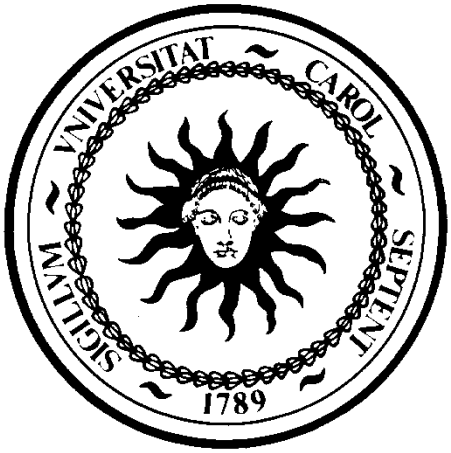
FOURTH ANNUAL REPORT ON UNIVERSITY OF NORTH CAROLINA ENROLLMENT PLANNING

December 15, 2002



Submitted by the University of North Carolina Board of Governors
in response to North Carolina Session Laws 1999, Chapter 237,
General Statute 10.8 of the North Carolina General Assembly

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North Carolina Session Laws 1999, c. 237, s. 10.8 (UNC Enrollment Planning)

The Board of Governors shall report to the Joint Legislative Education Oversight Committee by December 15 of each year on enrollment planning, current and anticipated growth, and management of capacity to meet the demands for higher education in North Carolina. These reports shall continue through December 2005.

I. Enrollment Planning

It is the statutory responsibility of the University of North Carolina to extend the benefits of higher education to the people of North Carolina. Among the six strategic directions that drive the Board of Governors' UNC long-range plan for 2002-2007 is the following: *Access: Ensure affordability and access to higher education for all who qualify and embrace a vision of lifelong learning.* Included among the major strategies associated with this strategic direction are the following:

- Implement and monitor annually the 10-year enrollment plan adopted by the Board of Governors in response to the anticipated surge in enrollments, with special attention to efforts to increase enrollments at focused-growth institutions.
- Continue to promote access, retention, and graduation of traditionally underrepresented segments of North Carolina's population, implementing and monitoring the strategies outlined in the diversity plan adopted by the Board of Governors in 2001.
- Ensure financial access to North Carolina residents by keeping tuition and fees as low as practicable, while continuing to expand need-based financial aid resources for low-income students.
- Facilitate educational access through the effective use of information technology to provide information on educational opportunities (e.g., CFNC and Pathways), to offer e-learning courses and programs, to deliver academic and student services, and to promote inter-institutional collaboration in course and program delivery.
- Continue to promote collaboration with community colleges through initiatives such as the North Carolina Comprehensive Transfer Articulation Agreement, delivery of baccalaureate completion and graduate programs at community college sites, and enrollment planning.
- Maximize the capacity of UNC institutions to serve the anticipated enrollment growth through more efficient use of on-campus facilities, increased summer school enrollment, expanded use of off-campus instruction sites, new academic programs, and e-learning.
- Ensure the timely and cost effective construction and renovation of facilities to accommodate current students and anticipated enrollment growth.

The Board of Governors adopted the first ten-year enrollment plan for UNC in April 1999, to cover the period 1998-2008. At that time, it was understood that the plan would have to be monitored carefully and be revised and updated biennially. This was accomplished with the adoption in June 2001 of an updated 10-year enrollment plan for

the period 2000-10. In concert with the next long-range plan, UNC will revise its ten-year enrollment plan to cover the years 2002-12.

A. Enrollment Projections: Population Pools and UNC Participation Rates

The first step in updating the UNC enrollment plan was the development of enrollment projections. Projections must be understood for what they are—planning tools that enable the University to estimate future "demand"—the number of students that could be expected to enroll in future years if past trends continue into the future.

The UNC projection model is designed to project future enrollment for the 16 UNC constituent institutions. It assumes that the other sectors of higher education in North Carolina (the NCCCS and independent colleges and universities) will do projections for their respective institutions. Total future demand for higher education in North Carolina can be determined by summing the projections of these three sectors.

