AGENDA

OPEN SESSION

1. Invocation ................................................................. Mrs. Nichols
2. Roll Call................................................................. Secretary Burris-Floyd
3. President’s Report ....................................................... President Hans
4. Consent Agenda ........................................................... Chair Ramsey

Minutes
a. Minutes (Open) of July 22, 2021

Committee on Budget and Finance
b. Capital Improvement Projects – NC State, UNC-Chapel Hill, and UNC Wilmington
c. Sale of Special Obligation Bonds – N.C. A&T, UNC Charlotte
d. Section 1000.1.1, Policy on Tuition Rates (supersedes Establishing Tuition and Fees) (approved July 21, 2021)
e. Section 1000.1.2, Policy on Tuition with Respect to Student Exchange Programs with Institutions Abroad (repeal) (approved July 21, 2021)
f. Section 1000.1.3, Tuition Rates for Special Talent and Graduate Nonresident Students (repeal) (approved July 21, 2021)
g. Section 1000.1.5, Tuition Surcharge (repeal) (approved July 21, 2021)
h. Section 1000.1.7, Policy for the Tuition Guarantee Program (repeal) (approved July 21, 2021)

Committee on Educational Planning, Policies, and Programs
i. UNC System Academic Degree Program Actions
j. Comprehensive Articulation Agreement Annual Report
k. Licensure Program Approvals
l. Early College High School Graduates Report

Committee on University Governance
m. Resolution on Security Clearance Requirements
n. Section 301 of The Code, The Standing Committees’ Jurisdiction (amend) (approved July 21, 2021)
Committee on Audit, Risk Management, and Compliance

o. CARMC Oversight Responsibilities and Operating Procedures
p. UNC System Office 2021-22 Internal Audit Plan

5. Report of the Committee on Budget and Finance
   a. 2021-23 Authorization of Delegated Authority – Allocation of Funds

6. Report of the Committee on Educational Planning, Policies, and Programs

7. Report of the Committee on University Personnel
   a. UNC Staff Assembly Update

8. Report of the Committee on University Governance
   a. Vidant Medical Center Board of Trustees Appointments


10. Report of the Committee on Audit, Risk Management, and Compliance

11. Report of the Subcommittee on Laboratory Schools

12. Chair’s Report

CLOSED SESSION

13. Approval of Minutes (Closed) of July 22, 2021

14. President’s Report

15. Legal Report

16. Report of the Committee on University Personnel

OPEN SESSION

17. Report of the Committee on University Personnel
   a. Delegation of Authority to the President to Issue Instructions for SHRA and EHRA Annual Raise Process
   b. Delegated Authority to Develop and Implement Early Retirement Incentive Program

18. Adjourn

The next regularly scheduled meeting of the Board of Governors is Thursday, November 18, 2021, at the Hunt Library, North Carolina State University in Raleigh.
Closed Session Motion

Motion to go into closed session to:

- Prevent the disclosure of information that is privileged or confidential under Article 7 of Chapter 126 and of the North Carolina General Statutes, or not considered a public record within the meaning of Chapter 132 of the General Statutes.

- Consult with our attorney to protect attorney-client privilege; and

To consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action for the following cases:

- Staton v. East Carolina University
- Hwang v. UNC, et al.

- Consider the qualifications, competence, performance, or condition of appointment of a public officer or employee or prospective public officer or employee.

Pursuant to: G.S. 143-318.11(a)(1), (3), and (6).
The following policy change to the UNC Policy Manual was recommended at a prior committee meeting to be considered by the full Board of Governors on September 16, 2021:

1. Approval of proposed amendments to Section 1000.1.1, Policy on Tuition Rates, supersedes Establishing Tuition and Fees (Budget and Finance).
2. Repeal of Section 1000.1.2, Policy on Tuition with Respect to Student Exchange Program with Institutions Abroad (Budget and Finance).
3. Repeal of Section 1000.1.3, Tuition Rates for Special Talent and Graduate Nonresident Students (Budget and Finance).
4. Repeal of 1000.1.5, Tuition Surcharge (Budget and Finance).
5. Repeal of 1000.1.7, Policy for the Tuition Guarantee Program (Budget and Finance).
6. Approval of proposed amendments to Section 301 of The Code, The Standing Committees’ Jurisdiction (Governance).
Policy on Tuition Rates

The General Assembly shall provide that the benefits of The University of North Carolina and other public institutions of higher education, as far as practicable, be extended to the people of the State free of expense. –North Carolina Constitution, Article IX, Section 9

I. Purpose. The North Carolina Constitution sets the parameters for establishing resident tuition rates at the constituent institutions of the University of North Carolina (UNC). The constitutional provisions for setting tuition are codified in North Carolina General Statutes (hereinafter G.S.) 116-11(7), which states, in part, “The Board [of Governors] shall set tuition and required fees at the institutions, not inconsistent with actions of the General Assembly.” This statute governed the setting of tuition rates for both resident and nonresident students from 1971 through 1999, during which time the Board of Governors recommended no tuition increases except as required by session law. In November 1998, the Board adopted a tuition policy, as directed by the General Assembly, which allowed for the consideration of tuition increases as requested by the constituent institutions. These funds are subsequently appropriated by the General Assembly for use by the institution. This policy outlines the framework to be followed by the Board in establishing tuition levels for constituent institutions. Tuition is charged to students enrolled in academic programs during regular terms, summer sessions, or through off-campus instruction, and is used to partially defray the costs of general academic and administrative operations of campuses, including academic programs and faculty and administrative salaries and benefits.

