

APPENDIX C

Board of Governors' Policy on Nonresident Freshmen Enrollment – Exceeding the 18% Limit Two Consecutive Years

The Fall 2004 Enrollment Report indicates that the University of North Carolina at Asheville has nonresident freshmen enrollment – for two consecutive years – that exceeds 18% of the freshmen class, an over-enrollment of thirteen (13) nonresident freshmen students. The Board's policy, as indicated below, requires a budgetary adjustment at the institution.

Beginning with the fall of 1994, any constituent institution, except the North Carolina School of the Arts, that exceeds the 18% out-of state freshman enrollment limitation prescribed in paragraph (a) above for two consecutive fiscal years shall have its state operating budget reduced. This reduction shall be made in the second fiscal year in which the two consecutive fiscal years' condition is violated; the reduction shall be made, on a non-recurring basis, immediately after the Board of Governors approves the annual enrollment report at its November meeting. The budget reduction shall be based on the number of out-of-state freshmen enrolled in excess of the 18% limitation and the established method used for calculating the operating requirements for Regular Term enrollment changes.

The required budget adjustment and freshmen enrollment information follows:

	Budget Adjustments	2004 Freshmen Enrollment				
		Out-of-State Freshmen	O/S %	In-State Freshmen	I/S %	Total Freshmen
UNC-A	\$97,570	140	19.8%	567	80.2%	707

For the 2004-05 fiscal year, it is recommended that the budget for UNC Asheville be reduced by \$97,570. It is further recommended that the funds be reallocated to the Board's need-based financial aid program for resident students.