



MEETING OF THE BOARD OF GOVERNORS  
Committee on Educational Planning, Policies, and  
Programs  
Committee on Strategic Initiatives

January 24, 2024 at 11 a.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 Joint Open Session Minutes of November 15, 2023 Mark Holton
- A-2. Implementation of Board of Governors' Response to the ROI Study David English and Andrew Kelly
- A-3. Potential Applications of ROI Metrics in Academic Program Planning David English and Andrew Kelly
- A-4. Adjourn.....Mark Holton

## DRAFT MINUTES

November 16, 2023 at 9:45 a.m.  
Via Videoconference and PBS North Carolina Livestream  
University of North Carolina at Greensboro  
Nursing and Instructional Building, Room 510  
Greensboro, North Carolina

This joint meeting of the Committee on Educational Planning, Policies, and Programs and Committee on Strategic Initiatives was presided over by Chair Kirk Bradley and Chair Mark Holton. The following committee members for the Committee on Educational Planning, Policies, and Programs, constituting a quorum, were also present in person or by phone: Lee Barnes, Gene Davis, Estefany Gordillo-Rivas, Wendy Murphy, Art Pope, and Woody White. The following committee members for the Committee on Strategic Initiatives, constituting a quorum, were also present in person or by phone: Joel Ford, Carolyn Coward, Swadesh Chatterjee, Gene Davis Jr., John Fraley, and Estefany Gordillo-Rivas.

Chancellors participating were Chancellor Robin Cummings, Chancellor Sheri Everts, Chancellor Franklin Gilliam, Chancellor Aswani Voley, Chancellor Kevin Guskiewicz, and Interim Chancellor Kimberly van Noort. Wade Maki, chair of the UNC Faculty Assembly and David Crabtree of PBS also participated.

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

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### 1. Call to Order

The chairs called the meeting to order at 10:01 a.m. on Wednesday, November 15, 2023.

### 2. UNC System Return on Investment Report (Item A-1)

The two committees were joined by Pete Fritz and Lynnette McLaughlin of Deloitte, who presented the findings of the Return on Investment Report commissioned by the General Assembly. Following Deloitte's presentation, the committees, along with the participating chancellors, discussed what the findings meant for higher education as a whole, the UNC System, and the individual institutions within the System. Each committee then held a vote to send the findings to the General Assembly for review.

Chair Holton called for a motion to send the report on the results of the Return on Investment Study by Deloitte to the General Assembly.

**MOTION:** Resolved, that the Committee on Strategic Initiatives approve sending the Return on Investment Study results to the General Assembly.

Motion: Gene Davis

Motion carried

Chair Bradley called for a motion to send the report on the results of the Return on Investment by Deloitte to the General Assembly.

MOTION: Resolved, that the Committee on Strategic Initiatives approve sending the Return on Investment Study results to the General Assembly.

Motion: Gene Davis

Motion carried

### 3. Board of Governors Response to the Return on Investment Study (Item A-2)

Chair Bradley and Chair Holton both expressed their gratitude to Deloitte and all who were involved in the completion of the report. Chair Holton proposed that the Board author a letter to the General Assembly outlining the response to the finding of the report. Dr. Andrew Kelly and Dr. David English briefly summarized the contents of the draft letter. The committees then took a vote on sending a letter to the General Assembly from the full Board of Governors on their response on the report findings.

Chair Holton called for a motion to send the draft letter summarizing the response to the results of the Return on Investment Study by Deloitte to the full Board of Governors.

MOTION: Resolved, that the Committee on Strategic Initiatives approve sending the draft letter summarizing the response to the Return on Investment Study results to the full Board of Governors.

Motion: Joel Ford

Motion carried

Chair Braley called for a motion to send the draft letter summarizing the response to the results of the Return on Investment Study by Deloitte to the full Board of Governors.

MOTION: Resolved, that Committee on Educational Planning, Policies, and Programs approve sending the draft letter summarizing the response to the Return on Investment Study results to the full Board of Governors.