II. General Policy

A. Undergraduate Tuition. The appropriate tuition policy at the undergraduate level encourages students to pursue academic and intellectual interests without regard to program costs. Accordingly, no difference in tuition between undergraduate programs will occur within an institution, and there will be only minimal differences in undergraduate tuition among campuses in similar institutional categories as defined by the Board to reflect both varying missions and contrasting costs of education, or at the direction of the General Assembly, such as the NC Promise program. Deviation in undergraduate tuition among campuses in different institutional categories will be based upon institutional offerings and will be reasonable. Combined tuition and fee rates for undergraduate residents shall be in the bottom quartile of each respective institution’s Board-approved public peers.

B. Graduate and Professional Tuition. The Board will apply Article IX, Section 9 of the North Carolina Constitution to graduate- and professional-level students but with the realization that the costs, sources of funds, and purposes of graduate and professional education are materially
different from undergraduate education. The application of what is “practicable” varies by level of instruction for a number of reasons, and those differences will be reflected in the tuition policies associated with each level. Tuition for graduate and professional students will be set with an understanding that tuition revenues may be needed to maintain and increase the excellence of the University’s graduate and professional programs. In setting tuition rates, the Board will consider the need to provide access to these programs for students irrespective of their financial capacity as well as the desire to attract and retain the best students to serve North Carolina’s needs in each field.

C. Nonresident Tuition.

1. Under G.S. 116-144, the Board of Governors is required to set tuition rates for nonresident students at levels “… higher than the rates charged residents of North Carolina and comparable to the rates charged nonresident students by comparable public institutions nationwide. . . .” In complying with the statute, the Board will set tuition for nonresident students after considering the results of a review of rates set by comparable public institutions nationwide. Each constituent institution should set a goal to keep its combined undergraduate nonresident tuition and fee rates at or above the third quartile of its respective Board-approved public peers. Nonresident tuition rates should be market driven and cover the full cost of providing a quality education. The Board will further consider the need for tuition remissions for nonresident graduate students when setting tuition rates and tuition remission policies.

2. Constituent institutions are authorized to award tuition remission to certain nonresident graduate students to reduce the tuition rate for these students to the in-state rate. This tuition remission may be given to nonresident graduate students who are awarded a graduate teaching or research assistantship and who are paid a stipend of at least $2,000 per academic year. Individual institutions may also establish higher minimum stipend amounts or additional policies relating to eligibility for tuition remission. The following conditions apply:

   a. Each institution shall limit the granting of tuition remissions to conform with established budgetary limitations.

   b. Each institution may supplement this appropriation from other non-state sources.

   c. Institutions may not provide tuition remissions to all graduate students.

   d. The president shall adopt administrative procedures and regulations for the implementation of the tuition remission.

D. Tuition Rates for Part-time Students. Effective with the fall term of 2021, part-time resident students and part-time nonresident students taking courses within North Carolina are charged the regular-term tuition rates established by the Board and the tuition rates for these students are implemented on a per-credit-hour basis to be calculated as follows:
1. Part-time undergraduate students shall be charged tuition per credit hour, at a rate equal to the annual undergraduate tuition rate at their institution divided by 24. The per-credit rate shall be capped at 12 credits per semester for fall and spring semesters, meaning undergraduate students shall not be charged for additional credits beyond 12 in a fall or spring semester.

2. Part-time graduate students shall be charged tuition per credit hour, at a rate equal to the annual graduate tuition rate divided by 18. The per-credit rate shall be capped at nine credits for fall and spring semesters, meaning graduate students shall not be charged for additional credits beyond nine per semester in a fall or spring semester.

E. Other Tuition Rates

1. The authority to set tuition rates for nonresident students taking courses outside North Carolina and to approve tuition rates for self-supported summer enrollment is delegated to the president. The president may also grant exceptions to the method by which the tuition rate is implemented on a per-credit-hour basis, provided that the relevant course or program is receipt-supported.

2. Student Exchange Programs. The constituent institutions are authorized to enter into and extend or modify agreements with institutions in other countries to provide for a balanced exchange of students. A UNC student participating in such an exchange shall be charged tuition by the home UNC institution at a rate consistent with the residentiary status the student would otherwise have at the home institution and shall be counted in the official FTE of the home institution in that residentiary status. A foreign student participating in such an exchange agreement shall not be charged tuition by the host UNC institution and shall not be counted in the official FTE of the host UNC institution.

