

APPENDIX D

Authorization of Tuition Rates for 2002-03

Board-Initiated Tuition Increases

The Board of Governors has determined that providing access to The University of North Carolina is its highest priority. The Committee on Budget and Finance has determined that to assure that access to the University for 2002-03 will be available to the people of North Carolina without eroding the quality of programs, it is necessary to raise tuition to provide for a portion of the cost of enrollment increases and student financial aid.

It is recommended that the current tuition rates at the constituent institutions be increased by 8% for resident students and 12% for nonresident students. The tuition increases would generate tuition receipts totaling \$39,966,108. It is recommended that these funds be used as follows.

First, the receipts would be used to provide for one-half of the enrollment increase funding to be requested from the General Assembly. The request for enrollment increases is shown on the attached spreadsheet and totals \$66,803,142. One-half of this request, \$33,401,571, would be financed from the increased tuition receipts. It is recommended that the General Assembly provide the remaining \$33,401,571 that is needed to fund the request for enrollment increases.

The remaining receipts, \$6,564,537, would be used to provide additional funding for the Board's need-based financial aid program. It is recommended that the General Assembly match these funds to provide a total of \$13,129,074 available in additional need-based financial aid. This would ensure full

funding for the need-based financial aid program for all undergraduate resident students.

If the General Assembly is able to fund enrollment increases and student financial aid at a level higher than requested, the additional funding would result in proportionately reduced tuition rates at all of the campuses.

On behalf of the Committee, Mr. Chairman, I move:

MOTION #1

- **8% tuition increase for resident students**
- **12% tuition increase for nonresident students**
- **approve an enrollment request for \$66,803,142 and a student financial aid request for \$13,129,074, no more than half to be provided from tuition receipts and the remainder to be requested from the General Assembly**
- **If the General Assembly is able to fund enrollment and financial aid with less tuition receipts, the tuition rates would be reduced proportionately at each campus.**

Campus-Initiated Tuition Increases

It is recommended that the following campus-initiated tuition increases be approved.

For the five institutions that have not previously requested campus-initiated tuition increases, the amounts submitted by those campuses are approved. These institutions and the tuition increases are as follows.

Elizabeth City State University, \$150

Fayetteville State University, \$100

North Carolina School of the Arts, \$400

Western Carolina University, \$200

Therefore, Mr. Chairman, on behalf of the Committee, I move:

MOTION #2

- **Approve the campus-initiated tuition requests for the five campuses that have not previously had increases.**

For North Carolina State University and the University of North Carolina at Chapel Hill, it is recommended that the campus-initiated tuition increases total \$300 at each campus.

Therefore, Mr. Chairman, on behalf of the Committee, I move:

MOTION #3

- **Approve the campus-initiated tuition increase for North Carolina State University and the University of North Carolina at Chapel Hill in the amount of \$300.**

For East Carolina University, the University of North Carolina at Charlotte, and the University of North Carolina at Greensboro, it is recommended that the campus-initiated tuition increases total \$250 at each campus. At the University of North Carolina at Greensboro, this total would include the \$150 previously approved by the Board effective with the 2002-03 year.

Therefore, Mr. Chairman, on behalf of the Committee, I move:

MOTION #4

- **Approve the campus-initiated tuition increases for East Carolina University, the University of North Carolina at Charlotte and the University of North Carolina at Greensboro in the amount of \$250, including the amount previously approved.**

For all remaining baccalaureate and comprehensive universities, the campus-initiated tuition increase would not exceed \$200, to be approved by the President upon the request of each campus Board of Trustees based on a determination that any amount in excess of the campus's originally requested amount is necessary to improve or maintain the quality of academic programs or to provide access. At Appalachian State University and North Carolina A&T State University, this would include the \$150 previously approved by the Board effective with the 2002-03 year; and at the University of North Carolina at Pembroke this would include the \$80 previously approved by the Board effective with the 2002-03 year.