Motion: Art Pope

Motion carried

### 4. Adjourn (Item A-3)

This meeting was adjourned at 11:20 a.m.

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Art Pope, Secretary

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Carolyn Coward, Secretary

## AGENDA ITEM

## A-2. Implementation of Board of Governors' Response to the ROI Study .....David English and Andrew Kelly

- Situation:** Americans are increasingly skeptical of the value of higher education, especially young adults of college-going age. Some observers believe this skepticism has contributed to recent declines in enrollment, which has in turn put pressure on colleges, universities, and public university systems to prove (and improve) the return on investment associated with degree and credential programs. At its November 2023 meeting, the Board of Governors reviewed the results of a two-year study of the return on investment (ROI) associated with nearly every degree program in the System commissioned by the General Assembly. That report, the associated dashboards, and transmittal letter from the Board of Governors were submitted to the General Assembly in November 2023.
- Background:** As directed by the General Assembly in the 2021 budget, the Board of Governors has completed a report that captures the return on investment associated with nearly every degree program at every institution in the System ("ROI Report"). In its submission of that report to the General Assembly in November 2023, the Board of Governors included a transmittal letter outlining the set of actions to be taken by the Board, the president and System Office, and the chancellors of each constituent university in response to the report's findings.
- Those actions include an immediate review by chancellors and other university leaders of low-ROI programs, the provision of machine-readable program-level datasets, a review of academic policies related to program approval and review, and development of data-sharing agreements with state and federal agencies.
- Assessment:** The committees will receive an update on the implementation of the actions outlined in the Board of Governors' transmittal letter for the ROI study.
- Action:** This item is for discussion only.



# ROI Study: Update on Board Of Governors Implementation Steps

*January 24, 2024*

*Joint Committee : Ed Planning, Policies, and Programs & Strategic Initiatives*

# Background

## Timeline Overview

### NC General Assembly Mandate (Nov 2021)

- NC General Assembly mandated for UNC System to contract independent organization to assess academic programs with career alignment (NC Session Laws 2021-180, § 8.17 (a))

### Independent Research Org Selected (Spring 2022)

- Deloitte Awarded RFP

### ROI Study Completed (Nov 2023)

- Results of Deloitte ROI study presented at Joint Committee on Ed Planning, Policies, and Programs & Strategic Initiatives

### UNC BOG Response Letter Submitted to NC General Assembly (Nov 2023)

- Key next steps outlined by BOG include:
  - ❑ Review Program-level Results & Develop Improvement Plans
  - ❑ Require Consistent Collection & Publication of Key ROI Metrics
  - ❑ Modernize Academic Program Approval & Review Policies to Include ROI Measures

# Activities-to-Date: Program-Level Review & Improvement Plans

## UNC System Guidance & Action

### Item 1: Identify a Threshold for low-ROI Programs Warranting Immediate Review

- UNC System established an initial threshold at \$0 or below lifetime ROI; **potential Board action on academic program planning policy and regulation (400.1) can identify additional metrics, criteria, and thresholds.**

### Item 2: Call on UNC Chancellors to Conduct Thorough Review of Results of ROI Study

- UNC System guidance and action memo issued to UNC Chancellors on Jan 10, 2024

### Item 3: Require Each UNC Institution to Report to UNC System President and BOG on Actions to Improve ROI Outcomes

- UNC Institution final responses due to UNC System by Apr 5, 2024 (draft due Mar 11)
- Suggested actions for UNC Institutions Include:
  - Lower the program net price (e.g., increase aid, reduce time-to-degree, etc.)
  - Work with faculty and employers to align learning outcomes to labor market demand
  - Provide additional career support services
  - Provide students with enrichment opportunities for in-demand skills (e.g., microcredentials)

# Activities-to-Date: Consistent Collection & Publication on Key Metrics

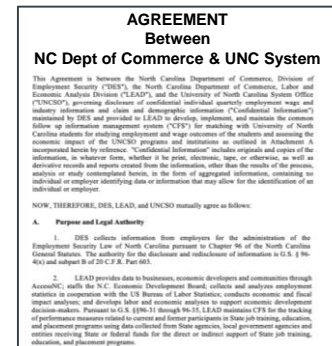
## UNC System & NC Dept of Commerce Data-Sharing Agreements

