way to offer North Carolina residents access to graduate programs in participating SREB universities that are unavailable in North Carolina. Out-of-state tuition is waived for ACM participating students. North Carolinians pursuing graduate degrees out-of-state pay in-state tuition in that state, and residents of SREB states pay North Carolina in-state tuition to pursue graduate degrees in unique programs here.

Fifty-six North Carolina residents have been certified to participate in the pilot program, from the pilot's beginning in 2001 through December 2004. Eleven of the constituent UNC institutions participate and have designated campus coordinators (usually graduate deans or associate deans) to monitor the program. *Forty-six out-of-state residents* were certified to participate during the same period. (However, three of the North Carolina residents and two of the out-of-state residents did not enroll.)

The pilot program ends at midnight on June 30, 2005. As delineated in Senate Bill 1005, the Board of Governors is to report to the Joint Legislative Education Oversight Committee, reviewing the activities of the pilot program and recommending whether UNC should continue to participate in the SREB-ACM.

UNC Academic Common Market Pilot Program

The Southern Regional Education Board was America's first interstate compact for education (*SREB 2004 Annual Report*). The purpose of the compact is "to provide services to member states, to create ways to share resources, and to enable states to achieve together educational programs and improvements that would be impossible or financially impractical for a single state" (*SREB Services and Programs*, p. 1). The SREB was developed at the request of Southern leaders in business, education, and government. Sixteen states joined the compact: Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia. The ACM directly reflects the SREB's goal of encouraging states to share resources and reduce the duplication of specific educational programs.

Over the years the SREB has worked to improve every aspect of education—from early childhood education to doctoral degrees and beyond. The SREB states believe that they can lead the nation in educational progress. In 2004, the SREB-ACM celebrated 30 years of connecting states, students, and universities. Each year about 2000 graduate and undergraduate students are certified to participate.

The original 1974 compact of the Academic Common Market states that its purpose "is to share between states academic degree programs located at southern public colleges and universities. This is accomplished through an exchange of students across borders at in-state

rates” (*Academic Common Market: Administrative Guidelines*, 2004-05, p. 2). The ACM supports existing degree programs that have the capacity to serve additional students and “to provide access and encourage movement across state lines for programs not available in a student’s home state” (*Guidelines*, p 2).

It was in the spirit of sharing resources, encouraging efficiency, and providing access to more educational opportunity for citizens that the Board of Governors endorsed participation in the SREB-ACM. In response to the Board’s request, the 2001 General Assembly ratified the establishment of a pilot program to participate at the graduate level. The General Assembly required two reports on the pilot program. An earlier report was forwarded to the General Assembly in December 2003. This report is due January 2005. Participation by UNC in the SREB-Academic Common Market past June 30, 2005 must be ratified by the General Assembly.

In order to coordinate UNC’s participation in the Academic Common Market, the Office of the President appointed an ACM state coordinator and a manager of the web site. The UNC-ACM web site was developed and continues to be hosted by the Research Triangle Institute. Dr. Donna Benson was the original UNC-ACM state coordinator, and Dr. Michelle Howard-Vital serves in the position now. Mr. Morris Dean, a member of the Academic Planning Staff, serves as managing coordinator of the UNC Academic Common Market and webmaster. Mr. Dean is in daily contact with UNC-ACM coordinators, students, and SREB staff to ensure that the program fulfills its legislative intent.

The leadership of the Office of the President for the Academic Common Market pilot program was guided by the legislation that established the criterion for selecting graduate UNC academic programs to be included in the ACM inventory: “select for participation only those graduate programs that are likely to be unique or are not commonly available in other Southern Regional Education Board states.” The Office of the President invited UNC campuses to nominate programs for the inventory. Using the National Center for Education Statistics’ database, the Integrated Postsecondary Education Data System (IPEDS), programs were reviewed using the standard of whether there were no more than six similar degree programs available in public universities in the SREB states. That process resulted in the initial set of programs accepted for the inventory. Either by request from a potential student or by campus nomination, other graduate degree programs are regularly reviewed for inclusion in the inventory. There are currently 110 unique or not commonly available graduate degree programs in the UNC-ACM inventory. These programs are listed in Appendix B, p. 8.

