

2024-2025 Tuition Review Advisory Committee

Agenda

Thursday, September 19, 2024

3:00 pm – 4:30 pm

Zoom Meeting

1. Introductions and review of committee charge [Warwick Arden, Allison Markert]
2. Discussion of historical Campus Initiated Tuition Increase including (CITI), tuition premium and peer review [W. Arden]
3. Review of 2024-2025 request and/or other communications received from the System Office [W. Arden]
4. NC State Student Body perspective [A. Markert]
5. Review of Graduate Student Data & Graduate Student Support Plan Projections [Peter Harries]
6. Review of Financial Aid data & Financial Aid projections for 2025-26 [Krista Ringler]

Next Meeting:

Tuesday, September 24: 8:30 am – 9:30 am, via Zoom



MEMORANDUM

TO: Tuition Review Advisory Committee

- Warwick Arden, Executive Vice Chancellor and Provost, Co-Chair
- Allison Markert, Student Body President, Co-Chair
- Summia Rahman, Graduate Student Body President, Graduate Student Association
- Peter Harries, Dean, Graduate School
- Mark Hoversten, Dean, College of Design
- Alina Chertock, Department Head, Chair of the Department Head Advisory Committee
- Charlie Maimone, Executive Vice Chancellor, Finance and Administration
- Herle McGowan, Chair of the Faculty
- Caroline Miranda, President, Student Senate
- Krista Ringle, Director, Scholarships & Financial Aid
- Doneka Scott, Vice Chancellor, Academic and Student Affairs

Non-Voting Members

- Helen Chen, Senior Vice Provost for Instructional Programs
- Jennifer Coltrane, Assistant Director, Systems Data and Reporting
- Barbara Moses, Associate Vice Chancellor for Budget and Resource Management
- Margery Overton, Senior Vice Provost for Institutional Strategy and Analysis
- Kelly Wick, Chief of Staff and Director of Projects and Planning

FROM: W. Randolph Woodson, Chancellor 

SUBJECT: Charge to Tuition Review Advisory Committee

DATE: September 19, 2024

Thank you for accepting an appointment to the Tuition Review Advisory Committee (TRAC). During your work this fall, I ask you to thoroughly consider tuition and its related uses for the 2025-26 academic year. Proposed increases are subject to approval by the UNC Board of Governors who "shall fix the tuition and fees, not inconsistent with actions of the General Assembly at the institutions of higher education ... in such amount or amounts as it may deem best ... " GS 116-143.

Last year, institutions were instructed by the UNC System Office (System Office) to submit a one-year (2024-25) tuition and fee plan which allowed increases for graduate resident, undergraduate and graduate non-resident students and no increase for undergraduate resident students. In addition, last year institutions were advised that premium tuitions would be accepted.

I am asking this committee to recommend a 2025-26 campus-initiated tuition increase (CITI) for my consideration. The co-chairs who will help guide the work of this year's committee are Executive Vice Chancellor and Provost Warwick Arden and Student Body President Allison Markert.

Revenue from CITI has traditionally been used to 1) enhance the student experience through quality and accessibility improvements; 2) support need-based financial aid and graduate student support; and 3) fund faculty promotional increases. The Board of Governors, in its 2014 four-year tuition and fees plan, set a 15% cap on the total tuition dollars that may be used for need-based financial aid. NC State's 2025-26 projected tuition use for need-based financial aid is below the 15% cap, and therefore we believe we will have an opportunity to use tuition towards need-based financial aid if recommended.

The work of the Tuition Review Advisory Committee is critically important. I am asking the committee to proceed with the CITI review and recommendation process focusing on resident and non-resident tuition rates for undergraduate and graduate students. I request that TRAC members perform the following functions:

- Review relevant materials relating to tuition, including guidance that comes from the UNG Board of Governors and the System Office once received.
- Review the 2024 actions on tuition increases and formulate new recommendations for a) changes in the amount of increase and for b) allocation of the additional funds that might be generated for the 2025-26 academic year.

Your recommendations should be submitted to me by October 18. I will meet with the co-chairs of this committee as well as the co-chairs of the Student Fee Review Committee to consider recommendations from both committees. I will submit the final set of 2025-26 proposed tuition and fee increase recommendations to the NC State Board of Trustees for review and final approval and subsequent submission to the Board of Governors.

