4. Discussion: Border Tuition

Situation: This is a discussion item on a possible policy change allowing for discounted tuition for nonresident undergraduates living near the state border and near a UNC institution.

Background: This idea was discussed briefly at the June 2013 BOG meeting with other nonresident enrollment management alternatives. Tennessee and Georgia have nonresident border policies and Virginia and South Carolina do not.

Assessment: A discounted nonresident border tuition policy could have a significant impact on enrollment at institutions near the border depending on the tuition level.

Action: This item is for discussion only.
Presentation Outline

- Benefits of Policy
- Neighboring States Border Policies
- Policy Options
- Recommendation
- Institutions Near Border
- Setting Tuition – BOG Authority
Benefits of Policy

- Allows campuses close to a state border to grant nonresident students the ability to pay reduced tuition
- Increases enrollment
  - Allows campuses near border to focus on entire regional development needs rather than artificially segmenting communities
  - Helps rural campuses counteract the effects of urbanization
  - Improves economies of scale
Neighboring States

- **Tennessee Border Policy**
  - Resident tuition, 30 miles from campus, only counties on border
  - East Tennessee State affects NC counties (Ashe, Avery, Haywood, Madison, Mitchell, Watauga, and Yancey)

- **Georgia Border Policy**
  - Resident tuition, no distance measure, individual schools must request waiver for only counties on border
  - 22 waivers granted but no Georgia school near NC has made a request

- **South Carolina and Virginia have no policy**
Policy Options

- Which UNC institutions to include?
  - Proximity to state border
  - Institutions in rural versus urban areas
  - Carnegie classification

- How far into border states?
  - Counties on border only (within some mile radius)
  - Counties near border (within some mile radius)

- At what price point?
Institutions Near Border

■ Rural

● Appalachian State University – 9 miles
● UNC Pembroke – 14 miles
● Elizabeth City State University – 19 miles
● Western Carolina University – 22 miles to GA and SC, 25 miles to TN

■ Urban

● UNC Charlotte – 19 miles
● UNC Asheville – 24 miles
Institutions within 25 miles of a border
At market rate (resident tuition + 10%)
Two border county scenarios:
- Counties on the border only within 25 miles
- Center of the counties within 50 miles
Not eligible for state support
Optional for institutions
Appalachian State University

- Expected New Enrollment Per Year at Resident Tuition + 10%
  - 25 Miles: 31
  - 50 Miles: 152.5

- Tuition and Fee Comparison
  - $7,180 – ASU resident tuition + 10% + fees
  - $7,667 – East Tennessee State University
  - $7,679 – Tennessee Tech
  - $11,876 – University of Tennessee at Knoxville
  - $19,970 – ASU nonresident

9 Miles to TN, 26 Miles to VA
Elizabeth City State University

19 Miles from Border

- Expected New Enrollment Per Year at Resident Tuition + 10%
  - 25 Miles: 8 to 48
  - 50 Miles: 12 to 70

- Tuition and Fee Comparison
  - $6,379 – ECSU resident tuition + 10% + fees
  - $7,552 – Norfolk State University
  - $8,002 – Virginia State University
  - $17,777 – ECSU nonresident
UNC Asheville

- **Expected New Enrollment Per Year at Resident Tuition + 10%**
  - 25 Miles: 2.5
  - 50 Miles: 28

- **Tuition and Fee Comparison**
  - $6,759 – UNCA resident tuition + 10% + fees
  - $7,667 – East Tennessee State University
  - $21,263 – UNCA nonresident
  - $28,730 – Milligan College (Private)
UNC Charlotte

- **Expected New Enrollment Per Year at Resident Tuition + 10%**
  - 25 Miles: 42.5
  - 50 Miles: 50.5

- **Tuition and Fee Comparison**
  - $6,629 – UNCC resident tuition + 10% + fees
  - $13,446 – Clemson
  - $13,812 – Winthrop (SC Public)
  - $19,448 – UNCC nonresident
Expected New Enrollment Per Year at Resident Tuition + 10%
- 25 Miles: 9
- 50 Miles: 24

Tuition and Fee Comparison
- $5,608 – UNCP resident tuition + 10% + fees
- $9,738 – Francis Marion (Public)
- $9,760 – Coastal Carolina (Public)
- $15,239 – UNCP nonresident
Western Carolina University

22 Miles to GA and SC, 25 Miles to TN

- Expected New Enrollment Per Year at Resident Tuition + 10%
  - 25 Miles: 28
  - 50 Miles: 48.5

- Tuition and Fee Comparison
  - $4,892 – University of North Georgia
  - $8,502 – WCU resident tuition + 10% + fees
  - $11,876 – University of Tennessee at Knoxville
  - $13,812 – Winthrop (SC Public)
  - $18,528 – WCU nonresident
Setting Tuition – BOG Authority

- Each constituent institution shall charge and collect tuition from each student.
- The Board of Governors sets tuition in the amounts it deems appropriate, taking into consideration the nature of each institution, program of study and other costs.
- No free tuition; tuition waivers are generally prohibited.
- The Board of Governors shall fix the tuition for nonresidents at rates higher than the rates charged residents.

Source: NC General Statutes 116-143 and 116-144
Discussion/Questions
### Border Tuition Discussion

Border Nonresidents Paying Resident Tuition + 10%

<table>
<thead>
<tr>
<th>UNC Institution</th>
<th>Within 25 Miles of State Border</th>
<th>Expected Enrollment Increase per Year</th>
<th>Population in Target Area</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Counties with Border within 25 Miles</td>
<td>Counties within 50 Miles</td>
</tr>
<tr>
<td>Appalachian State University</td>
<td>9 Miles</td>
<td>31</td>
<td>75,315</td>
</tr>
<tr>
<td>Elizabeth City State University</td>
<td>19 Miles</td>
<td>8 to 48*</td>
<td>764,778</td>
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<tr>
<td>UNC Asheville</td>
<td>24 miles to TN</td>
<td>2.5</td>
<td>18,082</td>
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<tr>
<td>UNC Charlotte</td>
<td>19 Miles</td>
<td>42.5</td>
<td>319,821</td>
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<tr>
<td>UNC Pembroke</td>
<td>14 Miles</td>
<td>9</td>
<td>59,232</td>
</tr>
<tr>
<td>Western Carolina University</td>
<td>25 miles to TN, 22 miles to GA and SC</td>
<td>28</td>
<td>304,679</td>
</tr>
</tbody>
</table>

* | ECSU has a range of values because of the significant drop in VA new student enrollment from 2001 through 2012 (average of 38) to Fall 2013 (7).