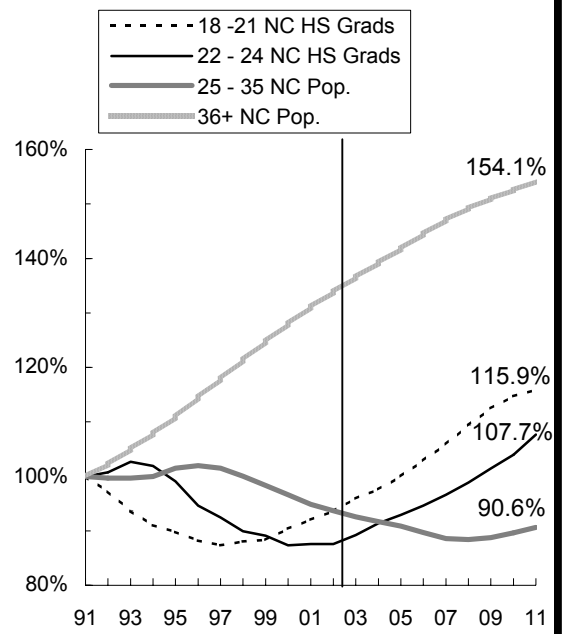
The UNC enrollment projections are built on extrapolations of two elements: 1) pools of potential students by age group or cohort (e.g., 18-21, 22-24, 25-35, and 36 and older) for the planning period to estimate the total potential "market," and 2) the historic UNC attendance rates of these groups to determine the percent of that market that has traditionally enrolled at a UNC institution.

Pools of Potential Students by Age Group or Cohort

UNC relies upon population projections by independent sources for the number of potential students in various age cohorts. For North Carolina high school graduates, UNC uses the projections of high school graduates prepared by the National Center for Education Statistics. For older North Carolinians, UNC uses the most recent projections supplied by the U.S. Census Bureau. These population projections represent potential demand.

Figure 1 plots data on the actual and projected pools of potential in-state students. The data show that the primary pool of potential undergraduates—18-21 year-old public high school graduates—will increase steadily throughout the decade.

Figure 1. Pools of Potential In-State Students (Actual and Projected)



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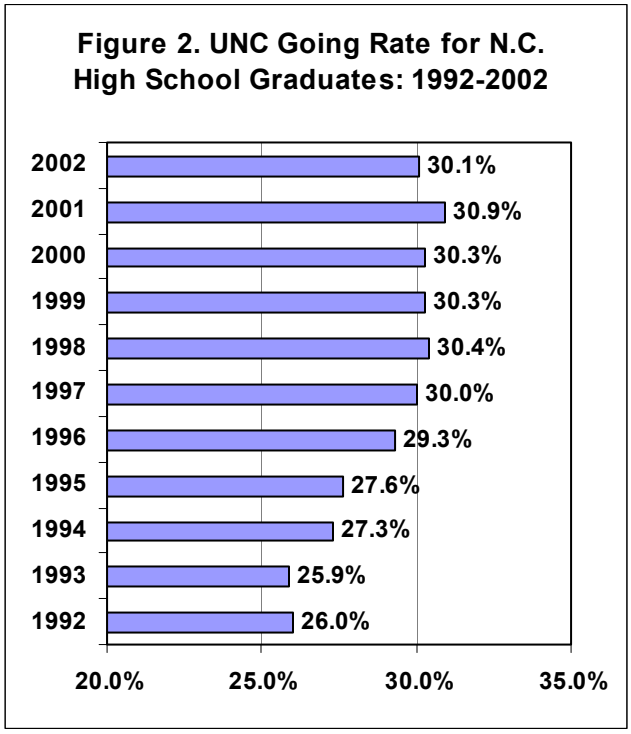
Historic UNC Attendance Rates

To determine what percent of this potential demand can be expected to enroll at a UNC institution, the projection model takes into account the UNC attendance rates of members of these various population pools or cohorts at each UNC institution over the past seven years. This reduces the focus

from the entire North Carolina population (or "market") to that percentage of the population that has historically enrolled in UNC institutions. The projection model multiplies the projected participation rate of each age cohort by the projected size of that group for a given year at each campus, thus producing an annual enrollment projection for each constituent institution. Projections for the campuses are then summed to produce a total UNC projection of enrollment demand. Given the high cost of out-of-state tuition, the model assumes that the participation rate of out-of-state undergraduates will remain relatively stable.