### Background

- ROI study highlighted need for consistent access to labor-market data to assess graduates' outcomes
- BOG Response Letter to NC General Assembly directed UNC System Office to develop data-sharing agreements with NC Dept of Commerce

### Update

- Data-sharing Memorandum of Understanding signed by UNC System & NCDoC
- Key data-sharing provisions:
  - NCDoc to share quarterly employment and wage info (on yearly basis) with UNC System
  - Data will include all UNC students (including non-completers)
  - Data will be used to assess ROI, post-graduation outcomes, program review processes, and assess economic impact of programs and institutions





# Activities-to-Date:

## Consistent Collection & Publication on Key Metrics (cont'd)

### Publicly Available Machine-Readable Files

#### Background

- [UNC System ROI report](#) (released in Nov 2023) included a link to [publicly available dashboards](#)
- Need was identified by Board of Governors to also make machine-readable data files in addition to the public dashboards

#### Update

- UNC System has worked with Deloitte to obtain CSV files to make available to public
- UNC System and Deloitte worked on reconciling CSV files to public dashboard information as some (granular) dashboard information does not reconcile directly to CSV files for privacy protection purposes
- UNC System to make CSV files to public (Jan 2024)
- UNC System will upload guide book to help public navigate CSV files

# Next Steps: Include ROI Metrics in Academic Program Approval & Review Policies

## UNC System Policies

### Background

- UNC System policies on academic program planning and evaluation include:
  - [Policy on Academic Program Planning \(400.1\)](#)
  - [Regulation for Academic Program Planning and Evaluation \(400.1.1\[R\]\)](#)
  - [Policy on Long Range Planning \(400.2.1\)](#)

### Update

- Board of Governors to receive following debrief on:
  - [Existing policies and procedures](#)
  - [Scan of how other states approach academic program planning and review](#)
  - [Discussion on potential revision to existing policy, regulation, and practice](#)

# Questions





**THE UNIVERSITY OF  
NORTH CAROLINA SYSTEM**

# POTENTIAL APPLICATIONS OF RETURN ON INVESTMENT IN ACADEMIC PLANNING

Educational Planning, Policies, and Programs and Strategic Initiatives  
Joint Committee Meeting  
January 24, 2024

# AGENDA

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- Review of UNC System current policies and procedures
- How other states approach academic program planning
- Potential revisions to UNC System policy, regulation, and practice

# Academic Planning is a Key Responsibility of the Board of Governors

## G.S. § 116-11(3) "Powers and Duties Generally"

- "The Board shall determine the functions, educational activities and academic programs of the constituent institutions. The Board shall also determine the types of degrees to be awarded."
- "The Board shall have authority to withdraw approval of any existing program if it appears that the program is unproductive, excessively costly or unnecessarily duplicative."
- "The Board shall review the productivity of academic degree programs every two years, using criteria specifically developed to determine program productivity."

# UNC Policy 400.1 Governs Academic Planning

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- Policy places *state needs* above all else in academic program planning: The campuses, System, and the Board "shall be guided **by the needs of the people of North Carolina** in their academic degree program development, approval, and discontinuation actions."
- Three primary responsibilities:
  1. **Scan:** Understand "the needs of the people of North Carolina" with respect to education and skills;
  2. **Develop and Approve:** Develop new academic offerings that are responsive to those needs; ensure those program proposals are subject to rigorous review and approval;
  3. **Review and evaluate:** Periodically review the efficiency, productivity, and quality of program offerings in light of #1, and revise program portfolio to better align it with state needs.

# Roles and Responsibilities in Academic Planning

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## Campuses:

- Have the "lead role" in identifying needs and developing programming to meet those needs;
- Policy also calls on campuses to "regularly review the priorities of their offerings" and be prepared to discontinue those that "no longer meet any significant need."

