



Board of Governors Meeting

President's Report

Thursday, Feb 17, 2021

When this Board met a year ago, in February 2020, there was no mention of coronavirus on the agenda. A month later, in March of 2020, most of our campuses had announced they weren't returning to in-person instruction after Spring Break. The Board then heard a full briefing on COVID and the proposed economic relief packages working their way through Congress at the time. A month later, the Board convened remotely for the first time.

It has been, by every measure, the most unusual year in the modern history of higher education. The word "disruption" doesn't really begin to capture the scale of the change and the challenge our universities have faced, and are facing still as we navigate what I sincerely hope will be the final months of this pandemic.

Today, I'd like to take a step back from the virus and the all-hands-on-deck response our institutions have mounted, because the core work of this university hasn't paused during this trying time. If anything, it has become more urgent.

This board, this university, has focused on specific, ambitious goals for improving graduation rates, expanding critical research, supporting key growth areas for the state's workforce, and welcoming more first-generation, rural, and low-income students to our campuses. Unlike box-ticking laundry lists that so many put forward, the University of North Carolina's plan laid out clear priorities, meaningful metrics for success, and incentives for campus leaders and system leaders to meet those targets.

And as we heard yesterday, it is working. Even amid all that has happened this past year, we have held true to our mission and our goals. You have kept faith with the promises we made to the students and the people of North Carolina.



Graduation rates have reached new highs, now head-and-shoulders above nearly all of our public university peers across the country. Economic impact has already exceeded our five-year goal, with plenty of time to spare. Degree efficiency continues to rise. And sponsored research and licensing revenue reached an extraordinary \$1.74 billion in the last fiscal year, underscoring the tremendous impact our universities have in driving innovation, making discoveries, and improving the quality of life for all North Carolinians.

There is still work to be done, particularly for low-income and rural student enrollment, work made significantly harder by the huge disruptions to K-12 schooling over the past year. But taken as a whole, the progress we've made in achieving our strategic plan goals is remarkable, and a testament to the focus and hard work of people all across this state. We've asked faculty, staff, students to make something good out of impossible circumstances this year, and they have. They genuinely have.

I firmly believe much of the progress we're seeing on these key metrics is driven by an intense focus on the one metric that matters a whole lot to students and families: that's cost. This marks the fifth consecutive year that the University of North Carolina has held tuition flat for in-state students, halting a decades-long trend of ever-rising prices. I don't know a state in this country that can match that record. We've made some hard choices in order to keep tuition in check, but I believe it's been worth it. North Carolina is one of vanishingly few states where average tuition and debt at public universities has actually *declined* over the last five years. That not only represents a genuine improvement in opportunity and quality of life for our students, but it sends a resounding message to the next generation that the people's university remains within their reach.

Mr. Chairman, I have a few visual aids I'd like to share if I could. I realize these won't show up as well on Zoom as they would in our regular room, but this won't be the last you see of these charts, because I want to take this message across the state, to the people. The first shows our UNC System weighted average tuition



and fees, around \$7,000, versus the national average in tuition and fees. And I believe probably even on Zoom, you can tell the national average is \$3,500 dollars higher. North Carolina's average, much lower. Important to access. Five years of flat tuition. You can see up here these are the institutions, excluding our three universities in the NC Promise program, held flat five years in a row, about \$4,500. Tuition at the NC Promise institutions – of course, Elizabeth City, Western Carolina and UNC Pembroke – went down, thanks to the support of the General Assembly and taxpayers across the state to \$1,000 - \$500 a semester. These two charts tell a compelling story about access and affordability, and we have still increased graduation rates and quality along the way.

Now, members of the board, we still have plenty of work to do on student fees, on housing, and other expenses that contribute to college costs. We're hard at work on reforms to the state's financial aid system that will make it an even more effective recruiting tool and help incentivize on-time completion.

But the progress of the last few years is real, and it's made a real difference for the students and the families of North Carolina. None of it would be possible without the support of our lawmakers, the confidence of our citizens, and the leadership of this board, and the chancellors, and the campus communities. And I'm grateful for all of you.

