

January 29, 2025 at 9:30 a.m.
Via Videoconference and PBS North Carolina Livestream
UNC System Office
223 S West Street, Board Room (17th Floor)
Raleigh, North Carolina

AGENDA

- A-1. Review 2025-26 Tuition and Fees Jennifer Haygood and Aubrey Clark-Brown
- A-2. Performance Funding Model UpdateJennifer Haygood
- A-3. Student Housing OverviewJennifer Haygood
- A-4. Adjourn

Additional Information Available:

University of North Carolina Quarterly Capital Project Report for January 1, 2025

AGENDA ITEM

A-1. Review 2025-26 Tuition and Fee Proposals Jennifer Haygood and Aubrey Clark-Brown

Situation:	Campus tuition and fee proposals are presented for the University of North Carolina Board of Governors review. At its February meeting, the Board will act on recommendations for tuition and fee rates for the 2025-26 academic year.
Background:	G.S. 116-143 requires that the Board fix the tuition and fees, not inconsistent with the actions of the North Carolina General Assembly, at the constituent institutions of the University of North Carolina System.
Assessment:	Institutions have submitted 2025-26 tuition and fee proposals in accordance with legislative and UNC System guidelines.
Action:	This item is for discussion only.

2025-26 TUITION AND FEE PROPOSALS

Committee on Budget and Finance

January 29, 2025

Presentation Outline

- **Background and Context**
- **2025-26 Tuition Proposals**
 - **Undergraduate**
 - **Resident – NO INCREASE**
 - **Nonresident**
 - **Graduate**
 - **Resident**
 - **Nonresident**
 - **Professional and Other School-Based**
- **2025-26 Fee Proposals**

Background and Context

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Background and Context

- “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.”
– *NC Constitution – Article IX, Section 9*
- “The Board shall fix the tuition and fees, not inconsistent with actions of the General Assembly, at the institutions . . . in such amount or amounts as it may deem best, taking into consideration the nature of each institution and program of study and the cost of equipment and maintenance. . . .”
– *G.S. 116-143*
- “The Board of Governors shall fix the tuition and required fees charged nonresidents of North Carolina . . . at rates higher than the rates charged residents of North Carolina and comparable to the rates charged nonresident students by comparable public institutions nationwide. . . .”
– *G.S. 116-144*

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2025-26 Tuition and Fees Instructions

Tuition	May an increase be proposed?
Undergraduate Resident	No
Undergraduate Nonresident	Yes, but proposals must justify both the need for the increase and why it is not expected to negatively impact enrollment. Requests may not propose using tuition revenue for financial aid.
Graduate Resident	
Graduate Nonresident	
Fees	May an increase be proposed?
Mandatory Fees (including debt service)	An increase may only be proposed if it is critical to maintaining core activities supported by the fee and must meet the fee review criteria on the subsequent slide.
	Notwithstanding to the above, increases may be proposed that are offset by a commensurate decrease to another fee.
	Total increases are subject to the 3% statutory cap.
Special Fees	An increase may only be proposed if it is critical to cover inflationary cost increases associated with an existing fee. Only well-justified proposals that meet the fee review criteria on the subsequent slide will be approved
	New fees may only be proposed for newly approved programs.
Application Fees	No

Timeline for the 2025-26 Tuition and Fee Process

September 2024	The System Office provides guidance for the 2025-26 tuition and fee process to Chancellors, Chief Academic Officers, and Chief Finance Officers.
September 2024	Tuition and fee instructions, consistent with the Board's policy, are sent to the institutions.
August through November 2024	Institutions hold tuition and fee committee meetings to discuss potential rate increases. Committees are comprised of faculty, staff, and students. Student forums are held to discuss proposed rate changes with the student body. A student involvement certificate is required from each campus.
October through November 2024	Institutions finalize tuition and fee proposals and submit to their Board of Trustees for approval.
Early December 2024	Chancellors submit tuition and fee requests for 2025-26 to the System Office.
December 2024 through January 2025	A tuition and fee committee within the System Office is established with representatives from Finance, Academic Affairs, and Strategy and Policy divisions. The committee reviews tuition and fee requests.
January 2025	Campus tuition and fee proposals are presented at the Board meeting. Tuition and fee detailed information is also provided to Board members after this meeting.
February 2025	Board of Governors consider tuition and fee proposals for 2025-26.

Tuition and Fees Comparison to Board-Approved Peers

Institution	Undergraduate Students	
	Resident Rank	Nonresident Rank
App State	11 of 11	6 of 11
ECU	11 of 12	8 of 12
ECSU	11 of 11	11 of 11
FSU	11 of 11	11 of 11
N.C. A&T	11 of 12	7 of 12
NCCU	11 of 11	8 of 11
NC State	12 of 13	11 of 13
UNCA	10 of 11	7 of 11
UNC-CH	10 of 11	7 of 11
UNCC	12 of 13	9 of 13
UNCG	10 of 11	5 of 11
UNCP	12 of 12	12 of 12
UNCW	13 of 13	11 of 13
UNCSA	12 of 13	12 of 13
WCU	13 of 13	13 of 13
WSSU	13 of 13	10 of 13

Institutions are meeting the Board's requirement for undergraduate resident tuition to remain in the lowest quartile of public peer institutions.

Rank was determined by comparing **2024-25** tuition and fees of UNC System campuses to **2023-24** tuition and fees of their public peer institutions.

UNCSA's comparison includes public and private institutions.

