



MEETING OF THE BOARD OF GOVERNORS
Committee on Strategic Initiatives

September 11, 2024 at 12:15 p.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S. West Street, Board Room
Raleigh, North Carolina

AGENDA

OPEN SESSION

- A-1. Approval of the Open Session Minutes of May 22, 2024.....Joel Ford
- A-2. Committee on Strategic Initiatives Annual Agenda Joel Ford
- A-3. Understanding and Addressing Enrollment Trends.....Andrew Kelly
Shun Robertson
- A-4. Adjourn

DRAFT MINUTES

May 22, 2024 at 3 p.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S. West Street, Board Room
Raleigh, North Carolina

This meeting of the Committee on Strategic Initiatives was presided over by Chair Mark Holton. The following committee members, constituting a quorum, were also present in person or by phone: Joel Ford, Carolyn Coward, Swadesh Chatterjee, Gene Davis Jr., Estefany Gordillo-Rivas, and John Fraley.

Staff members present included Andrew Kelly and others from the UNC System Office.

1. Call to Order and Approval of Minutes (Item A-1)

The chair called the meeting to order at 3 p.m. on Wednesday, May 22, 2024. The minutes from the September 13, 2023 meeting were approved by unanimous consent.

2. The Impact of Artificial Intelligence on Higher Education (Item A-2)

The Committee on Strategic Initiatives heard from three presenters on the current landscape of artificial intelligence in higher education nationally and within UNC System campuses. Kyle Bowen, deputy chief information officer at Arizona State University, provided the committee with an overview of the applications of artificial intelligence at Arizona State. Following Mr. Bowen, we heard from two current University of North Carolina System administrators, Dr. Stan Ahalt, the founding dean of the UNC-Chapel Hill's new School of Data Science and Society, and Dr. Rachel Levy, the executive director at the Data Science Academy and professor of mathematics at NC State University, on the uses and advances of artificial intelligence on their campuses.

There being no further business and without objection, the meeting adjourned at 4:10 p.m.

Swadesh Chatterjee, Secretary

AGENDA ITEM

A.2. Committee on Strategic Initiatives Annual AgendaJoel Ford

Situation: Understanding enrollment trends allows our institutions to effectively allocate resources, ensure financial health, and predict future needs. While overall System enrollment has remained steady in recent years, that stability masks substantial changes in our student mix, including in-state/out-of-state and undergraduate/graduate class composition.

Background: Several factors contribute to enrollment changes, including demographic shifts, declining consumer confidence in higher education, and increased competition from neighboring states' colleges and universities. The landscape of higher education is changing rapidly, and we must understand and adapt to these trends to continue fulfilling our mission of providing high-quality education to address the needs of North Carolina's growing economy.

Assessment: Over the 2024-2025 academic year, the Committee on Strategic Initiatives will study enrollment trends and their implications for institutional finances, staffing, and academic offerings. Where appropriate, the committee may recommend changes to policy and/or practice.

Action: This item is for information only.

AGENDA ITEM

A-3. Understanding and Addressing Enrollment Trends Andrew Kelly
Shun Robertson

- Situation:** As a significant portion of revenues at UNC System institutions are enrollment dependent, monitoring historical and projected trends has become a matter of fiscal importance as enrollment fluctuations can impact institutions' long-term viability.
- Background:** The System's in-state enrollment has declined over the past decade, while out-of-state enrollment has increased. This trend helps to explain, in part, why the System may experience a decrease in state appropriation even though overall enrollment is stable or up.
- What explains this pattern? Many internal and external drivers impact enrollment trends at UNC System institutions, including macroeconomic factors, demographic shifts, college-going rates, institutional matriculation practices, and student persistence and completion practices.
- Assessment:** The committee will receive a presentation on national, state, and UNC System enrollment trends and the drivers behind those trends. The committee will also hear an update on internal System efforts to develop an enrollment projection model to help institutions navigate the financial impact of enrollment changes. The additional materials will be available in hard copy on the day of the meeting and via BoardEffect at the conclusion of the meeting.
- Action:** This item is for discussion only.



**THE UNIVERSITY OF
NORTH CAROLINA SYSTEM**



UNDERSTANDING & ADDRESSING ENROLLMENT TRENDS

September 11, 2024
Committee on Strategic Initiatives

Outline

- Trends in college enrollment (national and UNC)
- Drivers of enrollment trends
 - Demographics
 - Macroeconomic conditions
 - College-going rates
 - Application and admissions practices
 - Student success practices
- Implications for UNC System policy and practice

Trying Times Ahead for Higher Education

TODAY'S BIG QUESTION

America's 'cataclysmic' drop in college enrollment

"The slide in the college-going rate since 2018 is the steepest on record"

THE SATURDAY ESSAY

Why Americans Have Lost Faith in the Value of College

Three generations of 'college for all' in the U.S. has left most families looking for alternatives.

A Generation of American Men Give Up on College: 'I Just Feel Lost'

The number of men enrolled at two- and four-year colleges has fallen behind women by record levels, in a widening education gap across the U.S.

June 07, 2024

A Rough Month for Campus Cuts

The end of the academic year brought announcements of job and program cuts at many institutions. Some colleges are eliminating dozens of jobs to reduce operating costs.

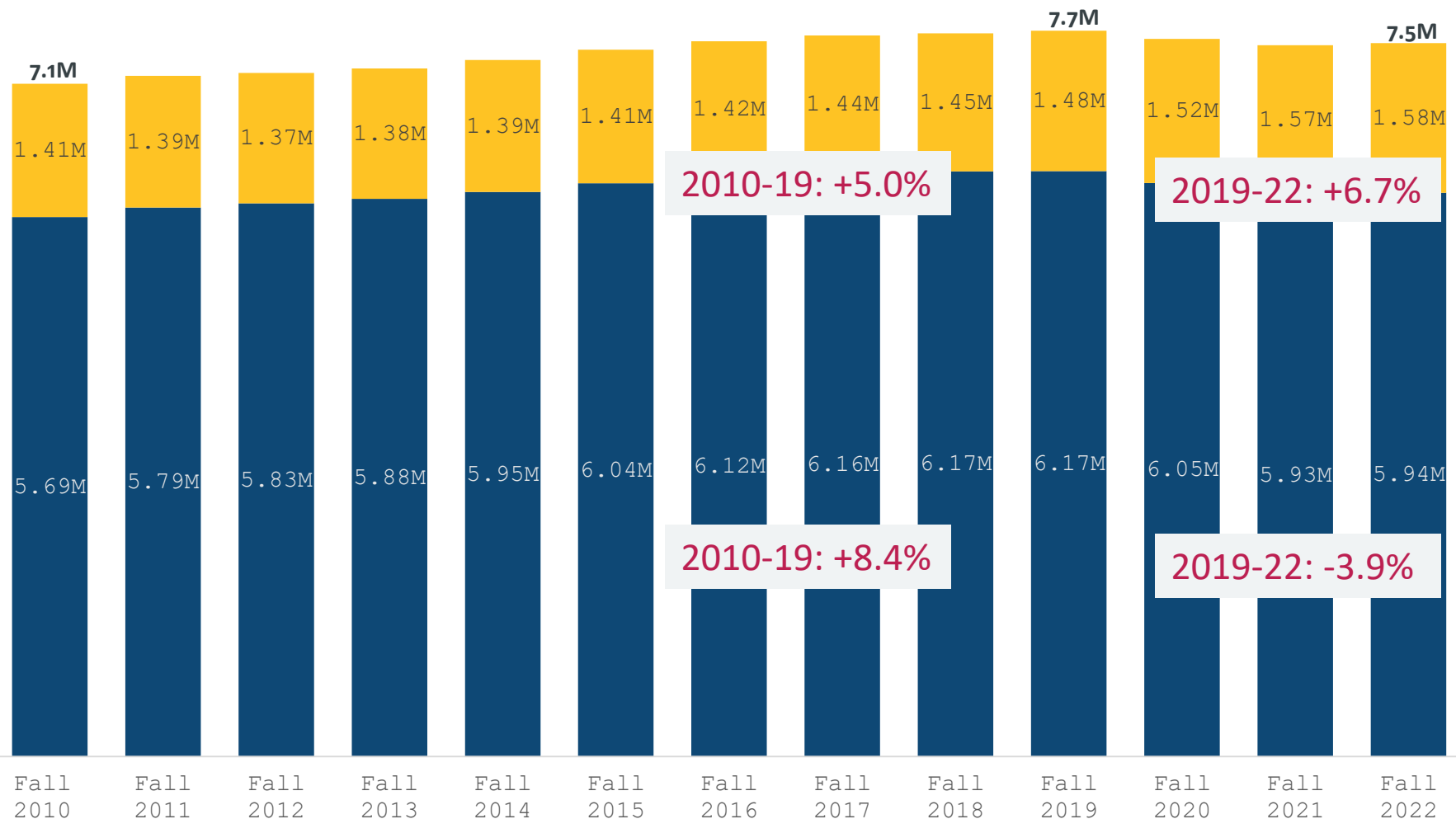
THE HIGHLIGHT

The incredible shrinking future of college

The population of college-age Americans is about to crash. It will change higher education forever.

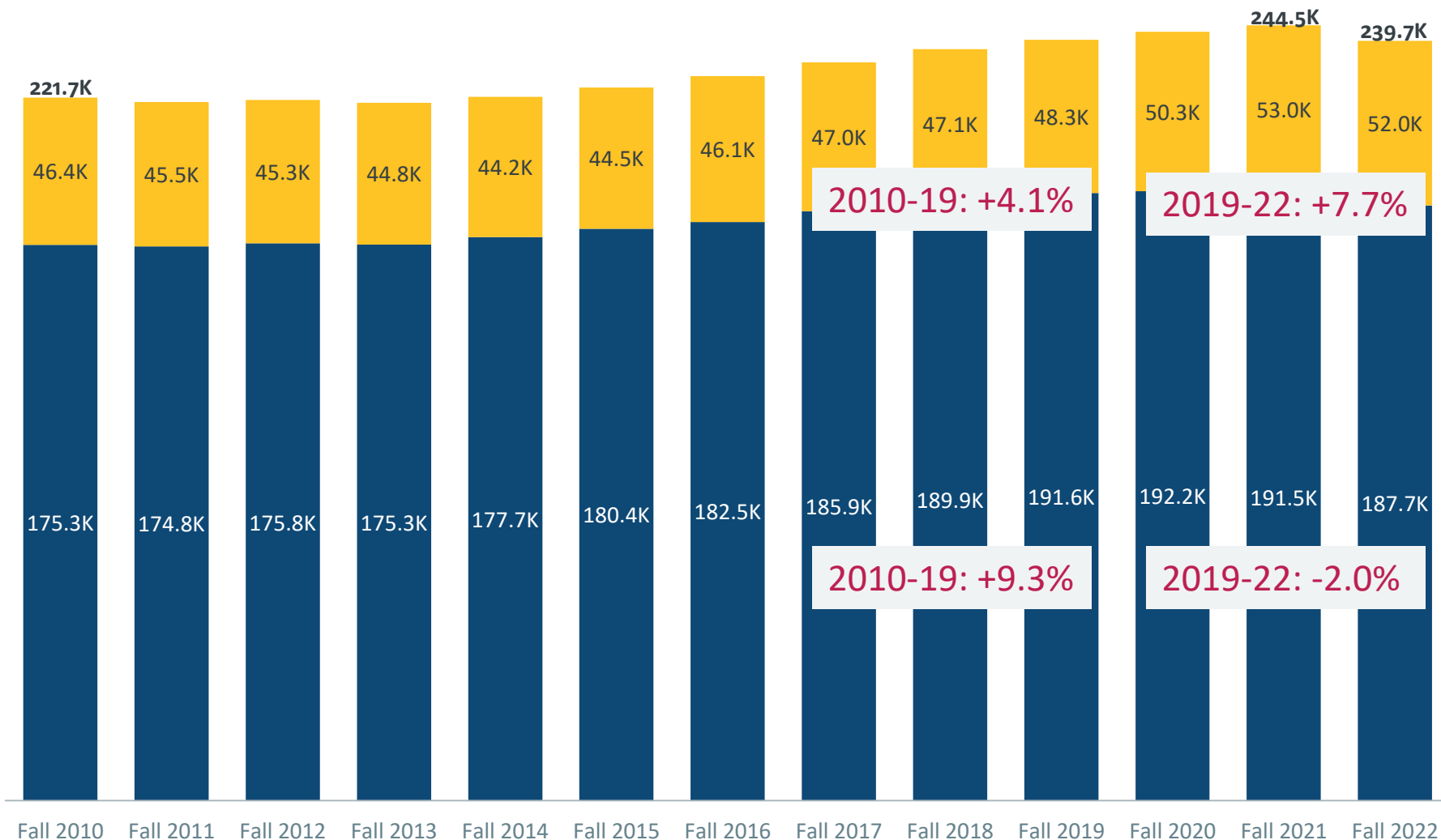
US College Enrollment:

Undergraduate and Graduate Enrollment at Public 4-Year Institutions



UNC System Enrollment:

Undergraduate and Graduate Enrollment (2010-2022)



THE UNIVERSITY OF
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Undergraduate

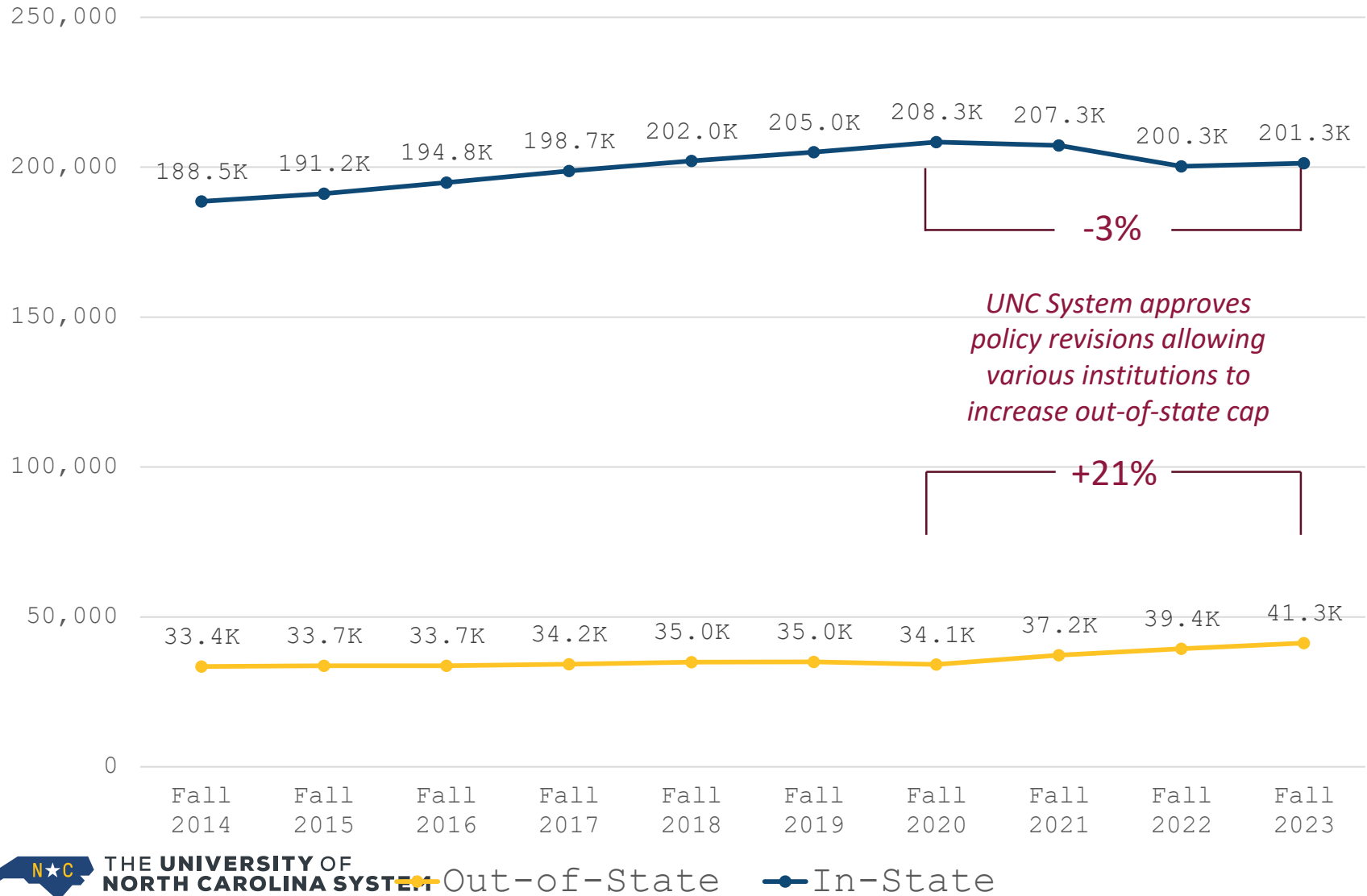


Graduate

Source: UNC System Interactive Dashboards & UNC System SDM.

Note: While UNC System Fall 2023 enrollment is available on public dashboard, it was excluded here to provide comparison with US enrollment. As of date of analysis, Fall 2023 UNC System enrollment is 242.5K (192K UG + 51.5K Grad).

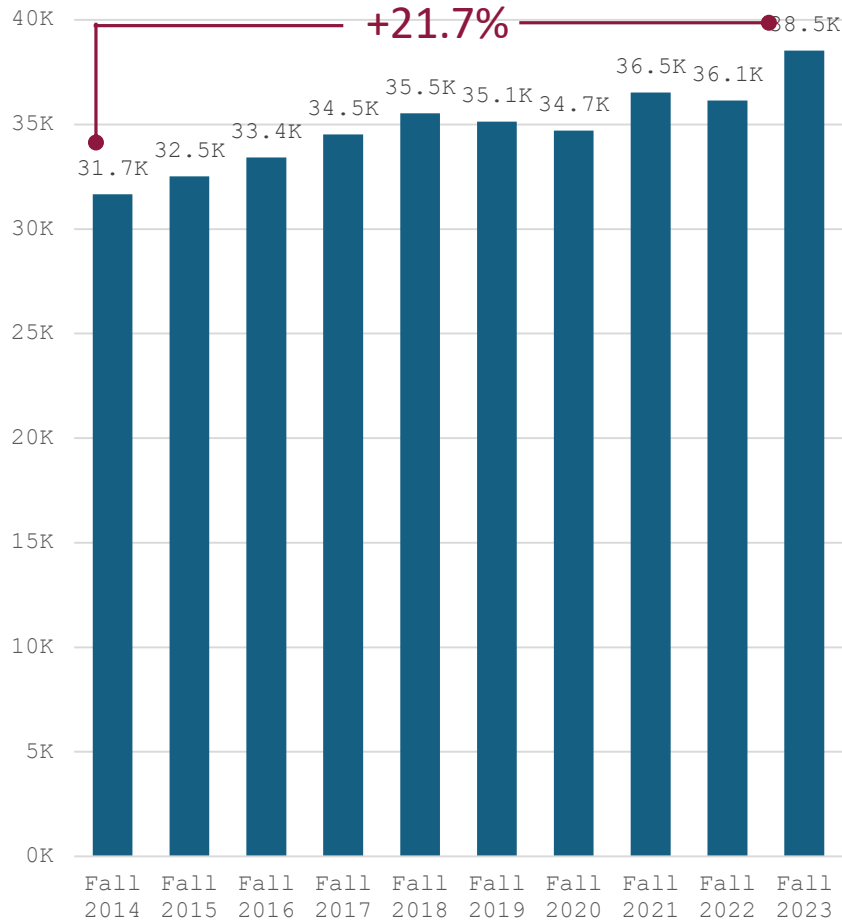
UNC System Enrollment: In-State vs. Out-of-State Students



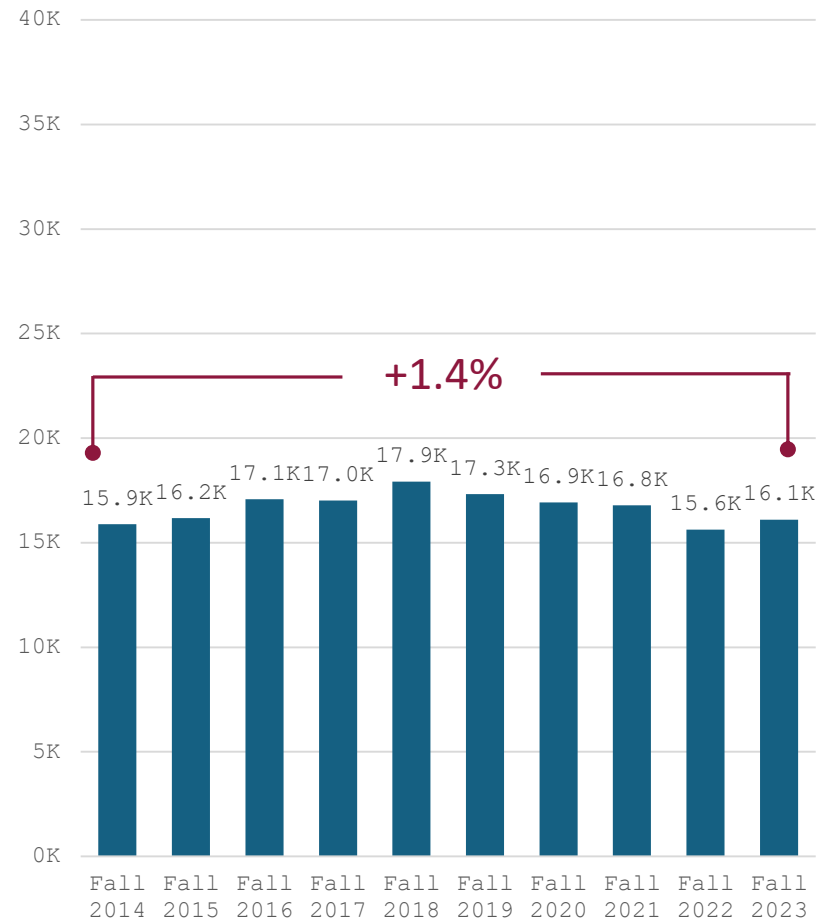
Source: UNC System Interactive Data Dashboards