Now our charge goes beyond education, of course. We're here to serve the people of North Carolina, all the people of North Carolina, to meet the highest and most urgent needs of our state, and we'll be doing that in a very direct way in the weeks ahead. As you know, our campuses have been conducting essential research into safe and effective treatments and vaccines. But as of this morning, UNC Health alone has administered 160,000 vaccinations statewide and we've opened or begun to open four vaccine clinics across the state, making use of the critical infrastructure of our campuses to help bring the coronavirus pandemic under control.

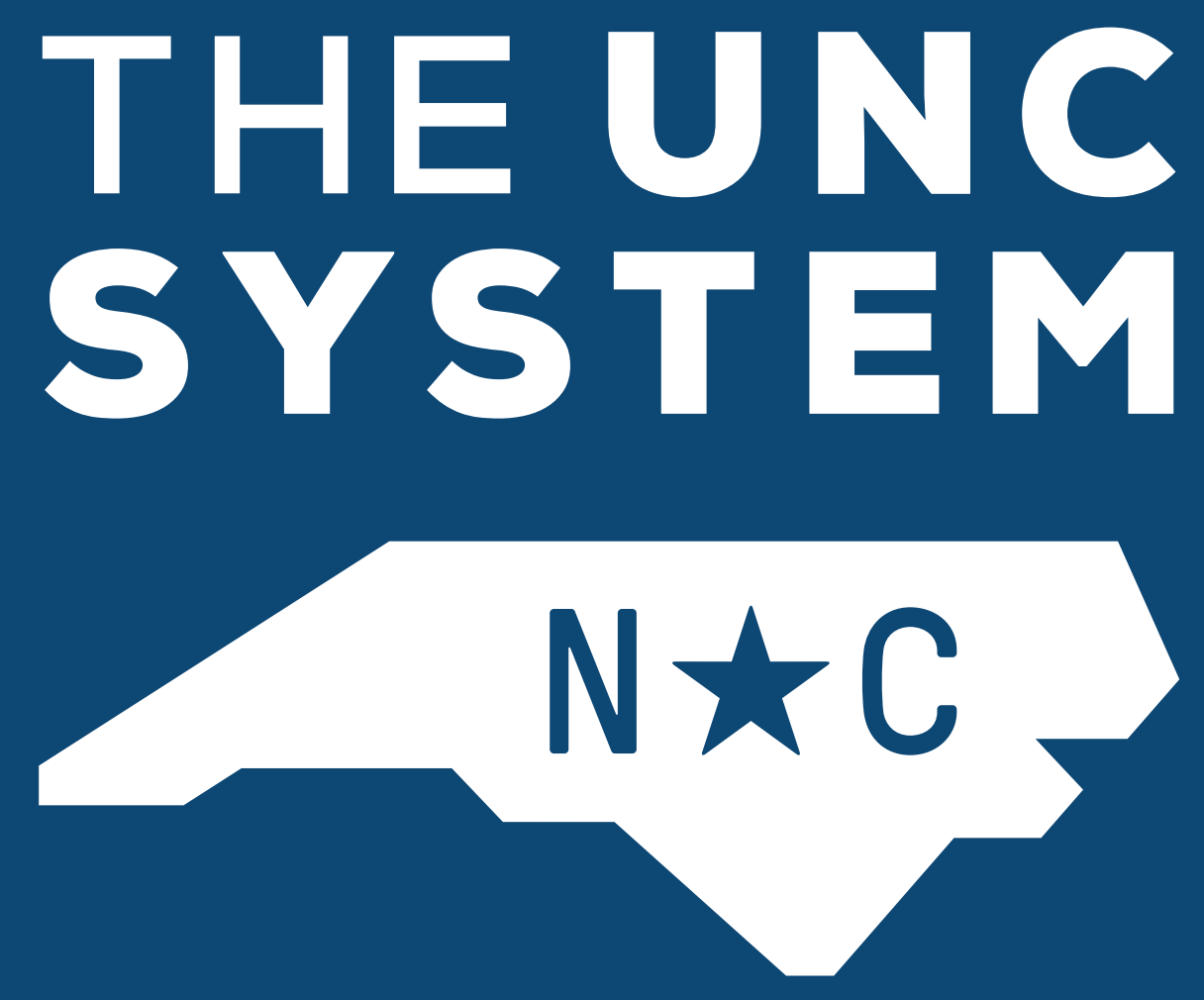


From the earliest days of this pandemic, we've been in close contact with state officials, not only to get their advice, but to find out how we can help. As vaccine production ramps up and the state prepares for a broader rollout, we're eager to do our part.