Source: IPEDS

Resident Tuition and Fees Peer Comparison

# of Peers	Peer Ranking	Institution	Undergraduate Resident Tuition & Fees	Variance % from Bottom Quartile
11	11	App State	\$7,405	-46.9%
12	11	ECU	7,171	-28.4%
11	11	ECSU	3,392	-143.5%
11	11	FSU	3,585	-83.8%
12	11	N.C. A&T	6,692	-21.5%
11	11	NCCU	6,543	-34.2%
13	12	NC State	8,800	-27.3%
11	10	UNCA	7,333	-22.2%
11	10	UNC-CH	8,765	-30.5%
13	12	UNCC	7,019	-28.1%
11	10	UNCG	7,536	-14.7%
12	12	UNCP	3,648	-101.5%
13	13	UNCW	7,252	-30.1%
13	12	UNCSA	9,007	-30.9%
13	13	WCU	4,144	-105.6%
13	13	WSSU	6,036	-44.3%
Avg. ALL Institutions			\$6,521	-49.6%
Avg. Excluding NC Promise			\$7,463	-29.9%

■ BOG policy requires that all universities remain in the bottom quartile when compared to their undergraduate **resident** peers.

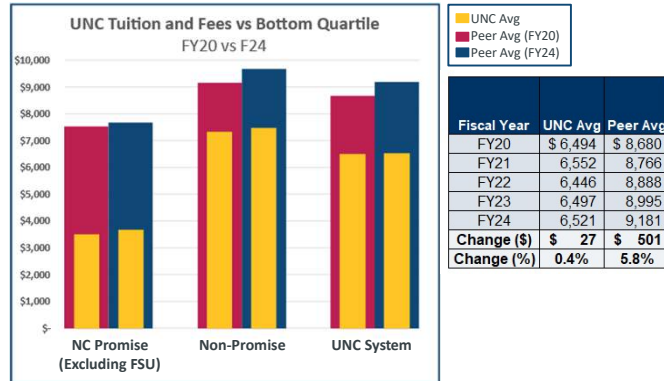
■ Half of the universities are last in their peer ranking.

■ Institutions could increase by an average of \$2,660 and still remain in the bottom quartile.

■ The average variance from the bottom quartile has increased by 8% in the last four years.

Tuition and Fees Comparison to Board-Approved Peers

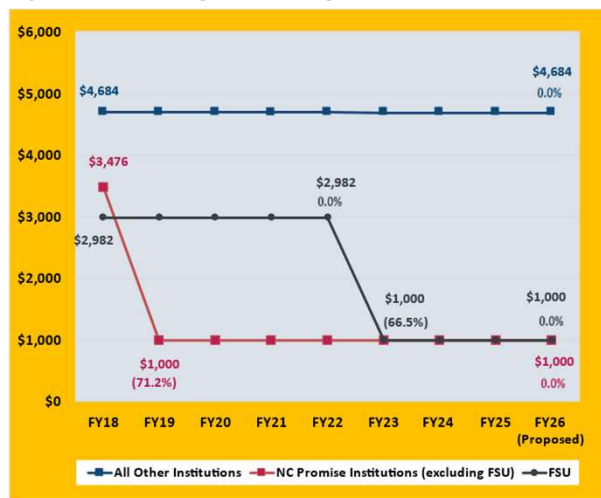
UNC Institutions have always been more affordable than their peers...



And the gap is growing!

Historical Tuition Averages

UNC System Average Undergraduate Resident Tuition



Nonresident Tuition and Fees Peer Comparison

# of Peers	Peer Ranking	Institution	Undergraduate Nonresident Tuition & Fees	\$ Below Third Quartile
11	6	App State	\$25,038	\$ 5,855
12	8	ECU	23,448	4,808
11	11	ECSU	7,392	14,486
11	11	FSU	7,585	12,909
12	7	N.C. A&T	20,552	6,416
11	8	NCCU	19,579	2,566
13	11	NC State	32,848	7,755
11	7	UNCA	24,681	6,469
11	7	UNC-CH	40,974	4,102
13	9	UNCC	22,272	10,390
11	5	UNCG	23,887	3,612
12	12	UNCP	7,648	13,713
13	11	UNCW	24,127	11,269
13	12	UNCSA	26,741	29,809
13	13	WCU	8,144	13,590
13	10	WSSU	16,692	4,852
Avg. ALL Institutions			\$20,726	\$ 9,538
Avg. Excluding NC Promise			\$25,070	\$ 8,524

- *BOG policy recommends that all universities set rates **at or above** the third quartile when compared to their undergraduate **nonresident** peers.*
- *14 universities are in the bottom half of their peer group.*
- *Institutions could increase by an average of \$9,538 to reach the top quartile.*

Historical Tuition and Fee Averages

Academic Year	Average Increases		
	Undergraduate Resident Tuition	Undergraduate Nonresident Tuition	Mandatory Fees
2018-19*	0.0%	0.9%	1.3%
2019-20	0.0%	1.1%	1.9%
2020-21	0.0%	0.0%	(0.1%)
2021-22	0.0%	1.2%	2.2%
2022-23*	0.0%	1.3%	0.7%
2023-24	0.0%	2.5%	1.9%
2024-25	0.0%	2.2%	0.8%
2025-26 (proposed)	0.0%	3.0%	1.0%

* NC Promise was implemented for ECSU, UNCP and WCU (2018-19) and FSU (2022-23).
The rate changes above exclude the tuition rate changes due to this implementation.

