

# *University of North Carolina Tuition and Fees*

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## *BOG Policy Discussion*



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November 10, 2011

## *Framework for Setting Tuition and Fees*

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**"Notwithstanding any provision in Chapter 116 of the General Statutes to the contrary, in addition to any tuition and fees set by the Board of Governors pursuant to G.S. 116-11(7), the Board of Trustees of the institution may recommend to the Board of Governors tuition and fees for program-specific and institution-specific needs at that institution without regard to whether an emergency situation exists and not inconsistent with the actions of the General Assembly. Any tuition and fees set pursuant to this subsection are appropriated for use by the institution. . . ."**

**– 116-40.22 (c)**



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## ***Framework for Setting Tuition and Fees***

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**“The Board shall fix the tuition and fees, not inconsistent with actions of the General Assembly, at the institutions . . . in such amount or amounts as it may deem best, taking into consideration the nature of each institution and program of study and the cost of equipment and maintenance. . . .”**

**– G.S. 116-143**

**“The Board of Governors shall fix the tuition and required fees charged nonresidents. . . at rates higher than the rates charged residents. . . and comparable to the rates charged nonresident students by comparable public institutions nationwide. . . .”**

**– G.S. 116-144**



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## ***Summary of 2012-13 Campus- Initiated Tuition & Fee Guidelines***

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- **Instructions were sent to campuses on October 18, 2011**
- **Tuition Parameters:**
  - **BOG approved new peers at October meeting**
  - **Adheres to UNC's current four-year Tuition Plan (6.5% cap)**
  - **Allows campuses to propose one-time adjustments above the cap to “catch up” to rates of public peer institutions**
  - **“Catch-up” proposals should be phased in over a multi-year period to lessen the impact on students**
  - **Must remain in bottom quarter of those peers**



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## ***Summary of 2012-13 Campus-Initiated Tuition & Fee Guidelines***

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### **■ Fee Parameters:**

- Consistent with the Plan, campuses may request increases for General Fees (Athletics, Health Services, Student Activities, and Educational & Technology).
- Maximum allowable increase for General Fees is 6.5%.
- Special Fee and Application Fee requests are allowable.

### **■ Fees are charged for dedicated purposes and shall not be used to defray the costs of general academic and administrative operations of campuses.**



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## ***Summary of 2012-13 Campus-Initiated Tuition & Fee Guidelines***

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- All tuition and fee recommendations must be fully justified and shall outline how additional revenues will be spent.
- At least 25% of additional tuition revenues must be set aside for need-based financial aid.
- The remaining 75% of additional revenues will be spent on workforce and academic support.
- Campuses are required to submit a summary of student involvement in the tuition and fee-setting process.
- Campus packages are due by December 9, 2011.



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## *Peer Comparisons for 2011-12*

### *Undergraduate Resident Tuition Rates*

#### *Variance to Remain within Bottom Quarter of Peers*

<b>Institution</b>	<b>Tuition &amp; Fees 2011-12</b>	<b>Tuition &amp; Fees - Peers</b>	<b>\$ Variance</b>	<b>% Variance</b>
NCSU	\$6,874	\$8,042	(\$1,168)	(17.0%)
UNC-CH	6,824	9,665	(2,841)	(41.6%)
ECU	5,317	6,529	(1,212)	(22.8%)
NCA&T	4,567	5,506	(939)	(20.6%)
UNCC	5,360	6,308	(948)	(17.7%)
UNCG	5,445	7,018	(1,573)	(28.9%)
ASU	5,456	7,216	(1,760)	(32.3%)
FSU	4,084	5,802	(1,718)	(42.1%)
NCCU	4,720	5,506	(786)	(16.7%)
UNCP	4,587	5,162	(575)	(12.5%)
UNCW	5,595	7,008	(1,413)	(25.3%)
WCU	5,250	6,576	(1,326)	(25.3%)
WSSU	4,513	6,030	(1,517)	(33.6%)
ECSU	3,829	5,340	(1,511)	(39.5%)
UNCA	5,284	6,733	(1,449)	(27.4%)
UNCSA	6,686	9,816	(3,130)	(46.8%)
<b>System (average)</b>	<b>5,274</b>	<b>6,766</b>	<b>(1,492)</b>	<b>(28.1%)</b>

One of the requirements of the Board (Four-Year Tuition Plan) is that combined tuition & fee rates for resident undergraduates remain within the bottom quarter of BOG-approved public peers of each institution.



