

UNC System President Peter Hans
Remarks to the UNC Board of Governors
February 24, 2022

I'd like to begin this morning by talking about our state's historically Black universities. North Carolina is home to more public HBCUs than any other state. That should be a point of pride for all of us. It's certainly a strength as we look towards the future.

As many of you know, we have witnessed a series of threats against these institutions over the last several weeks — anonymous threats of violence meant to intimidate and divide us. They have not succeeded.

Over the course of history, Black Americans have far too often faced violence and intimidation for daring to learn and study. The recent bomb scares are a reminder of that painful past and of the barriers that too many of our students still face on the path to higher education.

Our campus security officials continue to coordinate closely with local, state, and federal law enforcement. And institutions within the UNC System have lent help and resources without hesitation to help them through this difficult moment. And that's what we do here — we support one another.

North Carolina's HBCUs speak to our highest aspirations as a state, and they continue to do remarkable work. Their accomplishments in promoting socio-economic mobility were highlighted in a major report in January, which specifically recognized UNC System schools for their strength in helping students reach a better quality of life. The Washington Post reported last week on the tremendous growth and success at NCA&T, praising their extraordinary work in welcoming and graduating Pell-eligible students.

And I'm grateful to the board for considering an increase in the cap on out-of-state first-year students at Elizabeth City, NC Central, and A&T because that will only accelerate their gains and help secure their financial sustainability.

Now North Carolina's significant investments — and some would argue overdue investments — in our HBCUs are paying dividends with better facilities, greater access, and improved student success. All of this built on a foundation of affordability, enshrined in our state's Constitution through Article IX, Section 9.

This marks the sixth consecutive year that North Carolina's public universities have kept tuition flat — meaning that in real terms, the tuition at our state's world-class universities is lower today than it was in 2016. And at our three - soon to be four - NC Promise schools, it's much

lower. Allow me to share this chart with you all. It's not one year, it's not two years, it's not three years, it's not four years, it's not five. It's SIX years of flat tuition for in-state undergraduate students.

There is not another public university system in the country that can say that.

Our public universities have always been extraordinarily affordable by national standards. But I think it's possible that in the past we underestimated the impact, in terms of public perception and public confidence, of ever-rising cost. For many years, the reality of regular tuition increases entrenched a narrative that college was not a universal opportunity, available to all qualified students, as our ideals envision, but an expensive luxury meant for those who could afford it.

Targeted financial aid makes a difference. And a modest amount of debt for a valuable degree can be an excellent investment. But the sticker price matters for what it communicates to our students and their families about college.

The achievement of holding tuition flat for six years doesn't happen by accident. Tuition at North Carolina's public colleges is lower because of the focused direction of this board; the disciplined work of our campus leaders and their teams; and the steadfast generosity of our citizens and their elected representatives.

Because low tuition is only half the equation that makes our universities such a tremendous value; the other half is the public investment that keeps them strong.

You can see evidence for that in the other metrics we track closely here at the System Office. Graduation rates, critical workforce degrees, rural and low-income enrollment — all trending in the right direction over the same span of time that our students have been paying less for a world-class education.

I hope we never lose sight of the people behind these numbers. That six years of stable or falling tuition represents tens of thousands of students who have enrolled with more certainty, studied with less stress, and graduated with less debt. Tens of thousands of new college graduates who get to start off their lives, their careers, without huge student loan payments hanging over them. Tens of thousands of families have been able to pay for college without breaking the bank.

There are a lot of arguments across the higher education world about the best model for tuition. I am a firm believer that a low-cost undergraduate education can send a powerful message about who college is for — who can feel welcome on our campuses, whose ambitions we want to nurture here at the University of North Carolina. And as a first-generation college graduate myself, I understand a university of the people can't be priced out of reach, or we have not fully honored the bedrock understanding of our mission.

Now we're going to build on this momentum in the months ahead. An update to the decades-old funding model by this board will better align our resources to our highest priorities, putting greater focus on timely graduation and low student debt. We'll make thoughtful tweaks to our Strategic Plan, preserving a framework that has served our state well for the last five years and resulted in measurable improvements across all of our institutions.

And we know higher education is reaching an interesting moment in North Carolina. We've weathered the stresses and the disruption of the last two years in better shape than I think any of us could have hoped, and we live in a state with a fast-growing economy and an enormous demand for skilled talent.

At the same time, the demographic growth that has supported higher education for the past 50 years is slowing and soon will stall. The overall rate of workforce participation in our state is lower than it should be, and below the pre-pandemic trend. The social ills of isolation and disconnection, especially among those without a college degree or steady attachment to work, take a serious toll on many of our communities.

So we have a role to play in answering those needs. Our public universities are at their best when they're clear-eyed about the state's opportunities and its challenges. And as we revisit the metrics in our Strategic Plan and look to expand our role in serving adult learners, I hope we'll think always of our universities as so much more than a post-high school experience. It must be a lifeline to those who are looking for a second chance, a wellspring of ideas and energy for our local communities, a toolbox for policymakers.

Teaching. Research. Public service. As we heard today, Mr. Chairman, that is our mission. The foundations of this University have never been in stronger shape, and that gives me enormous hope for a brighter future. Thank you, Mr. Chairman, that concludes my report.