The first meeting of the Tuition Review Advisory Committee is scheduled for Thursday, September 19 from 3:00 - 4:30 pm via Zoom. The subsequent meetings are scheduled for September 24 and September 30. Members will receive additional notification and materials in advance of each meeting.

Thank you again for your willingness to serve on the Tuition Review Advisory Committee.

Recent CITI

Tuition Increases

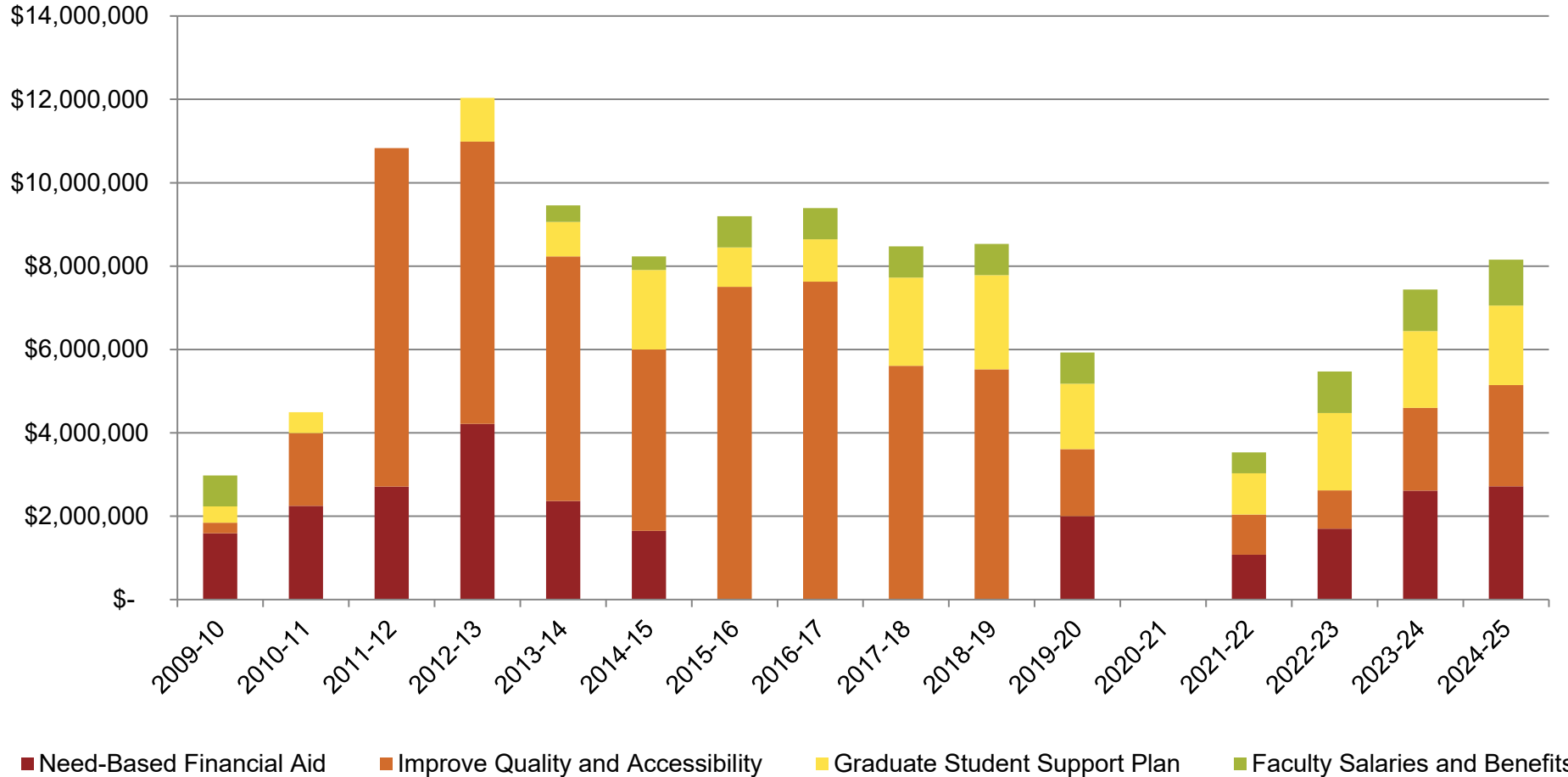
Student Category	2020-21 No Increase				2021-22 Increase				2022-23 Increase				2023-24 Increase				2024-25 Increase			
	% +	\$ +	FTEs	Total \$	% +	\$ +	FTEs	Total \$	% +	\$ +	FTEs	Total \$	% +	\$ +	FTEs	Total \$	% +	\$ +	FTEs	Total \$
UG Residents (all)																				
UG Residents (new)	0.0%	\$0	5,500	\$0	0.0%	\$0	5,500	\$0	0.0%	\$0	5,513	\$0	0.0%	\$0	5,757	\$0	0.0%	\$0	6,106	\$0
UG Residents (continuing)	0.0%	\$0	14,131	\$0	0.0%	\$0	14,747	\$0	0.0%	\$0	15,481	\$0	0.0%	\$0	15,354	\$0	0.0%	\$0	15,407	\$0
UG Non- Residents	0.0%	\$0	2,950	\$0	2.5%	\$666	2,653	\$1,766,898	3.5%	\$956	2,653	\$2,536,268	4.0%	\$1,131	2,714	\$3,069,534	4.0%	\$1,178	3,000	\$3,528,000
UG Resident per G.S. 116-143.6			N/A				N/A				N/A				N/A				N/A	
Grad Residents	0.0%	\$0	2,878	\$0	0.0%	\$0	2,886	\$0	0.0%	\$0	3,046	\$0	4.0%	\$364	3,013	\$1,096,732	4.0%	\$378	2,815	\$1,064,070
Grad Non- Residents	0.0%	\$0	3,023	\$0	2.5%	\$661	2,665	\$1,761,565	4.5%	\$1,219	2,409	\$2,936,571	4.0%	\$1,132	2,891	\$3,272,612	4.0%	\$1,177	3,028	\$3,563,956
TOTAL				\$0				\$3,528,463				\$5,472,839				\$7,438,878				\$8,156,026