2025-26 Tuition Proposals

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2025-26 Tuition Proposals (UG Resident)

Institution	2024-25 Tuition	2025-26 Rate Change	2025-26 Proposed Rates	%
App State	\$ 4,242	\$ -	\$ 4,242	0.0%
ECU	4,452	-	4,452	0.0%
ECSU	1,000	-	1,000	0.0%
FSU	1,000	-	1,000	0.0%
N.C. A&T	3,540	-	3,540	0.0%
NCCU	3,728	-	3,728	0.0%
NC State	6,535	-	6,535	0.0%
UNCA	4,122	-	4,122	0.0%
UNC-CH	7,019	-	7,019	0.0%
UNCC	3,812	-	3,812	0.0%
UNCG	4,422	-	4,422	0.0%
UNCP	1,000	-	1,000	0.0%
UNCW	4,443	-	4,443	0.0%
UNCSA	6,497	-	6,497	0.0%
WCU	1,000	-	1,000	0.0%
WSSU	3,401	-	3,401	0.0%
Average	\$ 3,763	\$ -	\$ 3,763	0.0%

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2025-26 Tuition Proposals (UG Nonresident)

Institution	2024-25 Tuition	2025-26 Rate Change	2025-26 Proposed Rates	%
App State	\$ 21,875	\$ 657	\$ 22,532	3.0%
ECU	20,729	-	20,729	0.0%
ECSU	5,000	-	5,000	0.0%
FSU	5,000	-	5,000	0.0%
N.C. A&T	17,400	200	17,600	1.1%
NCCU	16,764	-	16,764	0.0%
NC State	30,583	917	31,500	3.0%
UNCA	21,470	-	21,470	0.0%
UNC-CH	39,228	3,924	43,152	10.0%
UNCC	19,065	953	20,018	5.0%
UNCG	20,773	623	21,396	3.0%
UNCP	5,000	-	5,000	0.0%
UNCW	21,318	1,279	22,597	6.0%
UNCSA	24,231	-	24,231	0.0%
WCU	5,000	-	5,000	0.0%
WSSU	14,057	-	14,057	0.0%
Average	\$ 17,968	\$ 535	\$ 18,503	3.0%

2025-26 Graduate Adjustments

- In April 2022, the Board of Governors approved an overhaul of the Enrollment Funding Model. The revision reduced funding per student credit hour for most graduate programs.
- As part of this change, the Board signaled that universities would have greater flexibility to set more market-driven tuition rates for graduate programs.
- Seven institutions have proposed increases to the graduate base tuition rate.
- Eight institutions have proposed new or revised school-based rates for specific professional and graduate schools.

2025-26 Tuition Proposals (Grad Resident)

Institution	2024-25 Tuition	2025-26 Rate Change	2025-26 Proposed Rates	%
App State	\$ 5,233	\$ 157	\$ 5,390	3.0%
ECU	4,749	238	4,987	5.0%
ECSU	3,375	-	3,375	0.0%
FSU	3,438	-	3,438	0.0%
N.C. A&T	5,095	200	5,295	3.9%
NCCU	4,740	-	4,740	0.0%
NC State	9,837	393	10,230	4.0%
UNCA	4,914	-	4,914	0.0%
UNC-CH	10,764	-	10,764	0.0%
UNCC	4,610	231	4,841	5.0%
UNCG	5,375	-	5,375	0.0%
UNCP	4,280	-	4,280	0.0%
UNCW	5,278	317	5,595	6.0%
UNCSA	9,696	-	9,696	0.0%
WCU	4,568	-	4,568	0.0%
WSSU	3,872	-	3,872	0.0%
Average	\$ 5,614	\$ 96	\$ 5,710	1.7%

2025-26 Tuition Proposals (Grad Nonresident)

Institution	2024-25 Tuition	2025-26 Rate Change	2025-26 Proposed Rates	%
App State	\$ 21,904	\$ 657	\$ 22,561	3.0%
ECU	17,898	895	18,793	5.0%
ECSU	16,437	-	16,437	0.0%
FSU	14,503	-	14,503	0.0%
N.C. A&T	17,895	200	18,095	1.1%
NCCU	18,048	-	18,048	0.0%
NC State	30,610	918	31,528	3.0%
UNCA	21,236	-	21,236	0.0%
UNC-CH	29,421	-	29,421	0.0%
UNCC	19,645	982	20,627	5.0%
UNCG	20,090	602	20,692	3.0%
UNCP	17,339	-	17,339	0.0%
UNCW	21,364	1,282	22,646	6.0%
UNCSA	24,399	-	24,399	0.0%
WCU	15,287	-	15,287	0.0%
WSSU	14,407	-	14,407	0.0%
Average	\$ 20,030	\$ 346	\$ 20,376	1.7%

2025-26 Tuition Proposals

Estimated Revenues Generated by base Tuition Increases

Undergraduate		2025-26
Residents (new students)		\$0
Nonresidents		\$24,177,000
Graduate		
Residents		\$4,295,000
Nonresidents		\$6,011,000
Special Tuition		\$10,139,000
Total		\$44,621,000

Proposed Uses: Inflationary Adjustments, Faculty & Staff Retention, Student Success initiatives, Academic Support, Financial Aid, and new academic programs in critical workforce disciplines

2025-26 Professional School Adjustments

Institution	Professional Tuition	Resident Proposals			Nonresident Proposals		
		From	To	\$	From	To	\$
App State	Master of Science in Nutrition	5,233	7,390	2,157	21,904	24,561	2,657
ECU	School of Dental Medicine	35,147	37,507	2,360	n/a		
N.C. A&T	MS Physician Assistant Studies		7,545	new		20,345	new
N.C. A&T	Joint Master of Social Work	7,569	7,095	-474	20,913	19,895	-1,018
N.C. A&T	Joint PhD of Social Work	7,569	7,095	-474	20,913	19,895	-1,018
N.C. A&T	MS Criminal Justice		7,295	new		20,095	new
N.C. A&T	PhD Criminal Justice		7,295	new		20,095	new
NC State	Master/MS Computer Science	15,437	17,230	1,793	36,210	38,528	2,318
UNC-CH	MBA	50,666	52,186	1,520	68,843	70,908	2,065
UNC-CH	Master of Management		45,923	new		53,260	new
UNC-CH	MS in Information Science	15,264	16,704	1,440	33,921	35,361	1,440
UNC-CH	MS in Library Science	15,264	16,704	1,440	33,921	35,361	1,440
UNC-CH	Juris Doctor	26,331	28,081	1,750	48,121	51,319	3,198
UNC-CH	Dental MS Programs	16,821	21,821	5,000	36,267	46,267	10,000
UNC-CH	MS Cell Biology and Physiology		23,764	new		42,421	new
UNC-CH	Doctor of Public Health	16,630	18,630	2,000	34,530	36,530	2,000
UNC-CH	MHA/MPH/MSPH	18,630	20,630	2,000	36,530	38,530	2,000
UNC-CH	MS in Environmental Engineering	12,830	14,830	2,000	30,730	32,730	2,000

