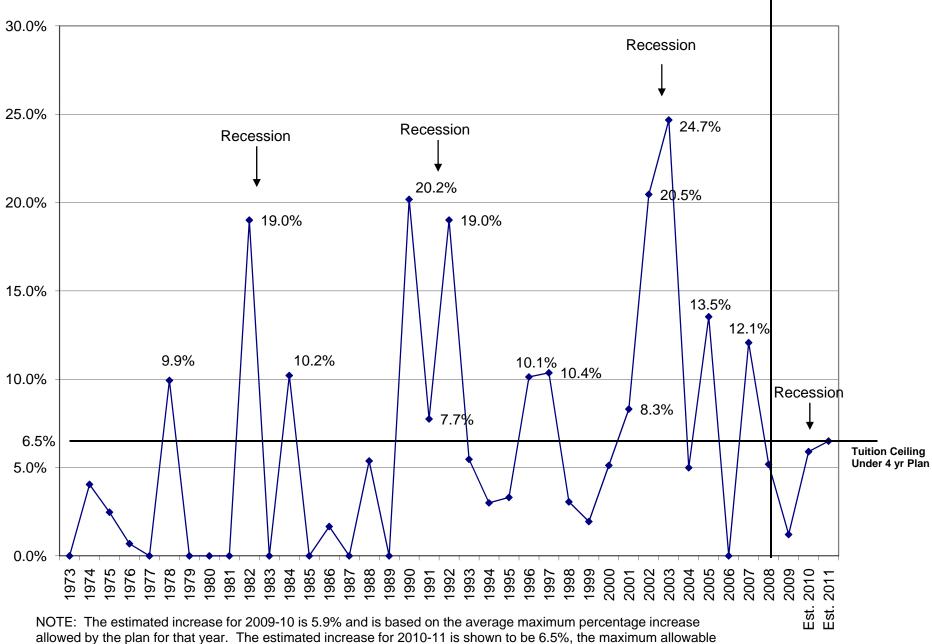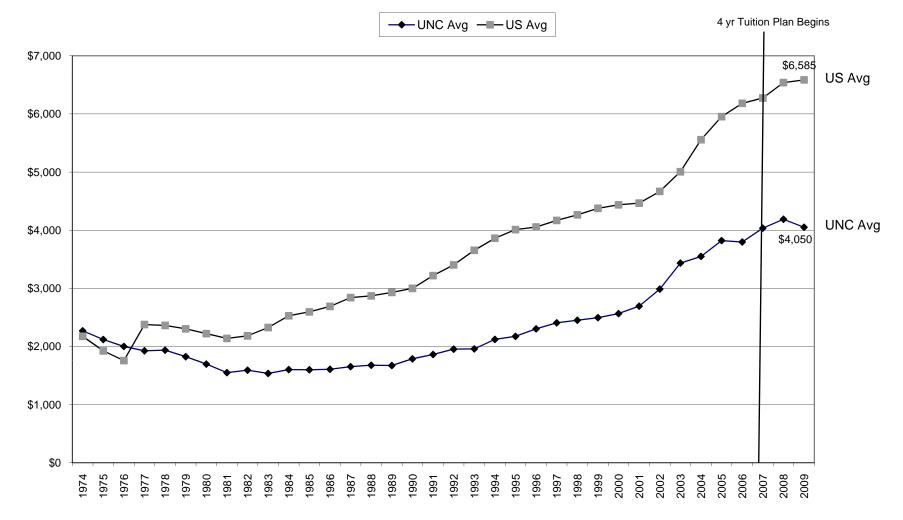# History of Percentage Increases in Average Undergraduate Resident Tuition
University of North Carolina

1st yr of 4 yr plan

Tuition Ceiling Under 4 yr Plan

Recession

Recession — 20.2%

Recession — 24.7%

Recession

9.9%

19.0%

10.2%

19.0%

7.7%

10.1%

10.4%

20.5%

8.3%

13.5%

12.1%

NOTE: The estimated increase for 2009-10 is 5.9% and is based on the average maximum percentage increase allowed by the plan for that year. The estimated increase for 2010-11 is shown to be 6.5%, the maximum allowable under the plan (This ceiling may be lower if the increase in appropriations per capita exceeds 6%).

History of Undergraduate Resident Tuition and Fees (Including Debt Service Fees)
1974 to 2009 (In Constant Dollars)

US Average is for public 4-year institutions from the report "Trends in College Pricing" published by The College Board. "Trends in College Pricing" uses the CPI-U to adjust for inflation.