## System Office:

- Staff shall "develop procedures to regularly review workforce and societal needs" at least every two years and "identify degrees and programs beneficial to the state;"
- Policy also calls on System Office to conduct "periodic reviews" to determine whether productivity and quality review processes are followed.

## Board of Governors:

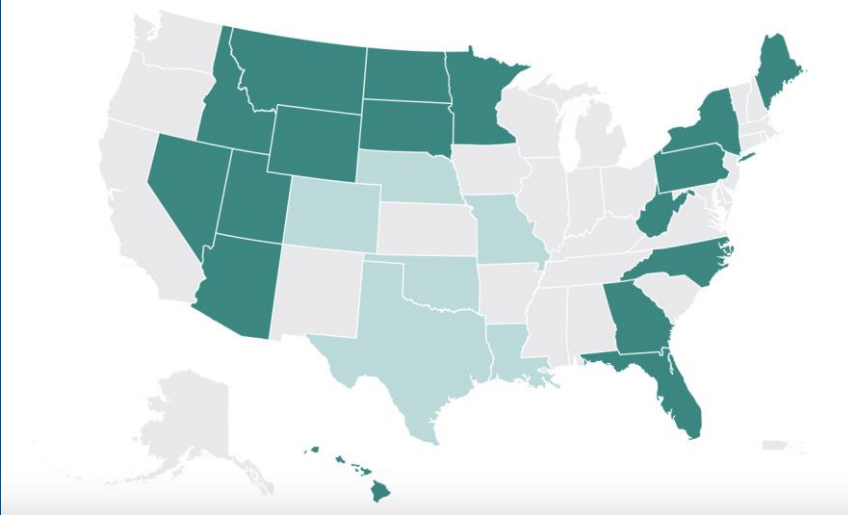
- Once program needs are identified and recommendations on how to meet those needs are developed and reviewed, System Office forwards recommendations to the Board of Governors.
- Per statute and policy, Board of Governors is also supposed to receive "Biennial Program Productivity Report" every two years.



# How Other States Approach Academic Program Planning

- Program planning, approval, and review is a primary function of many statewide agencies.
- 84% of governing and coordinating boards surveyed in 2019 are involved in at least 1 of these 3 aspects. Figure 1 shows the states in which boards are involved in all 3.

FIGURE 1  
BOARDS THAT ARE INVOLVED IN ACADEMIC PLANNING, PROGRAM REVIEW,  
AND PROGRAM APPROVAL



\*Dark teal represents Governing Boards and light teal represents Coordinating Boards

Common metrics used in the process fall into 2 main categories:

Quality	Capacity and Wise Use of Resources
<ul style="list-style-type: none"> <li>• Curriculum</li> <li>• Students</li> <li>• Faculty</li> <li>• Facilities</li> <li>• Accreditation</li> <li>• Support for state and institutional strategic plans</li> </ul>	<ul style="list-style-type: none"> <li>• Costs</li> <li>• Preventing duplication</li> <li>• Student demand</li> <li>• Employer demand</li> <li>• State workforce needs</li> </ul>

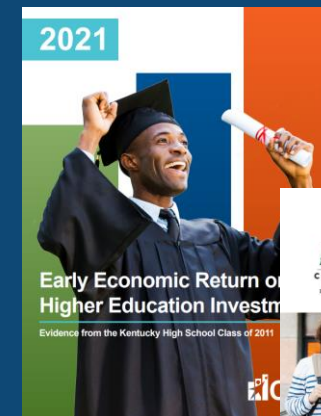
# Moving Toward Measures of Value

Indicators of **cost** and indicators of student **employment outcomes** (such as average salary or percent employed in the field) are often included as measures of program approval or review. **Return on investment is less common as a metric, but federal policymakers and some states are adopting it.**



- The Department of Education recently released its *Financial Value Transparency Framework*.
- A number of states have reported on ROI metrics; some have set goals and incentives based on labor market outcomes.
- Formally including these types of metrics in program approval and review will place the System among the nation's leaders.