Recent CITI

TRAC Approved Expenditure Categories

CITI Category	2020-21		2021-22		2022-23		2023-24		2024-25	
	% Total	Total \$	% Total	Total \$	% Total	Total \$	% Total	Total \$	% Total	Total \$
Need-Based Financial Aid	0.0%	\$0	30.6%	\$1,078,482	31.1%	\$1,703,106	35.1%	\$2,613,295	33.3%	\$2,715,423
Improve Quality and Accessibility	0.0%	\$0	27.2%	\$958,481	16.8%	\$916,853	26.7%	\$1,986,295	29.8%	\$2,428,299
Graduate Student Support Plan	0.0%	\$0	28.1%	\$991,500	33.9%	\$1,852,880	24.7%	\$1,839,288	23.4%	\$1,912,304
Faculty Salaries and Benefits	0.0%	\$0	14.2%	\$500,000	18.3%	\$1,000,000	13.4%	\$1,000,000	13.5%	\$1,100,000
TOTAL RESOURCES	0.0%	\$0	100.0%	\$3,528,463	100.0%	\$5,472,839	100.0%	\$7,438,878	100.0%	\$8,156,026

Campus-initiated Tuition Increases



In-State Undergraduates						In-state graduates					
Peer Universities	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	Peer Universities	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Michigan State University	\$15,555	\$15,966	\$16,437	\$16,930	\$16,118	Michigan State University	\$18,858	\$19,714	\$20,202	\$20,808	Depends on degree level and program
University of Illinois Urbana-Champaign	\$14,317	\$14,446	\$14,542	\$14,768	\$12,712	Rutgers University-New Brunswick	\$17,736	\$18,180	\$18,696	\$19,824	\$20,616
Rutgers University-New Brunswick	\$12,230	\$12,536	\$12,900	\$13,674	\$14,222	University of Maryland-College Park	\$13,158	\$15,360	\$16,238	\$16,560	Per credit hour
Virginia Polytechnic Institute and State University	\$11,420	\$11,750	\$12,104	\$12,698	\$13,152	University of Illinois Urbana-Champaign	\$15,016	\$14,635	\$14,891	\$15,545	\$9,368
University of California-Davis	\$11,442	\$11,442	\$11,564	\$11,834	\$13,146	Virginia Polytechnic Institute and State University	\$13,701	\$14,098	\$14,521	\$15,234	\$15,768
University of Arizona	\$10,990	\$10,990	\$11,210	\$11,546	\$12,168	Georgia Institute of Technology-Main Campus	\$14,064	\$14,570	\$14,064	\$14,064	\$14,416
Georgia Institute of Technology-Main Campus	\$10,258	\$10,258	\$10,258	\$10,258	\$10,512	University of Arizona	\$11,938	\$12,106	\$12,348	\$12,718	\$14,738
University of Maryland-College Park	\$8,824	\$9,000	\$9,695	\$9,889	\$10,087	University of California-Davis	\$11,442	\$11,442	\$11,700	\$12,264	\$12,762
Purdue University-Main Campus	\$9,208	\$9,718	\$9,718	\$9,718	\$9,718	University of Florida	\$10,770	\$10,770	\$10,770	\$10,770	Per credit hour
University of Wisconsin-Madison	\$9,273	\$9,273	\$9,273	\$9,644	\$10,006	University of Wisconsin-Madison	\$10,728	\$10,728	\$10,728	\$10,728	\$10,728
Texas A & M University-College Station	\$8,395	\$8,578	\$8,815	\$9,003	No breakout	Purdue University-Main Campus	\$9,208	\$9,718	\$9,718	\$9,718	\$9,718