III. Process for Setting Tuition Rates

A. Undergraduate Rates. The Board recognizes that campuses may experience circumstances that suggest an across-the-board change in undergraduate tuition may be needed at one or more institutions. In the event that circumstances lead a campus or campuses to the conclusion that a change in undergraduate tuition rates is needed, campuses are permitted to bring proposals for undergraduate tuition changes to the Board for its consideration. Campuses wishing to submit requests for undergraduate tuition changes will conduct a process that includes meaningful participation by and input from students. A student involvement form signed by the student body president, or designee, should be included with any campus-initiated tuition increase request. A campus will consider the following factors when creating an undergraduate tuition proposal:

1. Availability of state general fund revenue to maintain quality and access within the campuses of the University of North Carolina System;

2. Evidence of institutional efforts to manage costs through increases in productivity, budget flexibility, and/or efficiency improvements;

3. Analysis of the impact of tuition and fee charges on student access to the constituent institutions of the University of North Carolina System as measured by the college-going rate and other metrics so as not to limit access to the University;
4. Changes in various price and income indices (e.g., North Carolina per capita personal income, Consumer Price Index, Higher Education Price Index, Median Household Income);

5. The current level of student charges (tuition, fees, room and board) at UNC System institutions and whether campuses have proposed campus or program tuition differentials for the budget period that would be in addition to general increases in tuition;

6. Analysis of student indebtedness levels within the University, viewed in the context of student attrition rates;

7. Availability of financial aid and amount of unmet need. Financial aid should be reviewed in the context of the different missions of the institutions, the diverse capacities of the institutions to provide financial assistance and the contrasting needs of students attending the institutions.

B. Graduate and Professional Tuition Rates. The Board of Governors will permit individual campuses to initiate requests for Board approval of different base or program tuition rates at the graduate and professional level. If a campus explores the possibility of developing such a request, it will present evidence to ensure that students in the affected graduate and/or professional programs have been consulted. Graduate and professional schools should establish rates consistent with each program’s unique market and academic requirements. Tuition for graduate and professional students will be set with an emphasis on maintaining and increasing the excellence of the institution’s graduate and professional programs as well as ensuring access. To the extent possible, there should be full tuition remission for graduate assistants to improve an institution’s competitiveness in recruiting and retaining highly qualified nonresident graduate students.

In reviewing potential criteria to recommend as a basis for deciding when specific graduate or professional tuition differentials may be appropriate at a particular institution, a flexible policy framework that allows judgments to be reached based on a number of factors is preferable either to cost-based formulas or to discipline or program typologies that treat all academic or professional programs the same. In particular, a flexible approach based on the unique factors associated with specific programs is desirable because of the potential mix of graduate and professional programs that one may find within any given school or college, e.g., a professional school may offer a Ph.D. program in addition to one or more professional degree programs. Therefore, the campuses will consider the following factors in developing graduate and professional school tuition proposals:

1. The anticipated impact of a proposed change on program quality;

2. The projected impact of a proposed change in tuition on access for North Carolina residents;

3. The availability of student financial aid for students with economic need and of tuition remission;

4. The extent to which current and prospective students can afford possible increases in tuition;
5. The relationship of projected tuition revenue to institutional and/or program costs;

6. Tuition and fees, net of remissions and waivers, charged by peer institutions or programs, as compared to tuition and fees, net of remissions, at the UNC institution or program (the public subsidy received by students at public institutions or programs in the peer set, including the UNC institution or program in question, will also be identified as part of the comparison);

7. A plan for the intended use of additional tuition receipts (e.g., needed improvements to the educational program, funding for competitive salary increases, financial aid, etc.);

8. Assistantships or grant support for graduate students; and

9. Analysis of student indebtedness levels within the University.

C. Timing of Board Action. The Board will act by March of each year, or as soon as possible thereafter, to establish the University’s campus-initiated tuition rates for the next academic year. Setting campus-initiated tuition rates by March will permit students and their families to know in early spring what their tuition charges for the fall semester will be, assuming consistency between the actions of the Board of Governors and the General Assembly.

D. Individual Consideration of a Campus Request. The Board will review each campus-based tuition request on an individual basis, within the context of the UNC System’s strategic plan, the need for tuition increases, the state’s economic environment, and the financial impact on students. The Board is obligated to exercise its discretion in granting, modifying, or denying a campus request. Revenue generated from a campus-initiated change in tuition rates will be accounted for in the budget of the originating campus and transferred within the institution by the chancellor in accordance with the priorities identified in the approved campus proposal.

E. In the event that circumstances require that an increase in tuition be made outside of the process described above, the president may recommend proposed increases in general tuition rates for consideration by the Board. The president will seek counsel from the chancellors and a committee of campus representatives, appointed by the president in consultation with the chancellors, before making the recommendations for tuition changes. The committee of campus representatives appointed by the president shall include students.

The president, the chancellors, and the committee of campus representatives will consider a number of factors in deciding whether to recommend changes to general tuition rates in any given year. After the president recommends any action to the Board of Governors, the Board will also consider the factors in sections III.A and III.B., above.

IV. NC Promise Tuition Plan

A. Pursuant to G.S. 116-143.11, beginning with the 2018 fall academic semester, the Board of Governors shall set the rate of in-state undergraduate tuition at Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University at $500 per academic semester, and the tuition rate for nonresident undergraduate students at $2,500 per academic semester. The Board of Governors shall give due consideration to maintaining the unique historical
character of each institution, including service to students who are first generation, college-going, economically disadvantaged, or minority.

B. By October 1 of each year, the Board of Governors and the chancellors of the institutions named in this subsection, respectively, shall submit a report to the Joint Legislative Education Oversight Committee, the House Appropriations Committee on Education, the Senate Appropriations Committee on Education/Higher Education, and the Fiscal Research Division on the amount of any financial obligation resulting from the established tuition rate incurred at each constituent institution and at least the following information for the fiscal year:

1. The amount required to offset the forgone tuition receipts at each of the three constituent institutions as a result of the tuition rate established by this section and how those funds were allocated to each institution.