UNC System Enrollment: New Undergraduate Students

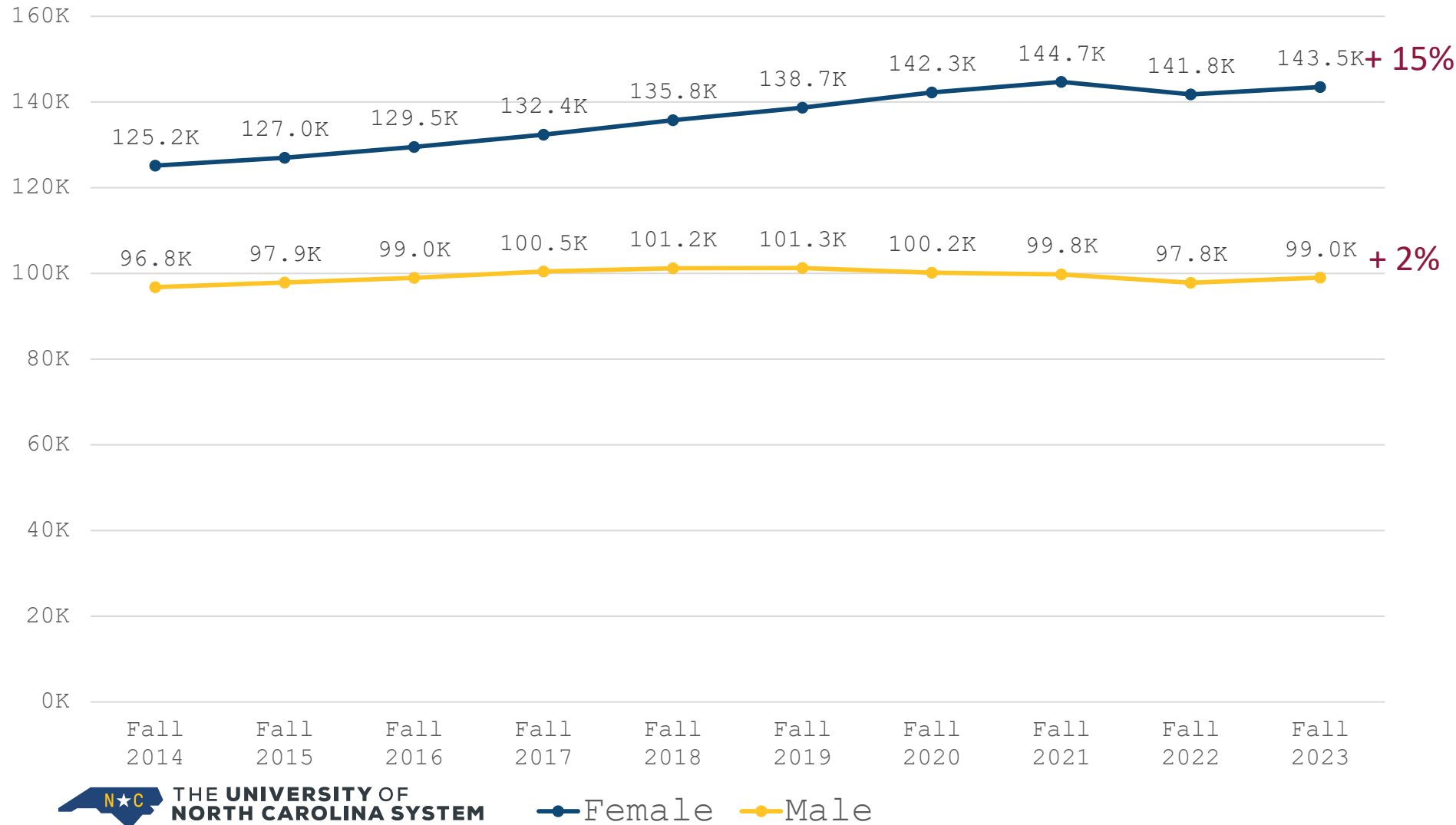
New, **First-Time**, Degree-Seeking Undergraduate Students



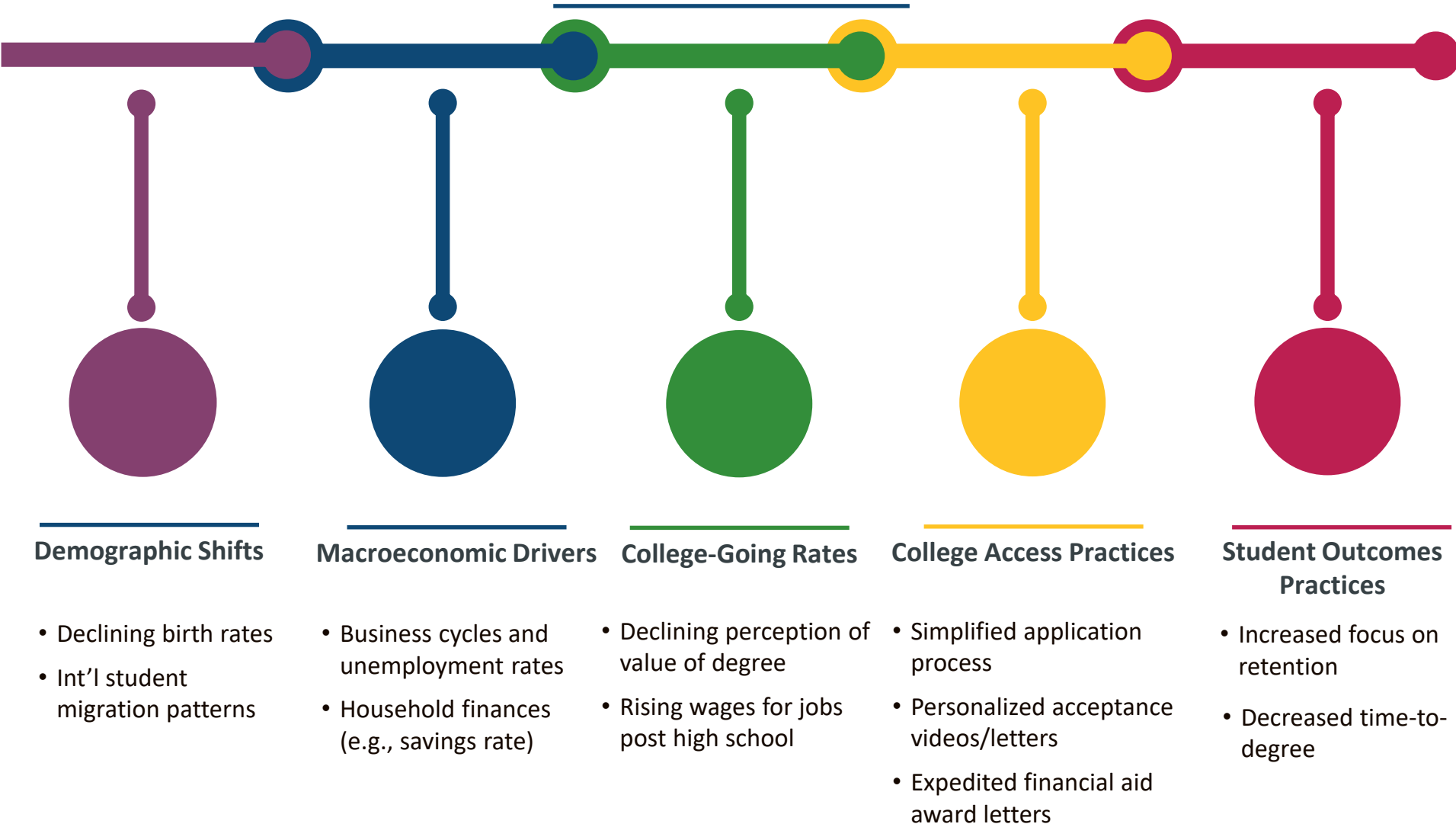
New, **Transfer**, Degree-Seeking Undergraduate Students



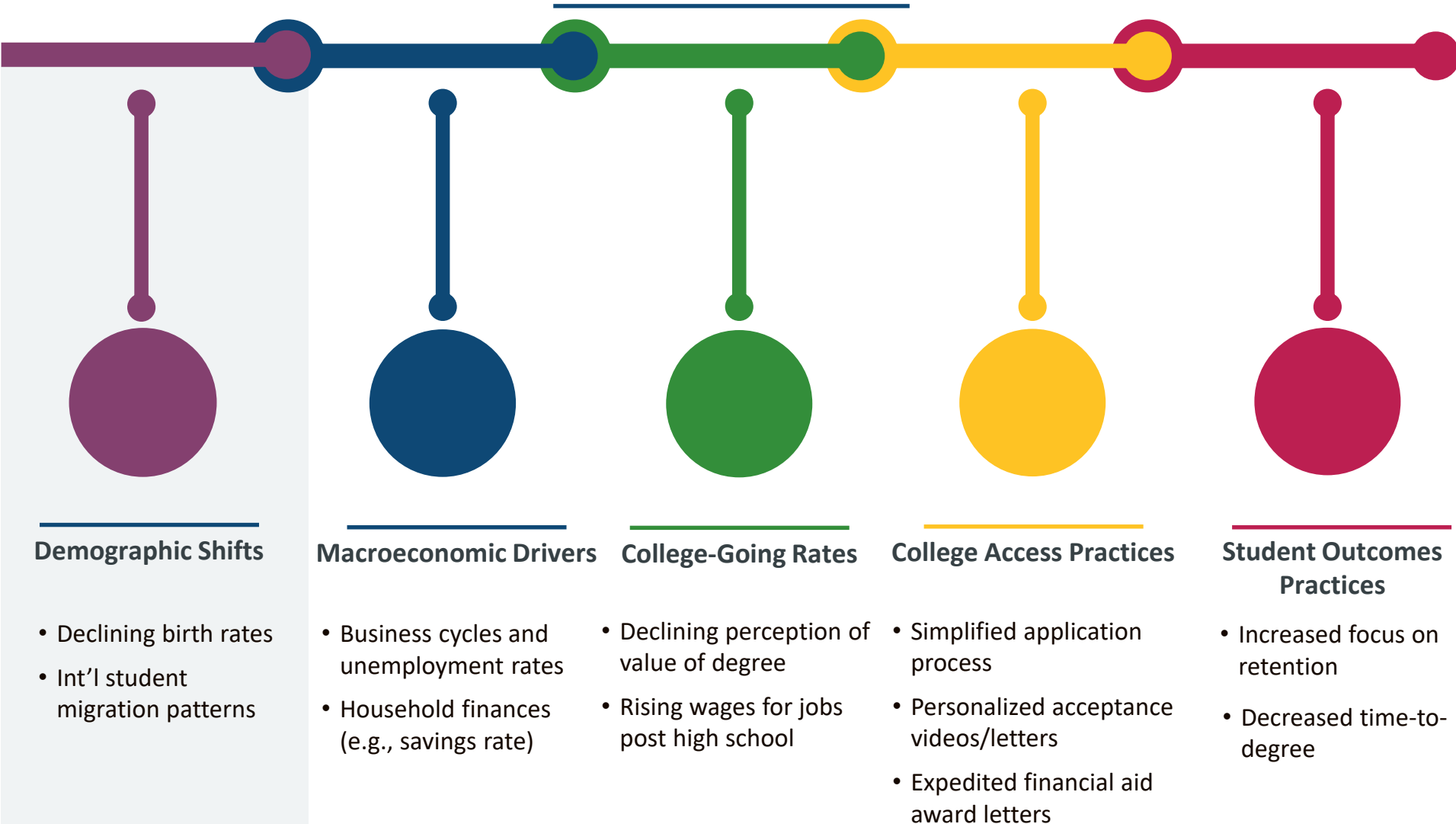
UNC System Enrollment: Female vs. Male Students