2025-26 Professional School Adjustments

Institution	Professional Tuition	Resident Proposals			Nonresident Proposals		
		From	To	\$	From	To	\$
UNCC	Cert/M Ed in Learning, Design, and Technology	4,610	5,021	411	19,645	20,807	1,162
UNCC	MS in Athletic Training	4,610	5,921	1,311	19,645	21,707	2,062
UNCG	MS Nursing (PELMSN)		7,375	new		22,692	new
UNCG	MS Nursing (FNP)	7,375	8,875	1,500	22,090	24,192	2,102
UNCG	Adult Gerontology Primary Care Nurse Practitioner	7,375	8,875	1,500	22,090	24,192	2,102
UNCG	Nurse Anesthesia	8,375	11,375	3,000	23,090	26,692	3,602
UNCW	Human Resources Mgmt Cert		9,336	new		26,387	new
UNCW	Doctor of Nursing Practice	6,618	7,668	1,050	22,704	24,719	2,015

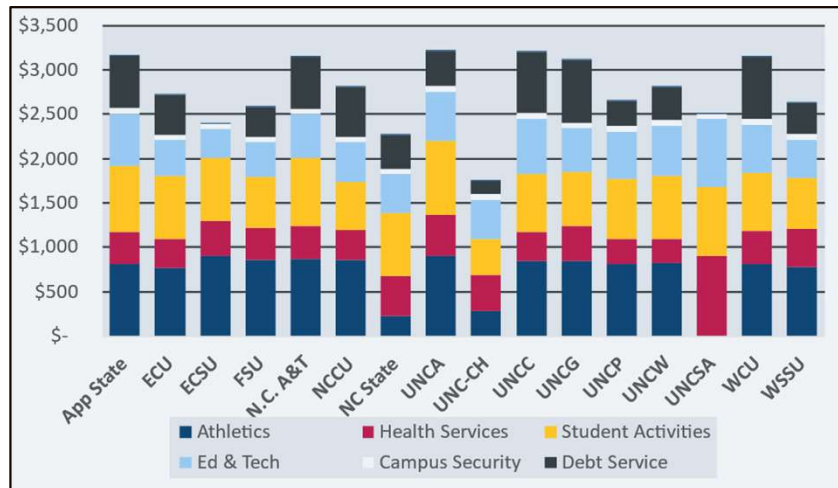
2025-26 Fee Proposals

2025-26 Fee Proposals

Mandatory Fees

- Athletics
- Health Services
- Student Activities
- Educational and Technology
- Campus Security
- Debt Service *(Debt Service fees are subject to the 3% cap and are addressed by the Board when approving capital projects paid from non-appropriated sources.)*
- Association of Student Governments (\$1)

2024-25 Mandatory Fee Rates



Fee Review Criteria

■ Revenues

- Is the number of student FTE used to estimate FY26 revenues reasonable given current enrollment data?
- Is the amount of "Other Revenues" budgeted for FY26 reasonable given historic trends and any other known factors?

■ Expenditures

- Are expenditures increasing for reasons other than required legislative salary increases, benefit rate changes, and other reasonable inflationary adjustments?
- If so, is the rationale for the additional expenditures adequately justified and aligned with BOG priorities?

■ Fund Balance

- Is the fee expected to generate revenues that exceed expenditures?
- Does the fund balance exceed 6 months of annual expenditures? If so, is there a plan for using the fund balance in the future?

Summary of 2025-26 Fee Proposals

Institution	2024-25 Mandatory Fees	2025-26 Proposed Mandatory Fee Changes							2025-26 Total Fees	\$ Change	% Change
		Athletics	Health Services	Student Activities	Ed & Tech	Campus Security	ASG	Debt Service			
App State	\$ 3,163	\$ -	\$ 11	\$ 22	\$ 18	\$ -	\$ -	\$ -	\$ 3,214	\$ 51	1.6%
ECU	2,719	-	-	43	25	-	-	-	2,787	68	2.5%
ECSU	2,392	-	-	-	-	-	-	-	2,392	-	0.0%
FSU	2,585	-	34	60	-	-	-	(35)	2,644	59	2.3%
N.C. A&T	3,152	-	-	-	-	-	-	-	3,152	-	0.0%
NCCU	2,815	-	34	-	-	-	-	-	2,849	34	1.2%
NC State	2,265	-	25	17	-	-	-	(27)	2,280	15	0.7%
UNCA	3,211	-	-	-	-	-	-	-	3,211	-	0.0%
UNC-CH	1,746	-	-	-	(25)	-	-	77	1,798	52	3.0%
UNCC	3,207	-	20	58	-	-	-	-	3,285	78	2.4%
UNCG	3,114	-	19	28	23	-	-	-	3,184	70	2.2%
UNCP	2,648	-	10	40	-	-	-	(87)	2,611	(37)	(1.4%)
UNCW	2,809	-	-	15	-	-	-	-	2,824	15	0.5%
UNCSCA	2,510	N/A	-	-	-	-	-	-	2,510	-	0.0%
WCU	3,144	-	25	30	-	-	-	-	3,199	55	1.7%
WSSU	2,635	-	-	-	-	-	-	(28)	2,607	(28)	(1.1%)
Avg. Inc.		\$ -	\$ 11	\$ 20	\$ 3	\$ -	\$ -	\$ (6)		\$ 27	1.0%
Avg. Fee	\$ 2,757	\$ 761	\$ 413	\$ 686	\$ 506	\$ 60	\$ 1	\$ 404	\$ 2,784		