Figure 2 depicts UNC attendance rates for North Carolina high school graduates over the past decade. Fall 2001 participation rose to its highest level ever at 30.9 percent. This follows a three-year period during which the UNC going rate remained stable. Even though there was an increase in the number of high school graduates attending UNC, the percent of graduates attending dropped to 30.1% in 2002. There was a sizable (and under-predicted by DPI) increase of high school graduates in NC in 2001-02 of almost 3,000 students. These data suggest that the range for participation for NC high school graduates is likely to be between 30% and 31%.



The information in Figures 1 and 2 suggests that UNC will continue to experience enrollment increases at the undergraduate level. However, the University also expects participation rates to increase among students seeking graduate and first professional degrees. This will be a result of increased numbers of students receiving baccalaureate degrees and the demand of older citizen to complete degrees or seek new degrees relevant to the changed economy.

B. Planning to Accommodate Projected Enrollment Growth

Enrollment projections do not constitute an enrollment plan. Rather, they serve as a planning tool that enables institutional leaders to estimate future enrollment demand. The next step is to determine whether (and how) the institution—or, in the case of a system, all of the constituent institutions combined—can meet the projected demand. The answer requires an evaluation of several elements—e.g., institutional mission, current physical capacity, and future capacity for growth.

Development of the UNC enrollment plan was guided by the following principles:

- Use existing capacity to the fullest extent possible.
- Promote economies of scale and stronger institutional financial capacity by setting a target of at least 5,000 to 6,000 students for most campuses.

- Restrain enrollment growth at UNC Asheville and the North Carolina School of the Arts in recognition of their special missions.
- Serve some of the projected enrollment growth through expansion of off-campus enrollment and e-learning.

Applying these principles in partnership with UNC chancellors, each board of trustees adopted appropriate targets for enrollment growth for each campus. The process began by asking each constituent institution to review its respective enrollment projections and then to indicate the extent to which it could accommodate or exceed its projected enrollment growth. For some UNC institutions, the challenge in serving projected enrollment growth on campus was the lack of adequate facilities, which required assignment of targets that were lower than their projected enrollment growth. On the other hand, seven institutions with then-current capacity on campus and, in five cases, total enrollments below 6,000 students, were targeted for above-average enrollment growth—ECSU, FSU, NCA&T, NCCU, UNCP, WCU, and WSSU. To assist these institutions in meeting ambitious growth targets, the North Carolina General Assembly has appropriated over $20 million in recurring funds. These funds have been used to develop comprehensive enrollment growth plans, improve instruction, develop new academic programs, promote greater operating efficiencies, enhance development offices, strengthen facilities management capabilities, and now begin to address additional stresses on campus services due to the success of the Focused-Growth Plan.

In the expectation that some students would prefer the convenience of distance education, institutions were encouraged to consider meeting some of their projected demand through off-campus sites and e-learning.

The 2000-2010 enrollment plan took into account population projections and enrollment data available since 1999, when the original plan was adopted; enrollment projections by the Office of the President blended with the projections of individual campuses; current and anticipated (as a result of the $2.5 billion bond issue) enrollment capacity on each campus; and each institution's strategic plan, in particular its proposed role in distance education. Table 1 summarizes the targets set (on-campus and off-campus enrollments combined) by institution for the period 2000-2010.

II. Current and Anticipated Enrollment Growth

A. Fall 2002 Enrollment[1]

The UNC enrollment plan set enrollment targets for two five-year periods (2000-05 and 2005-2010), with the understanding that both the plan itself and the projections upon which it is based must be carefully monitored and revised as necessary. The University now has enrollment information for the first three years covered by the new plan (fall 2000, fall 2001, and fall 2002). Table 2 compares fall 2002 enrollment with fall 2001 enrollment and with the targets set for fall 2002.

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[1] This year marks the third year that the University's report on fall enrollment includes off-campus enrollments. These data are included because (a) off-campus enrollments are now funded on the same basis as on-campus enrollments; (b) the board's enrollment strategies encompass both forms of enrollment; and (c) this convention is consistent with federal guidelines for reporting fall enrollments.