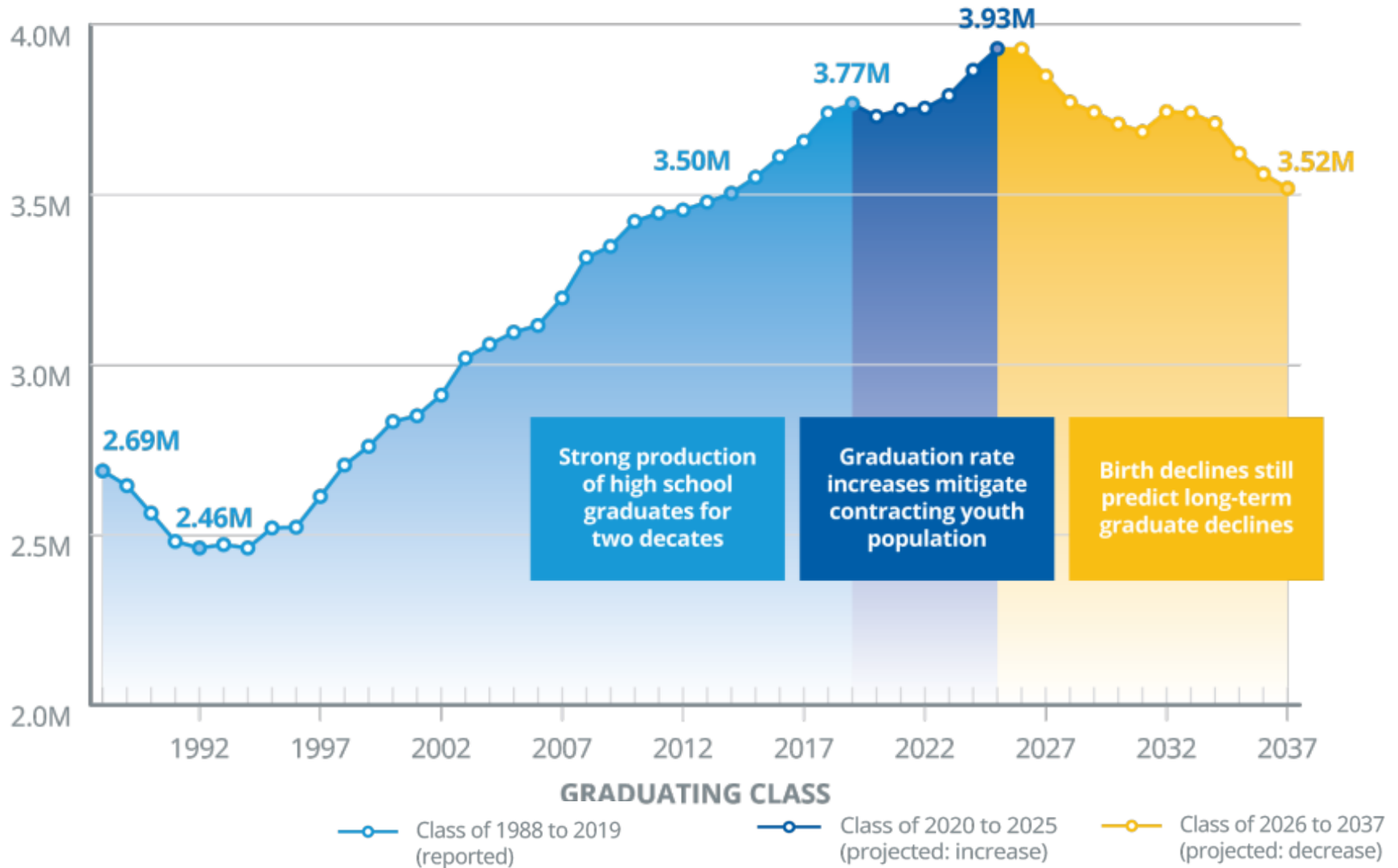
What Drives Enrollment?



What Drives Enrollment?

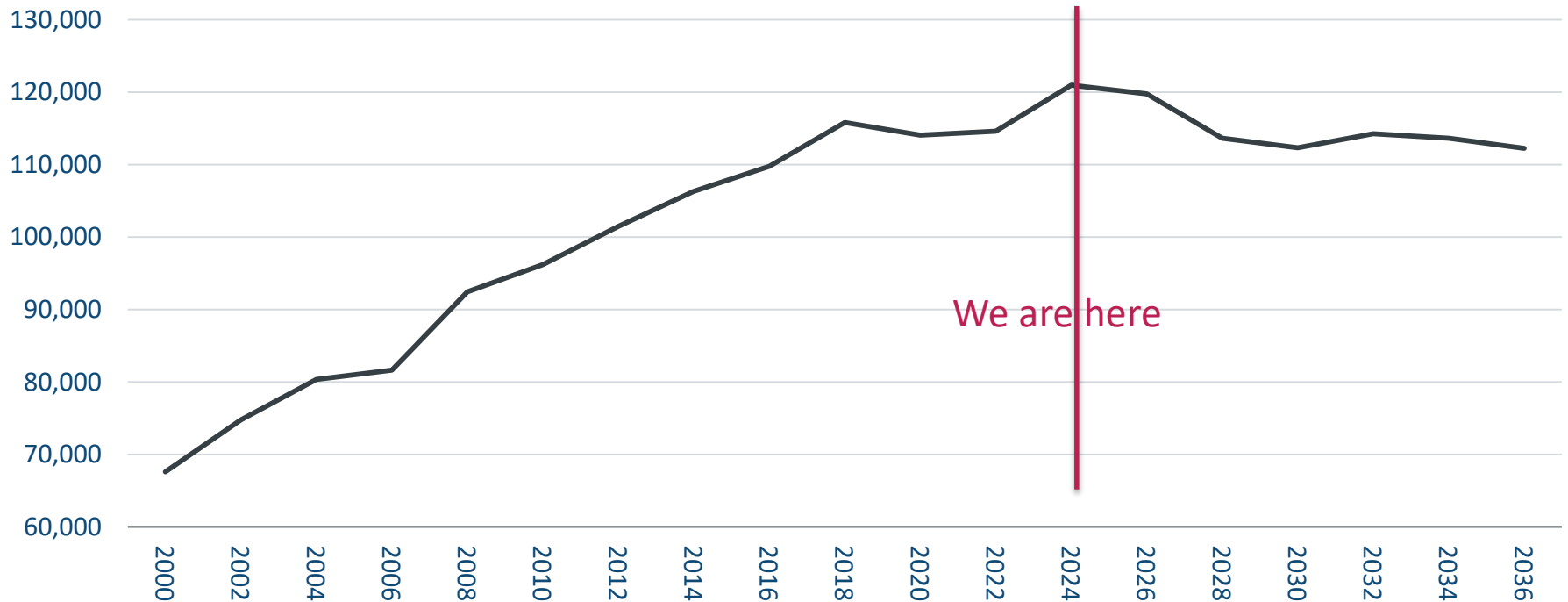


US: Projections of High School Graduates



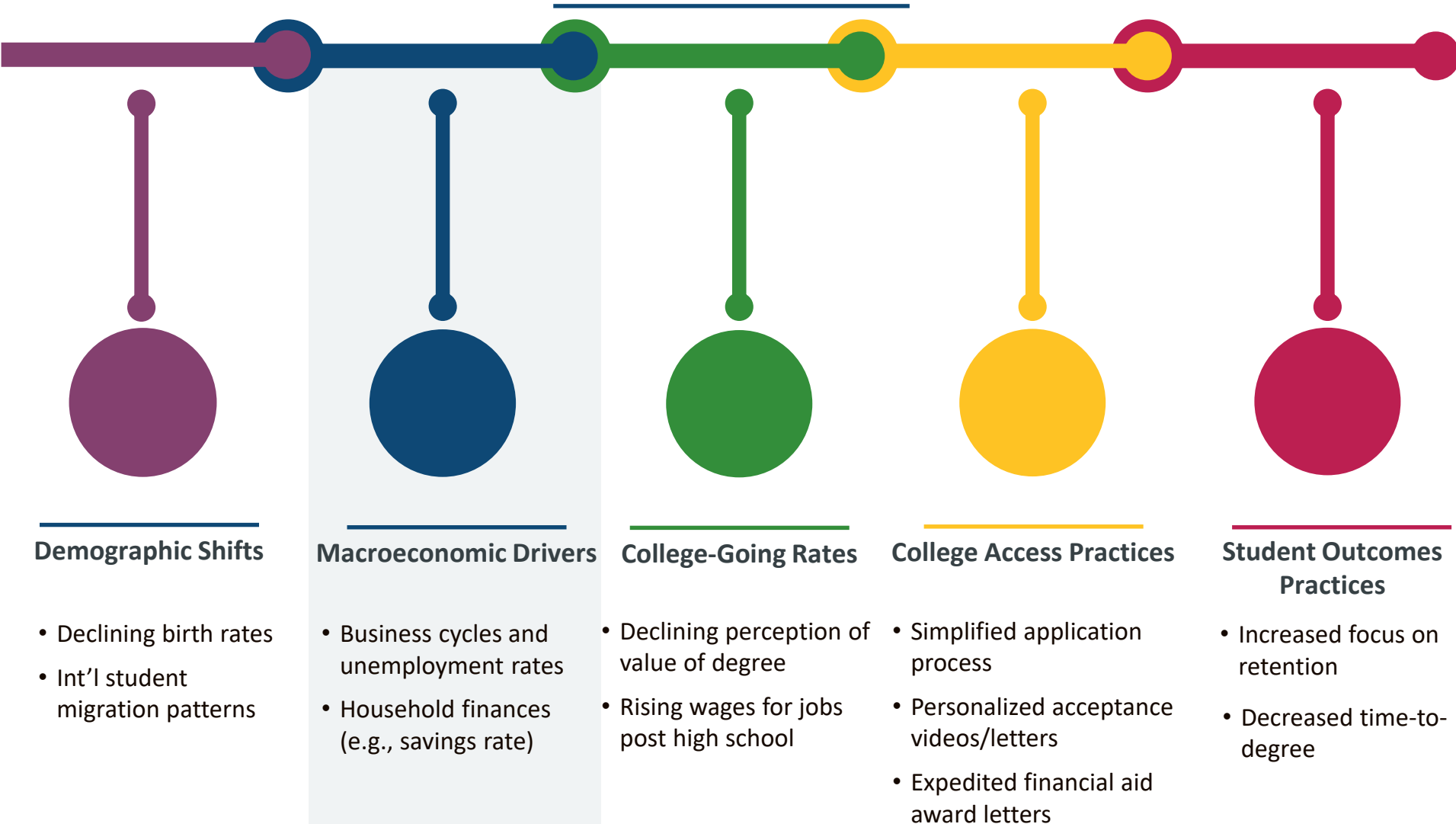
North Carolina: Projections of High School Graduates

North Carolina Public & Private High School Graduates



The growth in High School Graduates from:			
2000-2007	2007 to 2017	2017 to 2027	2027 to 2037
32.18%	27.54%	1.54%	-2.97%

What Drives Enrollment?

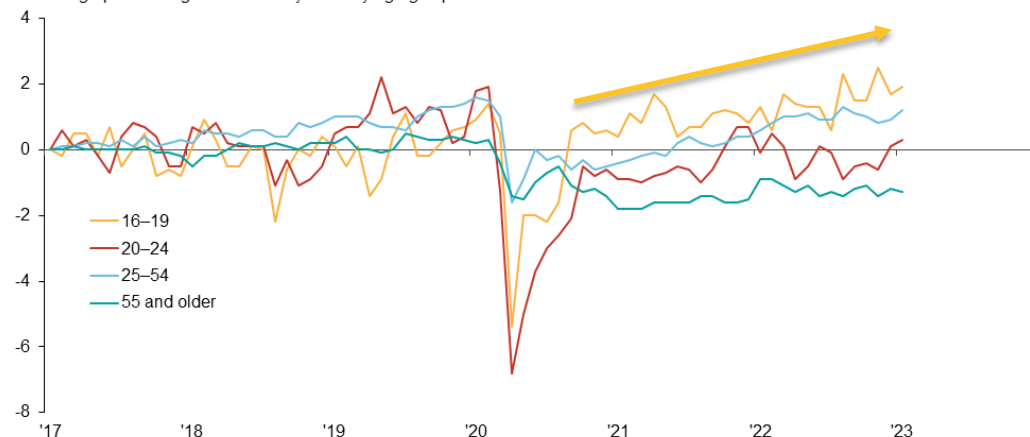


US Labor Force Trends:

Suddenly, Joining the Labor Market is More Attractive

Labor Force Participation by Age Group

Percentage-point change from January 2017 by age group

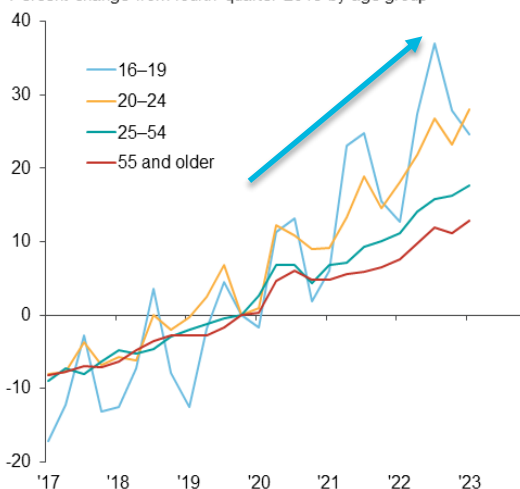


NOTE: Change is measured as the labor force participation rate of each age group minus the baseline labor force participation rate of the same age group in January 2017.