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## *Peer Comparisons for 2011-12*

### *Undergraduate Resident Tuition Rates*

#### *Variance to Remain within Bottom Quartile of Peers*

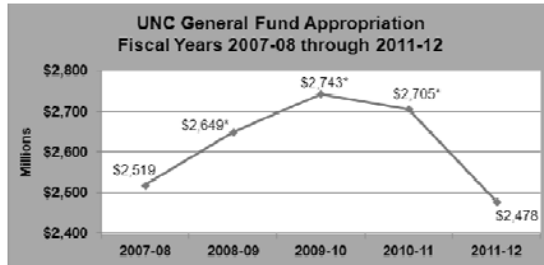
<b>Institution</b>	<b>Tuition &amp; Fees 2011-12</b>	<b>Tuition &amp; Fees - Peers</b>	<b>\$ Variance</b>	<b>% Variance</b>
NCSU	\$6,874	\$8,419	(\$1,545)	(22.5%)
UNC CH	6,824	9,741	(2,917)	(42.7%)
ECU	5,317	6,810	(1,493)	(28.1%)
NC A&T	4,567	5,586	(1,019)	(22.3%)
UNCC	5,360	6,505	(1,145)	(21.4%)
UNCG	5,445	7,309	(1,864)	(34.2%)
ASU	5,456	7,272	(1,816)	(33.3%)
FSU	4,084	6,347	(2,263)	(55.4%)
NCCU	4,720	6,252	(1,532)	(32.5%)
UNCP	4,587	5,381	(794)	(17.3%)
UNCW	5,595	7,060	(1,465)	(26.2%)
WCU	5,250	6,644	(1,394)	(26.6%)
WSSU	4,513	6,324	(1,811)	(40.1%)
ECSU	3,829	6,078	(2,249)	(58.7%)
UNCA	5,284	6,786	(1,502)	(28.4%)
UNCSA	6,686	9,967	(3,281)	(49.1%)
<b>System (average)</b>	<b>5,274</b>	<b>7,030</b>	<b>(1,756)</b>	<b>(33.7%)</b>



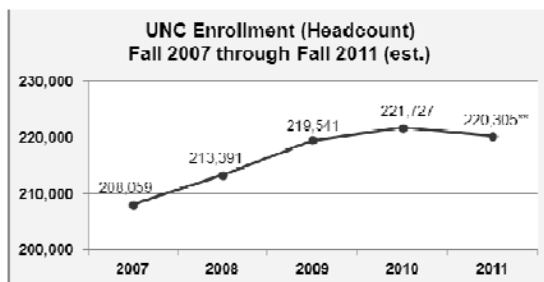
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## *UNC General Fund Budget and Enrollment*



\* ARRA State Fiscal Stabilization Funds were added to these years since they were used to offset state appropriations.



\*\* Preliminary

## *UNC General Fund Budget*

- **Additional budget pressures include:**
  - Employer contribution to State Health Plan has increased 25%.
  - Employer contribution to Teachers' and State Employees' Retirement System has increased from 7.83% to 13.12%.
  - The cumulative impact of Retirement Plan percent changes and employer-related State Health Plan contributions approaches \$100M.
  - No inflationary adjustments for fuel and utilities (costs have increased 10%).
- **Actual impact of state appropriation changes is greater given these fixed cost increases.**



## ***UNC General Fund Budget***

	<u><b>08-09</b></u>	<u><b>09-10</b></u>	<u><b>10-11</b></u>	<u><b>11-12</b></u>
<b>Permanent Reductions</b>	<b>(\$23.0M)</b>	<b>(\$162.5M)</b>	<b>(\$103.0M)</b>	<b>(\$417.0M)</b>
<b>Reversions</b>	<b>(\$234.0M)</b>	<b>(\$134.0M)</b>	<b>(\$178.0M)</b>	<b>?</b>
<b>CITI/Supplemental Revenues</b>	<b>\$16.0M</b>	<b>\$24.0M</b>	<b>\$130.4M</b>	<b>\$73.6M</b>
<b>Portion Earmarked For Financial Aid</b>	<b>(\$6.0M)</b>	<b>(\$13.4M)</b>	<b>(\$40.2M)</b>	<b>(\$22.6M)</b>
<b>Net Tuition Revenues</b>	<b>\$10.0M</b>	<b>\$10.6M</b>	<b>\$90.2M</b>	<b>\$51.0M</b>



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