Table 1. UNC Ten-Year Enrollment Growth Plan (2000-2010)

Fall headcount enrollment, 2000 actual and targets for 2005 and 2010, on-campus and off-campus enrollment combined

Institution	2000 (actual)	2005 (target)	% increase (2000-05)	2010 (target)	% increase (2005-10)	Total Increase	% increase (2000-10)
ASU	13,227	14,850	12.27%	16,600	11.78%	3,373	25.50%
ECU	18,750	22,630	20.69%	27,500	21.52%	8,750	46.67%
ECSU	2,035	2,590	27.27%	3,270	26.25%	1,235	60.69%
FSU	4,487	5,480	22.13%	6,260	14.23%	1,773	39.51%
NCA&T	7,748	9,340	20.55%	11,000	17.77%	3,252	41.97%
NCCU	5,476	6,980	27.47%	8,230	17.91%	2,754	50.29%
NCSA*	768	840	9.38%	900	7.14%	132	17.19%
NCSU	28,619	31,020	8.39%	36,000	16.05%	7,381	25.79%
UNCA	3,292	3,530	7.23%	3,760	6.52%	468	14.22%
UNC-CH	24,892	28,100	12.89%	29,250	4.09%	4,358	17.51%
UNCC	17,241	20,430	18.50%	24,130	18.11%	6,889	39.96%
UNCG	13,125	15,360	17.03%	18,330	19.34%	5,205	39.66%
UNCP	3,445	5,170	50.07%	6,140	18.76%	2,695	78.23%
UNCW	10,100	11,270	11.58%	12,320	9.32%	2,220	21.98%
WCU	6,699	7,840	17.03%	9,530	21.56%	2,831	42.26%
WSSU	2,857	3,830	34.06%	4,780	24.80%	1,923	67.31%
TOTAL	**162,761**	**189,260**	**16.28%**	**218,000**	**15.19%**	**55,239**	**33.94%**

* NCSA enrollment figures do not include high school students.

Table 2. Comparison of Fall 2001 and Fall 2002 Headcount Enrollment

	Fall 2001	Fall 2002		Change (2001-2002)	
Institution	**Actual**	***Target***	**Actual**	**Number**	**Percent**
ASU	13,762	*13,789*	14,178	416	3.0
ECU	19,412	*20,381*	20,577	1,165	6.0
ECSU	2,004	*2,142*	2,150	146	7.3
FSU	5,010	*5,112*	5,308	298	5.9
NCA&TSU	8,319	*8,989*	9,115	796	9.6
NCCU	5,753	*6,010*	6,519	766	13.3
NCSA	789	*800*	817	28	3.5
NCSU	29,286	*29,923*	29,637	351	1.2
UNCA	3,293	*3,418*	3,391	98	3.0
UNC-CH	25,494	*25,894*	26,028	534	2.1
UNCC	18,308	*19,335*	18,916	608	3.3
UNCG	13,775	*14.231*	14,453	678	4.9
UNCP	3,933	*4,471*	4,432	499	12.7
UNCW	10,799	*10,608*	10,918	119	1.1
WCU	6,863	*7,226*	7,033	170	2.5
WSSU	2,992	*3,271*	3,495	503	16.8
TOTAL	**169,792**	***175,600***	**176,967**	**7,175**	**4.2**

Headcount enrollment in fall 2002 reached a record high of 176,967 students. This is an increase of 7,175 (or 4.2 percent) over the 169,792 students who were enrolled in fall 2001. The University as a whole exceeded the combined enrollment targets set for the 16 UNC institutions by 1,367 students. The resulting enrollment was only 0.8 percent above the planned enrollment.

All sixteen institutions experienced enrollment growth. Eight institutions, including six focused-growth campuses, exceeded the system-wide average rate of growth of 4.2 percent—WSSU (16.8%), NCCU (13.3%), UNCP (12.7%), NCA&TSU (9.6%), ECSU (7.3%), ECU (6.0%), FSU (5.9%), and UNCG (4.9%). The headcount growth was most dramatic among seven institutions, each with increases of 500 or more students—ECU (1,165), NCA&TSU (796), NCCU (766), UNCG (678), UNCC (608), UNC-CH (534), and WSSU (503).

Each of the seven focused-growth institutions experienced growth, and only WCU (2.5 percent) did not exceed the system percentage increase. As a group, the focused-growth institutions grew by 9.1 percent, as compared to 3.0 percent among the non-focused-growth institutions and the 4.2 percent overall growth rate. Historically American Indian and historically black institutions grew at a faster pace (12.7 percent and 10.4 percent, respectively) than did historically white institutions (2.9 percent).