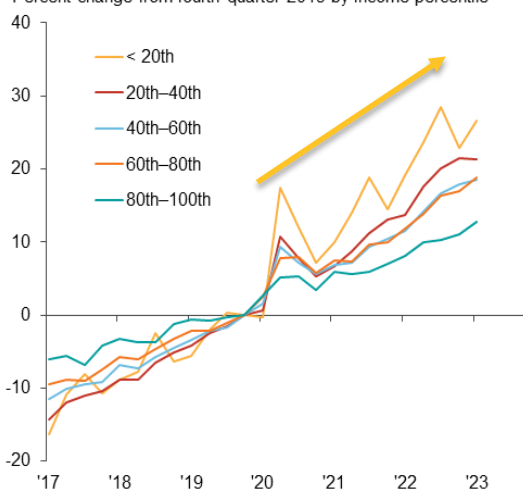
SOURCES: Federal Reserve Economic Data; authors' calculations.

Nominal Wage Growth by Age Group

Percent change from fourth quarter 2019 by age group



Percent change from fourth quarter 2019 by income percentile



NOTES: Data are measured as the percent change in the average wage of the indicated group compared with their average wage in fourth quarter 2019. As expected, younger workers show significant seasonability in their wages.

SOURCE: Current Population Survey.

Federal Reserve Bank of Dallas



Young people face a trade-off between school and work. Over the past two years, youths ages 16–19 have become more likely to enter the labor force, increasing their labor force participation more than any other age group since January 2017....

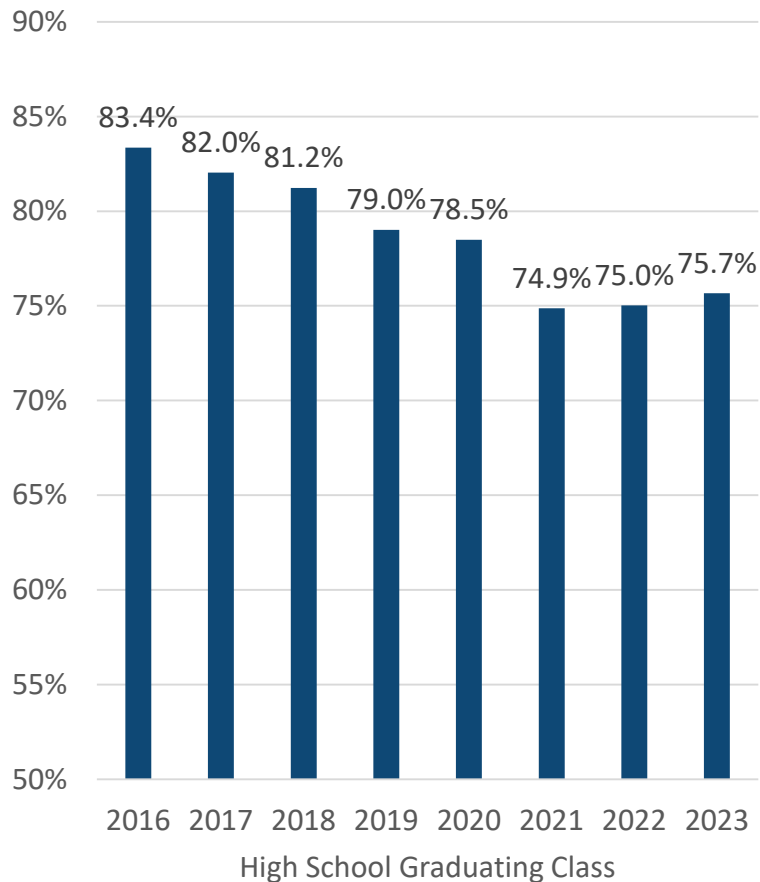


In addition, individuals ages 20–24 have become “disconnected” at higher rates during the pandemic, meaning that they are neither enrolled in college nor participating in the labor force.”

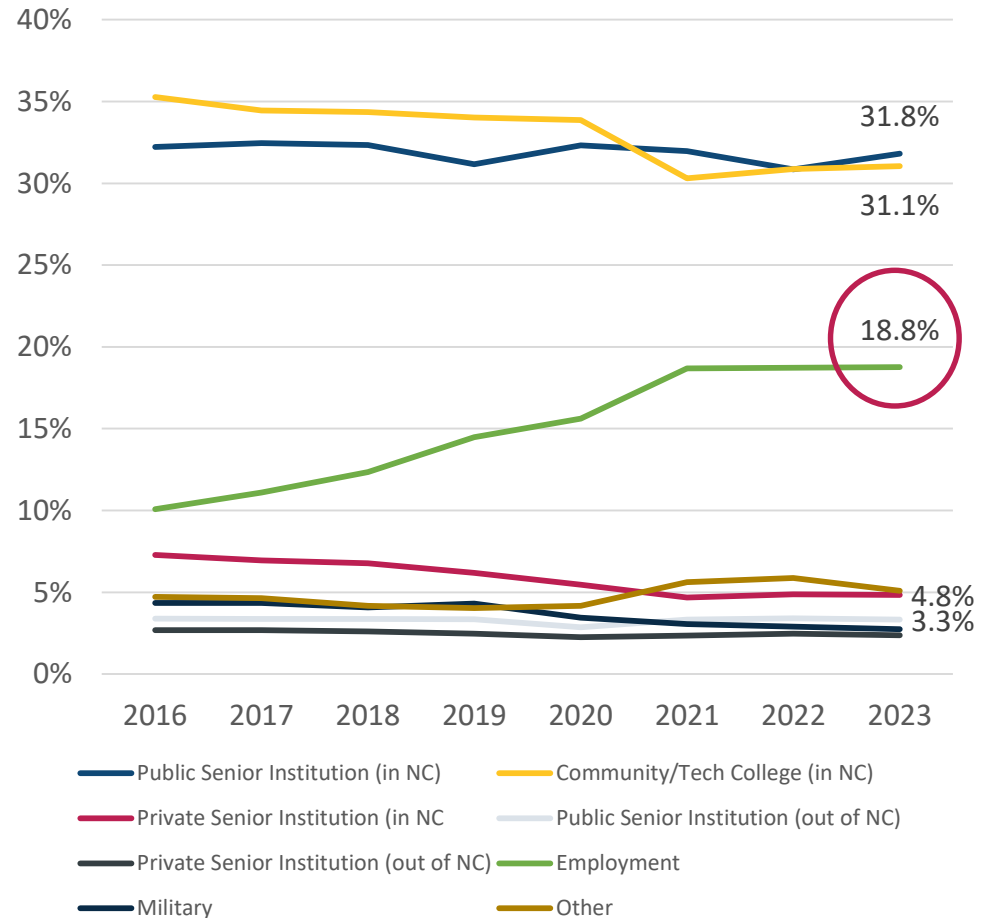
Federal Reserve Bank of Dallas,
2024

The Unanticipated Impact of Labor Force Trends

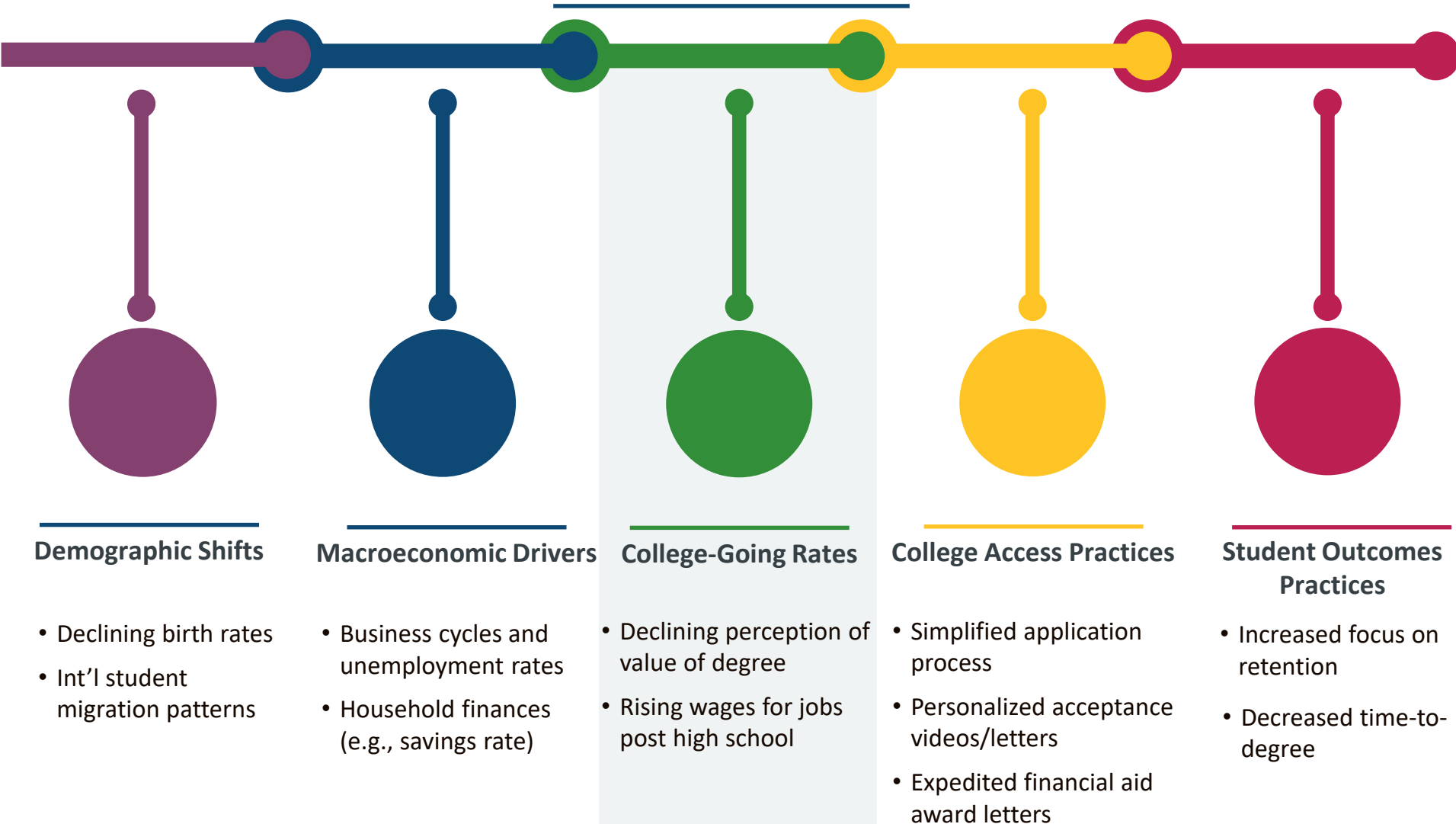
Intention to Attend Any Type of Postsecondary Institution After Graduation