Therefore, Mr. Chairman, on behalf of the Committee, I move:

MOTION #5

- **Approve the campus-initiated tuition increases for the remaining baccalaureate and comprehensive institutions at an amount not to exceed \$200, with increases over the previously requested amount to be approved by the President.**

The \$300 campus-initiated tuition increase for the University of North Carolina at Asheville previously approved by the Board effective for the 2002-03 year would remain in effect.

Any revenue resulting from a campus-initiated tuition increase must be used only for instructional or academic purposes or student financial aid. If a campus had an impermissible purpose in its proposal, the campus Board of Trustees must submit to the President a request to reallocate the funds based on a determination that the reallocated amount is necessary to improve or maintain the quality of academic programs or to provide access.

Therefore, Mr. Chairman, on behalf of the Committee, I move:

MOTION #6

- **Require that any revenue resulting from a campus-initiated tuition increase be used only for instructional or academic purposes or student financial aid. Reallocations of requested funds are to be approved by the President.**

It is recommended that the Vice President for Finance be authorized to make adjustments in tuition remission and other schedules to reflect the tuition increases recommended above. It is further recommended that the Vice President for Finance be authorized to prepare a supplemental budget request for the General Assembly to reflect the tuition increases, the appropriations

needed for enrollment increases and student financial aid, and other priorities previously approved by the Board.

It is further recommended that the General Assembly make the needed statutory changes to require the Governor to provide for enrollment growth funding for The University of North Carolina in future years as a part of the State's continuation budget.

Therefore, Mr. Chairman, on behalf of the Committee, I move:

MOTION #7

- **Authorize the Vice President for Finance to make needed adjustments to reflect the decisions regarding tuition increases and to prepare a supplemental budget request consistent with the actions of the Board of Governors.**
- **Request that the General Assembly make the needed statutory changes to require the Governor to provide for enrollment growth funding in future years as a part of the State's continuation budget.**

University of North Carolina
Summary of Additional Tuition Generated by Tuition Increases
Fiscal Year 2002-03

<u>Institution</u>	8% Resident 12% Nonres <u>Across the Board</u>	<u>Campus Based</u>	<u>Additional Revenues Generated</u>
ASU	2,678,701	2,305,000	4,983,701
ECU	4,806,206	4,164,750	8,970,956
ECSU	326,194	298,435	624,629
FSU	661,120	374,700	1,035,820
NCA&T	2,248,725	1,413,600	3,662,325
NCCU	1,033,452	964,400	1,997,852
NCSA	568,035	338,000	906,035
NCSU	7,596,260	6,900,000	14,496,260
UNCA	564,658	828,000	1,392,658
UNC-CH	9,114,279	6,412,500	15,526,779
UNCC	3,809,585	3,750,000	7,559,585
UNCG	2,427,891	2,892,750	5,320,641
UNCP	484,936	600,000	1,084,936
UNCW	2,274,779	1,820,400	4,095,179
WCU	975,918	1,162,600	2,138,518
WSSU	<u>395,369</u>	<u>596,600</u>	<u>991,969</u>
UNC Total	39,966,108	34,821,735	74,787,843

University of North Carolina
Proposed Appropriation Request for Enrollment Growth
Fiscal Year 2002-03

<u>Institution</u>	<u>Enrollment Change</u>	<u>Hold Harmless</u>	<u>Appropriation Request</u>
ASU	2,128,007		2,128,007
ECU	10,920,131		10,920,131
ECSU	-625,611	625,611	0
FSU	2,468,290		2,468,290
NCA&T	5,924,758		5,924,758
NCCU	1,742,325		1,742,325
NCSA	432,751		432,751
NCSU	17,401,690		17,401,690
UNCA	-22,316	22,316	0
UNC-CH	2,286,070		2,285,870
UNCC	9,350,253		9,350,253
UNCG	5,684,997		5,684,997
UNCP	4,160,022		4,160,022
UNCW	2,648,096		2,648,096
WCU	1,655,952		1,655,952
WSSU	<u>-614,759</u>	<u>614,759</u>	<u>0</u>
UNC Total	65,540,656	1,262,686	66,803,142

The North Carolina School of Science and Mathematics requests \$214,000 for 2002-03 to increase the School's budgeted Average Daily Membership (enrollment) to 560 students from 550 students, an increase of 10 students.