Because of the UNC-ACM’s graduate focus, UNC campus coordinators are generally graduate deans or associate deans. (See Appendix A., p. 7, for a list of participating UNC institutions and their campus coordinators.) Campus coordinators interact with out-of-state students who want to participate in the ACM. They create a record on the UNC-ACM web site to alert the managing coordinator of receipt of an ACM certification for an out-of-state student, communicate with their campus’s business office regarding in-state tuition for ACM participants, and certify that participants are progressing continually toward their degree. In order to maintain an appropriate level of participation in the ACM, campus coordinators monitor their campus’s inventory of ACM academic programs, nominate new programs for

inclusion, and review requests for ACM access to graduate academic programs not currently in the inventory to judge whether the programs warrant inclusion.

Benefits of the Program

The benefits observed over the course of the pilot program include tuition savings for North Carolina residents, cost savings for UNC institutions in not having to develop programs already available elsewhere, attraction of intellectual capital to North Carolina, and, for several UNC institutions that participate in the UNC-ACM, increased enrollment in unique graduate programs. As shown by Appendix D (p. 10), the most popular North Carolina graduate degree program for out-of-state ACM participants is the Master of Arts in Appalachian Studies at Appalachian State University. Eight students have been certified for this program (although one did not enroll), with the majority coming from the state of Virginia. Other popular programs are the Master of Arts in Maritime Studies at East Carolina University, degrees in Maternal and Child Health at UNC Chapel Hill, and degrees in Dance at UNC Greensboro. The average overall percentage of ACM students in UNC programs that included at least one out-of-state ACM participant was 1.5% for the Fall 2002 and Spring 2003 terms, 2.3% for the Fall 2003 term, 2.5% for the Spring 2004 term, and 4.5% for the Fall 2004 term (Appendix E, p 11, shows the percentage by individual program).

Twelve of the fifty-six North Carolinians who have so far been certified to participate in the ACM selected the LLM degree program in Taxation at the University of Florida (although one of them never enrolled). North Carolina residents have sought access to this program steadily throughout the pilot program (see Appendix C, p. 9). Additionally, five North Carolina residents have pursued the Master of Science in Radiologic Administration at Midwestern State University in Texas. Other programs North Carolinians have sought access to include the Doctor of Philosophy in Nursing Science at the University of South Carolina, the Master of Arts in International Commerce and Policy at George Mason University, and the Master of Science in Clinical Lab Sciences (Cytology Option) at the Medical University of South Carolina.

The Office of the President has provided overall leadership for the program to maintain a balance between the number of North Carolina ACM participants and the number of out-of-state ACM participants coming into North Carolina. Such balance has been maintained during the pilot program and is expected to continue, should the UNC-ACM be extended beyond June 2005. A “slot system” was devised at the outset of the pilot program to help control the balance between incoming and outgoing students during any given academic year, but it never had to be used to limit the number of incoming students. Doctorate-granting institutions were allocated four slots per year for incoming students and master’s-granting institutions were allocated two slots per year. These allocations were fluid and could be expanded for a particular campus, as they have been in the current academic year for ASU, UNC-CH, and UNCG. North Carolina residents were allowed to participate one semester before residents of other states could access North Carolina programs, which partially explains the greater number of North Carolinians certified (56 North Carolinians, compared with 46 out-of-state residents, through December 2004). The balance year by year

after other states got access to North Carolina programs has been fairly even (Table 1, below).

Table 1. Comparison of the number of students certified for ACM participation: North Carolina students going out versus out-of-state students coming in to pursue a graduate degree program

Academic Year	NC Residents Certified	Out-of-State Students Certified	Comment
2001-02	9	0	Early NC participation
2002-03	8	10	
2003-04	18	12	
2004-05	21	24	Through Dec. 2004
Total	56	46	

As evidenced by the data on North Carolina residents going out of state as ACM participants, the UNC Academic Common Market pilot program has provided access for North Carolinians to unique graduate programs in areas such as Taxation Law, Radiologic Administration, International Commerce and Policy, and Clinical Lab Sciences. A typical comment from a North Carolinian after graduating and coming back to North Carolina: “I am currently employed as a tax attorney...in Raleigh. The UNC Academic Common Market gave me the opportunity to attend the University of Florida and obtain an LLM in Taxation. Without the ACM, I would not have been able to afford the program. I am forever grateful.”