2. The number of enrolled resident students at each institution.

3. The number of enrolled nonresident students at each institution.

V. Fixed Tuition

A. Fixed Tuition Program. Pursuant to G.S. 116-143.9, the Board of Governors of the University of North Carolina shall ensure that policies and procedures are established for a fixed tuition program beginning with the fall 2016 academic year and all subsequent years. The rate of tuition of any eligible first year, continuing or transfer undergraduate student who is admitted to any constituent institution of the University of North Carolina and deemed to be a North Carolina resident for purposes of tuition shall be guaranteed for a designated time period based on program length and classification. The tuition period shall be eight consecutive academic semesters for a first-time student seeking a baccalaureate degree in a four-year program or 10 consecutive academic semesters for a first-time student seeking a baccalaureate degree in a program officially designated by the Board of Governors as a five-year program, not including any summer sessions. Transfer students shall receive fixed tuition for a period determined based on the balance of a designated program length after making the proper adjustments for a student who transfers to the constituent institution. Current undergraduates shall receive fixed tuition for a period determined based on the balance of their designated program length after making the proper adjustments for semesters already completed. The calculation to determine the balance of a designated program length will be determined by the UNC System Office.

B. Guarantee Rate of Tuition. The fixed tuition program is a guarantee that the rate of tuition approved by the Board of Governors will remain constant or decrease during the tuition period. Students must remain continuously enrolled at the constituent institution during the designated time period to receive this benefit. At the end of the tuition period, the cost of tuition for any additional academic semesters reverts to the amount of the current tuition for that constituent institution.

C. Students Subject to Fixed Tuition. Fixed tuition will be for all eligible students deemed to be a North Carolina resident for tuition purposes for the following three categories of degree-seeking undergraduates in four or five-year baccalaureate degree programs.
1. Baccalaureate degree-seeking students entering into an undergraduate four or five-year degree program as a first-time student.

2. New degree-seeking transfer students entering into an undergraduate four or five-year degree program.

3. Currently enrolled resident continuing students who are enrolled in an undergraduate four or five-year degree program.

Any program authorized by the Board of Governors to require 135 semester credit hours or more shall be officially designated as a five-year baccalaureate program. Fixed tuition applies to students enrolled in distance education and traditional on-campus programs.

D. Fixed Tuition Time Period. First-time degree-seeking students are eligible for fixed tuition for a maximum of eight consecutive semesters for a four-year program and 10 consecutive semesters for a five-year program as long as they are continuously enrolled. Continuous enrollment is defined as a student being consecutively enrolled at the same higher education institution in fall and spring semesters in courses creditable toward a baccalaureate degree. A break in continuous enrollment occurs when a student is not enrolled in consecutive semesters at the same constituent institution. Summer terms are not considered part of the fixed tuition time period.

E. Transfer and Currently Enrolled Students. New transfers and currently enrolled continuing students shall receive fixed tuition for a prorated time period calculated based on the number of enrolled semesters accumulated at the transferring or home institution(s).

F. Break in Enrollment. Once a student breaks continuous enrollment at a UNC constituent institution he/she is no longer eligible for the current rate of fixed tuition at the home institution. If the student transfers to another UNC institution they will be treated as a new transfer student, as described above, and will be eligible for fixed tuition at that institution’s current rate for the remaining balance of his or her fixed tuition eligibility period.

G. Withdrawal from Home Institution. Students who withdraw from all classes at their home institution before the date of census, will have broken continuous enrollment and will no longer be eligible for fixed tuition at the current rate at their home institution. Students who withdraw from their home institution after the date of census and then subsequently enroll at the same institution in the next semester will not have broken continuous enrollment and will receive the benefit of fixed tuition at the rate they paid in the prior semester of enrollment.

H. Exhaustion of Eligibility Period. Tuition will convert to the amount of the current tuition for that constituent institution for students who exhaust their eligibility period, are not continuously enrolled, or become ineligible as designated in section I., below. Upon application by a student, the reversion to current tuition may be waived if the student demonstrates that any of the following have substantially disrupted or interrupted their continuous enrollment: (1) a military service obligation, (2) serious medical debilitation, (3) short-term or long-term disability, or (4) other extraordinary hardship.

I. Students Exempt from Fixed Tuition. The fixed tuition shall not be implemented for the following students: continuing education, cooperative innovative high school/early college students
while enrolled in high school, consortium, dual-enrollment program, second degree seeking, transient, nonresident students, non-degree seeking and graduate and professional students.

J. Nonresident Students. Students who are originally classified as nonresident for tuition purposes and subsequently are reclassified as a resident for tuition purposes will be eligible for fixed tuition at the institution’s current rate for the balance of his or her remaining eligibility period.

K. Fixed Tuition for Part-Time Students. Campuses shall establish fixed tuition rates for part-time enrollment for students eligible for fixed tuition pursuant to this policy.

L. Cost of Attendance Calculation. Financial aid offices shall establish cost of attendance budgets that are realistic and reasonable.

VI. Establishing Fees

A. The Board of Governors is responsible for establishing fees at the constituent institutions of the University consistent with the philosophy set forth in the North Carolina constitution. Fees will be charged only for limited, dedicated purposes and shall not be used to defray the costs of general academic and administrative operations of campuses, including academic programs and faculty and administrative salaries and benefits. Consistent with the above citation, the Board will make every effort to keep fees for students as low as possible while providing the revenues needed to support the purposes for which the fees are charged.