Specific groups of students that experienced above average increases in their enrollment this year include:

- First-time students at all degree levels (up 2.1 percent)
- 18- to 24-year-old students (up 3.7 percent)
- Full-time students (up 4.2 percent)
- Minority students (up 7.2 percent)
- Women (up 4.4 percent)

Minority Presence

Minority enrollment (of those identified) increased by 3,247 students (7.2 percent) and is 28.2 percent of the University's enrollment adjusted for those whose race is not known, up from last year's 27.4 percent. In percentage terms, the growth for each identified minority group exceeded the growth rate for white students, which was 2.9 percent or 3,464. The percentages are:

- African American students (up 7.0 percent or 2,478 students)
- American Indian students (up 6.5 percent or 123 students
- Asian students (up 8.7 percent or 431 students)
- Hispanic students (up 8.2 percent or 215 students)

African American enrollment increased at both the historically black institutions (9.6 percent) and the historically white institutions (3.0 percent). White enrollment increased at both the historically black institutions (14.8 percent) and historically white institutions (2.4 percent). Taken together, these changes produced an enrollment at the historically white institutions that is 10.5 percent African American (up slightly from last year), and

an enrollment at the historically black institutions that is 14.2 percent white (up slightly from last year). In percentage terms, this is the fifth year in a row that African American students have exceeded 10 percent of the total enrollment at the historically white institutions. This means that 42.9 percent (16,246) of UNC's African American students now enroll at historically white or historically American Indian institutions. By contrast, 5.1 percent (6,190) of UNC's white students enroll at historically African American or American Indian institutions.

Distance Education

The number of students enrolled in off-campus distance education courses this fall and not taking courses on campus was 8,473, an increase of 1,479 (21.1 percent). An additional 2,755 students enrolled in distance education courses while taking courses on-campus, for a total of 11,228 students enrolled in such courses. This suggests that growing numbers of regular session students are choosing to take distance learning courses, generally through the use of information technology. As might be expected, distance education courses are especially convenient for nontraditional students (age 25 and older), who constitute 83.7 percent of off-campus enrollment.

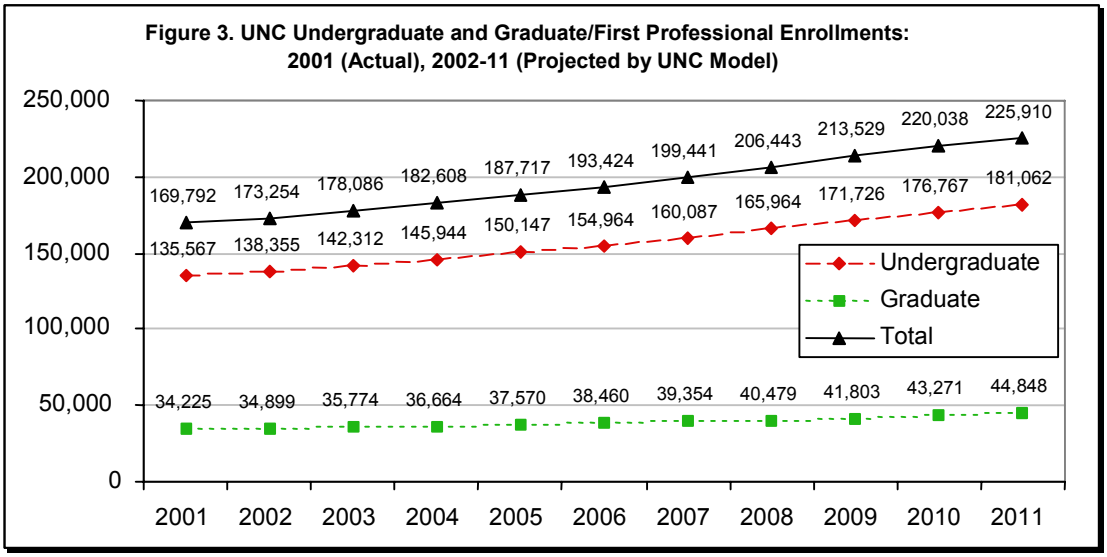
Increase in Enrollment, Diversity, and SAT Scores

Not only has UNC experienced record enrollment growth but both diversity overall and freshmen SAT scores have increased. The University is more diverse overall and eight institutions have increased diversity as defined for their campuses (ASU, ECSU, NCA&TSU, NCCU, UNC-CH, UNCG, WCU, WSSU). Thirteen institutions saw the average SAT for first-time-in-college students increase (ASU, ECU, FSU, NCA&TSU, NCSA, NCSU, UNC-CH, UNCC, UNCG, UNC-P, UNCW, WCU, WSSU).