The following section highlights information included in the Board of Governors' Tuition and Fees Policy and its Four-year Plan for setting tuition and fee rate increases. Campuses must use both sets of guidelines when proposing changes in campus tuition and fee rates. Attached as an example is the calendar and accountability chart used at East Carolina University for reviewing tuition and fee rates. Other UNC institutions use similar timelines to meet the Board's requirements for recommending tuition and fee rate increases.

BOG Tuition and Fees Policy

Campus Tuition Review

According to the BOG Tuition and Fees Policy, "Campuses wishing to submit requests for undergraduate tuition changes will conduct a process that includes consultation with participation by students. A campus will consider the following factors when creating an undergraduate tuition proposal."

1. *Availability of State general fund revenue to maintain quality and access within the campuses of the University of North Carolina;*

2. *Evidence of institutional efforts to manage costs through increases in productivity, budget flexibility, and/or efficiency improvements;*

3. *Analysis of the impact of tuition and fee charges on student access to the campuses of UNC as measured by the college-going rate & other metrics so as not to limit access to the University;*

4. *Changes in various price and income indices (e.g., North Carolina per capita personal income, Consumer Price Index, Higher Education Price Index);*

5. *The current level of student charges (tuition, fees, room and board) at UNC institutions and whether campuses have proposed campus or program tuition differentials for the budget period that would be in addition to general increases in tuition;*

6. *Analysis of student indebtedness levels within the University, viewed in the context of student attrition rates;*

7. *Availability of financial aid and tuition remission and amount of unmet need. Financial aid should be reviewed in the context of the different missions of the institutions, the diverse capacities of the institutions to provide financial assistance and the contrasting needs of students attending the institutions.*

8. *A plan for the intended use of additional tuition receipts (e.g., needed improvements to the educational program, funding for competitive salary increases, financial aid, etc.).*

Campus Fee Review

According to BOG Tuition and Fees Policy, campuses seeking an increase in student fees must use the following process.

1. *Each chancellor shall establish a fee review committee with representatives of all aspects of campus life, including, but not limited to, representatives from Business Affairs, Student Affairs, the Financial Aid Office, and the student body.*

2. *The Committee shall conduct a complete review of student fees from a zero-based budgeting perspective and shall make recommendations to the chancellor for establishing fees effective with the upcoming fall semester.*

3. *The review will include an examination of alternative resources, including available institutional reserves, to determine if other funding is available to provide the services in lieu of establishing the fee. The review will include a reassessment of the existing operating methods to ensure that operations are performed in a cost-effective manner.*

4. *If the committee determines that an increase in a fee is needed, the committee shall attempt to decrease another fee so that the total cost of education for students does not increase. In order to ensure that all students are able to meet the increased cost of education, the university's financial aid officer, working with the committee, shall determine that sufficient financial aid is available, from whatever sources are possible.*

5. *The chancellor shall review the recommendations of the Committee and present recommendations to the Board of Trustees for review and approval. Before a chancellor makes recommendations to the Board of Trustees, the recommendations of the fee review committee will be shared with student government leaders so that students may inform the chancellor of their perspectives on the proposed changes.*

6. *The recommendations of the Board of Trustees will be forwarded to the President for review.*

7. *When the review is completed, the President will present fee recommendations to the Budget and Finance Committee for consideration by the Board of Governors.*

8. *Each step in the process shall be an iterative and comprehensive review of the previous step, resulting in changes to the fee recommendations as deemed appropriate.*

BOG – Four Year Plan

In addition to the BOG Tuition and Fee Policy, the Board adopted a four-year plan for establishing tuition and fees at its meeting on October 13, 2006. The plan provides guidelines through fiscal year 2010-11. If a campus receives an increase in state appropriations per/FTE that is greater than 6%, then the maximum allowed campus-based tuition increase for that campus will be reduced by the percentage increase in operating appropriations above 6%.

The maximum rate of annual increase for campus-initiated tuition and general fees (Athletics, Health Services, Student Activities, and Educational and Technology Fees) for undergraduate resident students should not exceed 6.5%. Fees required for debt service are in addition to the

maximum percentage increase, but funds required to operate facilities are included in the maximum. The maximum allowable increase for general fees is 6.5%.

All proposals for increasing tuition and fees must be accompanied by explicit plans for the use of the increased revenue.

1. The Board requires campuses to set aside at least 25% of new tuition revenues to be added to the campus' pool of need-based financial aid.

2. At least 25% of new tuition revenues shall support bringing faculty salaries to the 80th percentile of its peers.

3. Any remaining revenues may be used to provide for improved library and counseling services, reductions in class size, increases in sections offered, enhancements in student services, and other purposes that improve the quality of the student's academic experience.

4. Increases in student fees must be justified by an expenditure plan showing how the additional revenues will directly benefit that fee-supported activity.