2025-26 Fee Proposals (Health Services)

Health Services fee increases will be used to support:

- *Inflationary impacts for medical supplies*
- *Unfunded salary and benefit increases for health services personnel*
- *Equipment maintenance and replacement*
- *Maintaining mental health and telehealth services*
- *Address structural budget deficits*

Institution	2024-25 Rate	2025-26 Rate Change	2025-26 Proposed Rate	%
App State	\$ 355	\$ 11	\$ 366	3.1%
ECU	319	-	319	0.0%
ECSU	395	-	395	0.0%
FSU	356	34	390	9.6%
N.C. A&T	370	-	370	0.0%
NCCU	338	34	372	10.1%
NC State	445	25	470	5.6%
UNCA	455	-	455	0.0%
UNC-CH	410	-	410	0.0%
UNCC	335	20	355	6.0%
UNCG	402	19	421	4.7%
UNCP	275	10	285	3.6%
UNCW	270	-	270	0.0%
UNCSA	908	-	908	0.0%
WCU	365	25	390	6.8%
WSSU	430	-	430	0.0%
Average	\$ 402	\$ 11	\$ 413	2.8%

2025-26 Fee Proposals (Student Activities)

Student Activities fee increases will be used to support:

- *Inflationary impacts*
- *Unfunded salary and benefit increases*
- *Labor market impacts to student wages*
- *Maintenance and repair of equipment*

The rates shown are for undergraduate students. NCCU and UNC-CH charge different rates for graduate students.

Institution	2024-25 Rate	2025-26 Rate Change	2025-26 Proposed Rate	%
App State	\$ 744	\$ 22	\$ 766	3.0%
ECU	718	43	761	6.0%
ECSU	711	-	711	0.0%
FSU	582	60	642	10.3%
N.C. A&T	765	-	765	0.0%
NCCU	536	-	536	0.0%
NC State	708	17	725	2.4%
UNCA	839	-	839	0.0%
UNC-CH	407	-	407	0.0%
UNCC	650	58	708	8.9%
UNCG	611	28	639	4.6%
UNCP	678	40	718	5.9%
UNCW	719	15	734	2.1%
UNCSA	770	-	770	0.0%
WCU	657	30	687	4.6%
WSSU	568	-	568	0.0%
Average	\$ 666	\$ 20	\$ 686	2.9%

2025-26 Fee Proposals (Ed & Tech)

Educational and Technology fee increases will be used to support:

- Inflationary impacts to software and technology
- Unfunded salary and benefit increases
- Maintenance, repair and replacement of classroom technology

Institution	2024-25 Rate	2025-26 Rate Change	2025-26 Proposed Rate	%
App State	\$ 593	\$ 18	\$ 611	3.0%
ECU	403	25	428	6.2%
ECSU	326	-	326	0.0%
FSU	393	-	393	0.0%
N.C. A&T	498	-	498	0.0%
NCCU	448	-	448	0.0%
NC State	439	-	439	0.0%
UNCA	556	-	556	0.0%
UNC-CH	442	(25)	417	(5.7%)
UNCC	622	-	622	0.0%
UNCG	490	23	513	4.7%
UNCP	534	-	534	0.0%
UNCW	563	-	563	0.0%
UNCSA	771	-	771	0.0%
WCU	544	-	544	0.0%
WSSU	436	-	436	0.0%
Average	\$ 504	\$ 3	\$ 506	0.5%

2025-26 Fee Proposals (Debt Service)

UNC-Chapel Hill is financing the Campus Recreation and Wellness Center. This increase is partially offset via a reduction in the Ed & Tech fee.

Fee reductions are possible due to:

- FSU: Strong enrollment growth
- NC State: Sunsetting debt
- UNCP: Sunsetting debt
- WSSU: Refinancing savings




Institution	2024-25 Rate	2025-26 Rate Change	2025-26 Proposed Rate	%
App State	\$ 594	\$ -	\$ 594	0.0%
ECU	445	-	445	0.0%
ECSU	-	-	-	0.0%
FSU	335	(35)	300	(10.4%)
N.C. A&T	588	-	588	0.0%
NCCU	570	-	570	0.0%
NC State	380	(27)	353	(7.1%)
UNCA	394	-	394	0.0%
UNC-CH	147	77	224	52.4%
UNCC	695	-	695	0.0%
UNCG	707	-	707	0.0%
UNCP	281	(87)	194	(31.0%)
UNCW	376	-	376	0.0%
UNCSA	-	-	-	0.0%
WCU	700	-	700	0.0%
WSSU	360	(28)	332	(7.8%)
Average	\$ 411	\$ (6)	\$ 404	(1.5%)

2025-26 Fee Adjustments (Special Fees)

Institution	Special Fee	2024-25 Rate	2025-26 Rate Change	2025-26 Proposed Rate	%
ECU	Dental Student Housing	\$ 1,395	\$ 80	\$ 1,475	6%
ECSU	Flight Lab - Private (I)	3,625	3,425	7,050	94%
ECSU	Flight Lab - Private (II)	2,875	3,000	5,875	104%
ECSU	Flight Lab - Instrument	5,000	6,750	11,750	135%
ECSU	Flight Lab - Commercial (I)	7,500	1,900	9,400	25%
ECSU	Flight Lab - Commercial (II)	7,500	1,900	9,400	25%
ECSU	Flight Lab - Commercial (III)		9,400	9,400	new
ECSU	Flight Lab - Multi Engine (G)	2,500	2,000	4,500	80%
ECSU	Flight Lab - CFI (G)	4,000	1,875	5,875	47%
ECSU	Flight Lab - CFI Instrument	1,500	3,200	4,700	213%
ECSU	Flight Lab - Multi Engine (I)	3,000	6,000	9,000	200%
N.C. A&T	MS Physician Assistant		2,867	2,867	new
N.C. A&T	MS Criminal Justice		2,867	2,867	new
UNCG	MS Nursing (PELMSN)		3,000	3,000	new
UNCW	CSB New York Trip		750	750	new
UNCW	Marine Science Summer Lab		150	150	new
UNCSA	School of Drama	484	68	552	14%

THANK YOU

QUESTIONS?

