

## 3. Nonresident Enrollment Pilot – NCA&amp;TSU .....Jonathan Pruitt

**Situation:** Substantial numbers of nonresidents who attend the University remain in North Carolina and contribute to the State's economic base after receiving their degrees. At least 82% of entering first-time freshmen undergraduates at each UNC constituent institution must be North Carolina residents. (UNC Policy 700.1.3) North Carolina A&T State University exceeded the cap in Fall 2012 due to a large pool of qualified nonresident applicants. North Carolina A&T State University has experienced declines in enrollment of first-time North Carolina resident students. The Board of Governors directed staff to research potential pilot programs related to nonresident student enrollment. Five potential enrollment pilots were presented for discussion and consideration at the September 2013 meeting of the Board of Governors. Raising the 18 percent cap to 30 percent for select UNC campuses was one of the options presented for discussion.

**Background:** The constituent institutions charge nonresidents higher tuition rates than North Carolina residents. The Board of Governors has, between 2009 and 2013, increased the minimum high school GPA and standardized test (SAT and ACT) scores required for applicants for first-time admission as freshmen to UNC system campuses. As a result, UNC system campuses have improved the quality of the applicant pool for both North Carolina and nonresident students. North Carolina A&T State University has the capacity to admit additional nonresident applicants for first-time admission as freshman while continuing to meet the demand from qualified residents.

**Assessment:** The Board proposes to study nonresident enrollment through a pilot program at this institution. With the Board's authorization, the President may approve an enrollment pilot program at NC A&T beginning with the Fall 2014 term. The limit on the proportion of nonresident students in the entering freshman class may be increased from 18 percent to not more than 25 percent so long as there is no negative impact on the admission of resident North Carolinians to NC A&T. The student enrollment pilot program may remain in effect for one full academic year. The pilot program may be renewed by the President for up to four (4) subsequent single academic year terms, subject to annual review and approval by the President. The President will monitor and report the progress of the pilot program at the January meeting of the Board of Governors. UNC Policy 700.1.3 would be amended to clarify the authority to permit enrollment pilot programs, with Board approval.

**Action:** This item requires a vote.

### Nonresident Enrollment Pilot – NCA&TSU

Economic data show that substantial numbers of nonresidents who attend the University remain in North Carolina and contribute to the State's economic base after receiving their degrees. Pursuant to Board of Governors policy, the constituent institutions limit the proportion of out-of-state students in each entering freshman class to no more than 18 percent and charge nonresidents higher tuition rates than North Carolina residents. North Carolina A&T State University has sufficient capacity to enroll qualified nonresident applicants for first-time admission as freshmen after admitting qualified North Carolina residents who apply for first-time admission as freshmen. Accordingly, the Board wishes to study, on a limited basis, the impact of raising the 18 percent threshold at this institution.

It is recommended that the Board of Governors delegate authority to the President to approve the establishment of a nonresident student enrollment pilot program at North Carolina A&T State University, beginning with the Fall 2014 term, pursuant to which the limit on the proportion of nonresident students in the entering freshman class may be increased from 18 percent to not more than 25 percent as long as there is no negative impact on the admission of resident North Carolinians. The program remains in effect for one full academic year, beginning with the Fall 2014 term, provided that the President may renew the pilot program for up to four (4) subsequent single academic year terms at the request of the constituent institution, subject to annual review and approval by the President. The President shall monitor the progress of the pilot program and provide an annual evaluation and report at the January Board meeting. The Board of Governors may terminate the enrollment pilot program pursuant to this authority at any time. The President is authorized to establish regulations and guidelines necessary to implement this policy.