Moreover, the pilot program has demonstrated that the Office of the President can successfully monitor the flow of students to ensure that the program meets the needs of North Carolina residents for graduate degree programs and the enrollment needs of certain graduate programs at UNC’s constituent institutions. The UNC-ACM is clearly providing opportunities both for North Carolina residents and for residents of other SREB states to access affordable graduate educational programs.

Fiscal Analysis

When we analyze the difference between the in-state tuition that ACM participants paid and the out-of-state tuition they would have had to pay without the ACM, we see that, as a cohort, North Carolinians pursuing graduate degree programs outside North Carolina through the ACM have saved \$370,458.82 over the six terms of the pilot program through December 2004 (Appendix F, p. 12). The difference for individual students ranged from \$407.16 to \$32,118.03, with an average difference of \$7,124.21.

Similarly, ACM participants coming to North Carolina from other SREB states saved \$490,264.00 (Appendix G, p. 12). While this represents a loss of tuition revenue for the State of North Carolina, it must be weighed against the expense the State would have borne if it had established programs to accommodate the North Carolinians who had to go to other states to find them. Appendix H (p. 13) provides an estimate of the minimum cost of establishing those programs, taking into account only the cost of providing additional faculty for one year. Even though the estimate of \$4,685,947 does not include the substantial cost of buildings, infrastructure, operational expenses, and technology support, it demonstrates the value to the State of participating in the ACM.

Recommendation

The Office of the President recommends that the Board of Governors of the University of North Carolina ask the North Carolina General Assembly to authorize the continuation of UNC's participation at the graduate level in the Academic Common Market.