Kentucky (2021)



Colorado (2023)



# Example: Colorado Commission on Higher Education

## The Strategic Goal

**Increase** the number of Coloradans benefiting from **valuable** career skills, obtained while in high school or via postsecondary education, that **-at a minimum-** enable additional lifetime earnings greater than the cost of attendance.



The Strategic Goal incorporates three key elements:

Increase

Valuable

At a minimum

Overall goal: Ensure every pathway meets a “minimum threshold of economic value.”

### Pillars:

1. Identify and improve programs with negative return on investment
2. Enable more learners to succeed in pathways that offer positive return on investment
3. Catalyze increased collaboration between workforce and postsecondary to co-create new, positive ROI pathways.

### Companion Legislation (HB 22-1349)

- Requires CO Commission and Department of Higher Education to develop measures of student success in postsecondary education and the **impact of postsecondary pathways on a student's career opportunities and success.**
- Further requires development of student success metric dashboards for institutions and for the public.

# An Act

HOUSE BILL 22-1349

## Example: Federal Policy

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The new Financial Value Transparency Framework will have two components:

- **Consumer information:** By July 1, 2025, federal website will publish debt-to-earnings ratio and graduate earnings premium above a high school diploma for each program, along with benchmarks on each measure.
- **Accountability:** Require prospective graduate students to acknowledge receipt of the consumer information prior to enrolling in programs with debt-to-earnings or earnings premium metrics that do not meet established benchmarks.

# Current Academic Planning Framework

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- At the System level:
  - **Develop and Approve:** The program *approval* process is formally structured in the Policy Manual and has been **made more rigorous since 2020** with augmented criteria related to employment opportunities and financial impacts.
  - **Review and Evaluate:** The program *review* process is **less structured and far less comprehensive.** The component required by the Policy Manual is the Biennial Program Productivity Report, which measures credentials awarded but does consider post-graduation success.
  - **Scan:** The ROI study provides a comprehensive picture of labor market alignment and student employment outcomes; System Office has opportunity to engage in **more systematic and regular examination of state needs.**

# Develop and Approve: Recent Improvements

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- The System has undertaken reforms to increase responsiveness **and** accountability in the approval process:
  - Campus approval process survey and directive
  - Mandated approval timeline to facilitate earlier interventions for at-risk program applications and improve processing times at System Office and institutions
  - Increased focus on student ROI and workforce alignment through robust feedback process
  - New requirement to furnish information on financial model and sustainability
  - Held institutions accountable for outcomes for existing programs before recommending new programs in same area

# Develop and Approve: Room for Continued Improvement

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## Ensure apples to apples comparisons

- Primary measures include: student demand, workforce alignment, and ROI to students.
- Currently, universities may report on these using different data sources.
- Going forward: room for more consistent definitions and data sources (including ROI data).

## Drive collaboration

- Current process allows substantive feedback from other UNC institutions, but policies are silent on non-duplication.
- Factors to consider include:
  - Difference between qualified applicants & available seats.
  - Student demographics
  - Geography/modality
  - Projected increase/decrease in labor mkt demand.

# Current Practice: Review and Evaluate

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## 400.1[R]:

“In accordance with state statutes and on behalf of the Board of Governors, the **UNC System Office shall manage a biennial program review process** in cooperation with constituent institutions. **All academic degree programs are to be reviewed against criteria specifically developed to determine program productivity.** The review may result in either decisions to strengthen programs that are or can reasonably be made productive or in program discontinuation. Availability of educational opportunities for North Carolina citizens, including racial and geographic diversity, are also considered.”



*Biennial Program Productivity Review  
Report submitted to the Board of  
Governors*



# Current Practice: Review and Evaluate

“Criteria specifically developed to determine program productivity” = Numerical standards set by EPP Committee in 1995 and reviewed by “Academic Planning Review Work Group” in 2011 and 2015.