5. Combined tuition and fee rates for resident undergraduates shall remain within the bottom quarter of each institution's public peers, as approved by the Board of Governors. In addition, combined rates for non-resident undergraduate students shall remain below the top quarter of the same approved peer group.

Graduate Tuition and Professional Schools

Campuses shall use the Board's Tuition and Fees Policy as guidelines for setting graduate and professional school tuition rates. The Policy states, *"The Board will attempt to extend the principle that tuition be set as low as practicable to graduate and professional students as well as those at the undergraduate level."*

ECU Tuition and Fees Process
Fiscal Year 2009-10

Steps	Approximate Date	Tuition Task	Fee Task
1	June 1, 2008	N/A	Request 2009-10 fee needs during the 2008-09 budget process
2	June 16, 2008	Tuition and Fee Kickoff-- Tuition-How was campus-based tuition increases actually spent in previous FY? How much was used by Financial Aid? What are the needs?	Tuition and Fee Kickoff--Fees-Use PACE Initiative, zero based budgeting, no increase and implications, or how the dollars would be used. How were the 07/08 fees used? Does that agree with what was submitted during fee process?
3	July 18, 2008	Meet with SGA President/Treasurer to review schedule and SGA participation	Meet with SGA President/Treasurer to review schedule and SGA participation
4	July 31, 2008	Update Campus-Based Tuition and Fee Committee of fee requests and how campus-based tuition increases and fees were spent in prior years	Update Campus-Based Tuition and Fee Committee of fee requests and how campus-based tuition increases and fees were spent in prior years
5	August 31, 2008	Inform Executive Council regarding tuition & fees based on tasks #4	Inform Executive Council regarding tuition & fees based on tasks #4
6	August 31, 2008	Executive Council provides the total tuition and fee increase and the split between tuition and fees	Executive Council provides the total tuition and fee limits and the split between tuition and fees
7	August 31, 2008	Inform Campus-Based Tuition and Fee Committee of Executive Council's decision of limits in 2009/10 regarding	Inform Campus-Based Tuition and Fee Committee of Executive Council's decision of limits in 2009/10 regarding tuition and fees
8	August 31, 2008	N/A	SGA identifies representatives for each of the following Student Fee units: Student Union & Mendenhall Student Center operations; Recreational Services; Athletics Student Health; Ed &Tech Fee; Ledonia Wright Cultural Center; Transit
9	September 15, 2008	Update Campus-Based Tuition and Fee Committee on status of requests	Update via email Campus-Based Tuition and Fee Committee on proposed fee allocation.
10	September 15, 2008	N/A	Review 2009-10 fee proposals submitted through 2008-09 budget process
11	September 15, 2008	N/A	Run prior year accrual reports for Student Fee Units
12	September 15, 2008	N/A	Obtain projected utility rate information from Facilities
13	September 15, 2008	N/A	Email Student Fee units providing guidelines for 2009-10 Student Fees, Accrual Reports, including inflation rates and utility rates, UNC Institution comparison
14	September 15, 2008	N/A	Update UNC-GA sheets with 2009-10 proposed fee increases
15	September 15, 2008	N/A	Other Fee requests due (e.g. application fees, orientation fees,
16	September 26, 2008	N/A	Prepare summary schedules
17	September 26, 2008	N/A	Send summary schedule to student fee units to ensure accuracy of request
18	October 9, 2008	Conduct Open Campus Forum	Conduct Open Campus Forum

ECU Tuition and Fees Process
Fiscal Year 2009-10

Steps	Approximate Date	Tuition Task	Fee Task
19	October 20, 2008	Review summary schedules with Chancellor's Executive Council	Review summary schedules with Chancellor's Executive Council
20	October 22, 2008	Inform Campus-Based Tuition and Fee Committee of Executive Council's decision	Inform Campus-Based Tuition and Fee Committee of Executive Council's decision
21	October 22, 2008	Send summary schedules to SGA for distribution	Send summary schedules to SGA for distribution
22	October 27, 2008	Meet with SGA for discussion	Meet with SGA for discussion
23	October 29, 2008	Letter from SGA President to Chancellor regarding student fees and tuition	Letter from SGA President to Chancellor regarding student fees and tuition
24	November 6, 2008	Prepare Board of Trustees package	Prepare Board of Trustees package
25	November 15, 2008	Gather data for campus-based tuition increase worksheets	N/A
26	November 20, 2008	Present to Executive Committee of BOT	Present to Executive Committee of BOT
27	November 21, 2008	Present to Board of Trustees	Present to Board of Trustees
28	December 19, 2008	Prepare schedules & package for UNC-General Admin.	Prepare schedules & package for UNC-General Admin.