NC A&T launched a vaccine clinic last week and the initial rollout, in conjunction with Cone Health, went so well, the doses for this week were doubled. Additional clinics will be open in the next few days at UNC Asheville, UNC Pembroke and Western Carolina University. At Pembroke, our nursing students will be in special mobile units, distributing vaccines to rural Robeson County. And, for coming weeks and months, these campuses – and the others that will soon follow – will be a beacon of hope in our communities.

So I want to thank everyone across the university System who is taking on added responsibilities to make this happen. Every person we help vaccinate gets us one step closer to ending the pandemic, fully opening our economy, and reclaiming the shared spaces we all miss so dearly.

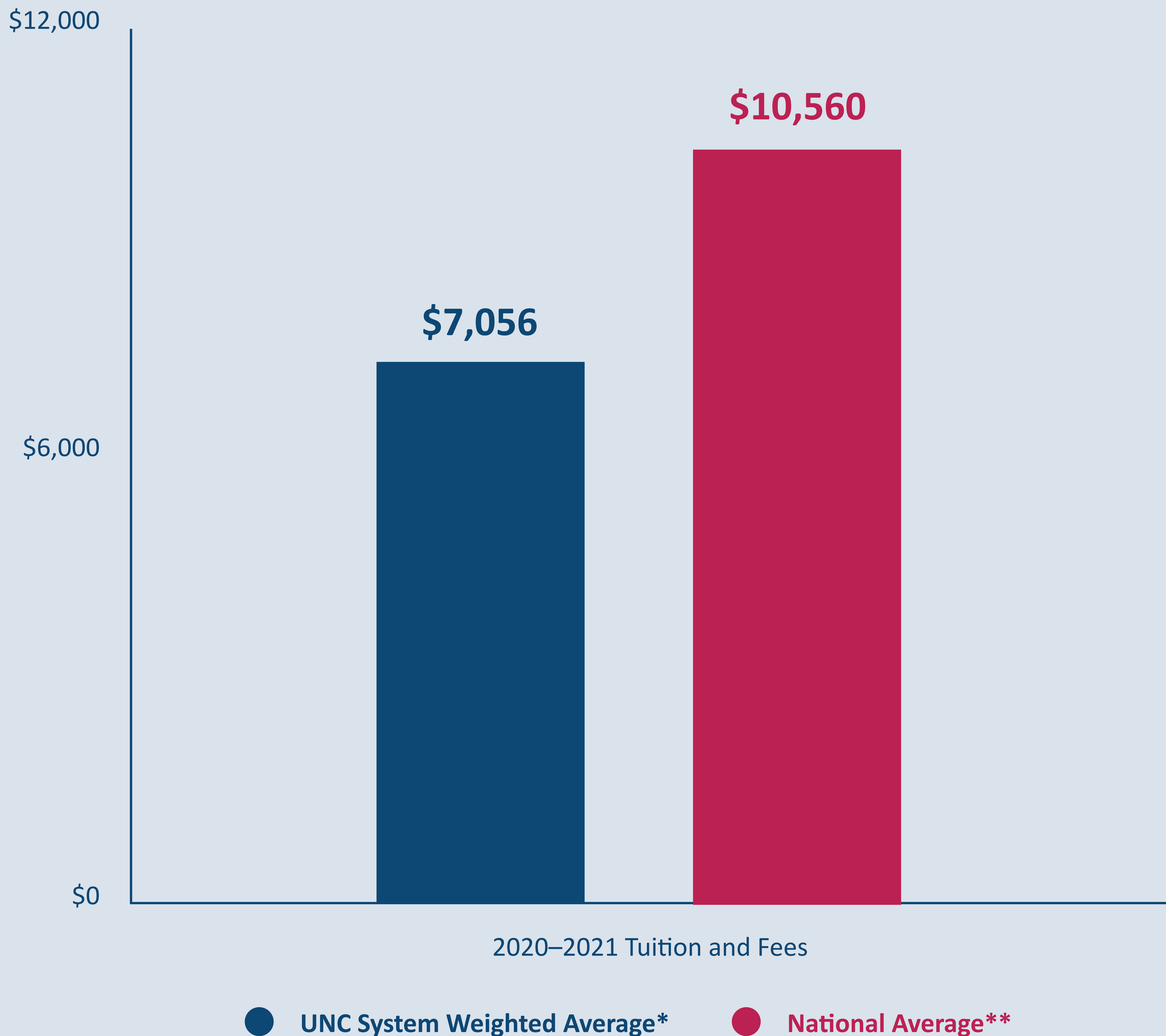
Mr. Chairman, this concludes my report. Thank you.



