



President's Remarks to the Board of Governors
September 17, 2020

I'd like to begin this morning by sharing a remarkable statistic, a piece of amazingly good news that I fear may be lost among all the activities since I started on August 1.

Overall enrollment across the University this fall is up, about one percent, Systemwide. In any other year, that would be a completely ordinary bit of news. In this year of unprecedented disruption across our state and across the world, I think it's an extraordinary achievement, and a vote of confidence in our universities.

We care about enrollment because of the people behind those numbers — the students working to improve their lives, to take advantage of the opportunities they've earned, to build a more prosperous and more resilient future for themselves and for North Carolina.

Back in the spring, when everyone from college counselors to credit agencies were predicting an enrollment collapse, our deepest worry was that students would respond to uncertainty by holding back — by delaying or reconsidering their college plans. We know from years of reliable data that delaying college too often turns into skipping college, at great loss to individual students and to our state's long-range prospects.

We also know that the students most likely to fall off track are those who would benefit most from an affordable, high-quality college education: first-generation, low-income, and minority students. Falling enrollment means falling behind on crucial progress toward equity, economic mobility, and opportunity for all.

The fact that our institutions were able to welcome a record-breaking class of students this fall, to meet the needs of a rising generation even in the midst of a national crisis, is remarkable. I simply cannot say enough about the faculty, the staff, and the students themselves who have shown such determination in the face of daunting obstacles. I'm proud to be even a small part of that collective effort, and thankful to work alongside such driven people.

As of today, thirteen of our constituent institutions continue to offer some level of in-person learning for undergraduate students. Three have transitioned fully online and are continuing to offer a world-class education at a very challenging moment. We'll know more about UNC Charlotte's status next week. That mixed picture is exactly what you'd expect from a big and diverse university system, where each institution has its own conditions and capacities on a local level.

I think all of us went into this fall hoping for some version of a 'normal' college semester, or as normal as it could be with masks and social distancing. But we also knew that campuses would adapt as conditions changed, and that's exactly what they've done.



At the System Office, we've had our sleeves rolled up. We've concentrated on helping campuses manage through the pandemic, from digital materials to enhance the online learning experience, to the emergency management approach we've taken in coordinating operational measures for the institutions. We monitor daily the situation on each campus, and we are in near constant communication with the chancellors and their leadership teams to stay ahead of issues, so we can assist, support, and advocate on their behalf.

We will fight through these challenging times, making tough and thoughtful decisions in order to preserve the University's capacity to provide current and future generations of North Carolinians with access to affordable and excellent education. That is our core mission.

The rising cost of a college education over the past few decades has limited economic mobility and weakened public trust. It has made it harder for public universities to achieve their core mission.

A steady investment by our fellow citizens, the taxpayers, has made North Carolina a positive outlier when it comes to college costs. Our institutions remain some of the best values in American education, and under the leadership of this Board, we've gone a step further.

This fall marks the fourth year that in-state undergraduates have seen their tuition bills held flat. As I suggested yesterday, let's make it five years in a row. We need to offer students and families a little certainty in a deeply uncertain time. Keeping the lid on tuition is the right thing to do for North Carolina, and the right thing to do for families facing deep economic hardships.

Anna [Spangler Nelson], I remember your father teaching me about Article 9, Section 9 when I was a student. And I haven't forgotten.

I also believe that, in order to make sound decisions about keeping education affordable, the University must follow established best practices in financial management. One of those best practices is to develop and execute a formal comprehensive budget. Believe it or not, this doesn't really exist in our System. At least not in a standard format.

I'm asking that we work together to create a unified budget, reviewed by the boards of trustees, for each campus in the System.

This will be challenging, but critical work, and I look forward to engaging with you and the chancellors on this over the coming year.

To the students and families grappling right along with us, I want to say thank you. I know this isn't easy, but you're doing something that matters, something that will benefit you and your state long after this

APPENDIX B



pandemic recedes. You will have many maskless days to come in your lifetime, but for now — stay safe, study hard, protect yourself and others, and know that we're proud of you.

Thank you, Mr. Chairman