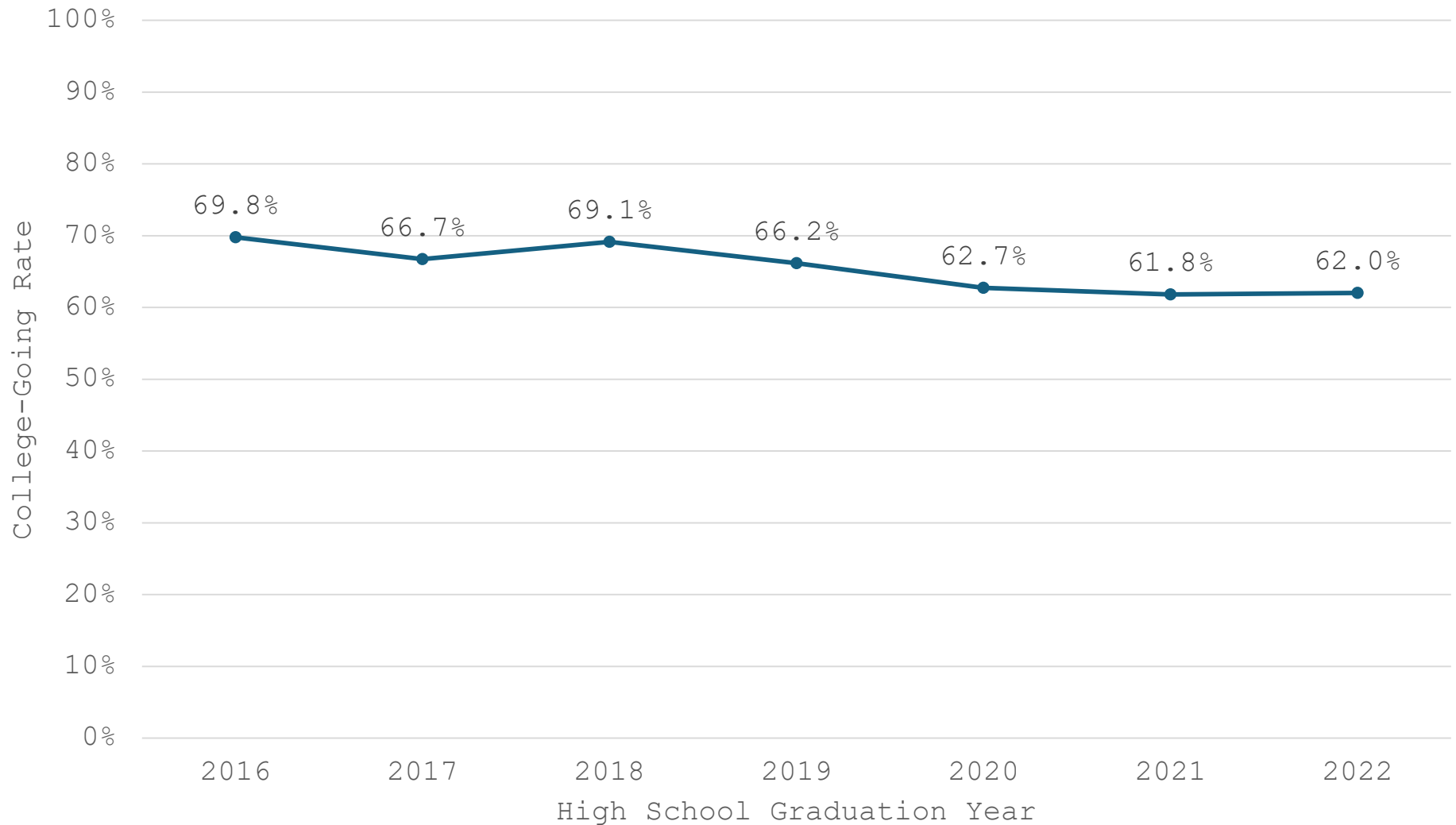
NC High School Graduates Post Graduation Intentions



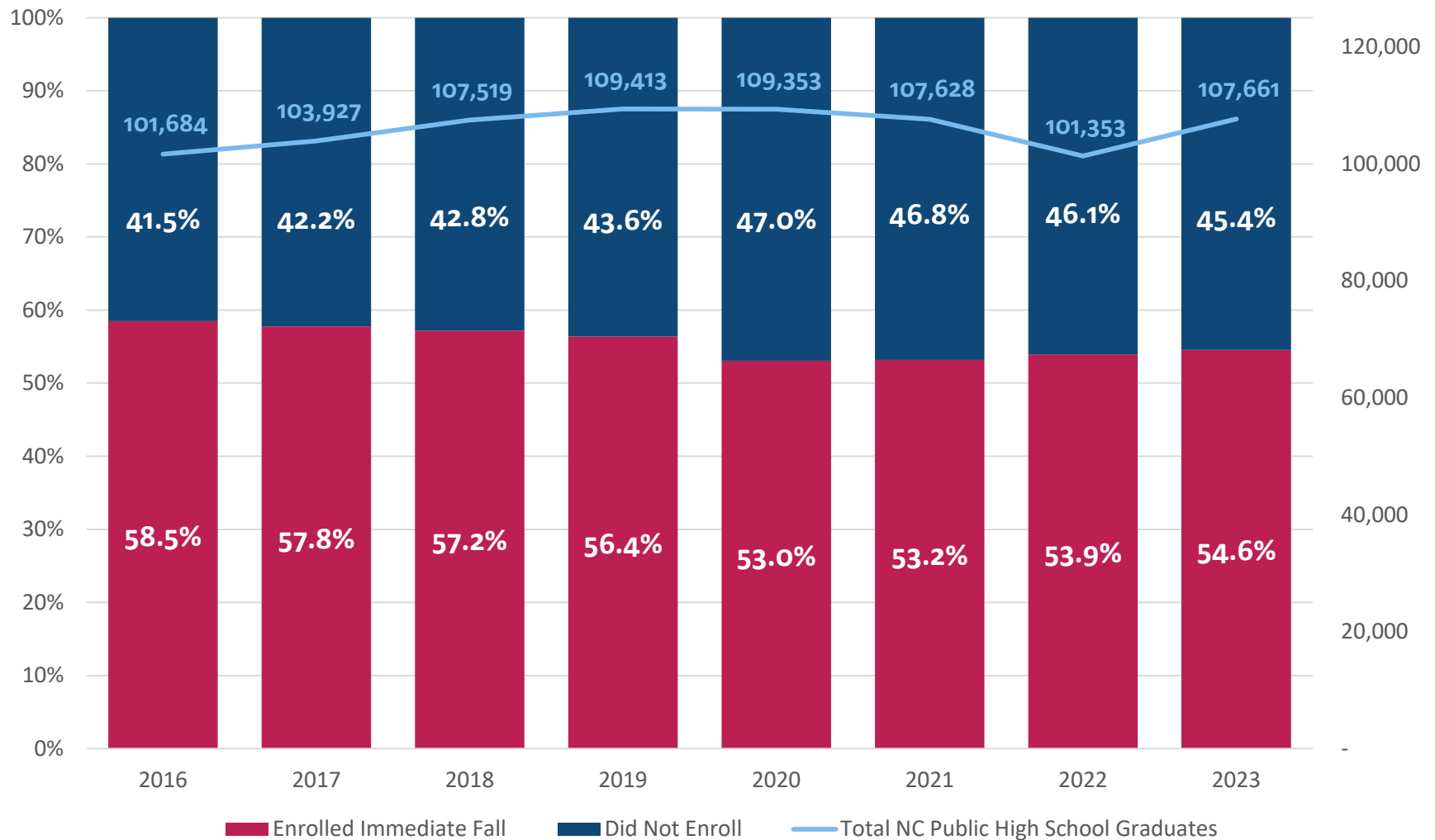
What Drives Enrollment?



US: Immediate College-Going Rate of High School Graduates



North Carolina: Immediate College-Going Rate of Public High School Graduates



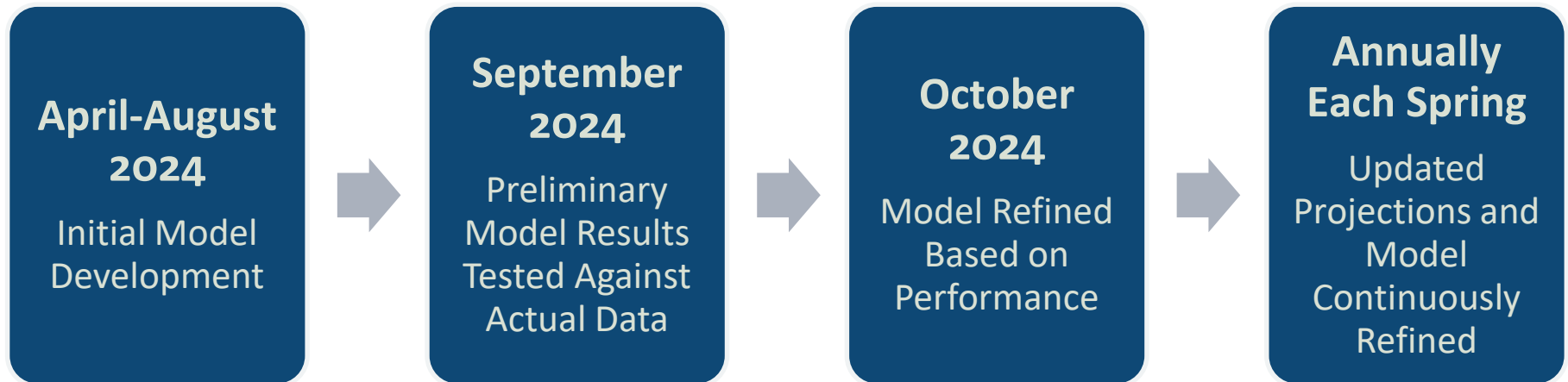
Where did NC Public HS Graduates Go?

	All NC High School Graduates			College Attendees		
	2016	2023	+/-	2016	2023	+/-
Did not enroll	41.5%	45.4%	3.9%	-	-	-
UNC System	24.0%	24.3%	0.3%	41.1%	44.5%	3.4%
NCCCS	21.5%	19.5%	-2.1%	36.8%	35.7%	-1.2%
In-State Private 4-Year/Other	6.6%	4.4%	-2.2%	11.3%	8.1%	-3.2%
Out of State	6.3%	6.4%	0.1%	10.8%	11.7%	0.9%
Total HS Grads/College Attendees	101,684	107,661		59,453	58,732	

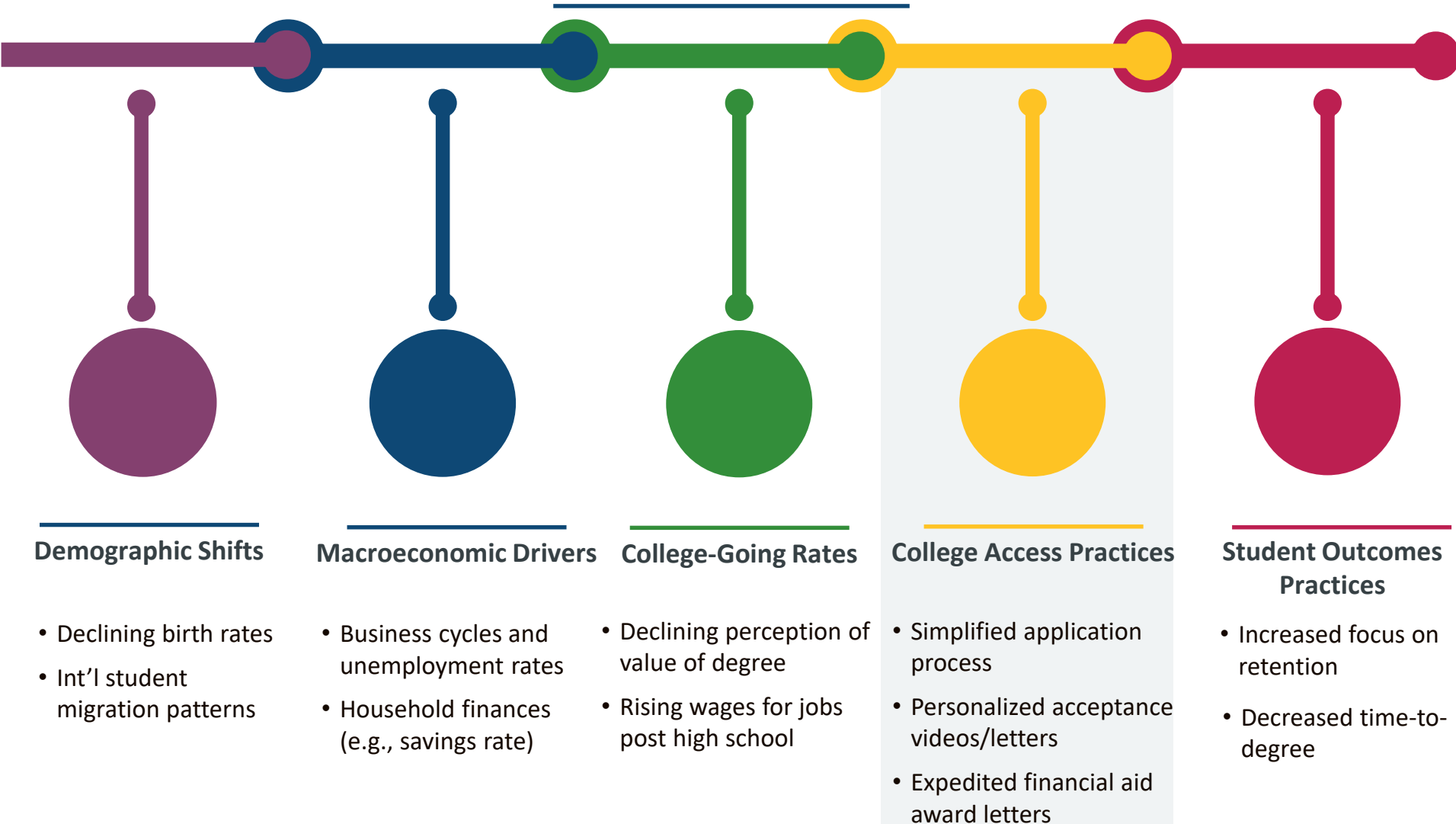
- Though the overall college-going rate has declined, the UNC System has continued to enroll approximately 24% of the high school graduating class.
- When considering only college attendees, the UNC System's market share has increased (~41% to ~45%), meaning the UNC System is enrolling a larger portion of an overall smaller pool of students.