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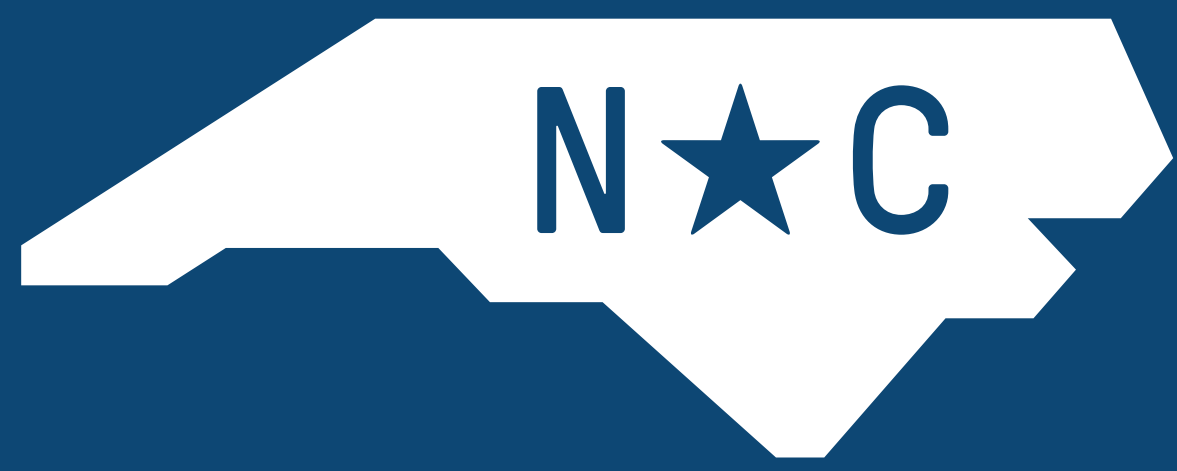
UNC System affordability

UNC System in-state annual undergraduate tuition and fees, compared to national average



* The weighted average undergraduate resident tuition and mandatory fees for FY 2020–21 are **\$7,056**.

** In 2020–21, the average published tuition and fees for full-time undergraduate students are **\$10,560** for public four-year in-state. *Trends in College Pricing and Student Aid 2020*, College Board
research.collegeboard.org/pdf/trends-college-pricing-student-aid-2020.pdf

THE UNC
SYSTEM

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Five Years of Flat Tuition

UNC System Average Annual Undergraduate Tuition



NC Promise lowers the price of in-state tuition to \$500 per semester at three universities: Elizabeth City State University, UNC Pembroke, and Western Carolina University.

The **Fixed Tuition Program** guarantees that tuition rates will not increase for four years of a student's continuous undergraduate enrollment.