North Carolina State University at Raleigh	\$6,535	\$6,535	\$6,535	\$6,535	\$6,535	North Carolina State University at Raleigh	\$9,095	\$9,095	\$9,095	\$9,459	\$9,837
University of Florida	\$4,477	\$4,477	\$4,477	\$4,477	Per credit hour	Texas A & M University-College Station	\$6,775	\$6,885	\$6,885	\$6,885	No breakout
Out-of-state undergraduates						Out-of-state graduates					
Peer Universities	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	Peer Universities	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Michigan State University	\$40,384	\$41,290	\$42,427	\$43,700	\$43,502	Michigan State University	\$37,056	\$38,638	\$39,696	\$40,884	Depends on degree level and program
University of California-Davis	\$41,196	\$41,196	\$41,636	\$42,611	\$47,346	University of Maryland-College Park	\$29,250	\$34,120	\$35,388	\$36,100	Per credit hour
University of Wisconsin-Madison	\$37,161	\$37,161	\$37,904	\$39,042	\$40,506	Rutgers University-New Brunswick	\$30,144	\$30,900	\$31,800	\$33,720	\$35,064
University of Maryland-College Park	\$34,936	\$36,683	\$37,931	\$38,690	\$39,464	University of Arizona	\$32,065	\$32,290	\$32,290	\$32,290	\$33,992
University of Arizona	\$33,273	\$33,739	\$35,628	\$37,053	\$40,520	Virginia Polytechnic Institute and State University	\$27,614	\$28,415	\$29,267	\$30,702	\$31,690
Texas A & M University-College Station	\$36,849	\$35,378	\$36,239	\$36,428	No breakout	University of Illinois Urbana-Champaign	\$27,187	\$27,674	\$29,176	\$30,348	\$20,238
University of Illinois Urbana-Champaign	\$33,824	\$34,444	\$35,122	\$35,900	\$31,832	North Carolina State University at Raleigh	\$26,421	\$27,082	\$28,301	\$29,433	\$30,610
Virginia Polytechnic Institute and State University	\$29,960	\$30,829	\$31,754	\$33,310	\$34,362	Georgia Institute of Technology-Main Campus	\$29,140	\$29,140	\$29,140	\$29,140	\$30,598
Rutgers University-New Brunswick	\$29,012	\$29,737	\$30,600	\$32,436	\$33,734	Purdue University-Main Campus	\$28,010	\$28,520	\$28,520	\$28,520	\$28,520
Georgia Institute of Technology-Main Campus	\$31,370	\$31,370	\$31,370	\$31,370	\$32,938	University of California-Davis	\$26,544	\$26,544	\$26,802	\$27,366	\$27,864
North Carolina State University at Raleigh	\$26,654	\$27,320	\$28,276	\$29,407	\$30,583	University of Florida	\$27,335	\$27,335	\$27,335	\$27,335	Per credit hour
Purdue University-Main Campus	\$28,010	\$28,520	\$28,520	\$28,520	\$28,520	University of Wisconsin-Madison	\$24,054	\$24,054	\$24,054	\$24,054	\$24,054
University of Florida	\$25,694	\$25,694	\$25,694	\$25,694	Per credit hour	Texas A & M University-College Station	\$19,048	\$19,592	\$19,593	\$19,882	No breakout