UNC System Prepares for Shifts: New Enrollment Projection Model

Goal: Develop a student credit-hour projection model to predict total number of state-fundable student credit hours produced by UNC institutions in future years

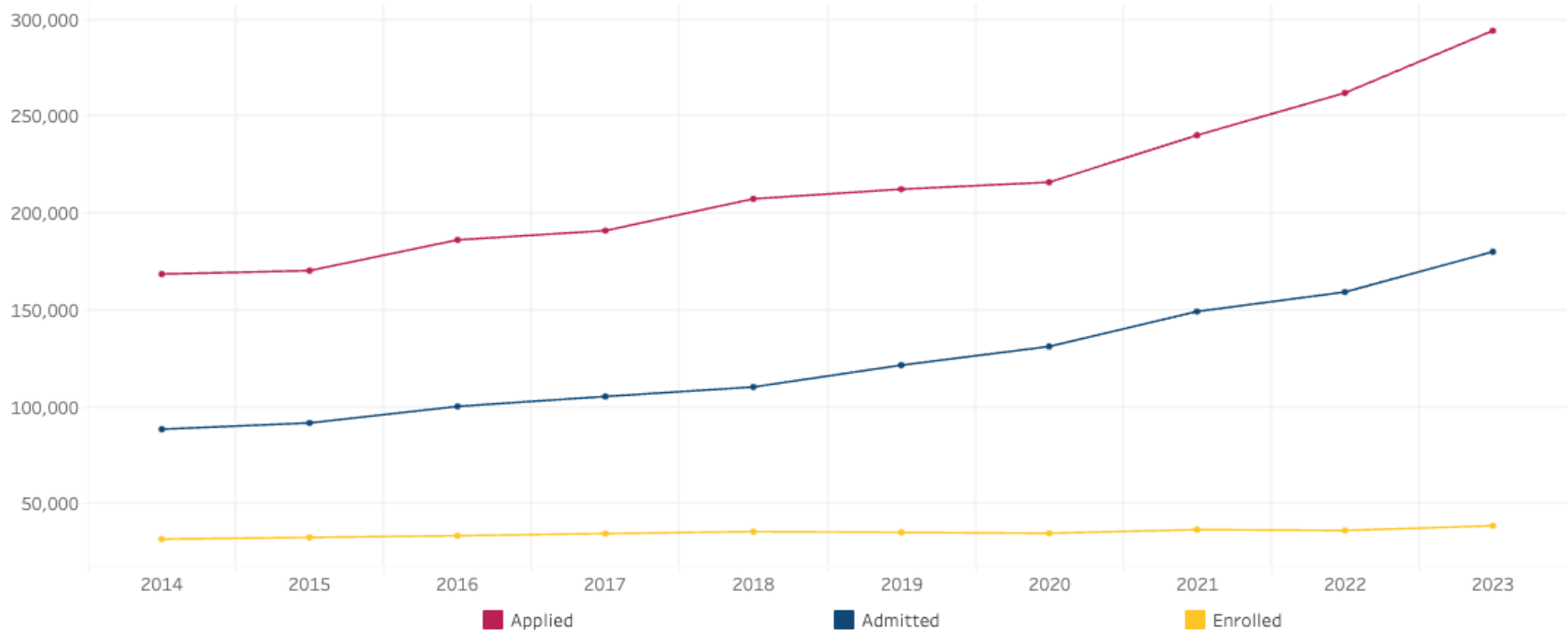


What Drives Enrollment?



First...A Note On Matriculation Trends: Applications are Up, Yield Rates are Down!

Institution(s): All
Applied, Admitted, Enrolled Counts by Year (Fall Term)



	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023
Applied	168,433	170,198	186,038	190,837	207,227	212,212	215,805	240,055	261,887	293,980
Admitted	88,373	91,612	100,134	105,269	110,154	121,414	131,050	149,111	159,148	179,941
Enrolled	31,668	32,525	33,420	34,522	35,537	35,133	34,700	36,535	36,145	38,529
Admit Rate (Admitted/Applied)	52.5%	53.8%	53.8%	55.2%	53.2%	57.2%	60.7%	62.1%	60.8%	61.2%
Yield Rate (Enrolled/Admitted)	35.8%	35.5%	33.4%	32.8%	32.3%	28.9%	26.5%	24.5%	22.7%	21.4%

College Access Best Practices

State System Policies & Practices

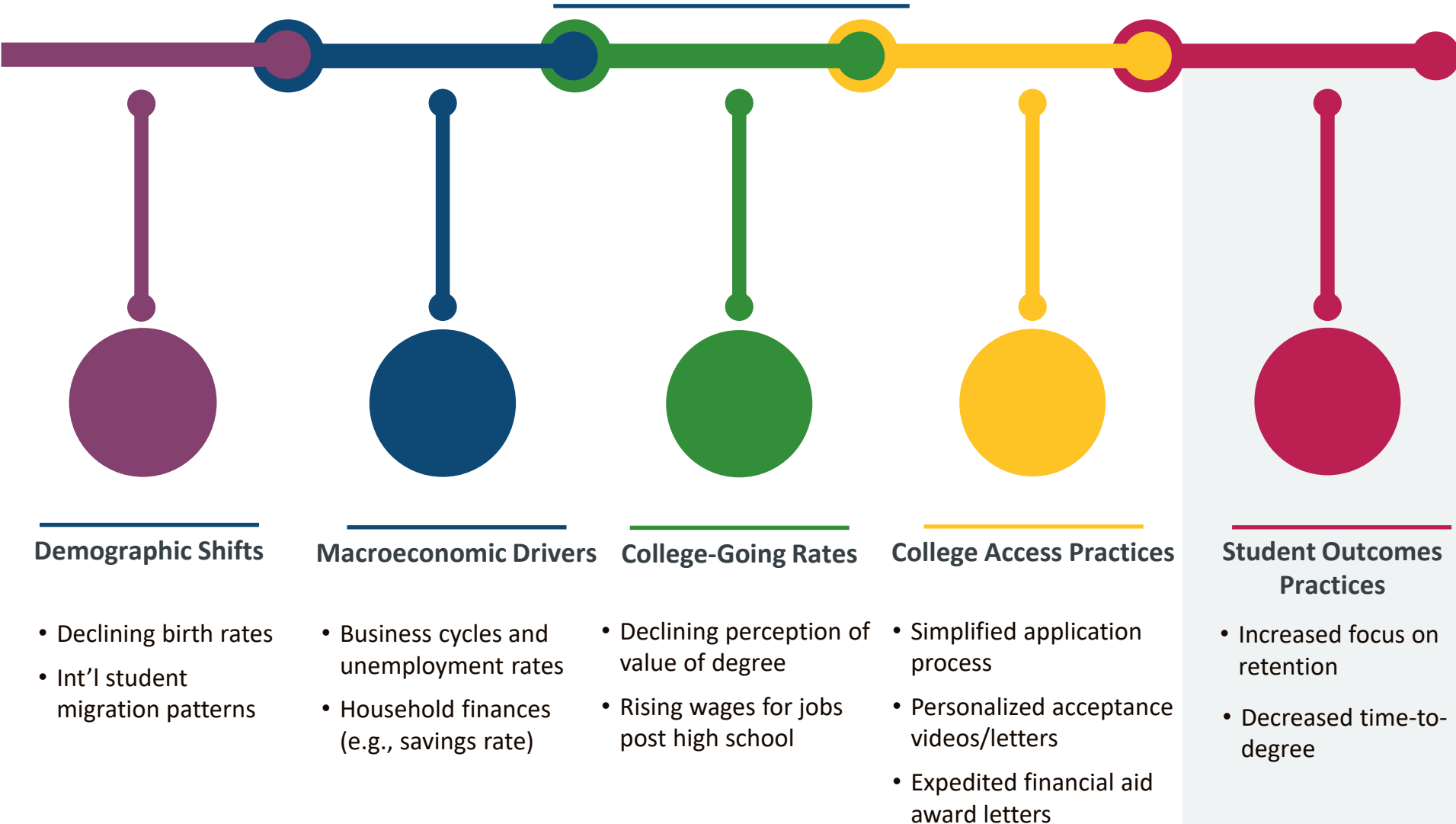
- 4-yr Fixed Tuition Guarantee
- Simplified State Scholarship
- State-coordinated redirect campaigns
- State-coordinated simplified application campaigns
- Subsidized tuition (i.e., NC Promises)
- CC transfer articulation agreements and transfer guides

Institution Policies & Practices

- Summer Bridge Programs
- Early Summer Orientation
- Expedited and Clear Financial Aid Award Letters
- Personalized communication strategies

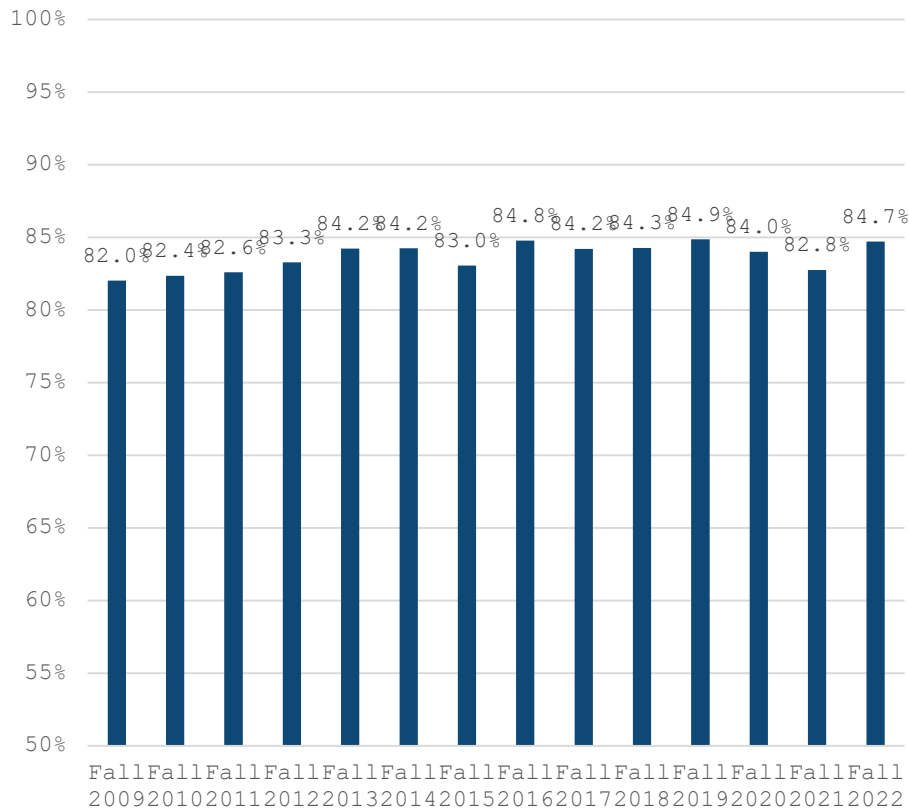


What Drives Enrollment?