Each year, the Board establishes the fees listed below. All fees established shall be based upon the recommendation of the chancellor, the institutional board of trustees, and following his or her review, the president. Excluding the application fee charged to prospective students, all fees set by the Board are annual fees. Once an annual fee has been established, semester rates, summer rates, and part-time rates shall be established by the president. It is the policy of the Board to act no later than February of each year to establish fees for the following fall semester.

B. Although the General Assembly provides for most of the instructional costs of institutions through state appropriations, institutions traditionally rely entirely on student fees to finance a number of activities, services, and facilities. Institutional boards of trustees are required to weight the benefits of the activity, facility or service against the fee required to provide financial support. Orientation sessions for the boards of trustees will regularly include discussions of the process followed when establishing student fees.

1. Application fee. An application fee shall be established for each institution. Specific programs within an institution may require an application fee different from the fee charged for most students and the Board may set different fees according to program needs.

2. General fees. Fees generally applicable to all students shall be established by the Board of Governors. Four general fees are authorized: athletic fees, health services fees, student activity fees, and educational and technology fees.

3. Fees Related to the Retirement of Debt Incurred for Capital Projects. Fees generally applicable to all students that provide revenues for the retirement of debt shall be fixed by the Board of Governors at the time of the borrowing. Indebtedness fees may not include components for operations and maintenance but shall reflect the cost of servicing the debt.
at the coverage levels required in Board resolutions and other documents authorizing the debt. Changes in fees required subsequent to the issuance of the debt may be approved by the president upon the request of the chancellor. Indebtedness fees expire when the related debt is retired.

4. Special fees. Fees applicable only to students engaged in particular activities or courses of study shall be established by the Board of Governors when needed. These fees will not be used to provide general academic revenues that will be provided for from campus-initiated tuition increases.

C. Each chancellor is authorized to establish miscellaneous service charges for such items as transcripts, diplomas, caps and gowns, special examinations, late registrations, and replacement of I.D. cards. A schedule of such charges shall be filed with the president prior to the beginning of each school year.

D. The process for establishing fees shall be as follows:

1. In academic years ending in odd numbers (e.g., June 30, 2003, prior to the short session of the General Assembly in 2004), the process shall be initiated at the beginning of the fall semester and contain the following steps.

   a. The vice president for finance shall issue instructions to the campus chancellors calling for them to initiate a review of fees.

   b. Each chancellor shall establish a fee review committee with representatives of all aspects of campus life, including, but not limited to, representatives from Business Affairs, Student Affairs, the Financial Aid Office, and the student body. The committee shall conduct a complete review of student fees from a zero-based budgeting perspective and shall make recommendations to the chancellor for establishing fees effective with the upcoming fall semester. The review will include an examination of alternative resources, including available institutional reserves, to determine if other funding is available to provide the services in lieu of establishing the fee. The review will include a reassessment of the existing operating methods to ensure that operations are performed in a cost-effective manner. If the committee determines that an increase in a fee is needed, the committee shall attempt to decrease another fee so that the total cost of education for students does not increase. In order to ensure that all students are able to meet the increased cost of education, the university's financial aid officer, working with the committee, shall determine that sufficient financial aid is available, from whatever sources are possible.

   c. The chancellor shall review the recommendations of the committee and present recommendations to the board of trustees for review and approval. Before a chancellor makes recommendations to the board of trustees, the recommendations of the fee review committee will be shared with student government leaders so that students may inform the chancellor of their perspectives on the proposed changes.

   d. The recommendations of the board of trustees will be forwarded to the president for review.
e. When the review is completed, the president will present fee recommendations to the Budget and Finance Committee for consideration by the Board of Governors.

Each step in the process shall be an iterative and comprehensive review of the previous step, resulting in changes to the fee recommendations as deemed appropriate.

2. In academic years ending in even numbers (e.g., June 30, 2004, prior to the long session of the General Assembly in 2005), fee increase proposals submitted by the institutional Board of Trustees to the President may be approved by the President if the increase provides only for the following:

a. Additional revenues equal to the amount required for funding compensation increases for fee-supported employees at a level equivalent to the previous years’ compensation increases authorized by the General Assembly.

b. Additional revenues for nonpersonnel items at a level equivalent to increases in the consumer price index.

If a campus requires other changes in fees in academic years ending in even numbers, the process that shall be followed is identical to that followed in academic years ending in odd numbers.

VII. Other Matters

A. Effective Date. The requirements of this policy shall be effective on the date of adoption by the Board of Governors.

B. Relation to State Laws. The foregoing policies as adopted by the Board of Governors are meant to supplement, and do not purport to supplant or modify, those statutory enactments which may govern the activities of public officials.