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AGENDA ITEM

A-2. Performance Funding Model Update.....Jennifer Haygood

Situation: The North Carolina General Assembly has not funded the current performance component of the funding model as proposed due to its concerns about the complexity and long-term financial sustainability of the methodology. An alternative approach is needed to gain legislative support for recurring funding that supports improved performance.

Background: The University of North Carolina System uses a formula based on completed student credit hours to request and allocate enrollment funding to institutions on an annual basis. In November 2022, the University of North Carolina Board of Governors approved a methodology that applied performance weighting to those hours based on institutions' performance on Board of Governors-approved metrics. The performance component was designed to change an institution's recurring base funding as its performance changes on Board-approved metrics, which focus on the goal of graduating more North Carolina undergraduates on time and with less debt. In FY24 the General Assembly funded the performance component of the model on a nonrecurring basis. In FY25, it appropriated nonrecurring funding only for the portion of the request that was based on the year-over-year change in performance.

Assessment: Given the General Assembly is unlikely to fund performance funding as a component of the funding model, it is necessary to pivot to a method that requests a set pool of recurring funding to be allocated annually by the Board based on campus performance metrics.

Action: This item is for discussion only.

PERFORMANCE FUNDING

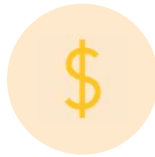
Committee on Budget and Finance

January 29, 2025

Purpose of Performance Funding

- Clearly connect funding to strategic goals
- Create an **incentive** within the funding model to improve performance
- Provide financial **rewards** (and **risks**) for focusing on student outcomes

Policy Concerns



COST



COMPLEXITY



RIGOR

How should the model be revised for our Long Session request?

UNC Performance Funding 2.0

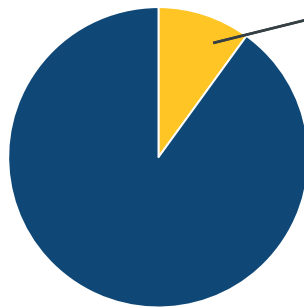
In response to legislative feedback, the UNC System proposes an alternative performance funding framework:

- Consistent with the NCCCS approach, request **recurring** funding for a performance funding pool that would be appropriated to the BOG.
 - Provides **transparency** and **cost control** as well as **consistent, sustained support** for improved performance.
 - Recommend a pool equal to \$30 million (approximately 1% of base appropriation).
 - On an annual basis, the BOG would allocate funds among institutions based on their **performance change** and **impact**.

*Including applicable UNC budget codes only. For context, the NCCCS performance pool is \$24m or 1.6% of GF appropriation.

Performance Change Component

- Each institution would be **eligible** to earn (or lose) funding up to their pro-rata share of the total pool (based on FTE student enrollment).



Example Institution has 10% of the UNC System's student FTE.

This institution is eligible to **earn up to \$3 million** based on the performance change component (10% of the \$30 million pool). The institution would need to meet every goal to earn the full allocation.

This institution is also eligible to **lose up to \$3 million** for declines in these metrics.

UNC System Student FTE
(Approximately 220,000)



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Performance Change Component

- Each institution would receive a performance score (+/- 100%) based on its performance compared to its baseline and annual stretch goal.
- Performance change allocation = eligible funding X performance score
- An institution can receive "extra credit" funding if it exceeds its stretch goal, subject to funding availability.

	Eligible Funding	Performance Score	Performance Change	Extra Credit (if applicable)	Total Performance Change Funding
4-year Grad Rate	\$ 375,000	50%	\$ 187,500	\$ -	\$ 187,500
Undergraduate Degree Efficiency	375,000	75%	281,250	-	281,250
First-Time Debt	487,500	105%	487,500	24,375	511,875
Transfer Debt	262,500	125%	262,500	65,625	328,125
E&R per Degree	750,000	0%	-	-	-
Institutional-Selected Metric	750,000	-25%	(187,500)	-	(187,500)
Performance Change Funding	\$ 3,000,000		\$ 1,031,250	\$ 90,000	\$ 1,121,250



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FY26 Performance Change Allocation

Institution	Eligible Funding	Composite Performance Score	Performance Change	Extra Credit	Performance Change Funding
App State	\$ 2,755,279	40.6%	\$ 1,119,903	\$ 81,414	\$ 1,201,318
ECU	3,194,640	71.3%	2,277,009	89,717	2,366,725
ECSU	260,828	65.2%	170,079	51,651	221,730
FSU	796,697	67.3%	536,201	22,436	558,637
N.C. A&T	1,761,234	60.4%	1,064,222	112,854	1,177,076
NCCU	983,216	48.3%	475,076	265	475,341
NC State	4,624,932	84.5%	3,906,041	522,700	4,428,741
UNCA	368,300	6.6%	24,421	23,500	47,922
UNC-CH	4,077,829	51.4%	2,097,213	131,808	2,229,022
UNCC	3,753,384	67.1%	2,517,533	14,617	2,532,150
UNCG	2,164,050	88.5%	1,914,223	503,478	2,417,701
UNCP	876,827	80.3%	704,220	329,046	1,033,266
UNCW	2,204,250	68.4%	1,508,306	141,241	1,649,547
UNCSA	144,694	39.6%	57,258	14,727	71,985
WCU	1,427,450	75.3%	1,075,211	178,815	1,254,026
WSSU	606,389	-6.5%	(39,352)	75	(39,277)
Total	\$30,000,000	56.8%	\$ 19,407,563	2,218,346	21,625,908

Impact Component

The balance of the pool would be allocated by the BOG to reward and support improving institutions' impact:



Reward institutions that increase the number of degree completers



Provide enrollment mitigation support and funding for student success interventions at institutions with specific challenges

The funding available for the impact component is dependent on the funding allocated through the performance change component.