University of North Carolina
 Estimated Allocation of Need-Based Financial Aid Funds (assuming full funding)
 Fiscal Year 2002-03

<u>Institution</u>	<u>Need- Based Financial Aid</u>
ASU	879,038
ECU	1,626,094
ECSU	521,917
FSU	395,709
NCA&T	1,817,349
NCCU	997,949
NCSA	46,394
NCSU	1,680,599
UNCA	210,592
UNC-CH	1,226,471
UNCC	1,047,417
UNCG	1,200,654
UNCP	436,089
UNCW	575,554
WCU	695,909
WSSU	<u>414,265</u>
UNC Total	13,772,000

The University of North Carolina
Tuition and Fees Applicable to All Regular Full-Time Resident Undergraduate Students
8% Across the Board Increase
2002-03

	CURRENT			PROPOSED INCREASES			TOTAL TUITION AND FEES (if proposals were approved)			
	Tuition	Fees	Total	Tuition (Board)	Tuition (Campus)	Fees	Tuition	Fees	Total	% Increase
North Carolina State University	2,328	842	3,170	186	300	34	2,814	876	3,690	16.40%
The University of North Carolina at Chapel Hill	2,328	773	3,101	186	300	62	2,814	835	3,649	17.67%
East Carolina University	1,453	839	2,292	116	250	62	1,819	901	2,720	18.67%
The University of North Carolina at Charlotte	1,417	871	2,288	113	250	91	1,780	962	2,742	19.84%
The University of North Carolina at Greensboro	1,358	959	2,317	109	250	45	1,717	1,004	2,721	17.44%
Appalachian State University	1,222	905	2,127	98	200	45	1,520	950	2,470	16.13%
Fayetteville State University	1,072	698	1,770	86	100	95	1,258	793	2,051	15.88%
North Carolina A & T State University	1,222	856	2,078	98	200	77	1,520	933	2,453	18.05%
North Carolina Central University	1,272	997	2,269	102	200	22	1,574	1,019	2,593	14.28%
The University of North Carolina at Pembroke	1,152	880	2,032	92	200	54	1,444	934	2,378	17.03%
The University of North Carolina at Wilmington	1,317	1,069	2,386	105	200	135	1,622	1,204	2,826	18.44%
Western Carolina University	1,072	934	2,006	86	200	80	1,358	1,014	2,372	18.25%
The University of North Carolina at Asheville	1,196	1,010	2,206	96	300	62	1,592	1,072	2,664	20.76%
Elizabeth City State University	896	872	1,768	72	150	100	1,118	972	2,090	18.21%
Winston-Salem State University	896	872	1,768	72	200	45	1,168	917	2,085	17.93%
North Carolina School of the Arts (1)	1,662	1,015	2,677	133	400	40	2,195	1,055	3,250	21.40%

(1) Does not include High School

Note: For ASU, NCA&T, NCCU, UNCP, and UNCW the campus-initiated tuition will be approved by the President, upon request of the campus Board of Trustees.

3/15/02

The University of North Carolina
Tuition and Fees Applicable to All Regular Full-Time Nonresident Undergraduate Students
12% Across the Board Increase
2002-03