C. Regulations and Guidelines. These policies shall be implemented and applied in accordance with such regulations and guidelines as may be adopted from time to time by the president.

\[1\]Supersedes Section 1000.1.1 originally entitled, Establishing Tuition and Fees.
\[2\]Consistent with G.S. 116-143, no tuition or fees may be charged to students in the high school program at the North Carolina School of Science and Mathematics (NCSSM).
Policy on Tuition with Respect To Student Exchange Programs with Institutions Abroad

On March 15, 1996, the Board of Governors approved the following recommendation, essentially reconfirming an already existing practice of one-on-one exchanges:

The constituent institutions are hereby authorized to enter into and extend or modify agreements with institutions in other countries to provide for a balanced exchange of students. A UNC student participating in such an exchange shall be charged tuition by the home UNC institution at a rate consistent with the residentiary status the student would otherwise have at the home institution and shall be counted in the official FTE of the home institution in that residentiary status. A foreign student participating in such an exchange agreement shall not be charged tuition by the host UNC institution and shall not be counted in the official FTE of the host UNC institution.
Tuition Rates for Special Talent and Graduate Nonresident Students

WHEREAS, Chapter Seven, Section 701 of The Code of The University of North Carolina provides that “The Board of Governors shall set tuition and required fees at the constituent institutions, not inconsistent with actions of the General Assembly, in such amount or amounts as it may deem best;” and

WHEREAS, N.C.G.S. § 116-143 was amended by the 1981 General Assembly to authorize the Board of Governors to establish especially reduced tuition rates and to give tuition and fee waivers; and

WHEREAS, the 1981 General Assembly also revised N.C.G.S. § 116-143 by eliminating the special rate considerations established by the 1971 General Assembly for certain groups of nonresident students; and

WHEREAS, the 1981 General Assembly continued the requirement in N.C.G.S. § 116-143 that all budgeted funds expended for scholarships of any type, including the granting of tuition and fee waivers and especially reduced rates, must be clearly identified in budget reports; and

WHEREAS, the 1983 General Assembly revised N.C.G.S. § 116-144 to direct the Board of Governors to fix the tuition and required fees charged nonresident students comparable to the rates charged nonresident students by comparable public institutions nationwide, except that a person who serves as a graduate teaching assistant or graduate research assistant or in a similar instructional or research assignment and is at the same time enrolled as a graduate student in the same institution may, in the discretion of the Board of Governors, be charged a lower rate fixed by the board, provided the rate is not lower than the North Carolina resident rate; and,

WHEREAS, the 1983 General Assembly specifically provided that the Board of Governors increase tuition so as to raise additional income of at least $10,000,000 for each year in the biennium, thus requiring changes in all tuition rates currently in effect.

NOW, THEREFORE, BE IT RESOLVED by the Board of Governors that, effective with the fall term of 1983, the following groups of nonresident students are identified as eligible for special tuition rates:

Group 1: Undergraduate students deemed by the institution to have special talents and qualifications and who are thereby awarded by the institution a scholarship or fellowship at a rate of at least $250 per academic year. The North Carolina School of the Arts may identify categories within this group in accordance with established institutional practice.

Group 2: Graduate students who are awarded by the institution a graduate teaching or research assistantship and who are paid a stipend at a rate of at least $2,000 per academic year.

AND BE IT FURTHER RESOLVED by the Board of Governors that:

1. Effective with the fall term of 1983, the special tuition rates for the specific groups of nonresident students identified above are established, except as provided in Section 2 below, as follows:
The University of North Carolina  
Special Tuition Rates for Nonresident Students

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<th>Institution</th>
<th>Group 1 Undergraduate</th>
<th>Group 2 Graduate</th>
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2. It is understood that, notwithstanding the foregoing provisions of this resolution, each institution shall limit the granting of these special tuition rates as set forth by the Board of Governors to conform with established budgetary limitations. The total tuition remission (defined as the sum of the difference between the regular nonresident rate and the special rate charged under the provisions of this resolution) shall not exceed the amount budgeted for each group at each constituent institution. Separate budgets will be established to record tuition remission for specially talented undergraduate students (Group 1) and for graduate assistants (Group 2).

3. The President shall provide appropriate administrative procedures and regulations for the constituent institutions in accordance with the terms of this resolution.
Each constituent institution shall impose a fifty percent (50%) tuition surcharge for: (a) each credit hour in excess of 140 credit hours taken by any student in a four-year baccalaureate degree program; and (b) each credit hour in excess of one hundred ten percent (110%) of the credit hours necessary to complete a baccalaureate degree in any program officially designated by the Board of Governors as a five-year program.

Each constituent institution shall, in accordance with regulations adopted by the President, ensure that students receive appropriate notification of the tuition surcharge at new student and transfer orientation sessions, through each semester’s tuition statements, and when approaching the credit hour limit.
Policy for the Tuition Guarantee Program

This policy provides a framework for implementing a fixed tuition program for North Carolina undergraduate residents at UNC constituent institutions as required by North Carolina General Statute § 116-143.9 (S.L. 2016-94, s. 11.4(a)).

I. Fixed Tuition

The Board of Governors of the University of North Carolina shall ensure that policies and procedures are established for a fixed tuition program beginning with the fall 2016 academic year and all subsequent years. The rate of tuition of any eligible first year, continuing or transfer undergraduate student who is admitted to any constituent institution of the University of North Carolina and deemed to be a North Carolina resident for purposes of tuition shall be guaranteed for a designated time period based on program length and classification. The tuition period shall be eight consecutive academic semesters for a first-time student seeking a baccalaureate degree in a four-year program or 10 consecutive academic semesters for a first-time student seeking a baccalaureate degree in a program officially designated by the Board of Governors as a five-year program, not including any summer sessions. Transfer students shall receive fixed tuition for a period determined based on the balance of a designated program length after making the proper adjustments for a student who transfers to the constituent institution. Current undergraduates shall receive fixed tuition for a period determined based on the balance of their designated program length after making the proper adjustments for semesters already completed. The calculation to determine the balance of a designated program length will be determined by the Office of the UNC president.

