

**UNC System President Peter Hans
Remarks to the UNC Boards of Trustees
November 14, 2023**

Good morning and thank you, truly, for stepping up and serving our public universities. It's an honor to serve as a trustee, of course, and I know each of you takes joy in it. But it's also a serious responsibility, one that invites a great deal of public scrutiny, and — as you may have noticed — occasional public criticism.

I'm grateful for your willingness to step into the arena, to help guide our public universities through a turbulent time in American life. Because these really are remarkable institutions — among the most dynamic, most important, and most enduring in our state and nation.

Chartering a public university was one of the very first things our state leaders got around to, right after ratifying the US Constitution in 1789. They understood the fundamental importance of educating our citizens to the highest level.

That core mission is still there, but it's astounding to see all the ways that higher education has changed along with the state we serve. Every one of our public universities has a fascinating origin story, each one speaking to the unique needs of its community and its time. All of them have grown into enormously productive engines in the creation, discovery, dissemination, and application of knowledge.

They drive North Carolina's economy in everything from agriculture to aerospace technology. They provide health care, they serve as centers of art and culture, they run lab schools, they launch research vessels, and they host amazing athletic competitions. They bring in remarkable talent from all over the world and they do an incredible job of helping to keep our best and brightest in the state. Simply put, it's impossible to imagine North Carolina without these seventeen dynamic schools.

And we can't keep them vibrant and healthy without the dedicated service of leaders like you — so thank you!

As President of the UNC System, my job is to make sure that our public universities have the resources they need to be effective; to ensure that all our schools find the right balance between their unique missions and our shared responsibility to serve the whole state; and to provide the oversight and accountability that helps us keep the support of our policymakers and citizens.

That public confidence is critical. We live in a time of growing skepticism toward nearly all large institutions, from churches to business to government to media, and higher education is no

exception. The percentage of people who believe that a college education is a good investment has fallen dramatically in recent years, driven by a combination of angst over cost and debt, and what I think are fair questions about whether the education we offer is useful and relevant in a fast-changing world.

I'm proud to say that North Carolina is an outlier — a good outlier — when it comes to cost and debt. Thanks to strong state investment and a much more disciplined approach to spending, we've held tuition flat for seven straight years — soon to be eight — and the average student debt across the UNC System has declined. With the expansion of NC Promise to four schools, today's students are paying less on average than they would have several years ago. No other state in the nation can match that record.

We need to shout it from the rooftops, because cost is far and away the most important issue when it comes to convincing students and families to pursue higher education. I don't happen to think every student needs to go straight from high school into college, and I am all in favor of promising career options that don't require a four-year degree. But we never want the perception of cost to hold someone back from pursuing an education that we know — from data and experience — to be a life-changing opportunity.

The other side of the equation, of course, is value — what students can expect for their investment of time and money toward a UNC System degree. On that score, too, I'm proud to report that our universities show remarkable results. In 2021, the General Assembly commissioned a truly comprehensive study of the return-on-investment for all our degree programs — funding a deep dive to see how much each kind of degree costs at each institution, and what kind of career and earnings outcomes graduates can expect.

I have long argued that public universities have a special obligation to ensure that our offerings meet what I call a "public interest standard." That is, every student who participates in one of our degree programs in good faith, working hard and doing all that they're supposed to on the path to a degree, should expect to come out measurably better off. We've all read horror stories in the media about absurdly expensive graduate programs at private universities or low-value credentials being peddled by for-profit colleges. They drive a lot of the national negative perception of higher education.

Public universities like ours here in North Carolina must hold themselves to a higher standard — a public interest standard — and we are.

The results of that legislative ROI survey have just been completed, and they show that an incredible 94% of all the programs we offer to undergraduates across the System have a positive return on investment. That is, 680 of our 724 undergrad degree programs showed a clear and measurable financial return for their graduates. In plain English, that means we're keeping our promise to the students of North Carolina. Come to a UNC System school to study,

graduate on time, and you're almost guaranteed to leave with broader opportunities and greater ability to support a family.

Perhaps the most compelling statistic to emerge from the ROI research is that 9 out of 10 low-income graduates experience positive economic mobility, showing that our universities remain a true engine of opportunity for the students who need it most. Given the huge population of low-income and first-generation students we serve, that's an especially important part of our mission. As a first-generation college graduate, I take pride in that fact and I hope you do too.