Note: 2020-2021 through 2023-2024 figures are IPEDS average tuition and fees by institution. 2024-2025 figures are published tuition and fees, where obtainable, with hyperlinks to source information. Sorting is by 2023-2024 figures.

Memorandum

To: Chancellors
Chiefs of Staff
Chief Academic Officers
Chief Financial Officers

From: Jennifer Haygood *JH*
Senior Vice President for Finance & Administration and CFO

Date: September 18, 2024

Subject: Proposals for 2025-26 Campus-Initiated Tuition and Fee Adjustments

President Hans and the University of North Carolina Board of Governors are committed to promoting accessibility and affordability of higher education for all North Carolinians. As student costs have risen across the higher education sector, costs facing students in the University of North Carolina System have stayed low compared to peer institutions and national trends. Student debt levels have fallen by 30 percent in recent years, and undergraduate tuition and fees have fallen by more than a \$1,000 in real dollar terms over the last decade. For the ninth consecutive year, resident undergraduate tuition will remain unchanged – a remarkable feat in an era of stiff inflation. This commitment to affordability requires universities to keep operating costs low while maintaining a high quality of education. With this commitment in mind, the Board will consider 2025-26 campus-initiated tuition and fee increases in the situations outlined below.

Attached are guidelines for your use in submitting requests for changes in tuition and fee rates, effective for the Fall Term 2025. After campus proposals are reviewed by the president and his staff, they will be presented to the Board in January and will be considered for approval at the Board's February meeting. The guidance outlined in this memo is based on recommendations of the president and the Board, the UNC policies 1000.1.1 and 1000.1.2 – *Policy on Tuition Rates* (Attachment 1) and *Policy on Student Fees* (Attachment 2).

Undergraduate Tuition

- **No tuition increases are allowed for resident undergraduate students.** Combined tuition and fee rates for undergraduate residents shall continue to remain in the bottom quartile of an institution's public peers. Looking ahead, institutions can become eligible to propose a resident undergraduate tuition increase in 2026-27 by completing a process that results in significant strategic resource realignment or reduction. Further guidance will be forthcoming about how an institution can demonstrate it has met this standard.
- **Increases are allowed for nonresident undergraduate students.** Combined tuition and fee rates for these undergraduate nonresidents should be market driven and reflect the full cost of providing a quality education. Proposals for increases must justify both the need for the increase and why it is not expected to negatively impact enrollment. In addition, a goal of each campus should be setting

nonresident rates at or above the third quartile of each institution's public peers. For FY2025-26, tuition increases may not be used to fund increases in financial aid.

Graduate and Professional School Tuition

The Board will consider school-based and campus-initiated changes for tuition for graduate and professional degree and certificate programs that have been approved by the Board of Governors. Institutions must use the Board's tuition and fee policy as a guideline in developing recommendations for establishing graduate and professional school tuition rates.

The tuition and fee policy states, "Graduate and professional schools should establish rates consistent with each program's unique market and academic requirements." Tuition for graduate and professional students will be set with an emphasis on maintaining and increasing the excellence of the institution's graduate and professional programs, as well as ensuring access. Proposals for increases must justify both the need for the increase and why it is not expected to negatively impact enrollment. Please do not submit requests for school-based tuition for graduate programs that have not been previously approved by the Board of Governors. For FY2025-26, tuition increases may not be used to fund increases in financial aid.

NC Promise Institutions (ECSU, FSU, UNCP, and WCU)

The 2016 North Carolina General Assembly set up a tuition buy-down program for Elizabeth City State University, University of North Carolina at Pembroke, and Western Carolina University that began with the 2018-19 academic year. Fayetteville State University was later added to the program beginning in the 2022-23 academic year. The 2025-26 tuition for undergraduate residents will be \$500 per semester and \$2,500 per semester for undergraduate nonresidents. The cost of the foregone tuition receipts will be offset by an appropriation to increase the UNC System budget, subject to funding availability. Changes to the buy-down rate will be considered during the budget allocation process.