### Out-of-State Undergraduate Enrollment

To insure that constituent institutions maintain a level of out-of-state undergraduate enrollment consistent with historical University policy and tradition, and one consistent with strong and balanced educational programs, it is recommended that the Board of Governors adopt this statement of policy:<sup>1</sup>

(a) Each constituent institution, except the North Carolina School of the Arts, shall take necessary steps to limit the proportion of out-of-state students in the entering freshman class to not more than 18 percent by the fall of 1988. In any instance in which a chancellor believes that his institution would suffer serious problems or hardships in reaching this limit within the time provided, he may petition the President and the Board of Governors for an extension of time to meet the 18 per cent limit, which petition may be granted on an annual basis not to extend beyond the fall of 1990. The petition shall set forth the reason for the request, the steps taken by the institution in furtherance of the policy, and the progress made. The chancellor shall furnish such other information as may be requested by the President.

(b) The President shall monitor progress toward this goal, and shall make interim reports on fall 1986, and fall 1987, enrollments to the board.

(c) The board shall review this policy in 1988-89 and consider then whether amendments should be made or further measures adopted.

(d) It is the board's expectation that institutions will admit only academically well-qualified out-of-state students. In any year in which the average combined SAT score for out-of-state freshmen is below that for North Carolina freshmen, the President shall require a written report from the chancellor. The President will include in his interim reports to the board information on the average combined SAT scores for both groups of freshmen.

(e) Beginning with the fall of 1994, any constituent institution, except the North Carolina School of the Arts, that exceeds the 18 percent 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 year 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 percent limitation and the established method used for calculating the operating requirements for regular term enrollment changes.

(f) The Board of Governors may, on the President's recommendation, authorize enrollment pilot programs that are exempt from the requirements of paragraphs (a) and (e) of this policy.

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<sup>1</sup>The North Carolina School of Science and Mathematics may not admit or enroll out-of-state students. See G.S. 116-235.



## NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY

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January 3, 2014

President Tom Ross  
The University of North Carolina  
General Administration  
P.O. Box 2688  
Chapel Hill, NC 27515-2688

Dear President Ross:

North Carolina Agricultural and Technical State University proposes that the out-of-state cap for new freshman be increased to 25%, an increase of 7 percentage points above the current 18%. North Carolina A&T State University has the capacity to serve the additional number of out-of-state new freshmen without negative impact on in-state enrollment or in-state students. No qualified in-state student will be denied admission or access to the University to accommodate out-of-state students as part of this proposed increase in the out-of-state cap. Further, due to growing competition for better prepared in-state students among UNC campuses and other universities, we have significantly increased our efforts through enrollment management to aggressively recruit more in-state students during the past three years. These efforts are yielding very positive results.

North Carolina A&T State University will target out-of-state recruitment efforts towards disciplines of high need for economic development and growth in the state of North Carolina. This would include particular emphasis on STEM disciplines, Nursing, Agriculture and Education. Additionally, we will continue to target out-of-state students who exceed the average SAT/ACT and GPA of in-state students in the entering class.

In addition, North Carolina A&T State University has the capacity to accommodate additional out-of-state students in our classrooms without additional burden on the teaching loads of current faculty. North Carolina A&T State University also has adequate space and capacity in our residential, dining and student service areas to accommodate additional students.

The out-of-state enrollment cap increase to 25% translates into an additional 134 freshman students and potential revenue of approximately \$2,159,544 (this includes the additional legislative tuition scheduled for 2014-15). We further propose that the additional tuition revenue produced by exceeding the current 18% cap be used for scholarship, recruitment and retention initiatives, with particular emphasis on in-state students. The proposed use of out-of-state tuition revenue will insure that we not only increase the overall academic quality of the entering freshman class, but this use will provide more competitive scholarship offers to academically talented in-state students as well.

We plan to monitor and report on the success of this proposal by tracking and reporting the actual percentage of out-of-state new freshman enrolled, academic strength of the entering

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**President Tom Ross**  
**January 3, 2014**  
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class (ACT, SAT, GPA), and the overall student persistence and success (retention and graduation). In addition, we will follow graduates to capture the percentage of out-of-state students who gain employment in North Carolina or enroll in a graduate program within the University of North Carolina system.

Please let me know if you have any additional questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "Harold L. Martin, Sr.", written in a cursive style.

Harold L. Martin, Sr.  
Chancellor