The fixed tuition program is a guarantee that the rate of tuition approved by the Board of Governors will remain constant or decrease during the tuition period. Students must remain continuously enrolled at the constituent institution during the designated time period to receive this benefit. At the end of the tuition period, the cost of tuition for any additional academic semesters reverts to the amount of the current tuition for that constituent institution and a tuition surcharge may be imposed under G.S. 116-143.7, if applicable.

II. Students Subject to Fixed Tuition

Fixed tuition will be for all eligible students deemed to be a North Carolina resident for tuition purposes for the following three categories of degree-seeking undergraduates in four or five-year baccalaureate degree programs.

A. Baccalaureate degree-seeking students entering into an undergraduate four or five-year degree program as a first-time student.

B. New degree-seeking transfer students entering into an undergraduate four or five-year degree program.

C. Currently enrolled resident continuing students who are enrolled in an undergraduate four or five-year degree program.
Any program authorized by the Board of Governors to require 135 semester credit hours or more shall be officially designated as a five-year baccalaureate program. Fixed tuition applies to students enrolled in distance education and traditional on-campus programs.

III. Fixed Tuition Time Period

First-time degree-seeking students are eligible for fixed tuition for a maximum of eight consecutive semesters for a four-year program and 10 consecutive semesters for a five-year program as long as they are continuously enrolled. Continuous enrollment is defined as a student being consecutively enrolled at the same higher education institution in fall and spring semesters in courses creditable toward a baccalaureate degree. A break in continuous enrollment occurs when a student is not enrolled in consecutive semesters at the same constituent institution. Summer terms are not considered part of the fixed tuition time period.

New transfers and currently enrolled continuing students shall receive fixed tuition for a prorated time period calculated based on the number of enrolled semesters accumulated at the transferring or home institution(s).

Once a student breaks continuous enrollment at a UNC constituent institution he/she is no longer eligible for the current rate of fixed tuition at the home institution. If the student transfers to another UNC institution they will be treated as a new transfer student, as described above, and will be eligible for fixed tuition at that institution’s current rate for the remaining balance of his/her fixed tuition eligibility period.

Students who are originally classified as nonresident for tuition purposes and subsequently are reclassified as a resident for tuition purposes will be eligible for fixed tuition at the institution’s current rate for the balance of his/her remaining eligibility period.

Students, who withdraw from all classes at their home institution before the date of census, will have broken continuous enrollment and will no longer be eligible for fixed tuition at the current rate at their home institution. Students who withdraw from their home institution after the date of census and then subsequently enroll at the same institution in the next semester will not have broken continuous enrollment and will receive the benefit of fixed tuition at the rate they paid in the prior semester of enrollment.

Tuition will convert to the amount of the current tuition for that constituent institution for students who exhaust their eligibility period; are not continuously enrolled; or become ineligible as designated in Section IV., below.

IV. Students Exempt from Fixed Tuition

The fixed tuition shall not be implemented for the following students: continuing education, cooperative innovative high school/early college students while enrolled in high school, consortium, dual-enrollment program, second degree seeking, transient, nonresident students, non-degree seeking and graduate and professional students.

V. Fixed Tuition for Part-Time Students

Campuses shall establish fixed tuition rates for part-time enrollment for students eligible for fixed tuition.

VI. Cost of Attendance Calculation

Financial Aid Offices shall establish cost of attendance budgets that are realistic and reasonable. Effective Date
Effective beginning with the 2016-17 academic year, all eligible first-time, continuing and transfer students seeking a four- or five-year baccalaureate degree at a constituent institution will be subject to the fixed tuition requirements listed herein.

VII. Waiver

Upon application by a student, the reversion to current tuition may be waived if the student demonstrates that any of the following have substantially disrupted or interrupted their continuous enrollment: (1) a military service obligation, (2) serious medical debilitation, (3) short-term or long-term disability, or (4) other extraordinary hardship.

VIII. Tuition surcharge

After the fixed tuition period has expired tuition surcharge shall be applied according to current regulation 1000.1.5 [R].

Students who take more than 140 degree credit hours to complete a baccalaureate degree in a four-year program or more than 110 percent of the credit hours necessary to complete a baccalaureate degree in any program officially designated by the Board of Governors as a five-year program shall be subject to a 50 percent tuition surcharge.
CHAPTER III- COMMITTEES OF THE BOARD OF GOVERNORS
SECTION 300. ESTABLISHMENT AND MEMBERSHIP OF COMMITTEES.

A. The Board of Governors may establish such standing committees as it may deem necessary. Standing committees shall be established and their duties prescribed by a vote of two-thirds of the voting membership of the Board of Governors then in office. Special committees may be created by the Board of Governors or the chair of the Board to perform specific functions not requiring the continuous existence of a committee.

B. Each voting member of the Board shall at all times serve on no more than one of the standing committees designated in subsections 301 B through E, below.

C. Special members of the Board may be assigned to such standing or special committees as the chair of the Board of Governors may from time to time see fit.

D. The chair of the Board may, upon request of a standing committee chair, appoint any voting member to serve temporarily as a voting member of a subcommittee of a standing committee when the chair of the Board deems the work of the subcommittee to require such an appointment.