ALL TUITION CHANGE PROPOSALS MUST BE ACCOMPANIED BY A DETAILED JUSTIFICATION ON THE USE OF THE INCREASED FUNDS.

Mandatory Fees (including debt service fees)

In accordance with UNC Board policy, the Board of Governors is responsible for establishing fees at the constituent institutions of the UNC System consistent with the philosophy set forth in the North Carolina Constitution. Fees will be charged only for limited, dedicated purposes and shall not be used to defray the cost of general academic and administrative operations of campuses, including academic programs and faculty and administrative salaries and benefits.

For 2025-26, the Board of Governors will consider increases to mandatory fees subject to the 3 percent statutory cap that are critical to maintaining core activities supported by the fee. The Board of Governors will not consider fee increases intended to support any expansion of services and will not consider increases that are non-critical.

Notwithstanding the above, increases may be proposed that are offset by a commensurate decrease to another fee. This flexibility does not extend to debt service fees that would otherwise be scheduled to sunset because the associated debt service has been paid in full.

All increase proposals must be accompanied by an expenditure plan showing how the additional revenues are critically important for the fee-supported activity, including a description of why alternative sources

or expenditure reductions are insufficient for addressing the needs of the fee-supported activity. Decrease proposals must describe the impact of the reduced revenues. The expenditure plan will be reviewed to ensure that it meets the following criteria:

■ **Revenues**

- Is the number of student FTE used to estimate FY26 revenues reasonable given current enrollment data?
- Is the amount of “Other Revenues” budgeted for FY26 reasonable given historic trends and any other known factors?

■ **Expenditures**

- Are expenditures increasing for reasons other than required legislative salary increases, benefit rate changes, and other reasonable inflationary adjustments?
- If so, is the rationale for the additional expenditures adequately justified and aligned with BOG priorities?

■ **Fund Balance**

- Is the fee expected to generate revenues that exceed expenditures?
- Does the fund balance exceed 6 months of annual expenditures? If so, is there a plan for using the fund balance in the future?

Special Fees

Special fees are only applicable to students engaged in particular activities or courses of study. These fees may not be used to supplement general academic revenues that will be provided from campus-initiated tuition increases. Increases to existing special fees will only be considered if it is critical to cover inflationary cost increases associated with an existing fee. Expenditure plans will be reviewed to ensure that they meet the criteria listed in the above section. Only well-justified proposals will be approved.

New special fees may only be proposed for newly approved programs. New special fees for existing programs will not be considered.

Application Fees

Application fees shall remain at the established rates for each institution.

Student Involvement and Use of Funds

Tuition and fee proposals must be accompanied by the *Student Involvement in Tuition and Fee Setting Process* form (Attachment 3). Additional information from your institution supporting your student involvement may also be transmitted with your tuition and fee package.

Attachments

Please see a list of attachments below needed for completion of the tuition and fee cycle for the 2025-26 academic year.

Completion Date

We appreciate your efforts in providing the requested information. Tuition and fee packages are due by **Friday, December 6, 2024**. In addition to any correspondence sent to the UNC System Office, please contact Aubrey Clark-Brown (aclarkbrown@northcarolina.edu) if you have any questions about the process and email him the completed Excel workbook of your tuition and fee package. Campus summary

MEMO: 2025-26 Tuition and Fee Adjustments

September 18, 2024

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information must also be entered into the NCHED web-based system.

Thank you for your assistance.

Att. 1: *Policy on Tuition Rates* – UNC Policy Manual 1000.1.1

Att. 2: *Policy on Student Fees* – UNC Policy Manual 1000.1.2

Att. 3: *Student Involvement in the Tuition and Fee Setting Process*

Other Attachments: Excel Workbook Supporting Tuition and Fee Requests

NCHED Tuition and Fees User Manual (for data entry into web-based system)

(Emailed separately to the Budget Officers)

cc: President Peter Hans

Chief Operating Officer Michael Vollmer

Chief of Staff Norma Houston

Senior Vice President David English

Vice President Brandy Andrews

Assistant Vice President Aubrey Clark-Brown