Appendix A. UNC-ACM Campus Coordinators

Appendix B. UNC-ACM Inventory of Graduate Academic Degree Programs

Appendix C. UNC-ACM Participation by North Carolina Residents

Enrolled in Program	Degree	Institution	State	Certification	Starting
Emergency Management (<i>Electronic Campus</i>)	MPA	Jacksonville State University	AL	7/30/2002	2002/Fa
Forensic Science	MSFS	University of Alabama at Birmingham	AL	9/10/2003	2003/Fa
Art Education/Arts Administration Emphasis	PhD	Florida State University	FL	11/9/2004	2005/Sp
Business Administration (Concentration in Supply Chain Management)	MBA	Florida State University	FL	8/13/2002	2002/Fa
Counseling and Human Systems (Specialization in Career Counseling)	MS/EdS	Florida State University	FL	8/11/2004	2004/Fa
Educational Psychology (Sport Psychology)	MS	Florida State University	FL	8/27/2004	2004/Fa
Instructional Systems (<i>Electronic Campus</i>)	MS	Florida State University	FL	11/13/2001	2002/Sp
Musicology (Ethnomusicology)	MM	Florida State University	FL	11/14/2003	2004/Sp
Sports Administration	MS	Florida State University	FL	3/10/2004	2004/Fa
Mass Communications - Documentary	MA	University of Florida	FL	5/28/2003	2003/Fa
Mass Communications - Documentary	MA	University of Florida	FL	10/18/2004	2004/Fa
Political Science (Political Campaigning)	MA	University of Florida	FL	11/13/2001	2002/Sp
Taxation	LLM	University of Florida	FL	11/13/2001	2002/Sp
Taxation	LLM	University of Florida	FL	11/13/2001	2002/Sp
Taxation	LLM	University of Florida	FL	11/13/2001	2002/Sp
Taxation	LLM	University of Florida	FL	11/13/2001	2002/Sp
Taxation	LLM	University of Florida	FL	11/16/2001	2002/Sp
Taxation	LLM	University of Florida	FL	8/9/2002	2002/Fa
Taxation	LLM	University of Florida	FL	3/3/2003	2003/Fa
Taxation	LLM	University of Florida	FL	5/15/2003	2003/Fa
Taxation	LLM	University of Florida	FL	7/24/2003	2003/Fa
Taxation	LLM	University of Florida	FL	8/21/2003	2003/Fa
Taxation	LLM	University of Florida	FL	3/26/2004	2004/Fa
Taxation	LLM	University of Florida	FL	6/4/2004	2004/Fa
Safety Management	MPH	University of South Florida	FL	5/29/2003	2003/Su
Actuarial Science	MAS	Georgia State University	GA	8/9/2002	2002/Fa
Instruction & Administration (Concentration in Inst. Systems Design)	EdD	University of Kentucky	KY	11/25/2002	2002/Fa
Arts Administration	MA	University of New Orleans	LA	2/4/2004	2004/Fa
International Development	PhD	University of Southern Mississippi	MS	2/2/2004	2004/Sp
Clinical Lab Sciences (Cytology Option)	MS	Medical University of South Carolina	SC	2/5/2003	2003/Fa
Clinical Lab Sciences (Cytology Option)	MS	Medical University of South Carolina	SC	3/30/2004	2004/Fa
Educational Psychology and Research	PhD	University of South Carolina	SC	7/24/2003	2003/Su
Human Resources	MHR	University of South Carolina	SC	7/17/2002	2002/Fa
International Master of Business Administration	IMBA	University of South Carolina	SC	6/14/2004	2004/Fa
Nursing Science	PhD	University of South Carolina	SC	6/5/2003	2003/Fa
Nursing Science	PhD	University of South Carolina	SC	5/12/2004	2004/Fa
Nursing Science	PhD	University of South Carolina	SC	9/30/2004	2004/Fa
Communication Arts: Corporate Communication (<i>Electronic Campus</i>)	MA	Austin Peay State University	TN	3/9/2004	2004/Sp
Technology (Geosciences)	MS	East Tennessee State University	TN	5/27/2004	2004/Fa
Art History (Egyptian Art and Archaeology)	MS	University of Memphis	TN	11/13/2001	2002/Sp
Anthropology (Biological Anthropology)	MA	University of Tennessee at Knoxville	TN	6/29/2004	2004/Fa
Education (Early Childhood Education)	PhD	University of Tennessee at Knoxville	TN	10/8/2004	2004/Fa
Education (Educational Psych: Collaborative Learning)	EdD	University of Tennessee at Knoxville	TN	8/13/2002	2002/Fa
Human Ecology	PhD	University of Tennessee at Knoxville	TN	7/28/2003	2003/Fa
Radiologic Administration; Education	MS	Midwestern State University	TX	9/6/2002	2002/Fa
Radiologic Administration; Education	MS	Midwestern State University	TX	5/28/2003	2003/Su
Radiologic Administration; Education	MS	Midwestern State University	TX	11/11/2003	2003/Fa
Radiologic Administration; Education	MS	Midwestern State University	TX	12/17/2003	2004/Sp
Radiologic Administration; Education	MS	Midwestern State University	TX	7/7/2004	2004/Fa
International Commerce and Policy	MA	George Mason University	VA	6/22/2004	2004/Fa
International Commerce and Policy	MA	George Mason University	VA	7/16/2004	2004/Fa
International Commerce and Policy	MA	George Mason University	VA	8/23/2004	2004/Fa
New Professional Studies (Organizational Learning Track)	MS	George Mason University	VA	6/11/2003	2003/Fa
Occupational Therapy (Post-Professional)	MS	Virginia Commonwealth University	VA	11/13/2001	2002/Sp
Forensic Science	MS	Marshall University	WV	8/12/2004	2004/Fa
Industrial Relations	MS	West Virginia University	WV	6/18/2004	2004/Su