B. Revised Fall Headcount Enrollment Projected for 2002-2011

The enrollment projections that formed the basis for the 2000-2010 enrollment plan were generated using enrollment data from fall 1994 through fall 2000. With the additional fall 2001 data, projections were revised and extended to fall 2011. Figure 3 displays projections for the period 2002-2011. Consistent with new reporting conventions, these figures include both on-campus and off-campus enrollments.

These projections suggest that total fall headcount enrollment will rise to approximately 220,000 by 2010. The UNC enrollment plan assigns targets to the 16 constituent institutions that sum to 218,000 by 2010, or 2,000 fewer than the new projections forecast. However, the plan keeps pace with the projections until fall 2008, suggesting that adjustments may be required for 2009 and 2010 when the plan is revisited in spring 2003.



Projected enrollment growth for the ten-year period (2000-10) is approximately 57,300 (or 35.2 percent). The new enrollment projections now extend to 2011, when enrollment is projected to reach approximately 226,000. For the ten-year period 2001-2011, enrollment is expected to increase by about 56,000 (or 33 percent). This suggests that the rapid pace of enrollment growth may begin to abate somewhat after 2011.

III. Management of Capacity

The 2000-10 UNC enrollment plan, like the previous plan, is based on the concept of maximizing the efficient use of existing capacity. The space planning standards adopted by the Board of Governors in 1998 represent an aggressive adaptation of space standards promulgated by university systems throughout the United States. Applying these standards, institutions are better able to determine how efficiently they are using existing campus facilities and how many students they ought to be able to serve on campus, and can predict the kinds of new facilities they will require in order to meet the long-range enrollment targets.

Using its space planning standards, the University was able to compare the number of students projected to enroll over the coming two five-year periods with the estimated capacity at each UNC institution. Development of this plan took into account capital projects that were funded as a result of the successful UNC/Community College bond referendum. The University has developed an aggressive schedule that projects when each project will be designed, bid, and ultimately completed. This has aided considerably in estimating future enrollment capacity at each campus.

The UNC enrollment plan is built on an effort to minimize the need for new facilities over the next decade by gradually modifying traditional enrollment patterns. First, recognizing that some campuses cannot sustain the high rates of growth they have experienced over the past decade, the University's enrollment plan seeks to shift more than 10,000 of the projected on-campus enrollment growth to those campuses that are prepared (given adequate facilities) to absorb this enrollment by accepting 10-year

growth rates of 40 percent or higher. Second the plan seeks to meet some of the projected demand off campus through distance education. In fall 2002 UNC institutions served almost 8,500 students off-campus. This represents 4.8 percent of the total fall headcount enrollment. By 2010 the UNC enrollment plan calls for approximately 21,000 students to be taught through distance education. This would represent nearly 10 percent of total anticipated enrollment, with more than 20 percent of graduate students being served through distance education.

Another strategy to maximize capacity is expansion of enrollment in summer sessions. Like distance education before it was fully funded in 1998-99, summer school degree-credit instruction receives minimal state funding and so is essentially self-supporting. This constrains the ability of campuses to make full use of summer session to deliver degree-credit courses. In order to support instructional costs, most campuses must charge higher tuition in the summer and lack financial aid to assist low-income students. Therefore many students cannot afford summer school courses. Second, in order to be economically viable, courses must attract a high enrollment. This generally limits courses to those at the introductory level and makes it too costly to offer many of the upper division courses that juniors and seniors require to complete their degrees.

Adequate state funding for summer instruction would enable campuses to expand their summer offerings, thereby making year-round use of their facilities more feasible, hastening degree completion, and opening more places for future students. As a test of this thesis, the University's budget request for 2003-05 included a proposal for funding of pilot summer programs at North Carolina A&T State University, North Carolina State University, and UNC Charlotte. The pilots, if funded, would run for three years. If successful, the board would follow with a request for summer school funding based on an application of the regular-term funding model. With year-round utilization of their facilities, UNC campuses would increase their effectiveness in meeting the growing demand for higher education.