

AGENDA ITEM

B-2. Review of Proposed UNC Policy for the Tuition Guarantee ProgramJonathan Pruitt/Tracey Ford

Situation: The 2016 Appropriations Act established a fixed tuition payment program and required that the Board of Governors adopt policies needed to implement the program. The bill requires fixed tuition at each University of North Carolina constituent institution for freshmen and transfer undergraduate students deemed to be North Carolina residents for purposes of tuition beginning with the 2016 fall academic semester.

Background: The specific elements that were required by legislation to be included were the following:

- A guarantee that the cost of tuition and fees will remain constant or decrease during the student's "tuition period."
- The "tuition period" would be eight consecutive academic semesters for a student seeking a baccalaureate degree in a four-year program or 10 consecutive academic semesters for a student seeking a baccalaureate degree in a program officially designated by the BOG as a five-year program. The Board would calculate the tuition period for transfer students.
- A student must remain continuously enrolled at the constituent institution during the entire tuition period.
- At the end of the tuition period, the cost of tuition and fees for any additional academic semesters would revert back to the amount of the current tuition for that constituent institution, as well as a tuition surcharge if applicable.

Assessment: Attached is a proposed draft of the tuition guarantee policy.

Action: This item is for discussion.

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.

VII. 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.

VIII. 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.

IX. 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.