Fifty-six students certified through December 2004, three of whom did not enroll

Appendix D. UNC-ACM Participation by Out-of-State Residents

From	Enrolled in Graduate Program	Degree	At UNC Institution	Certification	Starting
KY	Appalachian Studies	MA	Appalachian State University	3/18/2003	2003/Fa
TN	Appalachian Studies	MA	Appalachian State University	8/11/2003	2003/Fa
VA	Appalachian Studies	MA	Appalachian State University	4/15/2004	2004/Fa
VA	Appalachian Studies	MA	Appalachian State University	5/7/2004	2004/Fa
WV	Appalachian Studies	MA	Appalachian State University	7/1/2004	2004/Fa
VA	Appalachian Studies	MA	Appalachian State University	7/1/2004	2004/Fa
VA	Appalachian Studies	MA	Appalachian State University	5/21/2002	2002/Fa
VA	Appalachian Studies	MA	Appalachian State University	5/21/2002	2002/Fa
SC	Applied Physics	MS	Appalachian State University	9/27/2002	2002/Fa
TN	Gerontology	MA	Appalachian State University	7/16/2004	2004/Fa
TN	Gerontology	MA	Appalachian State University	7/22/2004	2004/Fa
TN	Health Psychology	MA	Appalachian State University	10/5/2004	2004/Fa
GA	Art (Wood Design or Metal Design)	MFA	East Carolina University	5/4/2004	2004/Fa
GA	Coastal Resources Management	PhD	East Carolina University	1/6/2004	2004/Sp
TX	Coastal Resources Management	PhD	East Carolina University	9/10/2003	2003/Fa
SC	Coastal Resources Management	PhD	East Carolina University	5/21/2002	2002/Fa
MD	Maritime Studies	MA	East Carolina University	10/4/2002	2002/Fa
MD	Maritime Studies	MA	East Carolina University	8/28/2003	2003/Fa
VA	Maritime Studies	MA	East Carolina University	11/19/2003	2003/Fa
VA	Maritime Studies	MA	East Carolina University	6/21/2004	2004/Fa
MD	Music Therapy	MM	East Carolina University	5/21/2002	2002/Fa
FL	Recreational Therapy Administration	MS	East Carolina University	2/11/2004	2004/Sp
GA	Recreational Therapy Administration	MS	East Carolina University	12/1/2003	2003/Fa
KY	Design	PhD	NC State University	7/8/2004	2004/Fa
SC	Audiology	AuD	UNC Chapel Hill	5/10/2004	2004/Fa
TN	Health Behavior & Health Education	MPH	UNC Chapel Hill	7/14/2003	2003/Fa
DE	Health Behavior & Health Education	MPH	UNC Chapel Hill	1/21/2003	2003/Sp
LA	Health Behavior & Health Education	MPH	UNC Chapel Hill	3/22/2004	2004/Fa
VA	Maternal and Child Health	PhD	UNC Chapel Hill	6/4/2003	2003/Fa
VA	Maternal and Child Health	MPH	UNC Chapel Hill	3/9/2004	2004/Fa
FL	Maternal and Child Health	PhD	UNC Chapel Hill	7/22/2004	2004/Fa
VA	Maternal and Child Health	MPH	UNC Chapel Hill	5/26/2004	2004/Fa
KY	Communication: International Public Relations	MA	UNC Charlotte	11/5/2004	2004/Fa
AL	Geography (Community Planning)	MA	UNC Charlotte	8/19/2003	2003/Fa
WV	Gerontology	MA	UNC Charlotte	4/29/2004	2004/Fa
KY	Spanish: Translating and Translation Studies	MA	UNC Charlotte	7/26/2004	2004/Su
KY	Dance	MA	UNC Greensboro	12/15/2004	2004/Fa
SC	Dance	MFA	UNC Greensboro	5/16/2002	2002/Fa
TN	Dance	MA	UNC Greensboro	7/14/2003	2003/Fa
SC	Dance	MFA	UNC Greensboro	5/16/2002	2002/Fa
KY	Dance (conc in Choreography)	MA	UNC Greensboro	5/28/2004	2004/Fa
KY	Genetic Counseling	MS	UNC Greensboro	7/8/2004	2004/Fa
GA	Genetic Counseling	MS	UNC Greensboro	8/10/2004	2004/Fa
SC	Gerontology	MS	UNC Greensboro	7/8/2004	2004/Fa
VA	Music Performance	DMA	UNC Greensboro	8/20/2004	2004/Fa
TN	Nursing (Gerontology)	MSN	UNC Greensboro	10/9/2002	2002/Fa

Forty-six students certified through December 2004, two of whom did not enroll

Appendix E. Percent of ACM Enrollment in UNC Programs That Included at Least One Out-of-State ACM Participant (from Fall 2002 through Fall 2004)

Appendix F. Tuition Difference between In-State and Out-of-State Rates for North Carolina ACM Participants: Spring 2002 through Fall 2004

Appendix G. Tuition Difference between In-State and Out-of-State Rates for Out-of-State ACM Participants: Fall 2002 through Fall 2004

Appendix H. Minimum Cost of Establishing New Degree Programs to Accommodate North Carolina's ACM Participants

Weighted average faculty salary for UNC institutions, 2004-05	\$68,508
Plus 20% fringe	\$13,702
Total cost of weighted average faculty salary	\$82,210
For distinctly different programs (26), a UNC institution would have to add at least two new faculty for each	\$4,274,899
For programs with some overlap (5), a UNC institution would have to add at least one new faculty for each	\$411,048
Total estimated minimum cost to establish new degree programs to accommodate NC ACM participants	\$4,685,947