	CURRENT		PROPOSED INCREASES		TOTAL TUITION AND FEES			
	Tuition	Fees	Total	Tuition (Board)	Tuition (Campus)	Fees	Tuition Fees	Total \$ Increase % Increase
North Carolina State University	12,320	842	13,162	1,478	300	34	14,098	876 14,974 1,812 13.77%
The University of North Carolina at Chapel Hill	12,320	773	13,093	1,478	300	62	14,098	835 14,933 1,840 14.05%
East Carolina University	10,022	839	10,861	1,203	250	62	11,475	901 12,376 1,515 13.95%
The University of North Carolina at Charlotte	9,637	871	10,508	1,156	250	91	11,043	962 12,005 1,497 14.25%
The University of North Carolina at Greensboro	10,572	959	11,531	1,269	250	45	12,091	1,004 13,095 1,564 13.56%
Appalachian State University	9,144	905	10,049	1,097	200	45	10,441	950 11,391 1,342 13.35%
Fayetteville State University	8,994	698	9,692	1,079	100	95	10,173	793 10,966 1,274 13.14%
North Carolina A & T State University	9,144	856	10,000	1,097	200	77	10,441	933 11,374 1,374 13.74%
North Carolina Central University	9,194	997	10,191	1,103	200	22	10,497	1,019 11,516 1,325 13.00%
The University of North Carolina at Pembroke	9,074	880	9,954	1,089	200	54	10,363	934 11,297 1,343 13.49%
The University of North Carolina at Wilmington	9,412	1,069	10,481	1,129	200	135	10,741	1,204 11,945 1,464 13.97%
Western Carolina University	8,994	934	9,928	1,079	200	80	10,273	1,014 11,287 1,359 13.69%
The University of North Carolina at Asheville	8,658	1,010	9,668	1,039	300	62	9,997	1,072 11,069 1,401 14.49%
Elizabeth City State University	7,892	872	8,764	947	150	100	8,989	972 9,961 1,197 13.66%
Winston-Salem State University	7,892	872	8,764	947	200	45	9,039	917 9,956 1,192 13.60%
North Carolina School of the Arts (1)	11,067	1,015	12,082	1,328	400	40	12,795	1,055 13,850 1,768 14.63%

(1) Does not include High School

Note: For ASU, NCA&T, NCCU, UNCP, and UNCW the campus-initiated tuition will be approved by the President, upon request of the campus Board of Trustees.

3/5/02

The University of North Carolina
Tuition and Fees Applicable to All Regular Full-Time Resident Graduate Students
8% Across the Board Increase
2002-03

	CURRENT			PROPOSED INCREASES			TOTAL TUITION AND FEES (if proposals were approved)				
	Tuition		Fees	Tuition		Fees	Tuition	Fees	Total	\$ Increase	% Increase
	(Board)	(Campus)		(Board)	(Campus)						
North Carolina State University	2,511	842	3,353	201	300	34	3,012	876	3,888	535	15.96%
The University of North Carolina at Chapel Hill	2,511	762	3,273	201	300	62	3,012	824	3,836	563	17.20%
East Carolina University	1,524	839	2,363	122	250	62	1,896	901	2,797	434	18.37%
The University of North Carolina at Charlotte	1,483	871	2,354	119	250	91	1,852	962	2,814	460	19.54%
The University of North Carolina at Greensboro	1,432	959	2,391	115	250	45	1,797	1,004	2,801	410	17.15%
Appalachian State University	1,286	905	2,191	103	200	45	1,589	950	2,539	348	15.88%
Fayetteville State University	1,136	698	1,834	91	100	95	1,327	793	2,120	286	15.59%
North Carolina A & T State University	1,286	856	2,142	103	200	77	1,589	933	2,522	380	17.74%
North Carolina Central University	1,424	973	2,397	114	200	22	1,738	995	2,733	336	14.02%
The University of North Carolina at Pembroke	1,216	880	2,096	97	200	54	1,513	934	2,447	351	16.75%
The University of North Carolina at Wilmington	1,383	1,069	2,452	111	200	135	1,694	1,204	2,898	446	18.19%
Western Carolina University	1,136	934	2,070	91	200	80	1,427	1,014	2,441	371	17.92%
The University of North Carolina at Asheville	1,248	1,010	2,258	100	300	62	1,648	1,072	2,720	462	20.46%
Elizabeth City State University	948	872	1,820	76	150	100	1,174	972	2,146	326	17.91%
Winston-Salem State University	948	872	1,820	76	200	45	1,224	917	2,141	321	17.64%
North Carolina School of the Arts (1)	1,761	1,015	2,776	141	400	40	2,302	1,055	3,357	581	20.93%

Note: For ASU, NCA&T, NCCU, UNCP, and UNCW the campus-initiated tuition will be approved by the President, upon request of the campus Board of Trustees.