## Bachelor's degree programs

- Authorized to enroll students for at least eight years
- The number of degrees awarded in the last five years is less than 35

## Master's degrees

- Authorized to enroll students for at least six years
- The number of degrees awarded in the last five years is less than 35

## Research Doctoral degree programs

- Authorized to enroll students for at least 10 years
- The number of degrees awarded in the last five years are less than 10

## Professional Doctoral degree programs

- Authorized to enroll students for at least eight years
- The number of degrees awarded in the last five years are less than 40

Biennial Productivity Review in practice:

- Last completed in 2019 (based on 2018 data).
- 170 programs found to not meet the established thresholds; 8/170 were discontinued or consolidated (4.7%)

<b>Number of discontinuations or consolidations</b>	<b>8</b>
Total number of discontinuations	3
Total number of combinations	5

<b>Number of programs to be retained</b>	<b>162</b>
Programs that were identified as currently meeting expectations and were not required to conduct a full program review	87
Retained programs with campus <u>plans to increase enrollments</u>	26
Retained programs that <u>will continue to have low enrollments</u> due to core mission of program or other campus- specific reasons	49

# Review and Evaluate: Practices in Other States

Policies in many state systems require campuses to regularly engage in some form of “Academic Program Review” and report results to the System:

- **University System of Georgia:** each bachelor’s program reviewed every 7 years; grad programs every 10 years. Newly approved programs automatically reviewed after seven years (2.3.6).
- **State University System of Florida:** campuses must review each academic program at least every seven years (8.015).
- **Universities of Wisconsin System:** requires campuses to engage in both recurring “comprehensive and intensive review of all academic degree programs” (at intervals of five years or longer) and *annual* monitoring and reporting of number of graduates.
- **Texas Higher Education Coordinating Board (THECB):** publishes a list of low-producing programs each year; THECB may recommend consolidation or closure of programs on the list for three or more consecutive years. Newly approved doctoral programs must provide a report at years one, three, and five of operation.



# Review and Evaluate: Practices in Other States

Some states have **moved past counting credentials** to include criteria related to employment outcomes and/or Return on Investment:

## Kansas Board of Regents Academic Program Review Guidance

### Academic Program Review for AY 24

#### Preliminary Analysis

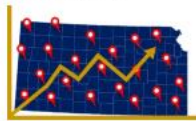
In Summer 2023, Board staff will identify all undergraduate programs that are more than five-years old that do not meet the threshold on two or more of the metrics below:



- 1 **Student Demand**  
25 or More Junior and Senior Majors (4-Year Average)
- 2 **Degree Production**  
10 or more Graduates (4-Year Average)
- 3 **Talent Pipeline**  
Of the Students Who Graduated, 51% or More are Employed in the Region within One Year (4-Year Average)
- 4 **Student Return on Investment for Baccalaureate Degree**  
2022 Five-Year Post-Graduation Median Salary is \$38,052 or more (280% or more of 2022 poverty level)

#### Market-Share Data

For each program identified above, when undergraduate program duplication exists, Board staff will provide market-share data from Kansas public and private universities. An example of market-share data for one mock undergraduate degree program is linked [here](#).



## Kentucky Commission on Postsecondary Education (Statewide Academic Program Review Policy)

### Statewide Data Analysis

CPE staff will analyze data across institutions each spring semester to determine which programs continue to meet the following criteria for unnecessary duplication:

- Multiple programs in the same CIP code;
- Low and declining enrollment;
- Low new student demand;
- Low market demand; and
- Low or negative contribution margins

## University System of Georgia (Comprehensive Program Review reporting vehicle)

### Student Output – Undergraduate Programs

Average Exit scores or Pass Rate on national/state exams for licensure (as appropriate)

Also indicate the number of students reporting scores for the test(s) (Total N):

Average Graduating Major GPA or Cumulative GPA for the Academic Year. Please indicate which GPA is used:

Also indicate the number of students reporting scores for the test(s) (Total N):

Employment rates of graduates (if available)

Admission into graduate programs (if available)

Institutional Indicators of Quality – Student Output (campus determined). Please identify what Indicators are used and how they are defined