FY26 Impact Allocation



Institution	Enrollment		Degree Completions	Completion Funding	Impact Funding
	Mitigation and/or Student Success				
BOG*	\$ 837,409	-	-	\$ -	\$ 837,409
App State	-	5,070	599,332	599,332	599,332
ECU	-	7,066	835,281	835,281	835,281
ECSU	-	409	48,348	48,348	48,348
FSU	-	1,447	171,052	171,052	171,052
N.C. A&T	-	2,590	306,167	306,167	306,167
NCCU	-	1,632	192,921	192,921	192,921
NC State	-	10,607	1,253,868	1,253,868	1,253,868
UNCA	-	667	78,847	78,847	78,847
UNC-CH	-	9,020	1,066,266	1,066,266	1,066,266
UNCC	-	8,379	990,493	990,493	990,493
UNCG	-	4,748	561,267	561,267	561,267
UNCP	-	2,136	252,499	252,499	252,499
UNCW	-	5,210	615,881	615,881	615,881
UNCSA	-	430	50,831	50,831	50,831
WCU	-	3,261	385,487	385,487	385,487
WSSU	-	1,084	128,141	128,141	128,141
Total	\$ 837,409	63,756	\$ 7,536,682	\$ 8,374,092	

*Assumes the BOG reserves 10% of the impact funding for allocations to specific institutions for **student success interventions and enrollment mitigation**.

FY26 Performance Allocation

Institution	Performance		Total Performance Funding
	Change Funding	Impact Funding	
BOG	\$ -	\$ 837,409	\$ 837,409
App State	1,201,318	599,332	1,800,649
ECU	2,366,725	835,281	3,202,007
ECSU	221,730	48,348	270,078
FSU	558,637	171,052	729,689
N.C. A&T	1,177,076	306,167	1,483,244
NCCU	475,341	192,921	668,262
NC State	4,428,741	1,253,868	5,682,609
UNCA	47,922	78,847	126,769
UNC-CH	2,229,022	1,066,266	3,295,288
UNCC	2,532,150	990,493	3,522,642
UNCG	2,417,701	561,267	2,978,968
UNCP	1,033,266	252,499	1,285,765
UNCW	1,649,547	615,881	2,265,428
UNCSA	71,985	50,831	122,815
WCU	1,254,026	385,487	1,639,513
WSSU	(39,277)	128,141	88,865
Total	\$ 21,625,908	\$ 8,374,092	\$ 30,000,000

DISCUSSION

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AGENDA ITEM

A-3. Student Housing OverviewJennifer Haygood

Situation:	Multiple institutions included student housing projects in their six-year capital plans. This student housing overview will provide background and context for future requests submitted to the University of North Carolina Board of Governors to approve student housing-related capital projects, property transactions, and public-private partnership agreements.
Background:	Student housing is strategically important because it touches on multiple dimensions of institutional success, financial health, and student well-being. Our System's existing student housing stock includes just over 73,300 beds, of which 96 percent were occupied in Fall 2024. Institutions charge different housing rates, depending on various factors including the style, size, and condition of the accommodations. Housing facilities offering suite or apartment-style accommodations have higher occupancy rates than traditional residence hall rooms. Five institutions have student housing projects currently in progress. Appalachian State University and University of North Carolina Wilmington plan to submit student housing-related requests to the Board in 2025, and at least four other institutions are expected to submit requests in future years.
Assessment:	This presentation provides a high-level overview of the strategic importance of student housing, a summary of the University of North Carolina System's existing student housing stock, and the types of requests the Board of Governors receives related to student housing.
Action:	This item is for information only.

STUDENT HOUSING OVERVIEW

Committee on Budget and Finance
January 29, 2025

Today's Topics

- Strategic importance of student housing
- Existing student housing stock
- Student housing projects currently in progress and on the horizon

Why is student housing important?



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- Implications for:
 - Affordability
 - Enrollment management
 - Student success and retention
 - Health and safety
 - Strategic and financial planning

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How many beds do we currently have?

	FALL 2024		
	Available Beds*	Occupied Beds	Occupancy Rate
Appalachian State University	6,151	5,991	97%
East Carolina University	5,736	5,469	95%
Elizabeth City State University	1,171	1,094	93%
Fayetteville State University	1,505	1,470	98%
North Carolina A&T State University	5,928	5,875	99%
North Carolina Central University	3,620	3,274	90%
North Carolina State University	10,332	10,094	98%
UNC Asheville	1,563	1,602	102%
UNC Chapel Hill	9,820	9,568	97%
UNC Charlotte	6,367	6,085	96%
UNC Greensboro	5,672	5,578	98%
UNC Pembroke	2,064	1,577	76%
UNC Wilmington	5,231	5,298	101%
UNC School of the Arts	825	781	95%
Western Carolina University	4,570	4,341	95%
Winston-Salem State University	2,788	2,656	95%
Grand Total	73,343	70,753	96%

*Represents the available beds that are under the direct control of the university. UNCP's # of available beds includes 200 beds at Belk Hall, which is offline. If these beds are excluded, UNCP's occupancy rate is 85%.

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What % of students live on campus?

