

President's Report to the UNC Board of Governors

September 16, 2021

Thank you, Mr. Chairman, members of the Board. I have visited several of our campuses recently and the sense of energy is palpable. The world is still complicated, of course, given the Delta variant of COVID and the continuing strain on our health care system. But with careful precautions, alongside widespread vaccination and testing, our campuses are operating with in-person instruction and something much closer to a full college experience. That's a good thing for our students. It's a good thing for North Carolina.

The disruptions of the past 18 months were to protect public health. But they've come at a cost. We know that reducing campus operations, providing fewer supports, less structure for students -- that has a real impact on both mental health and academic progress. That's why it's so heartening to see a fuller version of campus life returning. Like nearly every university across the country, we have learned how to lessen the risk of this virus while continuing to provide the life-changing education that our students need.

Now we will see Covid cases on our campuses this fall and very likely into the spring. And given the rate of spread in our state, that's inevitable. Now we will remain vigilant, but widespread free access to effective vaccines on our campuses - 100,000 administered thus far - is helping to ensure that most cases are, thankfully, mild or asymptomatic. It's clear from our testing that campuses are not major drivers of community spread and are, in fact, safer than the surrounding regions.

COVID is not going to disappear completely, unfortunately. But vaccination gets us closer to the day when this virus becomes a more manageable fact of life. And the path to becoming a routine illness depends on whether enough people globally get the vaccine to limit future mutations. Now, our best public health researchers in this System are doing all they can to bring about that day as soon as possible.

The pandemic has had a profound effect on public budgets, as we know. State lawmakers are continuing to negotiate a final budget agreement. And I won't tempt fate by making any predictions about exactly where they'll land.

But I can say that your disciplined, pragmatic approach is resonating in Raleigh. The House, the Senate, and the Governor have all endorsed your priorities for this budget, which, of course, included

enrollment growth; additional funding for NC Promise; a well-earned raise for faculty and staff; and the largest investment in repair and renovation in the University's history.

And Mr. Chairman, please allow me to say that again, the largest investment in much-needed repair and renovation in this university's history, measured in the billions of dollars. Additionally, I sense a willingness to support enhanced efforts to reach adult learners, as the board has discussed repeatedly in the Strategic Initiatives Committee. I take that as very good news. We're extraordinarily fortunate to live in a state with a long, bipartisan history of support for higher education. And I'm confident we'll see that reflected in the final budget.

I'm especially glad for the recognition of the hard work our faculty and staff have put in over the last 18 months. They've been showing up, doing their jobs under challenging circumstances. They kept vital operations running through the worst of the COVID pandemic, kept our students learning both online and in person through the disruptions of the past year and a half and provided critical public services to the communities. So thank you. Truly, thank you for all that you've done and continue to do on behalf of our students.

As to the pandemic's effects on personal budgets, if the board endorses our recommendation in the Budget Committee's guidance, then this fall will mark the sixth consecutive year with no tuition increases for in-state students. I do not believe there is another state in the country that can make that statement. It reflects our constitutional commitment and our moral obligation.

Now, I'm convinced -- from public opinion data, from years of experience, from decades of conversations with parents and students and adult learners -- that keeping costs low is the single most important thing we can do to build back public trust and promote equity in higher education.

People overwhelmingly believe that higher education opens up new doors of opportunity, and it does, but only if the total cost of attendance is within reach. Only if it's affordable. Only if people see it as affordable, and if they graduate with minimal debt so they can pursue their goals.

Now, I've been reading excerpts from the book "Debt Trap" by Josh Mitchell at The Wall Street Journal. He writes about the way that exploding student debt, a lot of it driven by questionable programs, has not only hurt individual students, but it's undermined that faith in higher education. And the more stories there are of young people struggling to pay back loans or of workers who sacrificed years of earnings for a degree that doesn't necessarily deliver career prospects they hoped for, the more people begin to question the fundamental promise of college as an engine of opportunity.

And those burdens tend to fall most heavily on poor and minority students who would benefit the most from a high-value college degree. Mitchell writes, “Instead of equalizing opportunity, student debt can reinforce the class divide.” That’s an equity issue which deserves more attention.

And I appreciate the Board’s leadership in this regard. Because that’s why you have placed so much emphasis not only on affordability, but on carefully reviewing our programs to see that they’re delivering on the promises to students; why we closely monitor graduation and debt levels; why we’re determined to design better services for working adult learners.

We have a great story to tell in North Carolina when it comes to college costs. Vigilance, steady public investment are how we keep it that way. I want to thank this Board for your rightful focus on these issues. And I want to thank lawmakers of both parties who have done so much to keep a life-changing education within the reach of every North Carolinian.

Thank you, Mr. Chairman.