3/5/02

The University of North Carolina
Tuition and Fees Applicable to All Regular Full-Time Nonresident Graduate Students
12% Across the Board Increase
2002-03

	CURRENT		PROPOSED INCREASES		TOTAL TUITION AND FEES			
	Tuition	Fees	Tuition	Fees	Tuition	Fees	Total	% Increase
North Carolina State University	12,822	842	1,539	300	14,661	876	15,537	13.71%
The University of North Carolina at Chapel Hill	12,822	762	1,539	300	14,661	824	15,485	13.99%
East Carolina University	10,252	839	1,230	250	11,732	901	12,633	13.90%
The University of North Carolina at Charlotte	9,850	871	1,182	250	11,282	962	12,244	14.21%
The University of North Carolina at Greensboro	10,814	959	1,298	250	12,362	1,004	13,366	13.53%
Appalachian State University	9,354	905	1,122	200	10,676	950	11,626	13.32%
Fayetteville State University	9,204	698	1,104	100	10,408	793	11,201	13.12%
North Carolina A & T State University	9,354	856	1,122	200	10,676	933	11,609	13.70%
North Carolina Central University	9,492	973	1,139	200	10,831	995	11,826	13.01%
The University of North Carolina at Pembroke	9,284	880	1,114	200	10,598	934	11,532	13.46%
The University of North Carolina at Wilmington	9,626	1,069	1,155	200	10,981	1,204	12,185	13.93%
Western Carolina University	9,204	934	1,104	200	10,508	1,014	11,522	13.65%
The University of North Carolina at Asheville	8,812	1,010	1,057	300	10,169	1,071	11,240	14.44%
Elizabeth City State University	8,072	872	969	150	9,191	972	10,163	13.63%
Winston-Salem State University	8,072	872	969	200	9,241	917	10,158	13.57%
North Carolina School of the Arts (1)	11,340	1,015	1,361	400	13,101	1,055	14,156	14.58%

Note: For ASU, NCA&T, NCCU, UNCP, and UNCW the campus-initiated tuition will be approved by the President, upon request of the campus Board of Trustees.

3/5/02

THE UNIVERSITY OF NORTH CAROLINA
CHANGE IN APPROPRIATIONS BASED ON 8% ACROSS-THE-BOARD TUITION INCREASE FOR RESIDENT STUDENT:
AND 12% ACROSS-THE-BOARD TUITION INCREASE FOR NONRESIDENT STUDENTS

Institution	(A) Tuition Increase	Enrollment Increases				(D) Subtotal	(E) Student Financial Aid	(F) Net Increase (Decrease) (D+E)-A
		(B) Enrollment Change Appropriation	(C) Hold Harmless		(D) Enroll Chg Appropriation			
ASU	2,678,701	2,128,007	0		2,128,007	838,001	287,307	
ECU	4,806,206	10,920,131	0		10,920,131	1,550,183	7,664,108	
ECSU	326,194	(625,611)	625,611		0	497,553	171,359	
FSU	661,120	2,468,290	0		2,468,290	377,236	2,184,406	
NCA&T	2,248,725	5,924,758	0		5,924,758	1,732,509	5,408,542	
NCCU	1,033,452	1,742,325	0		1,742,325	951,361	1,660,234	
NCSA	568,035	432,751	0		432,751	44,228	(91,056)	
NCSU	7,596,260	17,401,690	0		17,401,690	1,602,142	11,407,572	
UNC-A	564,658	(22,318)	22,318		0	200,761	(363,897)	
UNC-CH	9,114,279	2,285,870	0		2,285,870	1,169,214	(5,659,195)	
UNC-C	3,809,585	9,350,253	0		9,350,253	998,520	6,539,188	
UNC-G	2,427,891	5,684,997	0		5,684,997	1,144,603	4,401,709	
UNC-P	484,936	4,160,022	0		4,160,022	415,730	4,090,816	
UNC-W	2,274,779	2,648,096	0		2,648,096	548,685	922,002	
WCU	975,918	1,655,952	0		1,655,952	663,422	1,343,456	
WSSU	395,369	(614,759)	614,759		0	394,925	(444)	
Total	39,966,108	65,540,454	1,262,688		66,803,142	13,129,074	39,966,108	