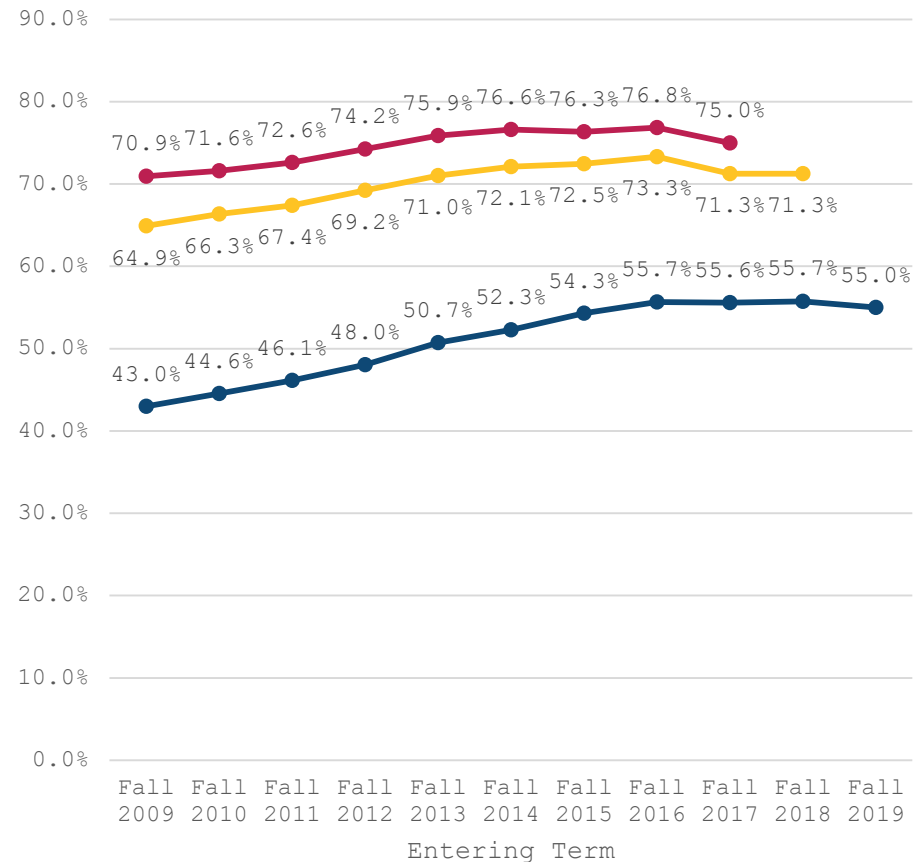


UNC System Making Steady Progress on Persistence & Graduation Rates

UNC System First-time, Full-time Students Persisting into 2nd Year (At Same Inst.)

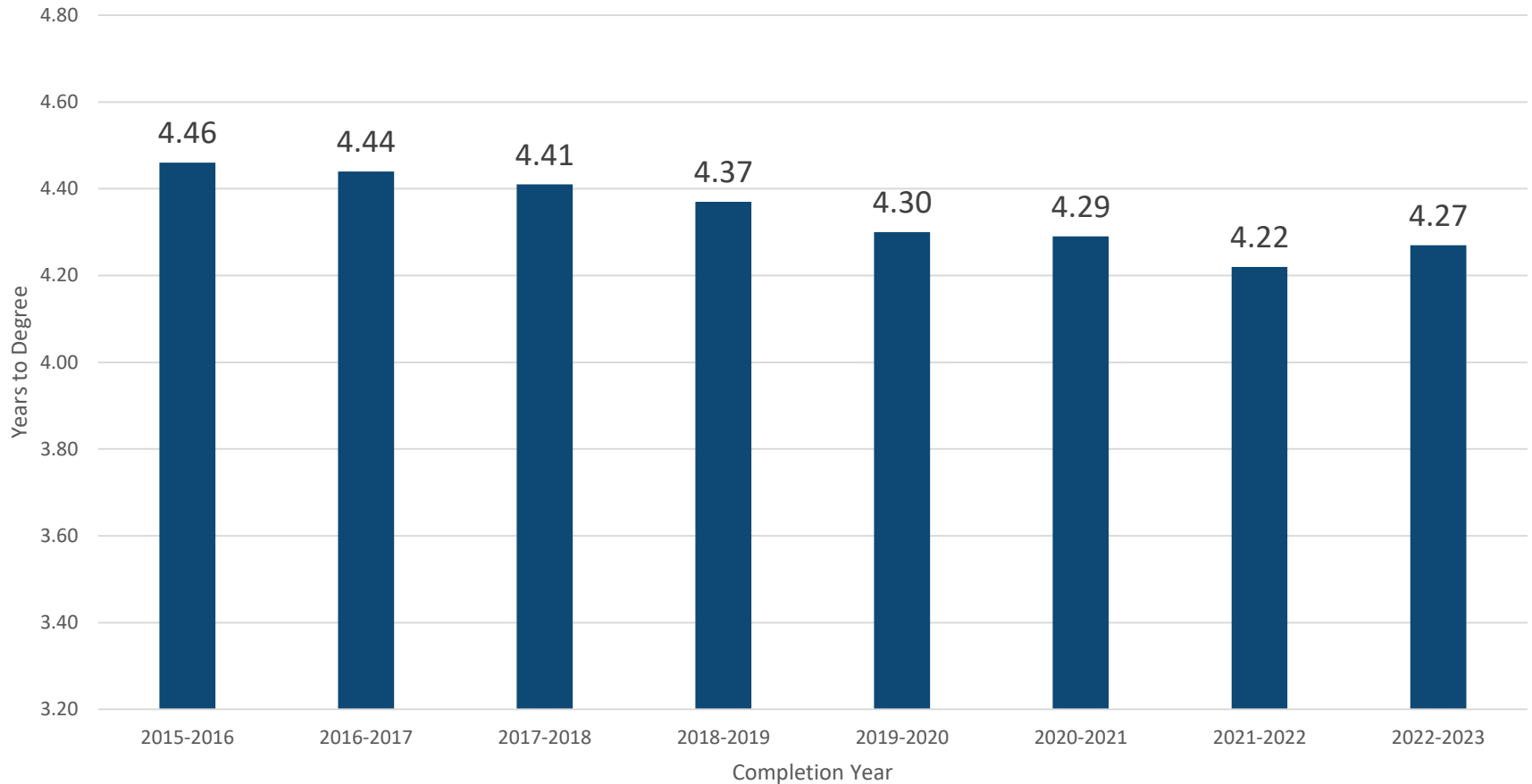


UNC System First-time, Full-time Graduation Rates (From Any US Inst.)



Time-to-Degree

Time-to-Degree for Students
Who Started as First-Time, Full-Time



TrACE: Overview

Well-Researched Program for community colleges is adapted at UNC System



Fall '21: UNC System partners with CUNY to replicate ASAP|ACE student success model



CUNY ASAP model included in “What Works Clearinghouse”



Fall '22 & '23: UNC System welcomes student cohorts (TrACE: Transfer, Accelerate, Complete & Engage)

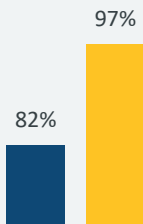
	Fall '22	Fall '23	Total
App State	49	75	124
ECU	53	75	128
UNCG	26	75	101
Total	128	225	353

Has TrACE Worked?

Enrollment Intensity

Full-Time Enrollment (12 & 15 SCHs)

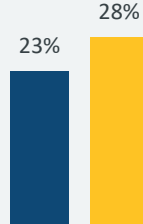
Enrolled FT Fall & Spring '23
(12 SCHs)



12 SCH Enrollment

■ Non-TrACE ■ TrACE

Enrolled FT Fall & Spring '23
(15 SCHs)

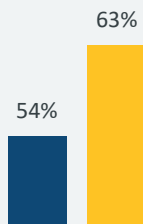


15 SCH Enrollment

■ Non-TrACE ■ TrACE

Summer Coursework

Took Any Summer Classes
(Summer '23)



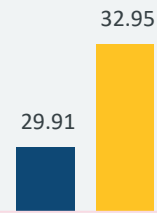
Summer Coursework

■ Non-TrACE ■ TrACE

Credit Attainment

Credits Attempted (SCHs)

Credits Attempted
(Fall '22, Spr '23 & Sum '23)

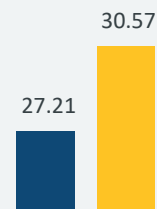


Credits Attempted

■ Non-TrACE ■ TrACE

Credits Earned (SCHs)

Credits Earned
(Fall '22, Spr '23 & Sum '23)



Credits Attempted

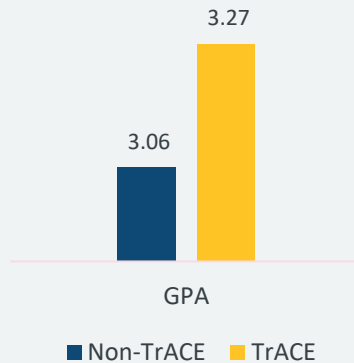
■ Non-TrACE ■ TrACE

Has TrACE Worked? (cont'd)

Academic Achievement

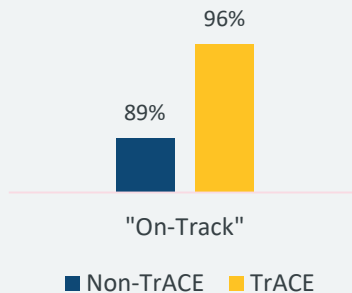
GPA

GPA After Summer '23



On-Track to 2-yr Graduation

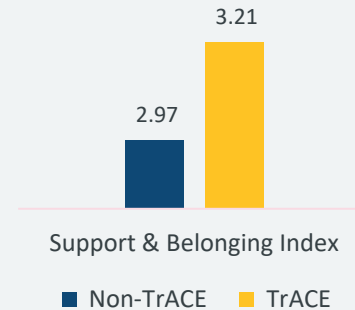
On-Track for 2-yr
Graduation After Sum '23



Integration & Belonging

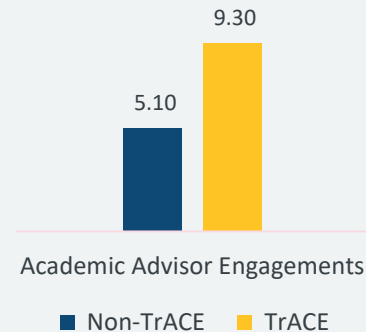
Support & Belonging Index

Belonging Index After
Spring '23

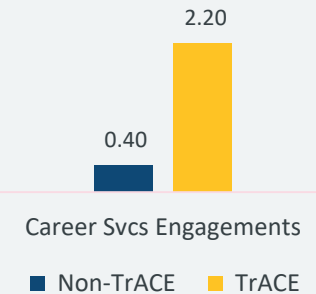


Engagement w/ Campus Resources

of Engagements with
Academic Advisor



of Engagements with
Career Services



Current System and Institutional Practices Driving Student Success

- ✓ Restructuring student advising
- ✓ Using financial aid to incentivize student success
- ✓ Cultivating year-round enrollment
- ✓ Increasing the out-of-state enrollment cap
- ✓ Embracing new markets

Implications for System Policy and Practice

- Exploring policies and practices related to credit transfer
 - Streamlined application process
 - Transcript review turnaround time
 - Technological solutions to make credit articulation and degree planning more transparent to students
 - Courses transfer into programs of study
- Optimizing academic program offerings

THANK YOU



QUESTIONS?