	FALL 2024		
	Headcount Enrollment	Occupied Beds	% Enrolled Living On-Campus
Appalachian State University	21,570	5,991	28%
East Carolina University	26,940	5,469	20%
Elizabeth City State University	2,258	1,094	48%
Fayetteville State University	7,107	1,470	21%
North Carolina A&T State University	14,311	5,875	41%
North Carolina Central University	8,579	3,274	38%
North Carolina State University	38,464	10,094	26%
UNC Asheville	3,056	1,602	52%
UNC Chapel Hill	32,438	9,568	29%
UNC Charlotte	31,091	6,085	20%
UNC Greensboro	18,012	5,578	31%
UNC Pembroke	7,674	1,577	21%
UNC Wilmington	18,848	5,298	28%
UNC School of the Arts	1,111	781	70%
Western Carolina University	11,686	4,341	37%
Winston-Salem State University	4,782	2,656	56%
Grand Total	247,927	70,753	29%

What style of housing do we currently have?

Housing Style	FALL 2024		
	Available Beds	% of Total	Occupancy Rate
Traditional Residence Hall	21,305	29%	95%
Suites	36,543	50%	97%
Apartments	15,495	21%	98%
Grand Total	73,343	100%	96%

Housing Types:

- **Traditional Residence Hall:** single or multiple-occupancy bedrooms with shared floor bathroom(s) and communal spaces.
- **Suites:** multiple connected bedrooms with a shared bathroom and living space.
- **Apartments:** self-contained living arrangement that offers greater independence and privacy.

Housing Styles and Rates by Campus

	FALL 2024			
	Traditional Residence Hall	Suites	Apartments	Housing Rates
Appalachian State University	32%	63%	5%	\$6,126 - \$7,894
East Carolina University	77%	22%	0%	\$5,916 - \$8,994
Elizabeth City State University	14%	57%	29%	\$5,188 - \$8,148
Fayetteville State University	19%	59%	23%	\$4,648 - \$7,620
North Carolina A&T State University	21%	45%	34%	\$4,609 - \$6,216
North Carolina Central University	21%	57%	22%	\$5,878 - \$9,742
North Carolina State University	18%	55%	27%	\$7,200 - \$9,600
UNC Asheville	0%	81%	19%	\$6,314 - \$9,618
UNC Chapel Hill	23%	62%	15%	\$6,516 - \$10,940
UNC Charlotte	14%	58%	29%	\$7,030 - \$11,240
UNC Greensboro	49%	18%	33%	\$5,225 - \$9,500
UNC Pembroke	19%	55%	26%	\$3,998 - \$7,592
UNC Wilmington	31%	33%	35%	\$6,974 - \$9,614
UNC School of the Arts	26%	56%	19%	\$6,302 - \$9,660
Western Carolina University	31%	69%	0%	\$4,794 - \$8,318
Winston-Salem State University	40%	30%	30%	\$6,034 - \$9,034
Grand Total	29%	50%	21%	

Housing Ownership

	FALL 2024			
	University Owned/Leased	Foundation Owned/Leased	P3	Total
Appalachian State University	4,192	737	1,222	6,151
East Carolina University	5,736	0	0	5,736
Elizabeth City State University	1,171	0	0	1,171
Fayetteville State University	1,164	341	0	1,505
North Carolina A&T State University	2,759	3,169	0	5,928
North Carolina Central University	2,021	389	1,210	3,620
North Carolina State University	10,332	0	0	10,332
UNC Asheville	1,563	0	0	1,563
UNC Chapel Hill	8,508	1,312	0	9,820
UNC Charlotte	6,367	0	0	6,367
UNC Greensboro	4,547	1,125	0	5,672
UNC Pembroke	700	1,364	0	2,064
UNC Wilmington	1,638	1,783	1,810	5,231
UNC School of the Arts	825	0	0	825
Western Carolina University	4,151	0	419	4,570
Winston-Salem State University	1,505	1,283	0	2,788
Grand Total	57,179	11,503	4,661	73,343

*P3 = Public-private partnership

Student Housing Projects In Progress

Institution	Project Name	Est. Project Cost	Total # of Beds	# of New Beds	# of Replacement Beds	Project Financing	Est. Completion Date
ECU	Jones and Legacy Residence Halls-Comprehensive Renovation	\$60 million	878	-22	878	S/L Debt (2024)	TBD
ECSU	New Residence Hall	\$40 million	352	152	200	Appropriation and S/L (2022)	6/1/2025
FSU	Dormitory	\$40 million	370	370	0	Appropriation and S./L (2024)	8/1/2025
N.C. A&T	Bluford Residence Hall	\$64 million	405	405	0	S/L (2023)	Spring 2026
NCSSM	Durham Campus-Renovation of Residence Halls	\$29 million	0	0	0	Appropriation	TBD

*S/L= Self-liquidating debt (year the debt was authorized by the NC General Assembly)

Requests On the Horizon

Institution	Project Name	Total # of Beds	Est. Project Cost	Project Financing
Proposed projects with start dates in 2025				
App State	App 105 Housing Project	850	\$120 million	P3
UNC Wilmington	Student Housing Village - Phase III	525	\$71 million	S/L (2025-pending)
Proposed projects with start dates beyond 2025			Comments	
NC State	Cates West Student Housing	3,000	Phase 1 - construct approximately 1,500 beds	
			Phase 2 - demolish one residence hall and construct ~ 750 beds	
			Phase 3 - demolish remaining buildings, construct ~750 beds	
UNCA	New Student Housing	250	To be located on Millennial Campus	
UNC-CH	Housing Capital Renewal	TBD	Plans are still under development	
WCU	New Residence Hall	420	Project would replace a 590-bed facility, resulting in a net reduction of 170 beds	

Housing Project Considerations

- Age, condition, and style of existing housing stock
- Number of new and replacement beds constructed through the project
- Student housing demand analysis
- Institution's debt capacity and debt affordability
- Private local market conditions, including suitable off-campus student housing

QUESTIONS?