E. The vice chair of the Board of Governors shall at all times be a voting member of a standing committee. The vice chair shall be assigned to a committee by the chair of the Board following consultation between the chair and the vice chair. The vice chair’s membership on a standing committee shall be in addition to the prescribed regular membership of the committee.

F. The chair of the Board of Governors shall be a voting member of all standing and special committees, but the chair’s membership shall not be counted in determining a quorum.

SECTION 301. THE STANDING COMMITTEES’ JURISDICTION.

301 A. The standing committees of the Board of Governors shall be: the Committee on Budget and Finance; the Committee on Educational Planning, Policies, and Programs; the Committee on University Personnel and Tenure; the Committee on University Governance; the Committee on Military and Public Affairs; and the Committee on Audit, Risk Management, and Compliance. Each of the standing committees shall consist of a number of voting members to be determined by the chair of the Board, provided that each standing committee shall have a regular membership of no fewer than five-voting members, unless otherwise specified herein.

301 B. The Committee on Budget and Finance shall advise and consult with the president concerning budget policy and preparation. The committee shall consider the budget proposed by the president and, upon its approval, shall submit the budget to the Board of Governors for final action. The
committee shall make recommendations to the Board for the allocation of funds appropriated to the Board. It shall also advise and assist the president, and submit recommendations to the Board, with respect to real property transactions, investments, endowments, and other fiscal and property matters in accordance with valuation limits established in Board policy and within the jurisdiction of the Board of Governors.

301 C. The Committee on Educational Planning, Policies, and Programs shall receive the advice and recommendations of the president and make recommendations to the Board in all areas pertaining to the development of a coordinated system of higher education in North Carolina, including: (a) the definition of mission and assignment of functions of each constituent institution; (b) the review of requests for the initiation of new degree programs and recommendations for the termination of existing programs; (c) the provision of supportive services, facilities, and other resources for the instructional, research, and public-service programs of the constituent institutions; (d) the review of policies affecting educational programs and academic affairs; (e) matters concerning the involvement of students in the University and in university life; (f) review of matters concerning health affairs in the University; and (g) review of matters concerning the utilization of information technology in furtherance of the University’s mission. The committee shall also advise and assist the president and the Board in maintaining close liaison with the State Board of Education, the State Board of Community Colleges, and the private colleges and universities, including the review of all requests for state aid to the private institutions. It shall further recommend to the Board procedures and standards for the licensing of non-public educational institutions.

301 D. The Committee on University Personnel and Tenure shall, upon recommendation of the president, review and make recommendations to the Board with respect to the appointment and compensation of all vice chancellors, and senior academic and administrative officers, and persons with permanent tenure. Notwithstanding the provision above, the committee shall not review or recommend the appointment and compensation of vice chancellors, and senior academic and administrative officers, and persons with permanent tenure for those constituent institutions delegated the authority to appoint and set compensation for such employees so long as the boards of trustees act consistently with the policy and compensation ranges established by the Board of Governors. Further, the committee shall advise and assist the president in the review and evaluation of tenure policies and regulations which the president shall periodically conduct. It shall also review all appeals from employees of the University of North Carolina System Office who are exempt from the North Carolina Human Resources Act pursuant to Section 611 of The Code.

301 E. The Committee on University Governance shall keep under continuous review the application and interpretation of The Code of the University of North Carolina (The Code) and all delegations of authority under that code, and it shall make such recommendations to the Board of Governors for the amending of The Code or delegations of authority as may seem appropriate for the effective and efficient operation of the University of North Carolina and its constituent institutions. The committee shall make nominations to the Board of Governors for elections to the boards of trustees of the constituent institutions. The committee shall receive all requests from students of the constituent institutions for appellate review by the Board of Governors pursuant to Section 502 D(3) of The Code.

301 F. The Committee on Military and Public Affairs shall consist of no fewer than four and no more than six voting members to be determined by the chair of the Board. A voting member serving on this committee shall also serve on one or more other standing committees. The Committee on Military and Public Affairs shall assist the president and the chair of the Board in maintaining a positive relationship with the governor, the North Carolina General Assembly, the United States Congress, the United States Department of Defense and North Carolina’s military constituency, and other governmental entities which affect the ability of the University to carry out its mission. The committee will review all
state and federal policy priorities of the University. The committee also will evaluate and recommend policies and practices to increase enrollment, retention, graduation, and post-graduation success of military affiliated students (defined as student veterans, active-duty service members, National Guard and Reservists, and military spouses and children), and to support military partner organizations’ needs through education, research, and service missions.

301 G. The Committee on Audit, Risk Management, and Compliance (CARMC) shall consist of voting members be appointed from the membership of the other standing committees. The CARMC shall recommend a committee charter for review and approval by the Board, addressing the University’s internal audit, enterprise risk management, and compliance functions; recommend for approval University-wide policies regarding internal audit, enterprise risk management, and compliance; review annual and other audit reports of the constituent institutions, the UNC System Office, and affiliated entities; review a summary of the internal audit plans and work of the audit committees of the constituent institutions; review a summary of the annual financial audit reports and management letters on University major associated entities; meet with the state auditor annually; and take such other actions as are necessary or appropriate to ensure that risks are identified and properly managed and to assure the integrity of the finances, operations, and controls of the University.