The study also looked at measures of ROI to the taxpayers of North Carolina, like keeping graduates in-state and filling critical workforce needs. On all those fronts, we clearly show that our public universities are delivering excellent value to the state. In nearly all fields of study, 4 out of 5 graduates remain in North Carolina as they launch their careers. That's essential for our state's continued prosperity.

One aspect of this I want to emphasize is that the positive outcomes for students were seen not just in the majors you'd obviously expect, like engineering and computer science and health professions. Traditional liberal arts majors — such as English, history, philosophy — also yielded clear value to graduates. The core, classical virtues of these degrees — asking big questions about who we are, what we believe, and how we can thrive in a big, noisy, diverse democracy — are as valuable as ever. I'm intentionally referring here to the core, classical virtues which add depth to human understanding as opposed to a more contemporary, ideological strain which often competes for attention in this space.

It's a reminder that not all our degree programs lead to a highly specific job, in the way that a nursing degree or a construction management degree might. But the skills and habits of mind you learn in college are valuable across a huge range of different careers. That's especially important as we see our economy growing and shifting in ways that are hard to predict.

Most UNC System graduates are not working in a job directly related to their major. That's a sign of success rather than a shortcoming. A college education should be flexible, should be adaptable, and should hold its value across a lifetime of job changes and career transitions. That's what we're seeing, and that's the message we should share with students and parents.

I hear too much anxiety from young people about making all the right moves at an early age and immediately out of the gate in school, trying to guess which decisions will lead to picture perfect endings. We need to encourage more students to study what they love, and trust that a rigorous university education will open a range of good and well-informed choices.

It's also true, of course, that earnings and career outcomes aren't the only way to measure the value of college. We know that higher education fosters civic engagement, deepens social connections, and helps people find a sense of purpose. One of the most startling developments

in American public life is the emergence of a huge disparity in life expectancy between those with a college degree and those without, something that can't be explained by differences in income alone. You can't fully capture positive impact of higher education in any one set of numbers, and we know that.

Even as we acknowledge the broad benefits, it's still true that the vast majority of students (not to mention parents) say that the primary reason they're pursuing higher education is to get a good job and materially improve their life prospects. We have a duty to answer their ambitions and make sure we're delivering on the kind of tangible advancement we promise.

For the programs that did not show a clear and measurable ROI, we'll be working closely with campus leaders to either improve value or adjust what we're offering. The UNC System has already beefed up our policies around academic program review, meaning that campuses regularly review their degree programs to make sure they're up to a public interest standard and that their graduates are succeeding. This independent ROI study shows that the review process is working quite well, overall, and it shows us a few areas where we need to tighten our focus and take a harder look at the value proposition.

I encourage all of you to take a close look at this study and your colleagues to do the same. Yes, it's a bit wonky and takes a while to digest. As always, there are limitations with the available data. But I think it speaks to our fundamental compact with North Carolina, which is delivering a high-value education in exchange for strong public support. This kind of detailed, transparent look under the hood is how we earn trust and keep that compact strong.

Staying focused on these bread-and-butter issues is the heart of good governance, and it's not always easy. So in closing, please allow me share three broad pieces of advice as you weigh your responsibilities as trustees.

First, use the UNC System's strategic plan as a guidepost. All the long-range goals and metrics we developed as part of that plan, and in close consultation with every campus, address the fundamental promise of higher education as a source of value and opportunity. Keeping costs in check, reducing student debt, improving on-time graduation — every one of those goals is designed to show students, parents, policymakers, and the public that we're focused on our core mission. Every campus is working toward those overall goals, and we've made excellent progress. I know you'll help us build on that momentum.

Second, avoid distractions. University life is full of excitement, controversy, and all kinds of high-profile events. That's by design! Campuses are supposed to be vibrant, and they're supposed to be forums for debate about tough issues. Your job is to make sure the school stays focused on its mission, and that means you have to be disciplined in how you're spending your time and using your voice as trustees. Please avoid chasing shiny objects and maintain focus on



the mission. We earn and keep public confidence and trust when we deliver on our promises over the long haul.

Finally, be joyful and devoted advocates for your institution, and remember that we're all part of the same public System. There's a reason our universities share a governing structure, with Boards of Trustees deriving their authority from the Board of Governors, which in turn derives authority from our elected representatives. Our universities belong to the people of this state. And working together as a unified System is how we ensure that all campuses use their unique strengths to contribute to the overall mission of affordable, accessible, life-changing higher education. We are in this together, and I couldn't be more honored or more excited to work alongside you.

Thank you so much for being here. May God bless you and your work.