# Policy Options to Consider

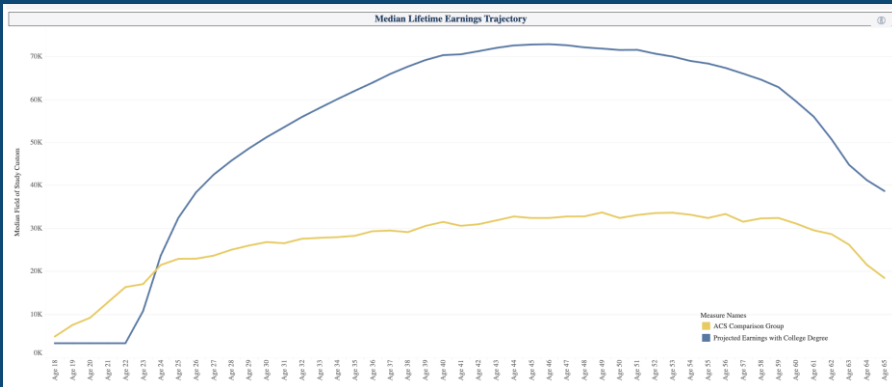
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## Revise 400.1 to consider:

1. Systemwide Portfolio Review: How can we best incorporate quantitative measures in a refreshed review of program productivity? Should that approach include measures of post-graduation success, including but not limited to ROI?
2. Campus-based Academic Program Review: Should the Policy Manual require *campuses* to engage in Academic Program Review on a consistent basis? How often, and what report out should they provide the System?
3. Program application process: How is nonduplication defined, and how should that measure be considered in program application and approval processes?

# What Measures?

Lifetime ROI is useful for evaluating the long-term impact of existing program. However, the measure is slow to change in response to improvement efforts and/or changes in the economy.



Colorado: "minimum economic value" will use net present value of incremental lifetime wages as compared to the lifetime wages of a high school graduate.

Many existing accountability measures focus on shorter timeframes:

## Federal Financial Value Transparency Framework:

- The earnings used in both Debt to Earnings ratio and Earnings Premium measure are measured *three years after completion*.

## Kansas Board of Regents:

- Median wage data five years after completion

## Florida State University System funding formula:

- Median wage of Bachelors degree graduates (and pct. employed or enrolled) one year after graduation.

# Questions



## AGENDA ITEM

## A-3. Potential Applications of ROI Metrics in Academic Program Planning .....David English and Andrew Kelly

- Situation:** At its November meeting, the Board of Governors reviewed the results of a two-year study of the return on investment (ROI) associated with nearly every degree program in the System commissioned by the General Assembly. The Board of Governors' transmittal letter to the General Assembly outlined a number of actions to be taken in response to the report's findings, including potential revisions to Board of Governors policies and associated regulations related to academic program planning, approval, and productivity review.
- Background:** Section 400.1 of the UNC Policy Manual, *Policy on Academic Program Planning*, outlines the roles, processes, and expectations for academic program planning in the UNC System. The policy calls on both constituent institutions and the System Office to identify programs that are designed to meet local, regional, and state labor market needs. The policy establishes basic criteria for the evaluation of proposed academic programs, including "the demand for the program in the locality, region, or State as a whole" and "employment opportunities for program graduates."
- Section 400.1 also calls on institutions to "regularly review the priorities of their offerings" and "to be prepared to discontinue programs that no longer meet any significant need" and on the System Office to carry out "periodic reviews to determine whether productivity and quality review processes are followed." The associated regulation (400.1[R]: Regulation for Academic Program Planning and Evaluation) establishes guidelines and a biennial cadence for those periodic reviews of academic program quality and productivity but does not articulate criteria and/or metrics against which programs can be judged.
- Assessment:** The committees will review Section 400.1 and 400.1[R], assess the implications of the ROI study and associated metrics for Section 400.1, and discuss potential revisions to university policy and/or regulation to ensure that academic program planning reflects return on investment considerations.
- Action:** This item is for discussion only.